



AGENDA
CITY OF LAKE WORTH BEACH
REGULAR CITY COMMISSION MEETING
CITY HALL COMMISSION CHAMBER
TUESDAY, SEPTEMBER 17, 2024 - 6:00 PM

ROLL CALL:

INVOCATION OR MOMENT OF SILENCE: led by Commissioner Reinaldo Diaz

PLEDGE OF ALLEGIANCE: led by Mayor Betty Resch

AGENDA - Additions / Deletions / Reordering:

PRESENTATIONS: (there is no public comment on Presentation items)

A. PBSO Community Policing Update by Capt. Terrence Carn

PUBLIC PARTICIPATION OF NON-AGENDAED ITEMS AND CONSENT AGENDA:

APPROVAL OF MINUTES:

- A. [August 9, 2024 - pre-agenda workshop](#)
- B. [August 19, 2024 - workshop](#)
- C. [August 20, 2024 - regular meeting](#)
- D. [August 23, 2024 - pre-agenda workshop](#)

CONSENT AGENDA: (public comment allowed during Public Participation of Non-Agendaed items)

- A. [Proclamation declaring September 15-October 15, 2024 as Hispanic Heritage Month](#)
- B. [Proclamation declaring September 17-23, 2024 as Constitution Week](#)
- C. [Proclamation declaring September 2024 as National Recovery Month](#)
- D. [Agreement with Commercial Risk Management, Inc. for Third Party Claims Management services](#)
- E. [Agreement with Risk Management Associates, Inc. \(a wholly owned subsidiary of Brown & Brown, Inc.\) for Property and Casualty Insurance Services and for premium rates approval for FY 2025](#)
- F. [Approve the purchase of network firewalls for cybersecurity](#)

PUBLIC HEARINGS:

- A. [Ordinance No. 2024-11 - First Reading – amending Chapter 23 “Land Development Regulations,” Article 4 “Development Standards,” Section 23.4-25 “Micro-units” to provide minor changes to the development standards for Micro-Units](#)
- B. [Ordinance No. 2024-16 - First Reading – amending Chapter 9 “Buildings and Structural Regulations,” Article I “In General,” Section 9-3 to remove redundant language](#)
- C. [Ordinance No. 2024-12 - Second Reading - amending the Oath of Candidate form](#)

COMMISSION LIAISON REPORTS AND COMMENTS:

CITY MANAGER'S REPORT:

CITY ATTORNEY'S REPORT:

UPCOMING MEETINGS AND WORKSHOPS:

September 20 @ 9 am - pre-agenda workshop
September 23 - special meeting
September 24 - utility meeting
September 26 @ 5:01 pm - 2nd budget hearing

ADJOURNMENT:

The City Commission has adopted Rules of Decorum for Public Participation which are posted within the City Hall Chambers, online at: <https://hub.lakeworthbeachfl.gov/public-comment>, and available through the City Clerk's office. Compliance with the Rules of Decorum is expected and appreciated.

If a person decides to appeal any decision made by the board, agency or commission with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. (F.S. 286.0105)

**MINUTES
CITY OF LAKE WORTH BEACH
CITY COMMISSION PRE-AGENDA WORKSHOP
VIA ZOOM
FRIDAY, AUGUST 9, 2024 – 9:00 AM**

The meeting was called to order by Vice Mayor ProTem Christopher McVoy on the above date at 9:04 AM on Zoom in Lake Worth Beach.

ROLL CALL: (1;33) Present were Vice Mayor ProTem Christopher McVoy and Commissioners Mimi May and Reinaldo Diaz. Also present were Interim City Manager Jamie Brown, City Attorney Elizabeth Lenihan and City Clerk Melissa Ann Coyne. Mayor Betty Resch and Vice Mayor Malega were absent.

UPDATES / FUTURE ACTION / DIRECTION:

ADJOURNMENT: (54:45)

The meeting adjourned at 9:58 AM.

Betty Resch, Mayor

ATTEST:

Melissa Ann Coyne, MMC, City Clerk

Minutes approved: September 17, 2024

Item time stamps correlate to the video available on YouTube.

**MINUTES
CITY OF LAKE WORTH BEACH
CITY COMMISSION WORK SESSION – MOBILITY PLAN
CITY HALL COMMISSION CHAMBER
TUESDAY, AUGUST 19, 2024 - 6:00 PM**

The meeting was called to order by Vice Mayor Malega on the above date at 6:03 PM in the City Commission Chamber located at City Hall, 7 North Dixie Highway, Lake Worth Beach, Florida.

ROLL CALL: (0:08) Present were Vice Mayor Sarah Malega, Commissioners Christopher McVoy, Mimi May and Reinaldo Diaz. Also present were Interim City Manager Jamie Brown, City Attorney Elizabeth Lenihan and Deputy City Clerk Shayla Ellis. Mayor Betty Resch was absent.

PLEDGE OF ALLEGIANCE: (0:25) led by Commissioner Christopher McVoy.

UPDATES / FUTURE ACTION / DIRECTION:

A. Citywide Mobility Plan Update and Discussion (1:08)

ADJOURNMENT: (1:02:33)

The meeting adjourned at 7:05 PM.

Sarah Malega, Vice Mayor

ATTEST:

Melissa Ann Coyne, MMC, City Clerk

Minutes Approved: September 17, 2024

Item time stamps correspond to the recording of the meeting on YouTube.

**MINUTES
CITY OF LAKE WORTH BEACH
REGULAR CITY COMMISSION MEETING
CITY HALL COMMISSION CHAMBER
TUESDAY, AUGUST 20, 2024 – 6:00 PM**

The meeting was called to order by Mayor Resch on the above date at 6:06 PM in the City Commission Chamber located at City Hall, 7 North Dixie Highway, Lake Worth Beach, Florida.

ROLL CALL: (0:32) Present were Mayor Betty Resch, Vice Mayor Malega and Commissioners Christopher McVoy, Mimi May and Reinaldo Diaz. Also present were Interim City Manager Jamie Brown, City Attorney Elizabeth Lenihan and City Clerk Melissa Ann Coyne.

INVOCATION OR MOMENT OF SILENCE: (0:53) was led by Commissioner Mimi May.

PLEDGE OF ALLEGIANCE: (1:20) was led by Mayor Betty Resch.

ADDITIONS/DELETIONS/REORDERING: (1:35)

Consent Agenda A, Proclamation for Women's Equality Day, was moved to Presentation B. Unfinished Business A, Lease Agreement with Lutheran Services Florida, and New Business A, Interlocal Agreement with the Lake Worth Beach CRA for Madison Terrace Phase One were deleted from the agenda. The Lutheran Services lease would be on the August 27 utility meeting.

Action: Motion made by Vice Mayor Malega and seconded by Commissioner McVoy to approve the agenda as amended.

Vote: Voice vote showed: AYES: Mayor Resch, Vice Mayor Malega and Commissioners McVoy, May and Diaz. NAYS: None.

PRESENTATIONS: (there is no public comment on Presentation items)

- A. Healthier Lake Worth Beach Neighborhood Health Impact Work in Partnership with Code Compliance Division Presentation by Carmelle Marcelin-Chapman, Project Manager of Healthier Lake Worth Beach (3:03)
- B. (moved from Consent A) Proclamation declaring August 26, 2024 as Women's Equality Day (21:27)

PUBLIC PARTICIPATION OF NON-AGENDAED ITEMS AND CONSENT AGENDA: (24:04)

APPROVAL OF MINUTES: (30:38)

Action: Motion made by Commissioner McVoy and seconded by Commissioner May to approve the following minutes:

- A. July 29, 2024 - Budget Work Session #2
- B. August 5, 2024 - Budget Work Session #3
- C. August 6, 2024 - regular meeting

Vote: Voice vote showed: AYES: Mayor Resch, Vice Mayor Malega and Commissioners McVoy, May and Diaz. NAYS: None.

CONSENT AGENDA: (public comment allowed during Public Participation of Non-Agendaed items)
(30:49)

Action: Motion made by Vice Mayor Malega and seconded by Commissioner McVoy to approve the Consent Agenda.

- A. (moved to Presentation B) Proclamation declaring August 26, 2024, as Women's Equality Day
- B. Electric Utility Easement between Morguard Emerald Apartments, LLC and the City of Lake Worth Beach

Vote: Voice vote showed: AYES: Mayor Resch, Vice Mayor Malega and Commissioners McVoy, May and Diaz. NAYS: None.

PUBLIC HEARINGS:

- A. Ordinance No. 2024-08 – Second Reading - amending Chapter 23 “Land Development Regulations,” Article 4 “Development Standards,” Section 23.4-10 – Off-Street Parking (30:55)

City Attorney Lenihan read the ordinance by title only.

ORDINANCE 2024-08 - AN ORDINANCE OF THE CITY OF LAKE WORTH BEACH, FLORIDA, AMENDING CHAPTER 23 “LAND DEVELOPMENT REGULATIONS,” ARTICLE 4 “DEVELOPMENT STANDARDS,” SECTION 23.4-10 “OFF-STREET PARKING,” AND PROVIDING FOR SEVERABILITY, CONFLICTS, CODIFICATION AND AN EFFECTIVE DATE

Action: Motion made by Vice Mayor Malega and seconded by Commissioner McVoy to approve Ordinance 2024-08, amending Chapter 23 “Land Development Regulations,” Article 4 “Development Standards,” Section 23.4-10 – Off-Street Parking.

Vote: Voice vote showed: AYES: Mayor Resch, Vice Mayor Malega and Commissioners McVoy, May and Diaz. NAYS: None.

UNFINISHED BUSINESS:

- A. (deleted) Lease Agreement with Lutheran Services Florida, Inc.

NEW BUSINESS: (33:52)

- A. (deleted) Interlocal Agreement with the Lake Worth Beach CRA for Financial Support of a Project to be Known as Madison Terrace Phase One
- B. General Contractors Agreements with Louminel General Contractor, LLC, Mya Construservice, LLC and Sustainable Design and Construction Services, Inc. for miscellaneous maintenance repairs (33:52)

Action: Motion made by Vice Mayor Malega and seconded by Commissioner May to approve the General Contractors Agreements with Louminel General Contractor, LLC, Mya Construservice, LLC and Sustainable Design and Construction Services, Inc. for miscellaneous maintenance repairs.

Vote: Voice vote showed: AYES: Mayor Resch, Vice Mayor Malega and Commissioners McVoy, May and Diaz. NAYS: None.

C. Ordinance No. 2024-12 - First Reading - amending the Oath of Candidate form (34:52)

City Attorney Lenihan read the ordinance by title only.

ORDINANCE 2024-12 - AN ORDINANCE OF THE CITY OF LAKE WORTH BEACH, FLORIDA, AMENDING CHAPTER 2 "ADMINISTRATION," ARTICLE II "ELECTIONS," SECTION 2-15 "OATHS REQUIRED OF CANDIDATE," TO CLARIFY THE REQUIREMENTS TO QUALIFY FOR ELECTION; AND PROVIDING FOR SEVERABILITY, CONFLICTS, CODIFICATION, AN EFFECTIVE DATE, AND FOR OTHER PURPOSES

Action: Motion made by Commissioner Diaz and seconded by Vice Mayor Malega to approve Ordinance No. 2024-12 - First Reading - amending the Oath of Candidate form on first reading and set the second reading and public hearing for September 17, 2024.

Vote: Voice vote showed: AYES: Mayor Resch, Vice Mayor Malega and Commissioners McVoy, May and Diaz. NAYS: None.

COMMISSION LIAISON REPORTS AND COMMENTS: (37:54)

CITY MANAGER'S REPORT: (53:22)

Interim City Manager Brown provided the following report:

- Assistant City Manager Perry and City Attorney Lenihan were working on the ordinance related to shopping carts
- The 9th Ave S outfall project and upgrading all downtown trash receptacles would be legislative asks for the upcoming session; thanked Vaughn Hayduk for her assistance
- The September 3rd regular meeting would be canceled as there were no items on the agenda
- A workshop featuring an overview of the Community Sustainability Department would be held on September 16
- Evaluation of lobbyist services would be in September with one or two meetings depending on the number of applicants; the commission would serve as the evaluation committee
- On September 23 there would be a special meeting for the housing study and short term rentals
- There would be a regular and utility meeting as well as two budget hearings next month
- There would be two evaluation meetings regarding the RFP for the beach property to shortlist and evaluate the respondents
- There would be a joint workshop with the CRA at the Casino Ballroom on October 7 for a final presentation by WMODA followed by a vote by the CRA at their meeting on October 8; the commission would vote on the item at the October 15 regular meeting
- There would be no meeting on November 5 because of the election; another meeting, either a regular or utility meeting, could be scheduled at a later date
- Thanked the commission for their time regarding the Mobility Plan

CITY ATTORNEY'S REPORT: (1:06:06)

City Attorney Lenihan provided the following report:

"The City Attorney desires advice from the Commission concerning pending litigation, specifically regarding settlement negotiations and strategy related to litigation expenditures in the case of Joseph Viera, et al v City of Lake Worth Beach, Case No. 502019CA001457XXXXMB and is requesting an attorney-client session to be scheduled for September 19, 2024, at 5:00 p.m. The estimated length of the attorney-client session will be approximately 45 minutes.

The session will be attended by the members of the City: Mayor Betty Resch, Vice Mayor Sarah Malega, Commissioners Chirstopher McVoy, Mimi May and Reinaldo Diaz; Interim City Manager Jamie Brown; City Attorney Glen J. Torcivia, and outside counsel Forrest Andrews, Steve Johnson and Carlos de Zayas. A certified court reporter will be present to ensure that the session is fully transcribed, and the transcript will be made public upon the conclusion of the above-cited, ongoing litigation.”

UPCOMING MEETINGS AND WORK SESSIONS:

- August 23 - pre-agenda workshop (9 am)
- August 27 - utility meeting
- ~~September 3 – regular meeting – CANCELED~~
- September 6 – pre-agenda workshop (9 am)
- September 12 – 1st Budget Public Hearing (5:01 pm)
- September 16 - workshop

ADJOURNMENT: (1:12:45)

Action: Motion made Vice Mayor Malega and seconded by Commissioner May to adjourn the meeting at 7:18 PM.

Vote: Voice vote showed: AYES: Mayor Resch, Vice Mayor Malega and Commissioners McVoy, May and Diaz. NAYS: None.

Betty Resch, Mayor

ATTEST:

Melissa Ann Coyne, MMC, City Clerk

Minutes approved September 17, 2024

Item time stamps correspond to the recording on YouTube.

**MINUTES
CITY OF LAKE WORTH BEACH
CITY COMMISSION PRE-AGENDA WORKSHOP
VIA ZOOM
FRIDAY, AUGUST 23, 2024 – 9:00 AM**

The meeting was called to order by Mayor Betty Resch on the above date at 9:03 AM on Zoom in Lake Worth Beach.

ROLL CALL: (0:31) Present were Mayor Betty Resch, Vice Mayor Malega, and Commissioners Mimi May and Reinaldo Diaz. Also present were Interim City Manager Jamie Brown, City Attorney Elizabeth Lenihan and City Clerk Melissa Ann Coyne. Commissioner Christopher McVoy was absent.

UPDATES / FUTURE ACTION / DIRECTION: (1:53)

Action: Consensus for the City Attorney to research using golf carts in the city. (24:53)

Action: Consensus to add proof of residency to the Oath of Candidate ordinance for second reading on September 17, 2024. (56:53)

ADJOURNMENT: (1:02:57)

The meeting adjourned at 10:06 AM.

Betty Resch, Mayor

ATTEST:

Melissa Ann Coyne, MMC, City Clerk

Minutes approved: September 17, 2024

Item time stamps correlate to the video available on YouTube.

CITY OF LAKE WORTH BEACH

PROCLAMATION

WHEREAS, Hispanics of every race, class and multiple nationalities have made historic contributions to the growth and strength of The City of Lake Worth Beach in countless recorded and unrecorded ways; and

WHEREAS, the Hispanic community plays a vital and integral role in shaping the present and future of The City of Lake Worth Beach in business, education, law, science, technology and numerous other fields; and

WHEREAS, the Hispanic population in Palm Beach County is more than 23% of the 1.5 million people who call the county home; and

WHEREAS, in celebration of Hispanic Heritage Month, we honor the contributions Hispanics have made in The City of Lake Worth Beach, and we highlight an important part of the rich diversity that keeps our communities strong.

NOW, THEREFORE, I, Betty Resch, Mayor of the City of Lake Worth Beach, Florida, by virtue of the authority vested in me and on behalf of the City Commission, do hereby proclaim:

SEPTEMBER 15 – OCTOBER 15, 2024
as
HISPANIC HERITAGE MONTH

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Lake Worth Beach, Florida, to be affixed this 17th day of September, 2024.

Betty Resch, Mayor

ATTEST:

Melissa Ann Coyne, MMC, City Clerk

CITY OF LAKE WORTH BEACH

PROCLAMATION

WHEREAS, September 17, 2024, marks the 237th anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention; and

WHEREAS, Celebration of the Constitution was started by the Daughters of the American Revolution. In 1955, the DAR petitioned Congress to set aside September 17-23 annually to be dedicated to the observance of Constitution Week. The resolution was later adopted by the U.S. Congress and signed into public law on August 2, 1956, by President Dwight D. Eisenhower, heightening awareness and respect for our great American heritage; and

WHEREAS, All people within the boundaries of the United States of America, whether citizens or visitors, enjoy the protection of their individual rights to an extent unparalleled on the face of the earth since recorded history, but these rights also imply individual responsibility; and

WHEREAS, It is proper for all people to reflect on the blessings of liberty afforded them in the United States as guaranteed by the Constitution, and it is proper that official recognition be accorded to this expression of the foundation of our freedoms that set America apart from every other nation; and

WHEREAS, The City of Lake Worth Beach honors the blessings of Liberty and the foundation of Freedoms guaranteed by the United States Constitution that so define our City's proud history and guide our promising future.

NOW, THEREFORE, I, BETTY RESCH, by virtue of the authority vested in me as Mayor of the City of Lake Worth Beach and on behalf of the City Commission, do hereby proclaim:

SEPTEMBER 17-23, 2024

as

CONSTITUTION WEEK

and ask all residents to reaffirm the ideals that the Framers of the Constitution had in 1787 by vigilantly protecting the freedoms guaranteed to us through this guardian of our liberties, remembering that lost rights may never be regained.

IN WITNESS WHEREOF, I have set my hand and caused the seal of the City of Lake Worth Beach, Florida, to be affixed hereto this 17th day of September, 2024.

Betty Resch, Mayor

ATTEST:

Melissa Ann Coyne, MMC, City Clerk

CITY OF LAKE WORTH BEACH

PROCLAMATION

- WHEREAS,** Behavioral health is an essential part of health and overall wellness; and
- WHEREAS,** Substance use is preventable, treatment is effective, and people can recover; and
- WHEREAS,** Preventing and overcoming mental and substance-use disorders is essential to achieving healthy lifestyles, both physically and emotionally; and
- WHEREAS,** Relatives and friends of people with mental and substance-use disorders can recognize the signs of problems, implement preventive measures, and guide those in need to appropriate treatment and recovery support services; and
- WHEREAS,** The City of Lake Worth Beach is leading efforts to establish a person-centered, recovery-oriented system of care with partners throughout the city and county that can help people achieve recovery and improve the quality of care and long-term recovery outcomes; and
- WHEREAS,** To help more people achieve and sustain long-term recovery, all City residents are invited to participate in National Recovery Month.

NOW, THEREFORE, I, BETTY RESCH, by virtue of the authority vested in me as Mayor of the City of Lake Worth Beach and on behalf of the City Commission, do hereby proclaim:

SEPTEMBER 2024
as
NATIONAL RECOVERY MONTH

IN WITNESS WHEREOF, I have set my hand and caused the seal of the City of Lake Worth Beach, Florida, to be affixed hereto this 17th day of September, 2024.

Betty Resch, Mayor

ATTEST:

Melissa Ann Coyne, MMC, City Clerk

STAFF REPORT SPECIAL MEETING

AGENDA DATE: September 17, 2024

DEPARTMENT: Human Resources

TITLE:

Agreement with Commercial Risk Management, Inc. for Third Party Claims Management services

SUMMARY:

The Agreement with Commercial Risk Management, Inc. provides third party claims administrative services for the City in the areas of workers' compensation, general liability, automobile liability and property liability insurance. The agreement will be for the period of three (3) consecutive years with the possibility of extension for two (2) more one (1) year periods.

BACKGROUND AND JUSTIFICATION:

The City of Lake Worth Beach entered into an agreement with Gallagher Bassett Services since October 2017 which is set to expire on September 30, 2024. With that in mind, the City issued a Request for Proposals 24-204 on May 12, 2024.

The City received a total of 3 responses on June 12, 2024. The Evaluation Committee comprised of management representatives from Human Resources and the City's Risk Consultant. Proposal submitted by Commercial Risk Management, Inc. was the highest scoring responsive and responsible respondent and is being recommended for an award to provide claims administrative services for the City in the areas of workers' compensation, general liability, automobile liability and property liability insurance.

If approved by City Commission, Commercial Risk Management, Inc. will replace Gallagher Bassett Services, Inc. and will immediately take over the third-party management of the City's claims, including the claims currently being administered by Gallagher Bassett Services, Inc.

Annual fees of \$75,000 are depicted in Exhibit A. The Agreement provides for three (3) consecutive years with the possibility of extension for two (2) more one (1) year periods.

MOTION:

Move to approve/disapprove the Agreement with Commercial Risk Management, Inc.

ATTACHMENT(S):

Fiscal Impact Analysis
Agreement
Evaluation Matrix

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2025	2026	2027	2028	2029
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	0	0	0	0	0
Operating	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Capital	0	0	0	0	0
Net Fiscal Impact <i>(If not budgeted)</i>	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
No. of Addn'l Full-Time Employee Positions	0	0	0	0	0

New Appropriation (Not Budgeted) Fiscal Impact:		
	Revenue Source	Expenditure
Department	All	Human Resources
Division	All	Risk
GL Description	Property Liability Contribution	Insurance/Deductible/Non-Covered Losses
GL Account Number	Expense ending with 45-10	520-1332-513.45-60
Project Number	N/A	N/A
Requested Funds	\$75,000	\$75,000
Remaining Balance	N/A	\$425,000

PROFESSIONAL SERVICES AGREEMENT
(Third Party Claims Administrative Services)

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered on _____, by and between the **City of Lake Worth Beach**, a Florida municipal corporation (“City”) and **Commercial Risk Management, Inc.**, a Corporation, located at 2002 N. Lois Avenue, Tampa, FL 33607, authorized to do business in the State of Florida (“Consultant”).

RECITALS

WHEREAS, the City issued a Request for Proposal (No.24-204) for the Third Party Claims Administrative Services (“RFP”); and

WHEREAS, Consultant has provided the City with a written proposal in response to the RFP to provide the services as described and set out in the RFP; and

WHEREAS, the City desires to accept Consultant’s proposal (attached hereto as Exhibit “A” with its first 75 pages and remaining RFP pages are incorporated herein by the reference) in order for Consultant to render the services to the City as provided herein; and

WHEREAS, Consultant further warrants that it is experienced and capable of performing the services hereunder in a professional and competent manner; and

WHEREAS, the purpose of this Agreement is to set forth certain terms and conditions for the provision of services by Consultant to the City.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the sufficiency of which is hereby acknowledged by the parties, the City and Consultant agree as follows:

SECTION 1: INCORPORATION OF RECITALS. The foregoing Recitals are incorporated into this Agreement as true and correct statements.

SECTION 2: CONSULTANT’S SERVICES. The Consultant shall provide Third-Party administrative service for the City’s self-insured property and casualty insurance program as more specifically described in the **RFP**, which is incorporated herein by reference and Consultant’s proposal attached hereto as an Exhibit “A”.

SECTION 3: INDEPENDENT CONTRACTOR RELATIONSHIP. No relationship of employer or employee is created by this Agreement, it being understood that Consultant will act hereunder as an independent contractor and none of Consultant’s, officers, directors, employees, independent contractors, representatives or agents performing services for Consultant pursuant to this Agreement shall have any claim under this Agreement or otherwise against the City for compensation of any kind under this Agreement. The relationship between the City and Consultant is that of independent contractors, and neither shall be considered a joint venturer, partner, employee, agent, representative or other relationship of the other for any purpose expressly or by implication.

SECTION 4: TERM, TIME AND TERMINATION.

a. **Term.** The term of this Agreement shall commence upon the approval of this Agreement and shall be for the initial period of three (3) consecutive years with possibility of extension for two (2) more one (1) year periods upon the mutual agreement of both parties and dependent on the annual appropriation of funds by the CITY’s City Commission. The renewal terms may be approved by the City Manager. Notwithstanding the foregoing, this Agreement may be earlier terminated as set forth in this Agreement.

b. Time for Completion. Time is of the essence in the performance of this Agreement. Consultant shall at all times carry out its duties and responsibilities as expeditiously as possible and in accordance with the project schedule as set forth in RFP or as otherwise agreed between the parties.

c. Force Majeure. Neither party hereto shall be liable for its failure to perform hereunder due to any circumstances beyond its reasonable control, such as acts of God, wars, riots, national emergencies, sabotage, strikes, labor disputes, accidents, and governmental laws, ordinances, rules, or regulations. The Consultant or City may suspend its performance under this Agreement as a result of a force majeure event without being in default of this Agreement, but upon the removal of such force majeure event, the Consultant or City shall resume its performance as soon as is reasonably possible. Upon the Consultant's request, the City shall consider the facts and extent of any failure to perform the services and, if the Consultant's failure to perform was without its or its sub-consultant's fault or negligence, the schedule and/or any other affected provision of this Agreement may be revised accordingly, subject to the City's rights to change, terminate, or stop any or all of the services at any time. No extension shall be made for delay occurring more than seven (7) days before a notice of delay or claim therefore is made in writing to the City. In the case of continuing cause of delay, only one (1) notice of delay or claim is necessary.

d. Termination without cause. Either party may terminate this Agreement at any time with or without cause by giving not less than thirty (30) days written notice of termination.

e. Termination for cause. Either party may terminate this Agreement at any time in the event that the other party engages in any act or makes any omission constituting a material breach of any term or condition of this Agreement. The party electing to terminate this Agreement for breach shall provide the other party with written notice specifying the nature of the breach. The party receiving the notice shall then have three (3) business days from the date of the notice in which to remedy the breach. If such corrective action is not taken within three (3) business days, then this Agreement shall terminate at the end of the three (3) business day period without further notice or demand.

f. Early Termination. If this Agreement is terminated before the completion of all services by either party, the Consultant shall:

1. Stop services on the date and to the extent specified including without limitation services of any sub-consultants.
2. Transfer all work in progress, completed work, and other materials related to the terminated services to the City in the format acceptable to City.
3. Continue and complete all parts of the services that have not been terminated.

g. Effect of Termination. Termination of this Agreement shall not affect any rights, obligations, and liabilities of the parties arising out of services provided prior to the date of termination. Notwithstanding the foregoing, the parties acknowledge and agree that the City is a municipal corporation existing under the laws of the State of Florida, and as such, this Agreement (and all Exhibits hereto) are subject to budgeting and appropriation by the City of funds sufficient to pay the costs associated herewith in any fiscal year of the City. Notwithstanding anything in this Agreement to the contrary, in the event that no funds are appropriated or budgeted by the City's governing board in any fiscal year to pay the costs associated with the City's obligations under this Agreement, or in the event the funds budgeted or appropriated are, or are estimated by the City to be, insufficient to pay the costs associated with the City's obligations hereunder in any fiscal period, then the City will notify Consultant of such occurrence and either the City or Consultant may terminate this Agreement by notifying the other in writing, which notice shall specify a date of termination no earlier than twenty-four (24) hours after giving of such notice. Termination in accordance with the preceding sentence shall be without penalty or expense to the City of any kind

whatsoever; however, City shall pay Consultant for all services performed under this Agreement through the date of termination.

SECTION 5: COMPENSATION.

a. Payments. The City agrees to compensate Consultant in accordance with the proposal attached hereto as **Exhibit “A”**. The City shall not reimburse Consultant for any additional costs incurred as a direct or indirect result of Consultant providing services to the City under this Agreement and not set forth in **Exhibit “A”**. For any additional, the Consultant must receive prior written approval from the City before providing any services to be charged under the hourly rate.

b. Invoices. Consultant shall render invoices to the City for services that have been rendered in conformity with this Agreement, the RFP, and the price proposal set forth in **Exhibit “A”**. The monthly invoices shall set forth the Total Annual Cost (at monthly increments) as set forth in Exhibit “A”. Invoices will be reviewed for approval and if an invoice is not approved, the City will notify Consultant within ten (10) days of deficiencies in the invoice. Once the deficiencies are corrected and a new or amended invoice submitted, the City shall make payment within twenty (20) days. Invoices will normally be paid within thirty (30) days following the City’s receipt of Consultant’s invoice. All invoices shall be paid in accordance with the Local Government Prompt Payment Act, Section 218.70, et. seq.

SECTION 6: INDEMNIFICATION. Consultant, its officers, employees and agents shall indemnify and hold harmless the City, including its officers and employees from liabilities, damages, losses, and costs, including but not limited to, reasonable attorney’s fees (at the trial and appellate levels), to the extent caused by the negligence, of Consultant, its officers, directors, employees, representatives and agents employed or utilized by Consultant in the performance of the services under this Agreement. The City agrees to be responsible for its own negligence. Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the City or Consultant, nor shall this Agreement be construed as a waiver of sovereign immunity for the City beyond the waiver provided in section 768.28, Florida Statutes, which the parties agree applies to all claims related to this Agreement whether arising in tort or in contract.

SECTION 7: COMPLIANCE AND DISQUALIFICATION. Each of the parties agrees to perform its responsibilities under this Agreement in conformance with all laws, regulations and administrative instructions that relate to the parties’ performance of this Agreement.

SECTION 8: PERSONNEL. Consultant represents that it has, or will secure at its own expense, all necessary personnel required to perform the services under this Agreement. Such personnel shall not be employees of or have any contractual relationship with the City. All of the services required hereunder shall be performed by Consultant or under its supervision, and all personnel engaged in performing the services shall be fully qualified and authorized or permitted under federal, state and local law to perform such services.

SECTION 9: SUB-CONSULTANTS. The City reserves the right to accept the use of a sub-consultant or to reject the selection of a particular sub-consultant and approve all qualifications of any sub-consultant in order to make a determination as to the capability of the sub-consultant to perform properly under this Agreement. All sub-consultants providing professional services to Consultant under this Agreement will also be required to provide their own insurance coverage identical to those contained in this Agreement. In the event that a sub-consultant does not have insurance or does not meet the insurance limits as stated in this Agreement, Consultant shall indemnify and hold harmless the City for any claim in excess of the sub-consultant’s insurance coverage, arising out of the negligent acts, errors or omissions of the sub-consultant.

SECTION 10: FEDERAL AND STATE TAX. The City is exempt from payment of Florida State Sales and Use Tax. Consultant is not authorized to use the City’s Tax Exemption Number.

SECTION 11: INSURANCE. Prior to commencing any services, Consultant shall provide proof of insurance coverage as required hereunder. Such insurance policy(s) shall be issued by the United States Treasury or insurance carriers approved and authorized to do business in the State of Florida, and who must have a rating of no less than “excellent” by A.M. Best or as mutually agreed upon by the City and Consultant. All such insurance policies may not be modified or terminated without the express written authorization of the City.

<u>Type of Coverage</u>	<u>Amount of Coverage</u>
Professional liability/ Errors and Omissions	\$1,000,000 per occurrence
Commercial general liability (Products/completed operations Contractual, insurance broad form property, Independent Consultant, personal injury)	\$1, 000,000 per occurrence \$2,000,000 annual aggregate
Automobile (owned, non-owned, & hired)	\$ 1,000,000 single limits
Worker’s Compensation	\$ statutory limits
Cyber liability	\$ 1,000,000 per occurrence or claim, \$2,000,000 aggregate

The commercial general liability, automobile liability, and cyber liability policies will name the City as an additional insured; all policies shall apply on a primary, non-contributing basis; and proof of all insurance coverage shall be furnished to the City by way of an endorsement to same or certificate of insurance prior to the provision of services. The certificates shall clearly indicate that Consultant has obtained insurance of the type, amount, and classification as required for strict compliance with this section. Failure to comply with the foregoing requirements shall not relieve Consultant of its liability and obligations under this Agreement.

SECTION 12: SUCCESSORS AND ASSIGNS. The City and Consultant each binds itself and its partners, successors, executors, administrators, and assigns to the other party of this Agreement and to the partners, successors, executors, administrators and assigns of such other party, in respect to all covenants of this Agreement. Except as agreed in writing by all parties, this Agreement is not assignable.

SECTION 13: DISPUTE RESOLUTION, LAW, VENUE AND REMEDIES. All claims arising out of this Agreement or its breach shall be submitted first to mediation. The parties shall share the mediator’s fee equally. The mediation shall be held in Palm Beach County. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof. This Agreement shall be governed by the laws of the State of Florida. Any and all legal action necessary to enforce the Agreement will be held in Palm Beach County. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

SECTION 14: WAIVER OF JURY TRIAL. TO ENCOURAGE PROMPT AND EQUITABLE RESOLUTION OF ANY LITIGATION, EACH PARTY HEREBY WAIVES ITS RIGHTS TO A TRIAL BY JURY IN ANY LITIGATION RELATED TO THIS AGREEMENT.

SECTION 15: ACCESS AND AUDITS. Consultant shall maintain adequate records to justify all payments made by the City under this Agreement for at least three (3) years after completion of this Agreement and longer if required by applicable federal or state law. The City shall have access to such books, records, and documents as required in this section for the purpose of inspection or audit during normal business hours, at Consultant's place of business. In no circumstances will Consultant be required to disclose any confidential or proprietary information regarding its products and service costs.

SECTION 16: NONDISCRIMINATION. Consultant warrants and represents that all of its employees are treated equally during employment without regard to race, color, religion, disability, sex, age, national origin, ancestry, marital status, or sexual orientation.

SECTION 17: AUTHORITY TO PRACTICE. Consultant hereby represents and warrants that it has and will continue to maintain all licenses and approvals required to conduct its business and provide the services required under this Agreement, and that it will at all times conduct its business and provide the services under this Agreement in a reputable manner. Proof of such licenses and approvals shall be submitted to the City upon request.

SECTION 18: SEVERABILITY. If any term or provision of this Agreement, or the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable, to remainder of this Agreement, or the application of such terms or provision, to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and every other term and provision of this Agreement shall be deemed valid and enforceable to the extent permitted by law.

SECTION 19: PUBLIC ENTITY CRIMES. Consultant acknowledges and agrees that a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier or sub-contractor under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY TWO for a period of 36 months following the date of being placed on the convicted vendor list. Consultant certifies that it and its affiliates have not been placed on the convicted vendor list within the 36 months immediately preceding this Agreement. The Consultant will advise the City immediately if it becomes aware of any violation of this statute.

SECTION 20: NOTICE. All notices required in this Agreement shall be sent by hand-delivery, certified mail (RRR), or by nationally recognized overnight courier, and if sent to the City shall be sent to:

City of Lake Worth Beach
Attn: City Manager/Financial Department/Procurement Division
7 N. Dixie Highway
Lake Worth Beach, FL 33460

and if sent to Consultant, shall be sent to:

Commercial Risk Management, Inc.
Attn: Susan E Theis, President/CEO
2002 N. Lois Avenue

The foregoing names and addresses may be changed if such change is provided in writing to the other party. Notice shall be deemed given upon receipt.

SECTION 21: ENTIRETY OF AGREEMENT. The City and Consultant agree that this Agreement sets forth the entire agreement between the parties, and that there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Agreement may be added to, modified, superseded or otherwise altered, except by written instrument executed by the parties hereto.

SECTION 22: WAIVER. Failure of a party to enforce or exercise any of its right(s) under this Agreement shall not be deemed a waiver of that parties' right to enforce or exercise said right(s) at any time thereafter.

SECTION 23: PREPARATION AND NON-EXCLUSIVE. This Agreement shall not be construed more strongly against either party regardless of who was more responsible for its preparation. This is a non-exclusive Agreement and the City reserves the right to contract with individuals or firms to provide the same or similar services.

SECTION 24: MATERIALITY. All provisions of the Agreement shall be deemed material. In the event Consultant fails to comply with any of the provisions contained in this Agreement or exhibits, amendments and addenda attached hereto, said failure shall be deemed a material breach of this Agreement and City may at its option provide notice to Consultant to terminate for cause.

SECTION 25: LEGAL EFFECT. This Agreement shall not become binding and effective until approved by the City. The Effective Date is the date this Agreement is executed by the City.

SECTION 26: NOTICE OF COMPLAINTS, SUITS AND REGULATORY VIOLATIONS. Each party will promptly notify the other of any complaint, claim, suit or cause of action threatened or commenced against it which arises out of or relates, in any manner, to the performance of this Agreement. Each party agrees to cooperate with the other in any investigation either may conduct, the defense of any claim or suit in which either party is named, and shall do nothing to impair or invalidate any applicable insurance coverage.

SECTION 27: SURVIVABILITY. Any provision of this Agreement which is of a continuing nature or imposes an obligation which extends beyond the term of this Agreement shall survive its expiration or earlier termination.

SECTION 28: COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and will become effective and binding upon the parties as of the effective date at such time as all the signatories hereto have signed a counterpart of this Agreement. This Agreement may be signed digitally and each digitally signed counterpart shall be considered as an original of the signing party.

SECTION 29: PALM BEACH COUNTY IG. In accordance with Palm Beach County ordinance number 2011-009, Consultant acknowledges that this Agreement may be subject to investigation and/or audit by the Palm Beach County Inspector General. Consultant has reviewed Palm Beach County ordinance number 2011-009 and is aware of its rights and/or obligations under such ordinance.

SECTION 30: AGREEMENT DOCUMENTS AND CONTROLLING PROVISIONS. This Agreement consists of this Agreement, the RFP (which is incorporated herein by reference) and **Exhibit "A"**. The parties agree to be bound by all the terms and conditions set forth in the aforementioned documents. To the

extent that there exists a conflict between the terms and conditions of this Agreement and the remaining aforementioned documents, the terms and conditions of this Agreement shall prevail. The RFP shall take precedence over the Consultant's proposal in Exhibit "A". Wherever possible, the provisions of such documents shall be construed in such a manner as to avoid conflicts between provisions of the various documents.

SECTION 31: OWNERSHIP OF DELIVERABLES. The deliverables, work product, specifications, calculations, supporting documents, or other work products which are listed as deliverables by the City in the RFP or by the Consultant in **Exhibit "A"** shall become the property of the City. Consultant may keep copies or samples thereof and shall have the right to use the same for its own purposes. The City accepts sole responsibility for the reuse of any such deliverables in a manner other than as initially intended or for any use of incomplete documents.

SECTION 32: REPRESENTATIONS AND BINDING AUTHORITY. By signing this Agreement, on behalf of Consultant, the undersigned hereby represents to the City that he or she has the authority and full legal power to execute this Agreement and any and all documents necessary to effectuate and implement the terms of this Agreement on behalf of Consultant for whom he or she is signing and to bind and obligate such party with respect to all provisions contained in this Agreement.

SECTION 33: PUBLIC RECORDS. Consultant shall comply with Florida's Public Records Act, Chapter 119, Florida Statutes, and, if determined to be acting on behalf of the City as provided under section 119.011(2), Florida Statutes, specifically agrees to:

- (a) Keep and maintain public records required by the City to perform the service.
- (b) Upon request from the City's custodian of public records or designee, provide the City with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.
- (c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of this Agreement and following completion of this Agreement if Consultant does not transfer the records to the City.
- (d) Upon completion of this Agreement, transfer, at no cost, to the City all public records in possession of Consultant or keep and maintain public records required by the City to perform the service. If Consultant transfers all public records to the City upon completion of the Agreement, Consultant shall destroy any duplicate public records that are exempt or confidential or exempt from public records disclosure requirements. If Consultant keeps and maintains public records upon completion of the Agreement, Consultant shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the City, upon request from the City's custodian of public records or designee, in a format that is compatible with the information technology systems of the City.

IF THE CONSULTANT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONSULTANT'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (561) 586-1660, CITYCLERK@LAKEWORTHBEACHFL.GOV, OR 7 NORTH DIXIE HIGHWAY, LAKE WORTH BEACH, FLORIDA 33460.

SECTION 34: CONFIDENTIAL AND PROPRIETARY INFORMATION. Each party (the "Receiving

Party”) will keep confidential and not disclose to any other person or entity or use (except as expressly and unambiguously authorized by this Agreement) information, technology or software (“Confidential Information”) obtained from the other party (the “Disclosing Party”); provided, however, that the Receiving Party will not be prohibited from disclosing or using information (i) that at the time of disclosure is publicly available or becomes publicly available through no act or omission of the Receiving Party, (ii) that is or has been disclosed to the Receiving Party by a third party who is not under, and to whom the Receiving Party does not owe, an obligation of confidentiality with respect thereto, (iii) that is or has been independently acquired or developed by the Receiving Party without access to the Disclosing Party’s Confidential Information, (iv) that is already in the Receiving Party’s possession at the time of disclosure, or (v) that is required to be released by law.

SECTION 35: DATA PROTECTION. The Consultant acknowledges that under this Agreement the City is authorizing the Consultant to access and/or receive certain City systems and/or networks which may contain data that is personal, private, and/or confidential (“City Data”) in order to perform the services required in this Agreement. In order to ensure that the City Data is protected, the Consultant agrees on behalf of itself, its employees and agents, who may have access to the City Data and/or receive the City Data, that the City Data will not be stored, copied, analyzed, monitored, or otherwise used except for the sole purposes of performing the services required under this Agreement. Consultant agrees that it will and all of its employees and agents will fully comply with all applicable laws, regulations, and government orders relating to the City Data, including without limitation all personally identifiable information (“PII”) and data privacy with respect to any such City Data. The Consultant will protect all City Data, including but not limited to PII, and will not use, disclose, or transfer such City Data except as necessary to perform the services under this Agreement or as specifically authorized by applicable law. To the extent that Consultant receives or has access to any City Data with PII related to or arising from the performance of this Agreement, the Consultant will protect the privacy and legal rights of City’s personnel, clients, customers, and agents.

SECTION 36: INFORMATION SECURITY BREACH NOTIFICATION. The Consultant agrees to notify the City within two (2) business days in writing of any discovery by Consultant of any breach or suspected breach of the provisions of this Agreement with regards to City Data or any loss or unauthorized use, disclosure, acquisition of, or access to any City Data which Consultant becomes aware of (any such breach or suspected breach being referred to herein as a “Data Breach”). Such notice shall summarize in reasonable detail the effect and potential effect on the City and any of its personnel, clients, customers, and agents, if known, of the Data Breach, and the corrective action taken or to be taken by the Consultant to safeguard the City Data and to prevent any further Data Breaches. Consultant shall promptly take all appropriate and legally required corrective actions, and shall cooperate fully with City in all reasonable and lawful efforts to prevent, mitigate, or rectify such Data Breach. The Consultant agrees to be fully responsible for and liable for any costs, expenses (including reasonable attorney’s fees), and penalties assessed against the City due to any Data Breach.

SECTION 37: EXPORT ADMINISTRATION. Each party agrees to comply with all export laws and regulations of the United States (“Export Laws”) to assure that no software deliverable, item, service, technical data or any direct product thereof arising out of or related to this Agreement is exported directly or indirectly (as a physical export or a deemed export) in violation of Export Laws.

SECTION 38: SCRUTINIZED COMPANIES.

(a) Consultant certifies that it and its subcontractors are not on the Scrutinized Companies that Boycott Israel List and are not engaged in the boycott of Israel. Pursuant to section 287.135, Florida Statutes, the Consultant may immediately terminate this Agreement at its sole option if the Consultant or any of its subcontractors are found to have submitted a false certification; or if the Consultant or any of its subcontractors, are placed on the Scrutinized Companies that Boycott Israel List or is engaged in the boycott of Israel during the term of this Agreement.

- (b) If this Agreement is for one million dollars or more, the Consultant certifies that it and its subcontractors are also not on the Scrutinized Companies with Activities in Sudan List, Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or the Scrutinized Companies with Activities in Iran Terrorism Sectors List, or engaged in business operations in Cuba or Syria as identified in Section 287.135, Florida Statutes. Pursuant to Section 287.135, the CITY may immediately terminate this Agreement at its sole option if the Consultant, or any of its subcontractors are found to have submitted a false certification; or if the Consultant or any of its subcontractors are placed on the Scrutinized Companies with Activities in Sudan List, or Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or the Scrutinized Companies with Activities in Iran Terrorism Sectors List, or are or have been engaged with business operations in Cuba or Syria during the term of this Agreement.
- (c) The Consultant agrees to observe the above requirements for applicable subcontracts entered into for the performance of work under this Agreement.
- (d) The Consultant agrees that the certifications in this section shall be effective and relied upon by the CITY for the term of this Agreement, including any and all renewals.
- (e) The Consultant agrees that if it or any of its subcontractors' status changes in regards to any certification herein, the Consultant shall immediately notify the CITY of the same.
- (f) As provided in Subsection 287.135(8), Florida Statutes, if federal law ceases to authorize the above-stated contracting prohibitions then they shall become inoperative.

SECTION 39: E-VERIFY. Pursuant to Section 448.095(2), Florida Statutes, the Consultant shall:

- (a) Register with and use the E-Verify system to verify the work authorization status of all newly hired employees and require all subcontractors (providing services or receiving funding under this Agreement) to register with and use the E-Verify system to verify the work authorization status of all the subcontractors' newly hired employees;
- (b) Secure an affidavit from all subcontractors (providing services or receiving funding under this Agreement) stating that the subcontractor does not employ, contract with, or subcontract with an "unauthorized alien" as defined in Section 448.095(1)(k), Florida Statutes;
- (c) Maintain copies of all subcontractor affidavits for the duration of this Agreement and provide the same to the City upon request;
- (d) Comply fully, and ensure all of its subcontractors comply fully, with Section 448.095, Florida Statutes;
- (e) Be aware that a violation of Section 448.09, Florida Statutes (Unauthorized aliens; employment prohibited) shall be grounds for termination of this Agreement; and,
- (f) Be aware that if the City terminates this Agreement under Section 448.095(2)(c), Florida Statutes, the Consultant may not be awarded a contract for at least 1 year after the date on which the Agreement is terminated and will be liable for any additional costs incurred by the City as a result of the termination of the Agreement.

SECTION 40: COMPLIANCE WITH SECTION 787.06.

By signing this Agreement before a notary public and taking an oath under the penalty of perjury, the Consultant attests and warrants that Consultant does not use coercion for labor or services as defined in section 787.06, Florida Statutes (2024).

REMAINDER OF PAGE IS INTENTIONALLY LEFT BLANK
SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the parties hereto have made and executed this Professional Services Agreement (Third Party Claims Administrative Services) as of the day and year set forth above.

CITY OF LAKE WORTH BEACH, FLORIDA

By: _____
Betty Resch, Mayor

ATTEST:

By: _____
Melissa Anne Coyne, MMC, City Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

APPROVED FOR FINANCIAL
SUFFICIENCY

By: _____
Glen J. Torcivia, City Attorney

By: _____
Yannick Ngendahayo, Financial Services Director

CONSULTANT: Commercial Risk Management, Inc.,

By: Lorie D. Dove

Print Name: Lorie D. Dove

Title: Chief Operations Officer

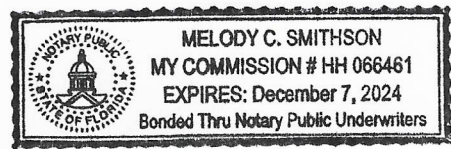


[Corporate Seal]

STATE OF Florida
COUNTY OF Hillsborough

THE FOREGOING instrument was acknowledged before me by means of physical presence or online notarization on this 4 day of September 2024, by Lorie D. Dove, as the COO [title] of **Commercial Risk Management, Inc.**, a corporation authorized to do business in the State of Florida, who is personally known to me or who has produced _____ as identification, and who did take an oath under penalty of perjury that the facts stated with regard to section 787.06, Florida Statutes, are true and correct, and that he or she is duly authorized to execute the foregoing instrument and bind **Commercial Risk Management, Inc.**, to the same.

Melody C. Smithson
Notary Public Signature



Notary Seal:

EXHIBIT "A"
Consultant's Proposal (first 75 pages)



Commercial Risk Management

**A RESPONSE FOR PROPOSAL
PRESENTED TO:**

CITY OF LAKE WORTH BEACH

**PREPARED BY:
Susan Theis, CEO/President
stheis@crm-su.com**

June 10, 2024

**RFP # 24-204
Third-Party Administrative Services**



Commercial Risk Management

Table of Contents

Tab 1 – Respondent Information Page Exhibit C.....	3
Tab 2 – Letter of Transmittal.....	4
Tab 3 – Responsiveness & Methodology.....	5-19
Tab 4 – Cost Effectiveness Exhibit I.....	20-22
Tab 5 – Successful Experience and Qualification of Firm and Staff.....	23-27
Tab 5 - Questions and Answers.....	28-31
Organizational Chart Workers’ Compensation.....	32
Organizational Chart Liability.....	33
Susan Theis Bio.....	34
Lorie Dove Bio.....	35
Marissa Shearer Bio.....	36
Lonnie Cox Bio.....	37
Bobbie Culver Bio.....	38
Jazmyne Mello Bio.....	39
Cindy Cona Bio.....	40
Cindy Rowe Bio.....	41
Dena McKenzie Bio.....	42
Quayshawn Nock Bio.....	43
Ryan Summers Bio.....	44
Tab 6 – Similar Projects and References Exhibit D.....	45-46
Tab 6 – References Exhibit E.....	47
Tab 7 – Veteran, Small, and Local Business Exhibit H.....	48
Tab 8 – Default, Termination, Litigation, Debarment, etc.....	49
Tab 9 – Proof of Licenses – Qualified Service Company Letter.....	50
Division of Corporate Filing.....	51-52
License Cindy Cona.....	53
License Cindy Rowe.....	54
License Quayshawn Nock.....	55
License Ryan Summers.....	56
Proof of Insurance Professional Liability.....	57
Proof of Insurance COI.....	58
Business Tax Receipt License.....	59
Appendix A.....	60-69
Appendix B.....	70-71
Appendix B – RMIS.....	72-76
Sample Reports Workers’ Compensation.....	77-129
Sample Reports Liability.....	130-166
Exhibit B.....	167-168
Exhibit F.....	169
Exhibit G.....	170

EXHIBIT "C"

RFP #24-204 THIRD PARTY CLAIMS ADMINISTRATIVE SERVICES

RESPONDENT INFORMATION PAGE

Company Name: Commercial Risk Management, Inc.

Authorized Signature: 
Signature

Susan E Theis
Print Name

Title: President/CEO

Physical Address: 2002 N. Lois Avenue
Street

<u>Tampa</u>	<u>Florida</u>	<u>33607</u>
City	State	Zip Code

Telephone: 813-289-3900 Fax: 813-289-3771

Email Address: stheis@crm-su.com

Website (if applicable): www.crm-su.com

Federal Identification Number: 591346411

This is a requirement of every Respondent

State of Incorporation: Florida



Commercial Risk Management

June 10, 2024

City of Lake Worth Beach
Financial Services/Purchasing Division
7 North Dixie Highway, 2nd Floor
Lake Worth Beach FL 33460

RE: RFP #24-204
Third-Party Administrative Services

To Whom It May Concern:

Commercial Risk Management, Inc. appreciates the opportunity to respond to RFP #24-204 for Third-Party Administrative Services. We have read, understand, and are committed to providing all services as outlined in the Scope of Services. We acknowledge Addendum # 1.

Commercial Risk Management, Inc., a privately owned Florida corporation, was founded in 1975 to serve organizations that have elected to self-insure. Commercial Risk Management, Inc. has remained a premier service company in Florida by maintaining exceptionally high standards of excellence in all areas of claims administration, telephonic nurse case management, loss control consulting, analytics, and additional services. The executive team involved in your program are owners and decision makers. In addition to the roster of services we offer, what differentiates Commercial Risk Management, Inc. from other third-party administrators, is our aggressive pricing platform.

- We do not charge an annual administration fee; our pricing is all inclusive
- We do not take any percentage of recovery from subrogation, excess, or SDTF
- Bill Review pricing at \$6.50 per bill and 24% of savings is considerably less than the industry standard
- We do not charge for claims system access or number of users
- Clients choose the vendors, providers, and case management firms they want to partner with

Your contact regarding this RFP is Susan E. Theis, President and CEO, phone 813-289-3900 and email stheis@crm-su.com. Our office is located at 2002 N. Lois Avenue, Suite 600, Tampa FL 33607. Susan Theis is fully authorized to act on behalf of Commercial Risk Management, Inc.

We anticipate our RFP Response should fully demonstrate our claims handling expertise, RMIS capabilities, and should exemplify why the City of Lake Worth Beach should choose to partner with Commercial Risk Management, Inc. We are committed to achieving and maintaining the highest standard of excellence in meeting your specific needs. Our goal is client satisfaction and retention.

Sincerely,

Susan E Theis
President



Commercial Risk Management

Tab 3 – Responsiveness & Methodology

Claim Handling Philosophy & Methodology:

1. An outline of the company's claims investigation and compensability determination process.

Workers' Compensation

Commercial Risk Management, Inc. (CRM) promptly investigates all new claims with the goal of having a disposition reached by the 14th day in accordance with statutory guidelines. Our claims personnel complete three-point contacts and confirm the formal medical diagnosis as well as causation of the injury or medical condition as it pertains to the work-related accident. There are occasions where physicians are not able to make a formal medical diagnosis without additional diagnostic testing, or a referral to a specialist may be requested to obtain a causation opinion. These activities may occur outside the 14-day window during the course of adjusting the claim. In those cases, Commercial Risk Management, Inc. will recommend the City invoke the 120-day rule, so that a complete and thorough investigation can be completed.

The adjuster will determine compensability on every claim and always with consultation with the client. When it is determined that formal investigation is necessary or required beyond the three-point contact or routine adjuster contact, a discussion will be held with the client. At that point, recommendations will be made to obtain recorded statements from the injured worker and/or other parties. Preserving initial investigation and statements from the injured worker and others may be crucial to the routine handling as well as defense of the claim in the future. Additional investigation may include ISO searches, background checks, medical canvases, diagnostic sweeps, police reports, and medical record procurement.

The need for surveillance can be triggered by the client, the adjuster, or the defense attorney based on knowledge received throughout the claim. Timing can be very important for the success of surveillance. Therefore, communication between all parties is critical. Authorization for surveillance is always received from the client, and the assignment may be made by the client.

Once a claim has been completely investigated, a determination is made on whether to recommend a denial of the claim to the client. The ultimate decision of whether to deny a claim rests with the client. The process of developing a recommendation includes

consultation with the adjuster and the client (and defense counsel if necessary). If a denial is issued on a claim, the employee will receive the Notice of Denial in writing and will also be contacted by the adjuster to explain the reasons for the denial.

Our acute sensitivity to the litigious nature of this industry, coupled with our knowledge of the unique challenges faced by municipalities, we often recommend a conservative approach so that any denial of the claim, whether it be partial or in full, can be fully supported in the event of litigation. Commercial Risk Management, Inc. recognizes that other employment matters unrelated to the workers' compensation claim may also impact the City's ultimate decision on compensability of a claim. Therefore, we will work in a strategic alliance with the City of Lake Worth Beach in our approach to the administration of their claims.

Liability

Initial investigations are completed timely and within 7 days from receipt of the claim. Documentation will be complete and indicate any reason for further investigation beyond 7 days.

Each investigation is customized to the case-specific situation or occurrence. Thorough and aggressive fact gathering, sometimes using outside sources, are employed to determine the scope of loss and lead the claim toward a fair and reasonable closure. Our adjusters confirm the causal relationship of any claimed injuries or damages to the accident in question. We ensure that vehicle appraisal inspections are completed in a timely manner and repair estimates submitted promptly. Medical records are procured from treating physicians and medical facilities. If coverage disputes arise, the adjuster will consult with the client and a specific strategic plan is agreed upon within the guidelines set by the Fair Claim Handling Act.

An investigation has many components that may include, but are not be limited to:

- Index
- Recorded statements
- Field investigations
- Property Damage estimates
- Medical and Lost wage information
- Police or Fire reports
- Securing any other applicable records

The lack of investigating, documenting, and the timely closure of any or all components can adversely impact the future exposure of a claim. The investigation will be documented in the claim file. The adjuster will discuss with the City of Lake Worth Beach the plan of action and recommendations and/or the need for further investigation.

2. Company policy on handling suspicious/fraudulent claims and the associated denial process.

All adjusters at Commercial Risk Management, Inc. (CRM) have been trained in identifying red flags and potentially fraudulent activity. CRM's SIU Unit is trained in identifying potential violations under F.S. 440.09 and 440.105. Our staff report and process referrals of suspected fraud claims directly to the Florida Department of Financial Services Division of Investigative Services. We do not utilize an outside investigative firm to report and handle our client's fraud claims. We provide this service on behalf of our clients, and it is inclusive of our service fee. We work closely with the individual detectives assigned by the Division of Investigative and Forensic Services and provide documentation to assist with their investigation. We keep tabs with the detective until a disposition has been reached.

CRM will not deny any claim for fraud or report any claim to the Division of Investigative Services without consultation and approval from the City of Lake Worth Beach and their respective defense attorney.

3. Corporate philosophy about direct personal contact with claimants, including injured employees, and the frequency and degree to which this is appropriate.

Workers' Compensation

Our philosophy for a successfully administered claim is one that involves communication, collaboration and engagement with the City of Lake Worth Beach and the injured worker. Frequent communication with the injured worker is necessary and vital throughout the claims process to keep the employee informed and educated. Our priority is to care for the injured worker until they have fully recovered from their injury and have successfully returned to gainful employment.

Our claims personnel contact employees under a variety of circumstances:

1. To explain benefits and coordinate medical care.
2. Build rapport and trust with the employee.
3. Provide support and care for the employee.
4. Provide equitable conflict resolution.
5. Continuous positive reinforcement toward return to work (modified and full duty) as well as MMI.

Upon assignment by the supervisor, the adjuster will contact the employee within 24 hours of receipt of a claim for all lost time claims or questionable claims. The adjuster shall contact the employee at other times when appropriate. In addition, if the claimant is not working (whether they are TTD or TPD), the adjuster shall maintain regular contact with the employee.

Contact will also be initiated and maintained on other claims types as deemed appropriate by the adjuster, supervisor and employer.

Liability

Timely and thorough contact is one of the key components that makes up a successful claims management program. Numerous contact attempts should be made in follow up with the injured party by phone, letter, or assignment to field adjuster for in person contact. Contact should be made with the claimant at least every 30 days by adjuster.

If represented, contact with a claimant's attorney every 30 days is also important. A good working relationship may provide a flow of pertinent information leading to a quicker settlement.

4. Your approach to both medical and vocational rehabilitation, including the extent to which such services would be provided by staff or contracted to others.

Controlling your workers' compensation cost is the goal of every adjuster at Commercial Risk Management, Inc. Utilizing medical and vocational rehabilitation at the appropriate time and on the appropriate claims is an integral tool for controlling medical expenditures and consequently, indemnity exposure.

CRM's telephonic nurse case manager works in conjunction with the adjuster and employer to facilitate the appropriate medical care while recognizing, questioning and managing co-morbidities or other unrelated medical conditions. Our nursing staff have experience in idiosyncrasies unique to workers' compensation claims and can assist in eliminating the need for unnecessary or unrelated treatment, prolonged lost time and in many cases, legal involvement.

CRM has established partnerships with several field nurse case management and vocational rehabilitation firms. All Commercial Risk Management, Inc. clients have the flexibility to utilize a particular field case manager or vocational rehab counselor of their choosing. Unlike other TPA's, our clients are not restricted to using the TPA's panel of case management firms.

Referral criteria for telephonic, field or rehabilitation services can be customized by the client. This allows the client to tailor referrals to suit the needs of their program. At any time, the client can adjust and change the referral criteria as they desire. There is a separate fee for nurse case management services.

5. A description of how the company controls medical costs, including administration of the fee schedule, billing over-charges, determination of unnecessary treatment, utilization reviews, medical treatment plans, etc.

Provider Network, State Fee Schedule and Other Discounts

CRM uses longtime partner Rising Medical Solutions (Rising) to deliver provider network and medical bill review solutions. Rising delivers a configurable and comprehensive injury network to its customers, accessing over 90 leading national and regional networks, sub-networks, and specialty networks. Specifically, Rising contracts with the following broad-based PPOs: Anthem, Careworks, Coventry, First MCO of New Jersey, HealthSmart, Horizon, MultiPlan, PNOA, Prime, TRPN, and Triton. Additionally, Prime, First MCO of NJ, and Triton also have numerous sub-networks that Rising can access for PPO discounts. These broad-based PPO contracts, along with their sub-networks, create a mosaic of PPO discounts that Rising has customized for its customers.

One of the procedures used to adjust medical bills is systematically applying automated state fee schedule and/or usual and customary discounts as appropriate. Overall, Rising's bill review software includes fee schedule and usual and customary (U&C) data sets for all 50 states, Washington DC, longshore, and various non-US jurisdictions including Canada's fee schedules and regulations. It also includes various additional repricing datasets to enhance program performance.

Rising utilizes FAIR Health Charge Benchmarks to determine U&C recommendations when a fee schedule allowance is not available at both the level of state and CPT codes. FAIR Health compiles billions of records, organized into geo zips (the first three digits of the zip code) to compare local provider data for the same procedure, locality, provider type, and date of service range. The benchmarks are presented in percentiles, to which Rising typically reprices based on the 80th percentile. This is an industry standard and fair definition of what the market supports. Rising does comply with any state-specific recommendations regarding usual and customary allowance if they differ from our definition and methodology.

Overall, Rising's U&C methodologies can be set at a recommended reimbursement level in accordance with whatever threshold a customer desires (e.g., reprice the bill to the Xth percentile of charges for the same service within the same zip code). As noted above, our default position is the 80th percentile, though some clients chose another percentile (such as the 50th).

Finally, should the fee schedule, U&C, and/or PPO discount not produce optimal results, Rising has a team of professional negotiators that work to achieve fair reimbursement, including having providers sign off on the negotiated rate prior to payment so there are no future disputes.

Treatment-Related Medical Cost Controls

Rising offers robust utilization management, from treatment tracking/alerts to fully integrated bill review-utilization review capabilities. Overall, Rising's system contains rule automations and alerts for treatment and utilization guidelines at both the national level (e.g., ODG) and state levels. What follows is an overview of these capabilities.

- **Automated Treatment Counter Rule Application**
Rising's system has a Treatment Counter which captures the running total visits and units across all services for the patient which have the same treatment category

combination. When capturing a service encounter, the Treatment Counter values factor in everything that has occurred prior to or on the same day as the service date. As new service encounters are received, the Treatment Counter values may change. **State regulatory rules and client threshold rules are then automatically applied, triggering the appropriate action** (e.g., auto-denials, user alerts as thresholds are approaching).

- **ODG UR Advisor Guidance**
Additionally, through our Official Disability Guidelines™ (ODG) analytics integration, Rising's system provides ODG UR Advisor Flags to warn client users of possible treatment issues in our VISION™ portal. Specifically, through our ODG integration, our system can analyze treatment incidence rates, frequency, visit counts in various percentiles, mean cost, and mean visits. Automatically, our Treatment Counter's current visit count and the ODG UR Advisor results are compared to arrive at the colored flags which are available to users under the Treatment Counter column in our system. If excessive and/or inappropriate treatment is a concern, color coded alerts point client users to take action. This VISION™ portal functionality is available to customers through a subscription to our AI Suite, and Rising's internal system also triggers various bill review actions and service alerts using this technology.
- **Treatment Calendar & Treatment Timeline**
Rising's system also tracks the number of services delivered and provides users with calendar and timeline views of all care associated with a claim. The Treatment Calendar view in our VISION™ portal provides a month-by-month view of the services a patient has received; whereas our Treatment Timeline view provides multiple months of treatment in one screen, so client users can easily grasp the "bigger picture." In both the calendar and timeline views, client users can quickly evaluate color-coded treatments by service type (e.g., Radiology, Physical Therapy). Both the views also display outstanding bills that have not yet been assessed (approved or denied) by the adjuster.
- **Treatment List View with Treatment Alerts**
In addition to the illustrative views of historical medical treatment provided via our Treatment Calendar and Treatment Timeline functionality, we also provide adjusters with a list view of treatment history. Within Rising's system, treatments are evaluated against relevant guidelines at the individual procedure code level and can then be displayed with ODG Treatment Advisor Alerts in our VISION™ portal, indicating the appropriateness of care. This VISION™ functionality also requires a customer subscription to our AI Suite.

Utilization Review

Rising's nurses and physicians guide payers and patients through the medical care process. Our Utilization Review services deliver appropriate, clinically sound treatment recommendations that result in more rapid recoveries and cost-effective outcomes. All decision letters include the citation of the source upon which the decision was based. This includes reviews from the nursing staff and the peer review staff. Overall, program components include:

- URAC Accredited

- Prospective, Concurrent, and Retrospective reviews
- Pharmacy/Drug Utilization reviews
- National capabilities with licensures in appropriate jurisdictions
- Evidenced-based national guidelines and/or state specific guidelines are applied to both approvals and modifications/denials
- National panel of credentialed, board-certified physicians
- Peer reviews conducted by physicians of the same specialty
- Single digit appeal rates – significantly lower than industry averages
- UR-Bill Review system integration

6. A description of how the company works with medical providers, vocational specialists and client personnel to implement a modified duty return-to-work program. Please include a list of providers with whom the Respondent has a current relationship.

The return-to-work program is one of the most important components in a successful workers' compensation program, both from a cost standpoint and the support and care for the injured worker's well-being. Our adjusters will work with the City of Lake Worth Beach to employ an early intervention approach following an industrial accident. CRM has intimate knowledge of the departments and occupations associated with our municipal clients. Together with the City we will make significant strides in getting all departments to accommodate light duty and bring employees back to work. Our adjusters and internal nurse case managers have established relationships and have educated specific medical providers on the importance of return-to-work programs. Our nurse case managers will assist the City in fostering return to work by addressing any medical contraindications that may prevent an injured employee from returning to work. We will build a strong rapport with all parties and provide in-service educational sessions to ensure the departments continuously implement the City's return to work program.

Commercial Risk Management. Inc has established relationships with many providers in the immediate area of the City of Lake Worth Beach. Some, but not all, of the providers we work with are listed below:

Medical Providers:

Helix Urgent Care
 Care Spot
 Med Express
 Personalized Orthopedics of the Palm Beaches
 The Center for Bone and Joint Surgery
 Dr. Robert Brodner, Neurosurgery
 Fyzical Therapy & Balance Centers
 Comprehensive Hand & Physical Therapy
 Select Medical

Vocational Specialist:

Kim Cole, CRC & CVE, Expert Witness, Rehabilitation Consultant & Vocational Evaluator

7. The company's subrogation philosophy and process for pursuing third-party or second injury fund recovery.

Workers' Compensation

The possibility for subrogation is evaluated on each and every claim as a part of the initial claims handling protocols. Our claims personnel identify any and all potential third parties and assess the potential for recovery. Commercial Risk Management, Inc. aggressively pursues various types of subrogation. Each potential subrogation claim will be discussed thoroughly with the City of Lake Worth Beach and proper lien notification is made with all parties involved. CRM will provide the City of Lake Worth Beach with a Subrogation Specialist, at no charge to the City. The Subrogation Specialist works in tandem with the assigned adjuster to identify all avenues of recovery and pursues subrogation lien recovery on behalf of the City. The Subrogation Specialist pursues subrogation lien recovery on a variety of claims such as motor vehicle accidents, slip and falls, and product/manufacture defect claims. The Subrogation Specialist maintains complete and open communication with the City of Lake Worth Beach throughout the subrogation lien recovery process until the lien has been negotiated and recovered in full.

CRM's Quality Assurance department is tasked with requesting and securing all SDTF monies on behalf of our self-insured clients. The department completes and submits the required DFS-F1-SDFF-2 form along with all supporting documentation to the Special Disability Trust Fund. The QA department will then correspond with the Fund regarding any alleged reimbursement disputes until such time the SDTF fund money has been secured. All recovery request submissions and recoveries are posted to the individual claim files. CRM does not charge any percentage of recovery for this service. This service is included in our service fee.

Liability

The adjuster will identify, within 14 days of receiving the claim, any third parties and assess the potential of recovery. Investigation and subrogation will be pursued on an aggressive basis. Each claim where there is a potential for subrogation or contribution will be discussed thoroughly with the client and proper notification will be issued. Also, the adjuster will monitor for PIP or medical bill adjustments which may exist and pursue accordingly as the claim develops. If applicable, the adjuster will report claims to the excess carrier when the specific thresholds are met.

8. The company's process for selecting attorneys, independent medical evaluators, vocational counselors, field investigators, and other consultants. Please include a pre-identified list of providers with whom the Respondent has developed a relationship.

