

**Request for Proposal for the  
2013-2014 Property Casualty Insurance  
RFP No.: 13008**

Response Prepared By:

Risk Management Associates, Inc., dba Public Risk Insurance Agency  
*A wholly owned subsidiary of Brown & Brown, Inc.*

Michelle Y. Martin, CIC – Vice President / Account Executive  
220 S. Ridgewood Avenue, Suite 210  
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(386) 239-4047

Submitted: May 7, 2013 at 2:00 P.M.



**ORIGINAL**

**PUBLIC RISK INSURANCE AGENCY  
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## Cover Letter and Executive Summary

May 7, 2013

City of Deltona – City Hall  
ATTN: Purchasing  
2345 Providence Blvd.  
Deltona, FL 32725

**RE: RFP #13008 for Property and Casualty Insurance**

On behalf of Risk Management Associates, Inc. dba Public Risk Insurance Agency (PRIA), we are pleased to participate in the City's Request for Proposals for property & casualty insurance. We are proud to continue to partner and propose an insurance program with the Preferred Governmental Insurance Trust (Preferred). In addition, we have provided options with other insurers. As the City's **incumbent** insurance providers, we are confident that we can continue to provide practical risk management services, efficient service delivery, and insurance/risk financing options to provide the broadest protections for the City.

PRIA is a wholly owned subsidiary of Brown & Brown, Inc. based out of Daytona Beach/Volusia County. Brown & Brown is the 6<sup>th</sup> largest insurance intermediary in the United States. We have been headquartered in Volusia County since 1939, contributing to your local community. We represent many entities right here in Volusia County to include the City of DeLand, City of DeBary, City of Orange City, Volusia County, and Volusia County Schools.

PRIA's structure is unique in that our office serves ONLY public entities in Florida, currently representing **over 300 public entities** in the state. PRIA creates service plans specific to each of our clients depending on their objectives. For this project, in addition to a superior insurance program, we offer a myriad of "back-room support" services and resources focused to reduce the City's long-term overall Cost of Risk.

Our proposal provides the City with a focused **gameplan**:

- **Presentation of and accountability for Results** – We are a results-driven company and therefore are focused on achieving results for our clients.
  - **Premiums proposed are a 4% SAVINGS compared to the expiring.** This is significant as 1) the State has increased Workers Compensation rates effective 2013 and 2) the City has had a **16% increase in property values** following a property appraisal process funded by the Preferred Governmental Insurance Trust.

**Gameplan (Cont'd):**

- Over the long-run PRIA has delivered a stable and consistent insurance program. In fact, our 2013-14 proposed premiums are within 10% of premiums from the City's 2007 bid process. This represents overall **reduced rates** due to increased exposures as the City grows:
  - 30% higher property values when compared to 2007, and
  - 12% higher payroll
  - 24% more vehicles
- **Aggressive Negotiations** – The above can be accomplished because Brown & Brown places more premiums in Florida than any other broker. In addition, we have significant public entity marketing/insurance placement specialists across the country, as well as offices in London. We have the clout and excellent relationships with the regional, national, and international marketplace. This allows us to implement the most effective services, lowest insurance premiums, and broadest terms and conditions for our clients.
- **Risk Management Enhancements** – PRIA is always looking for ways to enhance customer services. Since PRIA is the only independent agency serving 100% public entities in the state, our focus is solely to assist your staff. In addition to our past focused risk management and exposure identification services, we have recently implemented:
  - Workers' Compensation Experience Modification analysis tool
  - Asset Management Tool
  - Natural hazard risk report software
- No disruption of the current, **focused Safety/Loss Control plan**
  - Quarterly loss control visits
  - Claim trending reviews
  - eLearning web-based training resource
  - BADGE program available for Workers Compensation Presumption (firefighter heart & lung) claims.

We are honored to represent the City of Deltona and your account is treated with the highest regards and service priorities here at PRIA. PRIA will provide uninterrupted service, enhanced resources, and **consistent premiums** and into the future.

I am confident that we will continue to produce superior results for your organization. Thank you for your consideration.

With best regards,



Michelle Y. Martin, CIC

Vice President & Account Executive

386-239-4047 Direct Office / [mmartin@bbpria.com](mailto:mmartin@bbpria.com)

**Serving the Insurance Needs of Florida's Governmental Entities Since 1992**

A. OVERALL PREMIUMS  
(PREMIUM RECAPITULATION)

CITY OF DELTONA  
Property & Casualty Insurance – RFP #13008

**A. OVERALL PREMIUMS/PREMIUM RECAPITULATION**

	<u>Annual Premium</u>	<u>Check Option</u>	
		<u>Accepted</u>	<u>Rejected</u>
<u>PREFERRED GOVERNMENTAL INSURANCE TRUST</u>			
Property / Equipment Breakdown			
With \$2,500 Deductible	\$ 276,115	<input type="checkbox"/>	<input type="checkbox"/>
With \$10,000 Deductible	\$ 268,927	<input type="checkbox"/>	<input type="checkbox"/>
With \$25,000 Deductible	\$ 263,278	<input type="checkbox"/>	<input type="checkbox"/>
Inland Marine			
With \$1,000 Deductible	\$ 23,034	<input type="checkbox"/>	<input type="checkbox"/>
With \$5,000 Deductible	\$ 21,882	<input type="checkbox"/>	<input type="checkbox"/>
General Liability			
With \$0 Deductible	\$ 154,512	<input type="checkbox"/>	<input type="checkbox"/>
With \$10,000 Deductible	\$ 139,796	<input type="checkbox"/>	<input type="checkbox"/>
With \$25,000 Deductible	\$ 132,438	<input type="checkbox"/>	<input type="checkbox"/>
With \$50,000 Deductible	\$ 112,572	<input type="checkbox"/>	<input type="checkbox"/>
Public Officials' Liability/Employment Practices Liability			
Claims Made with \$10,000 Deductible	\$ 58,989	<input type="checkbox"/>	<input type="checkbox"/>
Claims Made with \$25,000 Deductible	\$ 54,335	<input type="checkbox"/>	<input type="checkbox"/>
Claims Made with \$50,000 Deductible	\$ 48,901	<input type="checkbox"/>	<input type="checkbox"/>

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**A. OVERALL PREMIUMS/PREMIUM RECAPITULATION  
(CONTINUED)**

	<u>Annual Premium</u>	<u>Check Option</u>	
		<u>Accepted</u>	<u>Rejected</u>
<i>Preferred Governmental Insurance Trust (Cont'd)</i>			
Automobile Liability			
With \$0 Deductible	\$ 66,861	<input type="checkbox"/>	<input type="checkbox"/>
With \$10,000 Deductible	\$ 52,352	<input type="checkbox"/>	<input type="checkbox"/>
With \$25,000 Deductible	\$ 47,214	<input type="checkbox"/>	<input type="checkbox"/>
With \$50,000 Deductible	\$ 33,612	<input type="checkbox"/>	<input type="checkbox"/>
Automobile Comprehensive/Collision			
With \$500 Deductible	\$ 48,042	<input type="checkbox"/>	<input type="checkbox"/>
Workers' Compensation			
With \$0 Deductible	\$ 426,626	<input type="checkbox"/>	<input type="checkbox"/>
With \$25,000 Deductible	\$ 342,402	<input type="checkbox"/>	<input type="checkbox"/>
With \$50,000 Deductible	\$ 307,871	<input type="checkbox"/>	<input type="checkbox"/>
Stop Loss Aggregate	\$ 194		
(applicable to \$50,000 Deductible options only)			

**A. OVERALL PREMIUMS/PREMIUM RECAPITULATION  
(CONTINUED)**

	<u>Annual Premium</u>	<u>Check Option</u>	
		<u>Accepted</u>	<u>Rejected</u>
<u>Western World – OPTION</u>			
Public Officials' and Employment Practices Liability OPTION			
With \$10,000 Deductible-Public Officials and \$15,000 Deductible - EPLI	\$ 36,308	<input type="checkbox"/>	<input type="checkbox"/>
<u>Travelers</u>			
Crime / Employee Dishonesty			
With \$5,000 Deductible	\$ 6,025	<input type="checkbox"/>	<input type="checkbox"/>
<u>Zurich – OPTION</u>			
Crime / Employee Dishonesty – OPTION			
With \$5,000 Deductible	\$ 4,724	<input type="checkbox"/>	<input type="checkbox"/>

Payment Plans:

Preferred Package: 50% down, 25% due at 75 days; 25% due at 166 days.

Preferred Workers Compensation: 25% Down and 9 installments

Other options: Annual

**I authorize PRIA 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)

**B. SCOPE OF COVERAGE  
(PRIA PROPOSAL)**

CITY OF DELTONA  
Property & Casualty Insurance – RFP #13008

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**Notes of Importance:**

1. Quotes provided in the proposal are valid until 9/30/2013. 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. 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.
9. **With the exception of Workers' Compensation, the total premium is due within 30 days of inception. Premium financing can be arranged if needed.**
10. Quote is not bound until written orders to bind are received from the insured and the Trust/Company subsequently accepts the risk.
11. Should signed application reveal differing details/data than original application received, the entire quote/binder is subject to revision and possible retraction.
12. Higher limits of liability may be available. Please consult with your agent.
13. This proposal is based upon exposures to loss made known to the Public Risk Insurance Agency. 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.
14. **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.**

### **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 insured’s 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, received 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.

#### **PRIA Commissions for proposal presented:**

Preferred Package:	7%
Preferred Workers Compensation:	7%
Western World POL/EPL:	10% + APEX Wholesale Brokers
Travelers Crime:	15%
Zurich Crime:	10% + Halcyon Underwriters - Wholesale

**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.shtml>.

***PREFERRED* Compensation Disclosure**

We appreciate the opportunity to assist with your insurance needs. Information concerning additional 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 2012 – 2013 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*, PRU receives an administration fee, based on the size and complexity of the account, of up to 12.5% of the premium you pay to *Preferred*. PRU may also receive commissions from insurance companies with whom it places your coverage, which commissions are derived from the premium you pay to *Preferred*. Multiple underwriters may be involved in the placement of your coverage. If so, they also may be compensated for their services from the premium you pay to *Preferred*.

*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

***PREFERRED* Compensation Disclosure (continued)**

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 MacDuff Underwriters) are owned by Brown & Brown, Inc., for the placement of *Preferred*'s insurance policies, and for individual risk placements for some *Preferred* members (excess and surplus lines, professional liability coverage, etc.). 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 derived from your premium, and is largely dictated by the insurance company. It typically ranges between 10% and 17% of the premiums you pay to *Preferred* for your coverage. Some wholesale brokers used by Brown & Brown to place your coverage may also act as Managing General Agents for various insurance companies, and may be compensated directly by those insurance companies for their services in placing and maintaining coverage with those particular companies.

The wholesale insurance brokerage utilized in the placement of property insurance was Peachtree Special Risk Brokers, which is a company owned by Brown & Brown Inc. Furthermore, any professional liability coverage afforded by the package of insurance you purchased was acquired through Apex Insurance Services, which is also a company affiliated with Brown & Brown Inc.

CITY OF DELTONA  
Property & Casualty Insurance – RFP #13008

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NOTICE OF CARRIER FINANCIAL STATUS

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Risk Management Associates, Inc. dba Public Risk Insurance Agency, 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 A.M. 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 attempted to present other options for your insurance placement, including quotations with insurance carriers holding an “A-” or better rating from A.M. Best Company, but we were unable to secure such a comprehensive quote.
- Coverage is being placed 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 A.M. 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 those 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 Deltona**  
**Policy Number: Quote**  
**Policy Period: 10/1/2013-14**  
**Date of Notice: 5/6/2013**

\* A.M. Best Rating Guide: **Rating for Stability: A++ to D = Highest to lowest rating**  
**Rating for Assets/ Surplus: 15 to 1 - Largest to smallest rating**



CITY OF DELTONA  
Property & Casualty Insurance – RFP #13008

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

Public Risk Insurance Agency always strives to place your coverage with highly secure insurance companies. We cannot, however, guarantee the financial stability of any carrier.



**A. SCOPE OF COVERAGE/PRIA PROPOSAL  
PROPERTY – INLAND MARINE**

Term: October 1, 2013 to October 1, 2014

Company: Preferred Governmental Insurance Trust (*Preferred*)

Limits of Liability:  
(Per schedule provided)

\$ 54,165,021 for Blanket Buildings and Contents  
 \$ 1,000,000 for Business Income  
 \$ 1,000,000 for Additional Expense  
 \$ 250,000 for Communication Equipment\*\*\*  
 \$ 1,465,175 for Contractor's / Mobile Equipment\*\*\*  
 \$ 1,805,507 for Electronic Data Processing Equipment\*\*\*  
 \$ 305,440 for Emergency Portable Service Equipment\*\*\*  
 \$ 50,000 for Fine Arts\*\*\*  
 \$ 91,347 for Other Inland Marine  
 \$ 50,000 for Rented, Leased or Borrowed Equipment♦♦  
 \$ 300,000 for Valuable Papers

\$1,000,000 for Flood Sublimit  
 \$5,000,000 for Earth Movement

Deductibles: \$2,500 per Occurrence – Buildings and Contents

5% of TIV Per Occurrence / Per Location for “Named”  
 Windstorm subject to minimum of \$15,000 Per Occurrence  
 Per location is defined by each itemized listing on the applicable  
 schedule

\$2,500 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

\$2,500 per Earth Movement

\$5,000 per Occurrence – Inland Marine

\*\*\*Unscheduled items are subject to a maximum value of \$15,000 or less per item. Items valued above this amount must be scheduled.

♦♦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.

