

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2011	2012	2013	2014	2015
Capital Expenditures					
Operating Costs	<u>\$5,562,500</u>	<u>\$ 5,562,500</u>			
External Revenues					
Program Income (County)	-----	-----	-----	-----	-----
In Kind Match (County)	-----	-----	-----	-----	-----
NET FISCAL IMPACT	<u>\$ 5,562,500</u>	<u>\$ 5,562,500</u>			
# ADDITIONAL FTE POSITIONS (Cumulative)	-----0----	-----	-----	-----	-----

Is Item Included In Current Budget? Yes No.
 Budget Account No.: Fund see below Agency Org. Object 4501
 Reporting Category _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

Funding is provided by the following funds:
 Fund 5010 @ \$ 8,635,775 (Risk Management)
 Fund 4100 @ \$ 2,049,225 (Airports)
 Fund 1450 @ \$ 440,000 (Convention Center)

C. Departmental Fiscal Review: Gary K...

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Administration Comments:

N. ... 2/28/11
 VA 2/28/11
 DASH
 AP
 OFMB
 SN 2/28/11
 2/28/11
Dr. J. Jacobson 3/1/11
 Contract Administration

B. Legal Sufficiency:

Jerry ... 3/1/11
 Assistant County Attorney

C. Other Department Review:

 Department Director

This summary is not to be used as a basis for payment.

Background and Justification:

The current \$200 million (only \$100 million of which includes coverage for “wind”) structuring of coverage was based upon a variety of factors including probable maximum loss (PML) estimates, as well as the affordability and availability of insurance. A February 2011 updated hurricane catastrophe analysis was again commissioned by Arthur J. Gallagher Risk Management Services, Inc. The average of two separate catastrophe models produced an estimated “Gross Loss including Demand Surge” PML of approximately \$100 million at the “100 year storm” level of risk. “Gross Loss” is the estimated insured damage and “Demand Surge” factors in the impact of the post event inflation of building materials and labor. It should be noted that the combined insured losses of Frances & Jeanne were \$3.3 million and insured losses from Wilma were \$6.5 million. These results provide a reasonable level of comfort that \$100 million of “wind” coverage is a sufficient amount of coverage to purchase for the coming policy year. Property limits of \$200 million for loss by other than “wind” will continue to cover facilities with replacement values in excess of \$150 million, such as the Courthouse, PBIA Main Terminal and the Criminal Justice Center.

The current Liability/Crime Package policy provides various types of liability insurance coverage of \$5 million, excess of the County’s \$500,000 self-insured retention. It also provides limited coverage (\$50,000) for employee dishonesty and theft of money and securities.

The following chart provides a comparison of the actual annual cost by line of insurance for the period 4/1/10 - 3/31/11 to the estimated not-to-exceed cost for the period 4/1/11 - 3/31/12.

Insurance Cost Comparison

Type	2009-2010 Actual Annual Cost	2010-2011 Actual Annual Cost	2011-2012 Not- To- Exceed Cost
Liability/Crime Package	\$ 1,203,200	\$ 1,025,655	\$ 1,020,500
Excess Property	\$ 10,705,562	\$ 9,909,328	\$ 9,850,000
Terrorism	\$ 194,560	\$ 164,922	\$ 165,000
Flood	\$ 28,845	\$ 18,246	\$ 21,000
Boiler & Machinery	\$ 65,938	\$ 65,938	\$ 68,500
TOTAL	\$ 12,198,105	\$ 11,184,089	\$ 11,125,000
VARIANCE \$		- \$ 1,014,016	- \$ 59,089
VARIANCE %		- 8.31 %	- .53 %

Feb. 17. 2011 2:25PM Tourist Development Council

No. 1655 P. 1

**BUDGET AVAILABILITY STATEMENT
TDC - Convention Center**

REQUEST DATE: 2/15/2011 REQUESTED BY: Scott Marting - Risk Management PHONE: 233-5432
FAX: 233-5420

AMOUNT: \$ 440,000 AGENDA DATE: 3/15/2011

BUDGET ACCOUNT NUMBER (IF KNOWN)

FUND: 1450 DEPT: 710 UNIT: 7420 OBJ: 4501

FUNDING SOURCE:

BAS APPROVED BY:  DATE: 2/16/11

BUDGET AVAILABILITY STATEMENT
PBA

REQUEST DATE: 2/15/2011 REQUESTED BY: Scott Marting - Risk Management PHONE: 233-5432
FAX: 233-5420

AMOUNT: \$ 2,049,225 AGENDA DATE: 3/15/2011

BUDGET ACCOUNT NUMBER (IF KNOWN)

FUND: 4100 DEPT: 120 UNIT: VARIOUS ⁽¹⁾ OBJ: 4501

FUNDING SOURCE: Airport Revenues

BAS APPROVED BY: MSumner DATE: 2/16/11

(1) 1230, 1240, 1250, 1280, 1320, 1340, 1410, 1430, 1451,
1452, 1550

BUDGET AVAILABILITY STATEMENT

REQUEST DATE: 03/15/2011 REQUESTED BY OFMB PHONE: 233-5412

AMOUNT: \$ 8,635,775

AGENDA DATE: 03/15/2011

BUDGET ACCOUNT NUMBER (IF KNOWN)

FUND: 5010 DEPT: 700 UNIT: 7130 OBJ: 4501

FUNDING SOURCE:
Casualty and Property Fund 5010

BAS APPROVED BY:  DATE: 3/22/2011