Marketing of the PRM Renewal Coverages

Property – This year we have managed to obtain a good renewal on the PRM property program as well as obtaining some enhanced coverages, ($50 Mil Earthquake, $10mil Flood Zones A & V for Misc. Unnamed Locations, $10mil flood Zones A & V for Automatic Acquisition, Major point for those affected is the reduction of Named Windstorm deductible to 3%. Berkshire Hathaway and Lexington on Program, the two big heavyweights. PRM is the only program both carriers would support.

Liability – PRM Liability Program was Extensively marketed this year and although we did see some increases in rate, the current Liability carrier AmTrust still proved to be the most competitive . PRM did increase their SIR to from $100,000 to $200,000 but still there are very few carriers willing to write at even $200,000.

WC – As with Liability PRM extensively marketed the WC program as well. Good proposals from Brit & Markel but they are unable to quote lower than $500,000 attachment. Keeping the SIR at $100,000 for PRM limits any potential downside. We may have to increase the SIR next year but as the liability has increased it is better to leave the WC where it is for now.

Exposure Changes

Exposure changes are important as increased exposures directly correlate to increased premiums. For example, if the payroll increases 5% over last year the premium would also increase 5% BEFORE we even begin to look at the loss record, loss funding and excess WC premiums.

PRM uses the Total Insured Values for the property and the payroll for Liability and WC.

That said, other factors such as # of vehicles, # of employees are also looked at on the liability, but a rate is generated using the payroll.

Loss Funding

Like everyone in the municipal world we are now seeing the effects of the Statutory Immunity limits being increased to $200,000 person / $300,000 occurrence. **The actuaries and the reinsurance carriers are seeing development in the liability losses more than they were before the increase**. This caused the carriers to increase PRM's attachment point to $200,000. **In turn this caused PRM to increase funding for the $200,000 layer they retain.**

PRM reviews your entity's loss record for the last 3 to 5 years to see if the loss frequency and severity has changed. Any deterioration also increases the need to fund more for PRM's retention.

We are still seeing increased liability costs due to the downturn in the economy since 2008. On the WC side increased medical costs continue to drive up claims and consequently the need for increased funding.

PRM 2014 RENEWAL EXPOSURES COMPARISON

Belleair

EXPOSURE	2013/2014	2014/2015	% CHANGE
PROPERTY VALUES			
BUILDING	8,614,400	12,839,070	
CONTENTS	1,642,500	1,981,900	
DECLARED/PROPERTY IN OPEN	924,900	938,700	
EDP (EQUIPMENT/HARDWARE)	378,445	382,900	
BUSINESS INTERRUPTION/EXTRA EXP	2,101,000	2,101,000	
EQUIPMENT	367,000	381,315	
AUTOMOBILES	875,689	621,233	
RENTAL	0	0	
MISC PROPERTY/ACCOUNTS RECEIVABLE	0	0	
TOTAL INSURED VALUES	**14,903,934**	**19,246,118**	**29.1%**
VEHICLES			
CARS (NON-EMERGENCY)	8	9	
CARS (EMERGENCY)	6	6	
TRUCKS (LIGHT)	6	7	
TRUCKS (MEDIUM)	4	6	
TRUCKS (HEAVY)	6	7	
TRUCKS (EXTRA HEAVY)	0	0	
FIRETRUCKS	0	0	
BUSES	0	0	
VANS	1	1	
AMBULANCE/RESCUE	0	0	
MOTORCYCLES	0	2	
TRAILERS	1	1	
MISC AUTOS	0	0	
TOTAL VEHICLES	**32**	**39**	**21.9%**
# WATERCRAFT	0	0	
AVG # EMPLOYEES PER TRIP	0	0	
# AIRCRAFT	0	0	
AVG # EMPLOYEES PER TRIP	0	0	
PERSONNEL/OPERATIONS			
# ARMED POLICE	17	17	
# FIREMEN (INCLUDING EMTs)	0	0	
# EMTs/FIREMEN (INCLUDED ABOVE)	0	0	
# EMTs (1st RESPONDERS)	0	0	
# EMTs (BASIC LIFE SUPPORT)	0	0	
# EMTs (ADVANCED LIFE SUPPORT)	0	0	
# EMPLOYEES	60	60	
# VOLUNTEERS (NOT INCL. FIREMEN)	0	0	
GROSS OPERATING EXPENDITURES	17,611,208	14,903,765	-15.4%
NET OPERATING EXPENDITURES	17,411,208	8,217,765	-52.8%
POPULATION	3,869	3,795	