*This proposal is intended to give a brief overview. Higher limits may be available. Please refer to coverage forms for complete details regarding definition of terms, exclusions and limitations.*



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## PROPERTY – INLAND MARINE

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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 of 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 of 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.

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 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 Actual Cash Value or 110% of the value reported on the schedule, whichever is less. 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.

Notes of Importance:

1. 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.

*This proposal is intended to give a brief overview. Higher limits may be available. Please refer to coverage forms for complete details regarding definition of terms, exclusions and limitations.*

CITY OF DELTONA  
Property & Casualty Insurance – RFP #13008

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**PROPERTY – INLAND MARINE  
EXTENSIONS OF COVERAGE**

<u>Coverage:</u>		<u>Limit:</u>
Accounts Receivable		\$250,000
Animals	Any One Animal	\$1,000
	Annual Aggregate	\$5,000
Debris Removal		\$750,000
Demolition Cost, Ordinance and Increased Cost of Construction		\$5,000,000
Errors and Omissions		\$250,000
Expediting Expense		\$5,000
Fire Department Service Charge		\$25,000
Fungus Cleanup Expense	Any One Occurrence	\$10,000
	Annual Aggregate	\$20,000
Lawns, Plants, Trees and Shrubs	(maximum per tree \$1,000)	\$25,000
Excludes Wind (see policy form for additional restrictions)		
New Locations		\$2,000,000**
Personal Property of Employees	Per Employee	\$25,000
	Per Occurrence	\$50,000
Pollution Cleanup Expense	Per Occurrence	\$25,000
	Annual Aggregate	\$50,000
Preservation of Property		\$250,000
Recertification		\$10,000
Service Interruption Coverage		\$100,000
Transit		\$250,000

**\*\*Subject to 60 day reporting period – property newly constructed by the covered party during the coverage agreement period is subject to additional limitations. See policy for complete details.**

*This proposal is intended to give a brief overview. Higher limits may be available. Please refer to coverage forms for complete details regarding definition of terms, exclusions and limitations.*

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## PROPERTY – INLAND MARINE

### MAJOR EXCLUSIONS

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Property **Not** Covered, 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. Electrical or communication lines, towers, and poles you own that are not located on a “covered location” insured under this policy.
15. Personal property of volunteers.

Excluded Risks of Direct Physical Loss, 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. Pollution, except as provided under “Extensions of Coverage”
6. Building ordinance enforcement or Government action
7. Nuclear reaction
8. Utility failure
9. Fungus, except as provided under “Extensions of Coverage”
10. Any offshore oil well or oil shipping/tanker incident and the ensuing oil spill

*This proposal is intended to give a brief overview. Higher limits may be available. Please refer to coverage forms for complete details regarding definition of terms, exclusions and limitations.*

**EQUIPMENT BREAKDOWN**

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.

Coverages:

Equipment Breakdown Limit	\$50,000,000
Water Damage	\$500,000
Ammonia Contamination	\$500,000
Hazardous Substance Coverage	\$500,000
Utility Interruption	\$2,000,000
Spoilage Damage	\$250,000
Ordinance or Law	\$500,000
Expediting Expenses	\$1,000,000

Deductibles:

Same as Property – Building and Contents  
24 Hours – Utility Interruption

*This proposal is intended to give a brief overview. Higher limits may be available. Please refer to coverage forms for complete details regarding definition of terms, exclusions and limitations.*



CITY OF DELTONA  
Property & Casualty Insurance – RFP #13008

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**GENERAL LIABILITY**

Term: October 1, 2013 to October 1, 2014

Company: Preferred Governmental Insurance Trust (*Preferred*)

Form: Occurrence

Limits of Liability:

**General Liability**

Bodily Injury and Property Damage	\$2,000,000 per Occurrence
Personal Injury and Advertising Injury	Included per Person or Organization
Products / Completed Operation Agg	Included
Fire Damage	Included
Medical Payments	\$2,500

**Employee Benefits Liability** \$2,000,000 per Occurrence

Deductible: \$0 per Occurrence

Coverage:

- |   |  |
|---|--|
| 1. EMT/Paramedic Professional Services  | 10. Principle of Eminent Domain Including Inverse Condemnation, claims brought under the “Bert J. Harris, Jr., Private Property Rights Protection Act” \$100,000 Per Occurrence/Annual Aggregate |
| 2. Premises Operations  | 11. No Fault Sewer Back-up with a sublimit of \$1,000/\$5,000  |
| 3. “Insured” Contracts  | 12. Herbicide and Pesticide Sublimit of \$1,000,000 or GL Limit, whichever is less.  |
| 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. Additional Covered Party   |  |
| 9. Failure To Supply Water  |  |

*This proposal is intended to give a brief overview. Higher limits may be available. Please refer to coverage forms for complete details regarding definition of terms, exclusions and limitations.*

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## GENERAL LIABILITY

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### Notes of Importance:

1. Premium is not audited.
2. Defense Costs are paid in addition to policy limits.
3. In the event that 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.

### Exclusions, 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
- 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
- Hospital / Clinic Medical Malpractice or Health Care Facilities
- Nuclear
- Professional Health Care Services, but not including emergency medical services for first aid performed by employed emergency medical technicians, paramedics or Medical Director while in the course and scope of their duties.
- ERISA
- Actual or alleged illegal discrimination

*This proposal is intended to give a brief overview. Higher limits may be available. Please refer to coverage forms for complete details regarding definition of terms, exclusions and limitations.*

CITY OF DELTONA  
Property & Casualty Insurance – RFP #13008

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**PUBLIC OFFICIALS LIABILITY  
EMPLOYMENT PRACTICES LIABILITY**

Term: October 1, 2013 to October 1, 2014

Company: Preferred Governmental Insurance Trust (*Preferred*)

Form: Claims Made – Duty to Defend

Coverage: Pays damages the insured becomes legally obligated to pay because of a “wrongful act” arising out of the discharge of duties

Limits of Liability:

<b>Public Officials Liability</b>	\$2,000,000 per Claim \$2,000,000 Annual Aggregate
<b>Employment Practices Liability</b>	\$2,000,000 per Claim \$2,000,000 Annual Aggregate
<b>Media Content Services, Network Security &amp; Privacy Liability</b>	\$100,000 each claim \$100,000 Aggregate for all Notification Costs \$100,000 Aggregate for all Regulatory Fines & Expenses

Deductibles:

<b>Public Officials Liability</b>	\$10,000 per Claim
<b>Employment Practices Liability</b>	\$10,000 per Claim
<b>Media Content, Services, Network Security &amp; Privacy Liability</b>	Same as Public Officials Liability Deductible

Supplementary Payments:

1. Employee pre-termination legal consultation services - \$2,500 per employee/\$5,000 aggregate.
2. Non-Monetary claims defense costs subject to a \$100,000 aggregate limit and the terms and conditions of the policy.

*This proposal is intended to give a brief overview. Higher limits may be available. Please refer to coverage forms for complete details regarding definition of terms, exclusions and limitations.*

**PUBLIC OFFICIALS LIABILITY  
EMPLOYMENT PRACTICES LIABILITY**

Notes of Importance:

1. Defense costs are included in the policy limit. The trust appoints counsel.
2. Deductible applies towards damages, “claims expense” and supplemental payments.
3. Full prior acts.
4. Broadened definition of “Who is an Insured.”
5. Limits of Liability are subject to Florida Statute 768.28.

Exclusions, 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

*This proposal is intended to give a brief overview. Higher limits may be available. Please refer to coverage forms for complete details regarding definition of terms, exclusions and limitations.*

CITY OF DELTONA  
Property & Casualty Insurance – RFP #13008

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**AUTOMOBILE LIABILITY AND PHYSICAL DAMAGE**

Term: October 1, 2013 to October 1, 2014

Company: Preferred Governmental Insurance Trust (*Preferred*)

Limits of Liability:  
(Based on 187 Vehicles)

Primary Bodily Injury and Property Damage Liability – Combined	\$2,000,000 Any One Accident – Symbol 1
Personal Injury Protection	\$10,000 – Statutory – Symbol 5

Liability Deductible: \$0 Each Accident

Physical Damage: Comprehensive – 187 Vehicles, Symbol 2, 8  
Collision – 187 Vehicles, Symbol 2, 8

Physical Damage Deductible:

Comprehensive	\$1,000 per Vehicle
Collision	\$1,000 per Vehicle

Coverage and Notes of Importance:

1. Defense Costs are paid in addition to policy limits.
2. Hired and non-owned liability is included.
3. Hired physical car damage is included at \$35,000 maximum.
4. Premium is based on number of vehicles and subject to adjustment if schedule is changed.
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.

*This proposal is intended to give a brief overview. Higher limits may be available. Please refer to coverage forms for complete details regarding definition of terms, exclusions and limitations.*

CITY OF DELTONA  
Property & Casualty Insurance – RFP #13008

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**AUTOMOBILE LIABILITY AND PHYSICAL DAMAGE**

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Description of Covered Auto Designation Symbols:

SYMBOL	DESCRIPTION
1	= ANY "AUTO" ALL OWNED "AUTOS" ONLY. Only those "autos" you own and or lease (and for Liability
2	= 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 won. 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 won 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 or your personal affairs.

*This proposal is intended to give a brief overview. Higher limits may be available. Please refer to coverage forms for complete details regarding definition of terms, exclusions and limitations.*

## WORKERS' COMPENSATION GUARANTEED COST

Term: October 1, 2013 to October 1, 2014

Insurer: Preferred Governmental Insurance Trust (*Preferred*)

<u>Class Code</u>	<u>Description of Class Code</u>	<u>Estimated Payroll</u>
0251	Irrigation Works & Drivers	514,000
5509	Street or Road Maintenance	744,000
7520	Waterworks Operations	902,000
7580	Sanitary or Sanitation	390,000
7704	Firefighters & Drivers	4,155,000
8380	Automobile Service Repair	150,000
8742	Salespersons/Collectors/Msgrs	427,000
8810	Clerical	2,882,000
8831	Hospital – Veterinary & Drivers	415,000
9015	Buildings – NOC Owner/Lessee	46,500
9102	Park NOC – Employees & Drivers	659,000
9410	Municipal NOC	1,746,000
<b>Total</b>		<b>\$13,050,000</b>

Estimated Manual Premium	\$508,425
<b>Experience Modification 1.18</b>	
Estimated Discounted Premium	\$426,626

Notes of Importance:

1. The “Estimated Discounted Premium” includes all applicable credits including safety program and drug-free workplace credits as per Florida Statute 440.
2. Employer’s Limit of Liability is \$1,000,000/\$1,000,000/\$1,000,000.
3. **Experience modification factor is subject to verification and final determination of NCCI (National Counsel on Compensation Insurance). This final amount of credit is dependent upon compliance with program requirements. Final premium subject to payroll audit.**
4. The expense constant charge has been included.
5. **Payment terms are 25% down and 9 installments.**

*This proposal is intended to give a brief overview. Higher limits may be available. Please refer to coverage forms for complete details regarding definition of terms, exclusions and limitations.*

CITY OF DELTONA  
Property & Casualty Insurance – RFP #13008

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**STOP LOSS AGGREGATE**

Term: October 1, 2013 to October 1, 2014

Insurer: Preferred Governmental Insurance Trust (*Preferred*)

Stop Loss Aggregate Limit: \$848,427

When the amounts under the SIR reach \$848,427 the SIR will be reduced to \$0 for all subsequent claims.

The lines that are under and contribute to the Basket Aggregate are:

- General Liability
- Auto Liability
- Public Officials Liability
- Employment Practices Liability
- Workers' Compensation

*This proposal is intended to give a brief overview. Higher limits may be available. Please refer to coverage forms for complete details regarding definition of terms, exclusions and limitations.*

CITY OF DELTONA  
Property & Casualty Insurance – RFP #13008

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**PUBLIC OFFICIALS LIABILITY  
EMPLOYMENT PRACTICES LIABILITY Option**

Term: October 1, 2013 to October 1, 2014

Company: Western World Insurance Company (Non-Admitted)  
Rated A+, IX by A.M. Best

Form: Claims Made – Duty to Defend

Coverage: Pays damages the insured becomes legally obligated to pay because of a “wrongful act” arising out of the discharge of duties

Limits of Liability:

<b>Public Officials Liability</b>	\$2,000,000 per Claim \$2,000,000 Annual Aggregate
<b>Employment Practices Liability</b>	\$2,000,000 per Claim \$2,000,000 Annual Aggregate

Deductibles:

<b>Public Officials Liability</b>	\$10,000 per Claim
<b>Employment Practices Liability</b>	\$15,000per Claim

Additional Coverage Notes:

1. Shared Limits Endorsement DEL74 (10/11) – Aggregate Limit of Insurance-\$2,000,000
2. Settlement Amendatory Endorsement (Coinsured Defense Cost)
  - a. Percent of all subsequent “defense costs”: 50
  - b. Remaining percent of “defense costs”: 50

Forms and Endorsement Included but not limited to:

DEL01 02/12	Directors, Officers, Insured Entity and Employment Practices Insurance Coverage Form
DEL02 10/11	Directors, Officers, Insured Entity And Employment Practices Insurance Coverage Part Declarations
DEL15 03/10	Failure To Supply Exclusion

*This proposal is intended to give a brief overview. Higher limits may be available. Please refer to coverage forms for complete details regarding definition of terms, exclusions and limitations.*

CITY OF DELTONA  
Property & Casualty Insurance – RFP #13008

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**PUBLIC OFFICIALS LIABILITY  
EMPLOYMENT PRACTICES LIABILITY Option**

Forms and Endorsement Included but not limited to, continued:

DEL17 03/10	Asbestos Exclusion (Total Asbestos Exclusion)
DEL19 03/10	Policyholder Disclosure (Notice of Terrorism Insurance Coverage)
DEL47 06/11	Sexual Abuse and Molestation Exclusion
DEL70 12/11	Municipal Entity Limitation Endorsement
DEL74 10/11	Shared Limits Endorsement
DEL75A 01/13	Modified Defense Outside of Shared Limits Endorsement
DEL82 10/12	Fire and Police Employment Practices Liability Extension Endorsement
DEL94 07/12	Extended Reporting Period Endorsement
DEL96 07/12	Personal Injury Exclusion
DEL98 10/12	Settlement Amendatory Endorsement (Coinsured Defense Costs)
IL0017 11/98	Common Policy Conditions
WW22 02/13	Service of Suit
WW230 08/11	Common Policy Declarations
WW604FL 09/11	Florida Cancellation and Nonrenewal
WWME011 06/11	Crisis Management Endorsement -- \$25,000

*This proposal is intended to give a brief overview. Higher limits may be available. Please refer to coverage forms for complete details regarding definition of terms, exclusions and limitations.*

CITY OF DELTONA  
Property & Casualty Insurance – RFP #13008

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**CRIME**

Term: October 1, 2013 to October 1, 2014

Company: Travelers Casualty and Surety Company of America  
Rated A+, XIV by A.M. Best

Limits of Liability and Coverage:

Employee Dishonesty	\$1,000,000 per Loss
Deductible	\$ 5,000
Theft, Disappearance, and Destruction	
Inside Premises	\$1,000,000 per Loss
Deductible	\$ 5,000
Outside Premises	\$1,000,000 per Loss
Deductible	\$ 5,000
Forgery or Alteration	\$1,000,000 per Loss
Deductible	\$ 5,000
Computer Fraud	\$1,000,000 per Loss
Deductible	\$ 5,000

Notes of Importance:

1. Employee dishonesty coverage is excluded for those employees required by law to be individually bonded.
2. Funds Transfers are automatically covered under Computer Fraud.
3. Includes Faithful Performance.