Commercial Risk Management Inc. has been administering claims for self-insureds since 1975, therefore we have established relationships with several law firms all over the State

of Florida. Many of our clients have an existing working relationship with a specific defense attorney or defense firm. CRM will work with any law firm of the City of Lake Worth Beach's choosing. Should the City want recommendations for defense counsel, CRM has a roster of attorneys that have experience and expertise in defending all types of government and liability claims as well as workers' compensation claims filed under chapter 440. We work with attorneys who are specifically skilled at defending claims arising out of F.S. 112.18, 112.1815 and F.S. 112.1816 (Heart/Lung presumption, PTSD and Cancer/Firefighters). When it comes to the selection of an Independent Medical Examiner, CRM always consults with the client and their respective defense counsel on the provider who is best suited to perform the IME.

We vet and retain law firms based on experience, expertise, location, and client preference, concentrating on: 1) skill level of partner, associates, paralegals 2) which attorney in the firm will be assigned 3) establishing activities expected and standards to be met 4) setting ground rules and guidelines to ensure action will not be taken without approval 5) negotiating and/or review of hourly fees and billing standards.

CRM has working relationships with several re-employment/vocational firms and investigative firms throughout the State of Florida. Some, but not all, of the firms we work with in the Lake Worth Beach area are noted below:

Law Firms:

Schefer Petric & Simpson
Kelley Kronenberg
Walton, Lantoff, Schroeder and Carson LLP
The Law Office of Donna Wolfe, P.A.

Investigative Firms:

Evidence Investigations
Advanced Investigate Services
Ethos Investigations

9. Process used for reporting to an excess carrier, if not directly stipulated by the carrier.

All claims handled by Commercial Risk Management, Inc., are thoroughly reviewed by the adjuster and supervisor for potential recovery. The review process is conducted numerous times throughout the claims handling process.

CRM has implemented various "triggers" within our claims system that escalate claims to the adjuster and supervisor for review for potential excess reporting.

In addition to the above-mentioned system review, each claim is reviewed for excess reporting by the Adjuster and Claims Supervisor at the inception of the claim, and thereafter at the adjuster and supervisor diary review. The excess reporting and recovery status of the claim is addressed in every plan of action established by both the adjuster and supervisor. It is the duty of the adjuster to prepare and complete the initial excess report as well as subsequent reports, to be in compliance with the self-insured's excess

policy. In addition, the adjuster has a duty to request, receive and document reimbursements from the excess carrier.

The following criteria have been established by Commercial Risk Management, Inc. for immediate excess reporting:

- a) fatality
- b) spinal cord injury
- c) serious burn injury
- d) brain injury
- e) amputation of a major member
- f) total incurred is 50% or more of the self-insured retention
- g) 52 weeks of disability benefits
- h) litigation filed seeking Permanent Total Disability benefits
- i) More than one employee involved in the accident
- j) Claims that have been accepted as compensable under F.S. 112.18 and 112.1815 and F.S. 112.1816 (Heart/Lung presumption, PTSD and Cancer/Firefighters)

Upon completion of the initial reporting process to the excess carrier, subsequent reviews are conducted by the adjuster and supervisor at 90-day intervals to ensure timely supplemental reporting and to verify that reimbursement requests have been completed, when applicable.

Lastly, when it is anticipated that the financials on any claim will potentially pierce the SIR, the adjuster will verify coverage with the excess carrier, on all loss types (medical, indemnity and expense). Specifically, the adjuster will confirm if the expense is reimbursable at 100% or on a pro rata basis.

10. Describe how the company deals with litigated workers' compensation claims.

Commercial Risk Management, Inc. (CRM) recognizes that each of our self-insured clients has their own unique fiduciary obligations and business circumstances that may impact the administration of their respective litigated claims. We tailor our approach to meet the needs of our clients. With our extensive experience in handling municipal workers' compensation claims, CRM knows how to balance the costs and benefits of a settlement vs. mounting a rigorous defense. We are acutely aware of the budgetary constraints imposed upon municipalities and settlement may not be a viable option. Thus, we will aggressively work with the City of Lake Worth Beach to mitigate all litigation from the moment an employee retains an attorney. We work with the opposing counsel to resolve alleged issues quickly, and only litigate those matters where we have determined the employee is not statutorily entitled to the benefits being claimed. If the City of Lake Worth Beach does have the financial resources to settle, we identify and suggest claims that are ripe for settlement within the City's allocated funds.

Litigation Management is very important in controlling claims costs and achieving

desired results in the claims adjusting process. The below guidelines clearly state the expectations of defense counsel to comply with the Litigation Management parameters set forth in Commercial Risk Management's Best Practices.

Upon referral to defense counsel, the attorney should acknowledge receipt of the assignment to the adjuster within 24 hours. An initial evaluation should be submitted no later than 30 calendar days after the referral. This evaluation should include, but is not limited to, the following:

- A background of the claim which contains the facts of the accident.
- Analysis of compensability.
- Summary of the medical treatment provided to date and evaluation of medical benefit issues, to include analysis of causal relationship, reasonableness, medical necessity, pre-existing conditions, and major contributing cause.
- Analysis of all indemnity benefits paid to date, and evaluation/exposure of any future indemnity benefits that may become due or owing. This analysis will include review of the wage statement, average weekly wage (AWW) and corresponding compensation rate to ensure the accuracy of benefits paid on the claim to avoid any overpayments, underpayments, penalties and interest.
- A review of current defenses raised on the claim and recommendations for the development of future defenses.
- Ways to limit and/or mitigate future exposure on the claim.
- Recommendations for additional discovery to include issuance of subpoenas to appropriate parties, scheduling of depositions, and recommendations for additional investigation, if warranted.
- Evaluation of potential third-party recovery
- Evaluation of any pending legal issues and recommendations for litigation strategy to include resolution via settlement and recommendations for same.
- A summary/budget of the anticipated legal expenses and fees associated with the defense of the claim.
- A conclusion that outlines work to be done by the defense counsel, and work to be done by the adjuster.

Workers' compensation litigation has a logical progression that is encompassed in phases, as such interim reports from defense counsel are necessary and required. Updated reports are expected within five business days of any significant event and shall include, but are not limited to, conferences with physicians and depositions of the claimant and/or any other witnesses or party to the claim.

No later than two weeks before a mediation date, a pre-mediation evaluation shall be submitted to the adjuster and employer that clearly outlines all pending litigation and provides updated recommendations for resolution and/or settlement.

No later than 30 days before a final hearing a pre-trial evaluation shall be submitted to the adjuster and employer that clearly outlines the issues for trial and the defense preparations.

Lastly, communication is vital to the litigation management process. Defense counsel must acknowledge a request for assistance, task assignment, or inquiry by the adjuster and will do so within 48 hours of the adjuster's request.

11. Describe the company's claims handling quality assurance control procedures.

Commercial Risk Management, Inc. has a thorough quality control program, which starts with the training and education of our adjusting staff. To enhance adjuster knowledge and effective claims handling, we require our adjusters to be licensed, our lost time adjusters be board certified, and our litigation adjusters be litigation certified.

We begin investigation at the onset of each claim. The supervisor reviews all claims for handling and identifies compensability issues along with other components that need attention. In this review, the supervisor provides directives to the adjuster. The adjuster will fully investigate the compensability of the claim and a search for prior claims will be conducted.

The claims are placed on a diary system for both the adjuster and supervisor to review the claim at different intervals for handling of the indemnity, medical, and legal depending on the situation. Management monitors the diary system monthly as well as the claim counts of the adjusters. It is important to maintain a consistent claim count for each type of adjuster to allow the time needed to handle and control the claim costs.

Medical cost containment is accomplished with the partnerships of our bill review and pharmacy benefit management companies. Additionally, utilizing CRM's telephonic nurse case management (TNCM) program at the appropriate time and on the appropriate claims is an integral tool for mitigating medical exposure. If a claim meets one of the City's established criteria, and with the City's approval, TNCM will be assigned to the claim for assistance and control of medical care. It is important to control costs while providing the highest standard of care.

Our Executive Vice President/Quality Assurance provides training to the claims team regarding the Division of Workers' Compensation's rules and regulations. The quality assurance analyst monitors all filings with the state of Florida to ensure accurate and timely reporting.

Commercial Risk Management, Inc. conducts an annual SOC (SSAE 18) audit to assess our internal control over financial and system securities.

12. Describe the company's preferred claims payment process. Is an advance required from clients for workers' compensation payments?

The City of Lake Worth Beach's checking account can be implemented multiple ways. The account can be the City's and CRM would have signature authority. The City can provide authority up to a specific amount for issuing payments or a daily check register could be submitted for approval and release. CRM can set up, manage, and reconcile the account. We could have one account for both workers' compensation and liability or an account for both lines of business. The CRM account would be a pre-funded account with weekly, bi-weekly, or monthly reimbursement request depending on the preference of the City. Checks are issued daily to ensure timely payments.

13. Describe the company's typical claim case load per examiner and supervisor to examiner rate.

Lost time adjuster caseload is 125 claims, medical only adjuster caseload is 250 claims, bodily injury adjuster caseload is 90 claims, and property damage adjuster is 150 claims. Our supervisors manage a team of 5-6 adjusters. Caseloads are monitored monthly and reviewed by the management staff. Should the City of Lake Worth Beach's claim volume dictate additional staffing, Commercial Risk Management, Inc., will adjust the staffing model to accommodate the needs of the City's program.

14. Describe the company's reserving philosophy. How and when is the client contacted when setting initial reserves or changing reserves?

Reserving is performed to establish a claim's value and will change as the claim develops. This allows the self-insured to budget funds to pay claims. Many factors are used in setting this reserve such as nature and extent of the injury, profile of the injured worker, medical history, attitude of the employee, attorney representation, return to work, and the adjuster's historical experience.

Commercial Risk Management, Inc. (CRM) has created reserve guidelines for workers' compensation. Initial reserves are established within three days of receipt of the First Report of Injury for all lost time claims based on the intake of the claim. A system generated initial reserve of \$1,500.00 is automatically placed on all medical only claims.

An explanation of the rationale for the reserve is documented in the claim notes. Claims will be reserved for their anticipated ultimate value (not capped at insurance retentions). It is important to be comprehensive and realistic to provide the self-insured, the excess carrier, and the regulators with an accurate value. At minimum, the adjuster documents the review of reserves for adequacy in their plan of action section in every claim review. The supervisor reviews and documents the appropriateness and adequacy of the reserves at various intervals throughout the claim and at times in tandem with the adjuster's reserve increase.

Additionally, the CRM claims system automatically escalates medical only claims to the supervisor for review when the total incurred reaches a dollar threshold of \$10,000. Review thresholds are set in place for lost time and/or litigated claims. The system will

automatically escalate a referral to the claims supervisor for approval and/or increase of the reserves.

Initial reserves are established within 7 days of our receipt of a liability claim. We re-evaluate, modify, and document reserve amounts that are case specific as coverage disputes, if any, are resolved and other issues clarified throughout the adjusting process. We determine an appropriate settlement value and adjust our reserves accordingly. Reserve thresholds are customizable and will be implemented per the client's request.

Reserve thresholds are customizable, and the City of Lake Worth Beach could have a system generated E-Alert on all reserve increases for a specified amount. The E-alert is sent to key personnel and the claim automatically escalates to the supervisor for review.

15. If your firm is selected, how would you propose we transition the account?

Upon selection of Commercial Risk Management, Inc., an implementation meeting would be held to coordinate a smooth transition. We would meet initially within one week with the City of Lake Worth Beach to set up the specific details of the transfer. Commercial Risk Management, Inc. would provide agendas and minutes regarding each meeting. We would coordinate a timely and efficient transition of all existing claims data from the current system. We would ensure claim conversions are accurate with respect to data integrity, including but not limited to data mapping, historical financial transactions, and payment history and classification. Included below are the implementation actions:

- Set initial meeting with the City of Lake Worth Beach to discuss details of the program
- Request test information from the City of Lake Worth Beach/prior TPA and begin data conversion and necessary programming. The following items will be necessary:
 - 1) Record layout identifying field positions and descriptions and the format of the data elements
 - 2) Data dictionary and Tables of Values
 - 3) Summary loss run report displaying the claims and financial totals of data
- Set up individualized plans of claim reporting
- Discuss and set up coding so loss reports can be sorted in accordance with Leon County's needs
- Discuss and establish the distribution of reports
- Discuss and set up daily protocols for obtaining authority for claims activity
- Set up and train the City of Lake Worth Beach's team on the Commercial Risk Management, Inc. Claims System
- Set up checking account and discuss banking/financial needs and reports with appropriate personnel
- Get final data for conversion
- Pick up any hard copy files (specific date to be determined)

Upon award of the contract, Commercial Risk Management, Inc. would contact the prior TPA to select a final date for claims handling and payments. Commercial Risk Management, Inc. would be in continuous contact with the City of Lake Worth Beach and the prior TPA to affect a smooth transfer for such items as payments, mediations, etc. Our IT Department would request the layout from the prior TPA, compare changes to our program to import the data, and request a test file. As soon as the prior TPA has made the last payment, the final data export will take place. All data transferred from the prior TPA would be converted into our claims system. Commercial Risk Management, Inc. would then verify and balance the data. This historical data allows for continued reporting of loss trends and analytics.

The actual claim files, if paper, and any unprocessed mail would be picked up by Commercial Risk Management, Inc. (at no cost to the City of Lake Worth Beach) and delivered to our office on a date just prior to or as soon as available from the prior TPA to Commercial Risk Management, Inc.'s inception/start date. The open files would be reviewed by the supervisor and senior adjuster. All new claims would begin to be reported to Commercial Risk Management, Inc. as soon as the City of Lake Worth Beach desires.

Any mail received by the prior TPA would be forwarded to Commercial Risk Management, Inc. as it is received.

Training and orientation of the City of Lake Worth Beach's employees with our claims system would be performed and the Commercial Risk Management, Inc. staff would visit with the City of Lake Worth Beach as often as necessary.

Our implementation and work with the City of Lake Worth Beach would continue throughout the year, and an annual stewardship report would be provided. We would continue to review and learn the policies and procedures of the City of Lake Worth Beach, assist in implementation changes, and assist in education in areas that the City of Lake Worth Beach may request or Commercial Risk Management, Inc. may suggest.

During the transition process, we would communicate as necessary to ensure that a smooth transition takes place.

Commercial Risk Management, Inc. has completed numerous data conversions for large, self-insured clients. We have not experienced any data issues that have caused delays. Since we have a custom developed system, we transfer the data in any format into our system. We have imported data from multiple third-party administrators and self-administered programs.

16. The City will require full disclosure. Does your firm have any reservations in making available documentation of the commission received from insurers?

Commercial Risk Management, Inc. does not receive commission from any insurer.

EXHIBIT "I"

RFP #24-204 THIRD PARTY CLAIMS ADMINISTRATIVE SERVICES

SCHEDULE OF UNIT PRICES

Service Category	Per Claim Cost
General Liability/Public Official/E&O/EPLI: Bodily Injury Claims	Included
General Liability/Public Official/E&O/EPLI: Property Damage Claims	Included
Auto Liability: Bodily Injury Claims	Included
Auto Liability: Property Damage Claims	Included
Workers' Compensation: Indemnity Claims	Included
Workers' Compensation: Medical Only Claims	Included
Report Only	Included
Property Claims	Included
Cost for taking over existing claims	Included
OSHA 300 Log preparation - <u>OPTIONAL</u>	N/A
One time fees, set up costs, etc.	Included
Other service fees (additional pages may be added)	See Next Page
Respondent may also provide the flat annual fee for all services included:	\$75,000

Exhibit "I"

BILL REVIEW/REPRICING/PPO NETWORK BY RISING MEDICAL SOLUTIONS, LLC

A comprehensive overview of Rising's business model is contained in the RFP Response.

Base Repricing Fee

\$6.50 per bill. Includes data capture, duplicate checking, application of state fee schedule/U&C reductions.

Professional Bill Review/Negotiation/PPO Network Reductions

24% of savings

Professional Review

\$125.00 per hour, billed in ¼ hour increments. Charges for assessing compensability, relatedness, or other adjuster special requests.

Mail EOB to provider

\$1.06 per EOB w/o check writing

PHARMACY BENEFIT MANAGEMENT BY MYMATRIX

myMatrixx holds direct workers' compensation-specific contracts with 100% of the pharmacies in its retail network. The national retail network is made up of more than 66,000 pharmacy locations, including 4795 locations in the State of Florida. When an out-of-network pharmacy is identified, the myMatrixx contracting team contacts the pharmacy to initiate the contracting process for inclusion in the network. Network pharmacies are electronically connected to myMatrixx to facilitate real-time communications and to simplify and expedite authorization decisions.

myMatrixx identifies injured workers for whom substantial savings can be realized by moving them to our mail order refill program. When an injured worker is identified as being a candidate for mail service, a member of the myMatrixx mail service conversion team contacts the claims handler (if requested to do so by the client) before the mail conversion specialist calls the injured worker to explain the benefits and to register them for the service.

Retail

Brands

AWP-15%

Generics

AWP-50%

Mail Order

Brands

AWP-17%

Generics

AWP-55%

PHARMACY BENEFIT MANAGEMENT BY ALIUS HEALTH

Alius Health is a transparent PBM that puts your injured workers first. By offering a transparent pricing model Alius has removed the conflicts of interest that have plagued our industry for years. Alius is here to ensure your injured workers receive the most cost-effective medications with no out of pocket costs. Under this program our clients see:

- Up to a 78% discount off of AWP
- 25% reduction in the average cost per prescription
- 15% reduction in the average scripts filled per claim
- Access to over 74,000 pharmacies nationwide
- First fill and mail order programs
- Clinical Drug Utilization tools available for the adjuster
- Integration with the prescriber's electronic medical records platform

Retail Network Rates

Generic: AWP-72% +\$1.75

We guarantee a minimum drug discount of 72% off the average wholesale price (AWP) on generic medications filled at a retail network pharmacy. The average dispensing fee is \$1.75 per prescription.

Brand: AWP-15% +\$1.75

We guarantee a minimum drug discount of 15% off the average wholesale price (AWP) on brand medications filled at a retail network pharmacy. The average dispensing fee is \$1.75 per prescription. (Note: This discount does not include the manufacturer rebate that provides an additional savings.)

Mail Order Network Rates

Generic: AWP-72% +\$0

We guarantee a minimum drug discount of 72% off the average wholesale price (AWP) on generic medications filled at a mail order network pharmacy. There is no dispensing fee on these prescriptions.

Brand: AWP-20% +\$0

We guarantee a minimum drug discount of 20% off the average wholesale price (AWP) on brand medications filled at a mail order network pharmacy. There is no dispensing fee on these prescriptions. (Note: This discount does not include the manufacturer rebate that provides an additional savings.)

Per Script fee \$35

\$60.00 brand rebates to be returned to client.



Commercial Risk Management

Tab 5 – Successful Experience and Qualification of Firm and Staff

Executive Summary

Commercial Risk Management, Inc. (CRM) is a premier Third-Party Administrator, established in 1975 and based in Tampa, Florida since inception. Commercial Risk Management, Inc. has a superior reputation for providing quality claims handling for self-insureds' workers' compensation accounts throughout the State of Florida. The tenure of our clients demonstrates that we are a powerhouse in the industry. Consistent delivery of services at exceptionally high standards, coupled with our state-of-the-art software and mobile optimization, sets us apart from other service providers. Our innovative and professional staff has the technical expertise necessary to implement customized programs for employers of all sizes.

Commercial Risk Management, Inc. will provide the services as outlined in the Scope of Services based on Florida Statutes and Division's rules and regulations. If our firm is selected, we have provided a transition plan in Tab 3 Question 15. This transition and implementation plan would be completed within 30 to 90 days after the award.

Commercial Risk Management, Inc. takes great pride in our working relationship with the Florida Department of Financial Services, Division of Workers' Compensation. Meeting and exceeding our clients' expectations are shown in our outstanding audit scores over the past ten years.

Commercial Risk Management, Inc.'s roster of services includes claims administration, telephonic nurse case management, underwriting, accounting, loss control consulting, claims management, excess insurance placement, and actionable analytics. Our philosophy is one of partnership. Together we will create, design, and implement a program that is results driven, while incorporating integrity and urgency to exceed our clients' risk management objectives.

Commercial Risk Management, Inc. provides services for 49 self-insured clients in diverse industries including municipal, hospitals, transportation, schools, construction, retail, and others. Our customer satisfaction is shown not only in the retention of our clients but also in the tenure of those clients. We have two clients with 40 plus years, six clients with 30 plus years, and five clients with 20 plus years. The average tenure for our clientele is approximately 17 years.

Commercial Risk Management, Inc. has extensive experience with municipalities to include City of Tampa, Pasco County BOCC, City of Cape Coral, The School Board of Sarasota County, Florida, City of Bartow, City of Boynton Beach, Hillsborough County Sheriff's Office, City of St. Petersburg, Pinellas Suncoast Transit Authority, Central Florida Tourism Oversight District,

Manatee County, City of Ocoee, City of Venice, Polk County BOCC, Southwest Florida Water Management District, Hillsborough Transit Authority, City of Clearwater, City of Sarasota, County of Volusia, City of Boca Raton, and Leon County BOCC. Commercial Risk Management, Inc. currently administers 21 active self-insured public entity clients.

Commercial Risk Management, Inc. practices cost containment, with an emphasis on early intervention, and a proactive approach to return-to-work programs. Our Best Practice Guidelines meet and exceed industry standards and can be customized to the individual needs of the City of Lake Worth Beach. CRM mitigates costs by providing the City of Lake Worth Beach with options of Bill Review companies, Pharmacy Benefit Management companies, defense counsel, and other vendor choices who have the same goals set for the City of Lake Worth Beach as we do. Commercial Risk Management, Inc. also works directly with the City of Lake Worth Beach to establish preferred providers. This ensures consistency in the workers' compensation program. All of the aforementioned actions strategically allow us to advance the goals and outcomes anticipated, reduce costs, and lend unyielding support for the overall City of Lake Worth Beach program.

Commercial Risk Management, Inc.'s Quality Assurance Department ensures consistency, integrity, and discipline in the administration of all claim types. Our quality assurance team closely monitors several aspects of claims handling to include medical and compensation benefits, electronic form filing with the Division of Workers' Compensation, state audits and reporting, and Centers for Medicare & Medicaid Services reporting and conditional payments/demands. Our quality assurance team also monitors the overall team member performance to ensure our best practices are adhered to. The members of our quality assurance team are proactive in proposing potential ideas for continued improvement and efficiency of our staff and workplace procedures.

Every year many organizations have legitimate monies to be recovered and remain uncollected. Commercial Risk Management, Inc.'s subrogation recovery services, in both liability and workers' compensation, explore every opportunity and apply aggressive Best Practices to achieve superior recovery results on behalf of our clients. Successful recovery means additional savings for our clients. The City of Lake Worth Beach will receive all recovery amounts in full, as Commercial Risk Management, Inc. does not take a percentage of recovery.

Commercial Risk Management, Inc. recognizes the importance of staying current with the most recent advancements in technology. We place an emphasis on technology to ensure our clients receive the most out of their program. Our claims system was developed in-house, using the input from our claims team, claims management, and clients. Our cutting-edge technology provides our clients with flexibility and access to real time data at their fingertips. The claims system remains maintained in-house which allows for additional custom development as our clients' needs continue to evolve.

The workers' compensation industry is constantly evolving. Therefore, we find it critical to remain apprised of new case law, changes in procedures, advancements in medicine, etc. The same is true with tort reforms in liability claims handling. Therefore, Commercial Risk

Management, Inc. places emphasis on expanding our knowledge through continued training and industry engagement. Commercial Risk Management, Inc. encourages our staff to engage in training opportunities throughout the year. The team assigned to the City of Lake Worth Beach, alongside our management staff, will continuously communicate new knowledge to the City of Lake Worth Beach to ensure the most effective claims handling procedures are in-place for a successful program.

With over 49 years of risk management and claims experience, Commercial Risk Management, Inc. holds a stellar reputation throughout the insurance industry. Our commitment to providing the best service to our clients is unrivaled. As a privately held company, our focus is on our clients' needs, not shareholder demands.

Staff for Services

Commercial Risk Management, Inc. will assign an experienced claims team to the City of Lake Worth Beach. Our Best in Class Claims Team engages and collaborates with our clients' stakeholders to mitigate and control claims' costs. We will advance the goals and outcomes anticipated, reduce costs, and lend unyielding support for the overall vision of the City of Lake Worth Beach. The claims team will be led by senior managers/owners: Susan Theis, Chief Executive Officer; Lorie Dove, Chief Operations Officer; Bobbie Culver, Executive Vice President; and Marissa Shearer, Executive Vice President. We have included employee resumes for the proposed team.

Workers' Compensation

The individual who will assume primary responsibility for the City of Lake Worth Beach's obligations under any resulting contract is Bobbie Culver, Executive Vice President/Claims. Ms. Culver will ensure that the City of Lake Worth Beach's expectations are met in a timely manner. With her experience, Ms. Culver will provide ideas and solutions to the City of Lake Worth Beach as well as suggestions for the, sometimes, sensitive issues that may arise.

Ms. Culver will also observe and/or manage the following:

- Troubleshoot issues and provide effective solutions
- Identify desired outcomes and deliver program improvements
- Monitor claims trends and audit claims handling procedures to ensure exceptional customer service and claims service deliverables
- Provide an annual Stewardship Presentation to review reports, service performance, benchmarking, claim trending/loss analysis reports, and specialized interactive reporting (alongside Marissa Shearer)

Marissa Shearer, our Executive Vice President/Quality Assurance and Analytics Manager, will work closely with the claims team to provide training and insight on rules and regulations set forth by the Division of Workers' Compensation. Some of the key areas that Ms. Shearer oversees are the Electronic Data Interchange form filings and indemnity benefit payments. Ms.

Shearer also works directly with the data analyst team to provide custom and interactive claim information reports to our clients.

The Claims Supervisor will be Jazmyne Mello. Ms. Mello oversees the workers' compensation claims team. She will supervise the daily claims handling of the adjusters assigned to the City of Lake Worth Beach. She will work closely with the City of Lake Worth Beach to ensure the flow of work is appropriate and prompt. Ms. Mello reviews all incoming workers' compensation claims and makes the appropriate assignment to the Claims Representative or Claims Specialist. She monitors claims until their conclusion. Ms. Mello coordinates all activities with the client including the quarterly claims meeting and stewardship. Ms. Mello also coordinates the bill review and PBM services.

Also included in the City of Lake Worth Beach's team will be Cindy Cona, Senior Claims Specialist. Ms. Cona will conduct a complete investigation on any questionable claim and submit a recommendation for acceptance or denial to the City. She will establish the preferred providers with the City and will work closely with these preferred providers to control the ultimate cost of the claim and to pursue effective closure. Ms. Cona will coordinate care for each injured worker, often collaborating with the nurse if assigned, and will be prompt in their contact with each injured worker, taking the time necessary to explain benefits fully. Ms. Cona will process timely and accurate payments to the injured workers. Ms. Cona's current claim count is 121 lost time claims.

A Claims Specialist, Cindy Rowe, will also be a part of the City of Lake Worth Beach's team. Ms. Rowe ensures injured workers stay at work, coordinates their medical care, routinely answers questions they may have, and monitors/guides the claim to MMI/closure. Ms. Rowe's current claim count is 36 lost time and 110 medical only claims.

In addition to the Senior Claims Specialist and Claims Representative, Commercial Risk Management, Inc. provides a Subrogation Claims Specialist. The team will have clerical support and claims assistance support. The City of Lake Worth Beach will be assigned an account manager who will oversee the checking account activity as well as monthly and ad hoc reports.

We require our adjusters and supervisors be Board Certified with the Florida Department of Insurance and provide in-house continuing education opportunities. Commercial Risk Management, Inc. has memberships with and attends PRIMA, WCI, RIMS, FERMA, and WCCP. Ms. Dove is the Chairperson for the WCCP.

Liability

The individual who will assume primary responsibility for the City of Lake Worth Beach's obligations under any resulting contract is Dena McKenzie, Assistant Vice President/Claims Manager. Ms. McKenzie will ensure that the City of Lake Worth Beach's expectations are met in a timely manner. With her experience, she will provide ideas and solutions to the City of Lake Worth Beach as well as suggestions for the, sometimes, sensitive issues that may arise.

Ms. McKenzie will also observe and/or manage the following:

- Troubleshoot issues and provide effective solutions
- Identify desired outcomes and deliver program improvements
- Ensure claims are being handled according to client specific instructions
- Monitor claims trends and audit claims handling procedures to ensure exceptional customer service and claims service deliverables
- Provide an annual Stewardship Presentation to review reports, service performance, benchmarking, claim trending/loss analysis reports, and specialized interactive reporting

Ms. McKenzie oversees the liability claims team. She will supervise the daily claims handling of the adjusters assigned to the City of Lake Worth Beach. Ms. McKenzie reviews all incoming liability claims and makes the appropriate assignment to the Senior Liability Claims Specialist or Liability Claims Specialist. She monitors claims until their conclusion. She will work closely with the City of Lake Worth Beach to ensure the flow of work is appropriate and prompt. Ms. McKenzie coordinates meetings and annual stewardship reviews with the client.

Also included in the City of Lake Worth Beach's claims team will be a Senior Liability Claims Specialist, Quayshawn Nock. Mr. Nock will conduct a complete investigation, analyze the evidence on claims, and submit appropriate recommendation for acceptance or rejection to the City of Lake Worth Beach. Mr. Nock will monitor the litigation and work closely with defense counsel. He will negotiate claims resolution within granted authority. He will submit appropriate recommendations on claims outside our authority and obtain approval from the City of Lake Worth Beach. He will also attend any settlement conferences/mediations, hearing, and meetings with the City of Lake Worth Beach. He will place the excess carrier on notice on potential large loss claims. Mr. Nock's current claim count is 70 bodily injury claims.

A Liability Claims Specialist, Ryan Summers, will also be a member of the City of Lake Worth Beach's claims team. Mr. Summers will promptly analyze and evaluate all evidence to determine liability, verify the extent of damages and establish that the estimate is accurate before issuing payment. He will examine each claim for and pursue all subrogation possibilities. Mr. Summers claim count is 112 property damage claims.

The team will have clerical support. The City of Lake Worth Beach will be assigned an account manager who will oversee the checking account activity as well as monthly and ad hoc reports.

At Commercial Risk Management, Inc., we believe our employees are very important and one of the keys to the success of the Workers' Compensation program. Our turnover rate is minimal, which attributes to consistency in the claims handling and familiarity with the client (including risk management department heads, supervisors, and employees). To ensure we always have coverage, we also have a back-up team for when the client's adjuster or supervisor is out of the office. The back-up team will be familiar with the client's staff and procedures.



Commercial Risk Management

Tab 5 – Successful Experience and Qualification of Firm and Staff

Experience and Qualification Responses:

1. Attach an organizational chart of the office that will provide services to the City and include pictures, Bios, and position titles.

Organizational chart is contained in our response along with biographies for the team assigned to the City of Lake Worth Beach.

2. Detail the number and size of the accounts assigned to the person (s) assigned primary responsibility to work with the City.

The management team monitors the accounts and caseloads monthly, ensuring a manageable number for optimal claims handling. We have selected the team for the City of Lake Worth Beach based on the review of annual reported claims. Senior lost time adjuster, Cindy Cona, is assigned to six clients, with two accounts having minimal reported claims. Ms. Cona handles workers' compensation litigation claims and her current count is 118 which is below our average of 125 claims. Senior Liability adjuster, Quayshawn Nock, is assigned to two clients. Mr. Nock handles bodily injury claims, and his current count is 70 which is below our average of 90 claims.

3. Describe how your firm intends to provide back-up for the team identified in 1-2 during vacations, illness, and/or other unplanned absences.

Commercial Risk Management, Inc. has an established back-up team to ensure we have coverage in the event a member of the City's claims team is unavailable or absent. The back up team will provide the same level of service the City is accustomed to. The back up team will be well versed in the City of Lake Worth Beach's program so there is no loss of continuity or disruption of service to the City.

4. Who would be working directly with the City on administrative issues, questions, or problem solving? Please provide the roles and qualifications of each person. Provide the number of clients each person is expected to handle and categorize these clients by size.

Bobbie Culver, Executive Vice President/Claims Manager will work directly with the City on administrative issues, questions, or problem solving. The entire executive team is available which also includes Susan Theis, CEO/President, Lorie Dove, COO, and Marissa Shearer, EVP. As claims manager, Ms. Culver oversees claim supervisors that are assigned to 22 accounts ranging from small to large. Ms. Culver has managed the City

of Tampa, which is Florida's third largest city, since 2005. Ms. Culver also manages smaller-sized accounts which include municipalities.

5. Where are the individuals who would be working most closely with the City physically located?

Commercial Risk Management, Inc. is located in Tampa, Florida and all management, supervisors, and adjusters are located in Tampa.

6. Describe what makes your firm uniquely qualified to work on City's account?

Commercial Risk Management, Inc. (CRM) has been handling claims for public sector clients in the State of Florida for over 44 years. As such, we understand all types of losses that affect both public and quasi-public entities. CRM's experienced claims team has unparalleled expertise in handling these claims.

Our claims adjusters are subject matter experts in the following areas:

- Compensability
- Violations of Florida's "Fraud" Statute, i.e., §440.105, F.S.
- Compensation for injuries when third parties are liable, §440.39, F.S.
- Mental & Nervous Injuries, i.e., §440.093, F.S.
- Liability for Compensation, i.e., §440.15, F.S.
- Liability for Medical Benefits, i.e., §440.13, F.S.
- Medical Services Disputes
- Positive drug screen cases
- Average Weekly Wage/Determination of Pay Disputes, i.e., §440.14, F.S.
- Occupational Diseases, i.e., §440.151, F.S.
- Compensation for Death, i.e., §440.16, F.S.
- Statute of Limitations Disputes, i.e., §440.19, F.S.
- The Florida Tort Reform Act of 2023

Managing claims for municipalities requires a unique and specialized set of skills. CRM's adjusters and supervisors are specifically trained in the investigation and management of municipal claims including claims that are unique to police officers, firefighters, and paramedics. CRM's adjusters have vast knowledge in handling first responders' claims which include Heart and Lung cases, PTSD, and firefighter cancer benefits.

Each municipal client has its own policy and procedures regarding the management of these anomalous claims, depending on the structure of their organization and Human Resources environment. CRM has been successful in collaborating with its clients in establishing a distinct program particularly targeting the Heart and Lung/First Responders claims. This includes identifying cardiologists who understand the Heart and Lung presumption, nurse case managers who specialize in the management and coordination of treatment and return to work, and, if needed, legal partners to assist in mitigating the exposure in these potentially costly claims. Because of our level of expertise, we have seen a reduction in litigation and overall employee dissatisfaction that many times accompanies the Heart and Lung/First Responders claims.

Effective October 1, 2018, FI Statute 112.1815 was amended to include PTSD as a covered condition for First Responders. CRM has developed and implemented specialized claims handling protocols with respect to investigating and mitigating these sensitive and potentially costly claims. We have a roster of psychiatrists who are well versed in the specific criteria in the DSM-5 and determine through clear and convincing medical evidence if the diagnosis of PTSD exists and if there are any pre-existing or relevant conditions that may impact the claim.

Effective July 1, 2019, FI Statute 112.1816 was amended to provide an alternative benefit to workers' compensation in chapter 440. Specifically, certain types of cancers qualify firefighters to receive these alternative benefits. CRM offers our clients separate administration for claims arising out of FI Statute 112.1816.

Effective March 24, 2023, Florida enacted sweeping changes to its negligence liability system.

Our liability adjusters are fully abreast of all changes in the Florida Reform Tort Act of 2023:

- Statute of Limitations for Negligence
- Comparative Fault
- Attorney's fees
- Premises Liability-Negligent Security
- Bad Faith
- Medical Bills/Letter of Protection
- Service members

Further changes have also been proposed to reshape sovereign immunity limits and claim deadlines. CRM's liability adjusters are prepared for the potential shift in the defense of our clients' liability claims. Our highly skilled liability adjusters employ a proactive approach to navigating Florida's evolving legal landscape. Our claims personnel will adapt swiftly to these potential modifications.

At CRM, liability claims management includes providing a dedicated team, promptly creating claim files, conducting investigation, evaluating nature and extent of each claim, recommendation of acceptance/rejection, reports and documentation, and identifying subrogation.

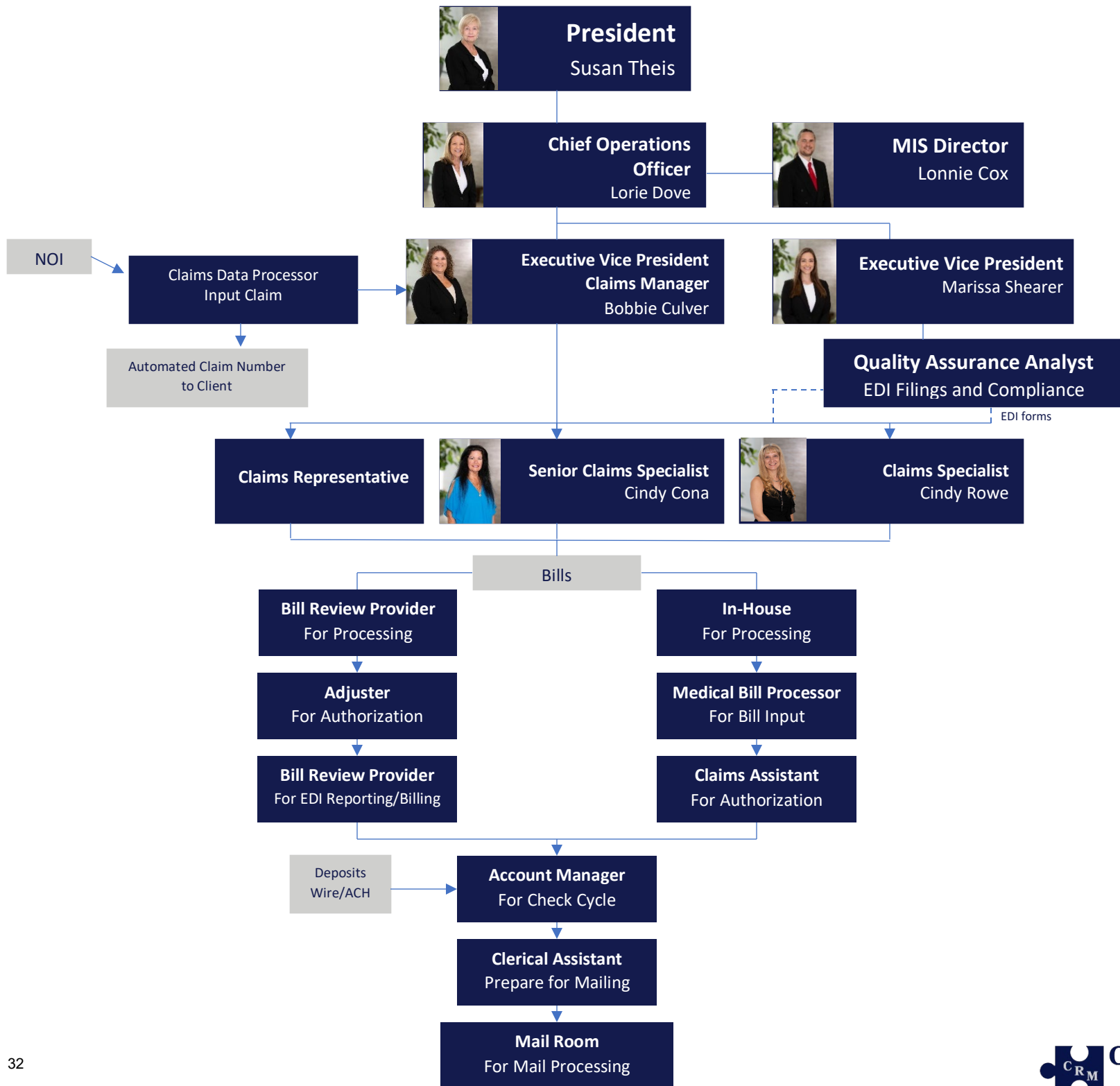
Litigation includes monitoring litigation involving claims against the City of Lake Worth Beach, providing adjusting services as requested by defense counsel, monitoring bills and expenses, ensuring retention of experts is cleared with the City, and handling settlement negotiations with authority granted by the City. We understand this is the City's liability and workers' compensation program. We customize our programs to adhere to the City's needs.

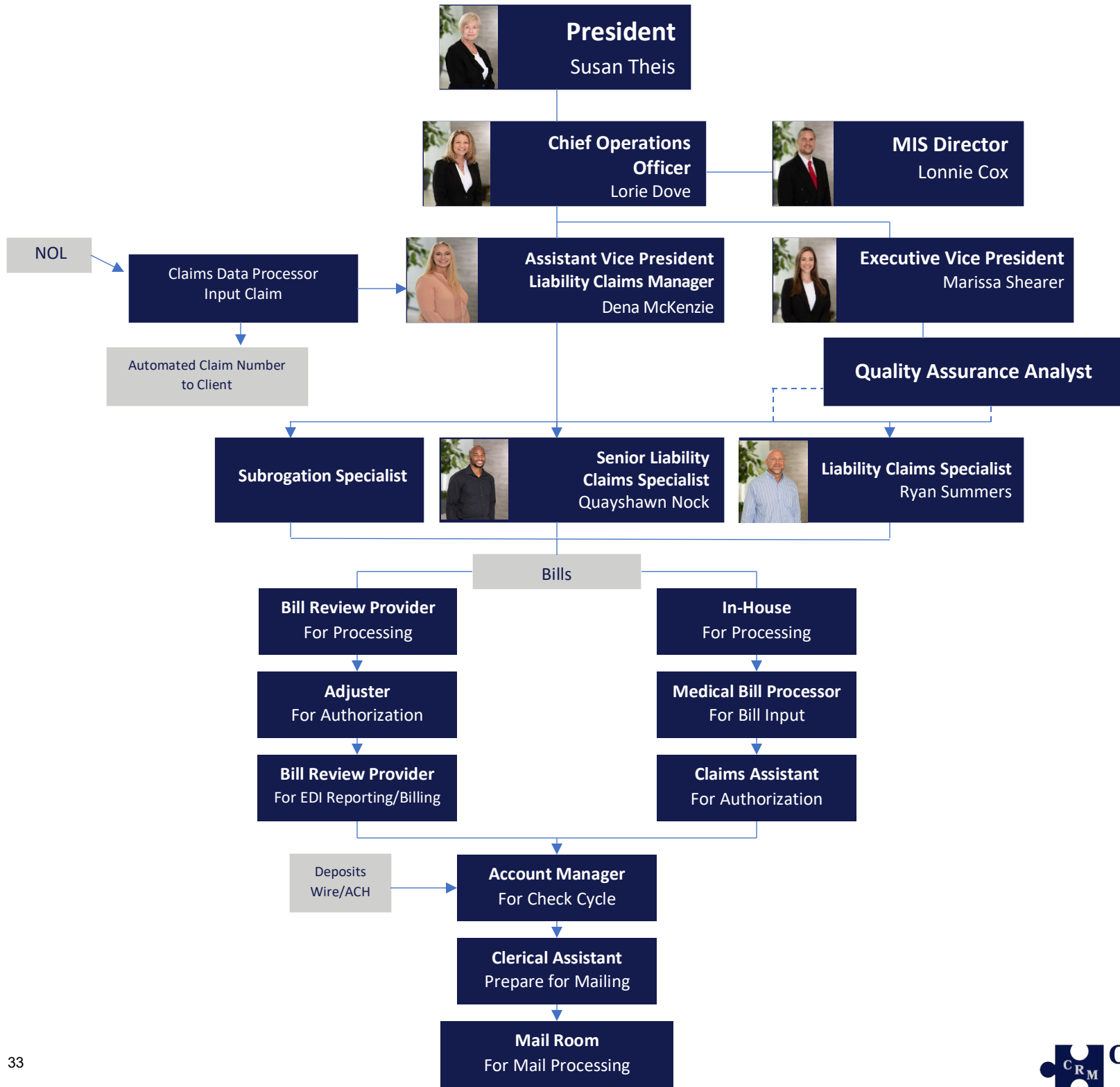
7. Provide some example of after-hour claims processing.

Commercial Risk Management, Inc. provides our clients with contact numbers for the executive team as well as the claims manager and senior adjusters (liability and workers' compensation) in the event of an after-hours claim emergency. We are available 24 hours a day, 7 days a week. It is not uncommon for our municipal clients to have an emergency, whether it be a liability matter or workers' compensation injury.

In the event of an after-hours emergency, our liability claims staff will provide direction and guidance on taking necessary precautions to prevent further loss to the City's property and advise City staff not to discard any damaged property. We will immediately contact a local contractor or emergency cleaning and restoration service to assist with securing your property.

With workers' compensation, unfortunately, there are occasions given the nature of their occupation where employees, such as police officers, sustain gunshot wounds in the course and scope of their employment. We immediately contact the hospital to facilitate any medical needs, ensure appropriate discharge planning is in place, and will contact the employee's family (with the City's approval) to provide reassurance during this traumatic period. We will assign a nurse case manager (with the City's approval) and continue to work on the claim after hours prior to our formal receipt of the notice of injury to ensure we are taking care of the City's needs and those of their injured workers.







Commercial Risk Management

Susan E. Theis, CWC, Owner/President/Chief Executive Officer



Ms. Theis began her career with Commercial Risk Management, Inc. in 1980. She holds an All Lines adjuster license in the state of Florida and is Board Certified in Workers' Compensation with the Florida Department of Insurance, Division of Workers' Compensation. Ms. Theis has held many positions at Commercial Risk Management, Inc. She became the President in 1998, then became co-owner of Commercial Risk Management, Inc. in December of 2011.

Ms. Theis is a member of the Association of Workers' Compensation Claims Professionals (WCCP) and attends Public Risk Management Association meetings. She is a Board Member of the Florida Association of Self-Insureds.

Ms. Theis is an accomplished speaker and has participated in many panel discussions such as the Telehealth discussion panel, where she spoke alongside board certified physicians and a highly acclaimed attorney. Ms. Theis is an invaluable resource for existing and potential self-insureds. Her extensive experience and knowledge of the workers' compensation industry are exhibited through her ability to assist in developing specific self-insured programs. She has assisted in educational programs for certain key employees and/or departments at a self-insured client's request.

In her current position at Commercial Risk Management, Inc., Ms. Theis oversees the administration of the workers' compensation programs, ensuring the success of each program. She coordinates and assists with financial discussions, including outstanding liabilities, with each self-insured client. Ms. Theis provides all Unit Stat and Outstanding Liability reporting to the Department of Financial Services, Workers' Compensation Division. To ensure that the service provided to our clients exceeds standard, she selects and assists in supervising the staff and dedicated unit for each program.



Commercial Risk Management

Lorie D. Dove, CWCL, Owner/Corporate Officer/Chief Operations Officer



Ms. Dove has been with Commercial Risk Management, Inc. since 1983. She has an Associate of Science degree in Accounting and holds an All Lines adjuster license in the State of Florida. She is a member of the Association of Workers' Compensation Claims Professionals (WCCP) and is Board Certified in Workers' Compensation Litigation with the Florida Department of Insurance, Division of Workers' Compensation. Ms. Dove was efficient in several positions at Commercial Risk Management, Inc., receiving multiple promotions over the years. She became the Vice President of Operations in 2004, was promoted to Chief Operations Officer in 2007, then became the co-owner of Commercial Risk Management, Inc. in December of 2011.

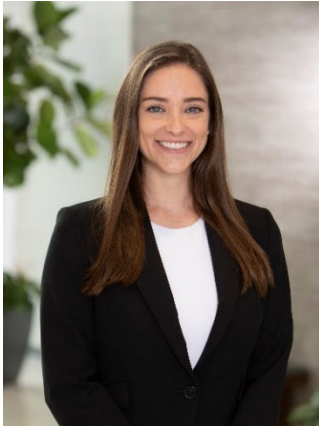
Ms. Dove serves on the Executive Board of Directors as Chairperson for the Association of Workers' Compensation Claims Professionals (WCCP). She has been a Board member since December of 2011 and previously held the position of Secretary. The position she holds is dedicated to the purpose of raising the level of professionalism in the Workers' Compensation Claims Community through education and communication. She participates in numerous conferences throughout the year including the WCCP Florida Bar Forum, Florida Educational Risk Management Association, Risk Management Society, Workers' Compensation Institute, and Public Risk Management Association.

Ms. Dove's current position at Commercial Risk Management, Inc. is to oversee the financial and reporting component of the self-insured programs. She is responsible for hiring, training, and managing the claims data analytic positions, along with additional clerical positions, to ensure accurate data that follows a strict internal control from an SSAE 18/Type 2 SOC standpoint. Ms. Dove is also the systems administrator for our custom software. She manages all aspects of the software including the in-house programmers, all importing/exporting, the remote users, and the conversion of all new clients. Ms. Dove oversees all custom, analytic, and interactive reporting for the clients. She is the Account Manager for our clients for the MMSEA Section 111 Mandatory Reporting to CMS. In addition, she continues to manage the Florida Self-Insurers Guaranty Association, Inc.'s program, which represents all insolvent self-insured accounts handled by the State of Florida.



Commercial Risk Management

Marissa Shearer, MBA, CWCL, Owner/Executive Vice President



Ms. Shearer has been employed with Commercial Risk Management, Inc. since 2008. She graduated from the University of South Florida with a Bachelor of Arts degree in English Literature in 2013 and her Master of Business Administration (MBA) degree in 2023. Ms. Shearer serves on the Board of Directors for Kids' Chance of Florida. Ms. Shearer has an All Lines adjuster license in the State of Florida and is a member of the Association of Workers' Compensation Claims Professionals (WCCP), an organization in which she also served as Marketing and Conference Manager. She is Board Certified in Workers' Compensation Litigation with the Florida Department of Insurance, Division of Workers' Compensation. Ms. Shearer has attended training classes with the Division of Workers' Compensation and is well versed in Florida Statute 440 as well as the 69L rules.

Ms. Shearer has held varying positions within Commercial Risk Management, Inc., including Quality Assurance and Analytics Manager. Due to her proven ability to excel in every assignment, she was promoted to the Vice President of Quality Assurance and Analytics in September of 2019. Ms. Shearer became Executive Vice President and co-owner in January of 2021. Ms. Shearer's leadership skills have allowed her to naturally succeed in the supervision of the adjusting team's claims handling processes. She works closely with the Quality Assurance Analyst team and claims team, providing training and insight into rules and regulations set forth by the Division of Workers' Compensation. Ms. Shearer ensures State reporting is completed timely and accurately. She also monitors lost time claims to ensure adherence to the aforementioned rules and regulations and best practice procedures. In addition, she manages all aspects of Medical EDI as well as the Centralized Performance System (CPS) Portal for each self-insured client. Ms. Shearer works directly with the Division of Workers' Compensation for State audits. Under her supervision, two clients were awarded the Distinguished Conduct and Exemplary Service Award at the 2023 WCI Annual Conference. Ms. Shearer also oversees all filings with SDTF and CMS for recovery.

Ms. Shearer creates and oversees the development of metric, dashboard, custom, and interactive reports to assist with claims mitigation and benchmarking. She provides and presents an analytical strategy for cost containment. Ms. Shearer attends annual claims review meetings to provide stewardship reports for clients, which includes an overview of detailed, trending claim information. She performs regular data integrity and quality control checks to identify areas of improvement and oversees report enhancements. She serves as a technical resource/subject matter expert on analytical tools and processes. Ms. Shearer also mentors and provides technical training to the adjusting and adjuster support staff.



Commercial Risk Management

Lonnie Cox, MIS Director



Mr. Cox is a proven Information System Specialist with over 15 years of experience developing software solutions in the Benefits Management field. He specializes in leveraging automation and technology to improve efficiency, organization and accuracy. Utilizing his experience of hardware, networking, software development, and healthcare informatics, along with excellent verbal and written communication skills, Mr. Cox is able to analyze the needs and desires of the client and craft customized solutions that exceed expectations.

Having supported and trained others to use software, Mr. Cox also possesses the ability to express technical information that is easily understood by those without a technical background. This enhances communication between other team members and improves overall productivity of the team.

Mr. Cox works diligently to achieve his goal of surpassing clients' expectations. He supervises a junior software developer, and together they take great pride in creating solutions to improve overall productivity. Whether leading or working as part of a team, Mr. Cox has overseen numerous software implementations and large-scale automation projects. He has implemented several business systems including integrated mail automation systems, document scanning solutions, large-scale digital document storage and retrieval systems and a variety of electronic data interface programs. To remain cognizant of the latest trends in information technologies, he has utilized several different technologies over the years. Mr. Cox has a wide range of technical skills, specializing in Microsoft SQL Server, VB.NET. He also has extensive experience with C#, Java and various other programming and scripting languages, as well as hardware and network management.



Commercial Risk Management

Bobbie Culver, CWCL, Owner/Executive Vice President



Ms. Culver has been involved in Claims and Risk Management since joining Commercial Risk Management, Inc. in 1997. She holds an All Lines adjuster license in the State of Florida. Ms. Culver has held many positions within Commercial Risk Management, Inc. such as Assistant Vice President of Claims as of 2010. She was promoted to Vice President of Claims in 2015 and became Executive Vice President and co-owner in January of 2021.

Ms. Culver is a member of the Association of Workers' Compensation Claims Professionals (WCCP), the Sarasota/Bradenton Claims Association and attends Public Risk Management Association meetings. She is Board Certified in Workers' Compensation Litigation with the Florida Department of Insurance, Division of Workers' Compensation. Ms. Culver has participated in panel discussions including the National Public Risk Insurance Management conference and has spoken alongside Honorable Chief Judge David Langham on Workers' Compensation Updates. Her dedication to leadership in workers' compensation is reflected not only in the workplace, but also in her personal life. She has been an integral part of the annual Perillo-Stafford Leukemia foundation Golf Tournament which assists individuals and families who are struggling financially due to a terminal illness. Ms. Culver also participates in the Give Kids the World Service Project at the WCI annual conference, as well as the Hope Challenge and Make a Wish Pillow Challenge.

In her current position, Ms. Culver oversees the self-insured claims program and manages all levels of claims personnel assigned to the program. Ms. Culver develops and implements specific action plans to correct any deficiencies at the supervisor and adjuster level. She ensures the supervisor is maintaining appropriate file engagement and provides meaningful technical guidance that contributes to both claim resolution strategies and professional development of claims staff. Ms. Culver recognizes trends and implements improvement opportunities by monitoring team performance, reviewing and interpreting data analytics and developing strategies to improve quality, customer satisfaction and overall claim outcomes. She presents annual Stewardship Reports with a focus on the specific needs of the self-insured workers' compensation program. Ms. Culver has been influential in developing Wellness Programs and strategic plans for legacy claims resolution for many of her clients.



Commercial Risk Management

Jazmyne Mello, CWCL, Claims Supervisor



Ms. Mello began her career in claims management with Commercial Risk Management, Inc. in 2008. She is licensed in the State of Florida and is a member of the Workers' Compensation Claims Professionals. She is Board Certified in Workers' Compensation Litigation with the Florida Department of Insurance, Division of Workers' Compensation. She has attended special training sessions designed to enhance her knowledge of investigating, evaluating, and managing complicated worker's compensation and liability claims.

Ms. Mello has extensive experience in managing claims unique to the healthcare industry as well as municipalities. She has expertise in identifying claims that may violate F.S. 440.105 and 440.09 (fraud) and assists defense counsel with perfecting defenses necessary to prosecute those claims. She assists the claims personnel in coverage investigation, liability analysis, and settlement negotiation. Ms. Mello understands the proper application of Medicare-Set-Aside guidelines and has the expertise to manage all claims including catastrophic claims and claims involving third party recoveries. Ms. Mello supervises the daily claims handling of adjusters assigned to self-insured employers for whom she is responsible. She works directly with the self-insured clients to ensure information is exchanged promptly and effectively. Ms. Mello reviews incoming claims, assigning them to the appropriate claims adjuster, monitors claims until conclusion, and coordinates claims review meetings.

In addition, Ms. Mello oversees all partnerships between Commercial Risk Management, Inc./our clients and third party vendors. She monitors these partnerships to ensure the licensing is up-to-date and the service provided by these vendors to our clients is exceptional.



Commercial Risk Management

Cindy Cona, CWCL, Senior Claims Specialist



Ms. Cona has been employed by Commercial Risk Management, Inc. since 1998. She has been in the workers' compensation industry since 1978 and started managing lost time and litigated claims in 1980. Ms. Cona is a member of the Workers' Compensation Claims Professionals and has attended special training sessions designed to enhance her knowledge of investigating, evaluating and managing complicated workers' compensation claims. She is Board Certified in Workers' Compensation with the Florida Department of Insurance, Division of Workers' Compensation.

Ms. Cona manages complicated lost time and litigated claims from inception to closure. She has a complete understanding of the complexities involved in the heart and first responder presumptive laws to include F.S. 112.18, F.S. 112.181 and F.S. 112.185. She fully participates in settlement negotiations, mediations and court proceedings and has offered her expert testimony on multiple occasions in depositions and final hearings. Ms. Cona understands the proper application of Medicare-Set-Aside guidelines and has the intuitive resolve to recognize and pursue potential fraud under the Statute. She has the experience to manage all claims including catastrophic claims and claims involving third party recoveries, the reinsurance carrier and Special Disability Trust Fund claims.

Ms. Cona has managed claims for self insured employers since 1980 and; therefore, understands the nature of the relationships between, and the importance of communication with each department, Risk Management and the adjuster. She has assisted in the development of preferred providers for the self insured employer, including assisting in the selection of the defense team and coordination of the development of the employer's Wellness Center. Ms. Cona not only has the knowledge and experience to recognize potential fraudulent claims, but she also has the tenacity to collect the necessary documentation in order to have a successfully prosecuted claim.



Commercial Risk Management

Cindy Rowe, CWC, Claims Specialist



Ms. Rowe has been working in the workers' compensation industry since 1993. She began her career in workers' compensation claims management with Commercial Risk Management, Inc. in 1998 after joining the organization in 1997. Ms. Rowe is fully licensed and is a member of the Association of Workers' Compensation Claims Professionals (WCCP). She has been managing lost time claims from inception to closure since 2005. Ms. Rowe has attended classes specifically designed to enhance her knowledge in investigation, compensability determination, and overall management of workers' compensation claims. She is Board Certified in Workers' Compensation with the Florida Department of Insurance, Division of Workers' Compensation.

Ms. Rowe has the expertise necessary to identify issues that require further investigation, including compensability, subrogation, major contributing cause, and potentially fraudulent activity. Due to her exclusive experience with self-insured clients, she understands the importance of communication with both the injured worker, as well as with the management team at the employer. Ms. Rowe has assisted in the development and training of preferred providers for the self-insured employer. She manages all claims involving third party recoveries including reinsurance carriers and Special Disability Trust Fund claims.

Ms. Rowe understands the proper application of Medicare-Set-Aside guidelines and the necessary coordination with excess carriers when appropriate. Ms. Rowe not only has the knowledge and experience to recognize potential fraudulent claims, but she also has the tenacity to collect the necessary documentation in order to successfully pursue fraudulent claims. She has been successful in submitting referrals to the Division of Fraud and obtaining reimbursement from claimants who have been prosecuted.



Commercial Risk Management

Dena McKenzie, CWCL, Assistant Vice President, Claims



Ms. McKenzie has been employed by Commercial Risk Management, Inc. since 2001. She has worked in the industry since 1998 and has experience handling claims in the States of Florida, Georgia, North Carolina, and South Carolina. Ms. McKenzie graduated from Pasco-Hernando State College with a Bachelor of Applied Science in Supervision and Management. She is Board Certified in Workers' Compensation Litigation with the Florida Department of Insurance, Division of Workers' Compensation. She is a member of the Workers' Compensation Claims Professionals and has attended special training sessions designed to enhance her knowledge of investigating, evaluating, and managing complicated workers' compensation and liability claims. In 2013, Ms. McKenzie

was nominated for and received the Rising Star Award by the Workers' Compensation Claims Professionals, which recognized her exemplary professionalism and dedication.

In her current position, Ms. McKenzie supervises adjusters assigned to self-insured employers for workers' compensation and liability claims handling. She assists the claims personnel in coverage investigation, liability analysis, and settlement negotiation. Ms. McKenzie has a complete understanding of the complexities involved in the first responder presumptive laws. She oversees the adjusters' investigation of these claims and confirms investigation protocols have been implemented timely and that compensability is finalized as quickly as possible to mitigate unnecessary expense. Ms. McKenzie understands the application of the Medicare-Set-Aside and the importance of resolution of any conditional payments or liens asserted by CMS. Ms. McKenzie supervises catastrophic claims, claims involving third party recoveries, reinsurance, and Special Disability Trust Fund recovery.

Ms. McKenzie's leadership goes beyond her employment at Commercial Risk Management, Inc. For the past 22 years, she has been an integral part of the Perillo-Stafford Leukemia Foundation's annual golf tournament. This is a non-profit organization that benefits individuals and families who have been diagnosed with leukemia. More recently, Ms. McKenzie has become involved with expanding the golf tournament for the Annual Claims Management and Leadership Conference hosted by the WCCP. Ms. McKenzie has taken on the role of assisting with Give Kids the World, which treats kids with critical illnesses and their families to a weeklong vacation at no cost to the families. Her experience working with these foundations has enhanced her overall leadership skills and expanded her network of professionals to assist and get assistance for any claims related issues that arise.



Commercial Risk Management

Quayshawn Nock, CCA, Senior Liability Claims Specialist



Mr. Nock began his career in the claims management industry with Commercial Risk Management, Inc. in 2022. He previously worked as an Independent Adjuster in the States of Florida and Texas. Mr. Nock effectively utilizes his prior learned experience in current claims handling. He holds an adjuster All Lines license in Florida and Texas and is a Certified Claims Adjuster. Mr. Nock has completed college-level courses in Computer Programming.

As a Senior Liability Claims Specialist, Mr. Nock is tasked with managing liability claims for self-insured employers. He has experience handling automobile liability, commercial liability, catastrophe claims, and property claims. Mr. Nock directly investigates each claim through prompt and strategically appropriate contact with parties such as policyholders, claimants, law enforcement agencies, witnesses, agents, medical providers, and technical experts to determine the extent of liability, damages, and contribution potential. He interviews witnesses and stakeholders and takes necessary statements. He also completes outside investigation as needed per case specifics.

Mr. Nock verifies the nature and extent of injury or damages by obtaining and reviewing appropriate records and damages documentation. He is responsible for prompt and proper disposition of all claims within his delegated authority. Mr. Nock recognizes and implements alternate means of resolution when indicated. He updates appropriate parties as needed and provides new facts as they become available, noting their impact upon the liability analysis and settlement options. Mr. Nock ensures the appropriate settlement options are fully analyzed and accurately issued.

Mr. Nock remains apprised of changes in claims handling and potential outcomes by engaging in learning opportunities which build knowledge in varying lines of coverage and court decisions impacting the claim's function. Mr. Nock's breadth of knowledge and experience, coupled with his consistent application of both, results in Mr. Nock handling all aspects of claims efficiently and effectively until their timely resolution.



Commercial Risk Management

Ryan Summers, Liability Claims Specialist



Mr. Summers began his career in the claims management industry with Commercial Risk Management, Inc. in 2002. Mr. Summers was initially assigned to the Account Management department where he excelled and was promoted to varying positions. As an Account Manager III, Mr. Summers worked directly with clients to provide standardized reports and analyzed data to produce detailed analytical reports regarding claims history. He also managed all aspects of the checking accounts for various clients based on internal control requirements.

In 2017, Mr. Summers was promoted to a Liability Claims Specialist, where he is tasked with managing liability claims for self-insured employers. He holds an All Lines adjuster license with the State of Florida. Mr. Summers engages in learning opportunities to build knowledge in varying lines of coverage and court decisions impacting the claim's function.

As a Liability Claims Specialist, Mr. Summers directly investigates each claim to determine liability. Mr. Summers will verify damage and estimates are accurate. He interviews witnesses and stakeholders and takes necessary statements, as strategically appropriate. He also completes outside investigation as needed per case specifics.

Mr. Summers verifies the nature and extent of damages confirming estimates are in line with insured liability. He has an emphasis for examining potential subrogation recoveries. He places excess carriers on notice of large loss claims. He identifies suspicious loss and makes referrals to SIU as appropriate. He is responsible for prompt and proper disposition of all claims within his delegated authority and implements alternate means of resolution when indicated. He updates appropriate parties as needed with new facts as they become available and notes their impact upon the liability analysis and settlement options.

EXHIBIT "D"

RFP #24-204 THIRD PARTY CLAIMS ADMINISTRATIVE SERVICES

SIMILAR PROJECTS

List three (3) similar projects successfully completed in the past five (5) years by the firm who will be managing the contract. Projects shall provide evidence of experience and skill with similar scope, knowledge with providing Third Party Claims Administration services. All listed projects listed shall be for services provided to government entities. Only one project listed may be for the City of Lake Worth Beach if applicable.

Completed Project #1:

Agency/company: Hillsborough Transit Authority

Current contact person at agency/company: Jason Wright

Telephone: 813-384-6622 Fax: 813-384-6295 E-mail: wrightj@gohart.org

Address of agency/company: 1201 East 7th Ave. 3rd Floor Tampa FL 33605

Name of project: Third Party Administrator for General & Auto Liability Claims and Workers' Compensation Claims

Description: Hillsborough Transit Authority has been a client of Commercial Risk Management, Inc. for their workers' compensation claims administration since 2013. In March 2023, Commercial Risk Management, Inc. was awarded RFP 47641 for the administration of Auto and General Liability Claims and Workers' Compensation Claims.

Project value: \$226,150.00 Start date: April 2013 Completion date: April 2028
(month/year) (month/year)

Name(s) of assigned personnel:

Project manager: Bobbie Culver

Others: Jazmyne Mello, Victor Albury, Jennifer Clark, Quayshawn Nock, Ryan Summers, Elizabeth Landa-Trujillo

Completed Project #2:

Agency/company: Pasco County Board of County Commissioners

Current contact person at agency/company: Alex Davis

Telephone: 727-847-8028 ext. 8371 Fax: 727-847-8992 E-mail: asdavis@pascocountyfl.net

Address of agency/company: 7536 State Street New Port Richey FL 34654

Name of project: Claims Administration for Workers' Compensation and Auto and General Liability Claims

Description: Pasco County has been a client of Commercial Risk Management, Inc. for their workers' compensation claims administration since 1988. In April 2023, Commercial Risk Management, Inc. was awarded the contract for the administration of their Auto and General Liability claims.

Project value: \$124,000.00 Start date: October 1988 Completion date: October 2029
(month/year) (month/year)

Name(s) of assigned personnel:

Project manager: Bobbie Culver

Others: Victor Albury, Cindy Rowe, Keyla Arroyo

Completed Project #3:

Agency/company: City of Boca Raton

Current contact person at agency/company: Richard Ignoffo

Telephone: 561-393-7970 Fax: 561- 393-7766 E-mail: RIgnoffo@ci.boca-raton.fl.us

Address of agency/company: 201 W. Palmetto Park Road, Boca Raton FL 33432

Name of project: Workers' Compensation Claims Administration and Use of Liability Claims System

Description: The City of Boca Raton came to us in November 2023. Commercial Risk Management, Inc. administers the Workers' Compensation program for the City. In addition, the City of Boca Raton uses the Commercial Risk Management, Inc. Claim Information System for the management of their Auto and General Liability Program.

Project value: \$84,864.00 Start date: November 2023 Completion date: November 2028
(month/year) (month/year)

Name(s) of assigned personnel:

Project manager: Bobbie Culver

Others: Cathy Weiser, Keyla Arroyo, Kelly Dixon, Elizabeth Land-Trujillo

EXHIBIT "E"

RFP #24-204 THIRD PARTY CLAIMS ADMINISTRATIVE SERVICES

REFERENCES

List below, or on an attached sheet, list references per RFP requirements for providing the required services. Provide the name, addresses and telephone numbers of organizations, governmental or private, for whom you now are, or have **within the past three (3) years** provided services. This form may be copied. **Respondents shall not use City's employees as their references.**

REFERENCE #1

Name of Client: City of Boynton Beach

Address: 100 East Ocean Avenue Boynton Beach FL 33425

Phone: (561) 742-6043 Fax: (561) 742-6041

Contact Person: Morgan Chaloupka Title: Risk Manager

Description of services: Administration of Workers' Compensation Claims

REFERENCE #2

Name of Client: City of Cape Coral

Address: 815 Nicholas Parkway East, Cape Coral FL 33915

Phone: (239) 573-3138 Fax: (239) 242-5303

Contact Person: Connie Schwarberg Title: Risk Manager

Description of services: Administration of Workers' Compensation Claims as well as the use

of the Commercial Risk Management Claim System for management of their Liability claims.