PRM 2014 RENEWAL WC EXPOSURES COMPARISON

Belleair

DESCRIPTION	CODE	2013/2014	2014/2015
Street Or Road Paving	5509	288,000	123,600
Waterworks Operation & Drivers	7520	421,000	425,000
Police Officers & Drivers	7720	849,000	885,700
Clerical/Office Employees	8810	670,000	987,000
Building Maintenance By Owner	9015	51,000	57,900
Park NOC - All Employees & Drivers	9102	375,000	451,800
Garbage/Ash/Refuse Collection & Drivers	9403	211,000	204,500
Municipal, Township, County or State Employee	9410	71,000	0
PAYROLL TOTALS		**2,936,000**	**3,135,500**
% CHANGE FROM 2013 TO 2014			***6.8%***
EXPERIENCE MOD		**1.37**	**1.37**

PUBLIC RISK MANAGEMENT OF FLORIDA

over 25 years

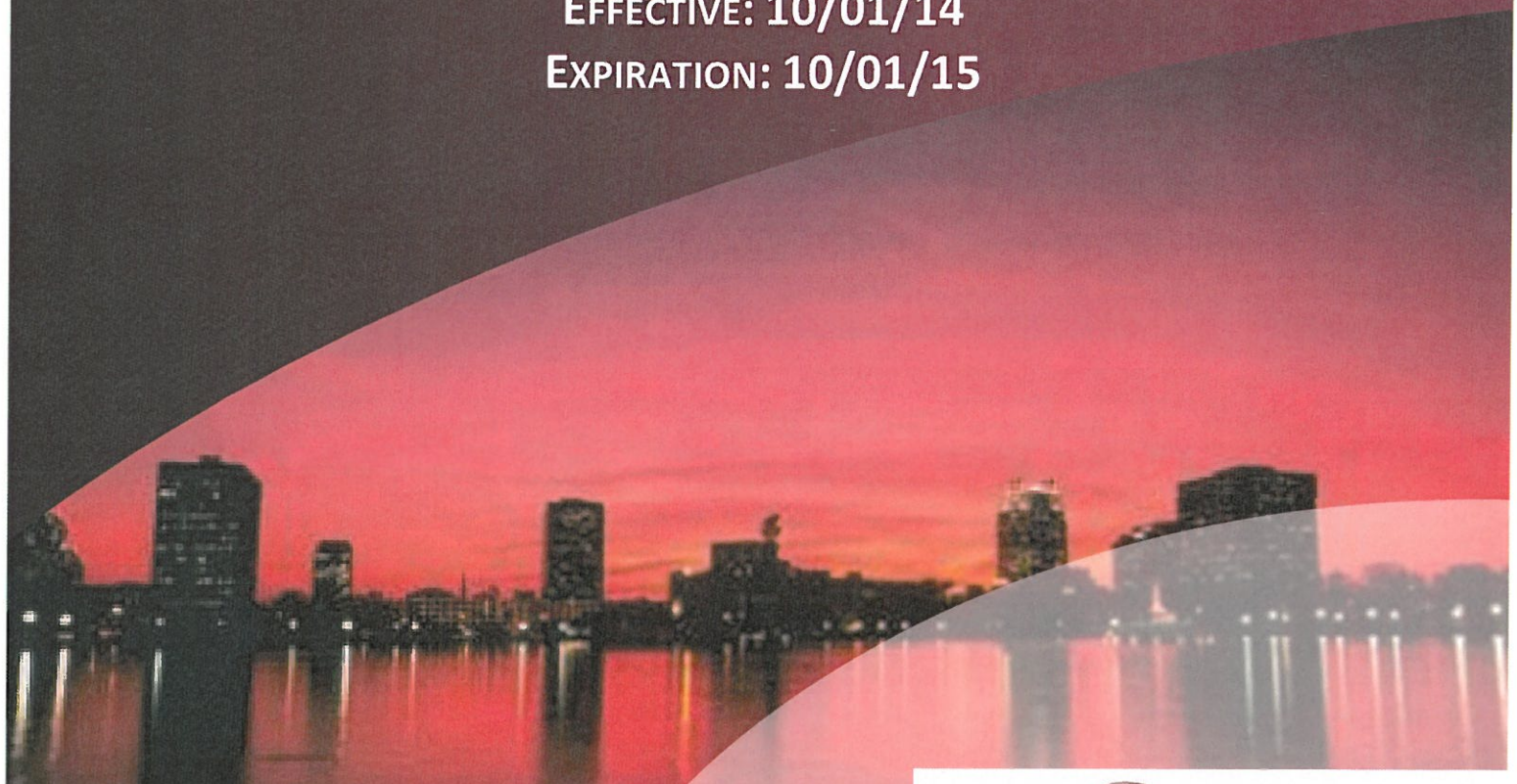
Serving Florida Public Entities

TOWN OF BELLEAIR

RENEWAL PROPOSAL FOR PROPERTY & CASUALTY INSURANCE COVERAGE

EFFECTIVE: 10/01/14

EXPIRATION: 10/01/15



WORLD RISK MANAGEMENT, LLC

THIS DOCUMENT IN ITS ENTIRETY IS CONFIDENTIAL & PRIVILEGED
PROPRIETARY DOCUMENTATION-NOT PUBLIC RECORD

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Named Insured

NAMED INSURED AND MAILING ADDRESS
Town of Belleair 901 Ponce De Leon Blvd. Belleair, Florida 33756

This proposal contains most terms, conditions, limits and deductibles provided under the program. However, refer to the PRM Coverage Document for specific and complete terms and conditions.

Prepared by:

World Risk Management, LLC
20 North Orange Avenue, Suite 500
Orlando FL 32801

(407) 445-2414 Phone
(407) 445-2868 Fax
(888) 501-0014 Toll Free

Date Presented: August 20, 2014

www.wrmllc.com

Executive Summary

Who We Are

The WRM ownership/management brings over 100 combined years of insurance industry intellectual capital to our clients dedicated to Public Entity Risk Management and insurance solutions. Knowing that broad insurance resources and strong market relationships are essential, along with industry expertise and experience, WRM tactically sought out well-respected industry talent, with solid reputations and stellar track records to join our leadership ranks.