*This proposal is intended to give a brief overview. Higher limits may be available. Please refer to coverage forms for complete details regarding definition of terms, exclusions and limitations.*

CITY OF DELTONA  
Property & Casualty Insurance – RFP #13008

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**CRIME-Option**

Term: October 1, 2013 to October 1, 2014

Company: Zurich American Insurance Company  
Rated A+, XV by A.M. Best

Limits of Liability and Coverage:

Employee Dishonesty	\$1,000,000 per Loss
Deductible	\$ 5,000
Theft, Disappearance, and Destruction	
Inside Premises	\$1,000,000 per Loss
Deductible	\$ 5,000
Outside Premises	\$1,000,000 per Loss
Deductible	\$ 5,000
Forgery or Alteration	\$1,000,000 per Loss
Deductible	\$ 5,000
Computer Fraud	\$1,000,000 per Loss
Deductible	\$ 5,000

Notes of Importance:

1. Employee dishonesty coverage is excluded for those employees required by law to be individually bonded.
2. Funds Transfers are automatically covered under Computer Fraud.
3. Includes Faithful Performance.

## C. SCOPE OF SERVICES

## C. SCOPE OF SERVICES

### 1) PRIA Broker Services

**PRIA will work with the City to determine product and service expectations and develop a service plan to achieve these goals. Please contact any of our current clients to attest to our commitment to providing personalized services to make administration of the insurance program easy for our clients.**

Our services include, but are not limited to:

- Initiate renewal process approximately 120 days prior to renewal, including preparation of underwriting submissions.
- Meet with staff to review marketing strategy, expectations and budget constraints.
- Recommend coverage options for exposures not covered by insurance.
- Develop and execute Marketing Plan to access and negotiate with all viable insurance markets and alternative risk transfer plans.
- Review open claims for accuracy and possible reduction of reserve amounts.
- Presentation of insurance renewal options to committees, workshops or board.
- Review each policy for accurate policy coverage, endorsement language and terms.
- Request and track corrections in a timely manner.
- Deliver binders and policies to document coverage at all times.
- Respond to all policy change requests and monitor endorsement issuance.
- Issue certificates of insurance. All certificates will be issued in accordance with FS 768.28. Most certificates are issued the same day as requested.
- Assist with Premium Allocations.
- Monitor and communicate industry trends, developments or innovations.
- Monitor and communicate potential legislative issues or legal precedence or rulings that may affect the risk management program.
- Contractual risk review and assistance with vendor contractual requirements policy.
- Promote and facilitate risk and loss prevention efforts.
- Coordinate educational seminars relative to your risk management plan.
- Monitor all claims activity directly with insurance companies. Claims will be tracked by PRIA for closure and to ensure accurate and timely information is supplied to carriers.
- PRIA monitors all hurricane activity and will provide a toll free contact number along with an alternate number if a storm event is possible. Our staff will be available immediately after any major event. We were fully staffed every weekend after each of the four storms of 2004.
- FEMA claims coordination.
- Coordination of appraisal, actuarial, claims, and other third party related services.
- Review all insurance company audits for accuracy. If inaccurate PRIA will facilitate corrections.
- PRIA and any pertinent support staff will be available for special projects not specifically outlined herein.

Further description and applications of our service standards and capabilities are illustrated below:

**C. SCOPE OF SERVICES****1) PRIA Broker Services**

**Quality Assurance & Control** – Brown & Brown, our parent company, has a thorough and extensive quality control process that assures the quality and accuracy of PRIA transactions and processes. It is imperative to maintain strict controls and protocols in all facets of our business to ensure that our clients' requests, communications and financial transactions are conducted with the utmost accuracy and consistency. Brown & Brown utilizes a separate internal audit division. This division is accountable directly to the CEO of Brown & Brown. PRIA is audited twice a year for financial transactions and for adherence to processes and procedures. Our most recent audit resulted in PRIA receiving one of the highest rankings available.

**Risk Management Analysis and Program Design** – One of the many reasons for our success is that we do not simply “sell” insurance policies. Our desired position with our clients is that of a true risk management consultant. We objectively evaluate our clients' risk exposures and recommend the most cost effective method of handling of each risk.

We visit all major property locations, review current loss control and safety programs, review loss experience reports, and interview key personnel in order to understand our clients' needs. Formal reports are written with recommendations for improvement and correction if needed. We will also provide loss control resources and training when requested and in response to our own recommendations. Our experience in designing programs has ranged from high retention/ self insured structures to first dollar coverage.

In addition to examining retention levels we also evaluate risk transfer methods, contractual indemnification and alternative risk financing.

**Claims Handling, Mitigation and FEMA** – We have always been involved in claims management, mitigation and tracking. PRIA's staff logs and follows up on all claims to ensure that adjusters are assigned quickly, third party claimants are contacted, and if necessary, defense counsel is assigned in a timely manner.

During the catastrophic storms of 2004 and 2005, we learned that coordination with FEMA was a critical component in closing claims. In the past year we have initiated a series of protocols with FEMA to streamline the process of disbursing FEMA funds and closing claims more efficiently. PRIA is the first agency to contact FEMA and maintain a working relationship with them. We are confident that the process that we have put in place with FEMA representatives will reduce the timing of disbursements of public assistance by weeks and maybe months.

## C. SCOPE OF SERVICES

### 1) PRIA Broker Services

**Education and Training** – We are avid supporters of education for our clients and provide several educational seminars throughout the year. We have most recently promoted the Insurance Institute of America’s Risk Management for Public Entities (RMPE) and the Associates in Risk Management (ARM) designations. Brown & Brown has a certified teacher on staff and provides a three and one half day review course as well as textbooks and administration of the test at no charge for any of our clients that wish to earn the designation. To date we have had approximately 75 public entities employees take our course and pass the exam.

**Insurance Market Access** Our organization is part of a national group of offices focusing on public entity insurance in Florida and thirty other states. We have access to and enjoy excellent relationships with major public entity insurance companies. Our tenure in the public entity insurance business and our large volume of business afford us the ability to represent our clients to a broader market base giving them more competitive options. We have consistently negotiated better terms and conditions than our competitors. Our ability to match the most competitive carrier for each client has been a critical part of our growth and client satisfaction.

We have provided a few quote options in our proposal.

**Risk and Loss Control** - The continued success of any good risk management program is based on consistent and efficient loss control and risk analysis. At PRIA we pride ourselves on coordinating quality and customized loss control. We promote and provide loss control, training and self-inspection tools that truly assist our clients in reducing or avoiding loss.

## C. SCOPE OF SERVICES

### 1) PRIA Broker Services

**Other Resources** - As the largest insurance agency in Florida and in the Southeast, we have a plethora of resources available to our clients. These may have additional associated fees depending upon the scope of work, but are always available to consult with PRIA in their areas of expertise, including:

- Litigation Specialists and legal support
- Actuarial Services
- Reinsurance brokerage services
- Alternative Risk Transfer and Captive management
- Financial & Property Modeling
- Governmental pool management and support services
- Third party claims administrators
- Program administrators with distinctive expertise
- Wholesale specialists in public entity, transportation, property, and professional liability
- London Broker
- Loss Control and Safety Resources

PRIA also has relationships with similar organizations and industry specialists that may or may not be Brown & Brown subsidiaries and would recommend the service provider that will most benefit the client and fulfill their needs, whether a subsidiary or not. Brown & Brown's decentralized culture allows for this flexibility.

For example, PRIA has developed a relationship with **AssetWorks Property Appraisal Services** due to its quality work, professionals, and consulting. The City has benefitted from this relationship in the current contract. PRIA clients enjoy discounted appraisal and trending rates. AssetWorks professionals are available to PRIA for consulting as well. PRIA has worked with Asset Works to provide both physical appraisals and trended property values over the past several years. We will also be featuring expanded service capabilities for our clients with Asset Works in the future (See I. Value Added Services).

**C. SCOPE OF SERVICES**  
2) Claims Services Overview

***PREFERRED CLAIMS ADMINISTRATION***

Preferred Governmental Claim Solutions, Inc. ® (PGCS) is the premier governmental third party claims administrator in the state of Florida and also administers the claims for Preferred Governmental Insurance Trust (*Preferred*). Since its founding in 1956, PGCS has provided claims administration services exclusively to over 450 governmental entities including schools, cities, towns, counties, community development districts, and fire districts. Therefore, PGCS's adjusters are extremely qualified to handle governmental tort liability and public sector workers' compensation claims. **They are experts** at investigating and handling police and **firefighters presumption claims**. PGCS is sensitive to the politics involved in the handling of public entity claims.

PGCS's claims administration program consists of workers' compensation, general liability, bodily injury, personal injury, property, auto liability, auto physical damage, employment practices liability, school leaders/educators liability and public officials liability. Their claims staff has over 630 years of combined insurance experience and each has been with PGCS an average of 8 years. Claims are handled under strict supervision in accordance with the PGCS workers' compensation and liability claim handling procedure manuals and the PGCS claim best practices manual. A random sampling of each adjuster's claim files are audited on a monthly basis by a Quality Assurance Manager to ensure compliance.

PGCS provides their clients with a dedicated Subrogation Unit to pursue reimbursements from at-fault third parties. Their current recovery rate is fifty-nine (59) percent of the claim costs expended. PGCS also has a dedicated excess reporting and recovery unit for communication to and securing reimbursement from the excess and/or reinsurance carriers. In addition, PGCS provides a state-approved **Special Investigation Unit** (SIU) to prevent and pursue fraudulent claims. PGCS offers rewards up to \$10,000 for the arrest and conviction of persons committing workers' compensation fraud. This service is provided via a twenty-four hour seven day a week hotline.

PGCS utilizes the **RiskMaster** system for claims processing. This system captures a wide variety of data, and allows the adjuster to enter an unlimited number of claim notes, process reserve changes, and issue claim payments. Customized reports can be obtained from PGCS's on-line system containing a multitude of data parameters that a client may choose to analyze. The system can be accessed by clients via their website at [www.pgcs-tpa.com](http://www.pgcs-tpa.com).

Communication with PGCS's clients is the cornerstone of their claims administration program. Professional adjusters, nurses, management, quarterly in-depth claim review meetings, 24/7 claim reporting, utilization of attorneys specializing in public entity defense, litigation management, and return to work programs are just a sample of how PGCS has set the standard for the industry.

PGCS is committed to partnering with their clients to provide professional and aggressive claim management programs. While they are recognized as the leader in the industry, PGCS is always striving to improve the quality of their programs and expand the services that they offer.

**C. SCOPE OF SERVICES****2) Claims Services Overview*****PREFERRED CLAIMS ADMINISTRATION (cont'd)***

The City of Deltona has enjoyed dedicated claims adjusters, each with an important area of specialty. Background information on this important facet of the City's insurance program are attached in Section E. Personnel and Qualifications.

Attached is a copy of a quarterly claim report currently sent to the City. This report also serves as a loss control analysis tool. Due to the flexibility of the on-line claims system, various reports and updates are available in real-time.

Also included in our program is expertise from AmeriSys, providing general case management services for Workers Compensation. A copy of their "BADGE" program for presumption cases is attached in Section I. Value Added Services. This program was developed by a nurse in order to most effectively manage an injured employee's health and related costs following a potential Presumption (heart & lung) issue.

Legal counsel approved/utilized by our program is important to the City. *Preferred* utilizes a panel counsel from which the City can choose. Two of the attorneys representing the City on various claims are George Helm and Michael Roper.