REFERENCE #3

Name of Client: Polk County Board of County Commissioners

Address: PO Box 9005, Drawer AS06 Bartow FL 33831

Phone: (863) 534-5268 Fax: (863) 519-4726

Contact Person: Mitch St. Jean Title: Claims Manager

Description of services: Administration of Workers' Compensation claims. Polk County was

with Commercial Risk Management from 1980- 1992 and 1997 to current award through 2028

EXHIBIT "H"

RFP #24-204 THIRD PARTY CLAIMS ADMINISTRATIVE SERVICES

VETERAN BUSINESS ENTERPRISE, SMALL BUSINESS AND LOCAL BUSINESS PREFERENCE FORM

Section 2-117 of the City's Code of Ordinances shall govern the application of a Veteran Business Enterprise, Small Business and/or Local Business preference for this RFP.

The undersigned Respondent, hereby claims the following preference:

- Veteran Business Enterprise
- Small Business
- Local Business

Documentation to support a Respondent as a Veteran Business Enterprise, Small Business and/or Local Business must be submitted with a bid in response to the RFP and attached to this form. Documentation submitted after the bid deadline will be rejected.

Signature: _____

I hereby certify that the above statements are true and correct to the best of my knowledge and I understand that a false or inaccurate statement may result in the rejection of this bid/proposal/submittal or the immediate termination of any resulting agreement with the City of Lake Worth Beach.

By: *Susan E Theis*

Print Name: Susan E Theis

Print Title: President/CEO

Print Name of Business: Commercial Risk Management, Inc.



Commercial Risk Management

Tab 8 – Default, Termination, Litigation, Debarment, etc.

Commercial Risk Management, Inc. has not had a contract terminated for default in the last five years. Commercial Risk Management, Inc. has never had a contract terminated for default.

Commercial Risk Management, Inc. does not have any pending lawsuits or past litigations relevant to the subject matter of this Request for Proposal that have been filed in the last five years. Commercial Risk Management, Inc. has never had any lawsuits or litigation relating to the subject matter.

Commercial Risk Management, Inc. has not had a debarment in the past five years. Commercial Risk Management, Inc. has never had a debarment.



CHIEF FINANCIAL OFFICER
JIMMY PATRONIS
STATE OF FLORIDA

February 19, 2024

Ms. Susan E. Theis
CEO/President
2002 N. Lois Avenue, Suite 600
Tampa, Florida 33607

Re: Qualified Servicing Entity Annual Report
Commercial Risk Management, Inc.

Dear Ms. Theis:

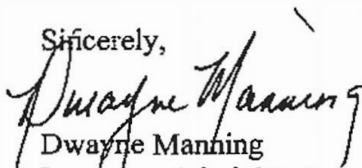
The Qualified Servicing Entity Annual Report for your company has been received. The Division has reviewed this annual filing and found that your company is in compliance with Rule 69L-5.230(11) F.A.C. (Retaining Authorization as a Qualified Servicing Entity). This letter confirms that your company has been recertified for the period **March 1, 2024, through February 28, 2025.**

Attached is a copy of Form DFS-F2-SI-23 (Qualified Servicing Entity Annual Report Form), to be used for future filing of this report with the Division. Also attached is a copy of Form DFS-F2-SI-19 (Certification of Servicing for Self-Insurers), this form is to be completed within thirty (30) days after entering a contract for servicing of workers compensation claims.

Your next annual report is due in our office no later than **March 1, 2025.**

Should you have any questions or need further assistance, please contact me at (850) 413-1784 or via e-mail at Dwayne.Manning@myfloridacfo.com.

Sincerely,


Dwayne Manning
Insurance Administrator

RECEIVED

Attachments

FEB 27 2024

CRM, INC. TAMPA



[Department of State](#) / [Division of Corporations](#) / [Search Records](#) / [Search by FEI/EIN Number](#) /

Detail by FEI/EIN Number

Florida Profit Corporation
COMMERCIAL RISK MANAGEMENT, INC.

Filing Information

Document Number	381564
FEI/EIN Number	59-1346411
Date Filed	05/04/1971
State	FL
Status	ACTIVE
Last Event	AMENDMENT
Event Date Filed	03/05/2003
Event Effective Date	NONE

Principal Address

2002 N. Lois Ave. Ste. 600
TAMPA, FL 33607

Changed: 07/15/2021

Mailing Address

PO BOX 18366
TAMPA, FL 33679-8366

Changed: 04/25/2003

Registered Agent Name & Address

THEIS, SUSAN E
2002 N Lois Ave
SUITE 600
TAMPA, FL 33607

Name Changed: 04/25/2005

Address Changed: 01/31/2022

Officer/Director Detail

Name & Address

Title CEOP

THEIS, SUSAN E
2002 N Lois Ave Ste 600
TAMPA, FL 33607

Title COO, Secretary, Treasurer

DOVE, LORIE D
2002 N Lois Ave Ste 600
TAMPA, FL 33607

Annual Reports

Report Year	Filed Date
2022	01/31/2022
2023	04/14/2023
2024	04/01/2024

Document Images

04/01/2024 -- ANNUAL REPORT	View image in PDF format
04/14/2023 -- ANNUAL REPORT	View image in PDF format
01/31/2022 -- ANNUAL REPORT	View image in PDF format
02/09/2021 -- ANNUAL REPORT	View image in PDF format
01/19/2021 -- Off/Dir Resignation	View image in PDF format
04/09/2020 -- ANNUAL REPORT	View image in PDF format
04/17/2019 -- ANNUAL REPORT	View image in PDF format
03/30/2018 -- ANNUAL REPORT	View image in PDF format
04/04/2017 -- ANNUAL REPORT	View image in PDF format
04/13/2016 -- ANNUAL REPORT	View image in PDF format
04/07/2015 -- ANNUAL REPORT	View image in PDF format
03/27/2015 -- Off/Dir Resignation	View image in PDF format
04/16/2014 -- ANNUAL REPORT	View image in PDF format
04/01/2013 -- ANNUAL REPORT	View image in PDF format
04/09/2012 -- ANNUAL REPORT	View image in PDF format
03/28/2011 -- ANNUAL REPORT	View image in PDF format
04/01/2010 -- ANNUAL REPORT	View image in PDF format
03/31/2009 -- ANNUAL REPORT	View image in PDF format
04/30/2008 -- ANNUAL REPORT	View image in PDF format
04/05/2007 -- ANNUAL REPORT	View image in PDF format
04/27/2006 -- ANNUAL REPORT	View image in PDF format
04/25/2005 -- ANNUAL REPORT	View image in PDF format
04/21/2004 -- ANNUAL REPORT	View image in PDF format
04/25/2003 -- ANNUAL REPORT	View image in PDF format
03/05/2003 -- Amendment	View image in PDF format
05/12/2002 -- ANNUAL REPORT	View image in PDF format
05/10/2001 -- ANNUAL REPORT	View image in PDF format
04/14/2000 -- ANNUAL REPORT	View image in PDF format
04/26/1999 -- ANNUAL REPORT	View image in PDF format

FLORIDA DEPARTMENT OF FINANCIAL SERVICES

CINDY MARIE CONA

License Number : A052593

Resident Insurance License

- 0524 - ADJUSTER - WORKERS COMP

Issue Date

04/19/1990

Please Note: A licensee may only transact insurance with an active appointment by an eligible insurer or employer. If you are acting as a surplus lines agent, public adjuster, or reinsurance intermediary manager/broker, you should have an appointment recorded in your own name on file with the Department. If you are unsure of your license status you should contact the Florida Department of Financial Services immediately. This license will expire if more than 48 months elapse without an appointment for each class of insurance listed. If such expiration occurs, the individual will be required to re-qualify as a first-time applicant. If this license was obtained by passing a licensure examination offered by the Florida Department of Financial Services, the licensee is required to comply with continuing education requirements contained in 626.2815 or 648.385, Florida Statutes. A licensee may track their continuing education requirements completed or needed in their MyProfile account at <https://dice.fldfs.com>. To validate the accuracy of this license you may review the individual license record under "Licensee Search" on the Florida Department of Financial Services website at www.myfloridacfo.com/division/agents.



Jimmy Patronis
Chief Financial Officer
State of Florida

FLORIDA DEPARTMENT OF FINANCIAL SERVICES

CYNTHIA JAN ROWE

License Number : P006221

Resident Insurance License

- 0524 - ADJUSTER - WORKERS COMP

Issue Date

10/13/2005

Please Note: A licensee may only transact insurance with an active appointment by an eligible insurer or employer. If you are acting as a surplus lines agent, public adjuster, or reinsurance intermediary manager/broker, you should have an appointment recorded in your own name on file with the Department. If you are unsure of your license status you should contact the Florida Department of Financial Services immediately. This license will expire if more than 48 months elapse without an appointment for each class of insurance listed. If such expiration occurs, the individual will be required to re-qualify as a first-time applicant. If this license was obtained by passing a licensure examination offered by the Florida Department of Financial Services, the licensee is required to comply with continuing education requirements contained in 626.2815 or 648.385, Florida Statutes. A licensee may track their continuing education requirements completed or needed in their MyProfile account at <https://dice.fldfs.com>. To validate the accuracy of this license you may review the individual license record under "Licensee Search" on the Florida Department of Financial Services website at www.myfloridacfo.com/division/agents.



Jimmy Patronis
Chief Financial Officer
State of Florida

FLORIDA DEPARTMENT OF FINANCIAL SERVICES

QUAYSHAWN NOCK

License Number : W724815

Resident Insurance License

- 0620 - ADJUSTER - ALL LINES

Issue Date

03/04/2021

Please Note: A licensee may only transact insurance with an active appointment by an eligible insurer or employer. If you are acting as a surplus lines agent, public adjuster, or reinsurance intermediary manager/broker, you should have an appointment recorded in your own name on file with the Department. If you are unsure of your license status you should contact the Florida Department of Financial Services immediately. This license will expire if more than 48 months elapse without an appointment for each class of insurance listed. If such expiration occurs, the individual will be required to re-qualify as a first-time applicant. If this license was obtained by passing a licensure examination offered by the Florida Department of Financial Services, the licensee is required to comply with continuing education requirements contained in 626.2815 or 648.385, Florida Statutes. A licensee may track their continuing education requirements completed or needed in their MyProfile account at <https://dice.fldfs.com>. To validate the accuracy of this license you may review the individual license record under "Licensee Search" on the Florida Department of Financial Services website at www.myfloridacfo.com/division/agents.



Jimmy Patronis
Chief Financial Officer
State of Florida

FLORIDA DEPARTMENT OF FINANCIAL SERVICES

MICHAEL RYAN SUMMERS

License Number : W548355

Resident Insurance License

- 0620 - ADJUSTER - ALL LINES

Issue Date

02/15/2019

Please Note: A licensee may only transact insurance with an active appointment by an eligible insurer or employer. If you are acting as a surplus lines agent, public adjuster, or reinsurance intermediary manager/broker, you should have an appointment recorded in your own name on file with the Department. If you are unsure of your license status you should contact the Florida Department of Financial Services immediately. This license will expire if more than 48 months elapse without an appointment for each class of insurance listed. If such expiration occurs, the individual will be required to re-qualify as a first-time applicant. If this license was obtained by passing a licensure examination offered by the Florida Department of Financial Services, the licensee is required to comply with continuing education requirements contained in 626.2815 or 648.385, Florida Statutes. A licensee may track their continuing education requirements completed or needed in their MyProfile account at <https://dice.fldfs.com>. To validate the accuracy of this license you may review the individual license record under "Licensee Search" on the Florida Department of Financial Services website at www.myfloridacfo.com/division/agents.



Jimmy Patronis
Chief Financial Officer
State of Florida

Policy No.: TER 5070439

Renewal of: TER 2861776

THIS IS A CLAIMS MADE AND REPORTED POLICY. PLEASE READ IT CAREFULLY.

PROFESSIONAL LIABILITY INSURANCE FOR INSURANCE AGENTS AND BROKERS DECLARATIONS

<p>1. NAMED INSURED AND PRINCIPAL ADDRESS: Commercial Risk Management, Inc. 2002 N Lois Avenue Suite 600 Tampa, FL 33607-2391</p>	<p>2. POLICY PERIOD: Effective Date: 08/08/2023 Expiration Date: 08/08/2024 12:01 A.M. Standard Time at the Principal Address of the Named Insured stated at left.</p>
<p>3. PRODUCER'S NAME AND ADDRESS: Specialty Program Group, LLC 1000 Parkwood Circle SE Suite 925 Atlanta, GA 30339-2182</p>	<p>4. THIS INSURANCE IS UNDERWRITTEN AND ISSUED BY: Great American E&S Insurance Company</p>
<p>5. LIMITS OF LIABILITY (Inclusive of Claim Expenses): (A) The Limit of Liability per Claim under this Policy shall not exceed \$ 5,000,000 each Claim (B) The Limit of Liability for all Claims under this Policy shall not exceed \$ 5,000,000 in the aggregate</p>	<p>6. SELF-INSURED RETENTION (Applies to Claim Expenses and Damages): \$25,000 each Claim</p>
<p>7. RETROACTIVE DATE: 08/08/1988 12:01 A.M. Standard Time at the Principal Address of the Named Insured stated above</p>	<p>8. PRIOR AND PENDING LITIGATION DATE: 08/08/2004 12:01 A.M. Standard Time at the Principal Address of the Named Insured stated above</p>
<p>9. POLICY PREMIUM: : Payable at inception of the Policy Period stated above</p>	<p>10. MINIMUM EARNED PREMIUM: \$ Surplus Lines Tax Stamping Office Fee</p>
<p>11. NAMED INSURED'S PROFESSIONAL SERVICES COVERED BY THIS POLICY: Only those workers' compensation claims administration services the Insured performs for others, including services performed while acting as an insurance agent or broker solely in the placement of excess workers' compensation insurance products; Automobile liability and general liability administration services the Insured performs for others, but solely for Wrongful Acts occurring on or after 08/08/2023.</p>	
<p>The Declarations, together with the completed and signed Application, policy form and any endorsement or addenda, all as attached hereto and listed on AES 1001 shall collectively constitute the Policy.</p>	

Receipt # 1482292 | Control No. 0017816

For Period Commencing JULY 1ST, 2023 | and ending September 30, 2024

Total: 241.52 | Dated 05/07/2024 | Application No.

This Business Tax Receipt does not permit the holder to operate in violation of any City Law or Ordinance including, but not limited to, Zoning and other land use regulations. If in doubt, the holder should verify that he or she has the appropriate zoning by calling the Office of Land Development Coordination at 274-3100. This Business Tax Receipt must be conspicuously posted in place of business.

Classification	Description	Amount
065022	INSURANCE AGCY-1ST AGENT	\$115.76
065024	INSURANCE AGENT 1	\$115.76
993000	ADMIN HANDLING FEE	\$10.00

2024
CITY OF TAMPA
TAX RECEIPT
BUSINESS
TAX
DIVISION

By: WEB

Business Name and Address
COMMERCIAL RISK MANAGEMENT INC
SOUTHEASTERN UNDERWRITERS INC
PO BOX 18366
TAMPA FL 33679

Business Name and Location
SUSAN E THEIS
2002 N LOIS AVE SUITE 600
TAMPA FL 33607

RECEIVED

MAY 14 2024

CRM, INC. TAMPA



Commercial Risk Management

Appendix "A"

Responsiveness & Methodology

CRM Best Practices Workers' Compensation and Liability and Examples

Workers' Compensation

Three Point Contact for Indemnity Claims

For all indemnity claims, aggressive efforts will be made to contact the employer, injured worker and medical provider within 24 hours. If applicable, witnesses should also be contacted. All contacts or attempted contacts will be documented.

Initial file set ups and timely referral to the adjuster is imperative to meet the best practice for timely contacts. The standard of measurement used for this best practice is contact by the adjuster within 24 hours of knowledge of a lost time claim with:

- The injured worker
- The medical provider (or nurse case manager, if he/she has contacted the medical provider)
- The employer to discuss transitional duty arrangements (or nurse case manager if he/she has contacted the employer to facilitate transitional duty assignment)

Investigation

Investigations should be completed within 14 days from receipt of claim or sooner if required by statute. Documentation will be complete and indicate any reason for further investigation beyond 14 days.

The initial investigation of a claim sets the tone for the life of a claim. It requires timely and thorough fact gathering, which makes aggressive case management possible. The adjuster will determine the compensability of a claim on every claim and always in conjunction with the client. Because of our acute sensitivity to the litigious nature of this business, sometimes these decisions are based on a specific strategic plan agreed upon by Commercial Risk Management, Inc. and the client. Oftentimes, other "employment" issues may impact the ultimate decision on a claim, and this is why it is imperative that decisions be made as a strategic alliance.

Compensability determination is a key element of a claim's investigation.

An initial investigation has many components that may include, but not be limited to:

- Index/Medical Canvas
- Field investigations
- Recorded statements
- Lost wage information
- Police reports
- Securing any other applicable records

The lack of investigating and documenting any or all the components can adversely impact the future exposure of a claim.

Subrogation/Recoveries

The potential for subrogation is recognized immediately in the claim file. The adjuster will identify any third parties and assess the potential of recovery.

Each claim where there is a potential for subrogation will be discussed thoroughly with the client and proper lien notification will be issued. Investigation and subrogation will be pursued on an aggressive basis. Also, the adjuster will monitor future potential for offsets and information regarding social security benefits, unemployment benefits or other potential offsets which may exist and will pursue accordingly as the claim develops. The adjuster will review all files for any existing Special Disability Trust Fund reimbursements and will secure regular, timely reimbursements. The adjuster will report claims to the excess carrier when the specific thresholds are met and will continue to update and request reimbursement as payments dictate or as required by the carrier.

Reserving

The initial reserve will be established within three (3) days of receipt of the Notice of Injury.

Reserving is not an exact science, and some exposures cannot be foreseen on the front end of a claim. As a result, reserves are subject to change. The adjusters should, however, attempt to forecast the probable payout for each claim and reserve accordingly. Reserve worksheets or file notes documenting details will be completed on any claim at \$20,000 or above. Reserves are reviewed as developments occur and at every diary. Reserve approvals will be customized at client's request.

Action Plan

The primary responsibility of all adjusters is the fair and reasonable resolution of claims. File closure must be considered and action plans addressed to effect closure every time a file is reviewed.

Initially, each file is reviewed as activity dictates for lost time claims and should reflect updated action plans for open items and supervisor involvement in critical issues. The adjuster shall document plan of action, strategic plan or status of same on each lost time claim at every diary review.

Case Management

Telephonic or outside case management can be a very effective tool, if used appropriately, for maintaining control of the overall outcome of some claims.

The Commercial Risk Management, Inc. caseload per senior lost time adjuster is maintained at 125 files. This enables the adjuster to manage all aspects of the workers' compensation claim: disability, medical, and litigation. The adjuster stays in contact with the injured worker, the employer, the physician and the attorney. The adjuster, because of the caseload and experience, has the ability to recognize the need for outside case management, either medical or vocational.

Medical case management may be utilized and customized based on criteria established by the client or where the adjuster feels it necessary, and it will benefit the claim from either a medical or a cost containment standpoint. Vocational case management may be utilized where a return to work is not an option, and the claim or defense of a claim may benefit. No assignment will be made without prior approval from the client/employer.

In all cases, the case manager will work directly with the adjuster on a one-on-one basis. The case management is supervised by the adjuster for an initial assignment and for continued necessity or for limited task assignment.

Utilization Review/Peer Review

Utilization review and/or peer review are an integral part of controlling the overall cost of claims.

Choosing the right provider in workers' compensation is a very important part of the claim process and cost containment. The Commercial Risk Management, Inc. adjuster chooses providers in the State of Florida who understand the workers compensation process and generally do not practice over utilization. If, in spite of our efforts, the adjuster or supervisor recognizes the need for peer review or utilization audit, one will be performed. Examples may include excessive use of pharmacy, therapy, prolonged treatment, etc.

Supervisor Reviews

Within 14 days of receipt of assignment, the supervisor is to follow up on any lost time or questionable file to ensure that the adjuster has appropriately investigated the case.

After initial assignment to adjuster, supervisor will follow and document any lost time, questionable or investigated claims within 14 days to be sure that appropriate investigation has taken place. Subsequently, the supervisor will continue to monitor claims as activity dictates.

Supervisor may also document involvement or review of: files transferred; reserve increases; medical only claims open over specified period of time; questions and discussions with adjusters, subrogation; SDTF; excess retentions; etc.

Communication

Timely and thorough contact is one of the key components that attributes to a successful claims management program. Numerous contact attempts should be made in follow up with

the injured worker.

During periods of disability, employees often feel disassociated from their employer. Subsequently, connecting with the employee will assist in keeping the adjuster up-to-date on all pertinent claim issues and assist in maintaining a positive, supportive relationship with the injured employee. Contact should be made with the injured worker at least every two to four weeks during periods of total disability and then as deemed appropriate by adjuster and supervisor/employer until full duty return to work. This contact is to be coordinated with and through the appropriate employer contact.

Contact with the client's defense attorney and the employee's attorney is equally important. Often the client may have pertinent information regarding an injured worker (i.e., information filtered through other employees).

Litigation Management

Litigation management is very important in order to control costs, achieve desired results in the claim process, and better utilize the defense counsel.

Adjusters must be able to clearly state their objective to the defense counsel. They must work together to plan a litigation strategy that will produce optimum claim resolution. Documentation of a litigation plan is needed every 90 days or as file dictates.

Commercial Risk Management, Inc. has established a "panel" of defense firms based on experience, expertise and location, and client preference, concentrating on:

- 1) Skill level of partner, associates, paralegals
- 2) Which attorney in the firm will be assigned
- 3) Establishing activities expected and standards to be met
- 4) Setting ground rules to ensure action will not be taken without approval
- 5) Negotiating and/or reviewing hourly fees and billing standards

Commercial Risk Management, Inc. will try to prevent litigation by fairly and aggressively managing the claim.

If faced with litigation, the claim will be analyzed for exposure. Consider what additional costs, legal and other, may be involved. Litigation is timely and costly. Commercial Risk Management, Inc. has litigation guidelines in place.

Liability

Assignment

Timeliness is critical when responding to liability incidents and occurrences. Claims that are input directly into our claims system are immediately assigned to the appropriate claims adjuster by claim type. Claims submitted through other electronic means are input within 24 hours of receipt.

Coverage

A review of the initial facts of loss and applicable coverage is essential to ensure the claim is covered under the liability policy. When applicable, the client will provide CRM with policy information, carrier information, policy number, effective dates, limits of liability, deductibles, and retentions. Potential coverage issues, or any subsequent issues arising during the investigation, should be brought to the supervisor's attention immediately.

Reserves

Initial reserves are established within 7 days of our receipt of a claim. We re-evaluate, modify, and document reserve amounts that are case specific as coverage disputes, if any, are resolved and other issues clarified throughout the adjusting process. We determine an appropriate settlement value and adjust our reserves accordingly. Reserve thresholds are customizable and will be implemented per the client's request.

Three Point Verbal Contact

For all liability claims, aggressive efforts will be made to identify and contact the insured, involved employees, contractors, or subcontractors, claimants, and witnesses within 24 working hours of initial assignment to the adjuster or upon notice of their involvement. If initial contact attempts are unsuccessful, a contact letter will be mailed followed by two more verbal contact attempts within 72 working hours of assignment. The adjuster may also recommend contact by assigning a field adjuster. All contacts or attempted contacts will be documented.

Investigation

Initial investigations are completed timely and within 7 days from receipt of the claim. Documentation will be complete and indicate any reason for further investigation beyond 7 days.

Each investigation is customized to the case-specific situation or occurrence. Thorough and aggressive fact gathering, sometimes using outside sources, are employed to determine the scope of loss and lead the claim toward a fair and reasonable closure. Our adjusters confirm the causal relationship of any claimed injuries or damages to the accident in question. We ensure that vehicle appraisal inspections are completed in a timely manner and repair estimates submitted promptly. Medical records are procured from treating physicians and medical facilities. If coverage disputes arise, the adjuster will consult with the client and a specific strategic plan is agreed upon within the guidelines set by the Fair Claim Handling Act.

An investigation has many components that may include, but are not be limited to:

- Index
- Recorded statements
- Field investigations
- Property Damage estimates
- Medical and Lost wage information
- Police or Fire reports
- Securing any other applicable records

The lack of investigating, documenting, and the timely closure of any or all components can adversely impact the future exposure of a claim. The investigation will be documented in the claim file. The adjuster will discuss with HART the plan of action and recommendations and/or the need for further investigation.

Subrogation/Recoveries

Within 14 days of receiving the claim, the adjuster will identify any third parties and assess the potential of recovery. Each claim where there is a potential for subrogation or contribution will be discussed thoroughly with the client and proper notification will be issued. Investigation and subrogation will be pursued on an aggressive basis. Also, the adjuster will monitor for PIP or medical bill adjustments which may exist and pursue accordingly as the claim develops. If applicable, the adjuster will report claims to the excess carrier when the specific thresholds are met.

Action Plan

The primary responsibility of all adjusters is the fair, timely, and reasonable resolution of claims. File closure must be considered, and action plans addressed to effect closure every time a file is reviewed. The initial action plan is documented no later than 7 days after the receipt of the claim and thereafter as the file dictates.

Each file should reflect updated action plans for open items with supervisor involvement in critical issues. The adjuster shall document updated plans at every diary review.

Specialized Vendor Assistance

Specialized vendor assistance can be a very effective tool for maintaining control of the overall outcome of some claims. Assignments will be made based off client's criteria, and an assignment will not be made without prior approval from the supervisor.

In all cases, the vendor will work directly with the adjuster on a one-to-one basis. The vendor's involvement is supervised by the adjuster for an initial assignment, continued necessity, or for limited task assignment.

Supervisor Reviews

Within 14 days of receipt of assignment, the supervisor is to review file handling to ensure that the adjuster has appropriately addressed coverage, reserves, liability, damages, and that the investigation is proceeding as facts dictate. The supervisor will also ensure the file is appropriately documented with a plan to resolve all exposures in a timely manner.

Subsequently, the supervisor will continue to monitor claims as activity dictates. The Supervisor will review each adjuster's mediations and trials and document their comments, suggestions, and recommendations.

The Supervisor may also document involvement or review of reserve increases, claims open over specified period of time, questions and discussions with adjusters, subrogation, contributions, and more.

Communication

Timely and thorough contact is one of the key components that makes up a successful claims management program. Numerous contact attempts should be made in follow up with the injured party by phone, letter, or assignment to field adjuster for in person contact. Contact should be made with the claimant at least every 30 days by adjuster.

If represented, contact with a claimant's attorney every 30 days is also important. A good working relationship may provide a flow of pertinent information leading to a quicker settlement.

Litigation Management

Our adjusters handle negotiations to help control legal costs. If assignment to defense counsel is warranted, our adjusters clearly define the issues and outline the responsibilities and objectives upon referral to defense counsel. We collaborate with defense counsel and the client to form a litigation strategy that will produce optimum claim resolution. Documentation of a litigation plan of action is required as the file dictates.

Examples of CRM's claims handling:

Heart and Lung Case Sample Approach

A 31-year-old male Deputy Sheriff, employed approximately 8 years, presented with shortness of breath and coughing while on duty. The employee was directed to the hospital, admitted, and ultimately discharged with very serious diagnoses to include left ventricular systolic dysfunction, moderate right ventricular dysfunction, mitral and tricuspid valve regurgitation, aortic and pulmonary insufficiency, and severe pulmonary hypertension. A claim was reported by the employer in accordance with the F.S. 112.18. Commercial Risk Management, Inc. immediately implemented claims adjusting procedures in accordance with an established cardiac protocol, created specifically by Commercial Risk Management, Inc. for its municipal clients.

The employee was scheduled with a Cardiologist for further evaluation and testing. Extensive record procurement was initiated to include a complete medical history, along with documentation from the employer regarding his pre-employment physical. All records procured, to include the pre-employment physical, were negative for any evidence of cardiac disease or hypertension. Defense counsel was assigned for consultation due to the significant exposure for the employer. The 120-day rule was invoked so the remaining adjusting activities in accordance with the established cardiac protocol could be completed. Following additional evaluation by the Cardiologist and additional medical testing, the employee was ultimately diagnosed with non-ischemic cardiomyopathy, congestive heart failure, and hypertension. Commercial Risk Management, Inc. instructed defense counsel to investigate any potential non-occupational causes with the Cardiologist in an effort to finalize compensability of the claim. The physician opined there were no non-occupational causes that could be clearly identified. Upon completion of the consultation with the provider, we determined the claim was in fact

compensable. The employer agreed with this determination. The employee was subsequently placed at MMI with permanent light duty restrictions. The employer accommodated the employee's permanent restrictions and returned him to gainful employment. With continued treatment, the employee has achieved a dramatic recovery. His ejection fraction is almost normal. Additionally, from a psychological standpoint, the employee is in good spirits.

This is a true success story for both the employee and the employer. By implementing the cardiac protocol established by Commercial Risk Management Inc., effective and efficient claims handling strategies were employed allowing for a firm medical diagnosis and sound decision making with respect to a determination of compensability. Had the protocol not been followed and the claim prematurely denied, unnecessary litigation would have likely ensued resulting in thousands of dollars in employer paid attorneys' fees and costs.

Exposure Sample Approach

Post 10-01-03 exposure claims (to include, but not limited to toxic substances such as mold or fungus) are not compensable unless there is clear and convincing evidence specifically connecting the claimant's condition to the levels at which the claimant was exposed 440.02(1). Once we ask a specific set of questions, these claims are generally found to be not compensable. The burden is then on the claimant to produce clear and convincing evidence to connect the condition to the exposure. The "clear and convincing" evidentiary standard is substantially higher than the "preponderance of the evidence" standard applicable to most workers' compensation claims.

With an exposure claim, the claimant has the burden to establish and prove: (1) workplace exposure to the offending agent; (2) case-specific data showing quantified levels of exposure to the offending agent that occurred in the workplace; and (3) scientific evidence that exposure to the offending agent at the levels proven to exist in the workplace can cause his or her ailment.

In the case of an occupational disease, the claimant must also show that the exposure/ailment connection is supported by epidemiological studies.

For occupational disease claims under 112.181, Florida Statutes, "any emergency rescue or public safety worker who suffers a condition or impairment of health that is caused by hepatitis, meningococcal meningitis or tuberculosis that requires medical treatment and that results in total or partial disability or death shall be presumed to have a disability suffered in the line of duty, unless the contrary is shown by competent evidence." An employee meets the presumption for this section if the condition or impairment of health is caused by hepatitis, meningococcal meningitis or tuberculosis; the condition requires medical treatment; the employee falls within the definition of emergency rescue or public safety worker; and there is a total or partial disability. If the employee meets these criteria, then the burden shifts to the employer/carrier to rebut the presumption.

Occupational Disease Case Sample Approach:

Detention Deputy Bailiff employed with the municipality since 1989, alleges she contracted Hepatitis C in the course and scope of employment. She was diagnosed by her PCP and then reported the claim to her employer.

We immediately requested the pre-employment physical and any other pertinent personnel materials. We also ordered a recorded statement from the employee to include a complete medical, employment, and social history. We also immediately sent the affidavit that was specifically designed for this particular type of exposure. After consultation with the decision maker at the municipal client, we invoked our 120 day pay and investigate period.

Upon receipt of the recorded statement, medical records were ordered from all facilities mentioned by the claimant. In addition, a hospital, pharmacy, and medical clinic sweep was ordered for the immediate and surrounding areas (after confirming she had resided in the same area all her life). In her recorded statement, the Detention Deputy Bailiff admitted to having a blood transfusion in 1977 after giving birth. She denied having any tattoos or piercings, other than pierced ears. She also denied ever having unprotected sex after 1977.

Meanwhile, the employee was referred to a gastroenterologist. The gastroenterologist notes the previous blood transfusion and orders a liver biopsy. He does not restrict her work activities. He also states that there is a high probability that the employee contracted hepatitis C from the blood transfusion.

In order for the presumption to apply, the claimant must show (among other things) that she has not had any blood transfusions, and if she did, she must then show that she had a negative hepatitis test post-transfusion, but before she started working with the municipality.

We know that the claimant had a blood transfusion, and although she executed the Affidavit indicating that she never had a blood transfusion, she never tried to conceal the fact that she had a blood transfusion. She readily reported the 1977 transfusion in her recorded statement. We do not put much weight on the Affidavit which she erroneously executed. The employee is unaware of any post-transfusion hepatitis testing, except that which occurred with this claim.

Based on clear evidence of the blood transfusion, coupled with the absence of any post-transfusion/pre-employment hepatitis test that was negative, the presumption will not apply to the claimant. Her claim will not be compensable as a matter of law.

The next focus is on Section 440.151, which the employee could use to pursue her hepatitis C infection as an occupational disease. She may have some support for her claim in that hepatitis has been established as an occupational disease associated with correctional officers. She still faces, however, a fairly substantial major contributing cause hurdle.

The clear and convincing evidentiary standard is significantly higher than the preponderance of the evidence standard applicable to most workers' compensation claims. She would have to

show proof that she was exposed to hepatitis C in the workplace through a specific modality of exposure. We know from her recorded statement that she has worked primarily as a bailiff and did not have much actual contact with inmates. After consulting with the municipality and its defense attorney, it was agreed to deny compensability of the claim well within our 120 days. Throughout the process, the adjuster communicated with the employee and explained the ultimate denial of her claim. The claimant is treating her condition through her group health plan.

Commercial Risk Management, Inc. works closely with its clients in establishing specific protocols for investigating and managing exposure claims. This includes protocols for testing the source as well as the employee when there is a specific, identified exposure to bodily fluids.

Liability Claim Investigation Sample Approach

Our self-insured's streetcar was traveling along the tracks and crossing an intersection when a third-party vehicle turned into the direct path of the streetcar, causing both vehicles to collide. The third-party vehicle immediately fled the scene. The employee driving the streetcar had secured the license plate number of the third-party vehicle in question and notified the authorities. Police were dispatched to the scene and successfully tracked down the at-fault driver, however he failed to make the required appearance at police headquarters and avoided further communication by the authorities. CRM's liability adjuster attempted to contact the at-fault driver via telephone and US mail to no avail. Our liability adjuster initiated additional investigation to include an assets check and a comprehensive internet search. The adjuster determined the at-fault party's place of employment and sent a certified letter to the employer in an effort to establish communication with the at-fault party. Additional investigation included procurement of documentation from the Florida Highway Safety and Motor Vehicles that confirmed the identity of the insurance carrier for the third-party vehicle in question. Our adjuster successfully placed the adverse carrier on notice and ultimately secured full reimbursement of all damages on behalf of our self-insured client. Due to the adjuster's tenacity and due diligence, coupled with aggressive investigation efforts, the self-insured was made whole from this unforeseen accident.



Commercial Risk Management

Appendix "B"

1. Respondents shall provide details of capability to provide a facility within the City limits in which initial interviews are conducted for City employees seeking to file a workers' compensation claim and capability of the Respondent to provide claim filing assistance to a worker who is hospitalized or otherwise unable to physically appear to file a claim.

While Commercial Risk Management, Inc. (CRM) does not have a facility within the City limits, we can assist the City's employees in the filing of their claims. Adjusters complete their initial contact/interview with employees telephonically. If needed, the adjuster can conduct the initial recorded statement and it would be contained in the claim file in an MP3 format. If an employee is hospitalized, CRM would suggest the assignment of a field nurse case manager to assist with claim filing and medical needs.

2. Provide the details of loss control services, if available. Is there a charge for these services?

Commercial Risk Management, Inc. can provide loss control services to the City of Lake Worth Beach. Our loss control representative can assist the City with their safety program to establish or strengthen loss control efforts. Some services include:

- Review of client loss control program
- Conduct walk through surveys
- Assist in writing safety initiatives
- Conduct classes

Loss control would be billed at \$100 per hour.

3. Information Management System:
 - a. Provide the details of capability to provide electronic information transfers to the City's electronic database.

Commercial Risk Management, Inc.'s claims management system is custom built. The IT department can develop an electronic data interchange with the City's database. Depending on the type of interfacing, there could be a charge.

- b. Describe the ability for the City to access the company's information system online, including hardware and software requirements.

CRM claims management system is accessed via our secure website. No special hardware or software is necessary. Users are issued a username and password. Password requirements require users to change their password every 60 days. Training is provided on the use of our claims system.

- c. Provide a detailed description of the company's claims information reporting system. Please provide samples of claims status reports, payment history reports, loss analysis information, graphs, etc.

CRM claims management system captures a vast amount of data that can be presented to the City in different formats including Excel and PDF. Our system has dozens of standard reports, ad hoc reports, and custom reports. The reports can be delivered via email, FTP, and EDI. Standard reports are accessible by remote access. Custom reports created would be placed on the remote access menu. The City will be assigned an account manager to provide all reports for the City.



Commercial Risk Management

Appendix "B"

Risk Management Information System

Data Exchanges and Data Management

Commercial Risk Management, Inc. contracts with a third-party data center and works in a cloud environment. The servers are maintained off-site in a secure building with multiple levels of both physical and software security. Incremental data backups are performed on a nightly basis.

Our clients can access their data via our secure website. This custom web application was developed in-house by our IT team. All users that require access to the web application will be given a username and password to access the application. We enforce password requirements that comply with HIPAA standards and require users to change their password every 60 days.

Our system is comprehensive, and the client will have access to their information including but not limited to claim files; adjuster, supervisor and nurse case management notes; ability to set diary items; payment records; medical, legal and all other bills. Also included are reserve and recovery information, correspondences, and forms. Our scanned documents are housed in each claim file for easy access and completeness of each file. You can also summarize notes and payments.

The injured worker can access their specific, allowed claim data via our secure website as well. All users will be required to create a strictly enforced user ID and password. There is select data for viewing, an area for electronically signing documents, and an area for uploading and viewing their documents.

CRM-Reporting

Commercial Risk Management, Inc. reports are accurate and timely, flexible and customizable. We can modify existing reports or design client specific reports. This is at no additional charge.

Our system captures a vast amount of data, and that data can be presented to the client as often as needed in a format that is meaningful to the client such as an Excel file that is not locked down and allows the client to manipulate the data. Commercial Risk Management, Inc. employs full-time IT professionals who continue to develop and maintain the system. As this team is employed directly by Commercial Risk Management, Inc., there is no delay in any request for changes or upgrades requested by management, staff, or clients. We can customize electronic data interface with our clients, servicing partners, bill review companies, pharmacy management companies, excess carriers, and agencies. As a client, you will have remote

accessibility to live data and integrated scanned documents that are part of each claim file.

Our reports will give the client truly worthwhile and meaningful information that provides current, accurate and analytical data on overall costs and in a manner acceptable to the Risk Manager. Reports will be provided monthly in whichever quantity is desired. These reports will indicate, but will not be limited to, location, claim number, date of accident, name, accident description, department/division, name and code, status of claim, actual paid, reserves, and incurred. This can be separated by type of claim. Specialty reports will be provided when requested.

Standard reports are accessible via remote access (real time – live data) in a user-friendly capability. Commercial Risk Management, Inc. will determine the report types and needs of the client to fulfill the specific needs. Custom reports created for the client will be placed on their remote access menu.

E-Alerts are another custom feature of the Commercial Risk Management, Inc. system. This feature is tailored specifically to the client and sends real-time, instant e-mail notifications of actions that take place in the system to you and staff. Some examples of current notifications are form completion, indemnity payments, and reserve notifications.

Our technology will give you, the client, increased usability, specialized solutions, pro-active enhancement, and superior response and support that cannot be matched.

CRM – Risk Administration

Dashboards

Analytics/Metric Dashboard

Customized administrative dashboard with visual charts and graphs for analyzing your program. This interactive dashboard allows ease of use in determining trends in specific data requested by the client.

Open Claims Dashboard

This dashboard contains demographics of all open claims for quick access. This sortable dashboard can also be exported for client specific needs.

Claim Entry

Flexible Data Entry

Our system allows you to control the entry of your Workers' Compensation and Liability claims by online Notice of Injury/Incident entry via our web application secured by SSL encryption - or you can leave the entry to us.

Extensive Data Capture

Our information system captures and stores more of your claim data, allowing our reports to give you the most accurate picture of your claims.

Claim Processing

Detailed Data Tracking

The system separately tracks medical/BI, indemnity/PD, rehabilitation, litigation, and expense incurred and payment information.

Forms & State EDI

Our system generates all required Workers' Compensation forms and stores them for

future reference and/or use. State Required EDI transactions are generated and automatically uploaded.

Adjuster Notes/Diaries

We store all adjuster notes and diaries in our system to give you a complete picture of each individual claim.

Scanned Documents

We have integrated scanned documents into our system allowing you to view important claim documents.

Duplicate Bill Identification

The system identifies duplicate charges which prevents costly overpayments.

E-Alerts

The system sends real-time instant emails notifying you and your staff of meaningful actions that have taken place in the system. For example, notifications are currently sent to specific clients for form generation, payments, and reserve changes. Since our system is custom built and maintained by our in-house developers, we can create new email notifications for any event that occurs on a claim.

Medicare Insurer Reporting

Our system handles all aspects of Medicare Insurer Reporting, from querying Medicare for eligibility to submitting required reports directly to Medicare.

Financial Management

Complete Financial Management

All financial aspects of your program (funding, check payments, reimbursement, recoveries, 1099s, etc.) are handled by our system, giving our reports unparalleled accuracy and detail.

In-house Check and 1099 Processing

We print and mail all checks and 1099 forms in-house. We never use third party printing services, keeping your financial data more secure.

Reporting

Delivery

Our reporting system delivers reports utilizing email, FTP, and EDI capabilities.

Comprehensive

Our system has dozens of standard reports, allowing immediate and in-depth analysis of your business.

Versatile

All reports can be produced in any format needed (Excel, Hard Copy, PDF, etc.).

Customizable

Our in-house programming staff will quickly and accurately modify any existing reports to your specifications or create a report of your design.

Interactive

Stewardship reporting is provided in an interactive format for a yearly comparison analysis.

Customization

Completely Custom

Our system has been designed and customized by us. Over 40 years of Risk Management and Claims experience has been compiled and infused into our system.

Completely Customizable

Our in-house programmers can deliver any type of customization – reports, data tracking, EDI, Imports, Exports, etc. We can give you unequalled control of your data.

Custom EDI

We can build any type of import or export process giving you as much or as little data as you need to interface with any other software product. If extensive programming is necessary, a fee will be determined.

Timely Customizations

Customization can be done in a fraction of the time it takes the big, out-of-the-box Risk Management systems.

Security & Accessibility

Internal Security

Our modular internal security allows job-specific access to our system, preventing users from accessing parts of the system unrelated to job tasks.

Internet Access and Security

Our web application uses SSL certificates to give you a secure connection to your data. In addition, our web server and database server are housed in a secure facility, safely behind a Sophos Firewall to protect your data from any outside threats.

CRM – Claimant Portal

Claimant Portal

Remote Access

Secure remote access via personal computer, tablet, or cell phone.

Electronic Signature on Documents

Within the claimant portal, the injured workers are able to complete and sign required documents electronically.

Access Specific Information Dashboard

Access to specific claim information to include indemnity payment information, adjuster information, etc.

Uploading Documents

Ability to upload documents which are received immediately by the adjuster handling the claim. The injured worker also has access to their previously uploaded documents for future review.

City of Lake Worth Beach
Evaluation Matrix

RFP#24-204 Third Party Claims Administrative Services

		RANKED:	1	2	3
Evaluation Criteria Score Sheet:		Weight	Commercial Risk Management, Inc.	Davies Claims North America, Inc.	Gallagher Bassett Services, Inc.
1	Responsiveness & Methodology to RFP	35	133	126	121
2	Cost Effectiveness	25	92	73	84
3	Successful Experience and Qualification of Firm & Staff	20	75	75	74
4	Similar Projects and References	10	32	37	23
5	Veteran Business Enterprise, Small Business and Local Business Preference	5	0	0	0
6	Default, Termination, Litigation, Debarment, etc.	5	20	20	16
Total Points Received:			352	331	318
Exhibit "B" - City's Campaign Contribution Statement			submitted	submitted	submitted
Exhibit "C" - Respondant Information Form			submitted	submitted	submitted
Exhibit "D" - Similar Projects			submitted	submitted	submitted
Exhibit "E" - References			submitted	submitted	submitted
Exhibit "F" - Drug Free Workplace Form			submitted	submitted	submitted
Exhibit "G" - Scrutinized Companies Certification			submitted	submitted	submitted
Exhibit "H" - Veteran Bus. Enterprise, Small Bus. Local Bus. Preference			n/a	n/a	n/a
default, termination, litigation statement			submitted	submitted	submitted

STAFF REPORT REGULAR MEETING

AGENDA DATE: September 17, 2024

DEPARTMENT: Human Resources

TITLE:

Agreement with Risk Management Associates, Inc. (a wholly owned subsidiary of Brown & Brown, Inc.) for Property and Casualty Insurance Services and for premium rates approval for FY 2025

SUMMARY:

This Agreement will authorize Risk Management Associates, Inc. to bind several types of insurance on behalf of the City and for the insurance premium rates approval for FY 2025.

BACKGROUND AND JUSTIFICATION:

The State regulates self-insurer programs in order to protect outstanding liability of public entities. The City of Lake Worth Beach is self-insured and entered into an agreement with Risk Management Associates, Inc since October 2019. The agreement is set to expire on September 30, 2024. With that in mind, the City issued a Request for Proposals No. 24-207 on May 26, 2024.

The City received one response from Risk Management Associates, Inc. a wholly owned subsidiary of Brown & Brown, Inc., on July 24, 2024. Risk Management Associates, Inc. has provided the City's insurance at the cost of approximately \$1,522,620 for FY 2025. The proposal submitted by Risk Management Associates, Inc. is being recommended for an award to provide property and casualty services for the City. Coverage lines include the following: Automobile Liability, Boiler and machinery Coverage, Crime Coverage, Cyber and Privacy Coverage, Data Processing Equipment Coverage, Deadly Weapon Protection, Drone Liability, Excess Workers' Compensation Coverage, Fiduciary Liability, General Liability, Inland Marine Coverage, Pollution Coverage, Property Coverage, Public Officials Liability Coverage, Tenant Users Liability Insurance.

The Agreement shall be for five (5) consecutive years. Annual insurance premium rates will be presented for the approval to the City Commission every year.

MOTION:

Move to approve/disapprove the Agreement with Risk Management Associates, Inc. (a wholly owned subsidiary of Brown & Brown, Inc.) and the insurance premium rates for FY2025.

ATTACHMENT(S):

Fiscal Impact Analysis
Agreement
Premium Recapitulation

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2025	2026	2027	2028	2029
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	0	0	0	0	0
Operating	1,522,620	0	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact <i>(If not budgeted)</i>	1,522,620	0	0	0	0
No. of Addn'l Full-Time Employee Positions	0	0	0	0	0

Contract Award - Existing Appropriation (Budgeted)	
	Expenditure
Department	Human Resources
Division	Risk
GL Description	Insurance / Insurance Premium Paid
GL Account Number	520-1331-513.45-70
Project Number	N/A
Requested Funds	1,522,620
Remaining Balance	677,380
Source of Revenue (i.e. Paygo. Current Revenue, Bond Money, Grants, etc.)	

PROFESSIONAL SERVICES AGREEMENT
(Property and Casualty Insurance)

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered on September 5, 2024, by and between the **City of Lake Worth Beach**, a Florida municipal corporation (“City”) and **Risk Management Associates, Inc. a wholly owned subsidiary of Brown & Brown, Inc.**, a Florida Profit Corporation, located at 300 N. Beach Street, Daytona Beach, FL 32114, authorized to do business in the State of Florida (“Consultant”).

RECITALS

WHEREAS, the City issued a Request for Proposal (No.24-207) for the City’s property and Casualty Insurance Services (“RFP”); and

WHEREAS, Consultant has provided the City with a written proposal in response to the RFP to provide the services as described and set out in the RFP; and

WHEREAS, the City desires to accept Consultant’s proposal (attached hereto as Exhibit “A”) in order for Consultant to render the services to the City as provided herein; and

WHEREAS, Consultant further warrants that it is experienced and capable of performing the services hereunder in a professional and competent manner; and

WHEREAS, the purpose of this Agreement is to set forth certain terms and conditions for the provision of services by Consultant to the City.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the sufficiency of which is hereby acknowledged by the parties, the City and Consultant agree as follows:

SECTION 1: INCORPORATION OF RECITALS. The foregoing Recitals are incorporated into this Agreement as true and correct statements.

SECTION 2: CONSULTANT’S SERVICES. The Consultant shall provide property and casualty insurance to include but not limited to for property coverage (including inland marine and boiler & machinery); crime coverage; excess public official liability/employment practice liability; excess automobile liability; excess general liability; excess workers’ compensation; cyber liability coverage; and pollution legal liability insurance for the City as more specifically described in the **RFP**, which is incorporated herein by reference and Consultant’s proposal attached hereto as an Exhibit “A”.

SECTION 3: INDEPENDENT CONTRACTOR RELATIONSHIP. No relationship of employer or employee is created by this Agreement, it being understood that Consultant will act hereunder as an independent contractor and none of Consultant’s, officers, directors, employees, independent contractors, representatives or agents performing services for Consultant pursuant to this Agreement shall have any claim under this Agreement or otherwise against the City for compensation of any kind under this Agreement. The relationship between the City and Consultant is that of independent contractors, and neither shall be considered a joint venturer, partner, employee, agent, representative or other relationship of the other for any purpose expressly or by implication.

SECTION 4: TERM, TIME AND TERMINATION.

a. **Term.** The term of this Agreement shall commence upon the approval of this Agreement and shall be for the period of five (5) consecutive years and dependent on the annual appropriation of funds

by the City's City Commission. Annual insurance rates shall be approved by the City's City Commission. Notwithstanding the foregoing, this Agreement may be earlier terminated as set forth in this Agreement.

b. Time for Completion. Time is of the essence in the performance of this Agreement. Consultant shall at all times carry out its duties and responsibilities as expeditiously as possible and in accordance with the project schedule as set forth in RFP or as otherwise agreed between the parties.

c. Force Majeure. Neither party hereto shall be liable for its failure to perform hereunder due to any circumstances beyond its reasonable control, such as acts of God, wars, riots, national emergencies, sabotage, strikes, labor disputes, accidents, and governmental laws, ordinances, rules, or regulations. The Consultant or City may suspend its performance under this Agreement as a result of a force majeure event without being in default of this Agreement, but upon the removal of such force majeure event, the Consultant or City shall resume its performance as soon as is reasonably possible. Upon the Consultant's request, the City shall consider the facts and extent of any failure to perform the services and, if the Consultant's failure to perform was without its or its sub-consultant's fault or negligence, the schedule and/or any other affected provision of this Agreement may be revised accordingly, subject to the City's rights to change, terminate, or stop any or all of the services at any time. No extension shall be made for delay occurring more than seven (7) days before a notice of delay or claim therefore is made in writing to the City. In the case of continuing cause of delay, only one (1) notice of delay or claim is necessary.

d. Termination without cause. Either party may terminate this Agreement at any time with or without cause by giving not less than thirty (30) days written notice of termination.

e. Termination for cause. Either party may terminate this Agreement at any time in the event that the other party engages in any act or makes any omission constituting a material breach of any term or condition of this Agreement. The party electing to terminate this Agreement for breach shall provide the other party with written notice specifying the nature of the breach. The party receiving the notice shall then have three (3) business days from the date of the notice in which to remedy the breach. If such corrective action is not taken within three (3) business days, then this Agreement shall terminate at the end of the three (3) business day period without further notice or demand.

f. Early Termination. If this Agreement is terminated before the completion of all services by either party, the Consultant shall:

1. Stop services on the date and to the extent specified including without limitation services of any sub-consultants.
2. Transfer all work in progress, completed work, and other materials related to the terminated services to the City in the format acceptable to City.
3. Continue and complete all parts of the services that have not been terminated.

g. Effect of Termination. Termination of this Agreement shall not affect any rights, obligations, and liabilities of the parties arising out of services provided prior to the date of termination. Notwithstanding the foregoing, the parties acknowledge and agree that the City is a municipal corporation existing under the laws of the State of Florida, and as such, this Agreement (and all Exhibits hereto) are subject to budgeting and appropriation by the City of funds sufficient to pay the costs associated herewith in any fiscal year of the City. Notwithstanding anything in this Agreement to the contrary, in the event that no funds are appropriated or budgeted by the City's governing board in any fiscal year to pay the costs associated with the City's obligations under this Agreement, or in the event the funds budgeted or appropriated are, or are estimated by the City to be, insufficient to pay the costs associated with the City's obligations hereunder in any fiscal period, then the City will notify Consultant of such occurrence and either the City or Consultant may terminate this Agreement by notifying the other in writing, which notice shall

specify a date of termination no earlier than twenty-four (24) hours after giving of such notice. Termination in accordance with the preceding sentence shall be without penalty or expense to the City of any kind whatsoever; however, City shall pay Consultant for all services performed under this Agreement through the date of termination.

SECTION 5: COMPENSATION.

a. Payments. The City agrees to compensate Consultant in accordance with the agreed annual Premium Recapitulation. The City shall not reimburse Consultant for any additional costs incurred as a direct or indirect result of Consultant providing services to the City under this Agreement and not set forth in **Exhibit "A"**. For any additional services or compensation, the Consultant must receive prior written approval from the City before providing any services to be charged.

b. Invoices. Consultant shall render invoices to the City for services that have been rendered in conformity with this Agreement, the RFP, and the price proposal set forth in the **annual Premium Recapitulation**. The annual invoice shall set forth the Total Annual Cost as set forth in Premium Recapitulation. Invoices will be reviewed for approval and if an invoice is not approved, the City will notify Consultant within ten (10) days of deficiencies in the invoice. Once the deficiencies are corrected and a new or amended invoice submitted, the City shall make payment within twenty (20) days. Invoices will normally be paid within thirty (30) days following the City's receipt of Consultant's invoice. All invoices shall be paid in accordance with the Local Government Prompt Payment Act, Section 218.70, et. seq.

SECTION 6: INDEMNIFICATION. Consultant, its officers, employees and agents shall indemnify and hold harmless the City, including its officers and employees from liabilities, damages, losses, and costs, including but not limited to, reasonable attorney's fees (at the trial and appellate levels), to the extent caused by the negligence, of Consultant, its officers, directors, employees, representatives and agents employed or utilized by Consultant in the performance of the services under this Agreement. The City agrees to be responsible for its own negligence. Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the City or Consultant, nor shall this Agreement be construed as a waiver of sovereign immunity for the City beyond the waiver provided in section 768.28, Florida Statutes, which the parties agree applies to all claims related to this Agreement whether arising in tort or in contract.

SECTION 7: COMPLIANCE AND DISQUALIFICATION. Each of the parties agrees to perform its responsibilities under this Agreement in conformance with all laws, regulations and administrative instructions that relate to the parties' performance of this Agreement.

SECTION 8: PERSONNEL. Consultant represents that it has, or will secure at its own expense, all necessary personnel required to perform the services under this Agreement. Such personnel shall not be employees of or have any contractual relationship with the City. All of the services required hereunder shall be performed by Consultant or under its supervision, and all personnel engaged in performing the services shall be fully qualified and authorized or permitted under federal, state and local law to perform such services.

SECTION 9: SUB-CONSULTANTS. The City reserves the right to accept the use of a sub-consultant or to reject the selection of a particular sub-consultant and approve all qualifications of any sub-consultant in order to make a determination as to the capability of the sub-consultant to perform properly under this Agreement. All sub-consultants providing professional services to Consultant under this Agreement will also be required to provide their own insurance coverage identical to those contained in this Agreement. In the event that a sub-consultant does not have insurance or does not meet the insurance limits as stated in

this Agreement, Consultant shall indemnify and hold harmless the City for any claim in excess of the sub-consultant's insurance coverage, arising out of the negligent acts, errors or omissions of the sub-consultant.

SECTION 10: FEDERAL AND STATE TAX. The City is exempt from payment of Florida State Sales and Use Tax. Consultant is not authorized to use the City's Tax Exemption Number.

SECTION 11: INSURANCE. Prior to commencing any services, Consultant shall provide proof of insurance coverage as required hereunder. Such insurance policy(s) shall be issued by the United States Treasury or insurance carriers approved and authorized to do business in the State of Florida, and who must have a rating of no less than "excellent" by A.M. Best or as mutually agreed upon by the City and Consultant. All such insurance policies may not be modified or terminated without the express written authorization of the City.

<u>Type of Coverage</u>	<u>Amount of Coverage</u>
Professional liability/ Errors and Omissions	\$1,000,000 per occurrence
Commercial general liability (Products/completed operations Contractual, insurance broad form property, Independent Consultant, personal injury)	\$1, 000,000 per occurrence \$2,000,000 annual aggregate
Worker's Compensation	\$ statutory limits

The commercial general liability will name the City as an additional insured; all policies shall apply on a primary, non-contributing basis; and proof of all insurance coverage shall be furnished to the City by way of an endorsement to same or certificate of insurance prior to the provision of services. The certificates shall clearly indicate that Consultant has obtained insurance of the type, amount, and classification as required for strict compliance with this section. Failure to comply with the foregoing requirements shall not relieve Consultant of its liability and obligations under this Agreement.

SECTION 12: SUCCESSORS AND ASSIGNS. The City and Consultant each binds itself and its partners, successors, executors, administrators, and assigns to the other party of this Agreement and to the partners, successors, executors, administrators and assigns of such other party, in respect to all covenants of this Agreement. Except as agreed in writing by all parties, this Agreement is not assignable.

SECTION 13: DISPUTE RESOLUTION, LAW, VENUE AND REMEDIES. All claims arising out of this Agreement or its breach shall be submitted first to mediation. The parties shall share the mediator's fee equally. The mediation shall be held in Palm Beach County. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof. This Agreement shall be governed by the laws of the State of Florida. Any and all legal action necessary to enforce the Agreement will be held in Palm Beach County. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

SECTION 14: WAIVER OF JURY TRIAL. TO ENCOURAGE PROMPT AND EQUITABLE RESOLUTION OF ANY LITIGATION, EACH PARTY HEREBY WAIVES ITS RIGHTS TO A TRIAL BY JURY IN ANY LITIGATION RELATED TO THIS AGREEMENT.

SECTION 15: ACCESS AND AUDITS. Consultant shall maintain adequate records to justify all payments made by the City under this Agreement for at least three (3) years after completion of this Agreement and longer if required by applicable federal or state law. The City shall have access to such books, records, and documents as required in this section for the purpose of inspection or audit during normal business hours, at Consultant's place of business. In no circumstances will Consultant be required to disclose any trade secret information regarding its products and service costs.

SECTION 16: NONDISCRIMINATION. Consultant warrants and represents that all of its employees are treated equally during employment without regard to race, color, religion, disability, sex, age, national origin, ancestry, marital status, or sexual orientation.

SECTION 17: AUTHORITY TO PRACTICE. Consultant hereby represents and warrants that it has and will continue to maintain all licenses and approvals required to conduct its business and provide the services required under this Agreement, and that it will at all times conduct its business and provide the services under this Agreement in a reputable manner. Proof of such licenses and approvals shall be submitted to the City upon request.

SECTION 18: SEVERABILITY. If any term or provision of this Agreement, or the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable, to remainder of this Agreement, or the application of such terms or provision, to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and every other term and provision of this Agreement shall be deemed valid and enforceable to the extent permitted by law.

SECTION 19: PUBLIC ENTITY CRIMES. Consultant acknowledges and agrees that a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier or sub-contractor under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY TWO for a period of 36 months following the date of being placed on the convicted vendor list. Consultant certifies that it and its affiliates have not been placed on the convicted vendor list within the 36 months immediately preceding this Agreement. The Consultant will advise the City immediately if it becomes aware of any violation of this statute.

SECTION 20: NOTICE. All notices required in this Agreement shall be sent by hand-delivery, certified mail (RRR), or by nationally recognized overnight courier, and if sent to the City shall be sent to:

City of Lake Worth Beach
Attn: City Manager/Financial Department/Procurement Division
7 N. Dixie Highway
Lake Worth Beach, FL 33460

and if sent to Consultant, shall be sent to:

Risk Management Associates, Inc.
Attn.: Matthew Montgomery
300 N. Beach Street
Daytona Beach, FL 32114

The foregoing names and addresses may be changed if such change is provided in writing to the other party. Notice shall be deemed given upon receipt.

SECTION 21: ENTIRETY OF AGREEMENT. The City and Consultant agree that this Agreement sets forth the entire agreement between the parties, and that there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Agreement may be added to, modified, superseded or otherwise altered, except by written instrument executed by the parties hereto.

SECTION 22: WAIVER. Failure of a party to enforce or exercise any of its right(s) under this Agreement shall not be deemed a waiver of that parties' right to enforce or exercise said right(s) at any time thereafter.

SECTION 23: PREPARATION AND NON-EXCLUSIVE. This Agreement shall not be construed more strongly against either party regardless of who was more responsible for its preparation. This is a non-exclusive Agreement and the City reserves the right to contract with individuals or firms to provide the same or similar services.

SECTION 24: MATERIALITY. All provisions of the Agreement shall be deemed material. In the event Consultant fails to comply with any of the provisions contained in this Agreement or exhibits, amendments and addenda attached hereto, said failure shall be deemed a material breach of this Agreement and City may at its option provide notice to Consultant to terminate for cause.

SECTION 25: LEGAL EFFECT. This Agreement shall not become binding and effective until approved by the City. The Effective Date is the date this Agreement is executed by the City.

SECTION 26: NOTICE OF COMPLAINTS, SUITS AND REGULATORY VIOLATIONS. Each party will promptly notify the other of any complaint, claim, suit or cause of action threatened or commenced against it which arises out of or relates, in any manner, to the performance of this Agreement. Each party agrees to cooperate with the other in any investigation either may conduct, the defense of any claim or suit in which either party is named, and shall do nothing to impair or invalidate any applicable insurance coverage.

SECTION 27: SURVIVABILITY. Any provision of this Agreement which is of a continuing nature or imposes an obligation which extends beyond the term of this Agreement shall survive its expiration or earlier termination.

SECTION 28: COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and will become effective and binding upon the parties as of the effective date at such time as all the signatories hereto have signed a counterpart of this Agreement. This Agreement may be signed digitally and each digitally signed counterpart shall be considered as an original of the signing party.

SECTION 29: PALM BEACH COUNTY IG. In accordance with Palm Beach County ordinance number 2011-009, Consultant acknowledges that this Agreement may be subject to investigation and/or audit by the Palm Beach County Inspector General. Consultant has reviewed Palm Beach County ordinance number 2011-009 and is aware of its rights and/or obligations under such ordinance.

SECTION 30: AGREEMENT DOCUMENTS AND CONTROLLING PROVISIONS. This Agreement consists of this Agreement, the RFP which is incorporated herein by reference and **Exhibit "A"**. The parties agree to be bound by all the terms and conditions set forth in the aforementioned documents. To the extent that there exists a conflict between the terms and conditions of this Agreement and the remaining aforementioned documents, the terms and conditions of this Agreement shall prevail. The RFP shall take precedence over the Consultant's proposal in Exhibit "A". Wherever possible, the provisions of such

documents shall be construed in such a manner as to avoid conflicts between provisions of the various documents.

SECTION 31: OWNERSHIP OF DELIVERABLES. The deliverables, work product, specifications, calculations, supporting documents, or other work products which are listed as deliverables by the City in the RFP or by the Consultant in **Exhibit “A”** shall become the property of the City. Consultant may keep copies or samples thereof and shall have the right to use the same for its own purposes. The City accepts sole responsibility for the reuse of any such deliverables in a manner other than as initially intended or for any use of incomplete documents.

SECTION 32: REPRESENTATIONS AND BINDING AUTHORITY. By signing this Agreement, on behalf of Consultant, the undersigned hereby represents to the City that he or she has the authority and full legal power to execute this Agreement and any and all documents necessary to effectuate and implement the terms of this Agreement on behalf of Consultant for whom he or she is signing and to bind and obligate such party with respect to all provisions contained in this Agreement.

SECTION 33: PUBLIC RECORDS. Consultant shall comply with Florida’s Public Records Act, Chapter 119, Florida Statutes, and, if determined to be acting on behalf of the City as provided under section 119.011(2), Florida Statutes, specifically agrees to:

- (a) Keep and maintain public records required by the City to perform the service.
- (b) Upon request from the City’s custodian of public records or designee, provide the City with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.
- (c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of this Agreement and following completion of this Agreement if Consultant does not transfer the records to the City.
- (d) Upon completion of this Agreement, transfer, at no cost, to the City all public records in possession of Consultant or keep and maintain public records required by the City to perform the service. If Consultant transfers all public records to the City upon completion of the Agreement, Consultant shall destroy any duplicate public records that are exempt or confidential or exempt from public records disclosure requirements. If Consultant keeps and maintains public records upon completion of the Agreement, Consultant shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the City, upon request from the City’s custodian of public records or designee, in a format that is compatible with the information technology systems of the City.

IF THE CONSULTANT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONSULTANT’S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (561) 586-1660, CITYCLERK@LAKEWORTHBEACHFL.GOV, OR 7 NORTH DIXIE HIGHWAY, LAKE WORTH BEACH, FLORIDA 33460.

SECTION 34: CONFIDENTIAL AND PROPRIETARY INFORMATION. Consultant (the “Receiving Party”) will keep confidential and not disclose to any other person or entity or use (except as expressly and unambiguously authorized by this Agreement) information, technology or software (“Confidential Information”) obtained from the City (the “Disclosing Party”); provided, however, that the Receiving

Party will not be prohibited from disclosing or using information (i) that at the time of disclosure is publicly available or becomes publicly available through no act or omission of the Receiving Party, (ii) that is or has been disclosed to the Receiving Party by a third party who is not under, and to whom the Receiving Party does not owe, an obligation of confidentiality with respect thereto, (iii) that is or has been independently acquired or developed by the Receiving Party without access to the Disclosing Party's Confidential Information, (iv) that is already in the Receiving Party's possession at the time of disclosure, or (v) that is required to be released by law. Consultant will not provide or disclose its Confidential Information to the City.

SECTION 35: DATA PROTECTION. The Consultant acknowledges that under this Agreement the City is authorizing the Consultant to access and/or receive certain City systems and/or networks which may contain data that is personal, private, and/or confidential ("City Data") in order to perform the services required in this Agreement. In order to ensure that the City Data is protected, the Consultant agrees on behalf of itself, its employees and agents, who may have access to the City Data and/or receive the City Data, that the City Data will not be stored, copied, analyzed, monitored, or otherwise used except for the sole purposes of performing the services required under this Agreement. Consultant agrees that it will and all of its employees and agents will fully comply with all applicable laws, regulations, and government orders relating to the City Data, including without limitation all personally identifiable information ("PII") and data privacy with respect to any such City Data. The Consultant will protect all City Data, including but not limited to PII, and will not use, disclose, or transfer such City Data except as necessary to perform the services under this Agreement or as specifically authorized by applicable law. To the extent that Consultant receives or has access to any City Data with PII related to or arising from the performance of this Agreement, the Consultant will protect the privacy and legal rights of City's personnel, clients, customers, and agents.

SECTION 36: INFORMATION SECURITY BREACH NOTIFICATION. The Consultant agrees to notify the City within two (2) business days in writing of any discovery by Consultant of any breach or suspected breach of the provisions of this Agreement with regards to City Data or any loss or unauthorized use, disclosure, acquisition of, or access to any City Data which Consultant becomes aware of (any such breach or suspected breach being referred to herein as a "Data Breach"). Such notice shall summarize in reasonable detail the effect and potential effect on the City and any of its personnel, clients, customers, and agents, if known, of the Data Breach, and the corrective action taken or to be taken by the Consultant to safeguard the City Data and to prevent any further Data Breaches. Consultant shall promptly take all appropriate and legally required corrective actions, and shall cooperate fully with City in all reasonable and lawful efforts to prevent, mitigate, or rectify such Data Breach. The Consultant agrees to be fully responsible for and liable for any costs, expenses (including reasonable attorney's fees), and penalties assessed against the City due to any Data Breach.

SECTION 37: EXPORT ADMINISTRATION. Each party agrees to comply with all export laws and regulations of the United States ("Export Laws") to assure that no software deliverable, item, service, technical data or any direct product thereof arising out of or related to this Agreement is exported directly or indirectly (as a physical export or a deemed export) in violation of Export Laws.

SECTION 38: SCRUTINIZED COMPANIES.

(a) Consultant certifies that it and its subcontractors are not on the Scrutinized Companies that Boycott Israel List and are not engaged in the boycott of Israel. Pursuant to section 287.135, Florida Statutes, the Consultant may immediately terminate this Agreement at its sole option if the Consultant or any of its subcontractors are found to have submitted a false certification; or if the Consultant or any of its subcontractors, are placed on the Scrutinized Companies that Boycott Israel List or is engaged in the boycott of Israel during the term of this Agreement.