WRM is a member of Ballator Insurance Group, formerly Accretive Insurance Services. Ballator provides insurance program development, pool creation and underwriting, pool administration services and insurance placement to both the Public Entity and Non-Profit sectors.

WRM employs a highly professional staff that has a proven record of identifying and satisfying client's needs. WRM's team commitment is reflected in a combined risk management knowledge and experience.

What We Do

We bring fresh and innovative ideas into the insurance industry. WRM uses our ability of being a "Boutique Broker" to take advantage of the ever changing insurance market opportunities. WRM has the expertise that most small private agents and brokers do not have, and the large publicly traded brokers cannot take advantage of due to their size and corporate structure.
WRM offers clients a thorough and meticulous insurance need analysis, plus delivers competitive cutting edge products and services from nationally recognized insurance carriers based on realistic and reasonable fee and/or commissions. WRM's dedicated Management/Service Team is recognized throughout the industry for their commitment to providing clients with prompt responses and solutions.

Our Reputation

WRM's management team has an industry wide reputation for professionalism, quality service, knowledge, and client involvement on a daily basis at all levels, plus a genuine commitment to protect and shield employees and property of public entity groups and other businesses. WRM believes in its ability to lead in the field of risk management and loss management and provide innovative solutions.

Our Corporate Partners

World Risk Management along with its partner companies' mission is to maintain success through commitment, honest and timely communication, vision innovation and customer satisfaction.