George Helm's experience is unique in that he has always focused in public entity workers compensation and is among the state's foremost experts in Workers Compensation Presumption (heart & lung provision for first responders.) Deltona has had several large Presumption claims, so focus on these types of claims is imperative. Some of the results achieved by Mr. Helm's expertise on behalf of the City are:

- Certain facts presented in a manner allowing a denial of compensability of two potential presumption claims.
- In conjunction with AmeriSys Negotiation for a conversion of medication to generic, estimated to save \$65,000 in cost over the life of the case.
- Due to inconsistencies in pre-employment and subsequent physicals and other factors, Mr. Helm and the City were successful in settling a presumption claim for less than potential exposures (This is a major loss area identified in our loss control objectives – see next section. We have recommended and support the City's Risk Manager in implementing pre-employment and routine physicals.)

Bell & Roper, PA has been utilized by the City for Liability claims. Mr. Michael J. Roper, Esquire, is one of the state's leading advocates of public entity law, and has assisted the City on numerous occasions.

**C. SCOPE OF SERVICES**  
2) Claims Services Overview

Below is a sample listing of Liability Defense Counsel.

**Preferred Governmental Insurance Trust**  
Liability Defense Attorneys

Lydecker & Diaz, P.A.  
Richard Lydecker, Esq. / Onier Llopiz, Esq.  
1201 Brickell Ave, 5<sup>th</sup> Floor  
Miami, Florida 33131  
305-416-3180  
[rl@lydeckerlaw.com](mailto:rl@lydeckerlaw.com) // [ol@lydeckerlaw.com](mailto:ol@lydeckerlaw.com)

Bell & Roper, P.A.  
Michael Roper, Esq.  
2707 East Jefferson Street  
Orlando, Florida 32803  
407-897-5150  
[mroper@bellroperlaw.com](mailto:mroper@bellroperlaw.com)

Roberts, Reynolds, Bedard & Tuzzio, P.A.  
Lyman Reynolds, Esq. / Rusty Roberts, Esq.  
470 Columbia Drive  
West Palm Beach, Florida 33409  
561-688-6560  
[lreynolds@rrbpa.com](mailto:lreynolds@rrbpa.com) // [rroberts@rrbpa.com](mailto:rroberts@rrbpa.com)

Unice & Salzman, P.A.  
T. R. Unice, Esq.  
2570 Coral Landings Blvd, Suite 201  
Palm Harbor, Florida 34684  
727-723-3772  
[trunice@zimmetunice.com](mailto:trunice@zimmetunice.com)

Rumberger, Kirk & Caldwell, P.A.  
Leonard Dietzen, Esq.  
215 S. Monroe Street, Suite 130  
Tallahassee, Florida 32301  
850-222-6550  
[ldietzen@rumberger.com](mailto:ldietzen@rumberger.com)

**C. SCOPE OF SERVICES**  
2) Claims Services Overview

**Claims Reporting Procedures**

Claims may be reported via fax or email to PRIA or to PGCS directly or on-line at

[Liabilityclaims@pgcs-tpa.com](mailto:Liabilityclaims@pgcs-tpa.com) – PGCS email to claims assigner

[www.pgcs-tpa.com](http://www.pgcs-tpa.com) PGCS Website

800-237-6617 PGCS toll-free Phone

321-832-1448 PGCS Facsimile

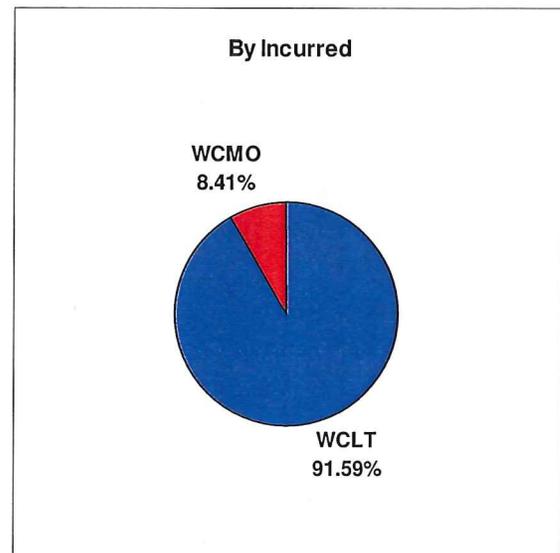
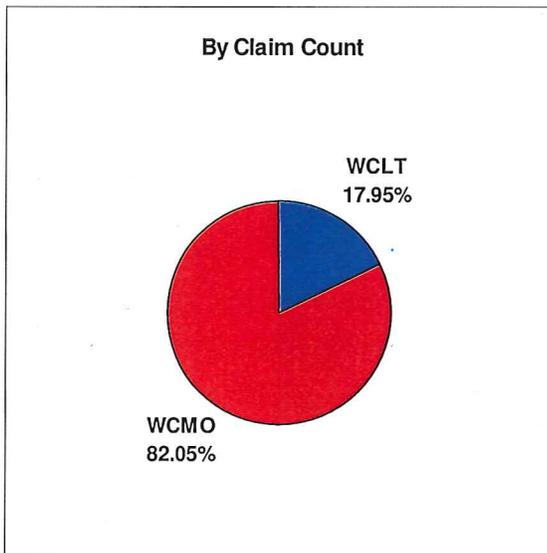


## CLIENT STATUS REPORT

### SECTION #1: TOTAL CLAIMS

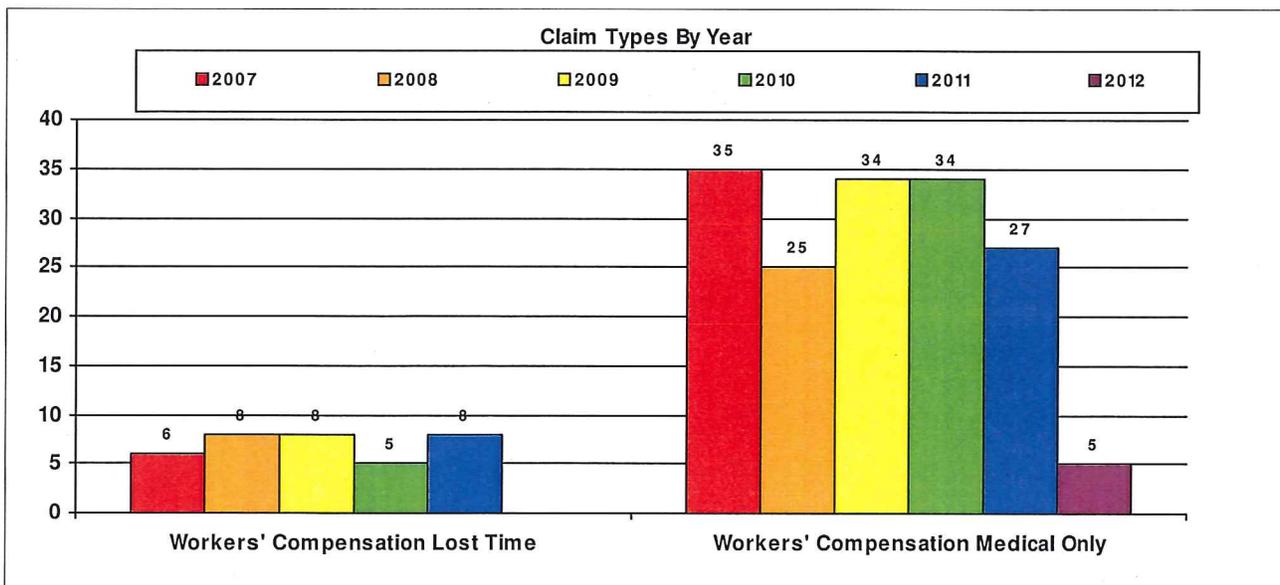
#### Total Frequency & Severity by Line, by Analysis Period

This chart shows both open and closed claims handled by PGCS for Deltona from to 12/31/2012. The pie chart on the left of the exhibit shows the number of claims broken down by line of coverage along with the percentage that those claims represent of the total handled. The pie chart on the right shows you the total incurred by line of coverage along with that line's respective percentage of the total for the period.



#### Claim Development by Line, by Claim Period

This exhibit provides a benchmarking tool to assist Deltona in analyzing claim volume by line of coverage. The bar graph below compares the number of claims for each claim type, valued as of the end of the analysis period. This allows Deltona to track the claim activity from one year to the next.

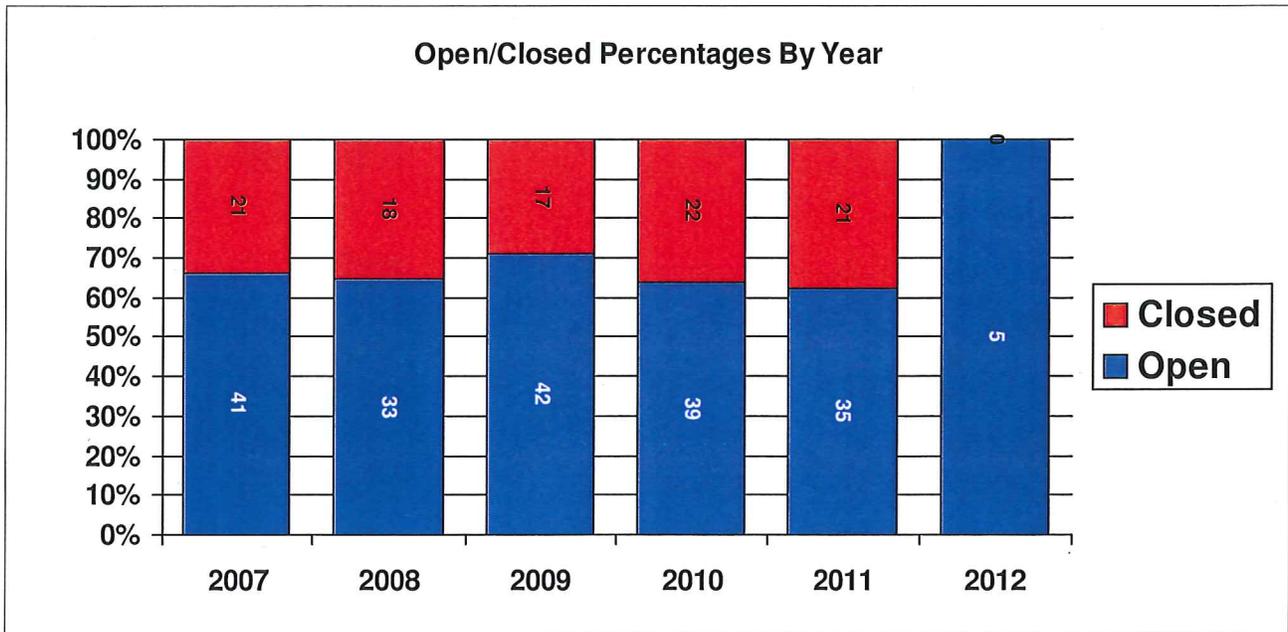




## CLIENT STATUS REPORT

### Closure Reports

The graphs contained in this section identify the total number of claims opened in a specific fund year, regardless of accident date, for all coverages combined and by line of coverage. The graph then identifies the percentage of those claims that closed during each fund year.



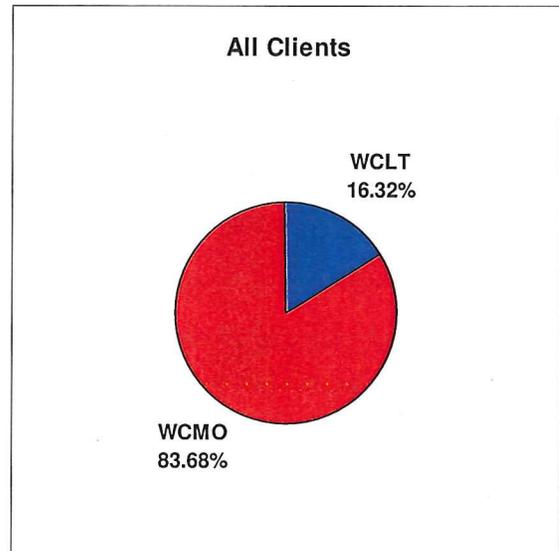
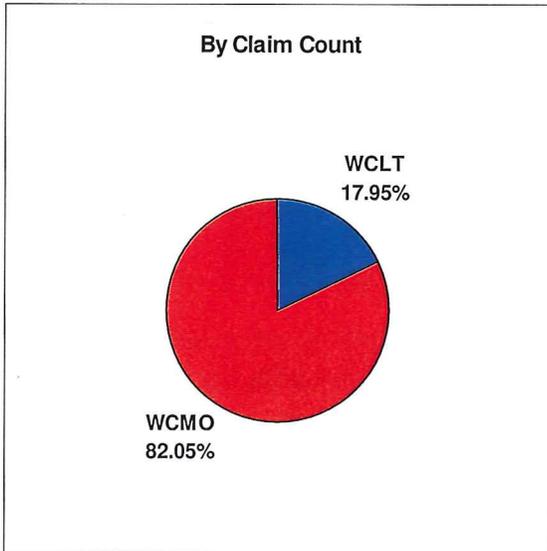


## CLIENT STATUS REPORT

### SECTION #2: CLIENT/ALL CLIENTS COMPARISONS

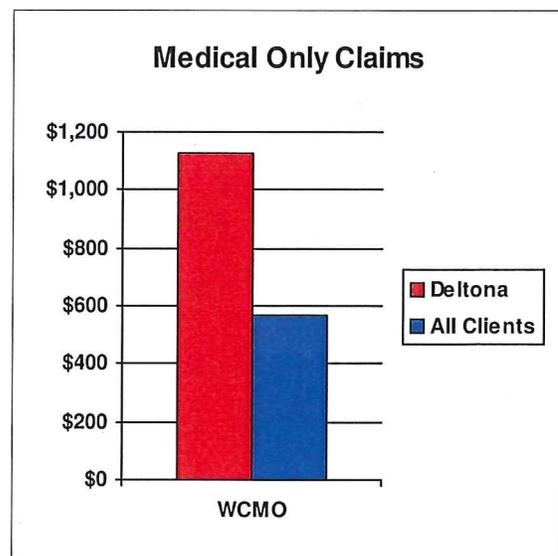
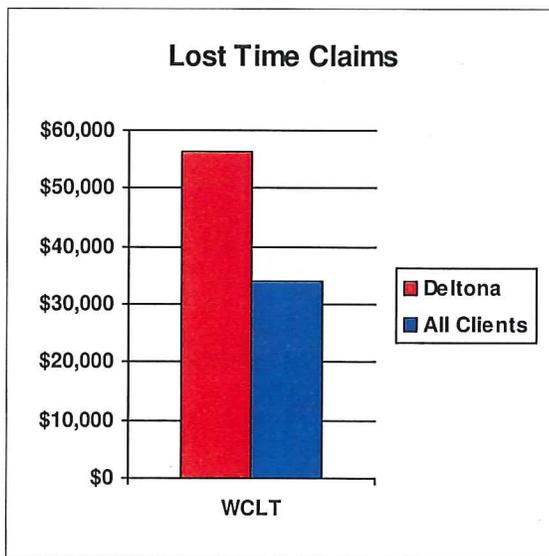
#### Total Workers' Compensation Claims by Type

This exhibit compares Deltona's workers' compensation claims count (left) with that of all PGCS clients (right). It further breaks down the claim counts into percentages of both medical and indemnity claims. This illustrates your medical/indemnity split compared to the PGCS client base for the same period.