(b) If this Agreement is for one million dollars or more, the Consultant certifies that it and its subcontractors are also not on the Scrutinized Companies with Activities in Sudan List, Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or the Scrutinized Companies with

Activities in Iran Terrorism Sectors List, or engaged in business operations in Cuba or Syria as identified in Section 287.135, Florida Statutes. Pursuant to Section 287.135, the City may immediately terminate this Agreement at its sole option if the Consultant, or any of its subcontractors are found to have submitted a false certification; or if the Consultant or any of its subcontractors are placed on the Scrutinized Companies with Activities in Sudan List, or Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or the Scrutinized Companies with Activities in Iran Terrorism Sectors List, or are or have been engaged with business operations in Cuba or Syria during the term of this Agreement.

(c) The Consultant agrees to observe the above requirements for applicable subcontracts entered into for the performance of work under this Agreement.

(d) The Consultant agrees that the certifications in this section shall be effective and relied upon by the CITY for the term of this Agreement, including any and all renewals.

(e) The Consultant agrees that if it or any of its subcontractors' status changes in regards to any certification herein, the Consultant shall immediately notify the City of the same.

(f) As provided in Subsection 287.135(8), Florida Statutes, if federal law ceases to authorize the above-stated contracting prohibitions then they shall become inoperative.

SECTION 39: E-VERIFY. Pursuant to Section 448.095(2), Florida Statutes, the Consultant shall:

(a) Register with and use the E-Verify system to verify the work authorization status of all newly hired employees and require all subcontractors (providing services or receiving funding under this Agreement) to register with and use the E-Verify system to verify the work authorization status of all the subcontractors' newly hired employees;

(b) Secure an affidavit from all subcontractors (providing services or receiving funding under this Agreement) stating that the subcontractor does not employ, contract with, or subcontract with an "unauthorized alien" as defined in Section 448.095(1)(k), Florida Statutes;

(c) Maintain copies of all subcontractor affidavits for the duration of this Agreement and provide the same to the City upon request;

(d) Comply fully, and ensure all of its subcontractors comply fully, with Section 448.095, Florida Statutes;

(e) Be aware that a violation of Section 448.09, Florida Statutes (Unauthorized aliens; employment prohibited) shall be grounds for termination of this Agreement; and,

(f) Be aware that if the City terminates this Agreement under Section 448.095(2)(c), Florida Statutes, the Consultant may not be awarded a contract for at least 1 year after the date on which the Agreement is terminated and will be liable for any additional costs incurred by the City as a result of the termination of the Agreement.

SECTION 40: COMPLIANCE WITH SECTION 787.06.

By signing this Agreement before a notary public and taking an oath under the penalty of perjury, the Consultant attests and warrants that Consultant does not use coercion for labor or services as defined in section 787.06, Florida Statutes (2024).

REMAINDER OF PAGE IS INTENTIONALLY LEFT BLANK
SIGNATURE PAGE FOLLOWS

EXHIBIT "A"
Consultant's Proposal (186 pages)



RFP #24-207

Property & Casualty Insurance

Response Prepared By:
Risk Management Associates, Inc.
A wholly owned subsidiary of Brown & Brown, Inc.

Bill Wilson – Public Risk Advisor
300 North Beach Street
Daytona Beach, FL 32114
(386) 333-6058 – Direct Office
(305) 903-6725 – Mobile

Submittal Date: July 24, 2024 at 3:00 PM

ELECTRONIC COPY

 **Brown & Brown**

City of Lake Worth Beach
Request for Proposal #24-07
Property & Casualty Insurance

	<u>Tab</u>
Respondent Information Page (Exhibit “C”)	1
Letter of Transmittal	2
Responsiveness & Methodology	3
Cost Effectiveness	4
Successful Experience and Qualifications of Firm and Staff	5
Similar Projects and References (Exhibit “D” & “E”)	6
Veteran Business Enterprise, Small Business & Local Business Preference (Exhibit “H”)	7
Default, Termination, Litigation, Debarment, etc.	8
Proof of Licenses	9
Appendix	
Required Proposal Forms (Exhibits “B”, “F” & “G”)	
<i>Preferred Services Guide</i>	

Tab 1

Respondent Information

Page

EXHIBIT "C"

RFP #24-207 PROPERTY AND CASUALTY INSURANCE

RESPONDENT INFORMATION PAGE

Company Name: Risk Management Associates, Inc., a wholly owned subsidiary of Brown & Brown, Inc

Authorized
Signature:

Signature

Matthew Montgomery

Print Name

Title:

Executive Vice President

Physical
Address:

300 N. Beach Street

Street

Daytona Beach

City

FL

State

32114

Zip Code

Telephone:

(386)239-7245

Fax: (386)239-4049

Email Address:

matt.mongomery@bbrown.com

Website

(if

applicable): www.bbinsurance.com

This is a requirement of every Respondent

Federal Identification Number:

59-2445801

State of Incorporation:

State of Florida

Tab 2

Letter of Transmittal

Section 2: Letter of Transmittal

July 7th, 2024

City of Lake Worth Beach
Attn: Financial Services/Purchasing Division
7 North Dixie Highway, 2nd Floor
Lake Worth Beach, FL. 33460

RE: RFP #24-207 - Property & Casualty Insurance

To Whom It May Concern,

On behalf of Risk Management Associates, Inc. (also known as Brown & Brown Public Sector) we are pleased to submit our bid for the City of Lake Worth Beach's Property & Casualty Insurance solicitation as the City's incumbent provider. It is our intent to demonstrate our firm's willingness and ability to continue to meet and exceed the terms requested, as presented in the Scope of Services, as well as our compliance with the outlined requirements. Our philosophy is, and always will be, to ***exceed our clients' expectations while maintaining high professional and ethical standards.***

Our team is an independent and unbiased insurance brokerage firm ready to continue in our capacity as the City's broker consultant on all risk management and insurance matters. Our objective is to reduce your insurance cost, reduce the City's risk exposure and optimize your risk management program.



Public Sector Experience

Our service office works only with public entities, so we are 100% focused on your business every day. **We represent more Florida Governments than any other broker, with over 200 public entity clients.** We also provide a nationwide network of public entity specialists to ensure the best governmental products and services in the country.



Local Presence

The City's proposed service team is located in our Corporate Headquarters in Daytona Beach (300 North Beach Street, Daytona Beach, FL 32114) with one of your Project Managers located in Broward County. Our office serves communities from Key West to the Panhandle, our reach is unmatched within the State!



The A-Team

Matt Montgomery, Executive Vice President, and 10+ year industry veteran, alongside Bill Wilson, MBA, Brown & Brown Public Sector and over 15+ year Public Service Experience (Broward County based) will continue to serve as the Project Managers of your Property & Casualty service team of professionals. A dedicated Account Team will continue to support the City as well as our Claims and Safety Team.



Key Partnerships

We are proud to foster relationships with companies and industry experts in local government that will bring value to the City's risk management program.

Our team delivers industry-leading programmatic results and risk management resources, especially within the Public Sector. We strategically leverage market forces, spur competition, and as a result, can consistently bring the most viable insurance placements, program design, and risk management services to our clients. Throughout this response, our approach revolves around four main objectives that will exemplify why we are the best qualified firm to manage your Property & Casualty insurance needs:

- 1) Identify and transfer risk in accordance with the City's Vision and long-term goals
- 2) Reduce the City's Total Cost of Risk
- 3) Improve administrative efficiencies
- 4) Provide Concierge-Level Service including Loss Control, Claims Advocacy and Risk Consulting

Brown & Brown's rich corporate culture spans 85 years. From our early beginnings as a family-owned business in Daytona Beach to our current status as an international industry leader, we have remained strong and focused in Florida. We have consistently grown because we have [consistently invested](#) in our personnel and infrastructure to continuously bring more to our customers.

Our knowledgeable, helpful staff goes [over and beyond](#) to ensure accurate transactions and efficient use of the City's time. Our customers agree – we encourage you to reach out to the references provided. All references to our public entity experience are limited to those provided by this [office that will serve the City](#), not an aggregation of national public entity business experience served by various offices and personnel that you may find with other competing agents/brokers.

Brown & Brown Public Sector has served the risk management needs of Florida's public entities for **more than 32 years**. Our experience includes representing more than **200 Florida Cities, Counties, School & Special Districts**. We provide highly complex program management for more than **40 Florida governmental clients**.

Our strategies have been very successful. It is our goal to assess individual client goals and stay ahead of the market pulse to negotiate program improvements perpetually. This proposal is a firm and irrevocable offer for ninety (90) days from the date of the Proposal opening. The signer has the authority to bind the principal proponent.

Sincerely,



Matthew Montgomery
Executive Vice President
(Authorized Company Officer)
Matthew.Montgomery@bbrown.com
Corporate Address: 300 North Beach Street, Daytona Beach, FL 32114
State of Corporation: Florida
(386) 239-7245 Direct Office
(386) 239-4049 Fax

CERTIFICATE OF INCUMBENCY
OF RISK MANAGEMENT ASSOCIATES INC.

I, Anthony M. Robinson, being the duly authorized Assistant Secretary of Risk Management Associates, Inc., hereby certify that:

1. The authorized signing officers of the Corporation are as hereinafter listed:

P. Barrett Brown	President
Matthew Montgomery	Executive Vice President
James Lanni	Vice President
R. Andrew Watts	Vice President
Anthony M. Robinson	Vice President/Assistant Secretary
Joseph Stanton	Treasurer

IN WITNESS WHEREOF, I have hereunto set my hand on June 27, 2024.



Anthony M. Robinson
Vice President/Assistant Secretary

Tab 3

Responsiveness & Methodology

Tab 3: Responsiveness & Methodology

Respondents shall provide a comprehensive proposal addressing all the required services as provided in this solicitation. The proposal shall clearly provide the methodology and approach in managing insurance for the City with details of each step of the project that will be completed. The emphasis will be given to proposals that provide detailed and innovative solutions and that demonstrate knowledge of the scope, experience, capacity, and capability to meet the City's scope requirements.

The Mechanics of our Practice

Establishing our distinguished client base while building our reputation and enhancing our capabilities has taken many years of finetuning and systematic process development. We have placed our focus on growing the right team and giving that team access to world-class resources to deliver to our clients. Our team and resources are highlighted in subsequent sections, but underlying those critical efforts are the mechanics of our practice.

These mechanics are the underpinnings of our success and work in harmony through major practice areas aimed at focusing our efforts on our clients' needs and ensuring our team's success. Our practice is broken down into the following major focus areas:

1. Philosophy and Direction of Overall Risk Management Program
2. In-Depth Exposure & Coverage Analysis and Consultation
3. Insurance and Risk Transfer Design, Marketing, and Placement
4. Self-Insured Retention Analysis and Coverage Options
5. Concierge-Level Service and Administrative Support
6. Safety & Loss Control
7. Claims Assistance, Advocacy and Pre-Loss Preparedness
8. Asset and Exposure Management and Tracking
9. Real-Time Communications on Industry Trends and Market Conditions

Each of these focus areas has been tailored specifically to serve our public entity clients. These are further strengthened by our Corporate Governance structure which provides our team with high quality training, software tools, procedural guidance, and resources. This support ensures that our team can deliver proactive and effective services while operating in an administrative environment which guarantees that important communications, workflows, and deadlines are tracked and executed on time, every time.

Our Service Philosophy

“First and foremost, our approach to building strong partnerships with our clients begins with listening. By listening first, we empower our team to focus on moving efficiently in the right direction. That focus maximizes the impact of our skillset in the marketplace and allows us to deliver unparalleled results to our clients.”

Brown & Brown has the proven ability to exceed expectations with our custom delivery model. We will develop the project organization around a few common objectives:

- » **Client Vision**- Every client relationship begins with listening. Our success in designing an effective risk management program requires the input of each client’s decision makers. And our responsibilities begin with listening to those decision makers to understand the history of the risk management program, future goals, budget constraints, program design requirements and risk tolerance. We conduct annual pre-renewal meetings to establish our mutual strategic plan, program objectives, and budgetary guidelines.
- » **Benchmarking** – We benchmark the terms that we secure for our clients against other similar public entities to ensure that we are getting the best possible rates and conditions in the insurance marketplace.
- » **Risk Identification** - Immediate identification and complex analysis of risk exposures in a rapidly changing environment to ensure that we are never surprised with new risks that could affect your risk management program.
- » Identify, prioritize, and provide risk management **resources** and risk transfer solutions that can be implemented effectively within your operating environment.
- » Develop both short and long-range **budgeting projections** and objectives.
- » Expert risk transfer strategies with **market leveraging** and creative program design including pros and cons of these strategies.
- » Insurance policy management and **quality control** of all deliverables.
- » Risk Control through identification of high loss exposures, claims advocacy, and application of safety/loss control resources.
- » Concierge-Level Customer Service which **reduces internal administration costs** and improves service with Brown & Brown’s expanded and efficient service delivery.

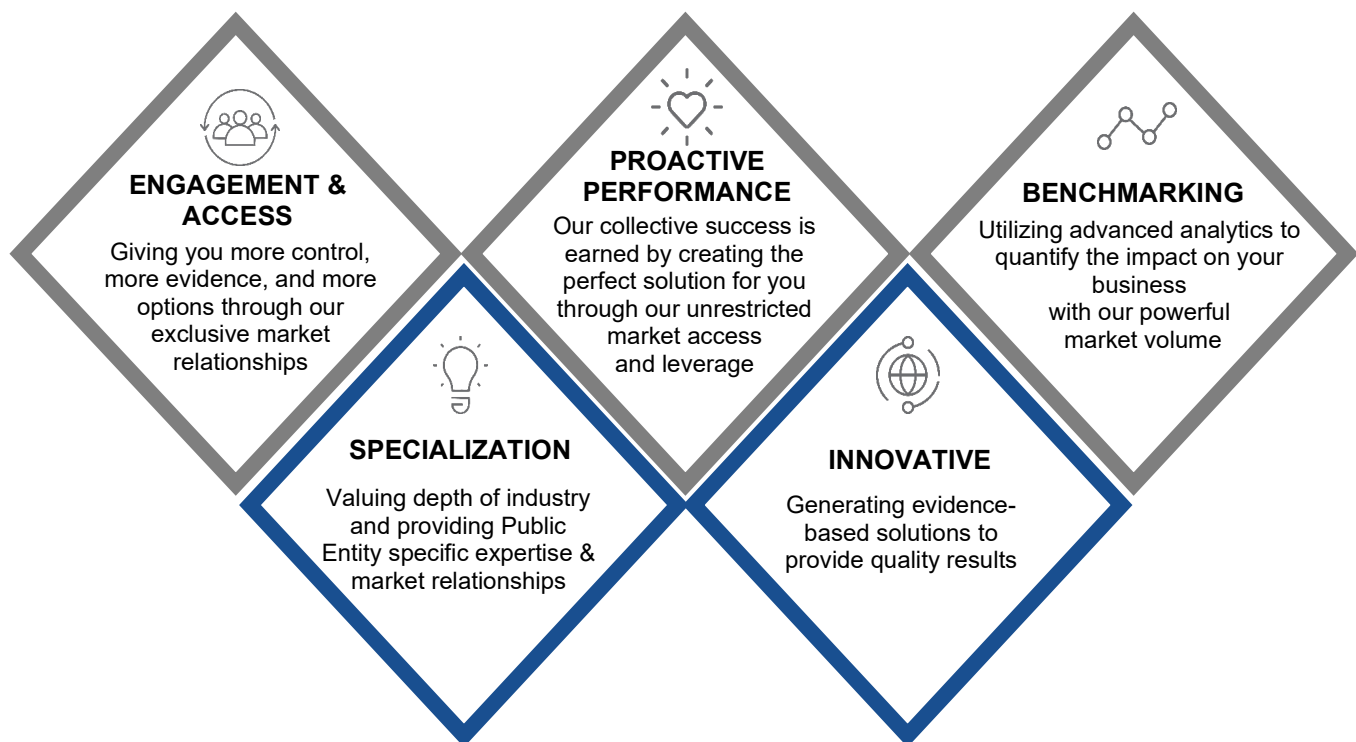


Insurance and Risk Transfer Design, Marketing, and Placement

One of the most critical functions a broker performs is to *design, market, propose and implement the broadest insurance program that adequately and economically protects the Client.*

Ultimately, the design, marketing and placement of the insurance products is the largest and most controllable, annual variable in the risk program. This is also the area within the risk management program where the quality of the insurance broker can have the most profound impact.

We are experts at aligning clients with the most cost effective and stable insurance carriers. We provide detailed analysis of each carrier including data relevant to the long-term success of a risk management program. We serve each client with a custom program design and our process includes very detailed evaluation of a client's risk appetite, loss exposure, budget constraints and political climate before we begin to align them with the appropriate insurance programs.



Market Access

A critical aspect of a broker's ability is access to all carriers. One of our core competencies is our knowledge of and relationship with all competitive insurers. Our marketing process and philosophy is somewhat unique and can be summarized as follows:

Do business with as many insurance markets as possible. Do not simply offer renewal terms and accept pricing from the same company year after year and limit our clients' options – ensure we are getting the best deal for our clients every year.

We believe that an agent's job is to utilize market forces and competition in the marketplace to be sure we bring the most competitive insurance placements to our clients every year. This concept also underlines one of our core business principles: *Always do what is best for the client.* We have learned how to keep the markets' interest while conducting a competitive process in a professional manner. Our companies **trust** us. So, we maintain excellent market relationships – ALWAYS - in hard, soft, or stable markets. We are experts in designing and implementing custom insurance programs. One of our core strengths is the ability to negotiate and obtain the inclusion of innovative coverage terms from carriers resulting in custom policies aimed at a client's specific risk needs. Our clients have benefitted from this approach in the past, specifically in the countless custom enhancements implemented in many of our property policies.

Brown & Brown is uniquely positioned to deliver brokerage excellence for Florida's Public Entities precisely because of our ability to monitor the factors above and interpret their effect on the marketplace. We then utilize our resources both within our Global Brown & Brown Family of Companies to turn that understanding into strategy. A few key factors that serve us in these complex strategies and navigating the ever-changing marketplace:

- 100% Public Entity Team
- 30 Years of Relevant Experience
- 200 Public Entity Clients
- C-Suite Carrier Relationships
- Brown & Brown Resources
- 16,000 Global Teammates
- State, National & International Presence
- Strong Underwriter Relationships
- Corporate Public Entity Footprint
- Trade Group & Association Membership
- Real-Time Industry News & Communications
- Culture of Professionalism & Excellence

Market Leverage – Brown & Brown has established itself as one of the preeminent power brokerage houses in the world. Our 16,000 teammates are responsible for the design, placement, and service of more than **\$20 Billion in annual insurance premiums**. This gives our family of companies unrestricted access to the marketplace paired with top tier negotiating power and leverage with insurance carriers.

The Brown & Brown team and our clients benefit greatly from the downstream effect of our company's massive marketplace presence. This is accomplished through strategic internal tools which ensure that our team can consistently harness the power of that global volume as we navigate the marketplace on behalf of our clients.

Brown & Brown's preferred market status and powerful leverage with all carriers and, as a result, empowers our team to consistently obtain best in class terms and conditions and deliver the most cost-efficient risk transfer programs available.

Florida Public Entity Market Footprint – For the purposes of this RFP, the far more relevant measure of market leverage, is broker footprint within the Florida Public Entity insurance marketplace. The combination of large CAT losses, rising law enforcement liability exposures, workers compensation presumption laws, active-shooter exposures, and sovereign immunity caps has proven too complicated, unpredictable, and unprofitable for most traditional risk-bearers.

These factors have created a highly specified market in which carrier options are few, terms and conditions are constricted, and broker leverage is rare.

This is where Brown & Brown shines.

Navigating the Insurance Marketplace

Brown & Brown places over \$25 Billion in annual premiums with hundreds of insurance markets.

Brown & Brown's market philosophy has always been to develop relationships and place business with the markets that bring the most value to our clients vs. other brokers who focus on placing business with select "preferred" carriers. Our style is to maintain professional relationships with all markets. This strategy delivers our clients options, open market representation, and great results of the most effective leveraging of terms and conditions available in the marketplace.

Our team maintains excellent market relationships that survive and flourish in hard, soft, and stable markets. The challenge in designing and implementing custom insurance programs, however, is maintaining a thorough understanding of the market as it evolves. The evolution of the marketplace creates both challenges and opportunities for brokers to deliver for their clients. In Florida especially, the market changes quickly. Below are some of the factors which drive the consistent change and necessitate top-tier broker performance:

1. Catastrophic Losses
2. Windstorm Modeling
3. Changes in Carrier Appetite
4. New Carrier Entrants & Departures
5. Shifts in the Legal Environment
6. Regulatory Changes
7. Emerging Exposures
8. Insurance Product Trends
9. Investment Capital
10. Global Capacity Fluctuations

While we maintain and access all options available to us, we also take advantage of Brown & Brown's management of industry-leading programs for public entities nationwide such as:

- » Lexington Insurance Company – National Professional Liability program for public entities
- » Catalytic - Property Capacity
- » Arrowhead - Property Capacity
- » Coalition -Cyber Practice
- » *Preferred* Governmental Insurance Trust** – Property, Liability, Workers Compensation

****It is important to note that in general this membership-pooling relationship has likely beat the market due to economies of scale in purchasing reinsurance.**

Only a handful of agents are qualified to access this Trust. We are the largest agent for Preferred Governmental Insurance Trust, so we have superior knowledge and leverage vs. any other appointed agent.

Understanding the City’s Risks, Exposures and Financial Goals Continual Analysis

Evaluating risk exposures is an ongoing focus as different risk exposures emerge frequently. Our analysis method involves a detailed structured identification of current and future loss exposures. We conduct a formal submission process at minimum annually prior to negotiating the renewal coverage.

We use risk identification and exposure analysis as the foundation of our risk management program design and to analytically base our recommendations. We provide objective and subjective analysis so that you can make informed decisions.

Exposure Identification processes include:	
1. Retention, coverage, and sublimit review	✓
2. Site inspections	✓
3. Review current/prior insurance applications	✓
4. Complete insurance company applications	✓
5. Policy and procedure manuals	✓
6. Contractual obligations- lenders, lessors, etc.	✓
7. Safety policies and loss prevention protocol	✓
8. Research (your website and local sites)	✓
9. Financial records review (CAFR, Budget documents, etc.)	✓
10. Loss Runs Reports / Claims review	✓
11. Current program analysis and review (coverage forms and policies)	✓
Property Specific Exposures	
Time Element / Financial Loss review	Property in the Open considerations
Property Appraisal Review	Catastrophic wind, flood, & storm surge models
FEMA Stafford Act- Flood Zone Determination/ Flood Audit	FEMA Commitments
Casualty Specific Exposures	
Experience Modification Factor Review	Retention Analysis

Property – We run (PML) models annually for each large client to evaluate the large loss centers and the flood probabilities. We will provide the City with current AIR catastrophic modeling results at each property renewal to identify specific locations that may suffer large loss or operation centers that may experience interruption.

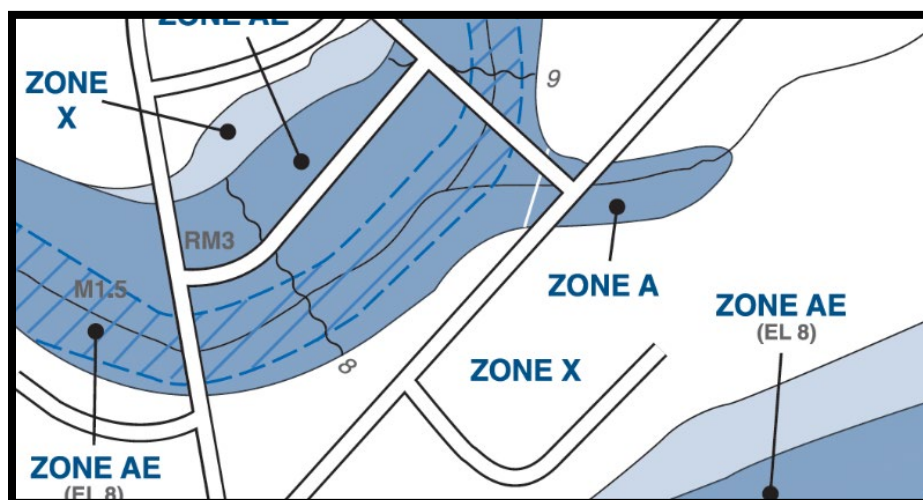
We collect detailed property data relative to wind resistance for all locations. Our process involves identifying the roof covering, roof geometry, roof age and roof strapping (if any) of these locations. This additional data significantly increases the accuracy of PML models, which in turn better identifies and measures an insured's exposure to loss. This is further used negotiate better terms and conditions with carriers. Without the additional roof information, the PML model will default to a higher value and thereby increase the PML value resulting in higher premiums.

We also evaluate the need for and the proper levels of often overlooked property coverages such as: extra expense, errors & omissions, increased cost of construction (building ordinance), equipment floaters, demolition costs, debris removal, utility interruption, pollution clean-up, property-in-the-open, builders' risk, etc.

We accomplish all the above through various techniques, processes, and tasks such as:

- Property Site Inspection and Building Appraisals
- Catastrophic wind, flood, and storm surge models
- Research (City website and local sites visits)
- Financial Record Research (CAFR, Budget)
- Loss Run Reports
- Current Program Analysis and Review (Coverage Forms and Policies)

Flood Audit – This is a unique process that we have developed to keep up with FEMA's rate, rule, and flood mapping changes. We regularly review anticipated flood zone changes (which can employ a variety of methods) to determine impact to structures located in Special Flood Hazard Areas (SFHA's). The importance of this exercise is to determine and communicate the implications of FEMA and the Stafford Act to our clients.



Liability Loss Exposures – Thoroughly identifying these exposures can be complex due to the broad litigious nature of citizens and businesses. However, we have seen many types of lawsuits and possess an intimate knowledge of the State and Federal Statutes that govern public entity operations and personnel. Consequently, our advice, counsel and recommendations are based on actual claims occurring here in Florida and many years of assisting other clients with similar issues.

The basic methods of identifying exposures include claims analysis, review of financial reports, understanding of all operational functions, evaluating current and future contractual obligations, identifying key personnel, reviewing lease and other contracts, reviewing the city’s policies and procedures manuals, and general practices.

Workers’ Compensation – Methods include analysis of loss run reports, financial reports, actuarial reports, incident reports and interviews with key personnel and management. We also review the return-to-work programs, disciplinary procedures and safety programs that are currently in place. Analytics play a large role in rate determination and retention levels. Internally we evaluate numerous factors, trends, and total cost of risk to determine the best risk retention and transfer levels that minimize the city’s financial exposures both long and short-term.

Below is an example of one of our advanced analytical tools for workers compensation risks. This report identifies departments or specific job functions that perform better or worse than their peers in Florida. Actual losses over a three-year period are compared with the expected or average losses as determined by the State of Florida. This information can be used to tailor loss control efforts for maximum return-on-investment.

Class Code	Class Code Description	21-22 Payroll	2021 Expected Loss Rate	Expected Annual Loss	Actual Losses 21-22 as of July 20	Actual Losses 20-21	Actual Losses 19-20	Actual Losses 18-19	Average Actual Losses	Ratio Avg to Expected Losses
6229	Irrigation or Drainage System Construction	\$ 175,751	2.55	\$ 4,482	\$ 29,300	\$ 461	\$ 46,431	\$ 1,767	\$ 22,862	5.10
6836	Marina & Drivers	\$ 184,804	1.64	\$ 3,031	\$ -	\$ 578	\$ -	\$ 14,444	\$ 4,405	1.45
7520	Waterworks Operations	\$ 14,102,138	1.67	\$ 235,506	\$ -	\$ 7,028	\$ 27,731	\$ 97,748	\$ 38,858	0.16
7580	Sewage Disposal Plant	\$ 1,783,080	1.03	\$ 18,366	\$ 10,509	\$ 45,126	\$ 4,563	\$ -	\$ 17,653	0.96
7704	Firefighters	\$ 53,059,928	2.02	\$ 1,071,811	\$ 743,542	\$ 1,143,802	\$ 744,723	\$ 287,113	\$ 856,065	0.80
7720	Police Officers	\$ 66,722,200	1.42	\$ 947,455	\$ 411,430	\$ 1,838,183	\$ 1,587,514	\$ 931,353	\$ 1,398,381	1.48
8392	Auto Storage Garage, Cashiers/Counter Personnel	\$ 27,703	1.24	\$ 344	\$ 2,881	\$ 89,616	\$ 516	\$ 12,786	\$ 31,026	90.32
8810	Clerical	\$ 56,545,766	0.080	\$ 45,237	\$ 310	\$ 854	\$ 19,720	\$ 176,970	\$ 58,022	1.28
8820	Attorney	\$ 2,824,163	0.070	\$ 1,977	\$ -	\$ 6,786	\$ -	\$ 702	\$ 2,196	1.11
9015	Prperty Mgmt	\$ 6,056,084	1.82	\$ 110,221	\$ 37,881	\$ 57,308	\$ 72,130	\$ 260,657	\$ 125,506	1.14
9102	Parks	\$ 17,344,370	1.92	\$ 333,012	\$ 90,220	\$ 50,483	\$ 86,661	\$ 15,287	\$ 71,159	0.21
9154	Theatre	\$ 8,592	0.84	\$ 72	\$ -	\$ -	\$ -	\$ -	\$ -	0.00
9410	Municipal Employee	\$ 16,627,503	1.22	\$ 202,856	\$ 1,521	\$ 8,273	\$ 43,120	\$ 445,385	\$ 146,129	0.72
9516	Radio, TV, Video, Audio Equip Install/Service	\$ 18,248	1.18	\$ 215	\$ 1,521	\$ 8,273	\$ 43,120	\$ 445,385	\$ 146,129	678.64
9403	Garbage/Refuse Collection	\$ 414,728	2.61	\$ 10,824	\$ 2,270	\$ -	\$ 9,191	\$ 28,659	\$ 11,765	1.09
		\$ 236,128,243		\$ 2,985,407	\$ 1,414,525	\$ 3,350,876	\$ 2,791,650	\$ 2,780,086	\$ 2,616,602	

Cyber Risk Analysis

The cyber liability insurance market is currently in a volatile state. Terms and conditions are restrictive with policy limit and retention options very limited. To offset this market condition, we offer a deep analysis of our clients' risk via a vulnerability and response report.



Easily identify and assess your risk.

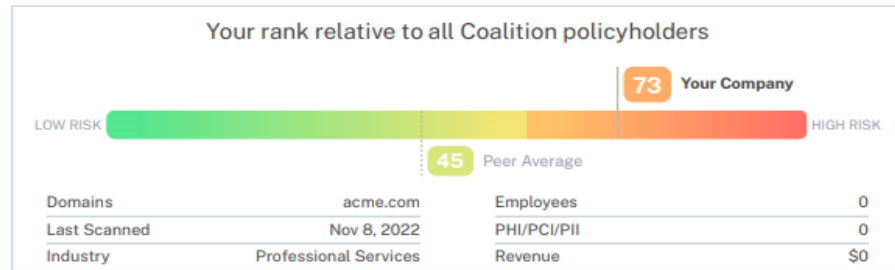
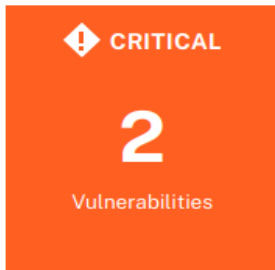


Prevent attacks and losses before they occur.



Quickly recover when all else fails.

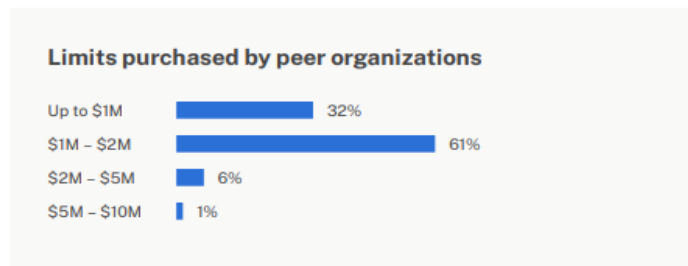
This is a free resource available to the City via our **Coalition** vulnerability and response report. Brown & Brown has innovated a new approach to cyber liability insurance by first identifying, and then providing resources to control real exposures. Via this resource, we will provide the City with a report of vulnerabilities and loss recommendations as well as where the City falls compared to peers of similar size and function. Specimen information is highlighted below:



Estimated loss based on your organization's risk profile

Type of loss	Median	1 in 10 years	1 in 100 years
Composite	\$79,709	\$596,524	\$3,072,356
Ransomware	\$144,700	\$882,081	\$3,844,212
Funds Transfer Fraud	\$70,148	\$461,806	\$2,142,707
Data Breach	\$50,522	\$392,924	\$2,088,114

Using demographic data on your organization, together with Coalition's global claims data, we've modeled the probability that organizations in your peer group will experience a cyber loss over the next 12 months, as well as the expected severity of loss using a statistical model derived from 10,000 simulated years of cyber incidents. By comparison, we've also included benchmarking on the insurance limits purchased by your peer group.



Cyber Risk Analysis

Current Risk Level

Coalition's signals intelligence platform provides a snapshot (example above) of an entity's current risk level by using public, external methods (no penetration or intrusive tactics) to:

- » Scan infrastructure for publicly accessible servers, services, and technology
- » Discover exploitable vulnerabilities and misconfigurations in the scanned infrastructure
- » Find exposed available user/employee information
- » Uncover other existing threats hidden on the dark web
- » Discover proactive measures already taken by the company

This data, combined with Coalition's proprietary claims and loss data provides:

- » A relative measure of the company's defensive security posture compared to organizations scanned by Coalition
- » A clear, fact-based assessment of potentially weak security areas and steps to fix them
- » Recommendations on how the company can further secure their infrastructure informed by actual losses experienced by Coalition policyholders



Account Management & Service Continuity

- ✓ **Same-day response** to customer inquiries (24-hour agency policy on response time).
- ✓ All change requests from insureds are performed immediately. Follow-up with carriers is systematic and documented.
- ✓ All binders, endorsements, invoices, and policies are checked for accuracy against a detailed checklist and against the proposal that was presented to the insured.
- ✓ Review and corrections of policies and endorsements is conducted within the same quality parameters – 30-day turnaround.
- ✓ Resolution guidelines for more complex issues.
- ✓ Endorsements must be delivered to insureds within one business week of receipt.
- ✓ Policies must be delivered to insureds within 30 days of receipt.
- ✓ Utilize sophisticated Agency Management software - AMS 360 – to document all transactions.
- ✓ Documentation can be provided in hard copy and/or various electronic formats.
- ✓ Clients have access to important documents via a shared link, including policies, certificates, schedules, white papers and more.

*“CONCIERGE-LEVEL
SERVICE MEANS
OUR CLIENTS DO
NOT WAIT, WORRY,
OR WORK HARDER
THAN NECESSARY.”*

One of the many reasons for our success and 97% Risk Management client retention is our approach. We are your risk management consultant and partner. We proactively pursue innovative solutions, insurance program improvements, research risk management resources, and reduction of your administrative burden by providing efficient and extensive services. Our concierge-level services include, but are not limited to:

- » **Renewal and new business applications assistance:** Gather significant underwriting information from financial reports, independent website research, claims data, various actuarial and analytical reports, physical site inspections, and engineering and loss control information prior to sending to your staff for completion – a time-saver for your staff.
- » **Reconcile Asset Schedules with Insurance Schedules:** This includes review of insurable assets such as buildings, contents, computers, mobile equipment, vehicles, parks and rec structures, property in the open, etc. This is generally a very time-consuming task which will be lifted from your staff as well.
- » **Assist with claim reporting function** directly with TPA and insurers, including pursuit of additional claim data. We will also coordinate and attend claims review meetings to offer corrective actions and improve claim results.

For Property Claims, our team coordinates procedures, and expectations annually directly with insurers and your dedicated field adjusters.

- » Provide, coordinate, and promote all loss control and safety resources available.

Safety and Loss Control

Safety is a key objective of our program, and a tailored loss control plan is the key to lowering the long-term cost of risk for the City. We will continue to coordinate a highly qualified loss control representative for on-site training, safety audits, policy review, workers' compensation claim reduction and other activities at the direction of the City. We will be an active partner in assisting the City's loss control, safety and claim reduction efforts, and are committed to providing meaningful risk control tools and analysis. As such, our efforts will be tailored to the specific needs of the City and measured for cost effectiveness.

The City will continue to have access to **Chris Kittleson**, a **Safety & Risk Management Consultant** to identify needs and deliver risk management resources. Mr. Kittleson has over 30 years of insurance industry experience. He will continue to serve the City through in-person and virtual training opportunities. Some of the standard training topics include (but are certainly not limited to):

- Emergency and Hurricane Preparedness
- Defensive Driving
- Workplace ergonomics
- Job Hazard Analysis
- Employment Practices
- Mental Health/PTSD in the Workplace

Our Team, along with Mr. Kittleson, will obtain, analyze, and monitor workers' compensation loss reports monthly and establish meetings with staff to review loss trends. We participate in claims reviews, mitigate claim issues, work directly with adjusters and defense counsel when necessary, and always seek to serve as an extension of our client's risk staff.

Brown & Brown Public Sector will assist with the coordination of all the safety and loss control resources available and will come at no additional cost to the City.

Our greatest expertise arises out of our experience with governmental clients at every size and every risk tolerance. We represent clients as small as 10 employees and as large as more than 50,000 employees. Those clients have risk management programs which range from 1st dollar, to almost completely bare from an insurance perspective. That experience allows us to bring expertise, ideas, and perspective from every possible angle within the industry.

From a training perspective, one of our on-staff strengths is guidance and development of Safety and Risk Policies and Procedures. We have focused on these due to the global identification of legal and regulatory compliance issues, and lack of updated protocol. As governmental entities are not subject to OSHA, best practices and other State and Federal Guidelines, including updates and statute changes, must be followed by public entities.



Online Training Resources

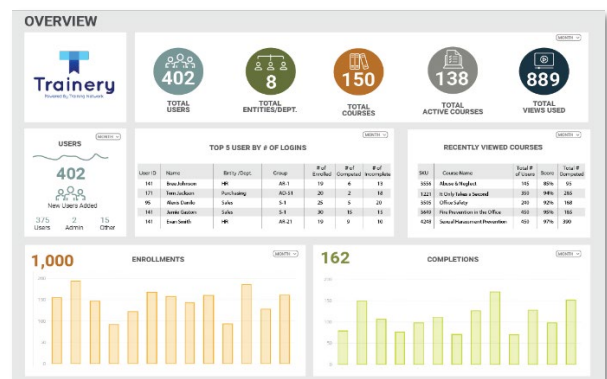
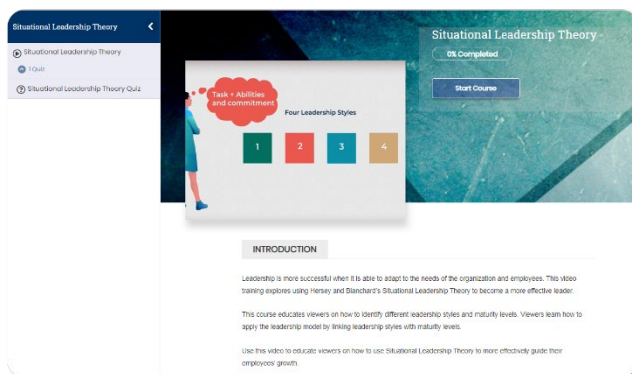
Streamery is an online streaming solution provided to Brown & Brown Public Sector customers to facilitate the training of employees on the policies and procedures that build a safe workplace.



Streamery serves as a leader in the distribution of Safety, Management, Technology, and Human Resource training programs. They offer a variety of tools and solutions to help organizations comply with HR regulations and requirements, including OSHA, DOT and the EEOC. The innovative training platform includes over 700 videos on demand that can be streamed anytime, anywhere. The included Training Support Materials make this valuable resource the perfect tool for instructor led or individual training. Notable subjects include:

- * **Defensive Driving**
- * **Using Fire Extinguishers**
- * **Emergency Planning**
- * **First Aid- Until Help Arrives**
- * **Active Shooter and Workplace Violence**
- * **Hazard Recognition**
- * **Evacuation Procedures**
- * **HIPPA Rules and Compliance**

These work best when led by a supervisor or trainer from an individual department. The trainings are short (5-20 minutes on average), so are perfect for use in weekly safety meetings!



*A single login (which can be utilized by multiple supervisors) is included in our proposal; if multiple logins are needed, we reserve the right to negotiate an enhanced experience for the City.

Claims Assistance

Our **Claims Specialist**, Jessica Conway, embraces her primary function to ensure that all claims submitted through our office are received and acknowledged by an adjuster within 24 hours. She also provides follow up with adjusters on open claims to ensure claims handling is in step with the Client's objectives. Tasks included within this role include:

- » Claims reporting
- » Claims tracking/acknowledgement and closure
- » Coordinate claims review meetings
- » Liaise with adjusters, client departments
- » Assist in coverage clarifications with underwriters as needed
- » Prepare spreadsheets in FEMA format for catastrophes
- » Pre- and post-event communication

We are committed to be an extension of the City's staff and take an active approach to ensure that claims management is the number one priority. We provide all new clients with a 'Claims Kit,' which outlines procedures and protocols for effective claim reporting, monitoring, and closure.

As a claims advocate, Brown & Brown will work closely with you and directly on your behalf with insurance carriers. We are willing and able to coordinate and attend claims meetings to resolve claims quickly and equitably. We have extensive experience assisting our clients with claims, both large and small. Our position is representing our clients, not the insurance carriers. The City will never question which side of the fence we are on. We follow up with adjusters on open claims to ensure claims handling is in step with the Client's desires.

Turnkey Disaster Recovery

Preferred's Disaster Response includes your choice of pre-approved contractors, remediation experts, emergency repair firms and general contractors. The city can choose to engage a single *Preferred* approved general contractor that will coordinate and administer every phase and aspect of recovery. This includes vetting, bidding, and hiring every contractor and sub-contractor for every repair!

Preferred will pay these contractors directly on behalf of the city to ensure a truly seamless process that protects the city's cashflow and preserves the procurement process. The whole process is FEMA approved and accepted.

Contract Review

We believe that one of the most critical areas of risk exposure lies within contract liabilities; therefore, we provide contract analysis for our clients, including developing **customized templates** for vendor requirements for use by procurement and other departments. We can conduct training sessions with procurement personnel to ensure the implementation of new standards is efficient and understood. In addition, we can assist in setting up a management system for certificate of insurance compliance and provide certificate review for compliance.

There have been numerous court cases in recent years that resulted in a broadening of local government liability exposures as well as constriction of sovereign immunity protections. It is therefore imperative to remain knowledgeable of these precedents and their impact on the City's risk management program. We remain vigilant in maintaining a level of knowledge of these cases and adjust our programs and consultation accordingly.

It is equally important to amend insurance requirements as new exposures emerge. For example, we have updated our insurance requirement recommendations to include cyber liability coverage and active shooter liability insurance mandates where appropriate.

We have worked with many clients to assist with Vendor Insurance Requirements, including the following steps:

- Standard Procurement/RFP template for insurance requirements
- Matrix for appropriate limits for different types of vendors/risks
- Training on how to check a Certificate of Insurance to the requirements
- Direct Assistance and review of individual contract verbiage, coverage and limit requirements, certificate review, and more.

Enhanced News & Communication Resources

We also provide timely topical updates unique to the City. These are available via email and on our website, but we also discuss directly with the City how these may impact your specific environment.

- » White Papers
- » Current risk environment updates, for example COVID-19 resources and updates
- » Legislative and market updates
- » Florida public-entity focused newsletter (The Weekly Rundown)



See The Latest

The Weekly Rundown

The latest news and topics within the public insurance marketplace.

January 16, 2024

Auto premiums could increase another 12% in 2024

These rate increases will be driven by more frequent severe weather events and elevated repair costs.

Read More

From AI to I-9: 3 hiring and compliance changes to manage in 2024

As technology transforms the hiring landscape, legislation works to catch up — and employers will have to reckon with the compliance changes that come with the race.

Read More

PRIA

PUBLIC RISK INSURANCE ADVISORS

Hurricane Dorian – What You Need to Know

As Hurricane Dorian approaches, Public Risk Insurance Advisors (PRIA) is providing you with information you need to monitor the storm, report claims, and stay in communication with our team.

- ✓ You can track Hurricane Dorian using these links

Wind Speed

Warning Cone

Surface Wind Speed
- ✓ Attached are Hurricane Claims Kit from Preferred & other important documents
 - 2019 Property Vendors List – PRIA clients can use pre-approved vendors or vendors of your choice. Pre-approved vendors will be paid directly from Preferred. Remember to expedite repairs ASAP and document everything!
 - Blank Accord loss notices – Used for filing storm claims.
 - Current copies of your property and inland marine schedules – this should help you track assets and note any damage.
- ✓ PRIA Leadership Contacts – Please reach out to us with any questions or needs

Matt Montgomery
Executive Vice President
850-528-7423
mmontgomery@bbpria.com

Paul Dawson Senior Vice President 407-496-0909 pdawson@bbpria.com	Michelle Martin Vice President 386-566-3484 mmartin@bbpria.com	Brian Cottrell Vice President 561-346-2723 bcottrell@bbpria.com
Kyle Stoekel Public Risk Advisors 386-405-2444 kstoekel@bbpria.com	Michelle Perry Public Risk Advisors 978-660-8215 mperry@bbpria.com	

LEGAL UPDATE

Supreme Court Rules Sexual Orientation and Gender Identity Discrimination Violates Title VII

In a highly anticipated decision issued on June 15, 2020, the U.S. Supreme Court has ruled that Title VII of the federal Civil Rights Act (Title VII) protects individuals against employment discrimination based on their sexual orientation or gender identity.

Important Date

June 15, 2020

The U.S. Supreme ruled that federal law protects gay and transgender individuals from being discriminated against in the workplace.

FEMA Public Assistance Coordination

Our vast experience in managing large property claims has led us to develop unique programs such as our FEMA Coordination program. This service was created in response to the difficulty that most public entities experienced in dealing with FEMA after the major storms in 2004.

Our first initiative was to gain an intimate understanding of the Stafford Act and its implications in providing public assistance funds in Florida. We then met directly with FEMA representatives in the Lake Mary Long Term Disaster Recovery office and quickly established a procedure and protocol with FEMA personnel that will improve their ability to quickly pay public assistance funds to our clients. For example, we have provided a current client property policy and schedule to FEMA in advance of any losses so that FEMA will not need to request this information directly from our clients. We have also coordinated the efforts of the insurance company's loss adjusters to better align with the data that FEMA requires on their Project Worksheets. These Project Worksheets are an integral part of FEMA's reimbursement process and can significantly slow the process if they are not completed accurately.



FEMA

We are also committed to working directly with FEMA representatives and consultants to expedite every aspect of the public assistance process.

In the event of a major loss, we will be assisting in every step of the insurance company claims process as well as the FEMA reimbursement process. We are confident that with the protocols in place we can effectively improve the expediting of claim payments and cash flows.

Property Management & Exposure Identification Tools

As a member of the Preferred Governmental Insurance Trust, there are many value-added resources available to the City, including **FREE property appraisals**. The City is currently scheduled to receive a full property asset appraisal in the in 2025/2026.

Our team assists in scrubbing/reconciling property appraisals and implementing new values. We also will provide annual advice on trending of values, in addition to the suite of services provided at no cost by *Preferred*, our brokerage team provides the resources below to our clients.

Our team utilizes RiskMeter and CoreLogic, a completely online resource providing on-demand hazard risk data. This in-house subscription is utilized to be sure the most accurate and complete underwriting data is provided to the property underwriters via the Property Schedule.

Real Time Data Available for individual sites includes:

- » Distance to Coast
- » Flood Zone Determination including distance from SFHA zone
- » Storm Surge Score
- » FEMA Flood Insurance Rate Map and panel number



In addition, we will make available, **at no cost**, a valuable web-based Property Asset Management Tool. This property management web-based platform is offered by Asset Works, an industry leading appraisal and asset management company. AMP provides the user with an easy and efficient tool to maintain tangible property data including buildings, contents, property in the open, vehicles, mobile equipment, and other fixed assets. AMP can greatly increase the integrity of data and has complete conversion capability for catastrophic modeling, proof of loss documentation and a plethora of property-based reports.

More details on the benefits and features of this tool can be found on the following two pages.



Property Risk Management

As an organization, being exposed to a variety of risks is inevitable – being prepared in the event of a risk occurrence is critical. When it comes to managing property data for your organization or risk pool, the AMP Property Risk Management module from AssetWorks offers an innovative approach to risk management. By maintaining data about buildings and structures, property-in-the-open, fixed assets, licensed vehicles, and secondary C.O.P.E. characteristics, in a single, comprehensive database, AMP can help bridge the gap between valuation results and valuation management.

AMP offers a convenient, efficient, and secure method of tracking and reporting data used for:

- Loss control
- Proof-of-loss documentation
- Catastrophe modeling
- Annual updating of values
- Property marketing and placement



With various levels of user access, approval processes, and a complete audit trail, AMP users can be confident in the integrity of their data. Data conversion capabilities for catastrophe modeling, reports for proof-of-loss documentation in the event of a catastrophe, and a simplified insurance renewal process make AMP the clear choice for property risk management.

● PROPERTY RISK MANAGEMENT



PRODUCT HIGHLIGHTS:

Property Tracking

Functionality to track multiple individual organizations under one entity. Includes the tracking of primary and secondary COPE data and processes for updating new property and property disposal.

Valuation Management

Includes data trending capabilities using trend factors and a value approval process to facilitate the updating of property values. An insurable values benchmark tool allows users to see differences in proposed insurable values in relation to current insurable values.

Dynamic Reporting Tool

Standard reports are accessible in batch mode and can be filtered by search parameters. Includes reports to assist with data conversion for catastrophe modeling, proof-of-loss documentation, and the insurance renewal process.

System and Data Security

Various levels of user access defined at the entity, organization, site and building level as well as approval processes and a complete auditable history ensure the integrity of data being tracked.

Data Exchange

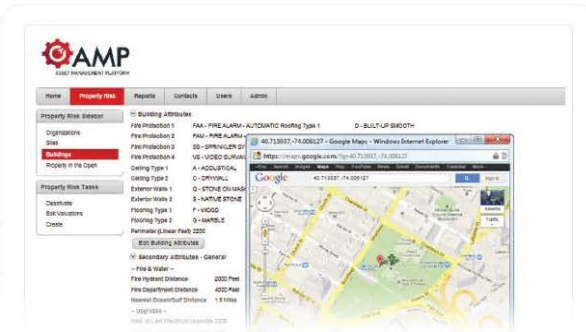
Allows asset and table data to be imported/exported in comma-delimited (CSV) and text formats

Document/Image Repository Management

Provides the ability to assign forms, documents, and image files to individual properties and assets

User-friendly Interface

The "Work Desk" capability allows statistics, reports and other visual tools to be attached to the home screen while an unlimited number of user defined fields allows users to track additional data elements.



BENEFITS:

- Streamline data communication processes and simplify the renewal process by maintaining all information in one sophisticated database, accessible by everyone in real-time.
- Increase efficiency with automated workflow processes for adding new properties, modifying existing property schedules, and removing entries from current property schedules.
- Save time preparing reports for data mapping for catastrophe modeling, proof-of-loss documentation, and the insurance renewal process.
- Rest assured that data is secure and accurate as a result of various levels of user access, approval processes, and a complete audit trail.
- Experience greater leverage in the insurance market with respect to coverage and premiums as a result of submitting accurate data and a detailed risk model.
- Reduced learning curve as a result of user friendly design and intuitive workflows.

a) Statement of Respondent's understanding of governmental entity/municipal insurance coverages and risk services

Risk Management Associates, Inc., with over 32 years of successful insurance brokerage service committed to Florida's public entities, has a deep understanding of the full scope governmental entity/municipal insurance coverages and risk management services, and will access the entire marketplace for insurance products and value-added resources to identify and control risk.

Brown & Brown Public Sector Footprint

In Florida, Brown & Brown Public Sector's sole focus is providing insurance placement and risk management services to governmental entities. Representing small towns and special districts, to large cities and counties, including the State of Florida, we have a deep understanding of your needs. Lines of insurance placed include **Property, Casualty, Workers' Compensation, Surety/Bonds, Accident & Health, Life, Medical, and all specialty and ancillary lines**. We utilize insurance products to include 1st dollar package programs, to multi-carrier self-insured program designs. For self-insureds, the appropriate strategies and expertise are readily available to provide necessary analytics, value-added resources, and consultative servicing staff.



Unparalleled capacity to serve the needs of local governments:

- Dedicated service team working exclusively for **Florida local governments** in all capacities surrounding risk and human resources.
- Access to highly experienced public entity resources including **Claims Team, Panel Counsel, Loss Control, Disaster Planning and Recovery, and Risk Management Specialists**.
- Only retail office in Florida **100%** committed to Florida's public entities
- We place **\$250 million of annual premiums** for our Florida clients
 - Brown & Brown public sector currently represents over **200** of Florida's governmental entities
 - **24 Counties**
 - **75 Cities**
 - **6 Public School Districts**
 - **7 Public Universities**
 - **State of Florida**
 - **100+ Special Taxing Districts**

b) Statement indicating how the Respondent, is at a minimum, able to meet all of the principal areas defined in the RFP's Scope of Services

Risk Management Associates, Inc. agrees to meeting all the principal areas in the RFP's Scope of Services. Below you will see how our team will be able to not only meet, but exceed, the City's expectations for both insurance placements requested and programming the best risk program.

Brown & Brown Public Sector Overview

The Brown & Brown Public Sector team is a highly specialized unit of insurance advisors trained to deliver industry-leading services to public entities in the State of Florida. Since 1992, we have continuously refined that specialization and enhanced our services, while becoming the largest public entity brokerage in Florida.

We have proven over nearly three decades of service to local governments that we are a highly sophisticated and accountable team of insurance professionals, laser-focused on providing both world-class brokerage services and concierge-level support to our clients. We have built our reputation by empowering our governmental clients to outperform their industry peers and lower their cost of risk; all while staying within their annual budgetary constraints. Our team is committed to serve those who serve the public – and provide superior service to our clients and their staff.

Our team delivers industry-leading programmatic results and administrative services, specifically to Florida's Public Sector. The key components of our service offering include the following:

- » Risk Management Program Philosophy / Short and Long-term Planning Objectives
- » Risk Exposure Identification and Analysis
- » Insurance Program Design, Marketing, and Placement within Budgetary objectives
- » Global Market Relationships and Unfettered Access
- » Enterprise Risk Management Consulting
- » Concierge-Level Service and Administrative Support
- » Claims Advocacy – Onsite Disaster Claims Coordination and Resources
- » Safety & Loss Control (24 Consultant Hours Included) and Claims Mitigation Strategies
- » Insured Asset Schedule Management
- » Communicate Legislative Impacts, Industry Trends and Market Conditions

The Brown & Brown team provides **the best combination of the most important factors** that are of interest to the City in selecting an insurance broker partner.

- ✓ *We are a team of passionate, motivated, hard-working insurance industry leaders who look forward to working with and servicing the Board's program with an injection of expertise, energy, and fresh ideas.*
- ✓ We will provide the most unique perspective to property placement with a team that has both small and large public entity clients.
- ✓ We have an extremely qualified team, with robust and relevant resumes that include proven track-records of handling complex multi-layered insurance programs, successful claim management, and unmatched service standards.
- ✓ We are ranked as the 5th largest insurance broker in the Country.
- ✓ We are domiciled in the State of Florida and have an 80+ year history located here.
- ✓ We are a Florida based company, with more than 3,500 Teammates State-wide.



The Brown & Brown Public Sector team is proposing to do all work for the scope of this RFP out of our office in Daytona Beach. We do have many Brown & Brown offices in Florida which can be utilized for any ad hoc purposes where local resources may prove beneficial. However, Brown & Brown Public Sector's business model, and office, is designed to serve our public entity clients from the Florida Keys to the Panhandle.

Our team is proudly involved and committed to top industry organizations and professional affiliations, including:



Our team currently controls the risk management programs for more than **40 large public entities** with self-insured casualty and workers' compensation programs and/or property insurance placements. The clients below have been working with the Brown & Brown team for 5-10 years or more.

- » The State of Florida
- » City of Miami
- » City of Ft. Lauderdale
- » Town of Davie
- » Brevard County
- » Lee County
- » Marion County
- » City of Naples
- » Town of Jupiter
- » City of Lake Worth Beach
- » City of Ocala
- » Town of Highland Beach
- » City of Tallahassee
- » Florida International University
- » City of Daytona Beach
- » City of Marco Island
- » City of Sarasota
- » Collier County Schools
- » Lee County Schools
- » City of Sweetwater
- » Florida Atlantic University
- » City of Parkland
- » City of Lighthouse Point
- » Volusia County
- » Volusia County Schools
- » Leon County
- » City of Orlando
- » Pinellas Suncoast Transit Authority
- » Hillsborough Area Transit
- » City of North Miami
- » City of Palm Bay
- » City of Lauderhill
- » City of Dania Beach
- » Sebring Airport Authority



Distinct advantages of *Preferred* include the following:

- **WINDSTORM** – *Preferred* offers named storm coverage to members with **no exclusions** relative to distance from coastal waters.
- **No premium charge** for newly acquired property, equipment or automobiles added after inception date.
- **FEMA Recovery Coordination** – *Preferred* reports are tailored to meet FEMA standards and are made available electronically to FEMA representatives.
- ***Preferred*** automatically provides coverage for non-monetary claims including injunctive relief, EEOC, public records law, and inverse condemnation allegations.
- **Property Appraisals** – *Preferred* provides building appraisals at **no cost** to new members from a nationally recognized appraisal firm.
- ***Preferred* TIPS** – Training incentive program for safety and risk management for members with a matching incentive of up to **\$5,000** per coverage year.
- **Online Training** – provided through a partnership with Target Solutions at **no cost** to members with over **230 courses** to choose from on a variety of relative topics, such as Driving Safety and Working in Extreme Temperatures.
- **Risk Payment Options** – *Preferred* provides a full range of risk payment options.
- **Dedicated Senior Loss Control Consultant** – Chris Kittleson will continue to work closely with the City develop on-site and online training, as well as proactively assist the City’s safety committee.

We keep strong relationships with underwriters and evaluate insurers’ loss ratios to identify carriers that will remain competitive in the 2024/2025 marketplace. Our goal is to access the capacity of competitive stable insurers before our competitors, to ensure smooth and effective renewals. We also understand that changes in program structure may be necessary to meet budget goals; therefore, our recommendations will include potential financial impact on insureds using loss probability models and actual claim history for each risk.

c) Statement regarding extent to which individual coverages being proposed are separable without a change in premium costs.

Coverage within the *Preferred* package is not separable, however the property coverage for the Utilities is separable.

d) Examples of premium and service billings as well as examples of sound cost allocation methods

Brown & Brown Public Sector offers several ways to break out premium costs for the various lines of coverage:

- Each year we generate a premium comparison spreadsheet which details the premium and exposure changes from year to year. Each line of coverage premium is shown, such as City Property, Inland Marine, Utilities property, Crime, General Liability, Automobile, Public Officials and Excess Workers Compensation coverage.
- Property and Automobile premiums can be further broken down to each property location and automobile scheduled.

Unit #	Department	Description	Address	Year Built	Const Type	Building Value	Contents Value	Total Premium
001	City Hall Annex	City Hall Annex	414 Lake Avenue Lake Worth, FL 33460	1929	119 - JM	\$4,000,000	\$1,093,280	\$23,298
002	City Hall Annex	Shelter #1 (MLK ball)	414 Lake Avenue Lake Worth, FL 33460	1990	102 - PITO	\$21,200	\$0	\$149
003	City Hall Annex	Shelter #2 (pergola)	414 Lake Avenue Lake Worth, FL 33460	1980	102 - PITO	\$14,200	\$0	\$100

Unit #	Department	Full VIN	Make	Year Built	Coll Ded	AL Premium	APD Premium	Total Auto Premium
		Veh Type	Model/Description		Comp Ded			
001	174	1B71C16Y2TJ192677	Dodge	1996		\$104	\$0	\$104
		Light Truck	Ram Pickup					
002	278	1FAFP58U54A180141	Ford	2004		\$104	\$0	\$104
		Private Passenger	Taurus SW					
003	112	1FAFP5ZUZZA151654	Ford	2002		\$104	\$0	\$104
		Private Passenger	Taurus LX					

- Commercial General Liability can also be broken down for each department based on payroll.

- Sample of package invoicing for the City shown below

Lake Worth Beach, City of
City of Lake Worth Beach
c/o Ben Few & Company
4560 Via Royale, Suite 3
Fort Myers, FL 33919

Mail payment to:
Risk Management Associates, Inc.
P.O. Box 745959
Atlanta, GA 30374-5959

Overnight payment to:
Risk Management Associates, Inc.
Lockbox 745959
6000 Feldwood Road
College Park, GA 30349

INVOICE

Customer	Lake Worth Beach, City of
Acct #	602792
Date	10/04/2023
Customer Service	(386)252-6176
Page	1 of 1

Payment Information	
Invoice Summary	\$ 773,637.00
Payment Amount	
Payment for:	Invoice#13727304
PX FL1 0502013 23-14	

Thank You

Please detach and return with payment



Customer: Lake Worth Beach, City of

Invoice	Effective	Transaction	Description	Amount
13727304	10/01/2023	Renew policy	Policy #PX FL1 0502013 23-14 10/01/2023-10/01/2024 Preferred Governmental Insurance Trust (PGIT)	
			Business Auto - Renew policy	35,141.00
			General Liability - Renew policy	76,626.00
			Crime - Renew policy	1,498.00
			Privacy and Network Liability - Renew policy	39,780.00
			Public Officials & Employment Practices Liability - Renew policy	83,698.00
			Inland Marine - Renew policy	8,543.00
			Commercial Property - Renew policy	438,433.00
			Excess WC - Renew policy	89,918.00

e) Proposal of coverage details, including premiums, shall follow the format in the Scope of Services. Proposers shall detail the coverage being offered and shall detail ANY deviation from what has been requested.

Our coverage proposal can be found in Tab 4 – Cost Effectiveness.

Tab 4

Cost Effectiveness

Tab 4: Cost Effectiveness (Limited to 20 pages)

Respondents shall provide detailed pricing that includes all the services described in the solicitation documents. Respondent shall provide any additional relevant pricing information to meet all the requirements as defined in the solicitation document.

Please refer to the Premium Recapitulation, starting on page 73, in the following proposal.

Respondent shall provide in detail the cost of all requested coverages for the City as required in this solicitation. Respondent shall also detail all exclusions if any.

Our proposal included directly following this page.

Respondent must be able to provide the most recent audited financial statement for the company as well as credit references that can verify the financial standing of the company if requested by the City.

The *Preferred* 2023 audited financials are included at the end of this section.

Non-Utility Property and Inland Marine

Term: October 1, 2024 to October 1, 2025

Company: Preferred Governmental Insurance Trust (*Preferred*)

Covered Property (Per Schedule Provided)	
\$48,705,887	Blanket Value Buildings and Contents
Special Property Coverages	
\$5,000,000	Flood
\$5,000,000	Earth Movement
\$5,000,000	TRIA
Inland Marine (Per Schedule Provided)	
\$600,000	Blanket Unscheduled Inland Marine***
Included in Blanket	Communication Equipment***
\$1,248,129	Contractor's / Mobile Equipment***
Included in Blanket	Electronic Data Processing Equipment***
Included in Blanket	Emergency Portable Service Equipment***
Included in Blanket	Fine Arts***
Included in Blanket	Other Inland Marine
\$100,000	Rented, Leased or Borrowed Equipment♦♦
Included in Blanket	Valuable Papers
\$17,780	Watercraft, Not Including Hull Coverage**

Deductibles: \$5,000 per Occurrence – Buildings and Contents, Earth Movement and TRIA

5% of TIV per Occurrence / Per Location for “Named Storm” subject to minimum of \$35,000 Per Occurrence. Location is defined by each itemized listing on the applicable schedule. Also applies to Inland Marine.

\$5,000 any one occurrence for Flood, except:
Excess of maximum NFIP available whether purchased or not or 5% of the TIV at each affected location whichever is greater for Zones A & V

\$1,000 per Occurrence – Inland Marine

***Unscheduled items are subject to a maximum value of \$25,000 or less per item. Items valued above this amount must be scheduled.

**Watercraft, not exceeding 25 feet, coverage is not hull coverage. Limited to Specified Perils only, excluding collision with another object.

♦♦Unscheduled items are subject to a maximum value of \$250,000 or less per item, subject to the maximum per occurrence loss limit shown on the Inland Marine Schedule. Items valued above \$250,000 must be schedule.

Non-Utility Property and Inland Marine

Coverage:

1. Special form (formerly “All Risk”), subject to policy exclusions.
2. Replacement Cost applies to Buildings, Contents and EDP is subject to all terms and conditions of the coverage agreement the most we will pay for all loss, damage or costs in any one occurrence is the applicable limits of liability shown in the property declaration. **The blanket limit of coverage shown in the property declaration applies to all covered property unless a separate limit, lower limit or reduced amount of coverage is indicated elsewhere in the coverage agreement or in the property declaration.**
3. Inland Marine coverage paid at “Agreed Value” if the valuation type on the Inland Marine schedule is shown as agreed value; or the lesser of Actual Cash Value or 110% of the value reported on the schedule. See policy for complete details.
4. *Preferred* will pay for covered loss to your real property, inland marine or personal property:
 - a. At the location shown on the Schedule of the Declarations,
 - b. Property in the open within 1,000 feet of locations described in a. above,**
 - c. With respects to Inland Marine, at or away from your covered location.
5. No Coinsurance Clause.
6. Certain coverages subject to sub-limits stated in policy.
7. During the current Coverage Agreement period, *Preferred* will not charge an additional premium for **new locations** if the value of a **new location** or total value of all **new locations** at the same physical address that are acquired or newly constructed during the coverage agreement period **is less than \$15,000,000** and if the location is acquired after the inception date of the Coverage Agreement. If the newly added location was owned or acquired prior to the inception date of the Coverage Agreement then premium is due at the time the location is added.
8. The *Preferred* Property Program is a shared limit. The limits purchased are a per occurrence limit and in the event an occurrence exhaust the limit purchased by *Preferred* on behalf of the members, payment to you for a covered loss will be reduced pro-rata based on the amounts of covered loss by all members affected by the occurrence.
9. ***Preferred* will be appraising all property currently scheduled. At time of finalization of appraisal, building values are to be adjusted accordingly or Stated Value endorsement will be applied with immediate effect.**

Non-Utility Property and Inland Marine

Sublimits of Coverage	
Sublimits apply as part of, and not in addition to, the overall Total Insured Values coverage limit.	
\$500,000	Accounts Receivable, per occurrence
\$1,000,000	Additional Expense
\$40,000	Animals, annual aggregate
\$500,000	Business Income
\$250,000, or 25% of loss whichever is greater	Debris Removal, per occurrence
\$1,250,000	Demolition Cost, Ordinance & Increased Cost of Construction, per occurrence
\$250,000	Errors and Omissions, per occurrence
\$5,000	Expediting Expense, per occurrence
\$25,000	Fire Department Charges, per occurrence
\$50,000	Fungus Cleanup Expense, annual aggregate
\$25,000	Lawns, Plants, Trees and Shrubs, Excludes Wind (see policy form for additional restrictions)
\$2,000,000	New Locations, per occurrence – 60 days from the date new location(s) is first purchased, rented or occupied, whichever is earlier. See policy for details.
\$50,000	Personal Property of Employees, per occurrence
\$50,000	Pollution Cleanup Expense, annual aggregate
\$250,000	Preservation of Property, per occurrence
\$20,000	Professional Fees, per occurrence
\$150,000	Property at Miscellaneous Unnamed Locations
\$10,000	Recertification, per occurrence
\$100,000	Service Interruption Coverage, per occurrence
\$250,000	Transit, per occurrence

Non-Utility Property and Inland Marine Major Exclusions

Property **Not** Covered includes but not limited to:

1. Animals, water, land including land on which the property is located, shrubs, trees, lawns, growing crops, or standing timber, except under conditions described in the “Extensions of Coverage” section of the policy.
2. Aircraft.
3. Property you sold under conditional sale, trust agreement, installment payment, or other deferred payment plan after such property has been delivered to the customer.
4. Caves, caverns, mines or any type, or any property contained within them.
5. Currency, money, notes or securities.
6. Dams, dikes or levees.
7. Contraband or property in the course of illegal transportation or trade.
8. Property covered under import or export ocean cargo policies.
9. Property you transport as a common carrier.
10. Property shipped by mail, unless sent registered or certified.
- 11. Watercraft unless loss is from a specified peril and scheduled on the inland marine schedule.**
12. Vehicles licensed or designed for highway use, unless shown on the Property Declaration, Extensions of Coverage item U, and then no coverage for any **over the road coverage**, or collision with another vehicle or object. The AOP deductible applies per occurrence and in the event of a Named Storm the Named Storm deductible applies per vehicle rather than per location. This coverage is paid at actual cash value at time of loss.
13. Bulkheads, docks, piers, wharves, retaining walls, boardwalks or underwater conduits from: freezing and thawing; impact of watercraft; waves, or debris driven by waves; pressure or weight of ice or water, whether driven by wind or not; or sinking or settling.
14. Dune walkovers, unless loss is at a covered location and from a specified peril other than collapse. **No wind coverage is afforded for dune walkovers.**
15. Electrical or communication lines, towers, and poles you own that are not located on a “covered location” insured under this policy.
16. Personal property of volunteers.
17. Underground pipes, unless loss is from a specified peril.
18. If building has been vacant for more than 90 consecutive days before a loss or damage, the following perils will be excluded: Vandalism, Sprinkler leakage, unless the system has been protected against freezing, building glass breakage, water damage, theft or attempted theft.
19. Loss or damage to any portion of the roof, roof surfacing, awnings, or covered walkways that alters only the appearance of any portion of the roof, roof coverings, awnings or covered walkways (including but not limited to marring, pitting, scratches, or dents) but does not result in damage that allows the penetration of water through the roof covering or result in the failure of the roof covering to perform its intended function to keep out elements over an extended period of time. Roof coverings means shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof, and includes all materials used in securing the roof surface and all materials applied to or used under the roof surface for moisture protection.