Ballator Insurance Group:
World Risk Management, LLC
First Florida Insurance Brokers
Non Profit Insurance Services

Property & Crime Insurance Proposal

	PROPERTY
COMPANY	Public Risk Management of Florida
TOTAL INSURED VALUES	$ 19,246,118
POLICY PERIOD	10/01/14 to 10/01/15
ASSOCIATION LIMITS	
▸ AOP	$500,000,000 Per Occurrence: All Perils, Coverage's and Insured's/Members combined subject to following sub-limits:
▸ Flood Limit	$50,000,000 per occurrence & in the annual Aggregate
▸ Flood Sublimit	$10,000,000 per occurrence Miscellaneous Unnamed Locations, except $5,000,000 for locations in Zones A & V.
▸ Earthquake Limit	$25,000,000 per occurrence & in the annual Aggregate for Earthquake Shock
▸ Wind/Hail Limit	$75,000,000 per occurrence Named Windstorm
DEDUCTIBLES [ALL RISK BASIC DEDUCTIBLE]	
▸ Member Deductible	$1,000 all perils, except Named Windstorm
▸ Named Windstorm Deductible	5% per affected building values shall apply
▸ Flood Zones A or V	5% Per Building/$1,000,000 Minimum Per Occurrence

Property & Crime Insurance Proposal

ASSOCIATION SUBLIMITS [NOT ALL INCLUSIVE…]	
Business Interruption Limit (Included in Policy limits)	$100,000,000 Scheduled Combined BI, Rental Income and Tax Interruption, excludes unscheduled
Extra Expense Limit	$50,000,000
Extended Period of Indemnity Limit	180 days
Automatic Acquisition Limit	$25,000,000
Automatic Acquisition Limit in Flood Zones A & V	$5,000,000
Scheduled Landscaping Limit	$5,000,000
Errors & Omissions Limit	$25,000,000
Course of Construction Limit	$50,000,000
Unscheduled Fine Arts Limit	$2,500,000
Accidental Contamination Limit (Land)	$250,000/$500,000
Miscellaneous Unnamed Locations	$25,000,000
Misc Unnamed in Flood Zones A&V	$5,000,000
Money & Securities – Property Coverage	$2,500,000
Increased Cost of Construction Limit/Ordinance or Law	$25,000,000 Maximum
Transit Limit	$25,000,000
Animals Limit	$2,500,000
Co insurance clause	None
Auto Physical Damage	Actual Cash Value
Equipment/Inland Marine	Replacement Cost Value
Employees Tools	Covered if scheduled as contents $50,000 per member
Watercraft Limit up to 27 feet	$2,500,000
Off Premises Service Interruption Limit	$25,000,000
EQ Limit (Vehicles, CE & Fine Art)	$5,000,000
Flood Limit (Vehicles, CE & Fine Art)	$5,000,000
Contingent Business Interruption Limit	$3,000,000
Jewelry, Furs, & Precious Metals Limit	$500,000
Claims Preparation Limit	$1,000,000
All Risk Expediting Expense Limit	$10,000,000
Personal Property Limit (Outside US)	$1,000,000
Exclusions included but not limited to:	Mold, Terrorism, Rust, Wet or Dry Rot, Land and Land Values

Rating Exposures

	PROPERTY INFORMATION	
TOTAL INSURANCE VALUES:	**2013-2014**	**2014-2015**
TOTAL BUILDING VALUES	$8,614,400	$12,839,070
TOTAL CONTENT VALUES	$1,642,500	$1,981,900
DECLARED/PROP IN OPEN	$924,900	$938,700
EDP Equipment (Hardware)	$378,445	$382,900
BUSINESS INTERRUPTION/ EXTRA EXPENSE	$2,101,000	$2,101,000
EQUIPMENT VALUES	$367,000	$381,315
AUTOMOBILE VALUES	$875,689	$621,233
RENTAL VALUES	$0	$0
MISCELLANEOUS PROPERTY	$0	$0
TOTAL INSURABLE VALUES	$14,903,934	$19,246,118