#### Average Incurred per Claim by Line

In order to demonstrate an 'apples to apples' comparison, we have run this report on a fund year basis. This exhibit shows Deltona's actual average cost per claim for claims which occurred during the time period reported compared to the corresponding averages for all PGCS clients.

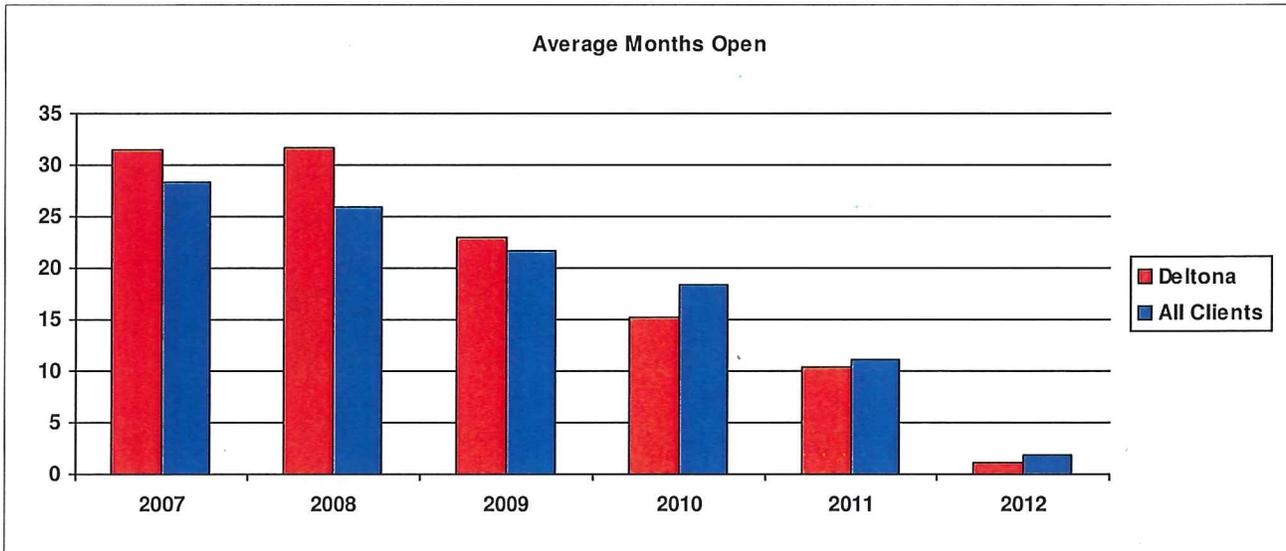




## CLIENT STATUS REPORT

### Average Months Open

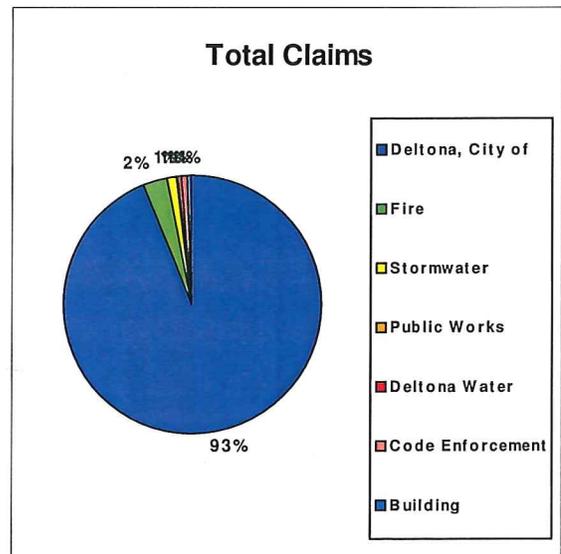
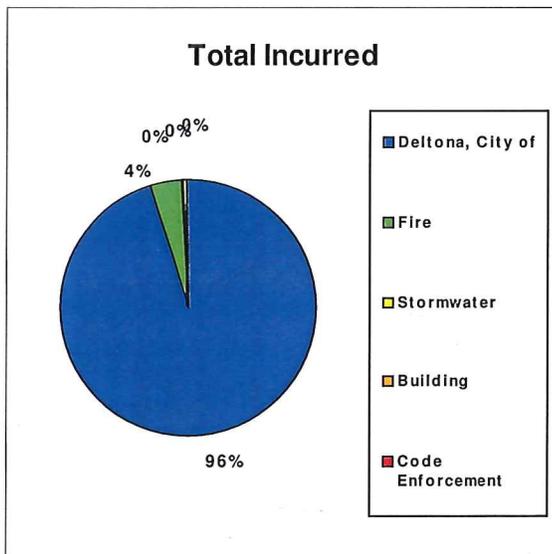
This exhibit shows, by line of coverage, the average number of months that a claim remained open during the noted reporting period as compared to averages for all PGCS clients.



### SECTION #3: TOP FIVE LOCATIONS

#### Totals By Incurred & Claim Counts

These exhibits illustrate the geographic distribution of Deltona's claims by severity and frequency.

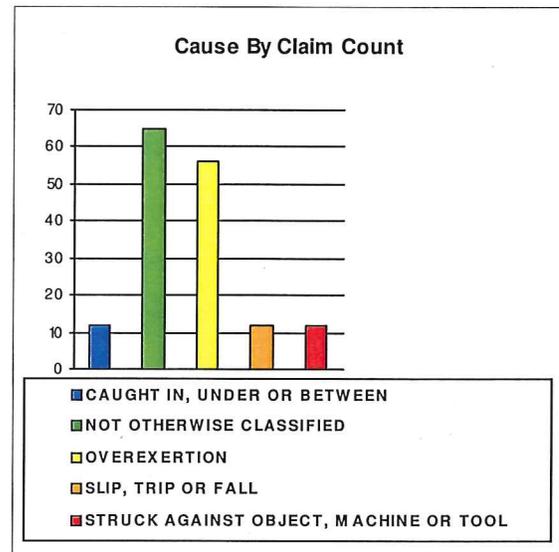
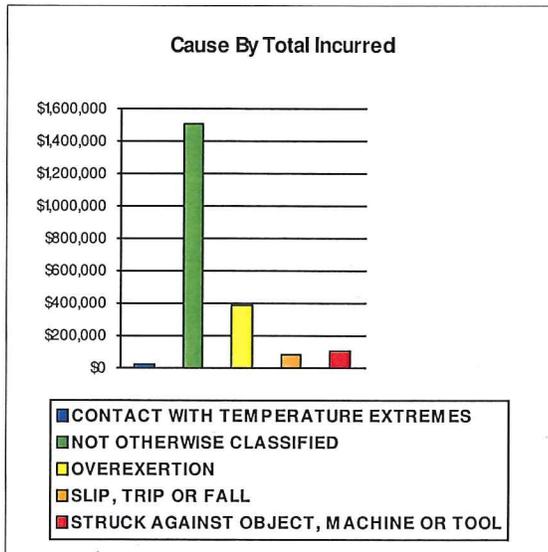


## CLIENT STATUS REPORT

### SECTION #4: WORKERS' COMPENSATION LOSSES TOP FIVE

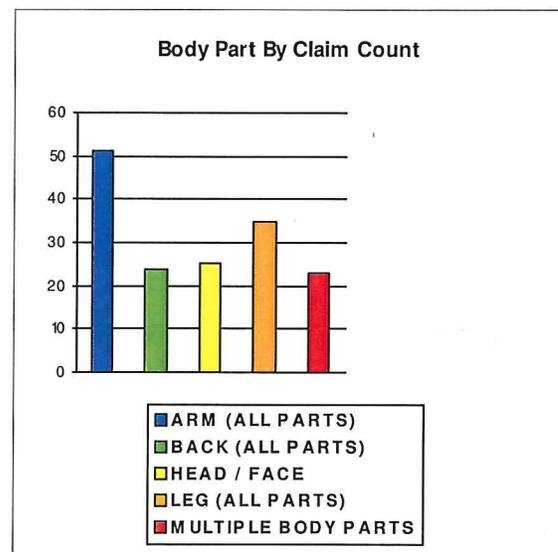
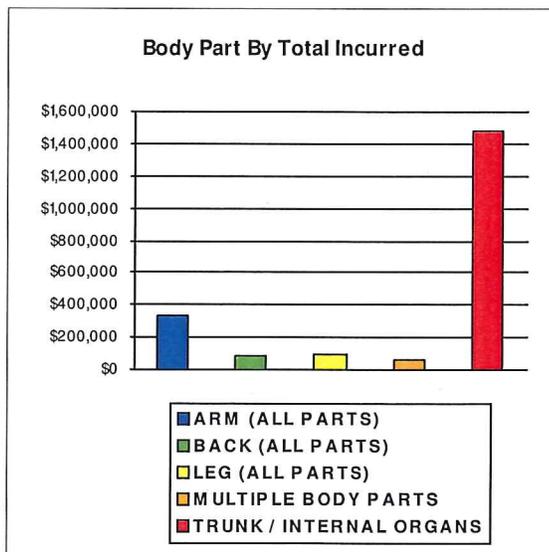
#### By Cause Of Loss

This exhibit illustrates Deltona's top 5 workers' compensation causes of loss.



#### By Body Part

This exhibit illustrates Deltona's top 5 workers' compensation body parts.



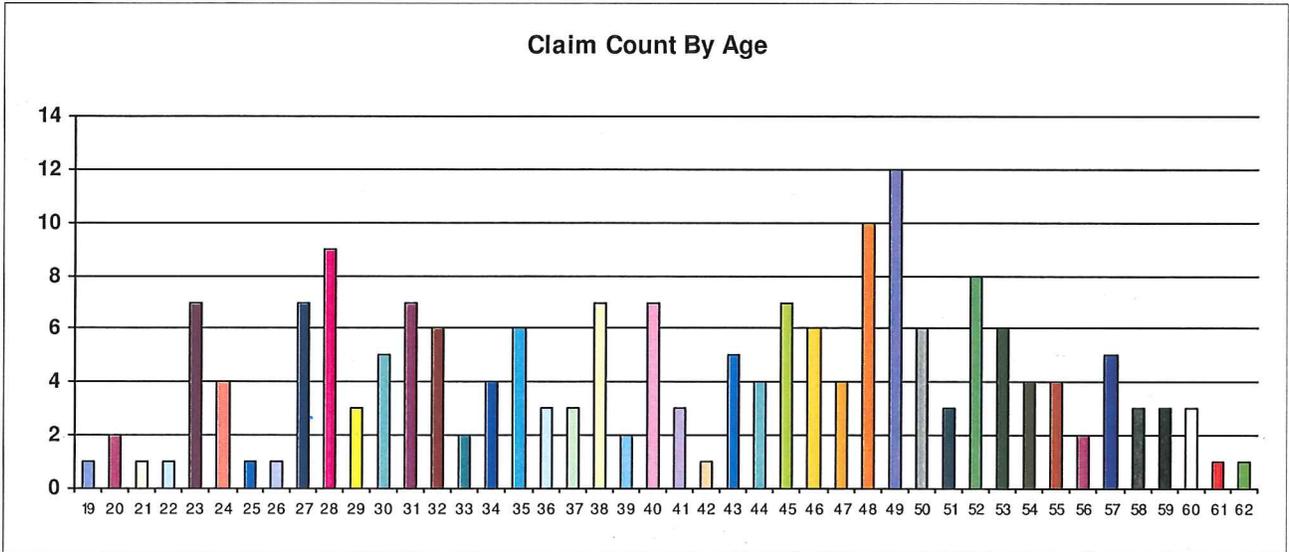


## CLIENT STATUS REPORT

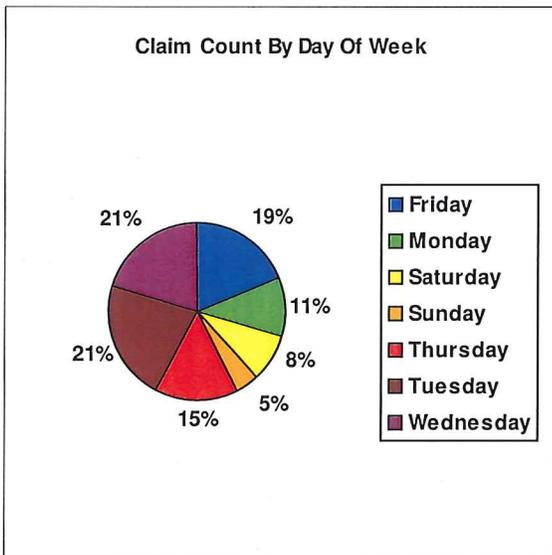
### SECTION #5: CLAIMANT PROFILE

This section graphically depicts the percentage of claims based upon criteria below:

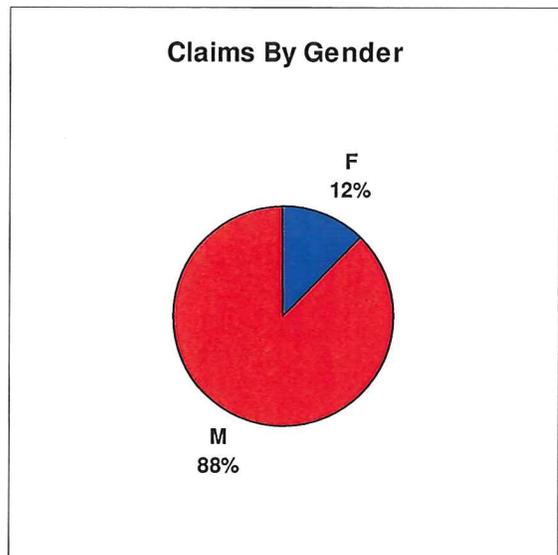
#### By Age Of Employee



#### By Day Of Week:



#### By Gender:



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## C. SCOPE OF SERVICES

### 3) Safety/Loss Control Services

#### ***PREFERRED SAFETY AND RISK MANAGEMENT SERVICES***

The success of any public sector community is clearly tied to its ability to protect and preserve its human physical assets. This basic premise serves as the cornerstone of an effective Safety Management program and underscores the importance of Risk Control to the community. *Preferred's* Safety and Risk Management Department is very aware of the valuable contribution a comprehensive risk control program makes to the bottom-line of any organization.

At *Preferred*, Safety consultations originate with one basic thought—Specific measures can be recommended to minimize or eliminate the exposures that cause accidents. This does not mean that the workplace become no-risk utopias, but we expect our consultants to recommend measures to control/minimize all types of accidents, injuries and illnesses to our *Preferred* clients' operations and premises.

Stressing our problem solving skills... *Preferred* is dedicated to meeting the challenge of the complex problems facing public sector organizations...disarming these problems and converting them into factors, which work to the advantage of our clients. Our emphasis approach to risk control incorporates the following elements:

- **Exposure Identification** – Assist management in determining areas where a chance of loss might exist.
- **Exposure Measurement and Analysis** – Loss analysis and a review of the consequences of the exposures will be considered to develop alternative methods of control.
- **Determination and Selection of Appropriate Risk Control Methods** – Based on measurement and analysis and after considering alternative approaches, specific recommendations and/or a custom design Risk Control plan will be formulated.
- **Training and Safety Management Consulting** – After considering client needs specific training will be formulated and initiated to fit that need. Key personnel will be provided with the basic knowledge and skills they need to meet those identified needs. Program monitoring is accomplished through follow-up surveys with adjustments to the action plan made as needed. Specialty consulting services are available if necessary.

*Preferred's* Safety and Risk Management Department evaluates the unique needs to each client, ultimately designing a program that is capable of being integrated into the overall risk control efforts of each client. Our management system's direction to the problem solving approach is the foundation of our Safety and Risk Management Service.

## C. SCOPE OF SERVICES

### 3) Safety/Loss Control Services

We are pleased to provide an extensive menu of loss control resources to the City. The cost for these services is included in our proposal. Attached are description of programs offered:

- Safety resource guide
- E-learning course guide

Mike Marinan, **Director of Safety & Risk Management**, has been working with the City for several years now. In the past year, much of Mr. Marinan's activity has been focused in the physical inspection of various city properties. Since June of 2011, there have been 12 loss control visits to the City.

For example, in reaction to a claim occurring at one of the City's parks, all of the City's parks have been inspected and are on a quarterly service schedule. Currently, we are in the process of inspecting all fire department facilities for both Workers Compensation and Liability exposures. There are significant claims arising from the risky operations of the Fire Department.

Our team has also spent significant time attempting to initiate the "PEN program" which effectively addresses pathogen exposure incidents (generally occurring with the Fire Department operations). However, we have not been able to negotiate with Florida Hospital to provide a "workers compensation" fee/billing schedule at this time. We will continue to champion this issue on behalf of the City.

In addition, we perform frequent claim trending reviews to identify areas of need. All training and related resources are made available and reviewed at those meetings.



Public  
Risk  
Underwriters of Florida

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*Insurance Solutions for Public Entities*

***Servicing Preferred Members***

# **Member Services Guide**

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## Introduction

This manual is designed to outline the resources and services that are provided by the Safety and Risk Management Department. Our primary goal is to be as effective in our efforts to our members as possible, to that end; these resources and services may be subject to future enhancements or changes that may be necessary to improve their effectiveness in meeting our member's needs.

In addition to safety training and hazard identification, our field representatives will be capable of assisting our members with more comprehensive insurance related issues including, but not limited to experience modifications analysis, risk financing techniques, risk retention, claims trending and analysis, light duty, drug free workplace, FEMA, emergency preparedness, and workers' compensation classification.

In order to be as effective as possible in servicing our member's needs we will also implement the following additional measures as needed:

- Assist our Underwriting Department in targeting additional product applications that may be beneficial to our customers through field analysis.
- Maintain an effective relationship with the agents in our respective territories by keeping them informed of each member's resource and service needs.
- Work closely with PGCS to share information and refine data that is utilized to evaluate our members and target specific areas where services may be required to assist in improving loss retention.

Public Risk Underwriters, Safety & Risk Management is committed in providing our members with the best services, materials, and resources available to promote a safer work environment for their employees.

## Safety and Risk Management Services

**The success of any Municipal organization is clearly tied to its ability to protect and preserve its human and physical assets. This basic premise serves as the cornerstone of an effective safety management program and underscores the importance of safety and risk control to the community. Public Risk Underwriters, Safety & Risk Management Department is very aware of the valuable contribution a comprehensive Safety & Risk Control Program makes to the bottom-line of any organization.**

At Public Risk Underwriters, safety consultations originate with one basic thought; specific measures can be recommended to minimize or eliminate the exposures that cause accidents. Our safety & risk consultants can recommend measures to control and minimize all types of accidents, injuries and illnesses to Preferred member's operations and premises.

Stressing our problem solving skills...we are dedicated to meeting the challenge of the complex issues facing our different members...dismantling these issues and converting them into factors which work to the advantage of our members. Our emphasis approach to risk control incorporates the following elements:

**Exposure Identification** - Assist members in determining areas where a chance of loss might exist through cause trend analysis, work site evaluations, and facility inspections.

**Exposure Measurement and Loss Analysis** - Loss analysis and a review of the consequences of the exposures will be considered to develop alternative methods of control.

**Determination and Selection of Appropriate Risk Control Methods** - Based on measurement and analysis, and after considering alternative approaches, specific recommendations and/or a custom designed risk control plan will be formulated. OSHA, as well as other Agency Standards will be applied and/or used as a "Best Practice" measure when designing and formulating safety and risk control plans.

**Training and Safety Management Consulting** - After considering the members needs, specific services and /or training will be formulated and initiated to fit the members need (see Safety & Risk Training Programs section). Key personnel or specialty consulting services with the knowledge and skills needed to meet those identified needs will be provided.

**Additional Consulting Services Available** – Public Risk Underwriters, Safety & Risk Management, also makes other services available that may benefit our members, such as security evaluations, contract reviews, and review of existing safety and risk programs.

Public Risk Underwriters, Safety and Risk Management, evaluates the unique needs of each member, ultimately designing a program that is capable of being integrated into the overall safety and risk control efforts of each member. Our management system's direction to the problem solving approach is the foundation of our Safety and Risk Management Service.

## Municipal / Public Sector Safety Program

The purpose of the Public Sector Safety Program is to outline an effective way to establish or enhance safe work practices for your employees, identify and control occupational hazards, and ultimately prevent or reduce on-the-job illnesses and injuries. The program contains eight elements or sections, which contain the necessary instructional forms and step-by-step requirements needed in establishing the basic framework for a solid Safety Program.

### The Eight Elements:

- Management Commitment and Worker Involvement
- Safety Committees
- Safety and Health Training
- First Aid
- Accident Investigation
- Record Keeping
- Safety Rules, Policies & Procedures
- Employer Self Inspection & Job Hazard Analysis

### The Program Will Help You to:

- Improve workplace safety awareness
- Involve employees and encourage participation and feedback in problem-solving
- Evaluate the general and specific safety training needs of your employees
- Analyze physical conditions and work practices that lead to accidents and injuries
- Identify hazardous conditions and implement preventive and protective measures
- Comply with state and federal safety standards and regulations

### The Benefits of Implementing This Program may include:

- Reducing the cost of workers' compensation insurance premiums
- Reducing medical treatment costs and lost work or production time
- Reducing the incident or severity of workplace illnesses and injuries
- Reducing liability costs associated with work processes and conditions
- Improving workplace morale and productivity

## On-site Safety & Risk Training Programs

Preventing workplace injuries is a key element to a smooth work operation. Let us show you how your Municipality or governmental operation can benefit from our extensive safety training programs to help your organization achieve its safety performance goals. Each program is not only designed to assist your employees in recognizing potential safety issues and unsafe work behaviors, but also to assist in obtaining new levels of safety awareness and performance. Generally, these training program presentations usually take approximately one hour to present, and are supported by multimedia material and training handouts.

### **Training topics include...**

- Accident Investigation
- Basic Electrical Safety
- Job Safety Analysis (JSA)
- Personal Protection Equipment (PPE)
- Office Safety
- Forklift Safety
- Workstation Ergonomics
- Blood Borne Pathogens
- Safe/Defensive Driving
- Back Safety/Proper Lifting
- Hurricane Preparedness
- Hazard Communications / Right-to-Know
- Confined Space Entry



This is just a sample of our training topics; please contact the Public Risk Underwriters, Safety & Risk Management Department to enquire on any additional training topics that may not be listed above...

We can also create and generate a training certificate of completion for each of your attending employees. Just provide a list of your attending employees, including the date that each will be attending training to the Public Risk Underwriters, Safety & Risk Management consultant who will be conducting your training session, and we will prepare your training completion certificates for you.



## On-site Safety Survey Program

It is the objective of Public Risk Underwriters, Safety & Risk Management Department to establish a procedure at the member's location for the proactive and systematic recognition and control of hazards at all facilities. Therefore, the maintenance of owned, leased, occupied and/or possessed properties has been placed at a high level of priority. To meet this objective, Preferred members can establish the following policy section to assure regular maintenance of properties and regular inspections (with checklists), with frequency and scope relative to commonly expected changes in conditions, whether caused by normal wear and tear, vandalism, misuse, damage from adverse weather conditions or other natural phenomenon.

Frequency and scope should also be relative to the level of hazards that exist, such as volume of visitors or employees, occupancy by children, accessibility by disabled persons or the elderly, premises activities (such as swimming and competitive sports), facilities that are critical to the providing of public utilities, and facilities that involve storage and processing of hazardous chemicals or flammable substances.



## Health & Safety - Special Events Participation

Planning a special event for your employees? If so, let us know! Public Risk Underwriters, Safety and Risk Management Department will consider all invites pertaining to participation in your upcoming special events, such as annual employee health & safety fairs.

Our participation in your special event could possibly include one or more the following...

- Safety related displays, demonstrations and/or presentations
- Safety related hand-out materials, such as booklets, brochures and slide guides
- Special event promo give-away items
- Gift donation per event raffle / prize drawing

Please contact Public Risk Underwriters, Safety & Risk Management for further details on how we may be able to take part in your upcoming employee related special events.



## Safety & Risk Related Information & Research

Are you looking for answers to specific questions related to public sector safety and risk management, and either having a difficult time finding it, or don't have the necessary time to properly conduct the research to find the answer?

If so, please let us assist you in finding the answer you are in need of through the use of our public sector network capabilities and safety & risk research initiative. Our business relation with other public entity sectors allows us to contact numerous in-state, as well as out-of-state governmental entity services to find the answer(s), resource(s), or material(s) you are in search of.



## Public Risk Underwriters E-Tools

### **A PRU E-Tools account provides clients with immediate access to all the services listed below:**

(Please note that some services may not be available upon accessing due to possible development, changes and/or updates being performed ...)

- Access to all Preferred Newsletters
- Access to Preferred Safety & Risk Management Resources, including forms and articles
- Issue a certificate of coverage and view historical certificates previously issued
- Access to webinars / presentations on current topics i.e.: Hurricane Preparedness

### **Registering for E-Tools:**

To register, just go to [www.publicrisk.com](http://www.publicrisk.com) and click on the “register” button located at the top right corner of the web site and complete and submit the registration form.

### **Activation of E-Tools Account:**

You will receive an email within 72 hours per the activation of your account...



## PGCS E-Accounts

The PGCS E-Accounts provide clients with immediate information about the claims PGCS is handling for them. With these tools, clients can review claims, get loss runs, and analyze trends with statistical and graphical reports.