Non-Utility Property and Inland Marine Major Exclusions

Excluded Risks of Direct Physical Loss include but not limited to:

1. War, invasion, acts of foreign enemies, hostilities or war like operations, civil war, rebellion, revolution, insurrection, civil commotion, military, usurped power, or any act of terrorism
2. Biological or Chemical Materials
3. Electronic Data or Electronic Data Recognition Exclusion
4. Asbestos
5. Damage caused by electronic currents artificially generated.
6. Pollution, except as provided under “Extensions of Coverage”
7. Building ordinance enforcement or Government action
8. Nuclear reaction
9. Utility failure
10. Fungus, except as provided under “Extensions of Coverage”
11. Any offshore oil well or oil shipping/tanker incident and the ensuing oil spill

“Named Storm” Definition: “...the direct action of wind, **including wind driven water and storm surge** when associated with or occurring in conjunction with a storm or weather disturbance which is named...” Wind driven water and storm surge loss are NOT subject to Flood Sublimit and are included to the blanket limits.

Flood coverage in zones A or V, or within a 100 Year Flood Plain as designated by the United States Army Corps of Engineers, will have a special flood deductible equal to all flood insurance available for such property under the NFIP, whether purchased or not or 5% of the Total Insured Value at each affected location whichever is greater. If such property is not eligible for the National Flood Insurance Program because the community in which the property is located does not participate in the NFIP, the Special Flood Deductible will be \$1,000,000 per insured location damaged in the flood occurrence or 5% of the Total Insured Value at each affected location whichever is greater.

Flood zones A will include, but not be limited to all the sub-classifications of AO, AH, AE, AR, A1 through A99, or any other sub-classification with the A prefix or designation. Flood zones V will include, but not be limited to all the sub-classifications of VO, VH, VE, VR V1 through V99, or any other sub-classification with the V prefix or designation. See policy form for special deductible restrictions.

Equipment Breakdown for all Non-Utility Property

Term: October 1, 2024 to October 1, 2025

Company: Preferred Governmental Insurance Trust (*Preferred*)

Covered Equipment: Covered Property built to operate under vacuum or pressure, other than weight of contents, or used for the generation, transmission or utilization of energy.

Coverage	Limit
Property Damage / Loss of Business Income / Additional Expense per accident	\$48,705,887
Water Damage	\$1,000,000
Ammonia Contamination	\$1,000,000
Hazardous Substance Coverage	\$1,000,000
Utility Interruption (24 Hour Waiting Period)	\$2,000,000
Spoilage Damage	\$250,000
Ordinance or Law	\$1,000,000
Expediting Expenses	\$1,000,000
Data or Media	\$250,000
Fungus, Wet Rot, Dry Rot	\$15,000

Deductibles: Same as Property – Building and Contents
24 Hours – Utility Interruption

Crime

Term: October 1, 2024 to October 1, 2025

Company: Preferred Governmental Insurance Trust (*Preferred*)

Limits of Liability and Coverage:

Coverage	Limit	Deductible
Employee Dishonesty, Including Faithful Performance	\$500,000	\$25,000
Forgery or Alteration Coverage	\$500,000	\$25,000
Theft, Disappearance and Destruction Coverage Inside	\$500,000	\$25,000
Outside	\$500,000	\$25,000
Computer Fraud Coverage (Including Funds Transfer)	\$500,000	\$25,000

Notes of Importance:

1. Employee dishonesty coverage is excluded for those employees required by law to be individually bonded.

General Liability

Term: October 1, 2024 to October 1, 2025

Company: Preferred Governmental Insurance Trust (*Preferred*)

Coverage	Limit	Deductible
General Liability – Occurrence		
Bodily Injury and Property Damage, per Occurrence	\$1,000,000	\$200,000/\$300,000 SIR
Personal Injury and Advertising Injury, per Person/Occurrence	Included	
Products/Completed Operations, Aggregate	Included	
Fire Damage, per Occurrence	Included	
Medical Payments	\$5,000	
Employee Benefits Liability, per Occurrence	\$1,000,000	
Sublimits		
Vicarious Law Enforcement Liability, per Occurrence	\$1,000,000	Same as General Liability
Principle of Eminent Domain Including Inverse Condemnation, “Bert J. Harris, Jr., Private Property Rights Protection Act” per Occurrence / Annual Aggregate.	\$300,000	
Sewer Backup and Water Damage: Non-Negligent Claims	\$10,000/\$200,000	
Negligent Claims.	\$200,000/\$200,000	
Herbicide and Pesticide, per Occurrence	\$1,000,000	

Additional Coverages Included:

1. EMT/Paramedic Professional Services
2. Premises Operations
3. “Insured” Contracts
4. Host Liquor Liability
5. Broad Form Property Damage Subject to \$2,500 Personal Property of Others Sublimit
6. Watercraft Liability (under 52 feet). See policy form for limitations
7. Limited Worldwide Coverage
8. Failure to Supply Water
9. Communicable Disease (Correctional Facilities and Health Care Facilities - \$300,000 Limit)

Notes of Importance:

1. Premium is not audited.
2. Defense Costs are paid in addition to policy limits.
3. In the event an occurrence, accident or offense continues beyond the policy period, the applicable deductible would apply separately to each policy period in which the occurrence, accident or offense was committed or was alleged to have been committed.
4. Limits of Liability are subject to Florida Statute 768.28.
5. SIR applied to money damages and claims expenses (including investigation, adjustment and defense costs).

General Liability

Exclusions, include but not limited to:

- Expected or intended injury
- Contractual Liability
- Liquor Liability
- Workers' Compensation and similar laws
- Employer's Liability
- Pollution
- Aircraft, Auto or Watercraft
- Mobile Equipment
- War
- Damage to Your Property, Product or Work
- Damage to Impaired Property or Property Not Physically Injured
- Recall of Products, Work or Impaired Property
- Racketeering
- Law Enforcement, except for vicarious liability arising out of an act or omission by a law enforcement agency that is not owned, operated or controlled by the "Covered party" if there is a contract with an outside agency to provide law enforcement for your entity.
- Asbestos, Mold, Fungi, or Bacteria
- Liability arising out of or caused or contributed to by any ownership, maintenance, operation, use, loading, unloading or control of or responsibility for any airfield, airport, aircraft, runway, hangar, building or other property or facility designed for, used, connected, associated or affiliated with or in any way related to aviation or aviation activities; this exclusion does not apply to premises exposure for those common areas open to the public including but not limited to parking areas, sidewalks, and terminal buildings.
- Failure or inability to supply or any interruption of any adequate quantity of power, steam, pressure, or fuel
- Subsidence, erosion or earth movement.
- Hospital / Clinic Medical Malpractice or Health Care Facilities
- Professional Health Care Services, but not including emergency medical services for first aid performed by emergency medical technicians, paramedics or Medical Director while in the course and scope of their duties.
- ERISA
- Actual or alleged illegal discrimination
- Injunctive, declaratory or equitable relief
- Actual or alleged deterioration, bursting breaking, leaking, inadequacy, design of, control of, maintenance of, or any other alleged responsibility for any structure device, or water course, natural or man-made, including, but not limited to: dams, reservoirs, levees, banks, embankments, gates, canals, ditches, gutters, sewers, aqueducts, channels, culvert, retaining walls, drains, tanks, watershed, or drains, a purpose of which is the containing, carrying, impeding, channeling, diverting, or draining of water or other liquid. Does not apply only as to the bursting or failure of man-made sewer, storm water, grey water or potable water supply pipes owned and maintained by Covered Party.
- Sexual abuse after initial discovery
- Perfluoroalkyl and Polyfluoroalkyl group of manufactured chemicals including, but not limited to the PFAS sub-groups: perfluorooctane sulfonate (PFOS), perfluorooctanoic acid (PFOA), and Perfluorohexane sulfonate acids (PFHxS).

Deadly Weapon Protection

Term: October 1, 2024 to October 1, 2025
Company: Preferred Governmental Insurance Trust (*Preferred*)
Form: Claims Made

Deadly Weapon Protection – Claims Made		
Retroactive Date: 10/1/2019		
Coverage	Limit	Deductible
Deadly Weapon Event (Including Claims Expenses), per event	\$1,000,000	\$0 Per Event
Deadly Weapon Protection – Sublimits		
Business Interruption	Included	\$0 Per Event
Demolition, Clearance, and Memorialization, per event	\$250,000	
Extra Expense, per event	\$250,000	
Crisis Management	Included	
Property Damage Extension, per event	Included	
Counseling Services, per event	\$250,000	
Funeral Expenses, per event	\$250,000	
Claims Expenses	Included	
Medical Expense, per person	\$25,000	
Accidental Death & Dismemberment, per person	\$50,000	

Notes of Importance:

1. Coverage limited to scheduled locations only.
2. Premium is not audited.
3. Defense Costs are paid within the policy limits.
4. Deductible does not apply to claims expense.

Any Event that occurs at a Location which has been specifically leased or loaned by the City to any other entity or individual to host a permitted event planned and ticketed for more than 15,000 attendees over the duration of the event, MUST BE reported to AND APPROVED by *Preferred* PRIOR to event. The Trust may, at their discretion, charge an additional premium and/or impose additional conditions specifically for that event.

Deadly Weapon Protection

Exclusions include but are not limited to:

- Loss of market, income or use at the property physically lost or physically damaged.
- Confiscation, nationalization, requisition, destruction or damage to property by any authority.
- Criminal, dishonest, fraudulent or malicious conduct by the Covered Party.
- Negligent act, error, omission, misstatement, misleading statement, neglect or breach of duty by the Directors or Officers
- Euthanasia.
- Explosive devices unless used in conjunction with a Deadly Weapon Event.
- Vehicle not defined as a Road Vehicle
- Weapon mounted (or designed to be mounted) on a vehicle
- Weapon, device or substance delivered by an airborne weapon delivery system including, but not limited to, fixed wing aircraft, helicopter or drone.
- Injury or death to employees of the Covered Party, except for Crisis Management Services, Counselling Services, and Funeral Expenses endorsed by Extension to this Coverage Agreement.
- Claim or Claims made by, or on behalf of, any Assailant(s).
- Use or operation, as a means for inflicting harm, of any computer, computer system, computer software program, malicious code, computer virus or process or any other electronic system.
- Nuclear, Chemical, Biological, Bio-Chemical, Electromagnetic or Radioactive Weapons.
- Mental injury or mental anguish related claim where no actual Bodily Injury has occurred to the claimant.
- Covered Party's recklessness or deliberate misconduct.
- Mercy Killing(s).
- Covered Party except for employee while they are a recipient of Business Services being provided by the Covered Party.
- Pollutant or Contaminant.
- Goods or products designed, manufactured, constructed, altered, repaired, serviced, treated, sold, supplied or distributed by the Covered Party.
- Property Damage in respect of property:
 - owned, leased, rented or occupied by the Covered Party.
 - in the care, custody or control of the Covered Party or the care, custody or control of any person under contract with the Covered Party.
- Punitive or exemplary damages, sanctions or any additional damages resulting from the multiplication of compensatory damages.
- Strikes, labor unrest, riots or civil commotion.
- Suicide.
- War, invasion, acts of foreign enemies, hostilities or warlike operations, civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of, or amounting to, an uprising, military power.

Deadly Weapon Protection

Claims Made Policy:

When a policy is on a claims-made basis, coverage triggers based on the actual filing date or receipt of the claim, in addition to the date of loss or injury. It handles any insured loss or claim filed during the policy period, regardless of when the actual loss or injury occurred, subject to the retroactive date on the declarations. Claims-made coverage applies only to covered losses that occur after the retroactive date.

Extended Reporting Periods:

Preferred provides the following Extended Reporting Periods options in the event coverage is cancelled or non-renewed:

Automatic Extended Reporting Period – continued coverage granted for a period of 90 days following the effective date of termination or nonrenewal, but only for Claims first made during the 90 days and arising from Wrongful Acts taking place prior to the effective date of the termination or nonrenewal.

Public Officials Liability/Employment Practices Liability

Term: October 1, 2024 to October 1, 2025

Company: Preferred Governmental Insurance Trust (*Preferred*)

Form: **POL/EPLI: Claims Made – Duty to Defend**

Coverage	Limit	SIR
Public Officials Liability		
Retroactive Date: Full Prior Acts		
Per Claim	\$1,000,000	\$100,000
Employment Practices Liability		
Retroactive Date: Full Prior Acts		
Per Claim	\$1,000,000	\$100,000
Sublimits		
Employee Pre-Termination Legal Consultation Services		
Per Employee	\$2,500	
Aggregate	\$5,000	
Non-Monetary Claims Defense Costs, Aggregate	\$100,000	

Notes of Importance:

1. Defense Costs are paid in addition to policy limits.
2. SIR applied to money damages and claims expenses (including investigation, adjustment and defense costs).
3. Broadened definition of “Who is an Insured.”
4. Limits of Liability are subject to Florida Statute 768.28.

Public Officials Liability/Employment Practices Liability

Exclusions, include but not limited to:

- Criminal Acts
- Non-Monetary relief except as provided in the Supplementary Payments
- Bodily Injury, Personal Injury, Property Damage, Advertising Injury
- Damages arising out of Inverse Condemnation, Eminent Domain, Temporary or Permanent taking, Adverse Possession, Dedication by adverse Use, Condemnation Proceedings, or claims brought under Florida Statute 70.001 the “Bert J. Harris Jr., Private Property Rights Protection Act” or any similar claim by whatever named called.
- War, Invasion, Acts of foreign enemies, hostiles or warlike operations, strike, lock-out, riot, civil war, rebellion, revolution, insurrection or civil commotion
- Failure to effect and maintain insurance
- Fiduciary Liability
- Pollution
- Workers’ Compensation, Employers Liability and similar laws
- Nuclear
- ERISA of 1974, any similar state or local laws, and any rules and regulations promulgated thereunder and amendments thereto.
- Infringement of copyright, trademark, plagiarism, piracy or misappropriation of any ideas or other intellectual property
- Contractual Liability
- Health Care Professional or Health Care Facilities
- Prior and Pending claims
- Workers’ Adjustment and Retraining Notification Act, OSHA, RICO, or ADA
- Law Enforcement Activities
- Insured vs. Insured
- Bonds, Taxes or Construction contracts
- Collective Bargaining Agreements
- Capital Improvement to make property more accessible or accommodating to disabled persons
- Punitive Damages
- Return or improper assessment of taxes, assessments, penalties, fines, fees
- Activities of any attorney-at-law, medical personnel, architect, engineer or accountant, in the scope of their professional duties, except for claims made against them as Public Officials or Employees
- Media Wrongful Act
- Access or Disclosure of Confidential or Personal Information and Data-related Liability
- Perfluoroalkyl and Polyfluoroalkyl group of manufactured chemicals including, but not limited to the PFAS sub-groups: perfluorooctane sulfonate (PFOS), perfluorooctanoic acid (PFOA), and Perfluorohexane sulfonate acids (PFHxS).

Public Officials Liability/Employment Practices Liability

Claims Made Policy:

When a policy is on a claims-made basis, coverage triggers based on the actual filing date or receipt of the claim, in addition to the date of loss or injury. It handles any insured loss or claim filed during the policy period, regardless of when the actual loss or injury occurred, subject to the retroactive date on the declarations. Claims-made coverage applies only to covered losses that occur after the retroactive date.

Extended Reporting Periods:

Preferred provides the following Extended Reporting Periods options in the event coverage is cancelled or non-renewed:

Automatic Extended Reporting Period – continued coverage granted for a period of 60 days following the effective date of termination or nonrenewal, but only for Claims first made during the 60 days and arising from Wrongful Acts taking place prior to the effective date of the termination or nonrenewal.

Optional Extended Reporting Period – The Public Entity shall have the right, upon payment of up to 200% of the expiring premium, to purchase an Optional Extended Reporting Period, for the period of 12 months following the effective date of the cancellation or nonrenewal, but only for Claims first made during the Optional Extended Reporting Period and arising from Wrongful Acts taking place prior to the effective date of the termination or nonrenewal.

Cyber Liability

Term: October 1, 2024 to October 1, 2025

Company: Preferred Governmental Insurance Trust (*Preferred*)

Form: Claims Made – Duty to Defend

Cyber Liability		
Retroactive Date: 10/1/2011		
Coverage	Limit	Deductible
Policy Limit – Annual Aggregate	\$2,000,000	Per Below
Third Party Liability Coverage		
Privacy & Security Liability, each claim	\$2,000,000	\$25,000
Media Content Services Liability, each claim	\$2,000,000	\$25,000
PCI DSS, sublimit	\$1,000,000	\$25,000
First Party Liability Coverage		
Cyber Extortion & Ransomware, each claim	\$500,000	\$25,000
Data Breach & Crisis Management, each claim	\$2,000,000	\$25,000
Data Recovery, each claim	\$2,000,000	\$25,000
Business Interruption / Extra Expense, each claim	\$2,000,000	\$25,000/12 Hr.
Cyber Crime, refer to form for sublimits – Annual Aggregate	\$350,000	\$25,000
Social Engineering Financial Fraud*	\$350,000	\$25,000
Funds Transfer Fraud	\$350,000	\$25,000
Invoice Manipulation	\$350,000	\$25,000
Utility Fraud, refer to form for sublimits – Annual Aggregate	\$350,000	\$25,000
Crypto Jacking	\$350,000	\$25,000
Telecommunications Fraud	\$350,000	\$25,000
System Failure – BI/EE, sublimit	\$2,000,000	\$25,000/12 Hr.
Dependent Business Interruption – System Failure, BI/EE, sublimit	\$2,000,000	\$25,000/12 Hr..
Bricking Coverage, sublimit	\$1,000,000	\$25,000
Consequential Reputation Loss Period of Restoration	\$500,000 6 Months	12 Hours

*Social Engineering Financial Fraud – Coverage shall only apply if you verify the instruction to transfer money or securities by following a pre-arranged callback or other established procedural method to authenticate the validity or the request prior to acting upon any transfer instructions.

Cyber Liability

Notes of Importance:

1. Defense Costs are paid in addition to policy limits.
2. Deductible does not apply to claims expense.

Exclusions, include but not limited to:

- Deliberate Acts / Personal Profit
- Prior Acts
- Bodily Injury / Property Damage
- Employment Practices
- Ownership
- Covered Party vs. Covered Party
- ERISA/Securities
- Pollution
- Contractual except when assumed under contract
- Guarantees
- Advertising
- Business Practice
- Patent
- Privacy
- Governmental Action
- Software Responsibility
- Act of God
- Recover of Profits, Royalties and Fees
- RICO
- Trade Secrets
- War
- Infrastructure Failure electrical, mechanical, Internet, telecommunication, cable or satellite failure, fluctuation or outage not under the operational control of the Insured, however caused, including any electrical power interruption, short circuit, surge, brownout or blackout, however this exclusion shall not apply to a telecommunications fraud event.
- Governmental Orders any court order or damaged requiring the Covered Party to provide law enforcement, any administrative, regulatory or judicial body or any other governmental authority access to personally identifiable information, protected health information, or confidential business information.
- Over-Redemption price discounts, prizes, awards, coupons, or any other valuable consideration given in excess of the contracted or expected amount.
- Perfluoroalkyl and Polyfluoroalkyl group of manufactured chemicals including, but not limited to the PFAS sub-groups: perfluorooctane sulfonate (PFOS), perfluorooctanoic acid (PFOA), and Perfluorohexane sulfonate acids (PFHxS).

Cyber Liability

Claims Made Policy:

When a policy is on a claims-made basis, coverage triggers based on the actual filing date or receipt of the claim, in addition to the date of loss or injury. It handles any insured loss or claim filed during the policy period, regardless of when the actual loss or injury occurred, subject to the retroactive date on the declarations. Claims-made coverage applies only to covered losses that occur after the retroactive date.

Extended Reporting Periods:

Preferred provides the following Extended Reporting Periods options in the event coverage is cancelled or non-renewed:

Automatic Extended Reporting Period – continued coverage granted for a period of 60 days following the effective date of termination or nonrenewal, but only for Claims first made during the 60 days and arising from Wrongful Acts taking place prior to the effective date of the termination or nonrenewal.

Optional Extended Reporting Period – The Covered Party shall have the right to purchase an Optional Extended Reporting Period for up to 6 years following the effective date of the cancellation or nonrenewal, as shown below:

- Option 1 – 100% for 1 Year
- Option 2 – 150% for 2 Years
- Option 3 – 175% for 3 Years
- Option 4 – 250% for 6 Years

but only for Claims first made during the Optional Extended Reporting Period and arising from Wrongful Acts taking place prior to the effective date of the termination or nonrenewal.

Automobile Liability

Term: October 1, 2024 to October 1, 2025

Company: Preferred Governmental Insurance Trust (*Preferred*)

Coverage	Limit	Symbol	SIR
Automobile Liability (Based on 209 Vehicles)			
Primary Bodily Injury and Property Damage Liability – Combined Limit	\$1,000,000	1	\$200,000/\$300,000
Personal Injury Protection	Statutory	5	\$0 Per Person
Medical Payments	\$0	2	N/A
Uninsured Motorist	Rejected	2	N/A

Coverage and Notes of Importance:

1. Defense Costs are paid in addition to policy limits.
2. Hired and non-owned liability is included.
3. Premium is based on number of vehicles and subject to adjustment if schedule is changed.
4. Limited Replacement Cost provided for owned and scheduled private passenger vehicle, light truck or sport utility vehicle that is involved in a covered total loss if the vehicle has less than 18,000 miles and is within the first 12 months of being scheduled at the time of the total loss. This coverage does not apply to police vehicles or any other vehicle types already listed.
5. Physical Damage coverage paid at Actual Cash Value or 110% of the value reported on the schedule, whichever is less. Please see policy for complete details.
6. Limits of Liability are subject to Florida Statute 768.28.

Automobile Liability

Description of Covered Auto Designation Symbols:

SYMBOL	DESCRIPTION
1	= ANY "AUTO"
2	= ALL OWNED "AUTOS" ONLY. Only those "autos" you own and or lease (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This also includes all those "autos" you acquire ownership of after the coverage agreement begins.
3	= OWNED PRIVATE PASSENGER "AUTOS" ONLY. Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the coverage agreement begins.
4	= OWNED "AUTOS" OTHER THAN PRIVATE PASSENGER "AUTOS" ONLY. Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the coverage agreement begins.
5	= OWNED "AUTOS" SUBJECT TO NO-FAULT. Only those "autos" you own and or lease that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the coverage agreement begins provided they are required to have No-Fault benefits in the state where they are licensed or principally garaged.
6	= OWNED "AUTOS" SUBJECT TO A COMPULSORY UNINSURED MOTORIST LAW. Only those "autos" you own and or lease that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the coverage agreement begins provided they are subject to the same state uninsured motorists requirement.
7	= SPECIFICALLY DESCRIBED "AUTOS". Only those "autos" described in ITEM THREE of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to any power unit described in ITEM THREE).
8	= HIRED "AUTOS" ONLY. Only those "autos" you hire rent or borrow. This does not include any "auto" you lease, hire, rent, or borrow from any of your employees or partners or members of their households.
9	= NONOWNED "AUTOS" ONLY. Only those "autos" you do not own, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your employees or partners or members of their households but only while used in your business.

Excess Workers' Compensation

Term: October 1, 2024 to October 1, 2025

Insurer: Preferred Governmental Insurance Trust (*Preferred*)

Contract Terms	Option 1:
Liability Period	10/1/2024 - 10/1/2025
Payroll Reporting Period	10/1/2024 - 10/1/2025
Payroll	\$24,392,618
Self-Insured Retention	\$500,000
Specific Limit	Statutory
Employers Liability Limit	\$1,000,000/\$1,000,000/\$1,000,000

Notes of Importance:

1. TPA Fees are not included in this proposal.
2. State taxes and assessments are not included in the premium and are the responsibility of the insured.
3. **If TPA is other than PGCS, first dollar TPA losses required on a quarterly basis.**
4. **Certification of Servicing for Self-Insurers form filed with the State of Florida (SI-19) must be received PRIOR to binding excess WC**
5. Final premium subject to payroll audit.

Utilities Property Option Comparison

LINE OF COVERAGE	Option 1			Option 2		
	LIMIT	DEDUCTIBLE	ANNUAL PREMIUM	LIMIT	DEDUCTIBLE	ANNUAL PREMIUM
Property:	Starr Surplus Lines Insurance Company			Preferred Governmental Insurance Trust		
Building & Contents Value	\$ 124,180,801		\$ 1,000,000.00	\$ 124,180,801		\$ 777,283.00
Valuation	Stated Value			State Value		
Policy Limit of Liability	\$ 60,000,000	\$ 300,000		\$ 124,180,801	\$ 75,000	
TRIA	Optional			\$ 5,000,000	\$ 75,000	
Extra Expense	\$ 500,000	\$ 300,000		\$ 1,000,000	\$ 75,000	
Earth Movement	\$ 25,000,000	\$ 300,000		\$ 5,000,000	\$ 75,000	
Flood, Including Storm Surge	\$5,000,000 except, \$1,000,000 for Zones A & V	5% / \$500,000 minimum		\$ 5,000,000	\$75,000, except Excess of NFIP for Zones A & V	
Named Windstorm	\$ 15,000,000	5% / \$500,000 minimum		\$ 124,180,801	5% / \$50,000 minimum	
Accounts Receivable	\$ 250,000	\$ 300,000		\$ 500,000	\$ 75,000	
Business Interruption	No Coverage			\$ 500,000	\$ 75,000	
Debris Removal	\$ 500,000	\$ 300,000		\$250,000 or 25%	\$ 75,000	
Demolition & ICC	\$ 250,000	\$ 300,000		\$ 500,000	\$ 75,000	
EDP	\$ 1,000,000	\$ 300,000		Included	\$ 75,000	
Hazardous Substances or Contaminants	\$ 250,000	\$ 300,000		\$ 50,000	\$ 75,000	
Newly Acquired locations	\$ 1,000,000	\$ 300,000		\$ 2,000,000	\$ 75,000	
Miscellaneous Unnamed Locations	\$ 250,000	\$ 300,000		\$ 150,000	\$ 75,000	
Service Interruption	No Coverage			\$ 100,000	\$ 75,000	
Transit	\$ 1,000,000	\$ 300,000		\$ 250,000	\$ 75,000	
Valuable Papers and Records	\$ 250,000	\$ 300,000		No Coverage		
Boiler & Machinery	Excluded			Excluded		
		Engineering Fee	\$ 7,500.00			
		EMPA Fee	\$ 4.00			
	Sub-Total (not including TRIA)				Sub-Total	\$ 777,283.00
Boiler & Machinery:	Valley Forge Insurance Company			Valley Forge Insurance Company		
Limit per Breakdown	\$ 100,000,000		\$ 82,504.13	\$ 100,000,000		\$ 82,504.13
Expediting Expenses	\$ 100,000			\$ 100,000		
Newly Acquired Premises	Included			Included		
Ordinance or Law	\$ 100,000			\$ 100,000		
		FIGA Assessment	\$ 1,000.05			\$ 1,000.05
		Sub-Total	\$ 83,504.18		Sub-Total	\$ 83,504.18
	Total Option 1			Total Option 2		
			\$ 1,091,008.18			\$ 860,787.18

Utilities Property Option 1

Term: October 1, 2024 to October 1, 2025

Company: Starr Surplus Lines Insurance Company (Non-Admitted)
(Rated A XV by A.M. Best)

Starr Tech Participation: 100%

Form: Starr Tech benchmark form plus endorsements

Coverage: All Risk of direct physical loss or damage, covering Property Damage, Business Interruption, Extra Expense, and Boiler & Machinery

Values (per schedule on file)	
\$124,180,801	Property Damage
Not Included	Business Interruption
\$500,000	Extra Expense
\$124,680,801	Total Insured Value

Policy Limit of Liability	
\$60,000,000	Any One Occurrence

Valuation

This company's liability for loss under this policy for real and personal property (excluding stock) shall not exceed the smallest of the following amounts:

1. The amount of this policy.
2. The replacement cost of property or any part thereof, identical with property described herein, at the same location and intended for the same occupancy and use;
3. The amount actually and necessarily expended in repairing or replacing the property described herein, or any part thereof, at the same location, or another location, and intended for the same occupancy and use.
4. Actual Cash Value if the property is not repaired or replaced within 2 years.

Time Element Coverages: Actual Loss Sustained

Utilities Property Option 1

Sublimits	
Sub-limits are per occurrence unless shown otherwise. The sub-limits below are part of and not in addition to the Policy Limit of Liability. Sub-limits are 100% and are subject to Starr Tech percentage participation.	
\$25,000,000	Earthquake/Earth movement, Annual Aggregate
No Coverage	California Earthquake/Earth Movement
\$5,000,000	Flood including Storm Surge, Annual Aggregate
\$1,000,000	Flood excluding Storm Surge (100 Year Flood Zones), Annual Aggregate
\$15,000,000	Named Windstorm
\$250,000	Accounts Receivable
Not Included	Business Interruption
\$500,000 or 25% of the loss, whichever is greater	Debris Removal
\$1,000,000	EDP Equipment & Media
\$250,000	Expediting Expense
\$500,000	Extra Expense
\$250,000	Hazardous Substances or Contaminants
\$250,000	Increased Cost of Construction, Demolition
\$1,000,000	Newly Acquired Locations
\$250,000	Miscellaneous Unnamed locations
\$1,000,000	Transit
\$250,000	Valuable Papers and Records

Utilities Property Option 1

Deductibles:

All deductibles listed below are per occurrence except with respect to coverage provided for Boiler & Machinery which shall be any One Accident.

Property Damage:	\$300,000 except
Flood (100-year flood zone):	5% of the Property Damage Total Insurable Value of the location(s) involved in the Occurrence, subject to a minimum of \$500,000
Wind (Named Storms):	5% of the Property Damage Total Insurable Value of the location(s) involved in the Occurrence, subject to a minimum of \$500,000
Dispatch Building & Utilities Office:	\$100,000
Water Treatment Plant/ Reverse Osmosis Water Treatment Plant	\$100,000
Time Element (including but limited to):	
Extra Expense	\$300,000

As respects real and personal property, all claims for loss, damage or expense arising out of any one occurrence shall be adjusted as on claim and from the amount of each such adjusted claim there shall be deducted the sum stated on the Declaration Page. Deductibles for Property Damage and Time Element shall be applied separately.

Utilities Property Option 1

Additional Terms and Conditions:

1. This insurance is issued pursuant to the Florida Surplus Lines Laws. Entities insured by surplus lines carriers do not have the protection of the Florida Insurance Guaranty Act to the extent of any right of recovery for the obligation of an insolvent, unlicensed insurer.
2. Coverages and/or Extensions of Coverage not specifically mentioned, even though they may be outlined in your submission, are not included.
3. This quotation is subject to change at any time prior to binding if any new losses not previously reported are incurred, whether from natural catastrophe or any other insured cause of loss and is subject to withdrawal or revocation.
4. Business Interruption coverage is excluded.
5. Boiler & Machinery is excluded.
6. 72 Hour Occurrence Definition applies to Wind, Flood, Earthquake and Riot.
7. No coverage provided for Steam Turbine Units S-1, S-2 and S-4 and associated boilers, feedwater, condensate, circulating water and auxiliary electrical equipment.
8. No coverage provided for substation and switchyard, including the TPTL transformers.
9. Transmission and Distribution lines, line transformers, towers and poles, equipment or apparatus connected therewith located beyond 1,000 feet of any insured premises are excluded.
10. Extra Expense coverage excludes the costs incurred in the generation, transmission, purchase, replacement, trading, or distribution of electrical power.
- 11. Appraisals will be required during the 2024/25 term. Failure to provide updated appraisal values in 2025 will result in non-renewal.**
12. Premium to be paid in full within 30 days of inception.
13. Additional Endorsements, will include but not limited to, and form part of the in-force Starr Tech Energy policy form:

a. SSLIC Declarations	p. Extra Expense
b. Common Policy Conditions	q. Extra Expense Coverage Restriction
c. Commercial Property Conditions	r. Mold, Fungus, Wet and Dry Rot and Bacteria Exclusion
d. OFAC Policyholder Notice	s. Named Windstorm Definition
e. Energy Policy Declarations	t. Occurrence Limit of Liability Endorsement
f. Energy Property All Risk Insurance Policy	u. Political Risk Exclusion
g. Accounts Receivable	v. Property Cyber and Data Exclusion LMA5401 (Attached)
h. Application of Sublimits	w. Service of Process Clause
i. Asbestos Exclusion	x. Terrorism Endorsements per Table
j. Biological or Nuclear Exclusion	y. Valuable Papers and Records
k. Bridge Wording	z. Wind
l. California Earth Movement Exclusion	aa. Policy Change Endorsement
m. Communicable Disease Exclusion	bb. Policyholder-State Notices
n. Designated Country or Region	cc. Claims Notice
o. Electronic Data Processing Media with Extra Expense	

Utilities Property Option 2

Term: October 1, 2024 to October 1, 2025

Company: Preferred Governmental Insurance Trust (*Preferred*)

Covered Property (Per Schedule Provided)	
\$124,180,801	Stated Value Buildings and Contents
Not included	Boiler & Machinery
Special Property Coverages	
\$5,000,000	Flood
\$5,000,000	Earth Movement
\$5,000,000	TRIA

Deductibles: \$75,000 per Occurrence – Buildings and Contents, Earth Movement and TRIA

5% of TIV per Occurrence / Per Location for “Named Storm” subject to minimum of \$50,000 Per Occurrence. Location is defined by each itemized listing on the applicable schedule. Also applies to Inland Marine.

\$75,000 any one occurrence for Flood, except:
Excess of maximum NFIP available whether purchased or not or 5% of the TIV at each affected location whichever is greater for Zones A & V

Utilities Property Option 2

Coverage:

1. Special form (formerly “All Risk”), subject to policy exclusions.
2. Replacement Cost applies to Buildings, Contents and EDP and is subject to all terms and conditions of the coverage agreement the most we will pay for all loss, damage or costs to Real Property and Personal Property in any one occurrence is the lesser of:
 - a. The cost actually and necessarily expended to repair the damaged property; or
 - b. The cost actually and necessarily expended to replace or rebuild with new materials of like size, kind and quality; or
 - c. The selling price on the date of loss of property, other than stock, offered for sale, less all saved expenses; or
 - d. The value reported on the applicable schedule of values.This endorsement memorializes the intention of the Covered Party to secure property coverage for a value less than the potential cost to rebuild or replace based on the appraisal on file.
3. Inland Marine coverage paid at “Agreed Value” if the valuation type on the Inland Marine schedule is shown as agreed value; or the lesser of Actual Cash Value or 110% of the value reported on the schedule. See policy for complete details.
4. *Preferred* will pay for covered loss to your real property, inland marine or personal property:
 - a. At the location shown on the Schedule of the Declarations,
 - b. Property in the open within 1,000 feet of locations described in a. above,**
 - c. With respects to Inland Marine, at or away from your covered location.
5. No Coinsurance Clause.
6. Certain coverages subject to sub-limits stated in policy.
7. During the current Coverage Agreement period, *Preferred* will not charge an additional premium for **new locations** if the value of a **new location** or total value of all **new locations** at the same physical address that are acquired or newly constructed during the coverage agreement period **is less than \$15,000,000** and if the location is acquired after the inception date of the Coverage Agreement. If the newly added location was owned or acquired prior to the inception date of the Coverage Agreement then premium is due at the time the location is added.
8. The *Preferred* Property Program is a shared limit. The limits purchased are a per occurrence limit and in the event an occurrence exhaust the limit purchased by *Preferred* on behalf of the members, payment to you for a covered loss will be reduced pro-rata based on the amounts of covered loss by all members affected by the occurrence.
9. ***Preferred will be appraising all property currently scheduled. At time of finalization of appraisal, building values are to be adjusted accordingly or Stated Value endorsement will continue to apply. If the appraised values are selected, Blanket coverage will be endorsed to the policy.***

Utilities Property Option 2

Sublimits of Coverage	
Sublimits apply as part of, and not in addition to, the overall Total Insured Values coverage limit.	
\$500,000	Accounts Receivable, per occurrence
\$1,000,000	Additional Expense
\$40,000	Animals, annual aggregate
\$500,000	Business Income
\$250,000, or 25% of loss whichever is greater	Debris Removal, per occurrence
\$500,000	Demolition Cost, Ordinance & Increased Cost of Construction, per occurrence
Included	Duty to Defend
\$250,000	Errors and Omissions, per occurrence
\$5,000	Expediting Expense, per occurrence
\$25,000	Fire Department Charges, per occurrence
\$50,000	Fungus Cleanup Expense, annual aggregate
\$25,000	Lawns, Plants, Trees and Shrubs, Excludes Wind (see policy form for additional restrictions)
\$2,000,000	New Locations, per occurrence – 60 days from the date new location(s) is first purchased, rented or occupied, whichever is earlier. See policy for details.
\$50,000	Personal Property of Employees, per occurrence
\$50,000	Pollution Cleanup Expense, annual aggregate
\$250,000	Preservation of Property, per occurrence
\$20,000	Professional Fees, per occurrence
\$150,000	Property at Miscellaneous Unnamed Locations
\$10,000	Recertification, per occurrence
\$100,000	Service Interruption Coverage, per occurrence
\$250,000	Transit, per occurrence

Utilities Property Major Exclusions Option 2

Property **Not Covered** includes but not limited to:

1. Animals, water, land including land on which the property is located, shrubs, trees, lawns, growing crops, or standing timber, except under conditions described in the “Extensions of Coverage” section of the policy.
2. Aircraft.
3. Property you sold under conditional sale, trust agreement, installment payment, or other deferred payment plan after such property has been delivered to the customer.
4. Caves, caverns, mines or any type, or any property contained within them.
5. Currency, money, notes or securities.
6. Dams, dikes or levees.
7. Contraband or property in the course of illegal transportation or trade.
8. Property covered under import or export ocean cargo policies.
9. Property you transport as a common carrier.
10. Property shipped by mail, unless sent registered or certified.
11. **Watercraft unless loss is from a specified peril and scheduled on the inland marine schedule.**
12. Vehicles licensed or designed for highway use, unless shown on the Property Declaration, Extensions of Coverage item U, and then no coverage for any **over the road coverage**, or collision with another vehicle or object. The AOP deductible applies per occurrence and in the event of a Named Storm the Named Storm deductible applies per vehicle rather than per location. This coverage is paid at actual cash value at time of loss.
13. Bulkheads, docks, piers, wharves, retaining walls, boardwalks or underwater conduits from: freezing and thawing; impact of watercraft; waves, or debris driven by waves; pressure or weight of ice or water, whether driven by wind or not; or sinking or settling.
14. Dune walkovers, unless loss is at a covered location and from a specified peril other than collapse. **No wind coverage is afforded for dune walkovers.**
15. Electrical or communication lines, towers, and poles you own that are not located on a “covered location” insured under this policy.
16. Personal property of volunteers.
17. Underground pipes, unless loss is from a specified peril.
18. If building has been vacant for more than 90 consecutive days before a loss or damage, the following perils will be excluded: Vandalism, Sprinkler leakage, unless the system has been protected against freezing, building glass breakage, water damage, theft or attempted theft.
19. Loss or damage to any portion of the roof, roof surfacing, awnings, or covered walkways that alters only the appearance of any portion of the roof, roof coverings, awnings or covered walkways (including but not limited to marring, pitting, scratches, or dents) but does not result in damage that allows the penetration of water through the roof covering or result in the failure of the roof covering to perform its intended function to keep out elements over an extended period of time. Roof coverings means shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof, and includes all materials used in securing the roof surface and all materials applied to or used under the roof surface for moisture protection.

Utilities Property Major Exclusions Option 2

Excluded Risks of Direct Physical Loss include but not limited to:

1. War, invasion, acts of foreign enemies, hostilities or war like operations, civil war, rebellion, revolution, insurrection, civil commotion, military, usurped power, or any act of terrorism
2. Biological or Chemical Materials
3. Electronic Data or Electronic Data Recognition Exclusion
4. Asbestos
5. Damage caused by electronic currents artificially generated.
6. Pollution, except as provided under “Extensions of Coverage”
7. Building ordinance enforcement or Government action
8. Nuclear reaction
9. Utility failure
10. Fungus, except as provided under “Extensions of Coverage”
11. Any offshore oil well or oil shipping/tanker incident and the ensuing oil spill
12. Boiler & Machinery

“Named Storm” Definition: “...the direct action of wind, **including wind driven water and storm surge** when associated with or occurring in conjunction with a storm or weather disturbance which is named...” Wind driven water and storm surge loss are NOT subject to Flood Sublimit and are included to the blanket limits.

Flood coverage in zones A or V, or within a 100 Year Flood Plain as designated by the United States Army Corps of Engineers, will have a special flood deductible equal to all flood insurance available for such property under the NFIP, whether purchased or not or 5% of the Total Insured Value at each affected location whichever is greater. If such property is not eligible for the National Flood Insurance Program because the community in which the property is located does not participate in the NFIP, the Special Flood Deductible will be \$1,000,000 per insured location damaged in the flood occurrence or 5% of the Total Insured Value at each affected location whichever is greater.

Flood zones A will include, but not be limited to all the sub-classifications of AO, AH, AE, AR, A1 through A99, or any other sub-classification with the A prefix or designation. Flood zones V will include, but not be limited to all the sub-classifications of VO, VH, VE, VR V1 through V99, or any other sub-classification with the V prefix or designation. See policy form for special deductible restrictions.

Utilities Property Equipment Breakdown

Term: October 1, 2024 to October 1, 2025

Company: Valley Forge Insurance Company (CNA)
(Rated A XV by A.M. Best)

TIV: \$124,180,801

Covered Premises
<ul style="list-style-type: none"> 22nd Ave N At N D St, Lake Worth, FL 33460 501 S College Street, Lake Worth, FL 33460 22nd Avenue N, Lake Worth, FL 33460 15th Ave S At S E St, Lake Worth, FL 33460 117 College St, Excluding The S5 & S3 Turbine Buildings, Lake Worth, FL 33460 1900 2nd Ave N, Lake Worth, FL 33461 301 College St, Lake Worth, FL 33460 Golfview & Lake Ave-Bryant Park, Lake Worth, FL 33460 1601 Wingfield St, Lake Worth, FL 33460

Property Damage		
Limit:	Coverage:	Deductible
\$100,000,000	Property Damage	Property Damage: \$100,000, except All power generation equipment deductible is \$300,000
Sublimits:		
\$100,000	Expediting Expense	
Included, 90 Days	Newly Acquired Premises	
\$100,000	Ordinance or Law	
\$100,000	Errors and Omissions	
\$25,000	Loss Adjustment Expenses	
Included	Off Premises Equipment	
\$15,000	Limited Cover for Fungus, Wet Rot and Dry Rot	
\$100,000	Increased Cost Of Loss And Related Expenses For "Green" Upgrades	
\$100,000	Hazardous Substances	
\$25,000	Water Damage	
\$100,000	Refrigerant Contamination	
\$25,000	Undamaged Stock	
\$25,000	Data and Media	

Special Note: Actual Cash Value for all covered equipment 25 years of age or older

Utilities Property Equipment Breakdown

Forms, endorsements and exclusions, which may not be deleted, include but not limited to:

Form	Ed. Date	Form Name
CNA102797FL	10/21	FL Insurance Guaranty Association (FIGA) Assmt.
CNA62823XX	04/23	Req for Jurisdictional Insp Of Boilers And Pressure
CNA77863FL	02/14	Policyholder Notice Florida
CNA81758FL	01/21	PHN - FL: Offer of Terrorism Disclosure of Premium
G144291A	03/03	Economic And Trade Sanctions Condition
CNA95600XX	03/21	Schedule of Coverages and Limits
CNA96177XX	03/21	Equipment Breakdown Protection Coverage Form
IL0003	09/08	Calculation of Premium
IL0017	11/98	Common Policy Conditions
IL0952	01/15	Cap on Losses From Certified Acts of Terrorism
CNA96605XX	03/21	Deductibles - Specified Equipment Endorsement
CNA96640XX	03/21	Production Machinery Exclusion
CNA96642XX	03/21	Actual Cash Value
IL0175	09/07	Florida Changes - Legal Action Against Us
IL0255	03/24	Florida Changes - Cancellation and Nonrenewal

Pollution Liability

Term: October 1, 2024 to October 1, 2025

Company: Indian Harbor Insurance Company
(Rated A+ XV by A.M. Best)

Form: Claims Made

Retroactive date: 5/1/2001 – Various Locations
Various – Storage Tanks

Coverage	Limit	Self-Insured Retention
Aggregate Limit	\$10,750,000	\$50,000
Legal Expense Aggregate Limit of Liability (in addition to the Aggregate Limit of Liability)	\$1,075,000	
Your Location Coverage		
Retroactive Date: Please refer to attached policy form EVPRL015a		
Your Location Limit of Liability for each Pollution Condition	\$3,000,000	\$50,000
Your Location Aggregate Limit of Liability	\$10,750,000	Each Condition
Emergency Remediation Expense		
Emergency Remediation Expense Limit of Liability for each Pollution Condition	\$500,000	\$50,000
Emergency Remediation Expense Aggregate Limit of Liability	\$500,000	Each Condition
Contingent Transportation Coverage		
Contingent Transportation Limit of Liability for Each Pollution Condition	\$3,000,000	\$50,000
Contingent Transportation Aggregate Limit of Liability	\$10,750,000	Each Condition
Non-Owned Disposal Site		
Retroactive Date: 11/11/2011		
Non-Owned Disposal Site Limit of Liability for each Pollution Condition	\$3,000,000	\$50,000
Non-Owned Disposal Site Aggregate Limit of Liability	\$10,750,000	Each Condition

Pollution Liability

Coverage Form & Endorsements include but not limited to:

Form Description	Form Number
Coverage Form	EVPRLCP 0419
Your Location(s) Schedule	EVPRL001a 0820
Retroactive Date(s) for Specific Your Location(s)	EVPRL015a 0622
Additional Coverages for Municipalities	EVPRL070a 1220
Asbestos and Lead-Based Paint Exclusion Amendment	EVPRL411a 0419
PFAS Exclusion for Specific Your Locations(s)	EVPRL433a 1220
Legionella Coverage	EVPRL317a 0820
State of Florida Coverage for Certified Acts of Terrorism, Subject to Cap and Coverage for Other Acts of Terrorism Committed Within the United States (if accepted)	EVPRL930a-FL 0419
Exclusion of Certified Acts of Terrorism, and Terrorism Committed Outside of United States (if rejected)	EVPRL931a 0419
Financial Responsibility Endorsement for Aboveground and/or Underground Storage Tank(s) – Single State	EVPRL941b 0820
State of Florida Storage Tank Financial Assurance Endorsement for Releases from Aboveground and/or Underground Storage Tank(s) for Covered Location(s) in the State of Florida Only	EVPRL949a 0820

Pollution and Remediation Legal Liability

Covered Locations

- Municipal Golf Course, One 7th Avenue N., Lake Worth, FL 33460
- Master Pump Station, 2nd Ave. & Golfview Dr., Lake Worth, FL 33460
- Repump Station, 1910 2nd Ave. N, Lake Worth, FL 33461
- Public Works, 1749 3rd Ave. S, Lake Worth, FL 33460
- Public Safety Complex, 120 N. G St., Lake Worth, FL 33460
- Water Treatment Plant, 301 College St., Lake Worth, FL 33460
- South Water Booster Station, 1600 S.E. St., Lake Worth, FL 33460
- North Water Booster Station, 22nd Ave. N. & N. D St., Lake Worth, FL 33460
- Floridan Well F-1, 517 College St., Lake Worth, FL 33460
- Floridan Well F-2, 1502 Lake Osborne Dr., Lake Worth, FL 33460
- Lift Station, 6300 Old Congress Rd., Lake Worth, FL 33460
- City Hall, 7 N. Dixie Hwy., Lake Worth, FL 33460
- Tom G. Smith Municipal Power Plant, 117 College St., Lake Worth, FL 33460

Pollution Liability
Aboveground and/or underground storage tank(s) schedule

UST/AST	Covered Location	Tank Size (gallons)	Tank Contents
AST	Power Plant 117 College St. Lake Worth, FL 33460	395,000	Residual Oils
AST	Power Plant 117 College St. Lake Worth, FL 33460	126,000	Diesel
AST	Power Plant 117 College St. Lake Worth, FL 33460	2 - 28,000	Diesel
AST	Power Plant 117 College St. Lake Worth, FL 33460	2 - 20,000	Diesel
AST	Power Plant 117 College St. Lake Worth, FL 33460	2 - 15,600	Diesel
AST	Power Plant 117 College St. Lake Worth, FL 33460	5,000	Mineral Acids
AST	Power Plant 117 College St. Lake Worth, FL 33460	2,200	Mineral Acids
AST	Power Plant 117 College St. Lake Worth, FL 33460	950	New/Lube Oil
AST	Municipal Golf Course One 7th Ave. N Lake Worth, FL 33460	1,000	Unleaded Gasoline
AST	Master Pump Station 2nd Ave. & Golfview Dr. Lake Worth, FL 33460	10,000	Generator Diesel
AST	Master Pump Station 2nd Ave. & Golfview Dr. Lake Worth, FL 33460	2,000	Chlorine Compound
AST	Master Pump Station 2nd Ave. & Golfview Dr. Lake Worth, FL 33460	1,450	Chlorine Compound
AST	Repump Station 1910 2nd Ave. N Lake Worth, FL 33460	1,500	Generator Diesel
AST	Public Works 1749 3rd Ave. S Lake Worth, FL 33460	275	Waste Oil

Pollution Liability
Aboveground and/or underground storage tank(s) schedule cont'd

UST/AST	Covered Location	Tank Size (gallons)	Tank Contents
AST	Public Safety Complex 120 N.G.St. Lake Worth, FL 33460	1,000	Generator Diesel
AST	Water Treatment Plant 301 College St. Lake Worth, FL 33460	6,000	Generator Diesel
AST	Water Treatment Plant 301 College St. Lake Worth, FL 33460	8,000	Generator Diesel
AST	Water Treatment Plant 301 College St. Lake Worth, FL 33460	1,000	Ammonia Compound
AST	Water Treatment Plant 301 College St. Lake Worth, FL 33460	4 - 4,500	Chlorine Compound
AST	Water Treatment Plant 301 College St. Lake Worth, FL 33460	3 - 2,256	Caustic Soda
AST	Water Treatment Plant 301 College St. Lake Worth, FL 33460	2 - 2,400	Mineral Acids
AST	Water Treatment Plant 301 College St. Lake Worth, FL 33460	6,770	Caustic Soda
AST	South Water Booster Station 1600 S.E. St. Lake Worth, FL 33460	1,470	Generator Diesel
AST	North Water Booster Station 22nd Ave. N. & N. D. St. Lake Worth, FL 33460	1,470	Generator Diesel
AST	Floridian Well F-1 517 College St. Lake Worth, FL 33460	500	Diesel
AST	Floridian Well F-2 1502 Lake Osborne Dr. Lake Worth, FL 33460	500	Diesel
AST	Lift Station 6300 Old Congress Rd. Lake Worth, FL 33460	3,100	Hazardous Substance
AST	City Hall 7 N. Dixie Hwy. Lake Worth, FL 33460	290	Diesel

Pollution Liability
Aboveground and/or underground storage tank(s) schedule cont'd

UST/AST	Covered Location	Tank Size (gallons)	Tank Contents
AST	Municipal Golf Course One 7th Ave. N. Lake Worth, FL 33460	1,000	Vehicular Diesel
AST	Master Pump Station 2nd Ave. & Golfview Dr. Lake Worth, FL 33460	2,000	Hazardous Substance
AST	Public Works 1749 3rd Ave. S Lake Worth, FL 33460	2 - 275	New/Lube Oil
AST	Water Treatment Plant 301 College St. Lake Worth, FL 33460	6,770	Chlorine Compound
AST	Power Plant 117 College Street Lake Worth, FL 33460	5,000	Hazardous Substance
AST	Power Plant 117 College Street Lake Worth, FL 33460	5,000	New/Lube Oil

Pollution Liability

Important notes:

1. Policy limits do not annually reinstate.
2. Covered pollution conditions must commence after the retro date of this policy and before the end of the policy period.
3. No flat cancellation allowed. Policy is subject to 25% minimum earned premium.
4. Premium quoted includes Loss Control/Risk Management Support Service Fee.
5. This insurance is issued pursuant to the FL Surplus Lines laws. Entities insured by surplus lines carriers do not have the protection of the FL Insurance Guaranty Act to the extent of any right of recovery for the obligation of an insolvent, unlicensed insurer.

Claims Made Policy:

When a policy is on a claims-made basis, coverage triggers based on the actual filing date or receipt of the claim, in addition to the date of loss or injury. It handles any insured loss or claim filed during the policy period, regardless of when the actual loss or injury occurred, subject to the retroactive date on the declarations. Claims-made coverage applies only to covered losses that occur after the retroactive date.

Extended Reporting Periods:

XL provides the following Extended Reporting Periods options in the event coverage is cancelled or non-renewed:

Automatic Extended Reporting Period – continued coverage granted for a period of 90 days following the effective date of termination or nonrenewal, but only for Claims first made during the 60 days and arising from Wrongful Acts taking place prior to the effective date of the termination or nonrenewal.

Optional Extended Reporting Period – The Public Entity shall have the right, upon payment of up to 100% of the expiring premium, to purchase an Optional Extended Reporting Period, for the period of 36 months following the effective date of the cancellation or nonrenewal, but only for Claims first made during the Optional Extended Reporting Period and arising from Wrongful Acts taking place prior to the effective date of the termination or nonrenewal.

Premium Recapitulation
Page 1 of 3

	<u>Annual Premium</u>	<u>Check Option</u>	
		<u>Accept</u>	<u>Reject</u>
Preferred Package			
Non-Utility Property & Equipment Breakdown	\$327,283.00	<input type="checkbox"/>	<input type="checkbox"/>
Option - Catastrophic Damage on Vehicles:			
Total Insured Value: \$15,028,722			
\$5,000 All Other Peril Deductible	\$36,068.00	<input type="checkbox"/>	<input type="checkbox"/>
5% Named Wind Storm Deductible			
NO over the road Coverage			
Inland Marine	\$8,246.00	<input type="checkbox"/>	<input type="checkbox"/>
Crime / Employee Dishonesty	\$1,500.00	<input type="checkbox"/>	<input type="checkbox"/>
General Liability	\$62,678.00	<input type="checkbox"/>	<input type="checkbox"/>
Option - \$50,000 and \$100,000 retention	Not Available		
Deadly Weapon Protection*	Included		
Public Officials / Employment Practices Liability	\$70,861.00	<input type="checkbox"/>	<input type="checkbox"/>
Cyber Liability	\$25,001.00	<input type="checkbox"/>	<input type="checkbox"/>
Automobile Liability	\$30,691.00	<input type="checkbox"/>	<input type="checkbox"/>
Option - \$50,000 and \$100,000 retention	Not Available		
Excess Workers Compensation	\$89,028.00	<input type="checkbox"/>	<input type="checkbox"/>
Package Payment Plan:	Annual		

***Deadly Weapon Protection Coverage: Any Event that occurs at a Location which has been specifically leased or loaned by the City to any other entity or individual to host a permitted event planned and ticketed for more than 15,000 attendees over the duration of the event, MUST BE reported to AND APPROVED by Preferred PRIOR to event. The Trust may, at their discretion, charge an additional premium and/or impose additional conditions specifically for that event.**

All lines of coverage must be accepted in order to bind coverage with Preferred.

Premium Recapitulation
Page 2 of 3

	<u>Annual Premium</u>	<u>Check Option</u>	
		<u>Accept</u>	<u>Reject</u>
Utility Property			
Option 1:			
Starr Surplus Lines Insurance Company			
Premium	\$1,000,000.00		
EMPA Fee	4.00		
Engineering Fee	\$7,500.00		
Total Premium	\$1,007,504.00	<input type="checkbox"/>	<input type="checkbox"/>
<i>Optional - Certified Terrorism</i>	\$16,200.00	<input type="checkbox"/>	<input type="checkbox"/>
<i>Optional - Non-Certified Terrorism</i>	\$1,800.00	<input type="checkbox"/>	<input type="checkbox"/>
Option 2:			
Preferred Governmental Insurance Trust			
*Please note Utility Property Coverage cannot be bound without the package policy.			
Premium	\$777,283.00	<input type="checkbox"/>	<input type="checkbox"/>
Equipment Breakdown / Boiler & Machinery (For Option 1 and 2)			
Valley Forge Insurance Company (CNA)			
Equipment Breakdown Premium	\$82,504.13		
FIGA Assessment	\$1,000.05		
Total Premium	\$83,504.18	<input type="checkbox"/>	<input type="checkbox"/>
Total Premium for Option 1	\$1,091,008.18		
Total Premium for Option 2	\$860,787.18		
Pollution Liability	\$46,545.00	<input type="checkbox"/>	<input type="checkbox"/>
<i>Optional - Terrorism</i>	\$465.45	<input type="checkbox"/>	<input type="checkbox"/>

Premium Recapitulation
Page 3 of 3

I authorize Brown & Brown to request the underwriters to bind coverage on the items indicated above and acknowledge receipt of the Compensation and Financial Condition Disclosure(s) provided in this proposal.

(Signature)

(Name & Title)

(Date)

Notes of Importance:

1. Quotes provided in the proposal are valid until 10/01/2024. After this date terms and conditions are subject to change by the underwriters.
2. *Preferred* is not subject to the Florida Insurance Guaranty Act, in the event it becomes unable to meet its claims payment obligations. However, insured is named on excess of loss policies.
3. Some of the Carriers of the *Preferred* excess of loss policies are issued pursuant to the FL Surplus Lines laws. Entities insured by surplus lines carriers do not have the protection of the FL Insurance Guaranty Act to the extent of any right of recovery for the obligation of an insolvent, unlicensed insurer.
4. Quote is subject to review and acceptance by *Preferred* Board of Trustees.
5. Premiums are subject to change if all lines of coverage quoted are not bound. **Premiums are subject to 25% minimum premium upon binding.**
6. Not all coverages requested may be provided in this quotation.
7. Flood quotes from NFIP may be available. Please advise your agent if you have property located in zones A or V and would like to have separate NFIP quotes.
8. Property values are based on information supplied by you. You should have reviewed your property schedule and as you deem necessary have appraisals done to verify your reported values are accurate based on current market conditions.
9. The Trust requires all Members to maintain valid and current certificates of workers' compensation insurance for all work performed by persons other than its employees.
10. **The total premium is due within 30 days of inception. Premium financing can be arranged if needed.**
11. Quote is not bound until written orders to bind are received from the insured and the Trust and Company subsequently accepts the risk.
12. Should signed application reveal differing details/data than original application received, the entire quote/binder is subject to revision and possible retraction.
13. Higher limits of liability may be available. Please consult with your agent.
14. This proposal is based upon exposures to loss made known to the Brown & Brown. Any changes in exposures (i.e. new operations, new acquisitions of property or change in liability exposure) need to be promptly reported to us in order that proper coverage may be put into place.
15. **This proposal is intended to give a brief overview. Please refer to coverage agreements for complete information regarding definition of terms, deductibles, sub-limits, restrictions and exclusions that may apply. In the event of any differences, the policy will prevail.**

Retail Compensation Disclosure

In addition to the commissions or fees received by us for assistance with the placement, servicing, claims handling, or renewal of your insurance coverages, other parties, such as excess and surplus lines brokers, wholesale brokers, reinsurance intermediaries, underwriting managers and similar parties, some of which may be owned in whole or in part by Brown & Brown, Inc., may also receive compensation for their role in providing insurance products or services to you pursuant to their separate contracts with insurance or reinsurance carriers. That compensation is derived from your premium payments. Additionally, it is possible that we, or our corporate parents or affiliates, may receive contingent payments or allowances from insurers based on factors which are not client-specific, such as the performance and/or size of an overall book of business produced with an insurer. We generally do not know if such a contingent payment will be made by a particular insurer, or the amount of any such contingent payments, until the underwriting year is closed. That compensation is partially derived from your premium dollars, after being combined (or “pooled”) with the premium dollars of other insureds that have purchased similar types of coverage. We may also receive invitations to programs sponsored and paid for by insurance carriers to inform brokers regarding their products and services, including possible participation in company-sponsored events such as trips, seminars, and advisory council meetings, based upon the total volume of business placed with the carrier you select. We may, on occasion, receive loans or credit from insurance companies. Additionally, in the ordinary course of our business, we may receive and retain interest on premiums you pay from the date we receive them until the date of premiums are remitted to the insurance company or intermediary. In the event that we assist with placement and other details of arranging for the financing of your insurance premium, we may also receive a fee from the premium finance company.

If an intermediary is utilized in the placement of coverage, the intermediary may or may not be owned in whole or part by Brown & Brown, Inc. or its subsidiaries. Brown & Brown entities operate independently and are not required to utilize other companies owned by Brown & Brown, Inc., but routinely do so. In addition to providing access to the insurance company, the Wholesale Insurance Broker/Managing General Agent may provide additional services including, but not limited to: underwriting; loss control; risk placement; coverage review; claims coordination with insurance company; and policy issuance. Compensation paid for those services is derived from your premium payment, which may on average be 15% of the premium you pay for coverage, and may include additional fees charged by the intermediary.

Questions and Information Requests. Should you have any questions, or require additional information, please contact this office at (386) 252-6176 or, if you prefer, submit your question or request online at <http://www.bbinsurance.com/customerinquiry/>.

***PREFERRED* Compensation Disclosure**

We appreciate the opportunity to assist with your insurance needs. Information concerning compensation paid to other entities for this placement and related services appears below. Please do not hesitate to contact us if any additional information is required.

Our office is owned by Brown & Brown, Inc. Brown & Brown entities operate independently and are not required to utilize other companies owned by Brown & Brown, Inc., but routinely do so.

For the 2024 – 2025 policy year, your insurance was placed with Preferred Governmental Insurance Trust (*Preferred*). *Preferred* is an insurance trust formed by Florida public entities through an Interlocal Agreement for the purpose of providing its members with an array of insurance coverages and services. *Preferred* has contracted with entities owned by Brown & Brown, Inc. to perform various services. As explained below, those Brown & Brown entities are compensated for their services.

Preferred has contracted with Public Risk Underwriters (PRU), a company owned by Brown & Brown, Inc., to administer *Preferred's* operations. The administrative services provided by PRU to *Preferred* include:

- Underwriting
- Coverage review
- Marketing
- Policy Review
- Accounting
- Issuance of *Preferred* Coverage Agreements
- *Preferred* Member Liaison
- Risk Assessment and Control

Pursuant to its contract with *Preferred*, Public Risk Underwriters of Florida, Inc. (PRU) receives an administration fee, based on the size and complexity of the account, of up to 10% of the *Preferred* premiums billed and collected.

Preferred has also contracted with Preferred Governmental Claims Solutions (PGCS), a company owned by Brown & Brown, Inc., for purposes of administering the claims of *Preferred* members. The services provided by PGCS to *Preferred* may include:

- Claims Liaison with Insurance Company
- Claims Liaison with *Preferred* Members
- Claims Adjustment

Pursuant to its contract with *Preferred*, PGCS receives a claims administration fee for those accounts which PGCS services of up to 5% of the non-property portion of the premiums you pay to *Preferred*.

Preferred also utilizes wholesale insurance brokers, some of which (such as Peachtree Special Risk Brokers and Apex Insurance Services) are owned by Brown & Brown, Inc., for the placement of *Preferred's* insurance policies. The wholesale insurance broker may provide the following services:

- Risk Placement
- Coverage review
- Claims Liaison with Insurance Company
- Policy Review
- Current Market Intelligence

The wholesale insurance broker's compensation is largely dictated by the insurance company. It typically ranges between 10% and 17% of the premiums you pay to *Preferred* for your coverage.

Notice of Carrier Financial Status

Risk Management Associates, Inc., and its parent company, Brown & Brown, Inc. (collectively “Brown & Brown”) do not certify, warrant or guarantee the financial soundness or stability of any insurance carrier or alternative risk transfer or pooling entity. We endeavored to place your coverage with an insurance carrier with an AM Best Company financial rating of “A-” or better.* While Brown & Brown cannot certify, warrant or guarantee the financial soundness or stability of any insurance carrier or alternative risk transfer or pooling entity or otherwise predict whether the financial condition of any such entity might improve or deteriorate, we are hereby providing you with notice and disclosure of financial condition so that you can make an informed decision regarding the placement of coverage. Accordingly, with receipt of this notice you acknowledge the following with regard to the placement and any subsequent renewal of the coverage indicated below:

- Brown & Brown may have other options for your insurance placement, including quotations with insurance carriers holding an “A-” or better rating from AM Best Company. Alternative quotes may be available with an A- or better rated carrier upon your request.
- Coverage is being renewed or quoted through **Preferred Governmental Insurance Trust (“Preferred”)**, which is as a Florida local government self-insurance fund established pursuant to Section 624.4622, Florida Statutes, as such **Preferred** is not rated by the AM Best Company.
- **Preferred** is not subject to the protections afforded by any state guaranty fund or association.
- The financial condition of insurance companies and other coverage providers including local government self-insurance funds like **Preferred** may change rapidly and that such changes are beyond the control of Brown & Brown.
- You should review the financial and membership information from **Preferred** and agree to abide by the conditions of membership established by **Preferred**.
- You should consider the information provided, including the **Preferred** coverage quote and coverage placement and review it with your accountants, legal counsel and advisors.

Named Insured: City of Lake Worth Beach
Line of Coverage(s): Property, Inland Marine, Crime, General Liability, Employee Benefits Liability, Deadly Weapon Protection, Automobile Liability, Public Officials Liability, Employment Practices Liability, Cyber Liability, Excess Workers Compensation
Policy Number(s): PX FL1 0502013 24-15 & PR FL1 0502013 24-01
Policy Period(s): 10/01/2024 – 10/01/2025
Date of Notice: 7/23/2024

* AM Best Rating Guide: Rating for Stability: A++ to F = Highest to lowest rating
Financial Size Category: XV to I - Largest to smallest rating

Guide to Bests Ratings		
Best Category	Rating	Description
Secure	A++	Superior
Secure	A+	Superior
Secure	A	Excellent
Secure	A-	Excellent
Secure	B++	Very Good
Secure	B+	Very Good
Vulnerable	B	Fair
Vulnerable	B-	Fair
Vulnerable	C++	Marginal
Vulnerable	C+	Marginal
Vulnerable	C	Weak
Vulnerable	C-	Weak
Vulnerable	D	Poor
Vulnerable	E	Under Regulatory Supervision
Vulnerable	F	In Liquidation
Vulnerable	S	Rating Suspended
Not Rated	NR-1	Insufficient Data
Not Rated	NR-2	Insufficient Size and/or operating experience
Not Rated	NR-3	Rating Procedure Inapplicable
Not Rated	NR-4	Company Request
Not Rated	NR-5	Not Formally Followed
Rating Modifier	u	Under Review
Rating Modifier	q	Qualified
Affiliation Code	g	Group
Affiliation Code	p	Pooled
Affiliation Code	r	Reinsured

Guide to Best's Financial Size Categories		
Reflects size of insurance company based on their capital, surplus and conditional reserve funds in U.S. dollars.	I	Less than \$1,000,000
	II	\$1,000,000 - \$2,000,000
	III	\$2,000,000 - \$5,000,000
	IV	\$5,000,000 - \$10,000,000
	V	\$10,000,000 - \$25,000,000
	VI	\$25,000,000 - \$50,000,000
	VII	\$50,000,000 - \$100,000,000
	VIII	\$100,000,000 - \$250,000,000
	IX	\$250,000,000 - \$500,000,000
	X	\$500,000,000 - \$750,000,000
	XI	\$750,000,000 - \$1,000,000,000
	XII	\$1,000,000,000 - \$1,250,000,000
	XIII	\$1,250,000,000 - \$1,500,000,000
	XIV	\$1,500,000,000 - \$2,000,000,000
	XV	Greater than \$2,000,000,000

Brown & Brown always strives to place your coverage with highly secure insurance companies. We cannot, however, guarantee the financial stability of any carrier.