Property & Crime Insurance Proposal

	CRIME	
POLICY PERIOD	October 1, 2014 to October 1, 2015	
COMPANY	Public Risk Management of Florida	
LIMIT	▸ Employee Theft-Per Loss Coverage	$500,000
	▸ Forgery or Alteration	$500,000
	▸ Inside Premises-Theft of Money & Securities	$500,000
	▸ Inside Premises-Robbery, Safe Burglary-Other Prop	$500,000
	▸ Outside the Premises	$500,000
	▸ Computer Fraud	$500,000
	▸ Funds Transfer Fraud	$500,000
	▸ Money Orders and Counterfeit Paper Currency	$500,000
DEDUCTIBLES	▸ Employee Theft-Per Loss Coverage	$1,000
	▸ Forgery or Alteration	$1,000
	▸ Inside Premises-Theft of Money & Securities	$1,000
	▸ Inside Premises-Robbery, Safe Burglary-Other Prop	$1,000
	▸ Outside the Premises	$1,000
	▸ Computer Fraud	$1,000
	▸ Funds Transfer Fraud	$1,000
	▸ Money Orders and Counterfeit Paper Currency	$1,000
CONDITIONS [NOT ALL INCLUSIVE]	▸ Faithful Performance of Duty Included ▸ 45 Day notice of cancellation/10 days non-payment ▸ 60 Day loss report requirement ▸ No Minimum Earned Premium	

AL/GL/E&O Insurance Proposal

	GENERAL LIABILITY
POLICY PERIOD	October 1, 2014 to October 1, 2015
COMPANY	Public Risk Management of Florida
LIMIT OF LIABILITY	▸ $2,000,000 per Occurrence
DEDUCTIBLE	▸ N/A
COVERAGE PROVIDED PER PRM COVERAGE DOCUMENT.	Coverage is including, but not limited to, the following: ▸ Employee Benefit Liability ▸ Law Enforcement Liability ▸ Miscellaneous Professional
TERMS TO INCLUDE	▸ Bodily Injury/Property Damage ▸ Mental Injury ▸ Mental Anguish ▸ Shock ▸ False Arrest ▸ False Imprisonment ▸ Detention ▸ Malicious Prosecution ▸ Invasion of Rights of Privacy ▸ Assault & Battery ▸ Blanket Contractual-Hold Harmless Agreement included for Governmental & Non-Governmental entities ▸ Includes Property in the Care, Custody, & Control of the entity ▸ Host & Liquor Liability ▸ EMT/Paramedical covered ▸ Law Enforcement Activities
EXCLUSIONS INCLUDED [BUT NOT LIMITED TO]	▸ Aircraft Liability ▸ Medical Payments (Not Legal Liability) ▸ War, Nuclear Hazards ▸ Product Recall, Tampering or Guarantee

AL/GL/E&O Insurance Proposal

	AUTO LIABILITY
POLICY PERIOD	October 1, 2014 to October 1, 2015
COMPANY	Public Risk Management of Florida
LIMIT OF LIABILITY	▸ $2,000,000 Per Member*
DEDUCTIBLE	▸ None
COVERAGE PROVIDED PER PRM COVERAGE DOCUMENT.	Coverage is including, but not limited to, the following: ▸ Personal Injury Protection (Statutory Minimum) ▸ Hired / Non-Owned Auto Coverage (included) ▸ Hired / Non-Owned Physical Damage (included)
EXCLUSIONS [INCLUDING BUT NOT LIMITED TO]	▸ Medical Payments, Uninsured Motorist coverage. ▸ Auto Physical Damage covered under Property Coverage