### **Registering for E-Accounts:**

To register, just go to [www.pgcs-tpa.com](http://www.pgcs-tpa.com) and click the Member/Client button. Then click Register and fill out the form. Once that's complete, click Register again and you will see the Website Access Terms and Agreements. Read them, click the checkbox to accept them, then click submit.

The next page asks you to print the acceptance form. Print, sign it, and mail it to the indicated address. (There is no longer any requirement to have it notarized.)

### **Activating E-Accounts:**

Upon receipt of the form, the PCL will review the registration, determine the appropriate parameters for the account and authorize the webmaster to activate it. Once authorized, the webmaster will apply those parameters to the account settings, activate the account and notify the client by email.





# Preferred Academy On-line Learning Center

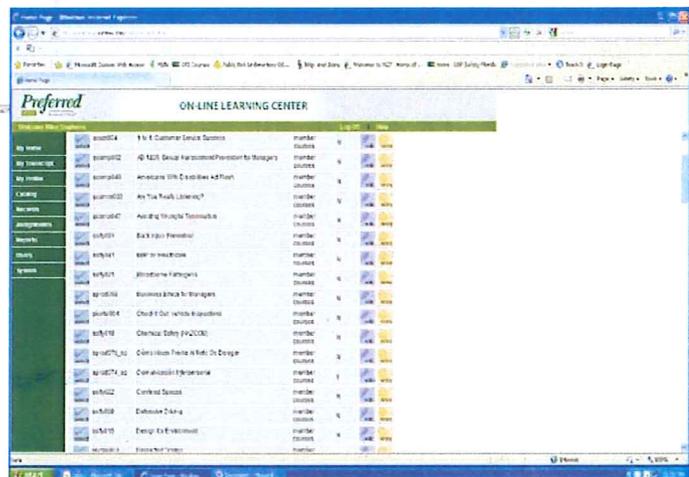
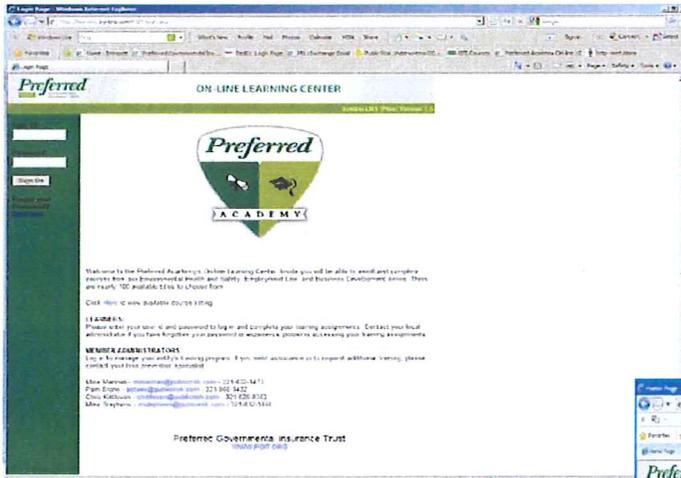
Preferred Academy's On-Line Learning Center is a members-only platform that provides access to over 100 safety, human resource, and business skill courses that are available 24/7. The center also hosts a learning management system that can be utilized in managing the on-line training services and courses.

There are three levels of users applied to the system:

- **Administrator** can add other users, create training assignments, assign training assignments and run training reports.
- **Manager** can complete training assignments and review transcripts of individuals they manage who have been assigned courses for completion.
- **Learner** can complete assigned training courses and review personal training transcripts.

All courses are being offered to Preferred members at an affordable special discounted rate that is calculated upon a set quantity of launches that are purchased.

To find out more on this valuable training tool, please contact your regional Public Risk Underwriters, Safety & Risk Management consultant...



# Workplace Safety Resource & OSHA Training Website

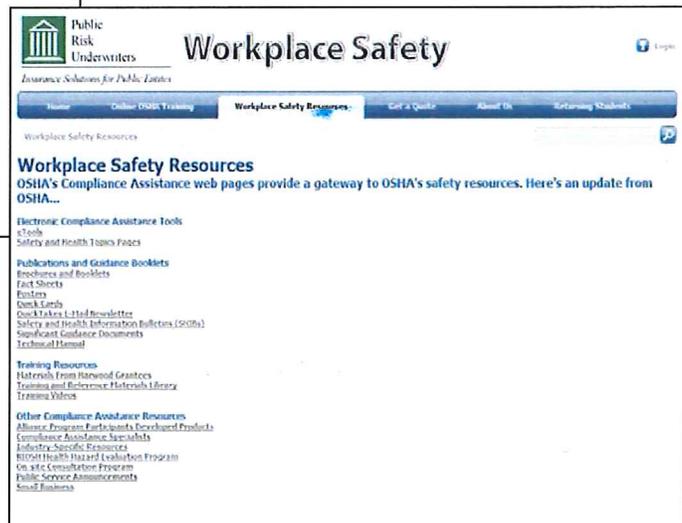
Through a partnership with the USF (University of South Florida) Outreach Training Institute and the American Safety Council, Public Risk Underwriters now offers an exciting new web based safety resource and OSHA training tool to all Preferred members.

Through Public Risk Underwriters Workplace Safety & OSHA Training website, Preferred members can self research safety information, seek available safety related resources and materials, and complete approved on-line OSHA training courses to meet OSHA training requirements.

All OSHA compliance training courses are being offered to Preferred members at an affordable special discounted rate of 50 % off the normal course rate, so please check out this valuable new safety tool by going to [www.publicrisk.amerisc.com](http://www.publicrisk.amerisc.com).

As an added benefit members can register for courses being offered directly through USF's Outreach Training Institute at discounted rates. Preferred members can check on available courses and/or register online at [www.usfotcenter.org](http://www.usfotcenter.org), or by contacting the Outreach Training Institute Coordinator at (813) 994-1195, please be sure to mention that you are a current Preferred member.

If you would like further details on this valuable new resource and training tool, please contact you regional Public Risk Underwriters, Safety & Risk Management consultant...



# Safety Related Materials & Resources

## Safety Times Reproducible Articles:

These 129 reproducible safety articles may be used in internal newsletters, safety meetings, safety e-mail alerts, and various other ways to promote safety. The articles will benefit your organization by providing your employees with knowledge and skills on avoiding off-the-job accidents. Which, in turn could help prevent on-the-job accidents by fostering a 24-hour safety attitude. This would benefit your organization by possibly reducing loss expenses, and increasing productivity. **The articles are accessible through the E-tools section of the Public Risk Underwriters web-site.**

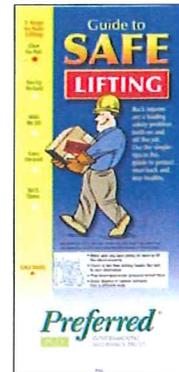


## Safety Slide Guides:

These handy pocket slide guides are compact, cover a variety of safety related topics and are a great quick reference resource when trying to find answers to safety related questions. Each slide guide title covers the most common asked questions and/or safety tips on that specific topic to stay safe and healthy.

Currently, we offer the following titles to Preferred members:

- Driving Safely & Distraction Free
- Safe Lifting
- Workplace Safety
- Everyday Exercises for Busy People
- Ergonomics
- Hazard Recognition in the Workplace
- Avoiding Strains & Sprains
- Preventing Slips, Trips & Falls
- Preventing Carpal Tunnel Syndrome
- Backache Prevention
- Fire Hazards
- Stress Management
- Skin & Sun Safety
- First Aid
- Heat Stress (pocket pal version)



## Auto Accident Claim Reporting Kit

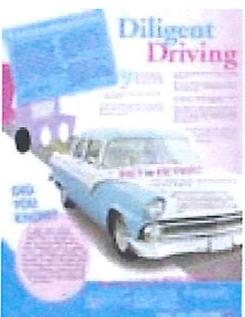
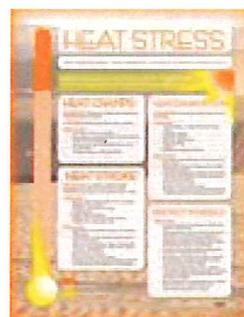
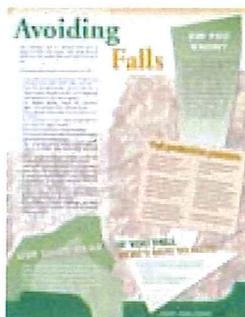
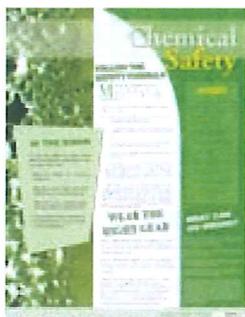
As an additional service to those members that carry automobile coverage through Preferred, Public Risk Underwriters can also provide an Auto Accident Report Kit for each of your insured vehicles.

The kit is designed to assist drivers in collecting accurate data at the scene of an accident in order to aid in the expediting of claims processing. At least one kit should be stored in each insured vehicle's glove compartment or other easily accessible storage area.



## Safety Posters

Public Risk Underwriters currently has 12 different safety posters available to Preferred members. Each poster is constructed of heavy duty glossy finish paper and measures 17"x 22". These posters may be ordered as a set, or ordered per each title. Currently, the following poster titles are available...



## Safety Video Library

Public Risk Underwriters, Safety & Risk Management currently has a vast library of safety training videos available. Here is just an example of some safety topics covered...

Safe Work Practices  
General Office Safety  
Back Injury Prevention / Safe Lifting  
Chemical Safety  
Safety in the Maintenance Department  
Fire Extinguisher Training and Use  
Commercial Lawn Mower Safety  
Chain Saw Safety  
Landscape Maintenance  
Heat Stress  
Respirator Selection & Use

Emergency Preparedness at Work  
Tree Trimming Safety  
Personal Protective Equipment  
Hand & Power Tools Safety  
Ladder Safety  
Emergency Preparedness at Work  
Office & Computer Ergonomics  
Fire Extinguisher Training  
Confined Space Entry  
Trenching & Shoring  
High Voltage - Electrical Safety





## Safety & Risk Management Departmental Contacts

As Manager of Public Risk Underwriters, Safety and Risk Management Department, I wanted to take this opportunity to express our philosophy as it pertains to servicing the business you have placed with our Insurance Program. It is of paramount importance that the level of service provided meets the expectation of our client. We will be taking a pro-active approach to servicing our accounts and encourage you to contact us with your thoughts and input.

Respectfully,

*Mike Marinan*

**Mike Marinan – Director of Member Services**

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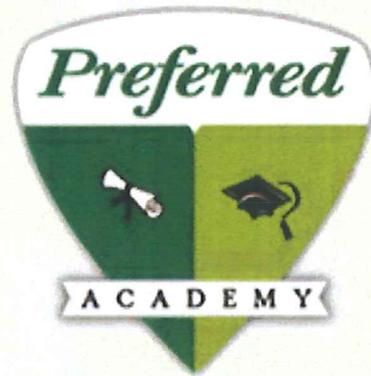
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## Course Catalog Overviews





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## **BUSINESS SKILLS ESSENTIALS: Communication**

### **Are You Really Listening?** (Also available in Spanish, Chinese, French, Italian, Portuguese, Thai) 30 minutes

The ability to listen is an important tool for understanding others. Sadly, very few people know how to listen well. Listening is not simply agreeing – it is much more. This module teaches, “deep listening” skills, which will lead to greater productivity and understanding in the workplace.

*Audience: All employees who wish to improve their active listening skills.*

### **Effective and Appropriate E-Mail Use** 60 minutes

E-mail is a powerful communication tool that transcends time zones and continents. Its applications are wide-ranging and it can contribute greatly to productivity if used effectively and appropriately. This course will show you how to write compelling and concise e-mails, successfully manage your e-mail, and know when e-mail should or should not be used. You will also learn how to overcome the risks associated with e-mail, such as lost productivity, legal issues, security breaches, viruses, and junk e-mail.

*Audience: All employees who use e-mail on a daily basis.*

### **High Impact Visual Aids** 30 minutes

Visual aids are vital for meetings and presentations. This module will teach you how to select, prepare, and utilize the most effective visual aid tools available.

*Audience: All employees who wish to use visual aids more effectively when giving presentations.*

### **Interpersonal Communication** (Also available in Spanish) 45 minutes

Everyone has the ability to become a more effective communicator. This course teaches how to identify and overcome the barriers to good communication, the importance of communicating with clarity, and the steps involved in the communication process. It also teaches a number of easy-to-use techniques to enhance daily interactions through real-life scenarios, interactivities, and exercises. Interpersonal Communication is ideal for both managers and employees alike, who work in any business setting.

*Audience: Ideal for all employees who wish to enhance their communication skills--improving business relationships and enhancing professional effectiveness.*

### **Power Speaking** (Also available in Spanish) 30 minutes

More than ever, good presentation skills are vital to business and career success. This program will help you plant your feet, look'em in the eye, and deliver a clear message. You will learn presentation skills and techniques that will bolster your success.

*Audience: All employees.*

### **The Effective Business Writer** 30 minutes

In business writing, it is always the writer's responsibility to make sure his or her message is understood. Communicating your thoughts in a concise, logically organized manner is invaluable in business writing. This course will teach you how to write with more clarity and precision.

*Audience: All employees.*

# BUSINESS SKILLS ESSENTIALS: Management Leadership



## **Ethics and Business Conduct**

50 minutes

Ethics is about doing the "right" thing. In a business setting, ethics also involves ensuring that company values are shared and upheld by all members of the organization. This course introduces the concept of business ethics and highlights the company code of ethics and/or business conduct describing company values and standards of conduct. Students learn by applying "the code" to a series of "ethical dilemmas" typical of the workplace. Students also learn of the channels for reporting code violations should the need arise.

