

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:


Fiscal Years	2020	2021	2022	2023	2024
Capital Expenditures					
Operating Costs	\$5,707,577	\$5,707,577			
External Revenues					
Program Income (County)					
In-Kind Match (County)					
Net Fiscal Impact	\$5,707,577	\$5,707,577			
# ADDITIONAL FTE POSITIONS (Cumulative)	0	0	0	0	0

Is Item Included In Current Budget? Yes X No _____
 Does this item include the use of federal funds? Yes _____ No X

Budget Account Exp No: Fund VAR Department VAR Unit VAR Object 4501
 Rev No: Fund _____ Department _____ Unit _____ Object _____

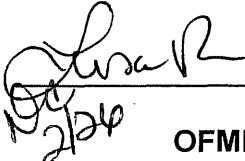
B. Recommended Sources of Funds/Summary of Fiscal Impact:

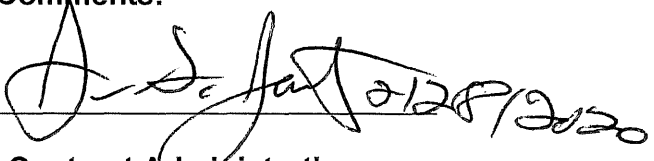
Fund 5010-700-7130 (Risk Management Property & Casualty)	\$7,316,109
Fund 5011-700-7242 (Risk Management Workers' Comp)	\$538,253
Fund 4100-120-Various (Airports)	\$1,871,101
Fund 4001-720-1110 (Water Utilities)	\$870,300
Funds 1450, 1453, 1454, 1458-710-Various (Tourist Development)	\$819,392
Total	\$11,415,154

C. Departmental Fiscal Review: 

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

 2/27/2020
 OFMB
 2/28/2020
 2/28/2020

 2/28/2020
 Contract Administration
 2/28/2020 TW

B. Legal Sufficiency:

 3-2-2020
 Assistant County Attorney

C. Other Department Review:

 Department Director

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

Page 3 - Background and Justification (continued)

The expiring policy with \$200 million limits (\$130 million limits for “named windstorm”) was possible due to the availability of coverage at a reasonable price and selected using numerous factors including catastrophe modeling to predict probable maximum loss (PML) and average annual loss (AAL). Previously, the County purchased lower limits of named windstorm coverage, and those limits were deemed reasonable by the State Insurance Commissioner. While the State no longer reviews insurance programs, the current limits are higher than when the coverage was deemed reasonable. As such, staff recommends the current limits remain in place for the 2020-2021 policy year.

Property limits of \$200 million for losses caused by perils other than wind will continue to safeguard large facilities with replacement values in excess of \$150 million, such as the Courthouse, PBI’s Main Terminal and the Criminal Justice Center.

The expiring liability and crime package policy provide a broad range of liability insurance coverage with limits of \$5 million, excess of the County’s \$500,000 SIR. The program includes limited coverage (\$50,000) for employee dishonesty and theft of money and securities as well as enhanced coverage for cyber liability in the amount of \$5 million. The overall package is designed to protect the County against the possibility of a Claims Bill approved by the Florida Legislature where an award could be made in excess of sovereign immunity limits.

In the excess workers’ compensation renewal, there was an approximately 8% increase in the premium over the prior year. This is mainly the result of an increase in payroll and a new mandatory assessment from the State of Florida. The self-insured retention of \$2 million, and all other benefits including no statutory cap remain unchanged from the prior year.

The following chart provides a comparison of the annual cost by line of insurance for the period 4/1/16 – 3/31/17, 4/1/17 – 3/31/18, 4/1/18 – 3/31/19, 4/1/19 – 3/31/20 to the estimated, “not-to-exceed” cost for the upcoming period 4/1/20 – 3/31/21.