	PUBLIC OFFICIALS LIABILITY – CLAIMS MADE
POLICY PERIOD	October 1, 2014 to October 1, 2015
RETROACTIVE DATE	10/01/1992
COMPANY	Public Risk Management of Florida
DEDUCTIBLE	▸ N/A
LIMIT OF LIABILITY	▸ $2,000,000 per Claim ▸ $6,000,000 Aggregate Per Member* *Both POL and EPLI is subject to a per member combined aggregate of $6,000,000
EMPLOYMENT PRACTICES LIABILITY	▸ $2,000,000 per Claim ▸ $6,000,000 Aggregate Per Member* *Both POL and EPLI is subject to a per member combined aggregate of $6,000,000
COVERAGE [INCLUDING BUT NOT LIMITED TO]	▸ Wrongful Acts of Public Officials ▸ Negligence ▸ Errors and Omissions ▸ Sexual Harassment ▸ Breaches of Duty ▸ Misfeasance, Malfeasance, and Nonfeasance ▸ Elected Officials, Appointed Officers

Workers' Compensation Insurance Proposal

	WORKERS' COMPENSATION & EMPLOYERS' LIABILITY
POLICY PERIOD	October 1, 2014 to October 1, 2015
COMPANY	Public Risk Management of Florida
DEDUCTIBLE	▸ NONE
LIMIT OF LIABILITY	Statutory for Worker's Compensation $3,000,000 Employer's Liability Insurance
TERMS & CONDITIONS	▸ Maritime Coverage Endorsement ▸ Broad Form All States ▸ Voluntary Compensation Endorsement
SUBJECT TO	▸ Annual Policy Audit: 10/01/13 – 10/01/14 payroll

Workers Compensation Exposures

DESCRIPTION	CLASS CODE	PAYROLL	PAYROLL
		2013-2014	2014-2015
Street or Road Paving	5509	$288,000	$123,600
Waterworks OP & Drivers	7520	$421,000	$425,000
Police Officer & Driver	7720	$849,000	$885,700
Clerical	8810	$670,000	$987,000
Building Maintenance by Owner	9015	$51,000	$57,900
Parks NOC All & Driver	9102	$375,000	$451,800
Garbage/Ash/Refuse Collect & Driver	9403	$211,000	$204,500
Municipal/Town/County State NOC	9410	$71,000	$0
Irrigation Workers	251		
	Total Payroll	**$2,936,000**	**$3,135,500**

Ancillary Coverages

BOILER & MACHINERY	
NAMED INSURED	Public Risk Management of Florida
Policy Period	October 1, 2014 to October 1, 2015
COMPANY	Travelers EnergyMax 21 Equipment Breakdown
COVERAGE	Provides insurance for a covered loss as a result of an accident for a covered object. The right to inspect is reserved by the company for the well-being of the insured, as well as for compliance with state and/or local statutes
POLICY FORM	Comprehensive form covering boilers, pressure vessel, electrical machines including air conditioning, refrigeration equipment, electrical apparatus and electrical computer or electronic data processing equipment including production machines (Form BM002)
COVERAGES INCLUDE	Property Damage, Ordinance or Law, Errors and Omissions, Business Income, Extra Expense, Utility Interruption, Spoilage, Expediting Expenses, Contingent & Business Income
COVERED LOCATIONS	Blanket locations per statement of values on file with carrier
VALUATION	Repair and/or Replacement except Actual Cash Value applies to all equipment 20 years or older

POLICY PERIOD	October 1, 2014 to October 1, 2015
CARRIER	Public Risk Management
LIMIT PER ACCIDENT	$50,000,000
DEDUCTIBLES [NOT ALL INCLUSIVE]	▸ $10,000 Transformer KVA and over/$1,000 All other objects
ASSOCIATION SUBLIMITS [NOT ALL INCLUSIVE]	▸ Expediting Expense — Policy Limit ▸ Refrigerant Contamination — Policy Limit ▸ Water Damage — Policy Limit ▸ Hazardous Substance — $2,000,000 ▸ Demolition/Increased Cost — $1,000,000 ▸ Media — $500,000 ▸ Errors in Description — Policy Limit ▸ Newly Acquired Location — Policy Limit ▸ Contingent Business Interruption/Extra Expense — $250,000 ▸ Ordinance or Law incl. Demolition — $1,000,000
COVERAGE EXTENSIONS [INCLUDING BUT NOT LIMITED TO]	▸ Broad Comprehensive Coverage (Including certain electronic control equipment) ▸ Repair or Replacement Value ▸ Business Interruption/Extra Expense at Policy Limit ▸ Refrigeration Interruption (Spoilage) at Policy Limit ▸ Service Interruption at Policy Limit-Excludes Property Perils-4 hour waiting period. ▸ Joint Loss Agreement at Policy Limit ▸ Expanded Electronic Computer Control at Policy Limit
MAJOR PERILS EXCLUDED	▸ Freeze ▸ Flood ▸ Earthquake ▸ Lightning ▸ EC Perils ▸ Furnace explosion excluded