Statement Acknowledging That Coverage Has Been Placed With A Non-Admitted Carrier

Per Florida Statute, the insured is required to sign the following E&S disclosure:

The undersigned hereby agrees to place insurance coverage in the surplus lines market and understands that superior coverage may be available in the admitted market and at a lesser cost. Persons insured by surplus lines carriers are not protected by the Florida Insurance Guaranty Association with respect to any right of recovery for the obligation of an insolvent unlicensed insurer.

City of Lake Worth Beach
Named Insured

Signature of Insured's Authorized Representative

Date

Indian Harbor Insurance Co.
Name of Excess and Surplus Lines Carrier

Pollution Liability
Type of Insurance

PEC004832007
Renewal of Policy Number

10/01/2024-10/01/2025
Effective/Expiration Date of Coverage

Florida
State

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT**

**PREFERRED GOVERNMENTAL
INSURANCE TRUST**

SEPTEMBER 30, 2023 AND 2022

C O N T E N T S

INDEPENDENT AUDITORS' REPORT	3
MANAGEMENT'S DISCUSSION AND ANALYSIS	6
FINANCIAL STATEMENTS	
Statements of Net Position	18
Statements of Revenues, Expenses and Changes in Trust Net Position	19
Statements of Cash Flows	20
NOTES TO FINANCIAL STATEMENTS	22
REQUIRED SUPPLEMENTARY INFORMATION	
Independent Auditors' Report on Supplementary Information	47
Reconciliation of Claims Liabilities by Line of Business	48
Comparative Schedule of Claims Development and Earned Assessments	49



Shores, Tagman, Butler & Company, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

**Board of Trustees
Preferred Governmental Insurance Trust
Lake Mary, Florida**

We have audited the accompanying financial statements of Preferred Governmental Insurance Trust, (the "Trust"), which comprise the Statements of Net Position as of September 30, 2023 and 2022, and the related Statements of Revenues, Expenses and Changes in Trust Net Position, Statements of Cash Flows for the years then ended, and the related Notes to Financial Statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as of September 30, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Trust and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in the Notes to Financial Statements, the terms of the Trust's service contract provide for claims adjusting services on claims that arose during the contract period provided that the contract remains in effect. In the event the contract is terminated, the Trust will be liable for the additional expenses related to adjusting these claims until all such claims are concluded. The amount of this liability, if any, cannot be presently determined. Accordingly, the accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

INDEPENDENT AUDITORS' REPORT - CONTINUED

Emphasis of Matter - Continued

As discussed in the Notes to Financial Statements, the reserves for unpaid losses and loss adjustment expenses in the accompanying financial statements are based upon evaluations by the Trust's independent actuary. Management believes that these estimates are reasonable. However, these estimates are subject to change and the change can be material in relation to the financial statements taken as a whole. No assurance can be given that the actual losses will not be more or less than the current estimates. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern for one year from the date the financial statements are issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

INDEPENDENT AUDITORS' REPORT - CONTINUED

Auditors' Responsibilities for the Audit of the Financial Statements - Continued

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Management Discussion and Analysis

The Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Sh, Tgn, Butler: Company, P.A.

January 17, 2024

Preferred Governmental Insurance Trust

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the Preferred Governmental Insurance Trust (the Trust) has prepared the following narrative overview and analysis of the financial activities of the Trust for the fiscal years ending September 30, 2023 and 2022 using other comparative years as appropriate. We encourage readers to consider the information presented here in conjunction with the Trust's financial statements and Notes to Financial Statements to enhance their understanding of the Trust's financial performance.

Financial Highlights

Unless otherwise indicated, performance throughout this analysis is expressed in thousands.

- The Trust experienced a \$3,810 decrease in net position from 2022 to 2023, or -9.4%. The majority of the loss can be traced to a 22.3% increase in excess insurance costs that consumed most of the Trust's 13.8% increase in premium revenue and created an 11.7% increase in underwriting loss. The market-driven change to the Trust's cost structure was not fully anticipated in current year rates. Net position fell from \$40,464 to \$36,654. Total net position decreased by \$41,477 from 2021 to 2022, or -50.6%, to a total of \$40,464. The prior year changes in net position, however, were driven by unprecedented unrealized investment losses of nearly \$40 million (not in thousands). Current year operating activity shows a rebound in investment earnings and successful responses to many of the negative factors impacting prior years.
- Total assets increased by \$3,847 from 2022 to 2023, or 1.7%, to a total of \$224,420. Most of that improvement can be traced to a 42.2% increase in cash, however, improved investment returns contributed to the change. Total assets decreased by \$40,393 from 2021 to 2022, or 15.5%, to a total of \$220,573. Prior year deterioration was attributable to unrealized investment losses.
- Investment earnings have consistently tracked with internally adopted benchmarks. Overall investment income of \$11,884 represent returns of 5.6% on average investment balances in 2023. The Trust's benchmark return was 4.9% and its performance bested that mark. Investment losses in 2022 were (\$27,429) as the Trust's investments posted a -12.9% return on average investment balances, performance which tracked closely with benchmark returns of -13.1%. The Trust successfully absorbed the unusual market losses that impacted all similarly designed portfolios.
- The ratio of our premium to our net position, a common measure of solvency has ranged between 100% and 385% over the last decade. The ratio shows the degree to which the Trust's premium exceeds or is nearly covered by net position. Consistently increasing premium revenues from 2020 to 2023 in comparison to a decline in net position in recent years produced a ratio of premium to net position of 381% in 2023 in comparison to 303% in 2022 and 141% in 2021. Management fully anticipates these financial results.
- Recoveries from the Trust's excess program increased relative to the prior year. Overall receipts from routine claims increased modestly while catastrophic claim recoveries increased significantly from the immediately preceding year. Increased storm activity late in the 2022 fiscal year produced higher payments and reimbursements in 2023. As claims mature and costs invade excess layers, timely and effective collections of claims of ceded risk have become increasingly important to the Trust.

Preferred Governmental Insurance Trust

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction of the Trust's financial statements. Typically, government financial statements would be presented as three components:

- 1) government-wide financial statements,
- 2) fund financial statements, and
- 3) notes to the financial statements.

However, as the Trust uses only one proprietary fund, which presents financial statement information in the same manner as government-wide financial statements, only with more detail, we do not present government-wide financial statements as the information would be repetitive.

The financial statements are comprised of the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Trust Net Position and the Statement of Cash Flows and the Notes to the Financial Statements. The financial statements are prepared on an accrual basis in accordance with U.S. generally accepted accounting principles applicable to governmental enterprise funds.

The Statement of Net Position presents the Trust's financial position as of the end of its fiscal year. Information is displayed on assets and liabilities with the difference between the two amounts as net position. The net position of the Trust reflects the present value of resources available to its members at the end of the fiscal year after satisfaction of all loss reserves.

The Statement of Revenues, Expenses and Changes in Trust Net Position presents information detailing the revenues and expenses that resulted in a change in net position during the current fiscal year. All revenues and expenses are reported on an accrual basis. This means that the revenue or expense is recognized as soon as the underlying event giving rise to the change occurs, regardless of when the actual cash associated with the event is received or paid. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods. For example, premiums collected from a public entity are reflected as revenue over the passage of time. Likewise, claims that occurred during the fiscal year will be reflected as an expense whether or not they have been paid as of the end of the fiscal year.

The Statement of Cash Flows represents the cash provided and used by the Trust categorized by operating activities and investing activities. It reconciles the beginning and end of year cash balances contained in the balance sheet. The effects of accrual accounting and not cash activities, such as premium and discount amortization are adjusted to supplement the presentation in the Statement of Revenues, Expenses and Changes in Fund Net Position.

The Notes to Financial Statements follow the basic financial statements and provide additional information that is essential to a full understanding of the data provided in the financial statements. In addition to the financial statements and accompanying notes, required supplementary information is presented illustrating the Trust's past ten years of earned revenues and investment income compared to related costs of losses and other expenses incurred by the Trust.

Preferred Governmental Insurance Trust

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

Financial Analysis

The Preferred Governmental Insurance Trust measures its performance using three basic financial statements: Statements of Net Position, Statements of Revenues, Expenses and Changes in Trust Net Position and Statements of Cash Flows.

Statements of Net Position: The Trust's Statements of Net Position display the assets, liabilities, and net position of the Trust as of the Trust's year end, September 30. A comparison of audited balances as of September 30, 2023, 2022 and 2021 display continued maintenance of strong asset and net position balances. Asset balances are a function of strong underwriting discipline, vigorous control of losses and responsible investment.

Assets improved in 2023 after declining in the 2022 fiscal years in response to differing circumstances impacting investment returns, claims costs, and reinsurance costs.

	<u>2023</u>	<u>% Change</u>	<u>2022</u>	<u>% Change</u>	<u>2021</u>
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 10,917	42.2%	\$ 7,677	202.0%	\$ 2,542
Accrued interest receivable	1,052	4.3%	1,009	1.2%	997
Premiums receivable	1,222	115.9%	567	-22.8%	734
Excess insurance recoverable on paid losses	5,207	51.5%	3,436	-30.4%	4,934
Prepaid expenses and other assets	23,217	-1.1%	23,465	11.3%	21,086
Investment securities available for sale	<u>182,805</u>	-0.9%	<u>184,419</u>	-20.1%	<u>230,673</u>
Total assets	<u>\$ 224,420</u>	1.7%	<u>\$ 220,573</u>	-15.5%	<u>\$ 260,966</u>
LIABILITIES AND NET POSITION					
Current Liabilities					
Accounts payable and other liabilities	\$ 4,955	25.8%	\$ 3,939	10.1%	\$ 3,579
Claims service fees payable	653	33.8%	488	47.9%	330
State of Florida assessments payable	69	6.2%	65	-33.7%	98
Member prepayment	150	-61.4%	389	7.2%	363
Unearned premium	19,297	61.2%	11,970	8.5%	11,028
Unpaid losses and loss adjustment expenses	<u>43,910</u>	2.1%	<u>42,992</u>	-0.9%	<u>43,385</u>
	<u>69,034</u>	15.4%	<u>59,843</u>	1.8%	<u>58,783</u>
Noncurrent Liabilities					
Unpaid losses and loss adjustment expenses	118,622	-1.3%	120,156	0.0%	120,131
Advances by excess insurers	110	0.0%	110	0.0%	110
	<u>118,732</u>	-1.3%	<u>120,266</u>	0.0%	<u>120,241</u>
Total liabilities	<u>187,766</u>	4.3%	<u>180,109</u>	0.6%	<u>179,025</u>
NET POSITION – UNRESTRICTED	<u>36,654</u>	-9.4%	<u>40,464</u>	-50.6%	<u>81,941</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 224,420</u>		<u>\$ 220,573</u>		<u>\$ 260,966</u>

Preferred Governmental Insurance Trust

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

The increase in total assets of \$3,847 from 2022 to 2023 was caused by improved investment returns, healthier cash flows, and increases to premium receivables from mid-year renewals. Investments fell by 0.9%, a decline that was driven by an investment of seasonal collections in cash equivalents rather than investments. Cash, however, increased by 42.2% and premium receivables rose by over 100% on the strength of mid-year renewals that include first rate increases that result from hardening markets. The Trust's overall liability for unpaid losses and loss adjustment expenses was nearly unchanged from 2022 to 2023. The current portion of that liability has stabilized and increased modestly in both amount and as a percentage of the total liability from \$43,385 or 26.5% in 2021 to \$43,910 or 27.0% in 2023. The ongoing maturity of the liability in recent years has demanded consistent use of cash to meet claims payments and slowed the Trust's ability to grow investments. By contrast, assets decreased by \$40,393 or roughly 15.5% from 2021 to 2022 in response to a \$46,254 decrease in total investment securities. Investments fell by 20.1%, a decline that was driven by unrealized losses on those investments. The decline exacerbated that year's decrease in surplus. The decline in the asset position in 2022 has been partially offset by increases to assets in the 2023 year as the investment climate stabilizes. In addition, the rate and amount of growth in the liability has slowed. The net position of the Trust continues to be more than adequate to sustain prior year investment losses driven by market conditions.

A significant component of our costs has been our excess insurance program. While excess markets have hardened, the Trust has absorbed these increased costs for the benefit of its members. The ability to appropriately negotiate excess coverage in a manner that economically and effectively mitigates risks with a variety of business partners both in the United States and abroad has been essential to the ongoing success of the Trust.

Maturing claims make the excess program even more important as cash flows become dependent not only on our premium collections but also upon timely recoveries from excess carriers.

The following schedule summarizes the collections from excess insurance carriers over the last five fiscal years by line. Both the importance of excess insurance recoveries and the consistency in collection efficiency for routine (non-catastrophic/non-hurricane) claims is shown below.

Year	Workers Compensation	Package			Total
		Non Catastrophic	Catastrophic	Subtotal	
2023	\$ 2,238	\$5,553	\$ 20,289	\$25,842	\$28,080
2022	2,712	3,673	11,246	14,919	17,631
2021	3,024	3,238	4,476	7,714	10,738
2020	10,238	2,124	22,990	25,114	35,352
2019	7,084	4,146	29,326	33,472	40,556

Routine collections from the excess program for combined workers compensation and non-catastrophic coverage averaged \$6.8 million (not in thousands) over the last three years after averaging over \$12 million per year in 2020 and 2019. Activity in the 2020 year reflected nonrecurring settlement and collection of several large claims and contributed to the highlighted fluctuation compared to the most recent three years. Additionally, higher retentions have generally reduced recoveries. Collections from catastrophic events spiked in response to Hurricane Ian in the 2023 fiscal year.

Preferred Governmental Insurance Trust

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

The state was spared major damages from named storms until very late into the 2022 fiscal year and experienced below average activity throughout 2023. Collections generally represent claims initially paid by the Trust and then reimbursed by excess carriers.

Statements of Revenues, Expenses and Changes in Trust Net Position: The Statement of Revenues, Expenses and Changes in Trust Net Position display the Trust revenues and expenses and the manner in which they account for the change in net position. The following schedule shows a comparison of that activity for the years ended September 30, 2023, 2022, and 2021 and key relationships.

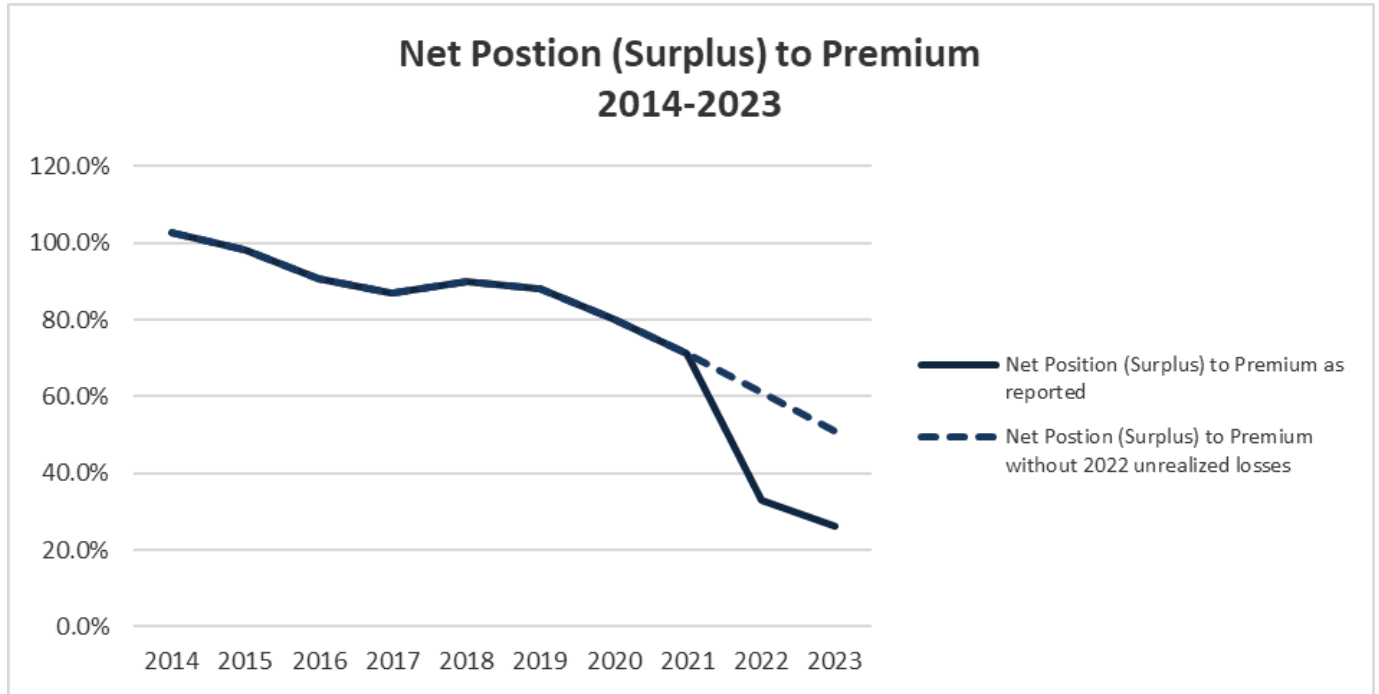
	<u>2023</u>	<u>% Change</u>	<u>2022</u>	<u>% Change</u>	<u>2021</u>
OPERATING REVENUES					
Premiums	\$ <u>139,531</u>	13.8%	\$ <u>122,568</u>	6.4%	\$ <u>115,208</u>
OPERATING EXPENSES					
Losses and loss adjustment expenses	56,121	4.4%	53,752	-7.8%	58,276
Excess insurance premiums	68,142	22.3%	55,734	7.9%	51,656
Administrative services	13,567	13.8%	11,917	6.1%	11,230
State of Florida assessments	427	6.8%	400	-0.5%	402
Agent commissions	8,865	11.3%	7,967	4.4%	7,628
Claims service fees	6,218	19.1%	5,219	8.4%	4,816
Other expenses	<u>1,885</u>	15.9%	<u>1,627</u>	-12.8%	<u>1,866</u>
Total expenses	<u>155,225</u>	13.6%	<u>136,616</u>	0.5%	<u>135,874</u>
OPERATING INCOME (LOSS)	(<u>15,694</u>)	11.7%	(<u>14,048</u>)	-32.0%	(<u>20,666</u>)
NON-OPERATING REVENUES					
Net investment income	6,966	1.8%	6,841	-16.0%	8,146
Net increase (decrease) in fair value of investments	<u>4,918</u>	NA	(<u>34,270</u>)	-874.1%	<u>4,427</u>
	<u>11,884</u>	NA	(<u>27,429</u>)	-318.2%	<u>12,573</u>
CHANGE IN NET POSITION	(<u>3,810</u>)	-90.8%	(<u>41,477</u>)	412.5%	(<u>8,093</u>)
Net position – beginning of year	<u>40,464</u>	-50.6%	<u>81,941</u>	-9.0%	<u>90,034</u>
NET POSITION – END OF YEAR	<u>\$ 36,654</u>	-9.4%	<u>\$ 40,464</u>	-50.6%	<u>\$ 81,941</u>

The current year's results for the Trust were shaped by a \$16,963 increase in premium representing a 13.8% improvement over prior years and a \$12,408 increase in excess insurance cost representing a 22.3% change in those expenses. The Trust's operating losses changed modestly, increasing from (\$14,048) in 2022 to (\$15,694) in 2023. Improvements in premium revenues from \$122,568 in 2022 to \$139,531 in 2023 generally outpaced the increases to loss and loss adjustment expenses (4.4%) and stayed even with the increases in fee and commission expense. The increase in excess insurance expense from \$55,734 in 2022 to \$68,142 in 2023 eroded premium revenue improvements. The Trust's ongoing efforts to improve premium earnings to fully defray costs underscores management's responsible focus on sustainable economic performance of the Trust on behalf of its members. By contrast, year over year results from 2021 to 2022 reported were shaped by non-operating losses on investments equal to \$34,270 that drove 82.5% of the 2022 net loss. The Trust's operating loss shrank by 32.0% from (\$20,666) in 2021 to (\$14,048) in 2022 indicating strong improvements, however, investment losses offset those gains.

Preferred Governmental Insurance Trust

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

Net position has generally fluctuated between 26% and 100% of earned premium over the last ten years. This common measure of capitalization and risk bearing capacity increases or improves as net position grows in relation to premium. The Trust's surplus has gradually declined over the last five years as premium remained stable or increased. Net position is strong and able to sustain premium levels maintained by the Trust. The graph below displays the net position to surplus as reported in comparison to net position in the 2023 year both with and without the unusually large non-operating losses associated with unrealized losses on investments that occurred in 2022. Management does not believe the unrealized losses are permanent and saw a rebound in 2023.



Statements of Cash Flows: The Statements of Cash Flows display the sources and uses of the Trust's cash generated from operating and investing activities.

The Trust's cash flows from continuing operations over the last three years show the impact of timing differences in premium collections combined with fluctuations in net excess insurance (ceded reinsurance) payments and increases in loss and loss adjustment expenses paid. Cash flows used in operations totaled \$10,215 in 2023. Current year results are less than cash flows used in operations of \$13,678 in 2022 and cash flows used in operations of \$11,965 reported in 2021.

Cash flow from operations is the product of increased payments for net excess premiums paid to excess insurance carriers as well as gradual upward pressure on claims payments. Cash outlays for claims increased by nearly 13% from 2021 to 2023, however, net amounts paid to reinsurance carriers increased by 28.9% or \$15,677 from \$54,236 in 2022 to \$69,913 in 2023 alone. Cash outlays for excess accelerated in the current year. Prior year changes produced an increase of 3.7% or \$1,974 from \$52,262 in 2021 to \$54,236 in 2022.

Preferred Governmental Insurance Trust

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

Although operating cash is used in response to the consistent demands from maturing claims, classified as losses and loss adjustment expenses paid, diligent collections of excess recoveries described above serve to partially offset a portion of those amounts and stabilize operating cash outflows. Cash flows from operations responded favorably to consistent collections of excess insurance recoveries. Reduced opportunities for excess collections over the last two years caused amounts paid to reinsurance carriers, net of excess collections, to increase and served to produce a use of cash by operating activities.

	<u>2023</u>	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM CONTINUING OPERATIONS:			
Premiums collected from policyholders	\$ 138,875	\$ 122,702	\$ 114,792
Net amounts paid to excess insurance carriers	(69,913)	(54,236)	(52,262)
Losses and loss adjustment expenses paid	(56,737)	(54,121)	(50,365)
Other underwriting expenses paid	(22,440)	(28,023)	(24,130)
 NET CASH USED IN OPERATING ACTIVITIES	 (10,215)	 (13,678)	 (11,965)
 CASH FLOWS FROM INVESTING ACTIVITIES:			
Net proceeds (purchases) of debt and equity securities	7,637	13,540	(3,682)
Investment income collected	<u>5,818</u>	<u>5,273</u>	<u>5,366</u>
 NET CASH PROVIDED BY INVESTING ACTIVITIES	 <u>13,455</u>	 <u>18,813</u>	 <u>1,684</u>
 NET CHANGE IN CASH AND CASH EQUIVALENTS	 3,240	 5,135	 (10,281)
Cash and cash equivalents – beginning of year	<u>7,677</u>	<u>2,542</u>	<u>12,823</u>
 CASH AND CASH EQUIVALENTS- END OF YEAR	 <u>\$ 10,917</u>	 <u>\$ 7,677</u>	 <u>\$ 2,542</u>

The Trust did not increase its investment portfolio in any of the years presented and had drawn down approximately \$25,000 to meet cash flow requirements in 2023 and \$20,000 in 2022. Borrowing in the 2022 year was repaid early in the 2023 year. Current year net proceeds include a year over year change of \$5,000. The use of maturing investments to meet cash flow requirements served to shield the Trust from unrealized market losses on those investments in the prior year and, judicious use of cash reserves allowed the Trust to capitalize on short term interest rates at their highest levels in over a decade in the current year. The increases to investment balances are displayed as a use of cash within investing activities while decreases in investments are shown as a source of cash. The investment portfolio of the Trust decreased 21% from the 2021 fiscal year to the 2023 fiscal year in direct response to investment performance and cash management. The bulk of the reduction is associated with unrealized losses on investments that management believes are temporary.

Preferred Governmental Insurance Trust

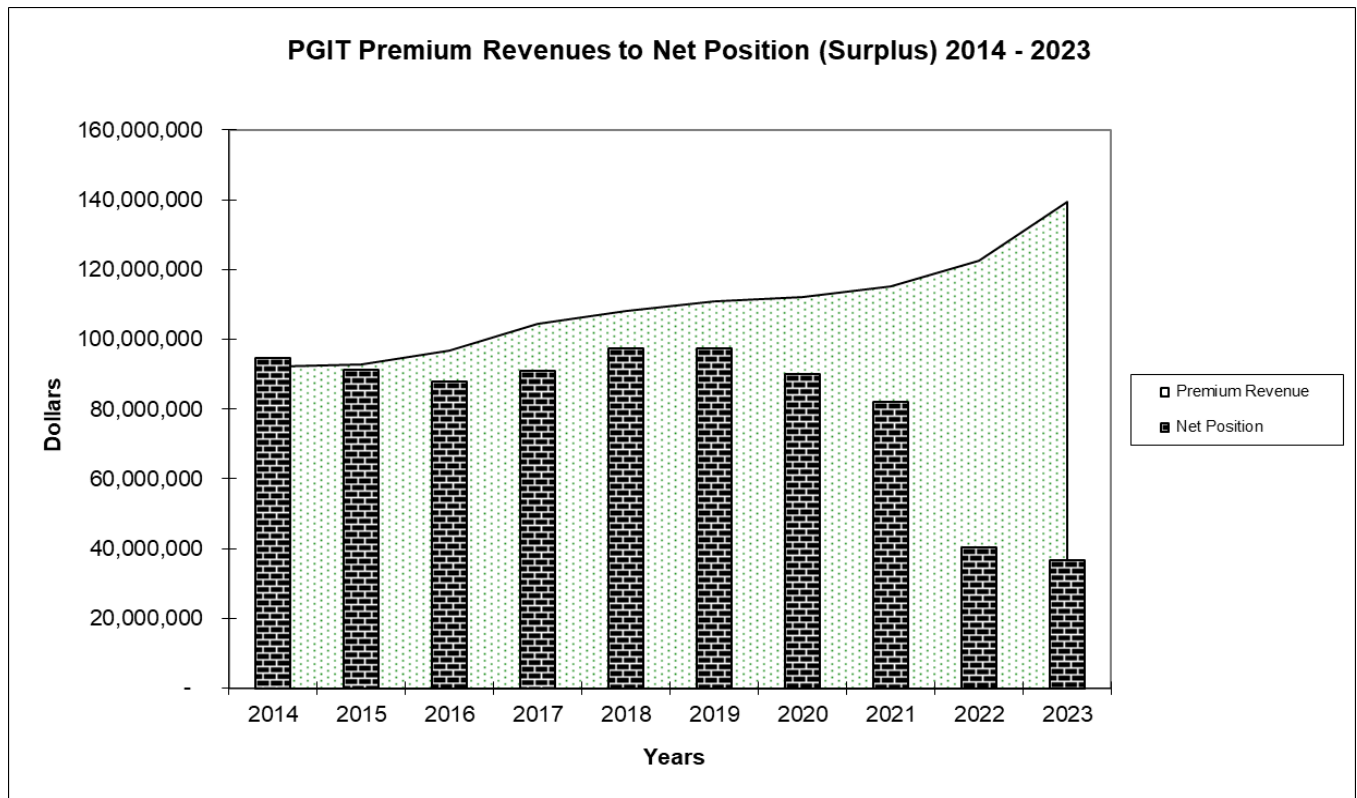
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

Economic Factors and Major Initiatives

Markets: Increased premium revenues in 2023 and 2022 came in response to increasing average rates of both workers compensation and property markets. The Trust experienced both an increase of insurable units as well as addition of new members. Financial results each year are impacted by the Trust's tempered response to meeting aggressive pricing challenges in the highly competitive market for public entity insurance programs.

Net position as a percentage of revenue declined most abruptly in 2022 in response to non-operating losses from unrealized losses on investments that management does not believe are permanent, as the Trust has historically held its debt securities to maturity. Net position stabilized in the current year. The following graph shows the comparison of premium revenue to growth in fund surplus (net position) for the last ten years. Modest declines in the current year reflect temporary delays in the Trust's ability to respond to hardening markets.

Premium revenues are at all-time highs.



Preferred Governmental Insurance Trust

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

Initiatives: The Trust inaugurated the Preferred Training Incentive Programs (TIPs) in 2015, a member reimbursement program with matching training/safety incentives that can be applied for by any current member of the Trust. The enormously popular program resulted in \$450,000 in distributions to members in 2023 in recognition of their ongoing training and safety improvement efforts. Current year volume is consistent with recent years.

The Trust cancelled its Member Education Day as a precautionary response to the pandemic in 2021 and 2022 but resumed the popular program in 2023. Member Education Days feature presentations by insurance, legal, and risk management professionals for the benefit of hundreds of participants. The extremely well-received event underscores the Trust's member focus and its commitment to loss control.

Through its administrator, the Trust continues to offer and invest in online services to its membership including learning and training opportunities through webinars, Target Solutions, My Community Workplace, and HR & Cyber Support Center related to both coverage and legal issues. The Trust also provides on-line loss runs, claim notes and other analytics for claims management as it remains responsive in the highly competitive public entity insurance market.

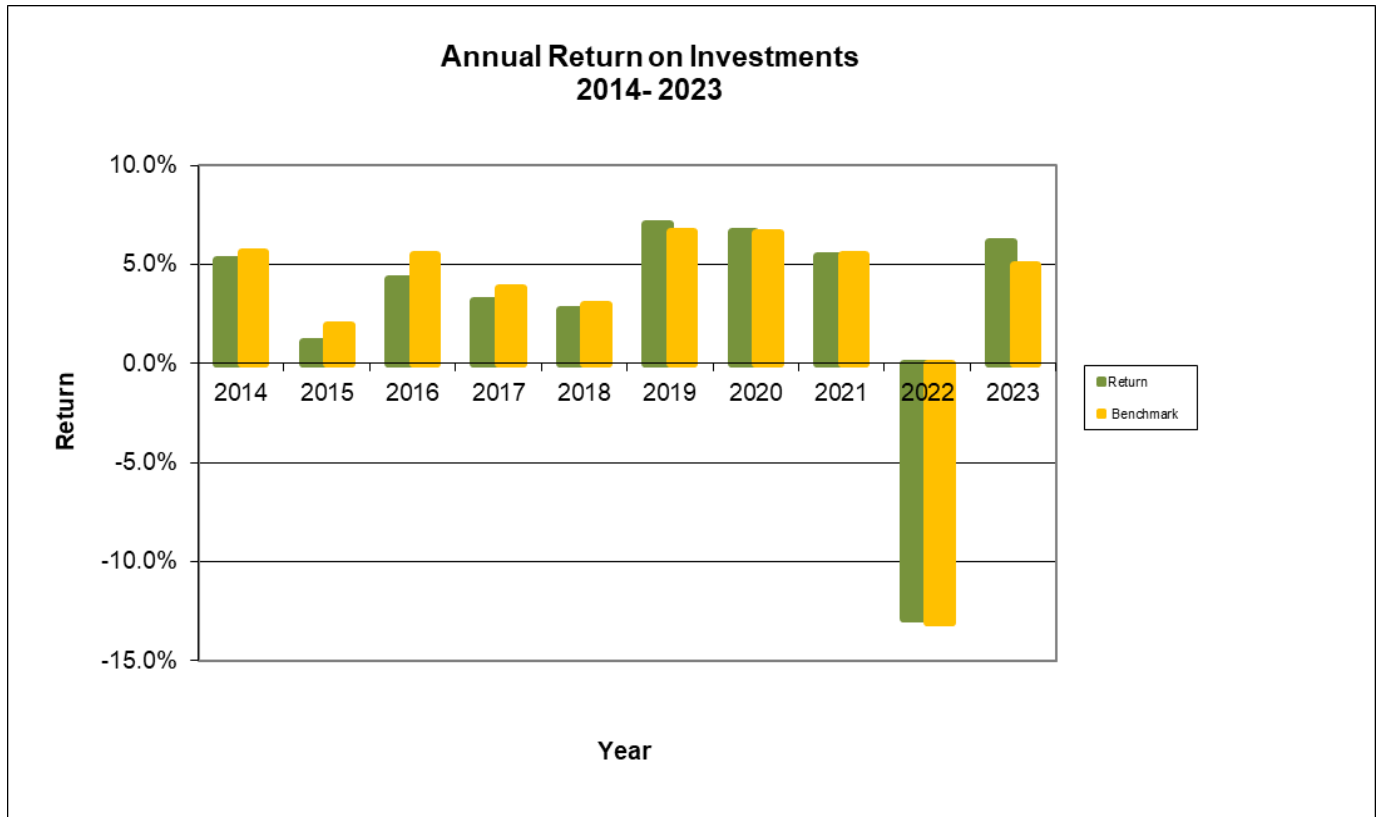
Investments: As the Federal Reserve Open Market Committee continues to adjust and maintain interest rates, valuation of fixed income can be negatively impacted. The 2022 year's performance showed that even modest changes in effective market interest rates can cause significant changes in portfolio value. Current year earnings on fixed income securities were modest but consistent. Unrealized gains returned to patterns seen in prior years as monetary policy stabilized.

Revisions to the Trust's investment policy at the beginning of the 2014 fiscal year shifted a greater percentage of its portfolio to equity securities while changes implemented at the beginning of the 2020 fiscal year further diversified equity holdings. Outstanding returns in equity markets coupled with the Trust's increased participation in those markets produced outstanding investment earnings for the Trust through 2021. Management anticipated that market corrections might cause results to fluctuate. The 2023 year produced positive results from market participation. As always, investment returns are uncertain, but asset allocations have steadily produced results consistent with internally established benchmarks and the Trust's risk tolerance.

The following graph shows the investment performance of the Trust in comparison to those adopted benchmarks. Investment earnings track with market volatility and have followed the behavior of benchmark measures. The 2023 year produced actual results that exceeded benchmark performance.

Preferred Governmental Insurance Trust

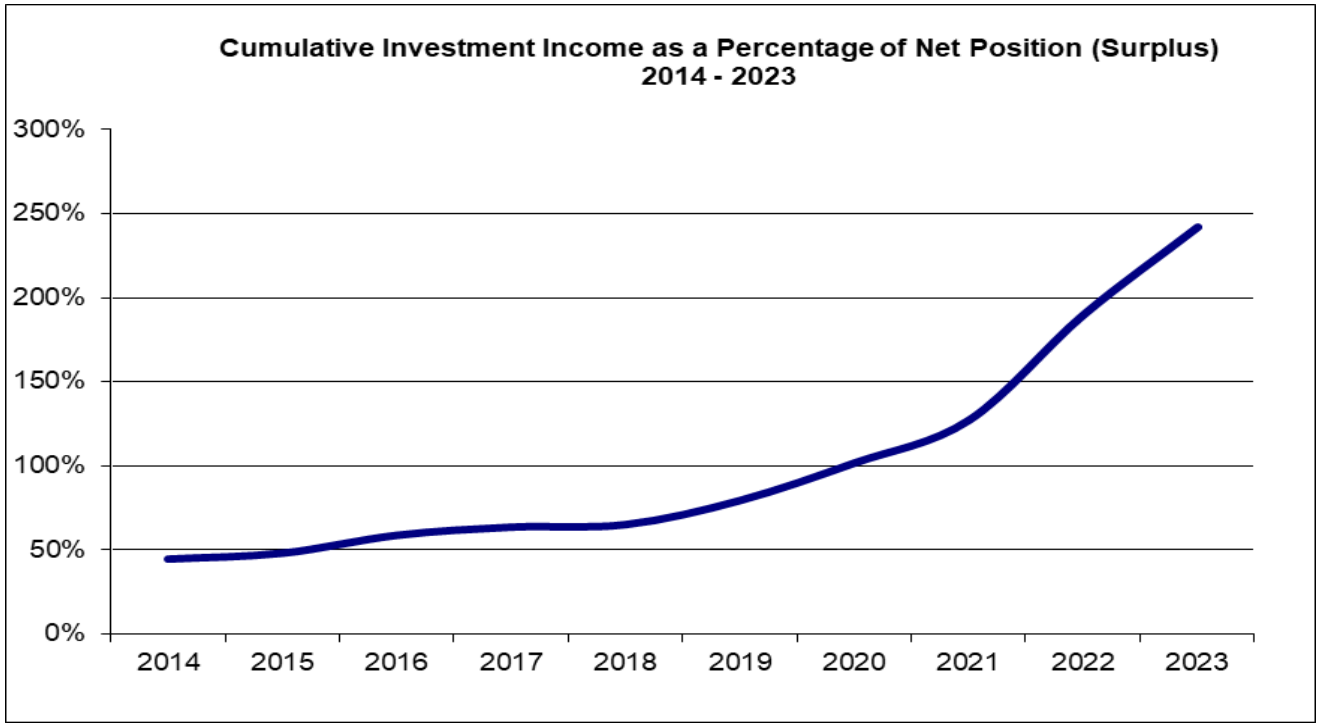
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED



As the Trust matures, investment income becomes an increasingly important and consistent element of operating results and net position (surplus). Over the twenty-four-year period ending September 30, 2023, the Trust has recognized \$88.7 million in investment income which represents 242% of accumulated surplus. The impact of investment returns has been positive. The assumption of increased retention in 2014, for example, resulted in very little change in overall surplus largely in response to consistent investment earnings. Reduction of retention in 2018 along with related increases in excess insurance costs in combination with decreases of liability estimates prior years has caused surplus to improve and then modestly decline in the middle of the analysis period shown below. The relative contribution of investment earnings has increasingly outweighed the contribution of underwriting performance to surplus. The following chart shows the growth of cumulative investment income as a percentage of surpluses in the ten years since the 2014 fiscal year. The extremely poor investment performance in the 2022 year and the resulting decline in surplus produces the spike in cumulative investment income as a percentage of net position shown below:

Preferred Governmental Insurance Trust

MANAGEMENT’S DISCUSSION AND ANALYSIS - CONTINUED



Contacting the Trust’s Financial Management

This financial report is designed to provide our members and the public with a general overview of the Trust’s finances and to demonstrate the Trust’s operational and fiscal accountability for the premiums it receives. The Trust contracts its financial administration to Public Risk Underwriters of Florida, Inc. Questions concerning the information provided in this report or requests for additional financial information should be addressed to Jennifer Martin, Executive Vice President, Public Risk Underwriters of Florida, Inc., P.O. Box 958455, Lake Mary, Florida 32795-8455.

**FINANCIAL STATEMENTS &
NOTES TO FINANCIAL STATEMENTS**

Preferred Governmental Insurance Trust

STATEMENTS OF NET POSITION

ASSETS

	September 30,	
	2023	2022
CURRENT ASSETS		
Cash and cash equivalents	\$ 10,917,221	\$ 7,676,867
Investment securities	182,805,023	184,418,701
Accrued interest receivable	1,051,405	1,009,461
Premiums receivable	1,221,769	565,937
Excess insurance recoverable on paid losses	5,207,136	3,436,572
Prepaid expenses and other assets	<u>23,217,372</u>	<u>23,465,263</u>
Total assets	<u>\$ 224,419,926</u>	<u>\$ 220,572,801</u>

LIABILITIES AND NET POSITION

CURRENT LIABILITIES		
Accounts payable and other liabilities	\$ 4,955,014	\$ 3,939,290
Claims service fee payable	652,877	487,929
State of Florida assessments payable	69,444	64,876
Unpaid losses and loss adjustment expenses	43,910,000	42,992,000
Unearned premiums	19,296,612	11,970,089
Member prepayments	150,366	389,124
Total current liabilities	<u>69,034,313</u>	<u>59,843,308</u>
NONCURRENT LIABILITIES		
Unpaid losses and loss adjustment expenses	118,621,631	120,155,626
Advances by excess insurers	110,000	110,000
Total noncurrent liabilities	<u>118,731,631</u>	<u>120,265,626</u>
Total liabilities	<u>187,765,944</u>	<u>180,108,934</u>
NET POSITION - UNRESTRICTED	<u>36,653,982</u>	<u>40,463,867</u>
	<u>\$ 224,419,926</u>	<u>\$ 220,572,801</u>

The accompanying notes are an integral part of these financial statements.

Preferred Governmental Insurance Trust

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN TRUST NET POSITION

	<u>Years Ended September 30,</u> <u>2023</u>	<u>2022</u>
OPERATING REVENUES		
Premiums	\$ <u>139,531,002</u>	\$ <u>122,567,826</u>
OPERATING EXPENSES		
Losses and loss adjustment expenses	56,120,868	53,751,941
Excess insurance premiums	68,142,206	55,733,472
Administrative services	13,566,847	11,916,544
Agent commissions	8,865,118	7,967,462
Claims service fees	6,217,486	5,218,709
State of Florida assessments	427,148	400,308
Other expenses	<u>1,884,982</u>	<u>1,581,393</u>
Total expenses	<u>155,224,655</u>	<u>136,569,829</u>
OPERATING LOSS	(<u>15,693,653</u>)	(<u>14,002,003</u>)
NON-OPERATING REVENUES		
Net investment income	6,966,393	6,794,752
Net increase (decrease) in fair value of investments	<u>4,917,375</u>	(<u>34,270,233</u>)
	<u>11,883,768</u>	(<u>27,475,481</u>)
CHANGE IN NET POSITION	(<u>3,809,885</u>)	(<u>41,477,484</u>)
Net position - beginning of year	<u>40,463,867</u>	<u>81,941,351</u>
NET POSITION - END OF YEAR	\$ <u>36,653,982</u>	\$ <u>40,463,867</u>

The accompanying notes are an integral part of these financial statements.

Preferred Governmental Insurance Trust

STATEMENTS OF CASH FLOWS

	Years Ended September 30,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Premiums collected from policyholders	\$ 138,875,170	\$ 122,702,069
Amounts paid to excess insurance carriers	(69,912,770)	(54,236,349)
Losses and loss adjustment expenses paid	(56,736,863)	(54,120,703)
Net other underwriting expense paid	(22,440,685)	(27,976,993)
NET CASH USED IN OPERATING ACTIVITIES	(10,215,148)	(13,631,976)
 CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of debt securities	(19,858,615)	(21,658,509)
Proceeds from sales and maturities of debt securities	20,190,577	29,200,044
Purchases of equity securities	(2,728,682)	(3,396,620)
Proceeds from sales of equity securities	10,033,721	9,394,860
Investment income collected	5,818,501	5,227,245
NET CASH PROVIDED BY INVESTING ACTIVITIES	13,455,502	18,767,020
 NET CHANGE IN CASH AND CASH EQUIVALENTS	3,240,354	5,135,044
Cash and cash equivalents - beginning of year	7,676,867	2,541,823
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 10,917,221	\$ 7,676,867

The accompanying notes are an integral part of these financial statements.

Preferred Governmental Insurance Trust

STATEMENTS OF CASH FLOWS - CONTINUED

	Years Ended September 30,	
	2023	2022
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:		
Operating loss	\$(15,693,653)	\$(14,002,003)
Changes in operating assets and liabilities		
(Increase) decrease in assets:		
Premiums receivable	(655,832)	167,766
Excess insurance recoverable on paid losses	(1,770,564)	1,497,123
Prepaid expenses and other assets	247,891	(2,379,042)
Increase (decrease) in liabilities:		
Accounts payable and other liabilities	1,015,724	360,707
Claims service fee payable	164,948	157,814
State of Florida assessments payable	4,568	(33,523)
Unpaid losses and loss adjustment expenses	(615,995)	(368,762)
Unearned premiums	7,326,523	941,686
Member prepayments	(238,758)	26,258
NET CASH USED IN OPERATING ACTIVITIES	\$(10,215,148)	\$(13,631,976)
 SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Non-cash increase (decrease) in investment securities and net position as a result of adjusting the basis to their estimated fair value	\$ 4,917,375	\$ (34,270,233)

The accompanying notes are an integral part of these financial statements.

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS

September 30, 2023 and 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the Preferred Governmental Insurance Trust (the “Trust”) significant policies consistently applied in preparation of the accompanying financial statements follows. Other significant accounting policies are disclosed elsewhere in the financial statements and the notes thereto.

Reporting Entity

The Trust was created in 1999 to provide a program of property and casualty coverage as a governmental self insurance fund under the provisions of Section 624.462, Florida Statutes. The Trust is governed under the terms and conditions of an interlocal agreement amongst the governments that participate in the program (known as Members) adopted pursuant to Section 163.01, Florida Statutes.

Chapter 624 allows for any two or more local governments to enter into an interlocal agreement for the purpose of insuring those governments against loss or damage from any hazard or cause provided the self insurance fund has annual premiums in excess of \$5 million, maintains a program of self insurance evaluated by an independent actuary, submits audited financial statements to the State of Florida Office of Insurance Regulation on an annual basis and has a governing body comprised entirely of local elected officials. There are approximately 400 members of the Trust.

The Trust meets the statutory requirements and is comprised of local government entities that execute a Participation Agreement and thereby become members of the Trust. The governing body of the Trust (Trustees) consists of between five and nine local elected officials representing members of the Trust. Trustees are elected to staggered terms by a majority vote of the members of the Board of Trustees.

For financial reporting purposes, the Trust is a stand-alone entity: there are no component units included in the accompanying financial statements and the Trust is not considered a component unit of another entity.

Basis of Accounting

The Trust prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America for proprietary funds, which are similar to those for private business enterprise, and the prevailing practices within the insurance industry. Accordingly, revenues are recorded when earned and expenses are recorded when incurred.

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Basis of Accounting - Continued

The assets, liabilities and net position of the Trust are reported in a self-balancing set of accounts representing funds available for support of the Trust's operations.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, demand deposit accounts with commercial banks and cash invested in commercial money market funds are considered cash equivalents. Investments that are held separately from the investment accounts and are highly liquid with an original maturity of ninety days or less when purchased or are so near their maturity that they present an insignificant risk of change in value because of changes in interest rates are considered to be cash equivalents.

Investments

The investments are stated at their estimated fair value in accordance with Governmental Accounting Standards Board Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." Any change in unrealized gains and losses on investments are reported in the Statements of Revenues, Expenses and Changes in Trust Net Position. Gains and losses resulting from the sale of investments are determined using the specific identification method and are included in investment income. All investments are categorized as current assets as the Trust has the ability to sell these investments should that be necessary.

Fair Value Measurements

The Trust applies the Financial Accounting Standards Board framework as a method of applying the definition of fair value in Governmental Accounting Standards Board Statement No. 72. That framework provides a fair value hierarchy that prioritizes the inputs in valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 - Inputs are unadjusted quoted prices for identical assets in active markets.

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Fair Value Measurements - Continued

Level 2 - Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; or valuations based on models where the significant inputs are observable (e.g., interest rates, yield curves, prepayment speeds, default rates, loss severities, etc.) or can be corroborated by observable market data.

Level 3 - Inputs are unobservable and based on management estimate.

Excess Insurance

In the normal course of business, the Trust seeks to reduce the loss that may arise from catastrophes or other unforeseen events that cause unfavorable underwriting results by insuring certain levels of risk with other insurance enterprises. Excess insurance permits recovery of a portion of losses from excess insurance carriers, although it does not discharge the primary liability of the Trust as direct insurer of the risk subject to those agreements. The Trust does not report risks that invade the excess layers as liabilities unless it is probable that those risks will not be covered by the excess insurer. Settled claims have not exceeded the excess coverage in any of the past three fiscal years.

Excess insurance recoverable on paid losses, if any, represents amounts paid by the Trust in excess of the applicable retention which have not been reimbursed by the excess insurers. These amounts are reported as assets in the Statements of Net Position.

Excess insurance recoverable on unpaid losses, if any, represents incurred but unpaid losses in excess of the applicable retention. These amounts are recorded as a reduction to the liability for unpaid losses and loss adjustment expenses in the Statements of Net Position.

Prepaid Expenses and Other Assets

Ceded unearned premiums are accounted for as prepaid expenses and other assets. These costs are deferred and amortized on a straight-line basis over the life of the insurance contracts. Excess insurance premiums are generally paid in July and in October of each year and earned ratably each month.

Unpaid Losses and Loss Adjustment Expenses

The Trust establishes claims liabilities based on estimates of the ultimate cost of claims (including future allocated claim adjustment expenses) that have been reported but not settled and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Estimated amounts

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Unpaid Losses and Loss Adjustment Expenses - Continued

of salvage and subrogation and excess insurance recoverable on unpaid claims are deducted from the liability for unpaid claims.

Because actual claims costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount, particularly for coverage such as general liability. Claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on historical data that reflect past inflation and on other factors that are considered to be appropriate modifiers of past experience. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

Unearned Premiums

Premiums are billed based upon the estimated annual premiums due and are earned on a straight-line basis throughout the year. Amounts due are initially recorded as unearned premiums. Amounts due or paid that have not been recognized as revenues are displayed as unearned premiums.

The Trust recognizes premium deficiencies, if any, when the expected total cost of a policy exceeds unearned premiums and future investment income. No such premium deficiencies were recorded in any of the past three fiscal years.

Operating Revenues and Expenses

The Trust defines operating revenues and expenses as all periodic activities that contribute to the measurement of its risk financing objectives. The principal operating revenues of the Trust consist of premium earnings, which are direct charges for services. Operating expenses include losses, ceded earnings, acquisition costs, taxes and administration. All revenues and expenses, including investment earnings, not meeting this definition are reported as non-operating.

Earned Premiums

Premiums are recognized evenly over the term of the underlying insurance contracts. At year end, certain members that purchase workers' compensation from the Trust report actual payrolls to the administrator and the other members have a payroll audit. Any additional premiums due are billed at that time. Premiums for workers' compensation coverage as recorded herein are based upon actual payrolls as reported by the members for applicable accounts, and audited payrolls for the other members.

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Policy Acquisition Costs

Policy acquisition costs, which consist of agent commissions, are primarily related to the issuance of new insurance policies and these costs are expensed when the policy is written.

Income Taxes

The Trust is exempt from Income taxes under the provisions of Section 115 of the Internal Revenue Code.

Management Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain prior year amounts may have been reclassified to conform to current period classifications. These reclassifications, if any, had no impact on previously reported change in net position or net position.

NOTE 2 - FAIR VALUE MEASUREMENTS

The following table sets forth, by level within the fair value hierarchy, the Trust's assets at estimated fair value:

	As of September 30, 2023			
	Level 1	Level 2	Level 3	Total
Debt securities	\$ -	\$ 146,607,413	\$ -	\$ 146,607,413
Equity securities	<u>36,197,610</u>	-	-	<u>36,197,610</u>
Total securities	<u>\$ 36,197,610</u>	<u>\$ 146,607,413</u>	<u>\$ -</u>	<u>\$ 182,805,023</u>

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 2 - FAIR VALUE MEASUREMENTS - CONTINUED

	As of September 30, 2022			
	Level 1	Level 2	Level 3	Total
Debt securities	\$ -	\$ 147,576,012	\$ -	\$ 147,576,012
Equity securities	<u>36,842,689</u>	<u>-</u>	<u>-</u>	<u>36,842,689</u>
Total securities	\$ <u>36,842,689</u>	\$ <u>147,576,012</u>	\$ <u>-</u>	\$ <u>184,418,701</u>

The Trust did not have any Level 3 assets at any point during the years ended September 30, 2023 and September 30, 2022. There were no significant transfers between Level 1 and Level 2 during the years ended September 30, 2023 and September 30, 2022.

NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS

The Trust uses three cash accounts to transact its ongoing business and three types of investment portfolios to handle investment activities. Cash accounts are generally classified as operating, premium trust, and claims. The Trust has an investment portfolio devoted to debt securities. The Trust also has two investment portfolios devoted to equities, based on security type.

Cash and Cash Equivalents

The three cash accounts divide administration of the transactional requirements of the Trust into separate bank accounts. The operating account is used to pay for the general administrative costs of the Trust. The premium trust account is the depository for premiums of members and is the source used to pay all premium related charges other than claims and general administrative costs. Claims payment accounts are used to pay claims and claims adjustment expenses. The claims accounts are the depositories for subrogation, deductible and excess reimbursements.

All bank deposit amounts are covered by either federal depository insurance or collateral with the State of Florida under the Florida Security for Public Deposits Act (Chapter 280, Florida Statutes).

The Florida Security for Public Deposits Act (the Act) established guidelines for qualifications and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the Trust deposits in qualified public depositories are totally insured. The qualified

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED

Cash and Cash Equivalents - Continued

public depository must pledge at least 50 percent of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral, up to a maximum of 125 percent, may be required, if deemed necessary under the conditions set forth in the Act. Obligations pledged to secure deposits must be delivered to the State Treasurer, to a bank, savings association, or trust company provided a power of attorney is delivered to the Treasurer.

Investment Accounts

The Board of Trustees formally adopted a comprehensive investment policy pursuant to Section 218.415, Florida Statutes that establishes permitted investments, asset allocation limits, credit rating requirements and maturity limits to protect the Trust's cash and invested assets. The investments of the Trust comply with the limitations of its policy. The primary investment objective of the investment accounts is to provide a market return over the long term. To achieve this result, the investment portfolio consists of intermediate debt securities and equity securities. Additionally, the entire portfolio is diversified across economic sectors, geographic locations, and industries.

Investment balances in each portfolio for the years ended September 30, 2023 and 2022 were as follows:

	September 30, 2023		September 30, 2022	
	Estimated Fair Value	Percent Asset Allocation	Estimated Fair Value	Percent Asset Allocation
Debt portfolio	\$ 146,607,413	80.2%	\$ 147,576,012	80.0%
Common stock portfolio	8,611,172	4.7%	8,876,577	4.8%
Index portfolio	27,586,438	15.1%	27,966,112	15.2%
Total equity portfolio	36,197,610	19.8%	36,842,689	20.0%
Total	\$ 182,805,023	100.0%	\$ 184,418,701	100.0%

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED

Investment Accounts - Continued

Authorized investments must, by policy, meet specific quality standards based upon ratings issued by a nationally recognized statistical rating organization (NRSRO) and are benchmarked against appropriate indices for purposes of quarterly reporting to the Board of Trustees. Investments allowed under the Trust's investment policy include:

- Direct obligations of the United States Treasury including bills, notes, bonds and various forms of Treasury zero-coupon securities.
- Obligations of the agencies or instrumentalities of the Federal Government including but not limited to the Federal Home Loan Mortgage Corp, Federal National Mortgage Association, Federal Home Loan Banks, Federal Farm Credit Banks, and the Student Loan Marketing Association.
- Mortgage obligations guaranteed by the United States Government or sponsored agencies or instrumentalities. This includes mortgage pass-through securities as well as collateralized mortgage obligations.
- Asset-based securities issued in the United States as long as they are rated Aaa/AAA by at least one NRSRO.
- Corporate fixed-income securities issued by any corporation in the United States as long as they are rated Baa/BBB or better at the time of purchase by any NRSRO.
- U.S. dollar denominated and issued obligations and securities of foreign states or non-U.S. corporations which are rated Baa/BBB or better by at least one NRSRO.
- Money market mutual funds as defined and regulated by the SEC.
- Repurchase agreements.
- Commercial paper issued in the United States by any corporation with a rating of at least A+/A1 by at least one NRSRO.
- Certificates of deposit.
- Securities of state, municipal and county governments or their public agencies as long as they are rated at least Baa/BBB or better by an NRSRO.

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED

Investment Accounts - Continued

- Guaranteed investment contracts issued by insurance companies rated at least Baa/BBB or better by one NRSRO.
- Commingled investment funds, including but not limited to exchange traded funds, investment trusts, limited partnerships and listed no-load mutual funds.
- Equity securities including common stock, preferred stock, American depository receipts and interest bearing obligations having an option to convert into common stock.

Investments - Debt Securities

The following disclosures have been prepared relative to the debt securities of the Trust.

Interest rate risk. The risk that the fair value of securities in a portfolio may fall due to changes in general interest rates is referred to as interest rate risk. The Trust mitigates that risk by structuring its portfolio such that securities mature to meet cash requirements for ongoing operations or otherwise are available to meet possible temporary cash flow requirements that might be associated with increased losses. The Trust's strategy is designed to avoid the need to sell securities on the open market prior to maturity.

The Trust uses effective duration as a measurement of interest rate risk. Duration, as distinct from maturity, determines the amount of price volatility the portfolio would experience given a shift in interest rates. For example, a portfolio with a duration of 3.5 years would incur a price decrease (increase) of 3.5% in the event of a 1% increase (decrease) in interest rates. Maturity is the contractual end date of a debt security. Average life is used in the place of maturity for all debt securities such as mortgages that are subject to both amortization and prepayment. Mortgage-backed securities included in the portfolios are assigned an expected average life as a proxy for their maturity and to provide a reasonable basis for assessing compliance with the investment policy of the Trust. Expected average life anticipates the period a security will be outstanding based on both the contracted or scheduled maturity of the instrument and the likelihood of prepayments.

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED

Investments - Debt Securities - Continued

The debt securities portfolio limits maximum maturity of securities to ten years. The typical effective duration of the debt security portfolio is between 2.5 and 5.5 years. As of September 30, 2023 and 2022, the average maturity of the term debt securities portfolio was 4.94 years and 4.93 years, respectively; and the effective duration was 4.24 years and 4.2 years, respectively.

The schedule below shows the Trust's debt securities at September 30, 2023 and 2022.

Investments in debt securities are stated at their estimated fair value and consist of the following:

	September 30, 2023			
	Amortized Cost	Estimated Fair Value	Gross Unrealized Gains	Gross Unrealized Losses
U.S. Treasury securities	\$ 31,578,348	\$ 28,911,310	\$ --	\$ (2,667,038)
Corporate notes	91,576,484	81,311,608	--	(10,264,876)
Mortgage-backed paydown securities	<u>40,699,930</u>	<u>36,384,495</u>	<u>1,845</u>	<u>(4,317,280)</u>
Total debt securities	<u>\$ 163,854,762</u>	<u>\$ 146,607,413</u>	<u>\$ 1,845</u>	<u>\$ (17,249,194)</u>

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED

Investments - Debt Securities - Continued

	September 30, 2022			
	Amortized Cost	Estimated Fair Value	Gross Unrealized Gains	Gross Unrealized Losses
U.S. Treasury securities	\$ 32,854,212	\$ 30,310,940	\$ --	\$ (2,543,272)
Corporate notes	101,610,884	90,114,537	71,490	(11,567,837)
Mortgage-backed paydown securities	<u>30,206,054</u>	<u>27,150,535</u>	<u>20,828</u>	<u>(3,076,347)</u>
Total debt securities	<u>\$ 164,671,150</u>	<u>\$ 147,576,012</u>	<u>\$ 92,318</u>	<u>\$ (17,187,456)</u>

The amortized cost and estimated fair value of debt securities as of September 30, 2023 and 2022 by contractual maturity are shown below. In some instances, actual maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	September 30, 2023			
	Amortized Cost	Estimated Fair Value	Gross Unrealized Gains	Gross Unrealized Losses
Due in one year or less	\$ 11,633,967	\$ 11,308,795	\$ --	\$ (325,172)
Due after one year through five years	65,083,536	59,261,325	--	(5,822,211)
Due after five years through ten years	46,437,329	39,652,798	--	(6,784,531)
Mortgage-backed paydown securities	<u>40,699,930</u>	<u>36,384,495</u>	<u>1,845</u>	<u>(4,317,280)</u>
Total debt securities	<u>\$ 163,854,762</u>	<u>\$ 146,607,413</u>	<u>\$ 1,845</u>	<u>\$ (17,249,194)</u>

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED

Investments - Debt Securities - Continued

	September 30, 2022			
	Amortized Cost	Estimated Fair Value	Gross Unrealized Gains	Gross Unrealized Losses
Due in one year or less	\$ 15,410,813	\$ 15,337,224	\$ 71,490	\$ (145,079)
Due after one year through five years	56,447,393	52,071,930	--	(4,375,463)
Due after five years through ten years	62,606,890	53,016,323	--	(9,590,567)
Mortgage-backed paydown securities	<u>30,206,054</u>	<u>27,150,535</u>	<u>20,828</u>	<u>(3,076,347)</u>
Total debt securities	<u>\$ 164,671,150</u>	<u>\$ 147,576,012</u>	<u>\$ 92,318</u>	<u>\$ (17,187,456)</u>

The following is a weighted average duration by security type as of September 30, 2023 and 2022:

	September 30, 2023		September 30, 2022	
	Estimated Fair Value	Weighted Average Duration	Estimated Fair Value	Weighted Average Duration
U.S. Treasury securities	\$ 28,911,310	3.82	\$ 30,310,940	3.90
Corporate notes	81,311,608	3.65	90,114,537	3.98
Mortgage-backed paydown securities	<u>36,384,495</u>	5.91	<u>27,150,535</u>	5.29
Total debt securities	<u>\$ 146,607,413</u>		<u>\$ 147,576,012</u>	

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED

Investments - Debt Securities - Continued

The weighted average maturity of mortgage-backed paydown securities is approximately 22.8 years and 20.6 years at September 30, 2023 and 2022, respectively, based upon the contractual due dates of the individual securities. The effective duration for these securities, however is approximately 5.91 years and 5.29 years at September 30, 2023 and 2022, respectively, based upon the estimated times these securities will be outstanding.

Credit risk. The risk that losses might occur a result of the failure of a security issuer or backer is referred to as credit risk. The Trust's investments policy attempts to mitigate credit risk by limiting investments to the safest types of securities and by diversifying the investment portfolio so that potential losses on individual securities will be minimized.

The Trust had the following investments and credit ratings with the percent asset allocations at September 30, 2023 and 2022. The credit ratings are those of only one NRSRO.

	<u>Credit Rating</u>	<u>Portfolio Asset Allocation</u>	
		<u>9/30/23</u>	<u>9/30/22</u>
U.S. Treasury notes	TSY	19.7 %	20.5 %
Other governmental agencies and Mortgage-backed paydown securities	AGY	24.8	18.4
Corporate notes	Aaa	0.3	1.0
Corporate notes	Aa1	0.5	0.0
Corporate notes	Aa2	1.2	1.2
Corporate notes	Aa3	7.6	6.9
Corporate notes	A1	10.7	11.9
Corporate notes	A2	8.0	13.3
Corporate notes	A3	7.6	7.5
Corporate notes	Baa1	9.1	7.3
Corporate notes	Baa2	10.5	12.0

All debt securities purchased by the Trust must meet minimum credit rating requirements at the time of their acquisition. In the event of subsequent ratings downgrades, a security may continue to be held if it is believed that the ultimate repayment of principal and interest is still highly certain. The Trust's investment policy allows for corporate notes that fall outside investment guidelines to be held if management considers repayment to be highly certain.

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED

Investments - Debt Securities - Continued

Custodial credit risk. The Trust's investment policy pursuant to Section 218.415(18), Florida Statutes requires securities to be held with a third-party custodian; and all securities purchased by, and all collateral obtained by the Trust should be properly designated as an asset of the Trust. The securities must be held in an account separate and apart from the assets of the financial institution. A third-party custodian is defined as any bank depository chartered by the Federal Government, the State of Florida, or any other state or territory of the United States which has a branch or principal place of business in the State of Florida, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in the State of Florida.

Concentration of credit risk. Investment policy guidelines are specific to investment types maintained by the Trust. Additionally, within each account type, the Trust limits the amount held in any one investment.

The Trust's investment policy states that except for U.S. Treasury securities and money market funds, not more than 10% of the assets of the portfolio may be invested in the securities of any single issuer.

As of September 30, 2023 and 2022, the Trust had the following issuer concentrations based on fair value of the five largest individual issuers in the debt securities portfolio aside from direct obligations of the United States government:

	September 30, 2023	
	Estimated Fair Value	Estimated Percent Asset Allocation
Charles Schwab Corp.	\$ 3,845,077	2.6 %
Verizon Communications Inc.	2,859,266	2.0
Bank of New York Mellon	2,734,370	1.9
Toyota Motor Credit Corp.	2,436,121	1.7
Proctor & Gamble Co.	2,241,112	1.5
U. S. Treasury securities	28,911,310	19.7
Mortgage-back paydown securities	36,384,495	24.8
Other (combined)	67,195,662	45.8
Total debt securities	\$ 146,607,413	100.0 %

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED

Investments - Debt Securities - Continued

	September 30, 2022	
	Estimated Fair Value	Estimated Percent Asset Allocation
Charles Schwab Corp.	\$ 3,865,212	2.6 %
Verizon Communications Inc.	2,816,068	1.9
Bank of New York Mellon	2,694,026	1.8
Toyota Motor Credit Corp.	2,439,974	1.7
Proctor & Gamble Co.	2,254,715	1.5
U. S. Treasury securities	30,310,940	20.5
Mortgage-back paydown securities	27,150,535	18.4
Other (combined)	76,044,542	51.6
Total debt securities	\$ 147,576,012	100.0 %

Investments - Equity Securities Portfolio

The following disclosures have been prepared relative to the equity securities included in the equity portfolio of the Trust. While equity securities have a greater volatility than debt securities, the Trust attempts to mitigate the risk assumed by this asset allocation by investing in a well diversified mix of equity securities.

The equity portfolio is limited to publicly traded U.S. common or preferred equity securities listed on major U.S. exchanges, American Depository Receipts of foreign corporations traded on major U.S. exchanges, open ended mutual funds that have a minimum three year track record and total assets under management of at least \$250 million, exchange traded funds and money market funds.

Since the Trust allocates a maximum of 20% (plus or minus ten percent) of its investment portfolio to equities and holds approximately sixty equity securities, the Trust limits its exposure to the volatility of any individual equity security.

As of September 30, 2023 and 2022, the Trust's equity securities portfolio was segregated into two portfolios defined in the Trust's investment policy by security type.

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED

Investments - Equity Securities Portfolio - Continued

The cost and fair value of equity securities as of September 30, 2023 and 2022 are shown below:

	September 30, 2023			
	Cost	Fair Value	Gross Unrealized Gains	Gross Unrealized Losses
Equity securities	\$ <u>27,447,339</u>	\$ <u>36,197,610</u>	\$ <u>8,964,433</u>	\$ (<u>214,162</u>)
	September 30, 2022			
	Cost	Fair Value	Gross Unrealized Gains	Gross Unrealized Losses
Equity securities	\$ <u>33,162,003</u>	\$ <u>36,842,689</u>	\$ <u>5,526,650</u>	\$ (<u>1,845,964</u>)

Foreign Currency Risk

All securities purchased by the Trust must be denominated in U. S. dollars. The Trust has no exposure to foreign currency risk.

Investments - Debt and Equity Securities

Proceeds from sales of investment securities were approximately \$14,700,000 and \$17,900,000 during the years ended September 30, 2023 and 2022, respectively. Realized gains and losses of approximately \$2,118,000 and \$(445,000), respectively, were realized on the sales of investment securities during the year ended September 30, 2023. Realized gains and losses of approximately \$2,630,000 and \$(401,000), respectively, were realized on the sales of investment securities during the year ended September 30, 2022.

Information pertaining to securities with gross unrealized losses at September 30, 2023 and September 30, 2022, respectively, aggregated by length of time individual securities have been in a continuous loss position, is as follows:

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED

Investments - Debt and Equity Securities - Continued

	September 30, 2023					
	Less than 12 Months		12 Months or Greater		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
U.S. Treasury securities	\$ 2,633,310	\$ (231,807)	\$ 26,278,000	\$ (2,435,231)	\$ 28,911,310	\$ (2,667,038)
Corporate notes	1,873,263	(1,097)	79,438,345	(10,263,779)	81,311,608	(10,264,876)
Mortgage-backed paydown securities	13,971,198	(708,992)	22,184,108	(3,608,288)	36,155,306	(4,317,280)
Total debt securities	18,477,771	(941,896)	127,900,453	(16,307,298)	146,378,224	(17,249,194)
Equity securities	364,647	(64,926)	615,841	(149,236)	980,488	(214,162)
	<u>\$ 18,842,418</u>	<u>\$ (1,006,822)</u>	<u>\$128,516,294</u>	<u>\$ (16,456,534)</u>	<u>\$ 147,358,712</u>	<u>\$ (17,463,356)</u>

	September 30, 2022					
	Less than 12 Months		12 Months or Greater		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
U.S. Treasury securities	\$ 30,310,940	\$ (2,543,272)	\$ -	\$ (-)	\$ 30,310,940	\$ (2,543,272)
Corporate notes	51,736,838	(4,688,745)	34,389,438	(6,879,092)	86,126,276	(11,567,837)
Mortgage-backed paydown securities	21,358,190	(2,189,752)	5,085,869	(886,595)	26,444,059	(3,076,347)
Total debt securities	103,405,968	(9,421,769)	39,475,307	(7,765,687)	142,881,275	(17,187,456)
Equity securities	14,358,319	(1,661,876)	834,863	(184,088)	15,193,182	(1,845,964)
	<u>\$ 117,764,287</u>	<u>\$ (11,083,645)</u>	<u>\$ 40,310,170</u>	<u>\$ (7,949,775)</u>	<u>\$ 158,074,457</u>	<u>\$ (19,033,420)</u>

The unrealized losses on 163 and 148 debt securities at September 30, 2023 and 2022, respectively, were caused primarily by rising interest rates. The severity of the impairments (ranging from minimal to 22% and minimal to 23%, respectively) is consistent with the general trend in debt securities.