Insurance Cost Comparison

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021		
Property Limits								
Municipal Property								
• All Other Perils	\$200 Million	\$200 Million	\$200 Million	\$200 Million	\$200 Million	\$200 Million		
• Named Wind	\$100 Million	\$100 Million	\$115 Million	\$130 Million	\$130 Million	\$130 Million		
Utilities Property								
• All Other Perils	\$200 Million	\$200 Million	\$200 Million	\$200 Million	\$200 Million	\$200 Million		
• Named Wind	\$50 Million	\$50 Million	\$50 Million	\$50 Million	\$50 Million	\$50 Million		
Property Named Storm Deductibles								
Municipal Property	5%	5%	4%/\$25 Million CAP	4%/\$25 Million CAP	4%/\$25 Million CAP	4%/\$25 Million CAP		
Utilities Property	5%	5%	4%	4%	4%	4%		
Premiums (including taxes, fees, assessments)								
Municipality Property Program	\$8,046,742.00	\$7,169,433.00	\$7,083,596.00	\$7,418,005.00	\$7,742,571.00	\$8,810,363.00		
Water Utilities District Property Program	\$749,833.70	\$687,424.10	\$687,529.00	\$792,500.00	\$792,403.00	\$870,300.00		
Terrorism	\$76,700.00	\$60,000.00	\$60,000.00	\$49,700.00	\$49,700.00	\$55,000.00		
Boiler & Machinery	\$78,158.00	\$75,820.00	\$78,503.00	\$90,137.00	\$72,533.00	\$93,229.00		
Package Policy	\$926,966.00	\$930,000.00	\$930,000.00	\$976,000.00	\$927,850.00	\$955,000.00		
Cyber Liability	Included	Included	Included	Included	\$60,000.00	\$60,000.00		
Flood	\$27,328.00	\$29,274.00	\$29,310.00	\$31,047.00	\$32,334.00	\$33,009.00		
Excess Workers' Compensation	\$545,657.00	\$480,040.00	\$500,780.00	\$488,369.00	\$498,211.00	\$538,253.00		
TOTAL COST	\$10,451,384.70	\$9,431,991.10	\$9,369,718.00	\$9,808,683.63	\$10,175,602.00	\$11,415,154.00		
PROJECTED COST VARIANCE TO EXPIRING						12.2%		
						\$1,239,552.00		

**BUDGET AVAILABILITY STATEMENT
RISK MANAGEMENT**

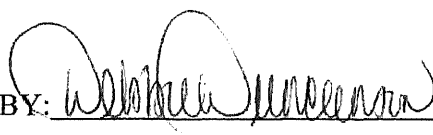
REQUEST DATE: 2/18/2020 REQUESTED BY: Risk Management

REQUESTED FOR: Property Insurance Renewal

REQUESTED AMOUNT: \$1,871,101 AGENDA DATE: 3/17/2020

BUDGET ACCOUNT NUMBER:

Fund: 4100 Dept: 120 Unit: VARIOUS ⁽¹⁾ Obj: 4501 Prog. _____ Prog Per. _____

BAS APPROVED BY:  DATE: 2/20/2020

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

DEPARTMENT OF AIRPORTS
 Airport Property Insurance Premium

4/01/20 to 4/01/21

LANTANA	0.99%	\$ 9,280.94	4100	120	1230	4501
GLADES	0.47%	\$ 4,396.12	4100	120	1240	4501
ADMINISTRATION	4.05%	\$ 37,870.71	4100	120	1250	4501
INDIRECT OPERATIONS	4.59%	\$ 42,911.13	4100	120	1280	4501
AIRSIDE	0.82%	\$ -7,634.89	4100	120	1320	4501
GROUND TRANS.	23.00%	\$ 215,160.38	4100	120	1340	4501
FIS TERMINAL	1.07%	\$ 10,028.03	4100	120	1410	4501
TERMINAL	52.52%	\$ 491,373.25	4100	120	1430	4501
AVIATION	3.09%	\$ 28,947.03	4100	120	1451	4501
NON-AVIATION	4.57%	\$ 42,750.88	4100	120	1452	4501
NCA	4.83%	\$ 45,197.14	4100	120	1550	4501
				BSA	SBSA	
PREPAID INSURANCE	100%	\$ 935,550.50	4100	120	1550	7500
TOTAL PREMIUM		\$ 1,871,101.00				
		\$ 1,871,101.00				

**BUDGET AVAILABILITY STATEMENT
RISK MANAGEMENT**

REQUEST DATE: 2/18/2020 REQUESTED BY: Risk Management

REQUESTED FOR: Property Insurance Renewal

REQUESTED AMOUNT: \$870,300 AGENDA DATE: 3/17/2020

BUDGET ACCOUNT NUMBER:

Fund: 4001 Dept: 720 Unit: 1110 Obj: 4501 Prog. _____ Prog Per. _____

BAS APPROVED BY: *[Signature]* DATE: 2/20/20

**BUDGET AVAILABILITY STATEMENT
RISK MANAGEMENT**

REQUEST DATE: 2/18/2020 REQUESTED BY: Risk Management

REQUESTED FOR: Property Insurance Renewal

REQUESTED AMOUNT: \$819,392 AGENDA DATE: 3/17/2020

BUDGET ACCOUNT NUMBER:

Fund: _____ Dept: _____ Unit: See Below Obj: _____ Prog. _____ Prog Per. _____

BAS APPROVED BY:  DATE: 2/24/20

Conv. Ctr.	313,606.30	} 1450-710-7420-4501
Conv. Ctr Garage	118,019.44	
Roger Dean Stadium	109,126.15	1453-710-7310-4501
Ball Park of the Palm Beaches	277,735.42	1458-710-7310-4501
TDC misc.	904.22	1454-710-7310-4501
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	819,391.53.	