Ancillary Coverages

EXCESS LIABILITY	
Named Insured	Public Risk Management of Florida
COMPANY	Public Risk Management of Florida
COVERAGE	Excess Liability – See Coverages below
COVERAGES INCLUDED	General Liability, Law Enforcement Liability, Employee Benefits Liability, Automobile Liability, Errors & Omissions Liability, Employment Practices Liability
COVERAGE EXCLUSIONS	Abuse or Molestation Exclusion Airport Liability Exclusion Dams, Levees, Dikes, or Reservoirs Exclusion Employers Liability Exclusion Failure to Supply Exclusion-Utilities Property Damage Exclusion-Real &/or Personal Property Wharfingers' Liability Exclusion Asbestos Exclusion Pollution Liability Exclusion – Hostile Fire Coverage Fungi or Bacteria Exclusion War Exclusion Workers Compensation Exclusion Automobile First Party Coverage Exclusion Nursing Home Exclusion Silica or Dust Exclusion Terrorist Activity Exclusion

Line of Coverage	Limit	Excess of Limits	Coverage Trigger
General Liability including Law Enforcement Legal	$3,000,000	$2,000,000	Per Occurrence
Employee Benefit Liability	$3,000,000	$2,000,000	Per Claim
Automobile Liability	$3,000,000	$2,000,000	Per Accident
Miscellaneous Professional	$3,000,000	$2,000,000	Per Claim
Employment Practices Liability	$3,000,000	$2,000,000	Per Claim

***$3,000,000 combined XS Liability Aggregate applies per member**

Ancillary Coverages

Pollution and Remediation Legal Liability

QUOTE SUMMARY

Limits of Liability: Each POLLUTION CONDITION	$1,000,000
Limits of Liability: Association Aggregate Liability	$21,000,000
Self Insured Retention Amount: Each POLLUTION CONDITION	$25,000

RETROACTIVE DATE: per Specimen Endorsement PARL6 015a

REVERSE RETROACTIVE DATE: Not Applicable

The above quotation does include a premium for Certified Acts of Terrorism coverage, which we are required to offer for certified losses under the Terrorism Risk Insurance Act of 2002, as amended. The additional premium for this coverage, which is optional, is shown on the Terrorism Quote Summary.

Other Acts of Terrorism coverage is included in this policy regardless of whether Certified Acts of Terrorism coverage is purchased.

Exposure Comparison

EXPOSURE	2013/2014	2014-2015	% CHANGE
PROPERTY TIV	$14,903,934.00	$19,246,118	29%
NUMBER OF AUTOMOBILES	32	39	22%
NUMBER OF EMPLOYEE	60	60	0%
TOTAL PAYROLL	$2,936,000.00	$3,135,500	7%

Historical Premiums

Town of Belleair
HISTORICAL PREMIUMS

Year	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	Increase/ Decrease
Premium	$217,996	$145,246	$148,149	$154,075	$154,075	$172,564	$206,213	-5.4%

It is important to note that while Town of Belleair, and all members of PRM, are experiencing an increase in rates and premiums, the 2014-2015 Renewal Premium is still -5.4% BELOW the premiums paid by the Town in 2008.

WRM and PRM are very sensitive to financial issues that face Florida Public Entities. Together we do our very best to market all coverages each year, analyze losses, work with actuaries to establish correct loss funding and research all alternative structures/programs/carriers, etc. to ensure that PRM has the most comprehensive coverages at the most competitive price.