The unrealized losses on 10 and 23 equity securities at September 30, 2023 and 2022, respectively, were caused primarily by normal stock price fluctuations. The severity of the impairments (ranging from 9% to 35% and 1% to 44%, respectively) is consistent with the individual variability of a stock price over a short-term period of time.

The Trust has evaluated the near-term prospects of the issuers in relation to the severity and duration of the above impairments and has intent and ability to hold these investments for a reasonable period of time sufficient for a forecasted recovery of fair value. Further, the Trust has evaluated each issuer and noted no issuer with compelling evidence that any of these impairments have resulted from a credit loss. Based on this analysis, the Trust does not consider these impairments to be related to a credit loss. Accordingly, no allowance for credit losses was considered necessary as of September 30, 2023 and 2022.

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 4 - PREMIUMS RECEIVABLE/MEMBER PREPAYMENTS

Premiums receivable consist primarily of billed installments of policies written as well as additional premium amounts determined due to the Trust as a result of payroll audits. Management estimates an allowance for uncollectible accounts, if necessary, based on evaluations of the current status of the receivables, historical experience, reasonable forecasts about the future, and other factors as necessary. As of September 30, 2023 and 2022, there was no allowance for uncollectible accounts as management considers the balance to be fully collectible.

NOTE 5 - EXCESS INSURANCE RECOVERABLES ON PAID AND UNPAID LOSSES

The Trust purchased specific excess insurance to protect against large individual losses. This insurance indemnifies the Trust when paid losses on an individual occurrence exceed the retention level specified in the appropriate contract. The limits and retentions vary by line of business and by policy year.

The largest amount due from a single carrier on paid losses at September 30, 2023 and 2022 is approximately \$1,551,000 and \$1,239,000, respectively.

There are excess insurance recoverables on unpaid losses of approximately \$112,249,000 and \$111,203,000 (discounted) as of September 30, 2023 and 2022, respectively. These amounts are attributable to several carriers at both September 30, 2023 and 2022.

The failure of the excess insurers to honor their obligations could result in losses to the Trust. The Trust evaluates the financial condition of its excess insurers to minimize its exposure to significant losses from excess insurer insolvency. To the extent that excess insurance coverage of the Trust is deemed to be excess insurance under applicable Florida Statutes, any recoverables from an insolvent carrier would likely be paid by the applicable state operated guaranty fund.

The effects of excess insurance on premiums written and earned are as follows:

	Year Ended September 30, 2023		Year Ended September 30, 2022	
	<u>Earned</u>	<u>Written</u>	<u>Earned</u>	<u>Written</u>
Direct	\$ 139,531,002	\$ 146,857,525	\$ 122,567,826	\$ 123,509,512
Ceded	<u>68,142,206</u>	<u>67,291,906</u>	<u>55,733,472</u>	<u>58,187,475</u>
Net	<u>\$ 71,388,796</u>	<u>\$ 79,565,619</u>	<u>\$ 66,834,354</u>	<u>\$ 65,322,037</u>

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 6 - PREPAID EXPENSES AND OTHER ASSETS

Prepaid expenses and other assets consist of the following at September 30:

	<u>2023</u>	<u>2022</u>
Excess premiums	\$ 21,895,393	\$ 22,745,693
Administrative fees and other expenses	<u>1,321,979</u>	<u>719,570</u>
Total	<u>\$ 23,217,372</u>	<u>\$ 23,465,263</u>

These items will be charged to expenses during the succeeding year.

NOTE 7 - LIABILITY FOR UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

The reserves for unpaid losses and loss adjustment expenses are based upon evaluations of the Trust's losses as prepared by the Trust's independent actuary. These evaluations are significant estimates which are subject to change. These changes can be material in relation to the financial statements taken as a whole. These evaluations include an estimated provision for incurred but not reported losses (IBNR) as well as reported losses. The undiscounted IBNR provision totals approximately \$111,956,000 and \$110,754,000 as of September 30, 2023 and 2022, respectively.

The reserves for unpaid losses and loss adjustment expenses have been discounted for the time value of money. These reserves have been discounted over the estimated payout period of the losses based upon data provided by the independent actuary and utilizing an interest rate of 2.5% and 2% as of September 30, 2023 and 2022, respectively, which represents the anticipated investment earnings while the losses are being paid out. The discount totals approximately \$15,917,000 and \$13,260,000 at September 30, 2023 and 2022, respectively. The change in loss discount was an increase of approximately \$2,657,000 for the year ended September 30, 2023 and a decrease of approximately \$(12,000) for the year ended September 30, 2022.

Any change in the estimate of net ultimate incurred losses and loss adjustment expenses as compared to the prior years will result in a direct increase (favorable development) or decrease (unfavorable development) in the current year's net income. Increases or decreases of this nature occur as the result of claim settlements during the current year, and as additional information is received regarding individual claims, causing changes from the original estimates of the cost of these claims. Recent loss development trends are also taken into account in evaluating the overall adequacy of unpaid losses and loss adjustment expenses. In addition, there are no premium adjustments made based on loss development, as there are no retrospectively rated policies.

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 7 - LIABILITY FOR UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES - CONTINUED

The schedule below presents the changes in claims liabilities for the past three years of the Trust.

	September 30,		
	2023	2022	2021
Unpaid losses and loss adjustment expenses at the beginning of the year	\$ 163,147,626	\$ 163,516,388	\$ 155,604,898
Incurred losses and losses adjustment expenses:			
Provision for insured events of the current fiscal year	61,621,692	58,029,811	64,658,112
Provision for insured events of prior fiscal years	(5,500,824)	(4,277,870)	(6,381,999)
Total incurred losses and loss adjustment expenses	<u>56,120,868</u>	<u>53,751,941</u>	<u>58,276,113</u>
Payments:			
Losses and loss adjustment expenses attributable to insured events of the current fiscal year	15,044,469	14,294,196	15,838,909
Losses and loss adjustment expenses attributable to insured events of prior fiscal years	<u>41,692,394</u>	<u>39,826,507</u>	<u>34,525,714</u>
Total payments	<u>56,736,863</u>	<u>54,120,703</u>	<u>50,364,623</u>
Unpaid losses and loss adjustment expenses at the end of the year	<u>\$ 162,531,631</u>	<u>\$ 163,147,626</u>	<u>\$ 163,516,388</u>

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

**NOTE 7 - LIABILITY FOR UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES -
CONTINUED**

As noted in Note 1 and Note 5, the Trust has purchased specific excess insurance to protect itself against large losses. The incurred losses of the Trust are net of the effects of recoveries recognized under the excess insurance contracts referred to above. During the years ended September 30, 2023 and 2022, the Trust experienced an increase in the anticipated recoveries recognized from these contracts of \$28.9 million and \$2.9 million, respectively, which has been recorded as a decrease to losses and loss adjustments expenses in the respective years.

The unpaid losses and loss adjustment expenses as of September 30, 2023 will be paid over many years due to the types of coverages written by the Trust. The exact timing of payment of these amounts is unknown and subject to many variables, however the net amount estimated to be paid during 2024 is approximately \$43.9 million.

NOTE 8 - ACCOUNTS PAYABLE AND OTHER LIABILITIES

Trust members with a self-insured retention pay for losses and these losses are reimbursed by the Trust. These reimbursements are made by the Trust once all required support is received. As of September 30, 2023 and 2022, the amounts recorded as payable to members for these payments was approximately \$4,840,000 and \$3,760,000, respectively. These amounts are included in accounts payable and other liabilities.

NOTE 9 - CONTINGENCIES

Preferred Governmental Claim Services (herein after referred to as PGCS) is responsible for providing adjusting services for claims arising during the term of the contract. This includes adjusting services applicable to claims incurred in prior years provided that the contract is still in effect. In the event that the Trust becomes insolvent, PGCS would be required to provide claims adjusting services with respect to all open claims files until such files are closed.

However, in the event that the contract is terminated or not renewed, PGCS has no further obligation to adjust these claims beyond the contract period. Accordingly, the Trust would be liable for costs of adjusting the claims during the runoff period.

The amount of the obligation would be dependent upon a number of factors, including but not limited to the number of open claims upon termination, the severity of open claims, the laws in effect at the time of contract termination, as well as any subsequent changes to the law and the date of contract termination.

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 9 - CONTINGENCIES - CONTINUED

As the contract with PGCS has not been terminated as of September 30, 2023 or 2022 and due to the number of variables discussed above, it is not possible to determine the amount of this liability, if any. Accordingly, the accompanying financial statements make no provision for any such costs.

NOTE 10 - RELATED PARTY TRANSACTIONS

Each Trustee on the Board of Trustees is also a member of the Trust. Each Trustee abides by the same rules and regulations adhered to by all other members of the Trust. The Trust pays the Trustees for attending board meetings and reimburses the Trustees for various board meeting related expenses such as travel, lodging, and meals. The total of these expenses for the years ended September 30, 2023 and 2022 were approximately \$131,000 and \$85,000, respectively. These amounts are included in other expenses in the accompanying financial statements.

The Trust contracts with Public Risk Underwriters of Florida, Inc. (herein after referred to as PRU) to provide certain administrative services. This entity is related by virtue of common management. Additionally, PRU utilizes various insurance agents and affiliates to produce business for the Trust and to place excess contracts and other insurance products purchased by the Trust. The expenses incurred for these services is more fully described in the following “Administrative services, claim services, and certain broker and agent commissions” note.

The Trust also contracts with PGCS, an affiliate of PRU, to provide claims adjustment services. Additionally, PGCS utilizes affiliates for certain claims procedures. The expenses incurred for these services is more fully described in the following “Administrative services, claim services, and certain broker and agent commissions” note.

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

**NOTE 11 - ADMINISTRATIVE SERVICES, CLAIM SERVICES, AND CERTAIN
BROKER AND AGENT COMMISSIONS**

The Trust contracts with PRU to provide certain administrative services to the Trust. The Trust incurred expenses under the above referenced contract of \$13,566,847 and \$11,916,544 for the years ended September 30, 2023 and 2022, respectively, of which \$1,321,979 and \$719,570 is prepaid as of September 30, 2023 and 2022, respectively.

The Trust also contracts with PGCS, an affiliate of PRU, to provide claims adjustment services. The Trust incurred expenses under the above referenced contract of \$6,217,486 and \$5,218,709 for the years ended September 30, 2023 and 2022, respectively, of which \$652,877 and \$487,929 is payable as of September 30, 2023 and 2022, respectively.

In conjunction with adjusting claims, PGCS utilizes affiliates for certain claims procedures. These amounts are included in the claims expense in the accompanying financial statements. The Trust incurred expenses for these services of approximately \$2,559,000 and \$2,515,000 for the years ended September 30, 2023 and 2022, respectively.

There are various insurance agents that are affiliated with PRU that produce business for the Trust. The Trust incurred commission expenses with these agents of approximately \$6,573,000 and \$5,893,000 for the years ended September 30, 2023 and 2022, respectively. Substantially all of the amounts referenced above were paid as of September 30, 2023 and 2022.

The Trust utilizes certain affiliates of PRU to place excess contracts and other insurance products purchased by the Trust. These affiliates receive a commission for the placement of the coverage. The commissions attributable to these contracts totaled approximately \$2,995,000 and \$3,005,000 for the years ended September 30, 2023 and 2022, respectively. These commissions are included as part of the cost of excess insurance in the accompanying financial statements.

NOTE 12 - CONCENTRATIONS/UNCERTAINTY

The Trust writes select lines of insurance coverage for public entities within the State of Florida only. Approximately 30% of the 360 members represented 76% of member premiums for the year ended September 30, 2023 and 29% of the 368 members represented 75% of member premiums for the year ended September 30, 2022. Any recessionary pressures or other disturbances in this industry could have an adverse effect on the Trust's operations.

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

NOTE 12 - CONCENTRATIONS/UNCERTAINTY - CONTINUED

The Trust maintains cash in demand deposit accounts with federally insured banks that are also designated by the State of Florida as qualified public depositories. At times, the balances in these accounts may be in excess of federally insured limits and benefit from the collateral protection afforded by Chapter 280 of the Florida statutes.

The Trust's investments are exposed to a variety of uncertainties, including interest rate, market and credit risks. Due to the level of risk associated with certain investments, it is possible that changes in the values of these investments could occur in the near term. Such changes could materially affect the amounts reported in the financial statements of the Trust.

NOTE 13 - RISK MANAGEMENT

The Trust is exposed to various risks of loss. The Trust participates in the property, liability and workers' compensation pools offered by the Trust and carries other commercial insurance.

NOTE 14 - SUBSEQUENT EVENTS

Management considered subsequent events through January 17, 2024, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION



Shores, Tagman, Butler & Company, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Reconciliation of Claims Liabilities by Line of Business and the Comparative Schedule of Claims Development and Earned Assessments are presented for purposes of additional analysis and are not a required part of the financial statements of the Preferred Governmental Insurance Trust. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Shores, Tagman, Butler & Company, P.A.

January 17, 2024

Preferred Governmental Insurance Trust

Reconciliation of Claims Liabilities by Line of Business

The schedule below presents the changes in claims liabilities for the past two years by major line of businesses (in thousands).

	Year Ended 9/30/2023			Year Ended 9/30/2022		
	Workers' Comp	Other Property & Casualty	Total	Workers' Comp	Other Property & Casualty	Total
Unpaid losses and loss adjustment expenses at the beginning of year	\$ 81,804	\$ 81,344	\$ 163,148	\$ 81,848	\$ 81,668	\$ 163,516
Incurred losses and loss adjustment expenses:						
Provision for insured events of the current fiscal year	26,732	34,890	61,622	28,299	29,731	58,030
Provision for insured events of prior fiscal years	<u>(4,719)</u>	<u>(782)</u>	<u>(5,501)</u>	<u>(656)</u>	<u>(3,622)</u>	<u>(4,278)</u>
Total incurred losses and loss adjustment expenses	<u>22,013</u>	<u>34,108</u>	<u>56,121</u>	<u>27,643</u>	<u>26,109</u>	<u>53,752</u>
Payments:						
Losses and loss adjustment expenses attributable to insured events of the current fiscal year	7,160	7,884	15,044	7,401	6,893	14,294
Losses and loss adjustment expenses attributable to insured events of prior fiscal years	<u>19,086</u>	<u>22,607</u>	<u>41,693</u>	<u>20,286</u>	<u>19,540</u>	<u>39,826</u>
Total payments	<u>26,246</u>	<u>30,491</u>	<u>56,737</u>	<u>27,687</u>	<u>26,433</u>	<u>54,120</u>
Unpaid losses and loss adjustment expenses at the end of year	<u>\$ 77,571</u>	<u>\$ 84,961</u>	<u>\$ 162,532</u>	<u>\$ 81,804</u>	<u>\$ 81,344</u>	<u>\$ 163,148</u>

Preferred Governmental Insurance Trust
COMPARATIVE SCHEDULE OF CLAIMS DEVELOPMENT AND EARNED ASSESSMENTS
For the Period October 1, 2013 through September 30, 2023
Year ending September 30,

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Premiums and investment revenue:										
Earned	\$ 139,531,002	\$ 122,567,826	\$ 115,208,121	\$ 112,176,268	\$ 110,800,478	\$ 108,120,372	\$ 104,514,838	\$ 96,719,649	\$ 92,916,474	\$ 92,197,372
Ceded	(68,142,206)	(55,733,472)	(51,656,336)	(45,511,831)	(39,113,716)	(35,253,987)	(31,459,730)	(30,909,700)	(33,124,606)	(38,869,012)
Net earned	<u>71,388,796</u>	<u>66,834,354</u>	<u>63,551,785</u>	<u>66,664,437</u>	<u>71,686,762</u>	<u>72,866,385</u>	<u>73,055,108</u>	<u>65,809,949</u>	<u>59,791,868</u>	<u>53,328,360</u>
Net investment income (loss)	11,883,768	(27,429,409)	12,573,378	14,157,650	14,068,999	5,549,185	5,941,462	4,070,878	5,527,402	4,378,529
Unallocated expenses	30,961,579	27,130,487	25,942,367	25,518,129	25,432,776	25,372,412	24,342,520	21,755,655	20,845,434	20,584,448
Estimated incurred losses and expenses, end of policy year (1):										
Incurred	76,301,454	72,288,002	80,854,232	77,790,619	110,359,037	65,497,011	88,303,213	70,983,664	47,484,855	44,299,013
Ceded	(14,679,762)	(14,258,191)	(16,196,120)	(15,632,665)	(46,353,610)	(12,226,513)	(29,689,247)	(16,695,100)	(2,971,554)	(7,623,820)
Net incurred	<u>61,621,692</u>	<u>58,029,811</u>	<u>64,658,112</u>	<u>62,157,954</u>	<u>64,005,427</u>	<u>53,270,498</u>	<u>58,613,966</u>	<u>54,288,564</u>	<u>44,513,301</u>	<u>36,675,193</u>
Paid (cumulative) as of:										
End of policy year	15,044,469	14,294,196	15,838,909	15,877,820	15,464,357	12,511,430	13,974,075	11,351,283	8,876,651	6,873,787
One year later	-	27,332,389	31,382,480	30,475,007	30,025,552	25,368,470	25,295,124	21,206,906	19,914,172	16,125,646
Two years later	-	-	40,105,840	37,886,023	37,420,144	33,055,983	30,477,937	26,802,530	26,071,073	20,865,478
Three years later	-	-	-	44,703,727	41,141,497	38,976,232	34,992,953	30,847,930	31,269,516	24,810,326
Four years later	-	-	-	-	46,815,685	43,283,382	37,060,104	33,549,831	33,679,172	26,758,537
Five years later	-	-	-	-	-	45,899,024	38,774,287	34,801,438	36,124,487	29,002,571
Six years later	-	-	-	-	-	-	40,617,775	36,465,251	36,532,768	31,369,113
Seven years later	-	-	-	-	-	-	-	37,474,014	37,593,635	31,517,509
Eight years later	-	-	-	-	-	-	-	-	37,899,044	31,999,224
Nine years later	-	-	-	-	-	-	-	-	-	32,243,700
Re-estimated ceded losses and expenses (1)		39,523,431	13,051,849	12,356,885	12,270,074	55,495,173	39,620,032	9,794,139	8,153,428	11,708,748
Re-estimated net incurred losses: (1)										
End of policy year	61,621,692	58,029,811	64,658,112	62,157,954	64,005,427	53,270,498	58,613,966	54,288,564	44,513,301	36,675,193
One year later	-	56,476,237	62,726,932	60,732,704	62,391,608	54,633,251	55,181,733	49,286,557	46,463,847	39,799,393
Two years later	-	-	62,597,439	60,736,472	59,999,721	56,589,592	52,354,122	47,321,842	46,013,092	39,114,277
Three years later	-	-	-	60,663,519	57,841,742	56,267,909	52,289,560	44,491,417	46,160,390	38,289,513
Four years later	-	-	-	-	58,158,013	55,818,688	51,537,578	46,991,788	46,156,188	37,689,982
Five years later	-	-	-	-	-	54,956,495	49,923,504	45,804,016	46,798,411	37,735,328
Six years later	-	-	-	-	-	-	48,674,379	45,494,922	45,296,954	39,397,011
Seven years later	-	-	-	-	-	-	-	44,491,417	45,019,506	38,766,042
Eight years later	-	-	-	-	-	-	-	-	44,032,688	38,002,626
Nine years later	-	-	-	-	-	-	-	-	-	37,399,457
Increase (decrease) in estimated incurred losses and expenses from end of policy year		\$ (1,553,574)	\$ (2,060,673)	\$ (1,494,435)	\$ (5,847,414)	\$ 1,685,997	\$ (9,939,587)	\$ (9,797,147)	\$ (480,613)	\$ 724,264

(1) These amounts have been discounted

Tab 5

Successful Experience and Qualifications of Firm and Staff

Tab 5: Successful Experience and Qualifications of Firm and Staff

Respondents shall provide a five-page summary regarding their ability to deliver the requested services in a specific timeframe, including a proposed project timeline. Information regarding dedicated staff and current workload should be provided. Respondent shall provide the list of current staff that can perform the work and have experience & skill in managing insurance for municipalities. Include the extent of each person's participation and their related experience. Indicate the approximate percentage of the total work to be accomplished by each individual. List all subcontracted services and Third Party Administrator, attorney firms, managed care arrangements, and vendor service providers.

Resumes of key personnel should also be included and must include the person who will be assigned as City's direct representative. Resumes should not exceed two-pages per person. Resumes should include a description of:

- Training, education, and degrees.
- Related experience and for whom.
- City's Representative must have experience in managing municipal/government clients
- Professional certifications, licenses, and affiliations.

Services Management Process

Our team believes constant communication and a thorough understanding of the City's risk exposures at all times of year is critical to providing the most effective risk management program. It is crucial to recognize the exposure facts and meet with you before approaching the marketplace to provide the City with insight into the current market conditions and identify the City's goals and risk appetite.

Our service commitment includes establishing a client-specific calendar of events which proactively guides the insurance program in real-time and assures that our team is with you every step of the way. This includes fulfilling City expectations on communications, deliverables and reporting requirements. It is our procedurally mandated service commitment to immediately identify and document customer expectations in order to meet those needs on a daily and on-going basis.

We will initiate the renewal process approximately 120-150 days prior to renewal and will meet with City staff to review current exposures, potential new exposures, and prepare our underwriting submissions. We have developed a marketing plan to access all viable insurance markets with the City's approval.

A summary of our general Workflow specifically designed to serve the City is below.

Insurance Workflow Timeline

120-150 days prior to EACH policy expiration

- » Initiate Marketing Process
- » Current market conditions analysis
- » Estimate changes in cost – self-insured and risk transfer
- » Discuss Budget Constraints and Goals
- » Written request for underwriting data
- » Assist in collection of risk exposure information
- » Establish competitive markets to be approached
- » Identify desired coverage, terms, and conditions goals

90 to 120 Days prior to policy expiration

- » Approval of Submission to risk-transfer/insurance markets by client
- » Submit underwriting data to chosen and/or all interested carriers
- » Update Risk Management on progress and early pricing and coverage term indications

60 to 90 days prior to expiration

- » Update of quotes received and markets approached
- » Cost of Risk Analysis - Liability
- » Catastrophic Modeling Results - Property
- » Develop recommendation for most effective program

30 to 60 days prior to expiration

- » Attend Meetings and Workshops
- » Assist in preparation of Board Agenda items
- » Complete required signed documents
- » Submit Requests to Bind to chosen carriers

Inside 30 days prior to expiration

- » Request, Review and Issue Binders
- » Issue any recurring Certificates of Insurance
- » Issue Invoices – with special instruction for timing of payments as needed
- » Issue Binders

30 to 60 days after policy inception

- » Re-issue any expired binders
- » Review, correct and issue policies

Ongoing

- » Daily Policy Maintenance and Client Service Requests
- » Claims Reporting and Advocacy
- » Aggregate and Large Claim Reviews
- » Property appraisal management and implementation
- » Maintain, Update and Scrub Property Statement of Values data
- » Stewardship Reports
- » Provide Analytics, including Cat Modeling
- » Review Risk Management Polices
- » Inspection/Loss Prevention Program Implementation
- » Flood Zone Audits for Property
- » Market Trend and Emerging Markets Identification
- » Legislative Change Tracking
- » Industry News Communications
- » Other Special Projects as agreed
- » Contractual Risk Transfer/Vendor Contracts
- » Vendor Certificate of Insurance Review

Insurance Proposal Presentation

Our insurance professionals present a written proposal detailing all proposed services and insurance terms and conditions including but not limited to:

- » Current Insurance Market Summary/Update (industry data and analysis)
- » Market Overview (carrier quotes and declinations)
- » Comprehensive Coverage Comparisons
- » Expiring vs. Renewal Comparison
- » Claim Analysis
- » Catastrophic property and other modeling analytics
- » Retention and policy limit options analysis
- » Summary of terms, conditions and exclusion highlights, specimen forms and compensation disclosures
- » Copies of all insurer quotes are included in our hard copy proposal
- » Written confirmation of all commissions paid to broker/intermediaries

Attendance at Public and Internal Meetings

Our team regularly attends our local government client's meetings for internal staff meetings, leadership meetings and for public meetings. is available to attend Board Meetings, Department Meetings, Insurance and Safety Committee Meetings, and any discussions or meetings with the Risk Management Team.

We agree to attend as many meetings as desired or necessary upon request by the City.

Agency Management Systems

The key to effective administrative support from our agency is through internal organization and follow-through. Our team utilizes Vertafore, and a suite of agency management systems spearheaded by **AMS360 Online**. These systems enable our team to effectively manage all client tasks with integrated solutions focused on identifying, tracking, and completing workflows on time, every time.

Our system manages all aspects of account management including, billing, document management, communications, (emails, applications, written correspondence, etc.), marketing, claims, certificates of insurance and many other daily transactional activities. All pending items are suspended and completed in a specified time frame. This system is designed and maintained so that each service team member can service any account if a primary account representative is out of the office. To guarantee our ability to provide continuous uninterrupted service AMS 360 data is maintained in redundancy at an offsite location. **If any of our locations were to suffer a**



catastrophic loss, we could still operate at full capacity on a remote basis and with the support of our multiple office structure.

AMS360 is an agency management system that provides the foundation for our team to boost productivity and track all workflows. It helps streamline workflows, improve renewal timelines, improve teammate productivity, and enables our team to deliver excellent customer service. AMS 360 allows our team to:

- » **Integrate agency-carrier workflows**
- » **Better manage and access insurance documents and client content**
- » **Configure workflows to route the right work to the right person at the right time**
- » **Provides real-time insights**
- » **Reduce time spent on finance and accounting through insurance process automation**
- » **Automate alerts on renewals and analyze rate information for use by our brokerage team**
- » **Integrate technology inputs from vendors, clients and carriers**

Quality Control

Our Agency Management Systems (AMS 360) and other Quality Control guidelines ensure that tasks and activities are completed in a timely manner. Brown & Brown has a **Quality Control division which includes multiple teams of internal auditors**. These auditors perform not only financial audits, but also file and Information Technology audits of each office to assure funds, records and client service are performed in accordance with the company's policies and procedures. The results of these audits are made directly to Brown & Brown's Board of Directors. In addition, we have corporate standards, including procedures such as: Catastrophe Plan, Contract Review standards, Internal Procedures Manuals, Correspondence Management, Data Retention, etc.

All team members must and will follow corporate Quality Control Guidelines for timeliness and service delivery. Annual requirements include:

- » Insurance Coverage Review Checklists completed annually
- » Mandatory internal self-audit procedure and financial audits to ensure quality procedures and desired results.
- » Mandatory annual compliance training for employees, including insurance licensing, cyber/IT, ethics, and various computer software.
- » These trainings are timely and are directly related to our customer experience. For example, MS Teams training was required immediately following the pandemic lockdown orders.

Security Committee

Although we cannot predict the future results of any company, we persistently offer only financially secure insurers to our clients. Per corporate mandate, Brown & Brown is not authorized to provide quotes to our clients from unauthorized insurers or insurers with a less than AM Best rating of A- or those not rated by AM Best without an authorized exception. However, since it may be in the best interest of our clients to review and bind quotes from certain alternative risk transfer providers, Brown & Brown has established a Market Security Committee which reviews and monitors insurers falling into these categories: Risk Retention Groups, Captives, Self-Insured Groups, Trusts, State Funds, and Joint Underwriting Associations.

In addition,

- » Each team member monitors industry news from various sources daily.
- » AM Best ratings are confirmed and provided formally any time a quote is presented.
- » Any discussion or further research regarding ratings or financial position is performed, as necessary.

Our Team

Our team of passionate, motivated, hard-working insurance industry leaders is extremely excited and ready to continue our relationship with the City with a focus on long-term goals and improvements to the City's current program.

Our entire team of insurance professionals is cross-trained and educated on all accounts, which provides continuity and exceptional service standards. It is our service model to immediately identify and document client expectations and to meet those needs on a daily and ongoing basis.

Part of the Brown & Brown culture is our endless pursuit of learning. All teammates within Brown & Brown are required to maintain required national, state, and local licensures. All teammates also are mandated to complete annual training programs and other focused education requirements. 2024 required courses included cyber risk management, ethics, and licensure requirement review. These requirements ensure higher knowledge and consistency of our professionals, and therefore consistency of quality service for our clients.

Brown & Brown University (BBU) has been developed over the past 15 years to provide in-house education to ensure teammates receive technical training, advanced learning, market navigation, leadership skills, product and presentation innovations, and best practices within our culture.

Increasing our knowledge of the insurance industry helps us to stay focused on our core operations and enhance the company's ability to sell and service insurance. In addition to obtaining and maintaining the proper state licenses, teammates and leaders are encouraged to pursue insurance related designations. The educational programs that encompass these designations serve two

important needs. First, the coursework provides insurance professionals with an in-depth understanding of industry practices. Second, having achieved these designations illustrates an insurance professional's expertise in their field to prospective clients.

Brown & Brown has partnered with some of the organizations that offer continuing education and designation programs for the insurance industry including The Institutes, The National Alliance for Insurance Education, The National Association of Benefits and Insurance Professionals, The National Underwriter Company, and The American College. These partnerships give teammates discounts on their education costs. In addition, we reimburse employees for all education costs.

Our team's collective experience exceeds **300 years**, and all teammates are encouraged to continue their pursuit of knowledge by continuing educational endeavors. As a result, most teammates hold professional insurance/risk designations, including:

- Bachelor of Science – Risk Management/Insurance
- AIDA – Associate in Insurance Data Analytics
- ARM-P – Associate in Risk Management for Public Entities
- RMPE – Completion of Risk Management for Public Entities
- CIC – Certified Insurance Counselor
- CISR – Certified Insurance Service Representative
- CPCU – Chartered Property Casualty Underwriter
- CRM – Certified Risk Manager
- GBA – Group Benefits Associate
- GBDS – Group Benefits Disability Specialist
- GWPC -Certified Wellness Program Coordinator
- VBS – Voluntary Benefits Specialist
- CEBS – Certified Employee Benefits Specialist

For the intentions of this RFP, the City's team leaders will continue to be Matt Montgomery and Bill Wilson, MBA. Mr. Montgomery and Mr. Wilson both have an extensive background working within and alongside government entities in the State of Florida. Mr. Wilson and Mr. Montgomery will be available for face-to-face meetings and presentations. Their experience in the Florida public entity sector provides unmatched risk management expertise, top tier levels of service as well as a proven track record for managing risks with high catastrophe prone exposures. A brief introduction to the key team members is shown on the following page:

Management Team Member	Responsibilities
<p>Matthew Montgomery Executive Vice President (100% Involvement)</p>	<ul style="list-style-type: none"> * Executive oversight of Brown & Brown servicing office * Authorized to execute contracts * Governmental operations specialist * Executive level communications and presentations * Interaction with legislative developments * Oversees all aspects of insurance program placements and broker services
<p>Bill Wilson, MBA Public Risk Advisor (100% Involvement)</p>	<ul style="list-style-type: none"> * Executes all aspects of insurance program placements and broker services * Risk Management service and analysis, claim review and response advocate, overall program implementation
<p>Michelle Martin, CIC Sr. Vice President Public Risk Advisor (As Needed Involvement)</p>	<ul style="list-style-type: none"> * Oversees technical approach, strategy, program review, analysis, insurance program design, marketing, and negotiations
<p>Paul Dawson Sr. Vice President Public Risk Advisor (As Needed Involvement)</p>	<ul style="list-style-type: none"> * Oversees technical approach, strategy, program review, analysis, insurance program design, marketing, and negotiations
<p>Trish Jenkins, CPSR Public Risk Specialist (100% Involvement)</p>	<ul style="list-style-type: none"> * Senior account manager * Backup to assist in Marketing and Program design * Day-to-day communication and policy servicing * Primary contact for all policy services * Quote/Binder/Policy review for accuracy * Invoicing, certificates, and general inquiries * Property, Auto and Inland Marine schedule maintenance * Creation and assembly of reports, claims data and loss history summaries
<p>Jessica Conway Public Risk and Claims Specialist (As Needed Involvement)</p>	<ul style="list-style-type: none"> * Additional contact for all service & Certificates of Insurance * Claims processing and handling * National Flood Insurance Program (NFIP) specialist
<p>Chris Kittleson, ARM Director of Loss Control Technical (100% Involvement)</p>	<ul style="list-style-type: none"> * Preferred Governmental Insurance Trust Loss Control * Oversight of In-house Loss Control & Training Resource * Expert in safety and loss mitigation techniques

Project Management Team



Matt Montgomery
Brown & Brown
Public Sector
Practice Leader

LOCATION: Corporate
Headquarters
Daytona Beach, FL

Mr. Montgomery leads Brown & Brown Public Sector with 20 years of experience in Federal and State Government and 11 Years representing Florida Local Government's Property, Casualty and Employee Benefits Programs. Matt will continue to be the lead Project Manager for the City of Lake Worth Beach, ensuring that the entire team of Property, Casualty, Claims and Loss Control professionals are executing at the highest level to deliver the City exceptional results every year.

Matt's expertise spans the entire insurance industry but is mainly focused on large local governments. Matt is the team leader for the brokerage teams which serve The State of Florida's Property Program, Palm Beach County, Hillsborough County, the City of Ft. Lauderdale, City of Miami, City of Jacksonville, Naples, and more than \$50 Billion in insured.

Matt directs our team providing deliverables for the City. Throughout the contract year, Mr. Montgomery will oversee insurance submissions, marketing, negotiation, and presentation of insurance program design. He will be directly involved and responsible for the delivery of related resources including claims advocacy, asset and other insurable financial analysis and valuations, loss control, property appraisal, and other services.

As part of Mr. Montgomery's duties as EVP of Brown & Brown Public Sector, Matt is ultimately responsible for the entire team of professionals and the service standards and deliverables provided to our governmental clients. His philosophy is to build successful teams, procedures and results around two main themes.
Accountability and Communication

Matt's qualifications and experience include the following:

- Florida State University, BS Degree, Philosophy
- Brown & Brown, Inc. – 2013 to Present
- Florida Dept. of Highway Safety & FHP – 2011 to 2013
- Southern Strategy Group – 2007 to 2011
- United States Senate – 2002 to 2007
- 2-20 General Lines Agent License, State of Florida
- 2-15 Life, Health, & Variable Annuities License, State of Florida
- Board Member Halifax Humane Society
- Board Member Take Stock in Children

Project Management Team



Bill Wilson, MBA
Public Risk Advisor

LOCATION: Broward
County (reports to
Corporate Headquarters
Daytona Beach, FL)

Mr. Wilson serves as a Public Risk Advisor for Brown & Brown Public Sector with over 15 years of experience in State and State Government. Bill's expertise is particularly valuable for direct assistance with public entities throughout South Florida. He represents over a dozen cities risk management programs in the Tri-County, including Town of Jupiter, Town of Davie, City of Miami, and City of Fort Lauderdale.

As the Public Risk Advisor, Bill will continue to serve as a primary contact to the City for the execution of the City's risk management services. Bill's Public Entity and Risk Management experience is inclusive of leading service and marketing teams, data analytics & stewardship reporting, and providing contract review and recommendations. He also provides presentations to executive staff and Boards, and other executive meetings, as needed. Bill provides direct support to all aspects of client services.

Throughout the contract, Bill will continue to engage in insurance submission, marketing, negotiation, presentation of coverage, program design and financial analysis. He will stay directly involved and responsible for the delivery of related resources including claims advocacy, asset and other insurable financial analysis and valuations, loss control, property appraisal, and other services.

- » Insurance and self-insurance program and policy design
- » Local government financing and budgeting
- » Public entity law (FL Statutes, procurement, court rulings, contractual liability, etc.)
- » Contractual insurance requirements and Certificate of Insurance (COI) review
- » Builders Risk Advisor and Procurement Specialist
- » Involved in business and client interests via industry organizations, including PRIMA, FCCMA, FLC and RIMS.

Bill's qualifications and experience include the following:

- Florida International University, BA in Finance
- Florida International University, MBA in Finance
- Brown & Brown – 2022- Present
- State & Local Government Independent Consultant 2021-2022
- Miami-Dade County (BOCC) -2017-2021
- State of Florida (Florida House and Florida Commerce) - 2006-2017
- State University System (FIU) - 2000-2006
- 15+ years of Government experience
- 2-20 General Lines Agents License, State of Florida

Project Support Team



Michelle Martin, CIC
**Senior Vice President/
Public Risk Advisor**

LOCATION: Corporate
Headquarters
Daytona Beach, FL

Michelle Martin will continue to support the project team for the execution of the City's risk management plan. She will help direct our team providing deliverables for this project. Michelle's professionalism and expertise in the industry has been exemplified by his commitment to and representation of Florida's large self-insured governmental entities over the past 30 years. Throughout the contract year, Michelle will assist in insurance submissions, marketing, negotiation, and presentation of insurance program design. It is important to note that Michelle's workload has been tailored to provide the extra attention deserved by our Risk Management accounts. Her ability to effectively manage these projects have been developed from a unique background and subject-matter focus highlighted below.

- » Lead Account Executive for 12 FL public entity self-insureds
- » 30 years' experience includes Marketing Manager for corporate office, negotiation, and placement of alternative risk transfer mechanisms for US and European commercial business. Since 2005, sole focus on public entity program management.
- » Large multi-layered property design and placement
- » Insurance and self-insurance program and policy design
- » Local government financing and budgeting
- » Public entity law (FL Statutes, procurement, court rulings, etc.)
- » Claims advocacy, including extensive hurricane recovery experience.
- » Informational and educational presentations to public entities and industry organizations.
- » Involved and committed to keeping on the cutting edge of our business and client interests via industry organizations, including PRIMA, FERMA, FCCMA, FLC and RIMS.

Michelle's qualifications and experience include the following:

- Certified Insurance Counselor (CIC)
- Risk Management for Public Entities (RMPE)
- Advisory Board Member – SW Florida PRIMA
- Brown & Brown – 1995 to Present
- 2-20 General Lines Agent License, State of Florida
- 29 years of Florida Public Entity Insurance Experience
- 33 years Insurance Brokerage Experience

Project Support Team



**Paul Dawson, ARM-P
Senior Vice President/
Public Risk Advisor**

LOCATION: Corporate
Headquarters
Daytona Beach, FL

Paul Dawson will continue to support the project team for the execution of the City's risk management plan. He will help direct our team providing deliverables for this project. Paul's expertise in the industry has been exemplified by his commitment to and representation of Florida's large self-insured governmental entities over the past 28 years. Paul has written and maintained numerous clients in across the State of Florida Throughout the contract year, Paul will assist in insurance submissions, marketing, negotiation, and presentation of insurance program design. His ability to effectively manage these projects has been developed from a unique background and subject-matter focus highlighted below.

- » 28 years' experience includes sole focus on public entity program management, catastrophic claims advocacy,
- » Large multi-layered property design and placement
- » Insurance and self-insurance program and policy design
- » Local government financing and budgeting
- » Public entity law (FL Statues, procurement, court rulings, contractual liability, etc.)
- » Claims advocacy, including extensive hurricane recovery experience.
- » Informational and educational presentations to public entities and industry organizations.
- » Involved and committed to keeping on the cutting edge of our business and client interests via industry organizations, including PRIMA, FCCMA, FLC and RIMS.

Paul's qualifications include the following:

Associates in Risk Management for Public Entities (ARM-P)
Brown & Brown - 1995 to Present
2-20 General Lines Agent License, State of Florida

Project Support Service Team



Trish Jenkins, CPSR
Senior Public
Risk Specialist

LOCATION: Corporate
Headquarters
Daytona Beach, FL

Ms. Jenkins will continue to serve the City of Lake Worth Beach as the day-to-day service point of contact. She is highly familiar with the City's program, and well versed in responding to the City's service requests, issuing certificates of insurance, maintaining property, vehicle, and equipment schedules, claims handling as well as general requests for service. Trish boasts an impressive record of accurate, quality service and routinely receives accolades from her clients. She currently handles some of Brown & Brown's largest and most complex clients and is well trained and experienced in handling custom self-insured insurance programs.

Key functions include but are not limited to:

- » Quote/Binder/Policy review for accuracy
- » Proposal/Binder/Policy delivery
- » Invoicing, Certificates, and general inquiries
- » Audits and premium adjustments
- » Carrier premium payments
- » Property, Auto and Inland Marine Schedule maintenance
- » Provide up-to-date Schedules of Insurance coverage
- » Creation and assembly of reports, claims data and loss history summaries
- » Securing alternative needs such as performance bonds, additional coverages, etc.

Trish's qualifications include the following:

Certified Public Risk Specialist (CPSR)
Brown & Brown – 2010 to Present
N.T. Vincent Ins. – 2000 to 2010
2-20 General Lines Agents License, State of Florida
23 years Commercial Insurance Experience
13+ years of Florida Public Entity Experience

Project Service Team Claims Specialist



Jessica Conway
Public Risk and Claims
Specialist

LOCATION: Corporate
Headquarters
Daytona Beach, FL

Ms. Conway provides front line claims reporting and advocacy for the Brown & Brown Public Sector office. She spearheads public entity administrative and claims routine service functions, including daily client communication; maintain claims assistance; and will handle general requests for service in a multitude of other areas as needs arise or as requested.

Key functions include but are not limited to:

- » Issuance of Certificates of Insurance (COI)
- » COI Review and Compliance
- » Claims file management and general inquiries
- » Creation and assembly of reports, claims data and loss history summaries
- » NFIP Flood Program Policy Administration
- » Flood Audit Review and Compliance

Jessica's qualifications include the following:

Stetson University, Bachelor of Science
Brown & Brown – 2023 to Present
2-20 General Lines Agents License, State of Florida

Project Loss Control & Safety



**Christopher Kittleson, ARM,
CPSI
Director of Loss Control
Service, Public Risk
Underwriters**

LOCATION: Boca Raton,
Florida

Mr. Kittleson provides highly tailored loss control and risk management services to the City of Lake Worth Beach and is extremely familiar with the City's needs and long-term goals. Chris provides similar services to dozens of other local governments in the South Florida area and is a passionate and effective loss control advocate.

Chris brings expert advice regarding risk identification and control in the field and at the employee level. His work has been exclusively focused on South Florida public entities for 13 years.

Chris' areas of focus include:

- » Assessment and Implementation of Safety and Loss Control initiatives and programs
- » Onsite employee safety training
- » Safety Inspections
- » Safety Program Review & Evaluation
- » Safety Committee Development and Guidance
- » Accident Review Board Development and Guidance
- » Human Resources/Employee Relations
- » Performance Improvement
- » Analyzing and Protecting of Assets

Christopher's qualifications include:

30 years' experience in the insurance industry
Public Risk Underwriters – 2007 to Present
Risk management policies and procedures
Safety Committee meeting organization, agenda format, and direct participation for topical discussions or leadership needs.
Claims monitoring and mitigation through training programs,
OSHA Certified
National Safety Council Instructor
B.S. Engineering Technology, St. Cloud State University, MN

Tab 6

Similar Projects and References

EXHIBIT "D"

RFP #24-207 PROPERTY AND CASUALTY INSURANCE

SIMILAR PROJECTS

List three (3) similar projects successfully completed in the past five (5) years by the firm who will be managing the contract. Projects shall provide evidence of experience and skill with similar scope, knowledge with providing Property and Casualty Insurance services. **All listed projects listed shall be for services provided to government entities/municipalities.** Only one project listed may be for the City of Lake Worth Beach if applicable.

Completed Project #1:

Agency/company: City of Lauderhill

Current contact person at agency/company: Cici Krempler, Risk and Human Resources Manager

Telephone: (954)730-3097 Fax: (954)730-7240 E-mail: ekrempler@lauderhill-fl.gov

Address of agency/company: 5581 W. Oakland Park Blvd, Lauderhill, FL 33313

Name of project: Insurance Broker Services

Description: Provided Property, Casualty, Professional and Excess Workers Compensation placements each year. During this period, our team also consulted on property appraisals, flood audits, contract and certificate of insurance reviews, claims management and reviews, and safety training. Our team also successfully placed Boiler & Machinery, Sports Accident Liability, Storage Tank Liability, Firefighter Cancer, Ocean Marine (Hull Coverage), Liquor Liability, NFIP Flood and various external General Liability and Events Policy needs for the City.

Project value: \$1,900,000 Start date: 2011 Completion date: Present
(month/year) (month/year)

Name(s) of assigned personnel:

Project manager: Bill Wilson, MBA

Others: Matthew Montgomery, Trish Jenkins, Robin Russell

Completed Project #2:

Agency/company: Town of Jupiter

Current contact person at agency/company: Daisy Sand, Risk Manager and Human Resources

Telephone: (561) 741-2312 Fax: _____ E-mail: daisys@jupier.fl.us

Address of agency/company: 210 Military Trail, Jupiter, FL, 33458

Name of project: Insurance Broker Services

Description: Provided Property, Casualty, Professional and Workers Compensation placements each year. During this period, our team also consulted on property appraisals, flood audits, contract and certificate reviews, claims management and reviews, and safety training. Our team also successfully placed Pollution Liability, Ocean Marine (Hull Coverage), Drone Liability, AD&D, NFIP Flood, and various external General and Excess Liability policies for the Town.

Project value: \$2,175,000 Start date: 1998 Completion date: Present
(month/year) (month/year)

Name(s) of assigned personnel:

Project manager: Bill Wilson, MBA

Others: Matthew Montgomery, Trish Jenkins, Robin Russell

Completed Project #3:

Agency/company: City of Lighthouse Point

Current contact person at agency/company: Kathryn Sims, City Clerk

Telephone: (954)784-3441 Fax: _____ E-mail: ksims@lighthousepoint.com

Address of agency/company: 2200 N.E. 38th Street, Lighthouse Point, FL 33064

Name of project: Insurance Broker Services

Description: Provided Property, Casualty, Professional and Workers Compensation placements each year. During this period, our team also consulted on property appraisals, flood audits, contract and certificate reviews, claims management and reviews, safety committee and training. Our team also successfully place Ocean Marine (Hull Coverage), Firefighter Cancer Policy, and AD&D for the City.

Project value: \$850,000 Start date: 2002 Completion date: Present
(month/year) (month/year)

Name(s) of assigned personnel:

Project manager: Bill Wilson, MBA

Others: Matthew Montgomery, Trish Jenkins, Robin Russell

EXHIBIT "E"

RFP #24-207 PROPERTY AND CASUALTY INSURANCE

REFERENCES

List below, or on an attached sheet, list references per RFP requirements for providing the required services. Provide the name, addresses and telephone numbers of organizations, governmental clients, comparable to the City for whom similar or comparable services have been provided **within the past three (3) years**. This form may be copied. **Respondents shall not use City's employees as their references.**

REFERENCE #1

Name of Client: Town of Davie

Address: 8800 SW 36th Street, Davie, FL 33328

Phone: (954) 797-1097 Fax: ()

Contact Person: Jose Lugo, jlugo@davie-fl.gov Title: Risk Manager

Description of services: Broker Services for all Property, Casualty, Professional and Excess
Workers' Compensation Coveage

REFERENCE #2

Name of Client: City of Plantation

Address: 400 NW 73rd Avenue, Plantation, FL 33317

Phone: (954) 730-3090 Fax: ()

Contact Person: Carole Morris, cmorris@plantation.org Title: City Administrator / Risk

Description of services: Broker Services for all Property, Casualty, Professional and Workers
Compensation Coverage

REFERENCE #3

Name of Client: City of Parkland

Address: 6600 University Drive, Parkland, FL 33067

Phone: (954) 754-4124 Fax: ()

Contact Person: Chris Johnson, cjohnson@cityofparkland.org Title: Finance Director

Description of services: Broker Services for all Property, Casualty, Professional and Workers
Compensation Coverage

Tab 7

Veteran Business Enterprise, Small Business and Local Business Preference

EXHIBIT "H"

RFP #24-207 PROPERTY AND CASUALTY INSURANCE

**VETERAN BUSINESS ENTERPRISE, SMALL BUSINESS AND
LOCAL BUSINESS PREFERENCE FORM**

Not Applicable

Section 2-117 of the City's Code of Ordinances shall govern the application of a Veteran Business Enterprise, Small Business and/or Local Business preference for this RFP.

The undersigned Respondent, hereby claims the following preference:

- Veteran Business Enterprise
- Small Business
- Local Business

Documentation to support a Respondent as a Veteran Business Enterprise, Small Business and/or Local Business must be submitted with a bid in response to the RFP and attached to this form. Documentation submitted after the bid deadline will be rejected.

Signature: _____

I hereby certify that the above statements are true and correct to the best of my knowledge and I understand that a false or inaccurate statement may result in the rejection of this bid/proposal/submittal or the immediate termination of any resulting agreement with the City of Lake Worth Beach.

By: _____

Print Name: _____

Print Title: _____

Print Name of Business: _____

Tab 8

Default, Termination, Litigation, Debarment, etc.

Tab 8: Default, Termination, Litigation, Debarment, etc.

Respondents should provide a summary of any default, termination, litigation, debarment against or which named the Respondent in the past five (5) years which is related to the goods and/or services sought in this RFP or that Respondent otherwise provides in the regular course of business. The summary shall state the nature of the default, termination, litigation, debarment or a brief description of the outcome or projected outcome, and the monetary amount involved. *If none, state as such.*

Risk Management Associates, Inc., aka Brown & Brown Public Sector has not had any defaults, terminations, litigation, debarment against or which named the Respondent in the past five years.

Tab 9

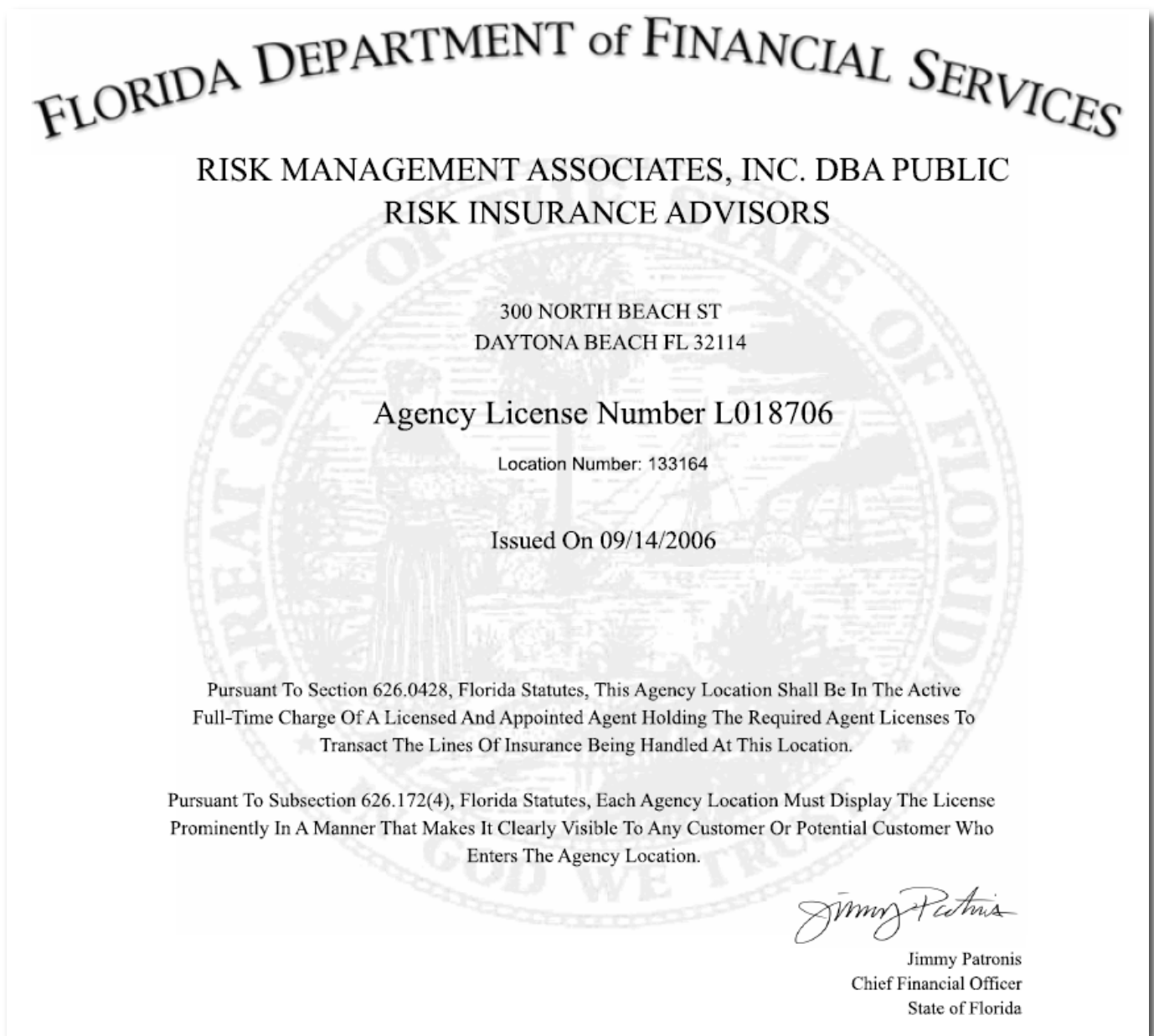
Proof of Licenses

Tab 9: Proof of Licenses

Respondents shall provide proof of required licenses for the firm and scope of services to be performed. This shall include:

- Proof of all applicable licenses for services to be rendered (including registration with State of Florida Division of Corporations if applicable)

Licenses



FLORIDA DEPARTMENT OF FINANCIAL SERVICES

MATTHEW ROBERT MONTGOMERY
License Number : W162587

Resident Insurance License	Issue Date
<ul style="list-style-type: none"> • 0220 - GENERAL LINES (PROP & CAS) • 0215 - LIFE INCL VAR ANNUITY & HEALTH 	01/09/2014 10/04/2013

Please Note: To validate the accuracy of this license you may review the individual or business entity's license record under "License Search" on the Florida Department of Financial Services website at <http://www.MyFloridaCFO.com/DivisionAgents>.

Jimmy Petrus
 Chief Financial Officer
 State of Florida

FLORIDA DEPARTMENT OF FINANCIAL SERVICES

WILLIAM PAUL DAWSON
License Number : A063548

Resident Insurance License	Issue Date
<ul style="list-style-type: none"> • 0220 - GENERAL LINES (PROP & CAS) 	04/22/1995

Please Note: A licensee may only transact insurance with an active appointment by an eligible insurer or employer. If you are acting as a surplus lines agent, public adjuster, or insurance intermediary manager/broker, you should have an appointment recorded in your own name on file with the Department. If you are unsure of your license status you should contact the Florida Department of Financial Services immediately. This license will expire if more than 48 months elapse without an appointment for each class of insurance listed. If such expiration occurs, the individual will be required to re-qualify as a licensee applicant. If this license was obtained by passing a licensure examination offered by the Florida Department of Financial Services, the licensee is required to comply with continuing education requirements contained in §§231.05 or §§235.05, Florida Statutes. A licensee may track their continuing education requirements completed or needed on their MyFlorida account at <http://www.MyFloridaCFO.com>. To validate the accuracy of this license you may review the individual license record under "License Search" on the Florida Department of Financial Services website at <http://www.MyFloridaCFO.com/DivisionAgents>.

Jimmy Petrus
 Chief Financial Officer
 State of Florida

FLORIDA DEPARTMENT OF FINANCIAL SERVICES

MICHELLE YVETTE MARTIN
License Number : A166553

Resident Insurance License	Issue Date
<ul style="list-style-type: none"> • 0220 - GENERAL LINES (PROP & CAS) 	8/6/1994

Please Note: A licensee may only transact insurance with an active appointment by an eligible insurer or employer. If you are acting as a surplus lines agent, public adjuster, or insurance intermediary manager/broker, you should have an appointment recorded in your own name on file with the Department. If you are unsure of your license status you should contact the Florida Department of Financial Services immediately. This license will expire if more than 48 months elapse without an appointment for each class of insurance listed. If such expiration occurs, the individual will be required to re-qualify as a licensee applicant. If this license was obtained by passing a licensure examination offered by the Florida Department of Financial Services, the licensee is required to comply with continuing education requirements contained in §§231.05 or §§235.05, Florida Statutes. A licensee may track their continuing education requirements completed or needed on their MyFlorida account at <http://www.MyFloridaCFO.com>. To validate the accuracy of this license you may review the individual license record under "License Search" on the Florida Department of Financial Services website at <http://www.MyFloridaCFO.com/DivisionAgents>.

Jimmy Petrus
 Chief Financial Officer
 State of Florida

FLORIDA DEPARTMENT OF FINANCIAL SERVICES

WILLIAM PAUL WILSON II
License Number : W879980

Resident Insurance License	Issue Date
<ul style="list-style-type: none"> • 0220 - GENERAL LINES (PROP & CAS) 	07/26/2022

Please Note: A licensee may only transact insurance with an active appointment by an eligible insurer or employer. If you are acting as a surplus lines agent, public adjuster, or insurance intermediary manager/broker, you should have an appointment recorded in your own name on file with the Department. If you are unsure of your license status you should contact the Florida Department of Financial Services immediately. This license will expire if more than 48 months elapse without an appointment for each class of insurance listed. If such expiration occurs, the individual will be required to re-qualify as a licensee applicant. If this license was obtained by passing a licensure examination offered by the Florida Department of Financial Services, the licensee is required to comply with continuing education requirements contained in §§231.05 or §§235.05, Florida Statutes. A licensee may track their continuing education requirements completed or needed on their MyFlorida account at <http://www.MyFloridaCFO.com>. To validate the accuracy of this license you may review the individual license record under "License Search" on the Florida Department of Financial Services website at <http://www.MyFloridaCFO.com/DivisionAgents>.

Jimmy Petrus
 Chief Financial Officer
 State of Florida

FLORIDA DEPARTMENT OF FINANCIAL SERVICES

PATRICIA BRIANNA JENKINS
License Number : A230015

Resident Insurance License	Issue Date
<ul style="list-style-type: none"> • 0220 - GENERAL LINES (PROP & CAS) 	01/30/2012

Please Note: A licensee may only transact insurance with an active appointment by an eligible insurer or employer. If you are acting as a surplus lines agent, public adjuster, or insurance intermediary manager/broker, you should have an appointment recorded in your own name on file with the Department. If you are unsure of your license status you should contact the Florida Department of Financial Services immediately. This license will expire if more than 48 months elapse without an appointment for each class of insurance listed. If such expiration occurs, the individual will be required to re-qualify as a licensee applicant. If this license was obtained by passing a licensure examination offered by the Florida Department of Financial Services, the licensee is required to comply with continuing education requirements contained in §§231.05 or §§235.05, Florida Statutes. A licensee may track their continuing education requirements completed or needed on their MyFlorida account at <http://www.MyFloridaCFO.com>. To validate the accuracy of this license you may review the individual license record under "License Search" on the Florida Department of Financial Services website at <http://www.MyFloridaCFO.com/DivisionAgents>.

Jimmy Petrus
 Chief Financial Officer
 State of Florida

FLORIDA DEPARTMENT OF FINANCIAL SERVICES

JESSICA ANNE CONWAY
License Number : G022408

Resident Insurance License	Issue Date
<ul style="list-style-type: none"> • 0220 - GENERAL LINES (PROP & CAS) 	07/19/2023

Please Note: A licensee may only transact insurance with an active appointment by an eligible insurer or employer. If you are acting as a surplus lines agent, public adjuster, or insurance intermediary manager/broker, you should have an appointment recorded in your own name on file with the Department. If you are unsure of your license status you should contact the Florida Department of Financial Services immediately. This license will expire if more than 48 months elapse without an appointment for each class of insurance listed. If such expiration occurs, the individual will be required to re-qualify as a licensee applicant. If this license was obtained by passing a licensure examination offered by the Florida Department of Financial Services, the licensee is required to comply with continuing education requirements contained in §§231.05 or §§235.05, Florida Statutes. A licensee may track their continuing education requirements completed or needed on their MyFlorida account at <http://www.MyFloridaCFO.com>. To validate the accuracy of this license you may review the individual license record under "License Search" on the Florida Department of Financial Services website at <http://www.MyFloridaCFO.com/DivisionAgents>.

Jimmy Petrus
 Chief Financial Officer
 State of Florida

*Additional licenses available upon request



[Department of State](#) / [Division of Corporations](#) / [Search Records](#) / [Search by FEI/EIN Number](#) /

Detail by FEI/EIN Number

Florida Profit Corporation
RISK MANAGEMENT ASSOCIATES, INC.

Filing Information

Document Number H16549
FEI/EIN Number 59-2445801
Date Filed 08/14/1984
State FL
Status ACTIVE
Last Event NAME CHANGE AMENDMENT
Event Date Filed 04/15/2003
Event Effective Date NONE

Principal Address

300 NORTH BEACH STREET
DAYTONA BEACH, FL 32114

Changed: 03/18/2021

Mailing Address

300 NORTH BEACH STREET
DAYTONA BEACH, FL 32114

Changed: 03/18/2021

Registered Agent Name & Address

CORPORATION SERVICE COMPANY
1201 HAYS STREET
TALLAHASSEE, FL 32301-2525

Name Changed: 09/18/2019

Address Changed: 09/18/2019

Officer/Director Detail

Name & Address

Title DIRECTOR, PRESIDENT

BROWN, P. BARRETT
300 NORTH BEACH STREET
DAYTONA BEACH, FL 32114

Title VICE PRESIDENT

WATTS, RICHARD ANDREW
300 NORTH BEACH STREET
DAYTONA BEACH, FL 32114

Title TREASURER

State of Florida Department of State

I certify from the records of this office that RISK MANAGEMENT ASSOCIATES, INC. is a corporation organized under the laws of the State of Florida, filed on August 14, 1984.


The document number of this corporation is H16549.

I further certify that said corporation has paid all fees due this office through December 31, 2024, that its most recent annual report/uniform business report was filed on April 23, 2024, and that its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

*Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this
the Twentieth day of May, 2024*




Secretary of State

Tracking Number: 4521027371CU

To authenticate this certificate, visit the following site, enter this number, and then follow the instructions displayed.

<https://services.sunbiz.org/Filings/CertificateOfStatus/CertificateAuthentication>

- Statement or proof of required insurance.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/08/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Brown & Brown of Florida, Inc. P O Box 2412 Daytona Beach FL 32115	CONTACT NAME: Jayne McGraw PHONE (A/C, No, Ext): (386) 239-5757 FAX (A/C, No): (386) 239-6190 E-MAIL ADDRESS: Jayne.McGraw@bbrown.com
INSURED BROWN & BROWN INC ET AL PO Box 2412 Daytona Beach FL 32115	INSURER(S) AFFORDING COVERAGE INSURER A: Travelers Property Casualty Company of America NAIC # 25674 INSURER B: XL Specialty Insurance Company 37885 INSURER C: The Continental Insurance Company 35289 INSURER D: The Charter Oak Fire Insurance Company 25615 INSURER E: INSURER F:

COVERAGES CERTIFICATE NUMBER: 24022 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			TC2J-GLSA-9527B874-TIL-24	01/01/2024	01/01/2025	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 10,000,000 PRODUCTS - COMPIOP AGG \$ 2,000,000 \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			TC2J-CAP-9527B862-TIL-24	01/01/2024	01/01/2025	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$			60111849429	01/01/2024	01/01/2025	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 \$
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	UB-1R870198-24-51-K	01/01/2024	01/01/2025	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
B	INS AGENTS E&O			US00106979EO24A	01/01/2024	01/01/2025	LIMIT 20,000,000 AGGREGATE 20,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
NAMED INSURED: RISK MANAGEMENT ASSOCIATES, INC.
RE: AGREEMENT FOR PROPERTY & INSURANCE SERVICES
CITY OF LAKE WORTH BEACH IS ADDITIONAL INSURED ON THE GENERAL LIABILITY, PER FORM CG D2 48 04 19. THE UMBRELLA POLICY IS FOLLOW FORM OVER THE GENERAL LIABILITY, AUTO LIABILITY, AND EMPLOYERS LIABILITY, PER FORM CNA 75504XX 03 15.

CERTIFICATE HOLDER CITY OF LAKE WORTH BEACH 7 N DIXIE HIGHWAY LAKE WORTH BEACH FL 33460	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
--	---

© 1988-2015 ACORD CORPORATION. All rights reserved.

AGENCY CUSTOMER ID: _____

LOC #: _____



ADDITIONAL REMARKS SCHEDULE

Page ____ of ____

AGENCY Brown & Brown of Florida, Inc.		NAMED INSURED BROWN & BROWN INC ET AL	
POLICY NUMBER			
CARRIER	NAIC CODE	EFFECTIVE DATE:	

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
 FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance: Notes

INSURER A-WORKERS COMPENSATION-POLICY UB-1R861269-24-51-R-TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA-EFF 1-1-24
 TO 1-1-25, LIMITS 1,000,000/1,000,000/1,000,000 - COVERS AZ, WI, MA

THE UMBRELLA POLICY IS FOLLOW FORM OVER THE GENERAL LIABILITY, AUTO LIABILITY, AND EMPLOYERS LIABILITY

- Proof of Respondent's Business Tax Receipt (as applicable).



CITY OF DAYTONA BEACH
Local Business Tax Receipt # BT-65997

THE CITY OF DAYTONA BEACH
 301 S. Ridgewood Ave., Rm 127-B
 DAYTONA BEACH, FL 32114

Business Name: PUBLIC RISK INSURANCE AGENCY

Location: 220 S Ridgewood Ave, DAYTONA BEACH, FL 32114

Business Type: Insurance agency or company

RISK MANAGEMENT ASSOCIATIONS, INC DBA PUBLIC RISK INSURANCE AGENCY

DEVELOPMENT SERVICES DEPARTMENT
 Business Tax Division
 Phone: 386-671-8280

BT-65997	BT No
9/26/2023	Valid From
9/30/2024	Valid To
9/26/2023	Payment Date
\$150.00	Fee Amt

Mail To:
 PUBLIC RISK INSURANCE AGENCY
 220 S RIDGEWOOD AVE, STE 210
 DAYTONA BEACH FL 32114

2024

**Local Business
 Tax Receipt**

DISPLAY AT PLACE OF BUSINESS FOR PUBLIC INSPECTION
 THE CITY DOES NOT CERTIFY OR IMPLY COMPETENCE OF BUSINESS.

CITY OF DAYTONA BEACH

BUS. TAX NO. BT-65997
 THE CITY OF DAYTONA BEACH
 301 S. Ridgewood Ave., Rm 127-B
 DAYTONA BEACH, FL 32114

PUBLIC RISK INSURANCE AGENCY
 220 S Ridgewood Ave, DAYTONA BEACH, FL 32114

PAID RECEIPT

Receipt Date	Charge Name	Charge Amount	Tender Type
9/26/2023	Insurance agency or company	\$150.00	Check
		Total \$150.00	

00000BT659970000000000000

Appendix

EXHIBIT "B"

RFP #24-207 PROPERTY AND CASUALTY INSURANCE

CITY CAMPAIGN CONTRIBUTION STATEMENT

This RFP is subject to Section 2-101 of the City of Lake Worth Beach Code of Ordinances regarding campaign contributions which provides:

Sec. 2-101. - Additional and supplemental disclosures requirements.

- (a) Any elected official of the City of Lake Worth Beach, who is a current sitting member of the city commission and has accepted an election campaign contribution in an amount that is more than one hundred dollars (\$100.00) from an individual or business entity having an interest in a matter before the city commission in which the city commission will take action, must publicly disclose, both verbally and in writing, such contribution prior to any discussion or vote on the matter. The written disclosure must be submitted to the city clerk.
- (b) Any applicant coming before the city commission for an award of a contract with the city and who has made an election campaign contribution in an amount that is more than one hundred dollars (\$100.00) to any elected official of the city commission, who is a current sitting member of the commission, must disclose such election campaign contribution, verbally and in writing, during the application or bidding process and before the award of the contract.

Respondent to complete: Check which statement applies, fill in the requested information, if applicable, and sign below.

Neither the undersigned business nor any of its owners or officers contributed more than \$100.00 to the campaign of a sitting City Commission member. [If you checked this statement, you are done and may sign below.]

The undersigned business or one or more of its owners or officers contributed more than \$100.00 to the campaign of a sitting City Commission member. All such contributions are listed below and on the attached sheet of paper (if more room is needed). [If you checked this statement, please fill in the information requested below and sign below.]

1. _____ contributed a total of \$ _____ to the campaign of City Commission member _____.
2. _____ contributed a total of \$ _____ to the campaign of City Commission member _____.
3. _____ contributed a total of \$ _____ to the campaign of City Commission member _____.
4. _____ contributed a total of \$ _____ to the campaign of City Commission member _____.

Signature:

I hereby certify that the above statements are true and correct to the best of my knowledge and I understand that a false or inaccurate statement may result in the rejection of this bid/proposal/submittal or the immediate termination of any resulting agreement with the City of Lake Worth Beach.

By:  _____

Print Name: Matthew Montgomery

Print Title: Executive Vice President

Print Name of Business: Risk Management Associates, Inc., a wholly owned subsidiary of Brown & Brown, Inc.

Commissioner/Mayor to complete: Check which statement applies, fill in the requested information, if applicable, and sign below.

Neither the above referenced business nor any of its owners or officers contributed more than \$100.00 to my campaign. [If you checked this statement, you are done and may sign below.]

The above referenced business or one or more of its owners or officers contributed more than \$100.00 to my campaign. All such contributions are listed below and on the attached sheet of paper (if more room is needed). [If you checked this statement, please fill in the information requested below and sign below.]

_____ contributed a total of \$ _____ to my campaign.
_____ contributed a total of \$ _____ to my campaign.
_____ contributed a total of \$ _____ to my campaign.
_____ contributed a total of \$ _____ to my campaign.

Signature:

I hereby certify that the above statements are true and correct to the best of my knowledge and I understand that a false or inaccurate statement may result in the rejection of this bid/proposal/submittal or the immediate termination of any resulting agreement with the City of Lake Worth Beach.

By:  _____

Print Name: Matthew Montgomery

For City Clerk's Use Only.

THIS SECTION SHALL BE COMPLETED ONLY IF THERE IS A CAMPAIGN CONTRIBUTION LISTED ABOVE BY THE VENDOR OR COMMISSION MEMBER.

Applicable campaign contributions were disclosed in writing above, and prior to the award of the contract, the following statements were verbally made at the City Commission Meeting on the ____ day of _____, 2024.

Check all that apply.

_____ Commissioner/Mayor _____ verbally disclosed the campaign contribution(s) set forth above.

_____ Vendor, _____, verbally disclosed the campaign contribution(s) set forth above.

EXHIBIT "F"

RFP #24-207 PROPERTY AND CASUALTY INSURANCE

CONFIRMATION OF DRUG-FREE WORKPLACE

In accordance with Section 287.087, Florida Statutes, whenever two or more proposals are equal with respect to price, quality, and service which are received by any political subdivision for the procurement of commodities or contractual services, a proposal received from a business that certifies that it has implemented a drug-free workplace program shall be given preference in the award process. In order to have a drug-free workplace program, a business shall:

- (1) Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition.
- (2) Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
- (3) Give each employee engaged in providing the commodities or contractual services that are under proposal a copy of the statement specified in subsection (1).
- (4) In the statement specified in subsection (1), notify the employees that, as a condition of working on the commodities or contractual services that are under proposal, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of guilty or nolo contendere to, any violation of chapter 893 or of any controlled substance law of the United States or any state, for a violation occurring in the workplace no later than 5 days after such conviction.
- (5) Impose a sanction on, or require the satisfactory participation in a drug abuse assistance or rehabilitation program if such is available in the employee's community by, any employee who is so convicted.
- (6) Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign this statement on behalf of [Risk Management Associates, Inc.](#), I certify that [Risk Management Associates, Inc.](#) complies fully with the above requirements.



Authorized Representative's Signature

7/3/2024

Date

Matthew Montgomery

Print Name

Executive Vice President

Position

EXHIBIT "G"

RFP #24-207 PROPERTY AND CASUALTY INSURANCE

SCRUTINIZED COMPANIES CERTIFICATION FORM

By execution below, I, Matthew Montgomery, on behalf of Risk Management Associates, Inc. (hereinafter, the "Contractor"), hereby swear or affirm to the following certifications:

The following certifications apply to all procurements:

1. The Contractor has reviewed section 215.4725, Florida Statutes, section 215.473, Florida Statutes and section 287.135, Florida Statutes, and understands the same.
2. The Contractor is not on the Scrutinized Companies that Boycott Israel List nor is the Contractor engaged in a boycott of Israel.
3. If awarded a contract, the Contractor agrees to require these certifications for applicable subcontracts entered into for the performance of work/services under this procurement.
4. If awarded a contract, the Contractor agrees that the certifications in this section shall be effective and relied upon by the City for the entire term of the contract, including any and all renewals.
5. If the contract awarded hereunder is for one million dollars or more, the following additional certifications apply:
 - a. The Contractor is not on the Scrutinized Companies with Activities in Sudan List.
 - b. The Contractor is not on the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List.
 - c. The Contractor is not engaged in business operations in Cuba or Syria.
6. If awarded a contract, the Contractor agrees to require these certifications for applicable subcontracts entered into for the performance of work/services under this procurement.
7. If awarded a contract, the Contractor agrees that the certifications in this section shall be effective and relied upon by the City for the entire term of the contract, including any and all renewals.

CONTRACTOR:

By: 

Name: Matthew Montgomery

Title: Executive Vice President

Date: 7/3/2024

STATE OF Florida)

COUNTY OF Volusia)

THE FOREGOING instrument was acknowledged before me by means of physical presence or online notarization on this ___ day of July 2024, by Matthew Montgomery, as the Executive Vice President [title] of Risk Management Associates, Inc. [vendor's name], a Florida Corporation [corporate description], who is personally known to me or who has produced _____ as identification, and who did take an oath that he or she is duly authorized to execute the foregoing instrument and bind the CONTRACTOR to the same.

Notary Seal:




Notary Public Signature

2024

Services Guide

Preferred[®]
PGIT GOVERNMENTAL
INSURANCE TRUST



Preferred Governmental Insurance Trust (Preferred) is a member-owned insurance risk pool serving Florida's public entities since 1999. With a statewide presence and localized options, Preferred is the only Insurance Trust in Florida that uses a totally dedicated and independent agency distribution system for optimal member service.

Table of Contents

3	Introduction
4	Loss Control Consultants & Service Regions
5	Safety & Risk Management Services Overview
6	Claims Management & Training
7	Preferred TIPS
8	Online Learning Center
9	Streaming Video Training
10	Risk Management Resource Center
11	My Community Workplace
12	Preferred Virtual Training Academy
13	Onsite Safety Survey Program
14	Health and Safety Fair Participation

Service is the heart of what we do.

This Services Guide is designed to outline and describe the comprehensive resources and services available to the members of the Preferred Governmental Insurance Trust. The Preferred Loss Control team is available to assist members with their loss control service and risk management needs.



To effectively serve our members, we will implement the following additional measures as needed:

- Maintain effective relationships with agents by keeping them informed of each member's resource requirements and service needs.
- Work closely with PGCS Claim Services to share information and refine data that is used to evaluate our members and target specific areas where services may be required to assist in improving member claims costs.

It is of paramount importance that the level of service we provide meets or exceeds the expectations of our members. We take a pro-active approach to serving our members and encourage you to contact us with your thoughts and input.

Loss Control Consultants & Service Regions



Pam Hancock

Director of Loss Control Services

Cell: (321)960-3432 | Email: PHancock@PublicRisk.com

Pam has worked in the insurance field for 28 years, with the last 15 years with Public Risk Underwriters of Florida, Inc. Her experience includes working in program development, marketing, training and liaison between members and Underwriting, Claims and of course Risk Management. She is a Certified ADA Coordinator and has completed the 10-hour OSHA Outreach Training course in General Industry Safety and Health. Pam also completed the Fundamentals of Employment Law with State College of Florida. Her educational background is in business and computer programming. She is an active member of Southwest Florida PRIMA, as well as a Professional Member of the American Society of Safety Professionals (ASSP).

Pam serves our Southwest Regional members located within the following Florida counties: Charlotte, Citrus, Collier, DeSoto, Glades, Hardee, Hendry, Hernando, Highlands, Hillsborough, Manatee, Lee, Okeechobee, Osceola, Pasco, Pinellas, Polk, Sarasota.

Chris Kittleson

Director of Loss Control Technical Services

Cell: (321)525-0353 | Email: CKittleson@PublicRisk.com

Christopher H. Kittleson is the Director of Loss Control Technical Services for Public Risk Underwriters of Florida and provides Loss Control services for public entities in the Southeast Florida region. With over 24 years of Safety & Health consulting experience in both the public/private sector, Chris has developed expertise in the areas of Safety Program Development, Return-to-Work Programs, Regulatory Compliance, Accident Investigation and Safety Training. Chris graduated Cum Laude from St. Cloud State University, St. Cloud, MN with a Bachelor's of Science in Engineering Technology, has earned his Associate in Risk Management (ARM), is a National Safety Council Certified Defensive Driving Course Instructor, as well as a Professional Member of the American Society of Safety Professionals (ASSP), Past President of the South Florida Chapter of ASSP and was awarded the 2013 Safety Professional of the Year Award by the South Florida Chapter of ASSP.

Chris serves the Southeast Regional members located within the following Florida counties: Brevard, Broward, Dade, Indian River, Martin, Monroe, Palm Beach, St. Lucie.

Mike Marinar

Director of Member Services

Phone: (321)832-1473 | Cell: (407)725-6858 | Email: MMarinar@PublicRisk.com

Mike has a degree in Industrial Safety Engineering and over 38 years' experience in the Safety and Risk Management field. He has been employed by Public Risk Underwriters of Florida, Inc. for 20 years. He holds an RMPE designation, General Lines 220 and 218 licenses, is an active member of Central Florida PRIMA, as well as an active member of ASSP and numerous related Safety and Health organizations. He was a Governor appointee to the Task Force on Workplace Safety.

Mike serves the Panhandle/Central Region members located within the following Florida counties: Alachua, Baker, Bay, Bradford, Calhoun, Clay, Columbia, Dixie, Duval, Escambia, Flagler, Franklin, Gadsden, Gilchrist, Gulf, Hamilton, Holmes, Jackson, Jefferson, Lafayette, Lake, Leon, Levy, Liberty, Madison, Marion, Nassua, Okaloosa, Orange, Putnam, Santa Rosa, Seminole, St. Johns, Sumter, Suwanee, Taylor, Union, Volusia, Wakulla, Walton, Washington.

Please contact the Preferred Loss Control Team with any questions you have.

Safety & Risk Management Services Overview



To better serve our members, we provide a full complement of services, resources and support. All services and resources are free to Preferred members.

Below is a quick summary of the many resources provided to Preferred members:

+ Safety & Risk Management Consultative Services

The Preferred Loss Control Team provides safety and risk management consultative services based on the best practices of accident prevention and claims management. Through the development and implementation of a customized service plan, your Loss Control Consultant will assist you and your organization in reducing claims frequency/severity as well as controlling insurance costs.

+ Claims Management

Your Public Risk Underwriters of Florida Loss Control Consultant will assist with the coordination of Claims Reviews and Claims 101 training, which are provided by Preferred Governmental Claims Solutions (PGCS). The intent is to assist members with posturing claims for positive outcomes as well as educate members on the best practices of claims management.

+ Preferred TIPS Program

Provides a reimbursement of up to 50 percent for relevant safety equipment/risk management training up to a maximum of \$5,000 per policy period.

The success of any Public Entity is tied to its ability to protect and preserve its human and physical assets. This basic premise serves as the cornerstone of an effective safety and risk management program and underscores the importance of safety and risk management to the community. Preferred Loss Control Consultants are very aware of the valuable contribution that a comprehensive Loss Control Program can make to your bottom line.

+ Online Learning Center

An online training platform offering more than 700 training courses covering topics related to HR/employment practices, OSHA compliance, motor vehicle safety and cyber awareness.

+ Streaming Video Training

An on-line video streaming service offering an extensive video library of over 700 videos allows you to watch videos 24/7 on your preferred mobile device. Topics include transport safety, hazmat, workplace safety, construction safety and human resource/legal compliance.

+ Preferred Risk Management Resource Center

Available to members who have their EPLI coverage with Preferred. The Center provides access to numerous resources on employment law, cyber security, ADA website compliance, safety and emergency/disaster response, as well as access to Florida-based employment law experts. HR and cyber experts can be contacted via phone or email.

+ My Community Workplace

A valuable on-line resource that provides up-to-date information, expert commentary, cutting edge training and information on topics ranging from workplace sexual harassment and workplace discrimination to wrongful termination, cyber awareness, ethical behavior and child protection.

+ Preferred News

We provide a quarterly newsletter covering key governmental insurance issues, relevant articles and member news.

+ Preferred Seminars/Webinars

Educational seminars/webinars offered throughout the policy year on relevant topics that include presentations by Public Entity experts and Preferred's panel of defense attorneys.

Claims Management & Training



Preferred Governmental Claims Solutions (PGCS) provides members with the ability to manage their claims more effectively. By accessing the online claims management database, members can report claims online, obtain copies of loss runs, create reports to monitor trends and review claim notes to get up-to-date information on a claim as well as determine claim status.



Registering for PGCS Online Claims Data Access:

To register, visit www.pgcs-tpa.com and click the Member/Client button or contact your Preferred Loss Consultant today.



Loss Control Assistance with Claims Management:

Upon activation of the online claims management database, your Regional Loss Control Consultant is available to assist you with claims management activities that include the following:

- Coordinate claims review by line of coverage
- Coordinate Claims 101 training
- On-site registration assistance with the PGCS claims database
- PGCS database training to include database features/benefits, report generation as well as current claims status
- Assist with the development/implementation of your Return-to-Work (RTW) Program
- Assist with the development/implementation of your claims reporting policy
- Conduct Worker's Compensation Fraud training

Members can report claims online, obtain copies of loss runs, create reports to monitor trends and review claim notes to get up-to-date information on a claim as well as determine claim status.

Preferred TIPS

The Preferred TIPS matching grant program allows for all members to receive up to \$5,000 in a given policy year for up to \$10,000 spent on eligible items.



Program information and requirements can be found on the current Preferred TIPS application.

Examples of eligible reimbursements include:

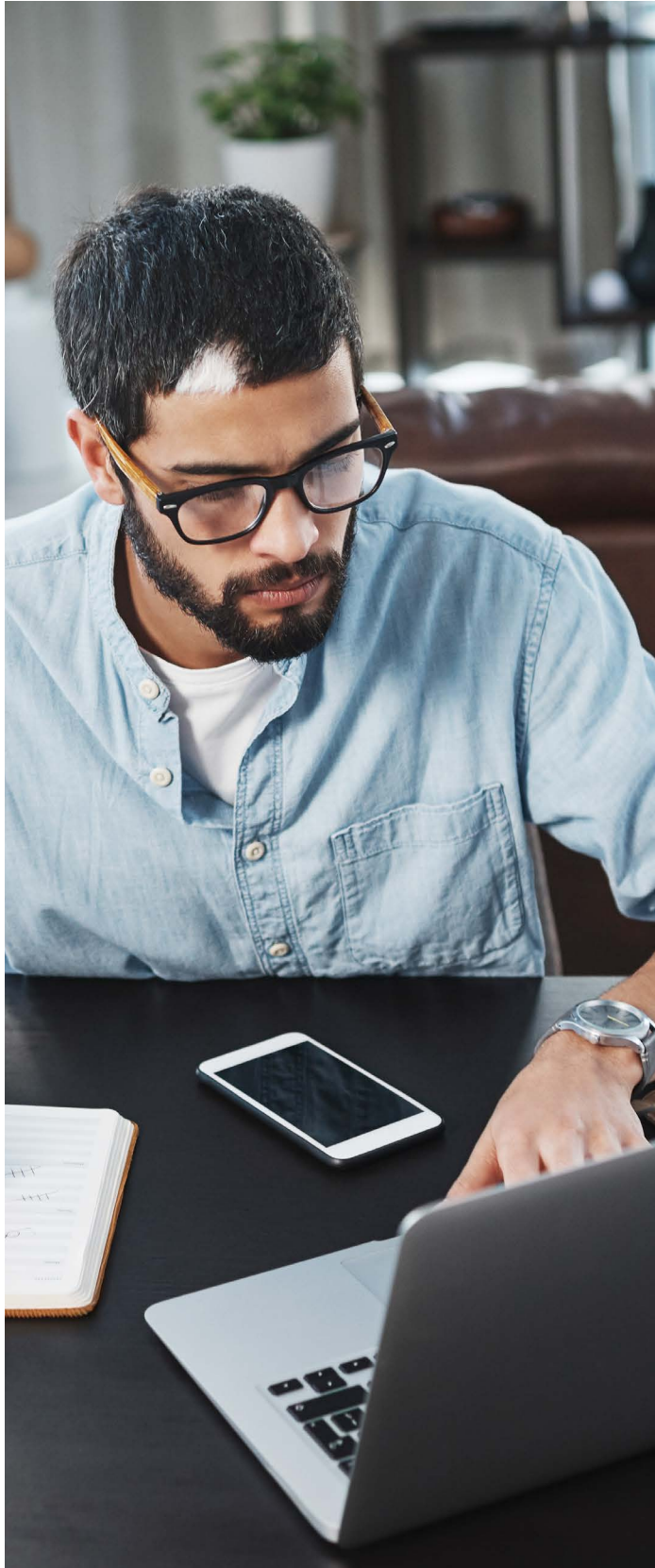
- Safety related signs
- ADA compliance measures
- Police accreditation program fees
- Driver training
- Ergonomic training
- Sidewalk repairs
- Most any safety related training or equipment
- Employment practices related training



Contact

Please contact your regional Loss Control Consultant or email PreferredTIPS@PublicRisk.com should you have any questions, or need a copy of the current Preferred TIPS application. You can also complete a TIPS application online at: pgit.org/tips.

Online Learning Center



Effective training and records management is vital in today's workplace. Reducing claims, controlling losses and streamlining efficiencies are critical. To support these initiatives, Preferred provides our members with innovative web-based training platforms.

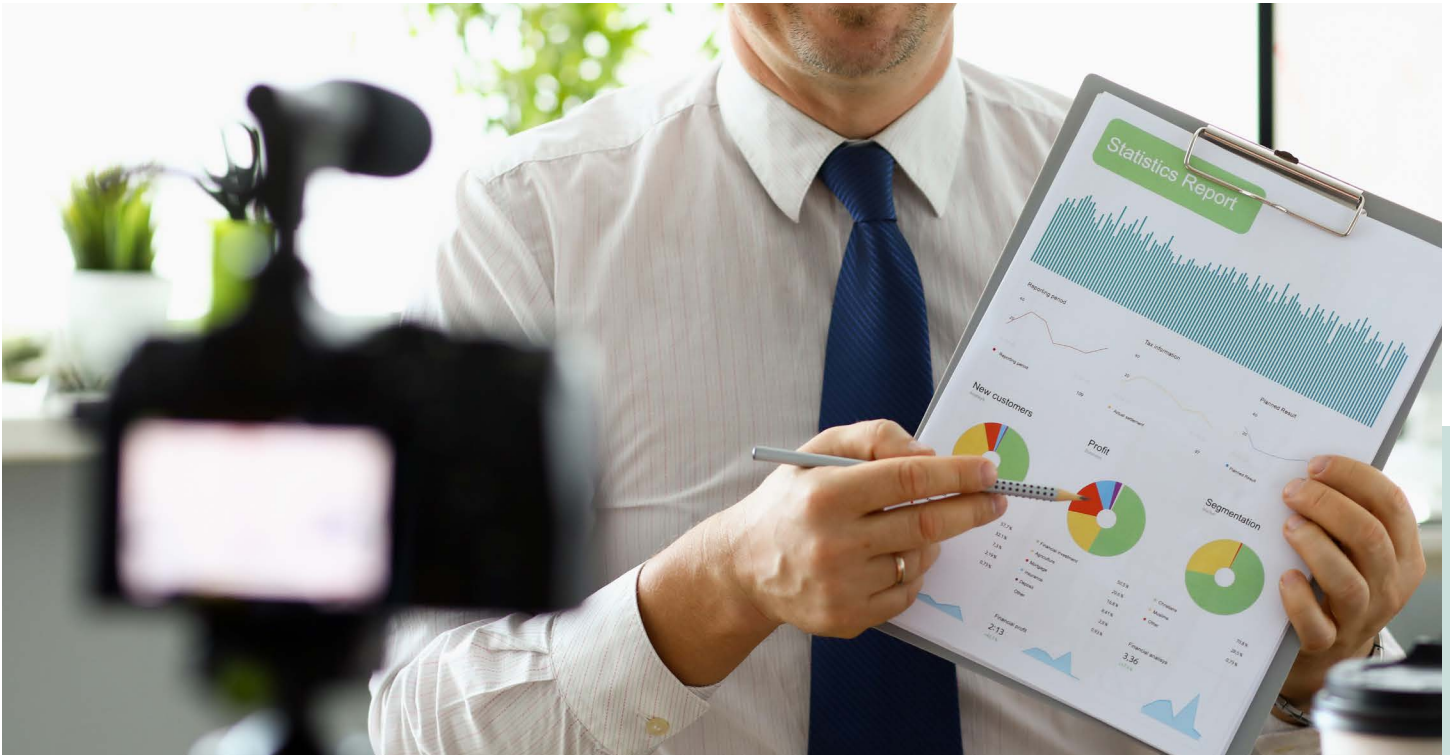
Features and benefits of online learning powered by Vector Solutions include:

- Access to more than 700 training courses covering topics related to HR/employment practices, OSHA compliance, motor vehicle safety, cyber awareness and more!
- Online training enables members to define, measure and monitor key risk metrics that help keep their employees safe and protect assets. With the platform, onsite administrators can create risk mitigation tools specific for their organization, making it possible to analyze the fundamentals and take action where needed.
- Our web-based training management platform is accessible 24/7. Users can navigate captivating, cross-browser compatible courses with cutting-edge interactions at a pace and time that is convenient for them.
- Our risk management platform makes it possible for member onsite administrators to assign and deliver online training courses to their users. The system also provides the ability to track, document and report assignments. Tracking training, generating reports and analyzing deficiencies has never been easier.

Preferred provides our members with innovative web-based training platforms

For further details on this valuable resource tool, please contact your Regional Loss Control Consultant.

Streaming Video Training



This training resource gives our members unlimited access to Streamery's extensive video streaming library of videos covering workplace safety, driving safety, construction safety, and human resource/legal compliance. Video titles are available in both English and Spanish to support your organization's training initiatives.

Features of Streamery video streaming service include:

- An easily accessible, extensive video library of over 700 training videos
- Video course materials to include leader guides, quizzes and completion certificates
- Tablet and mobile capable – Now you can watch videos on your preferred mobile device, such as tablets and smartphones. Videos available 24/7.

As part of Preferred's initiative to provide improved products/services offered to our members, we encourage you to use the Streamery video streaming service for assistance with your safety and risk management training needs.

To learn more on how your organization can take advantage of this exciting free training resource, contact your Preferred Control Consultant.

Risk Management Resource Center



The Preferred Risk Management Resource Center (PRMRC) is available to members who have their EPLI coverage with Preferred. The Resource Center is an employment law, cyber security, ADA compliance and safety-focused resource designed to control costs, save time and complement the valuable services that Preferred provides.

The PRMRC has been recently improved to include:

- Over 22,000 pieces of relevant content and applications
- More than 200 online training courses
- And more!

Human Resource (HELPLINE) Services include:

- Confidential, documented and real time responses to your employment law questions from experts in human resource and employment law. This service is available to members via phone and email.
- Online Unlawful Harassment Training for all supervisors and employees
- A Florida specific employee handbook building tool
- Customizable HR risk management resources including federal and state-specific forms and posters

Cyber security resources include:

- Cyber Assessment – Easy-to-use tool to measure data breach exposure with instant feedback on how to protect your organization from potential cyber risks
- Robust privacy and security templates, including a customizable incident response plan (IRP), which can be specifically tailored to meet industry and regulatory requirements
- Unlimited access to cybersecurity experts via phone or email
- Resources for keeping staff up to date on a range of issues related to privacy, data security and compliance
- Latest news and events regarding data breaches, regulations, class-action lawsuits, cyber threats and protective technologies

ADA website compliance:

- ADA compliance fact sheet and checklist - Resource tools to review an organization's online presence
- WAVE® by WebAIM Accessibility Evaluation Tool - Evaluate accessibility of an organization's website

Safety resources include:

- Safety procedures & practices
- Workers' compensation resources
- Union relations resources
- Unemployment compensation resources
- Layoff resources
- OSHA training videos

Emergency and disaster resources include:

- Sample communications
- Plans
- Policies
- Posters and notices
- Federal and state resources
- Helpful checklists

Members who have their EPLI coverage with Preferred may register to use this valuable service by speaking to their Preferred Loss Control Consultant.

My Community Workplace Website

The My Community Workplace is available to all Preferred members. This free online resource that can save you time and money by providing cutting edge training and information for your workplace. Members may register to use this valuable resource at MyCommunityWorkplace.org.

Online Training

Online training modules for managers and supervisors are available 24/7 at no cost to the member. This could result in a potential savings of thousands of dollars a year in training costs.

Training courses available:

- Preventing Workplace Sexual Harassment
- Preventing Workplace Discrimination
- Preventing Wrongful Termination
- Promoting Ethical Behavior
- Promoting Child Safe Environments

Up-to-Date Information and Expert Commentary

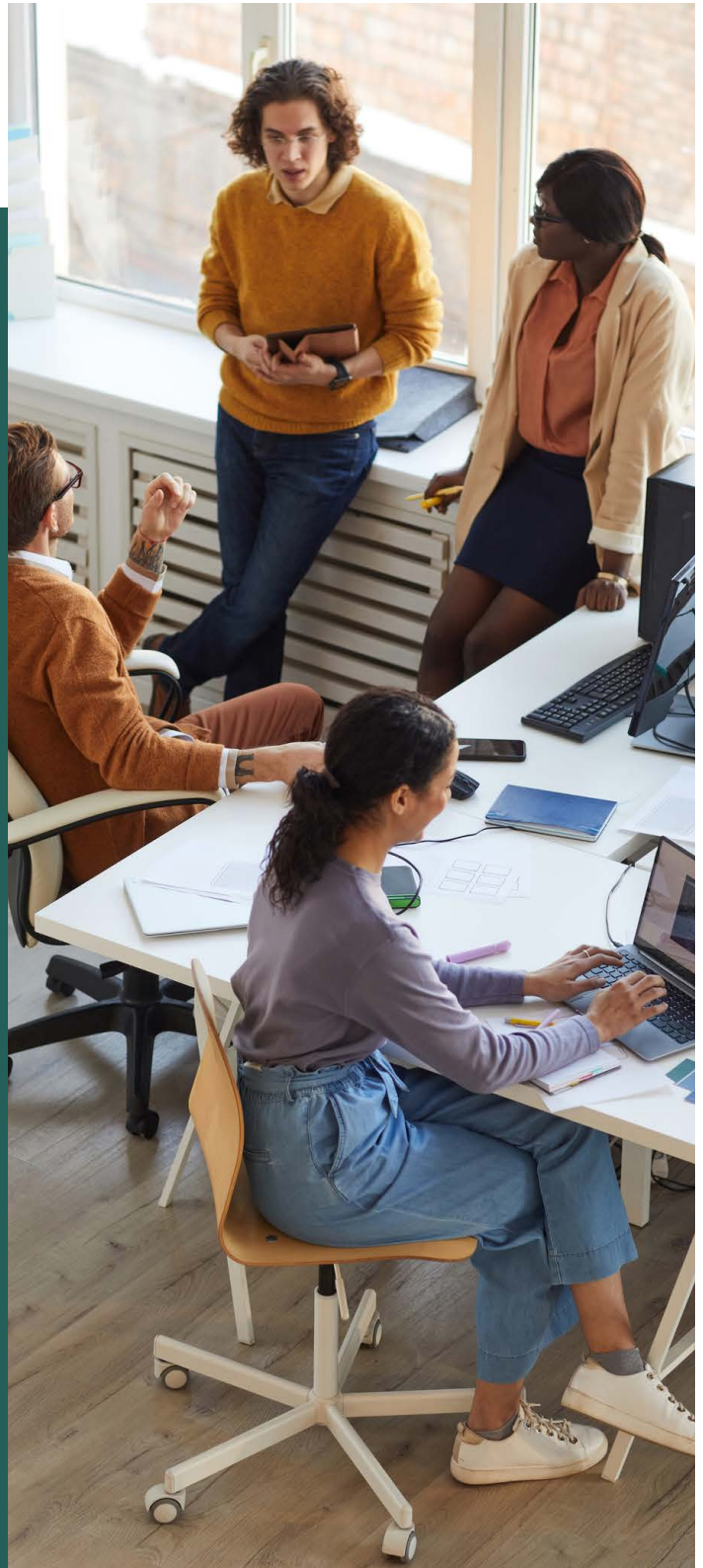
Topics include:

- Best practices for employment practices and child protection
- Leadership and management skills
- Cyber awareness
- Exclusive articles written for the specialized interests, such as government entities, schools and not-for-profits

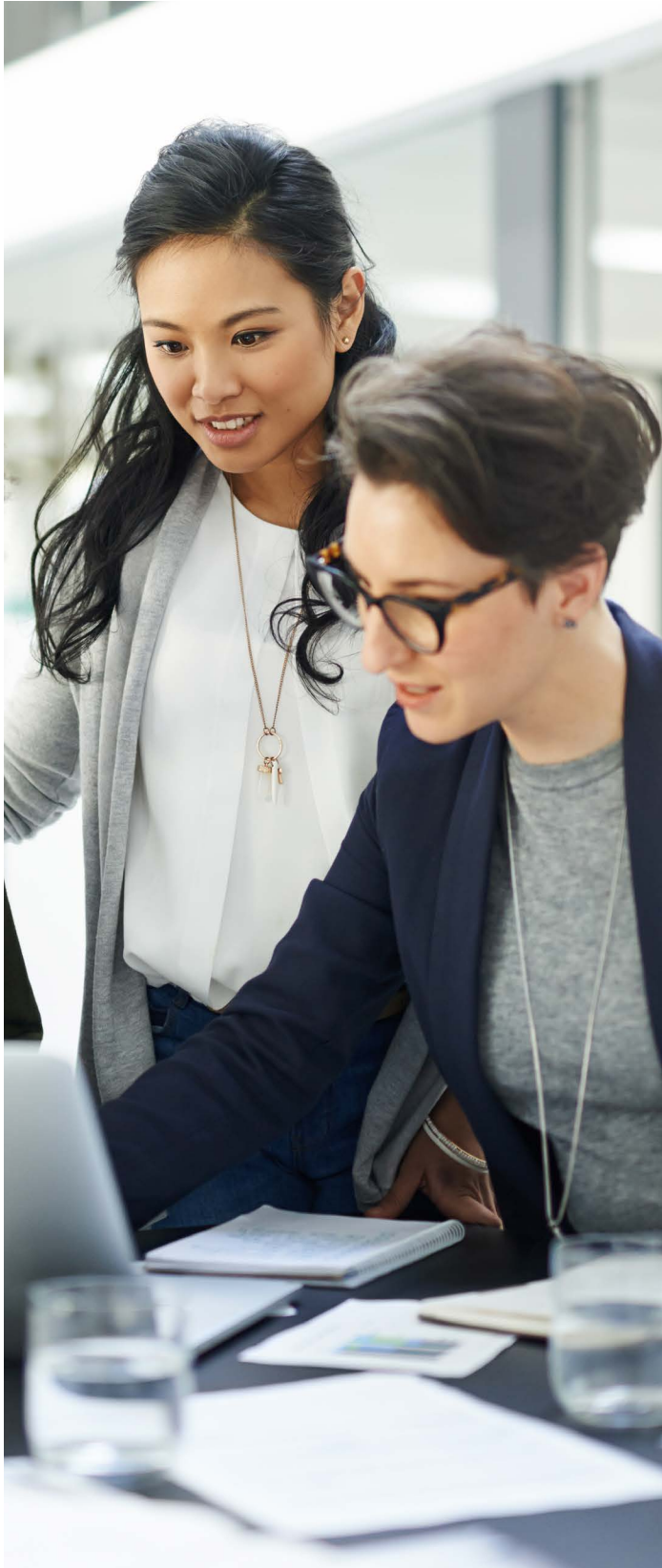
Knowledge Vault

- Library and checklists – Thousands of articles covering vital workplace issues, grouped according to topic, as well as self-audit checklists
- Links to important federal and state government websites
- Model Handbook – Over 95 model policies on workplace issues ranging from equal employment opportunity to social media (certain key policies are available in English and Spanish)
- Loss Scenarios – Examples of situations that have caused liability for organizations like yours

Notice: MyCommunityWorkplace.org is a product of The McCalmon Group, Inc., platform administrator solely responsible for its content.



Preferred Virtual Training Academy



The Preferred Virtual Training Academy provides virtual training by our experienced Loss Control Consultants, as well as industry experts on a variety of topics such as workplace safety and claims handling, human resources and cyber security. Training is interactive and customized to better meet the educational needs of your organization. As always, training is provided at no additional cost to Preferred members. Some of the benefits of using virtual training include:



Convenience

Employees can take training at their workstation at the traditional workplace or from a remote location.



Productivity

Virtual training allows employees to use their time more effectively. Safety: Employees do not have to physically gather in groups.



Efficiency

No requirement to reserve/setup training room, as well as coordinate setup of audio/visual equipment.



Cost effectiveness

Employees do not need to travel off site to receive training.

We encourage you to contact your Preferred Loss Control Consultant to learn more about our Virtual Training Academy and begin the process of selecting training topics. In addition, a comprehensive list of customized training topics to meet your needs is available upon request.

Onsite Safety Survey Program



Our Loss Control Consultants are always available to meet your onsite/in person needs including conducting training on hundreds of topics and assisting members with safety surveys and inspections.

The primary goal is to identify unsafe conditions and/or unsafe behavior that could contribute to an accident, injury and/or illness. General surveys/inspections can be provided as well as surveys/inspections with a specific emphasis, i.e., slip, trip and fall hazards or ADA. We have developed safety inspection checklists to assist our members in providing regular and recurring inspections on a proactive basis. These checklists allow members to proactively identify workplace safety hazards and provide corrective action before an accident, injury and/or illness occurs.

We can assist in finding and reducing these hazards!

- + Public Beach
- + Cafeteria / Kitchen
- + City Hall
- + Public Dog Park
- + Fire Station
- + Meeting / Exhibit Hall
- + Public Park
- + Park Trails
- + Playground
- + Police Station
- + Schools
- + Skate Park
- + Sports Complex (indoor)
- + Sports Complex (outdoor)
- + Public Swimming Pool
- + Trenching & Shoring
- + Public Utilities
- + Vehicle Maintenance Garage

Health and Safety Fair Participation



Planning a special event for your employees? Preferred's Loss Control Consultants can participate in your upcoming employee health and safety fairs.

Our participation in your special event could include one or more of the following:

- Safety related hand-out materials, such as booklets and brochures
- Special event promo giveaway items

Contact your agent or Preferred Loss Control consultant on how we can participate in your upcoming employee related special events.

Premium Recapitulation
Page 1 of 3

	<u>Annual Premium</u>	<u>Check Option</u>	
		<u>Accept</u>	<u>Reject</u>
Preferred Package			
Non-Utility Property & Equipment Breakdown	\$327,283.00	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Option - Catastrophic Damage on Vehicles: Total Insured Value: \$15,028,722 \$5,000 All Other Peril Deductible 5% Named Wind Storm Deductible	\$36,068.00	<input type="checkbox"/>	<input checked="" type="checkbox"/>
NO over the road Coverage			
Inland Marine	\$8,246.00	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Crime / Employee Dishonesty	\$1,500.00	<input checked="" type="checkbox"/>	<input type="checkbox"/>
General Liability	\$62,678.00	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Option - \$50,000 and \$100,000 retention	Not Available		
Deadly Weapon Protection*	Included		
Public Officials / Employment Practices Liability	\$70,861.00	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Cyber Liability	\$25,001.00	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Automobile Liability	\$30,691.00	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Option - \$50,000 and \$100,000 retention	Not Available		
Excess Workers Compensation	\$89,028.00	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Package Payment Plan:	Annual		

***Deadly Weapon Protection Coverage:** Any Event that occurs at a Location which has been specifically leased or loaned by the City to any other entity or individual to host a permitted event planned and ticketed for more than 15,000 attendees over the duration of the event, **MUST BE reported to AND APPROVED by Preferred PRIOR to event.** The Trust may, at their discretion, charge an additional premium and/or impose additional conditions specifically for that event.

All lines of coverage must be accepted in order to bind coverage with Preferred.

Premium Recapitulation
Page 2 of 3

	<u>Annual Premium</u>	<u>Check Option</u>	
		<u>Accept</u>	<u>Reject</u>
Utility Property			
Option 1:			
Starr Surplus Lines Insurance Company			
Premium	\$1,000,000.00		
EMPA Fee	4.00		
Engineering Fee	\$7,500.00		
Total Premium	\$1,007,504.00	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<i>Optional - Certified Terrorism</i>	\$16,200.00	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<i>Optional - Non-Certified Terrorism</i>	\$1,800.00	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Option 2:			
Preferred Governmental Insurance Trust			
<i>*Please note Utility Property Coverage cannot be bound without the package policy.</i>			
Premium	\$777,283.00	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Equipment Breakdown / Boiler & Machinery (For Option 1 and 2)			
Valley Forge Insurance Company (CNA)			
Equipment Breakdown Premium	\$82,504.13		
FIGA Assessment	\$1,000.05		
Total Premium	\$83,504.18	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Total Premium for Option 1	\$1,091,008.18		
Total Premium for Option 2	\$860,787.18		
Pollution Liability	\$46,545.00	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Optional - Terrorism</i>	\$465.45	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Premium Recapitulation
Page 3 of 3

I authorize Brown & Brown to request the underwriters to bind coverage on the items indicated above and acknowledge receipt of the Compensation and Financial Condition Disclosure(s) provided in this proposal.

X _____
(Signature)

(Name & Title)

(Date)

STAFF REPORT REGULAR MEETING

AGENDA DATE: September 17, 2024

DEPARTMENT: Information Technology

TITLE:

Approve the purchase of network firewalls for cybersecurity

SUMMARY:

Approve and authorize the purchase of two network firewalls for cybersecurity through CDW-Government, supplier under National IPA Technology Solutions (2018011) contract.

BACKGROUND AND JUSTIFICATION:

The City of Lake Worth Information Technology department is requesting the approval to purchase two firewalls to replace two existing firewalls for network security.

By purchasing the new firewalls, the Information Technology department can continue to improve our security posture. The purchase includes the two firewalls, hardware maintenance and license subscriptions.

Purchasing the network firewalls will ensure the City's Information Technology infrastructure remains secure, efficient and capable of adapting to future challenges.

MOTION:

Move to approve/disapprove the purchase of new firewalls in the amount of \$75,813.33.

ATTACHMENT(S):

Fiscal Impact Analysis

Quote not included due to confidentiality per Florida Statute 119.0725

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2024	2025	2026	2027	2028
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	75,813.33	0	0	0	0
Operating	0	0	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact					
<i>(If not budgeted)</i>	0	0	0	0	0
No. of Addn'l Full-Time					
Employee Positions	0	0	0	0	0

Contract Award - Existing Appropriation (Budgeted)	
	Expenditure
Department	Information Technology
Division	Information Technology
GL Description	Machinery & Equipment / Information Technology
GL Account Number	510-1520-519.64-15
Project Number	IT2403
Requested Funds	\$75.813.33
Remaining Balance	0
Source of Revenue (i.e. Paygo. Current Revenue, Bond Money, Grants, etc.)	Penny Sales Tax

STAFF REPORT REGULAR MEETING

AGENDA DATE: September 17, 2024

DEPARTMENT: Community Sustainability

TITLE:

Ordinance No. 2024-11 - First Reading – amending Chapter 23 “Land Development Regulations,” Article 4 “Development Standards,” Section 23.4-25 “Micro-units” to provide minor changes to the development standards for Micro-Units

SUMMARY/ BACKGROUND:

The proposed amendment would improve interest and use of the program per feedback from potential investors and developers.

The **Planning & Zoning Board (PZB)** unanimously voted to recommend approval of the proposed text amendments at their August 7, 2024, meeting with the recommendation that the City Commission consider a revision to section H. *Exception*, revising the percentage of the combination of interior shared common space and outdoor amenity space from 20% to 15% (line 105) and adding a breakdown of that percentage. The board recommended a minimum of 10% for interior common space and a minimum of 5% for outdoor amenity space. The board felt interior space is paramount to the micro-unit program. The board expressed concern that the proposed language could allow the entirety of the combined amenity space to be outdoor amenity space.

The **Historic Resources Preservation Board (HRPB)** unanimously voted to recommend approval of the proposed text amendments at their August 21, 2024, meeting with the same recommendation as the PZB regarding amenity spaces.

MOTION:

Move to approve/disapprove Ordinance 2024-11 on first reading, and to set the second reading and public hearing for October 1, 2024.

ATTACHMENT(S):

Ordinance 2024-11
PZB/HRPB Staff Report

1
2
3
4 **ORDINANCE 2024-11 - AN ORDINANCE OF THE CITY OF LAKE WORTH**
5 **BEACH, FLORIDA, AMENDING CHAPTER 23 “LAND DEVELOPMENT**
6 **REGULATIONS,” ARTICLE 4 “DEVELOPMENT STANDARDS,” SECTION**
7 **23.4-25 “MICRO-UNITS,” AND PROVIDING FOR SEVERABILITY,**
8 **CONFLICTS, CODIFICATION AND AN EFFECTIVE DATE**
9

10 **WHEREAS**, as provided in Section 2(b), Article VIII of the Constitution of the State of
11 Florida, and Section 166.021(1), Florida Statutes, the City of Lake Worth Beach (the “City”),
12 enjoys all governmental, corporate, and proprietary powers necessary to conduct municipal
13 government, perform municipal functions, and render municipal services, and may exercise any
14 power for municipal purposes, except as expressly prohibited by law; and
15

16 **WHEREAS**, as provided in Section 166.021(3), Florida Statutes, the governing body of
17 each municipality in the state has the power to enact legislation concerning any subject matter
18 upon which the state legislature may act, except when expressly prohibited by law; and
19

20 **WHEREAS**, the City wishes to amend Chapter 23, Article 4 “Development Standards,”
21 Section 23.4-25 – Micro-Units to amend the supplementary development standards for this use;
22 and
23

24 **WHEREAS**, the City of Lake Worth Beach, Florida (the “City”), is a duly constituted
25 municipality having such power and authority conferred upon it by the Florida Constitution and
26 Chapter 166, Florida Statutes; and
27

28 **WHEREAS**, the Planning and Zoning Board, in its capacity as the local planning agency,
29 considered the proposed amendments at a duly advertised public hearing; and
30

31 **WHEREAS**, the Historic Resources Preservation Board, in its capacity as the local
32 planning agency, considered the proposed amendments at a duly advertised public hearing; and
33

34 **WHEREAS**, the City Commission finds and declares that the adoption of this ordinance is
35 appropriate, and in the best interest of the health, safety and welfare of the City, its residents and
36 visitors.
37

38 **NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF**
39 **LAKE WORTH BEACH, FLORIDA, that:**
40

41 **Section 1:** The foregoing “WHEREAS” clauses are ratified and confirmed as being
42 true and correct and are made a specific part of this ordinance as if set forth herein.
43

44 **Section 2:** Chapter 23 “Land Development Regulations,” Article 4 “Development
45 Standards,” Section 23.4-25 “Micro-units” is hereby amended to read as follows:
46

47 **Sec. 23.4-25. – Micro-units.**
48

- 49 a) *Project size.* All micro-unit projects must provide a minimum of 10 micro-units.
50
51 b) *Micro-Unit Use Restriction.* Micro-units must be residential and may not be converted to other
52 uses. Each micro-unit must be separately metered for electric.
53
54 c) *Personal service, retail or commercial space.* All micro-unit projects shall be designed as
55 mixed use projects providing personal service, retail and/or commercial areas, including the

56 required parking as set forth in this section and shall be allowed only within the City's mixed
57 use zoning districts. The aforementioned listed uses other than residential should account for
58 at least 10% of the gross area of the project or 2,500 sq ft, whichever is less. If a project does
59 not provide a mix of uses, the interior shared common area shall be at least 15 20%. Live
60 work space, co work space or general office space may not count toward the required area
61 for non-residential uses.

62
63 d) *Residential Building Type.* All micro-unit projects must be in a multi-family structure or
64 collection of multi-family structures. Individual micro-units may not be combined to facilitate
65 larger individual units.

66
67 e) *Interior shared common areas.* Interior shared common areas supporting micro-units must
68 equate to 10% of the gross living area of all residential units within the project. Such
69 supporting common areas shall include but not be limited to the following:

- 70 1. Reading Room,
- 71 2. Gym/Exercise Facilities,
- 72 3. Virtual Office Space,
- 73 4. Party/Community Room,
- 74 5. Game Room,
- 75 6. Library,
- 76 7. Movie Theatre,
- 77 8. Gourmet Kitchen,
- 78 9. Art Labs,
- 79 10. Other similarly situated common usage areas, and
- 80 11. Essential support areas such as lobbies, hallways, egress routes, stairs, concierge areas,
81 staff offices, maintenance areas and required restroom facilities or similar shall not count
82 toward shared interior common areas.

83
84 f) *Parking.* Parking may be a combination of the following:

- 85 1. One (1) parking space or equivalent for each micro unit;
- 86 2. 50% or more of the required spaces shall be standard parking spaces;
- 87 3. Up to 25% of the parking spaces may be compact spaces (8'-0" x 18'-0");
- 88 4. Up to 25% of the parking spaces may be met with bicycle, scooter or motorcycle storage.
89 Four (4) bicycle storage spaces shall equal one (1) parking space; two (2) scooter storage
90 spaces shall equal one (1) parking space; and two (2) motorcycle storage spaces shall
91 equal one (1) parking space; and
- 92 5. Required guest and employee parking may be met with the same parking space
93 combination ratio. Guest and employee parking shall be no less than one (1) space for
94 every 100 sq. ft. of common area, public area, support area and offices, excluding required
95 hallways, egress routes and stairs.
- 96 6. The mixed-use parking reduction of 25% shall not apply.

97
98 g) *Outdoor amenity.* All micro-unit projects shall provide for an outdoor amenity that is above
99 and beyond the required interior shared common area. Outdoor amenity space shall be no
100 less than 5% of the gross area of all residential units and may not count toward the required
101 interior shared common area.

102
103 h) *Exception.* For existing structures being converted to micro-unit residential use, the total
104 combined interior shared common area and outdoor amenity space may be any combination
105 of these areas equating to at least 20% of the gross area of the residential use area,
106 regardless of whether it will be an all residential or a mixed use building(s).
107

108 **Section 3: Severability.** If any section, subsection, sentence, clause, phrase or portion
109 of this Ordinance is for any reason held invalid or unconstitutional by any court of competent
110 jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and
111 such holding shall not affect the validity of the remaining portions thereof.
112

113 **Section 4: Repeal of Laws in Conflict.** All ordinances or parts of ordinances in conflict
114 herewith are hereby repealed to the extent of such conflict.
115

116 **Section 5: Codification.** The sections of the ordinance may be made a part of the City
117 Code of Laws and ordinances and may be re-numbered or re-lettered to accomplish such, and
118 the word "ordinance" may be changed to "section", "division", or any other appropriate word.
119

120 **Section 6: Effective Date.** This ordinance shall become effective 10 days after
121 passage.
122

123 The passage of this ordinance on first reading was moved by Vice Mayor Malega,
124 seconded by Commissioner Diaz, and upon being put to a vote, the vote was as follows:
125

- 126 Mayor Betty Resch
- 127 Vice Mayor Sarah Malega
- 128 Commissioner Christopher McVoy
- 129 Commissioner Mimi May
- 130 Commissioner Reinaldo Diaz

131
132 The Mayor thereupon declared this ordinance duly passed on first reading on the ___ day
133 of ___, 2024.
134

135
136 The passage of this ordinance on second reading was moved by _____,
137 seconded by _____, and upon being put to a vote, the vote was as follows:
138

- 139 Mayor Betty Resch
- 140 Vice Mayor Sarah Malega
- 141 Commissioner Christopher McVoy
- 142 Commissioner Mimi May
- 143 Commissioner Reinaldo Diaz

144
145 The Mayor thereupon declared this ordinance duly passed on the _____ day of
146 _____, 2024.
147

148 LAKE WORTH BEACH CITY COMMISSION

149
150
151 By: _____
152 Betty Resch, Mayor

153
154 ATTEST:

155
156
157 _____
158 Melissa Ann Coyne, MMC, City Clerk
159



DATE: July 31, 2024

TO: Members of the Planning & Zoning and Historic Resources Preservation Boards

FROM: William Waters, Director Community Sustainability

MEETING: August 7 & August 21, 2024

SUBJECT: **Ordinance 2024-11**: Consideration of an ordinance amending Chapter 23 “Land Development Regulations,” Article 4 “Development Standards,” Section 23.4-25 “Micro-units” to provide minor changes to the development standards for Micro-Units.

PROPOSAL / BACKGROUND/ ANALYSIS:

The proposed amendment would improve interest and use of the program per feedback from potential investors and developers.

The proposed ordinance would amend the recently adopted new section of the LDR in Chapter 23 of the City’s Code of Ordinances:

- Article 4, Section 23.4-25 – Micro-Units

STAFF RECOMMENDATION:

Staff recommends that the Planning and Zoning Board and Historic Resources Preservation Board recommend that the City Commission adopt Ordinance 2024-11.

POTENTIAL MOTION:

I move to RECOMMEND/NOT RECOMMEND TO THE CITY COMMISSION **TO ADOPT** the proposed LDR text amendment included in Ordinance 2024-11.

Attachments

- A. Draft Ordinance 2024-11

STAFF REPORT REGULAR MEETING

AGENDA DATE: September 17, 2024

DEPARTMENT: Community Sustainability

TITLE:

Ordinance No. 2024-16 - First Reading – amending Chapter 9 “Buildings and Structural Regulations,” Article I “In General,” Section 9-3 to remove redundant language

SUMMARY:

The proposed ordinance would amend Chapter 9 of the City’s Code of Ordinances, Article I, Section 9-3 – Special Flood-hazard Areas. The proposed amendment would remove a section of the City’s Code which is already adopted by the 2023 Florida Building Code, and is therefore redundant.

MOTION:

Move to approve/disapprove Ordinance 2024-16 on first reading, and to schedule the second reading and public hearing for October 1, 2024.

ATTACHMENT(S):

Ordinance 2024-16

ORDINANCE 2024-16 - AN ORDINANCE BY THE CITY OF LAKE WORTH BEACH, FLORIDA, AMENDING CHAPTER 9 "BUILDINGS AND STRUCTURAL REGULATIONS," ARTICLE 1 "IN GENERAL,"; AND PROVIDING FOR SEVERABILITY, CONFLICTS, CODIFICATION AND AN EFFECTIVE DATE.

WHEREAS, the Legislature of the State of Florida has, in Chapter 166 – Municipalities, Florida Statutes, conferred upon local governments the authority to adopt regulations designed to promote the public health, safety, and general welfare of its citizenry; and

WHEREAS, the City has determined that it is in the public interest to amend Chapter 9, "Buildings and Structural Regulations," Article 1 "In General," to remove technical amendments to the Florida Building Code that are superseded by the current Florida Building Code.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF LAKE WORTH BEACH, FLORIDA, that:

Section 1: The foregoing "WHEREAS" clauses are ratified and confirmed as being true and correct and are made a specific part of this ordinance as if set forth herein.

Section 2: Chapter 9 "Buildings and Structural Regulations," Article 1 "In General," Division 1 "Administration," Section 9-3 is hereby amended to read as follows:

Sec. 9-3. Special flood hazard area provisions. Reserved.

9-3.1 The Florida Building Code, Residential is hereby amended by the following technical amendments.

R322.2.1 Elevation requirements.

1. Buildings and structures in flood hazard areas not designated as Coastal A Zones shall have the lowest floors elevated to or above the base flood elevation plus 1 foot or the design flood elevation, whichever is higher.

2. Buildings and structures in flood hazard areas designated as Coastal A Zones shall have the lowest floors elevated to or above the base flood elevation plus 1 foot (305 mm), or to the design flood elevation, whichever is higher.

3. In areas of shallow flooding (AO Zones), buildings and structures shall have the lowest floor (including basement) elevated at least as high above the highest adjacent grade as the depth number specified in feet on the FIRM plus 1 foot, or at least 3 feet if a depth number is not specified.

4. Basement floors that are below grade on all sides shall be elevated to or above the base flood elevation plus 1 foot or the design flood elevation, whichever is higher.

Exception: Enclosed areas below the design flood elevation, including basements whose floors are not below grade on all sides, shall meet the requirements of Section R322.2.2.

52 ~~R322.3.2 Elevation requirements.~~

53 ~~1. All buildings and structures erected within coastal high-hazard areas shall be~~
54 ~~elevated so that the lowest portion of all structural members supporting the~~
55 ~~lowest floor, with the exception of mat or raft foundations, piling, pile caps,~~
56 ~~columns, grade beams and bracing, is:~~

57 ~~1.1 Located at or above the base flood elevation plus 1 foot or the design flood~~
58 ~~elevation, whichever is higher, if the lowest horizontal structural member is~~
59 ~~oriented parallel to the direction of wave approach, where parallel shall mean~~
60 ~~less than or equal to 20 degrees (0.35 rad) from the direction of approach, or~~

61 ~~1.2 Located at the base flood elevation plus 2 feet, or the design flood elevation,~~
62 ~~whichever is higher, if the lowest horizontal structural member is oriented~~
63 ~~perpendicular to the direction of wave approach, where perpendicular shall mean~~
64 ~~greater than 20 degrees (0.35 rad) from the direction of approach.~~

65 ~~2. Basement floors that are below grade on all sides are prohibited.~~

66 ~~3. The use of fill for structural support is prohibited.~~

67 ~~4. Minor grading, and the placement of minor quantities of fill, shall be permitted for~~
68 ~~landscaping and for drainage purposes under and around buildings and for~~
69 ~~support of parking slabs, pool decks, patios and walkways.~~

70
71 ~~Exception: Walls and partitions enclosing areas below the design flood elevation shall~~
72 ~~meet the requirements of Sections R322.3.4 and R322.3.5.~~

73
74 **Section 3:** Severability. If any section, subsection, sentence, clause, phrase or portion
75 of this Ordinance is for any reason held invalid or unconstitutional by any court of competent
76 jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and
77 such holding shall not affect the validity of the remaining portions thereof.

78
79 **Section 4:** Repeal of Laws in Conflict. All ordinances or parts of ordinances in conflict
80 herewith are hereby repealed to the extent of such conflict.

81
82 **Section 5:** Codification. The sections of the ordinance may be made a part of the City
83 Code of Laws and ordinances and may be re-numbered or re-lettered to accomplish such, and
84 the word "ordinance" may be changed to "section", "division", or any other appropriate word.

85
86 **Section 6:** Effective Date. This ordinance shall become effective 10 days after
87 passage.

88
89 The passage of this ordinance on first reading was moved by _____, seconded by
90 _____, and upon being put to a vote, the vote was as follows:

- 91
92 Mayor Betty Resch
93 Vice Mayor Sarah Malega
94 Commissioner Christopher McVoy
95 Commissioner Mimi May
96 Commissioner Reinaldo Diaz

97
98 The Mayor thereupon declared this ordinance duly passed on first reading on the _____
99 day of _____, 2024.

100
101

102 The passage of this ordinance on second reading was moved by _____,
103 seconded by _____, and upon being put to a vote, the vote was as follows:

- 104
- 105 Mayor Betty Resch
- 106 Vice Mayor Sarah Malega
- 107 Commissioner Christopher McVoy
- 108 Commissioner Mimi May
- 109 Commissioner Reinaldo Diaz

110
111 The Mayor thereupon declared this ordinance duly passed on the _____ day of
112 _____, 2024.

113
114 LAKE WORTH BEACH CITY COMMISSION

115
116
117 By: _____
118 Betty Resch, Mayor

119
120 ATTEST:

121
122
123 _____
124 Melissa Ann Coyne, MMC, City Clerk

STAFF REPORT REGULAR MEETING

AGENDA DATE: September 17, 2024

DEPARTMENT: City Clerk

TITLE:

Ordinance No. 2024-12 - Second Reading - amending the Oath of Candidate form

SUMMARY:

The Ordinance will amend the City's Oath of Candidate form, required by individuals to qualify as candidates, to include language that closely resembles the State's Division of Election's Form 25 – *Candidate Oath- Nonpartisan Office*.

BACKGROUND AND JUSTIFICATION:

For years the City has used its own Oath of Candidate form, which contains verbiage unique to the City such as candidates qualifying under the City's Charter. For this reason, the City has not adopted the State's Division of Election's form but has chosen to amend its Oath from time to time.

The purpose of this ordinance is to amend Section 2.15 of the Code of Ordinance to add a provision for the six month residency requirement from the City's Charter and update the pronouns on the form.

The ordinance was approved on first reading by unanimous vote at the August 20, 2024 commission meeting. At the August 23, 2024 pre-agenda workshop there was consensus to add proof of residency to the ordinance.

MOTION:

Move to approve/disapprove Ordinance 2024-12 amending the Oath of Candidate form.

ATTACHMENT(S):

Fiscal Impact Analysis – N/A
Ordinance 2024-12 (red-lined and clean versions)
Current and Revised Oath forms

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53

ORDINANCE 2024-12 - AN ORDINANCE OF THE CITY OF LAKE WORTH BEACH, FLORIDA, AMENDING CHAPTER 2 “ADMINISTRATION,” ARTICLE II “ELECTIONS,” SECTION 2-15 “OATHS REQUIRED OF CANDIDATE,” TO CLARIFY THE REQUIREMENTS TO QUALIFY FOR ELECTION; AND PROVIDING FOR SEVERABILITY, CONFLICTS, CODIFICATION, AN EFFECTIVE DATE, AND FOR OTHER PURPOSES

WHEREAS, the City of Lake Worth Beach, Florida (the “City”) is a duly constituted municipality having such home rule power and authority conferred upon it by the Florida Constitution and Chapter 166, Florida Statutes; and

WHEREAS, the City Commission desires to clarify Section 2-15 of the City’s Code of Ordinances, which generally requires that candidates for elected office within the City sign an oath that they qualify for office to specifically include language regarding such qualification; and

WHEREAS, the City Commission finds and declares that this Ordinance is appropriate and is in the best interest of the health, safety, and welfare of the City, its residents, and visitors.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF LAKE WORTH BEACH, FLORIDA, that:

Section 1: The foregoing “WHEREAS” clauses are incorporated into this Ordinance as true and correct findings of the City Commission.

Section 2: Chapter 2 “Administration,” Article II “Elections,” section 2-15 “Oaths required of candidate,” is hereby amended as follows (deletions in ~~striketrough~~ text and additions in underline text):

Section 2-15. – Oaths required of candidate.

At the time any person shall seek to qualify as a candidate for any elective office of the city he/she/they shall provide two (2) of the documents listed on the Oath of Candidate and then first take and subscribe the following oath:

OATH OF CANDIDATE

State of Florida
County of Palm Beach

Before me, an officer authorized to administer oaths, personally appeared

(PLEASE PRINT NAME AS YOU WISH IT TO APPEAR ON THE BALLOT)
name may not be changed after the end of qualifying

who, being sworn, says that he/she/they is a candidate for office of _____; that he/she/they is a qualified elector of Palm Beach County, Florida; that he/she/they is qualified under the Charter of the City of Lake Worth Beach and the Constitution and laws of Florida to hold the office to which he/she/they desires to be nominated or elected as he/she/they has for

54 a period of at least six (6) months immediately preceding the first day of qualifying for such
55 office established a fixed habitation or primary abode at the address below which is in District
56 _____ within the City of Lake Worth Beach and he/she/they intends to reside at that address
57 indefinitely; that he/she/they has not violated any of the laws of the State relating to elections
58 or the registration of electors; that he/she/they has qualified for no other public office in the
59 state, the term of which office or any part thereof runs concurrent to the office he/she/they seeks;
60 that he/she/they has resigned from any office from which he/she/they is required to resign
61 pursuant to section 99.012, Florida Statutes, and section 2-21, City of Lake Worth Beach Code
62 of Ordinances.

63
64 The Candidate has provided two (2) of the following documents showing the current residential
65 address: driver's license or passport, vehicle registration, utility bill not more than one (1) month
66 old, mortgage statement or lease.

67
68
69
70
71 Signature of Candidate
72
73

74
75 Street Address City State ZipcodeZip
76 code

77
78
79 Candidate's Florida Voter Registration Number (located on your voter information card) _____
80

81
82 Please print name phonetically on the line below as you wish it to be pronounced on the audio
83 ballot for persons with disabilities
84
85
86
87
88
89
90
91
92
93
94
95

96
97
98
99
100
101
102 Signature of Candidate
103
104
105
106

107
108 The above Oath of Candidate is sworn to (or affirmed) and subscribed before me by means of
109 physical presence this _____ day of _____, 20_____, at Palm Beach County,
110 Florida.

111 Personally Known: _____ or
112 Produced Identification: _____
113 Type of Identification Produced: _____

114
115 _____
116 Signature of Notary Public-State of Florida

Print, Type or Stamp Commissioned Name of Notary Public

107
108
109
110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159

Section 3: Severability. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 4: Repeal of Laws in Conflict. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section 5: Codification. The sections of the ordinance may be made a part of the City Code of Laws and ordinances and may be re-numbered or re-lettered to accomplish such, and the word "ordinance" may be changed to "section", "division", or any other appropriate word.

Section 6: Effective Date. This ordinance shall become effective 10 days after passage.

The passage of this ordinance on first reading was moved by Commissioner Diaz, seconded by Vice Mayor Malega, and upon being put to a vote, the vote was as follows:

Mayor Betty Resch	AYE
Vice Mayor Sarah Malega	AYE
Commissioner Christopher McVoy	AYE
Commissioner Mimi May	AYE
Commissioner Reinaldo Diaz	AYE

The Mayor thereupon declared this ordinance duly passed on first reading on the 20th day of August, 2024.

The passage of this ordinance on second reading was moved by _____, seconded by _____, and upon being put to a vote, the vote was as follows:

Mayor Betty Resch
Vice Mayor Sarah Malega
Commissioner Christopher McVoy
Commissioner Mimi May
Commissioner Reinaldo Diaz

The Mayor thereupon declared this ordinance duly passed on the _____ day of _____, 2024.

LAKE WORTH BEACH CITY COMMISSION

By: _____
Betty Resch, Mayor

ATTEST:

160

161

162

Melissa Ann Coyne, MMC, City Clerk

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53

ORDINANCE 2024-12 - AN ORDINANCE OF THE CITY OF LAKE WORTH BEACH, FLORIDA, AMENDING CHAPTER 2 “ADMINISTRATION,” ARTICLE II “ELECTIONS,” SECTION 2-15 “OATHS REQUIRED OF CANDIDATE,” TO CLARIFY THE REQUIREMENTS TO QUALIFY FOR ELECTION; AND PROVIDING FOR SEVERABILITY, CONFLICTS, CODIFICATION, AN EFFECTIVE DATE, AND FOR OTHER PURPOSES

WHEREAS, the City of Lake Worth Beach, Florida (the “City”) is a duly constituted municipality having such home rule power and authority conferred upon it by the Florida Constitution and Chapter 166, Florida Statutes; and

WHEREAS, the City Commission desires to clarify Section 2-15 of the City’s Code of Ordinances, which generally requires that candidates for elected office within the City sign an oath that they qualify for office to specifically include language regarding such qualification; and

WHEREAS, the City Commission finds and declares that this Ordinance is appropriate and is in the best interest of the health, safety, and welfare of the City, its residents, and visitors.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF LAKE WORTH BEACH, FLORIDA, that:

Section 1: The foregoing “WHEREAS” clauses are incorporated into this Ordinance as true and correct findings of the City Commission.

Section 2: Chapter 2 “Administration,” Article II “Elections,” section 2-15 “Oaths required of candidate,” is hereby amended as follows (deletions in ~~striketrough~~ text and additions in underline text):

Section 2-15. – Oaths required of candidate.

At the time any person shall seek to qualify as a candidate for any elective office of the city he/she/they shall provide two (2) of the documents listed on the Oath of Candidate and then ~~first~~ take and subscribe the following oath:

OATH OF CANDIDATE

State of Florida
County of Palm Beach

Before me, an officer authorized to administer oaths, personally appeared

(PLEASE PRINT NAME AS YOU WISH IT TO APPEAR ON THE BALLOT)
name may not be changed after the end of qualifying

who, being sworn, says that he/she/they is a candidate for office of _____; that he/she/they is a qualified elector of Palm Beach County, Florida; that he/she/they is qualified under the Charter of the City of Lake Worth Beach and the Constitution and laws of Florida to hold the office to which he/she/they desires to be nominated or elected as he/she/they has for

54 a period of at least six (6) months immediately preceding the first day of qualifying for such
55 office established a fixed habitation or primary abode at the address below which is in District
56 _____ within the City of Lake Worth Beach and he/she/they intends to reside at that address
57 indefinitely; that he/she/they has not violated any of the laws of the State relating to elections
58 or the registration of electors; that he/she/they has qualified for no other public office in the
59 state, the term of which office or any part thereof runs concurrent to the office he/she/they seeks;
60 that he/she/they has resigned from any office from which he/she/they is required to resign
61 pursuant to section 99.012, Florida Statutes, and section 2-21, City of Lake Worth Beach Code
62 of Ordinances.

63
64 The Candidate has provided two (2) of the following documents showing the current residential
65 address: driver's license or passport, vehicle registration, utility bill not more than one (1) month
66 old, mortgage statement or lease.

67
68 _____
69 Signature of Candidate
70

71
72 _____
73 Street Address City State Zip_code

74
75
76 Candidate's Florida Voter Registration Number (located on your voter information card) _____
77

78
79 Please print name phonetically on the line below as you wish it to be pronounced on the audio
80 ballot for persons with disabilities
81

82 _____
83

84
85 _____
86 Signature of Candidate
87

88
89 The above Oath of Candidate is sworn to (or affirmed) and subscribed before me by means of
90 physical presence this _____ day of _____, 20____, at Palm Beach County,
91 Florida.
92

93 Personally Known: _____ or
94 Produced Identification: _____
95 Type of Identification Produced: _____
96

97
98 _____
99 Signature of Notary Public-State of Florida
100 Print, Type or Stamp Commissioned Name of Notary Public
101

102
103 **Section 3:** Severability. If any section, subsection, sentence, clause, phrase or portion
104 of this Ordinance is for any reason held invalid or unconstitutional by any court of competent
105 jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and
106 such holding shall not affect the validity of the remaining portions thereof.

107
108
109
110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155

Section 4: Repeal of Laws in Conflict. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section 5: Codification. The sections of the ordinance may be made a part of the City Code of Laws and ordinances and may be re-numbered or re-lettered to accomplish such, and the word "ordinance" may be changed to "section", "division", or any other appropriate word.

Section 6: Effective Date. This ordinance shall become effective 10 days after passage.

The passage of this ordinance on first reading was moved by Commissioner Diaz, seconded by Vice Mayor Malega, and upon being put to a vote, the vote was as follows:

Mayor Betty Resch	AYE
Vice Mayor Sarah Malega	AYE
Commissioner Christopher McVoy	AYE
Commissioner Mimi May	AYE
Commissioner Reinaldo Diaz	AYE

The Mayor thereupon declared this ordinance duly passed on first reading on the 20th day of August, 2024.

The passage of this ordinance on second reading was moved by _____, seconded by _____, and upon being put to a vote, the vote was as follows:

Mayor Betty Resch
Vice Mayor Sarah Malega
Commissioner Christopher McVoy
Commissioner Mimi May
Commissioner Reinaldo Diaz

The Mayor thereupon declared this ordinance duly passed on the _____ day of _____, 2024.

LAKE WORTH BEACH CITY COMMISSION

By: _____
Betty Resch, Mayor

ATTEST:

Melissa Ann Coyne, MMC, City Clerk

OATH OF CANDIDATE

Before me, an officer authorized to administer oaths, personally appeared

(PLEASE PRINT NAME AS YOU WISH IT TO APPEAR ON THE BALLOT)

who, being sworn, says that he/she is a candidate for office of _____; that he/she/they is a qualified elector of Palm Beach County, Florida; that he/she is qualified under the Charter of the City of Lake Worth Beach, and the Constitution and laws of Florida to hold the office to which he/she/they desires to be nominated or elected; that he/she has not violated any of the laws of the State relating to elections or the registration of electors; that he/she/they has qualified for no other public office in the state, the term of which office or any part thereof runs concurrent to the office he/she/they seeks; that he/she/they has resigned from any office from which he/she/they is required to resign pursuant to Section 99.012, Florida Statutes, and Section 2-21, City of Lake Worth Beach Code of Ordinances.

Signature of Candidate

Street Address City State Zip Code

Candidate's Florida Voter Registration Number (located on your voter information card) _____

Please print name phonetically on the line below as you wish it to be pronounced on the audio ballot for persons with disabilities

The above Oath of Candidate is sworn to (or affirmed) and subscribed before me this _____ day of _____, 20____, at Palm Beach County, Florida.

Personally Known: _____ or
Produced Identification: _____
Type of Identification Produced:

Signature of Notary Public-State of Florida
Print, Type or Stamp Commissioned Name of Notary Public