*Audience: All employees.*

## **Ethics and Business Conduct for Managers**

40 minutes

Ethical organizations enjoy many benefits both economic and social. This course focuses on the manager's role in creating an ethical organization and creating strategies for handling ethical dilemmas. Business Ethics for Managers provides perspective on the purpose and benefits of ethics in business and professional life, helping managers understand the complex roles and relationships of law, morality, and professional codes of conduct in daily business activities.

*Audience: All managers within a company with a Code of Ethics or ethics management program in place.*

## **Leading a High-Performance Team** (Also available in Spanish)

60 minutes

Increasingly, companies are turning to team-based workforces, which have been shown to outperform traditional work groups. How successful teams are, however, depends directly on how well they are led. Though traditional management skills are useful in any leadership situation, team leadership requires a new mindset. This course focuses on a team leader's approach to leading meetings, setting team goals, hiring team members, training team members, and resolving team conflict. Students will learn the benefits of teams to their organization, the five-team requirements, and how to recognize and address common team pitfalls so that teams can reach a high level of performance.

*Audience: Managers, new team leaders and team facilitators*

## **How to Hire the Right People**

60 minutes

A company's strength lies in its employees, but hiring the right employee for the job every time is not simple. It can cost thousands of dollars to search for, hire, and train new people. If a new hire does not work out, this investment is lost. Good hiring must be done with objectivity, care, and an eye toward the law. The process takes time, but remember, when the right person for the job is found, both staff performance and morale improve! This course looks at effective strategies for finding and hiring the best person for any position.

*Audience: HR professionals, managers, and all employees in a position to make hiring decisions.*

## **Management Basics**

60 minutes

This course was designed with both the new and the more experienced manager in mind. It explains the many roles and responsibilities a modern day manager must take on board, from the more traditional planning and organizing to the intangible such as leading and coaching. Through scenarios, exercises and interactivities, the module presents both detailed methods and handy tips for successful mastery of these roles. Managers will also learn about the skills they need to perfect to support them in their roles and maximize their effectiveness.

*Audience: New and experienced managers wishing to improve their managerial skills.*

## **Managing Conflict: A Collaborative Approach** (Manager's Edition)

45 minutes

This course focuses on this approach, teaching managers how they can mediate a collaborative solution in any workplace conflict. Students will learn how to recognize and reduce the catalysts of destructive conflict, how to identify when intervention is needed, how constructive conflict can be used to benefit an organization, whilst always maintaining the focus on a 'win-win' solution.

*Audience: Managers faced with the inevitability of conflict in the workplace.*

# BUSINESS SKILLS ESSENTIALS: Management Leadership



## **Maximizing Employee Performance** (Also available in Spanish)

60 minutes

This course teaches managers how bring out the best performance possible in their employees by using a hands-on, straightforward performance management process. Managers have a vital role to play in the successful performance of each individual in a work group and of the group as a whole. With a strong focus on employee-participation and positive reinforcement, this module outlines how to set expectations, coach for performance, solve performance issues, and develop employee performance. If used effectively, these techniques will result in extremely motivated, productive, and satisfied employees. Through the use of interactivities and fictional scenarios, managers will learn how to set goals with their employees, define job responsibilities, effectively use coaching, counseling, and discipline to improve performance, and how to evaluate and further develop employee performance over time.

*Audience: Managers who want to maximize the performance of their employees.*

## **Meeting the Delegation Challenge** (Also available in Spanish)

60 minutes

This course explains, through the use of engaging content, interactivities, and exercises, how to effectively debrief the delegate, follow up, give feedback positively, and what to do if something goes wrong. Throughout this process the focus remains on utilizing, empowering, and developing employees to bring maximum benefit to managers, employees, and the organization.

*Audience: Managers and supervisors who need to delegate effectively.*

## **Personal Leadership Power**

45 minutes

This course is designed to help participants understand what leadership is, how to increase their personal leadership power, how to help others increase their personal leadership power, and how leadership can increase the productivity of the firm.

*Audience: All employees who wish to increase their ability to assume or to perform more efficiently in leadership roles will benefit from this course.*



## **BUSINESS SKILLS ESSENTIALS: Personal Development**

### **Goal Setting in the Workplace** 45 minutes

Learning how to effectively set goals at work will help you become more productive and will give you a greater sense of pride and satisfaction in your job. In addition, you will be able to transfer many of your goal setting skills from the workplace to other areas of your life. This will allow you to take greater control over your personal and career development. This course will teach you the characteristics of effective goals, the steps involved in the goal setting process, and ways to overcome barriers to achieving goals. Through scenarios, exercises, and engaging interactivities, this course will help you take your goal setting skills to the next level.

*Audience: All employees.*

### **Handling Conflict: An Employees' Guide** 45 minutes

This course focuses on a collaborative approach to conflict resolution, teaching employees how to resolve workplace conflicts so that everyone "wins." Students will learn how to use good listening and communicating skills to keep conflict constructive, identify natural conflict-handling styles, resolve conflict collaboratively, and when and how to ask for help in the resolution process.

*Audience: All employees who wish to effectively handle conflict.*

### **It's About Time: Strategies for Effective Time Management** 30 minutes

Time is unyielding. We can't stop it, slow it down, or save it for later. But we can improve how we manage and utilize our time. This program will help you learn invaluable time management skills.

*Audience: All employees who wish to improve their time management skills.*

### **Lose the Meeting Blues: A Practical Guide for More Effective Meetings** 30 minutes

This course helps improve the quality of the meetings you lead or participate in. In this course, you will learn how to plan, organize, orchestrate, and improve meetings. This knowledge will empower you to use meetings as a tool for accomplishing group and personal goals in any setting.

*Audience: All employees who wish to learn how to make meetings more effective.*

### **Managing Information Overload** 30 minutes

This course helps you organize an information management system that works for you. By providing easy-to-use strategies and controls, you will be able to manage information and avoid information overload.

*Audience: All employees.*

### **Negotiation: Your Road to Success** 30 minutes

This course helps you learn how to become a more proficient negotiator. It includes steps to guide you through any difficult transaction or trade. This course teaches the importance of developing a win-win philosophy, characteristics of a successful negotiator, and the six steps of every negotiation.

*Audience: All employees who wish to improve their negotiation skills.*



## **BUSINESS SKILLS ESSENTIALS: Personal Development**

### **Participating in a High Performance Team**

45 minutes

For team members, there are few professional experiences as exciting and rewarding as being on a highly successful team. However, before you can reap the benefits that can come from being on a successful team, you must learn how to be a truly productive team member. Being on a real team may involve some changes in the way you work. In this course, you will learn the unique skills and techniques necessary to be a highly successful part of any team.

*Audience: All employees who regularly participate in teams.*

### **PROACTiOn: Creating Change, Innovation, and Opportunity**

30 minutes

This module assesses the user's strengths and weaknesses within the six PROACT traits of successful innovators. It also outlines ways to improve PROACTability.

*Audience: All employees who wish to become better innovators.*

### **The Power to Change**

30 minutes

Mastering change involves dealing with the effect of change on our own lives. This module teaches invaluable skills needed to make change work for us, not against us.

*Audience: All employees.*

## **BUSINESS SKILLS ESSENTIALS: Sales and Services**

### **1 to 1: Customer Service Success**

30 minutes

Research verifies that the only way to achieve customer loyalty is to consistently meet and exceed their expectations. Every time you interact with a customer, you have a unique "moment of truth" opportunity to build the relationship or fall short. This module will help you understand your customers' needs so you can better serve them through each and every interaction.

*Audience: All employees who wish to improve their customer service interactions.*

### **Sell for Success: What You Need to Know About Selling**

30 minutes

This course helps you master the basics of selling by tapping into powerful personality skills that you already have. It covers attitude, approach, and image. This course will teach you how to define your selling style, understand how attitude is related to success, improve customer relations, and learn vital sales communication skills.

*Audience: All employees associated with sales.*



## LEGAL COMPLIANCE: Employment Law Compliance

### **AB 1825: Sexual Harassment Prevention for Managers** (Also available in Spanish) 120 minutes

This course is specifically designed to comply with California Law AB 1825 which mandates employers with 50 or more employees to provide a minimum two hours of interactive sexual harassment prevention training for all supervisory employees. The course is divided into ten sections. Starting with the laws, myths, and costs related to sexual harassment, the course moves through the many dimensions of sexual harassment prevention. It details the definition, nature, and types of sexual harassment in the workplace, discusses liability issues, and outlines how supervisors should deal with and prevent sexual harassment, including the importance of non-retaliation and how to handle complaints. The course also presents the legal nuances of discrimination and harassment and finishes with the opportunity for students to learn about their own company policy on sexual harassment. Each section contains fictional scenarios, real-life case studies, and exercises to test your knowledge and support learning.

*Audience: All supervisors in California companies with over 50 employees.*

### **Americans With Disabilities Act (ADA)** 45 minutes

The Americans with Disabilities Act of 1990 (ADA) prohibits employment discrimination against qualified individuals with a disability. ADA requires additional steps, beyond nondiscrimination, for individuals with disabilities so that they can compete for jobs, perform essential job functions, gain access to workplaces, and enjoy other employment benefits. Managers who have a full understanding of their responsibilities and manage under the law can best avoid future discrimination claims. This course will teach what is and is not protected under the law, when reasonable accommodation must be provided, and preventive measures to avoid discrimination.

*Audience: All managers needing to know their responsibilities under ADA.*

### **Avoiding Wrongful Termination** 45 minutes

This course will help managers to understand the principle of "at-will" employment and the important exceptions to the rule. At the completion of this course, managers will be able to identify practices that could create liability and identify methods for effectively handling terminations to minimize the risk of a lawsuit. Preventive measures outlined in this course can be used to help avoid a costly wrongful termination claim.

*Audience: All managers needing to know their legal responsibilities with regards to terminations.*

### **Employee Privacy** 45 minutes

This course provides an overview of employee privacy in the workplace. Managers should know their state's regulations on privacy to achieve a balance between their need-to-know, with employees' right to freedom from undue intrusion into their personal lives. This course is for managers who wish to avoid litigation for invasion-of-privacy or defamation claims, yet who must sometimes consider drug testing, searches, discussion of an employee's behavior, or examination of an employee's after-hour activities. This course may also interest company executives who initiate company policy regarding privacy.

*Audience: All managers needing to know their responsibilities in respecting employee privacy.*

### **Maintaining a Drug-Free Workplace: Employee Version** 45 minutes

This course discusses the benefits of a drug-free workplace. You will learn the damage caused by drug and alcohol abuse, the advantages of working towards a drug-free workplace and to recognize and understand your company policy for sustaining a drug-free workplace. You will also learn when and why drug and alcohol testing can be used in the workplace and what action you should take if you or a co-worker has a substance abuse problem.

*Audience: All employees needing to know their responsibilities in maintaining a drug-free workplace.*

# LEGAL COMPLIANCE: Employment Law Compliance



## **Maintaining a Drug-Free Workplace: Manager's Edition**

45 minutes

More than 70 percent of illicit drug users actually hold down part- or full-time jobs. Substance abuse in the workplace causes serious damage to productivity, as well as increased health-care costs, thefts and the risk of accidents. Managers need to be aware of this critical and current concern and what they can do to reduce it. Maintaining a Drug-Free Workplace: Manager's Edition outlines the realities behind substance abuse in the workplace; the benefits of keeping the workplace drug-free and how managers can proactively assist in achieving a drug-free workplace.

*Audience: All managers needing to know their responsibilities in maintaining a drug-free workplace.*

## **Preventing Employment Discrimination for Managers**

45 minutes

Title VII of the Civil Rights Act of 1964 and other federal and state equal employment opportunity (EEO) laws protect employees and job applicants from discrimination based on their race, color, religion, national origin, sex, disability, and other protected grounds. This course teaches managers and supervisors to make employment decisions that adhere to anti-discrimination laws, promote respect, improve morale, and, in turn, prevent claims of discrimination and employer liability.

*Audience: All managers needing to know their responsibilities in preventing employment discrimination.*

## **Preventing Sexual Harassment for Managers**

45 minutes

This course teaches managers and supervisors to recognize and prevent sexual harassment, to respond appropriately when they learn of it, and to deal with and prevent retaliation against victims and witnesses. It also discusses the risk of liability to both the company and a manager if he or she fails to stop harassment or engages in harassing behavior.

*Audience: All managers needing to know their special responsibilities in understanding and preventing sexual harassment in the workplace.*

## **Preventing Unlawful Harassment: College and University Edition**

45 minutes

This course teaches faculty and staff managers and supervisors about the human characteristics that are protected by anti-discrimination laws and the type of conduct related to the "protected classes" that can lead to a claim of unlawful harassment. It offers strategies for preventing unlawful harassment and teaches faculty and staff managers how to respond appropriately when they learn of it. It also discusses the risk of liability to both the institution and a manager if he or she fails to stop harassment or personally engages in harassing behavior.

*Audience: All faculty, staff managers, and supervisors in colleges and universities who need to know their special responsibilities in understanding and preventing sexual harassment.*

## **Preventing Unlawful Workplace Harassment for Managers**

45 minutes

This course teaches managers and supervisors about the human characteristics that are protected by anti-discrimination laws and the type of conduct related to the "protected classes" that can lead to a claim of unlawful workplace harassment. It offers strategies for preventing unlawful harassment and teaches managers how to respond appropriately when they learn of it. It also discusses the risk of liability to both the company and a manager if he or she fails to stop harassment or personally engages in harassing behavior.

*Audience: All managers within a company.*



## LEGAL COMPLIANCE: Employment Law Compliance

### **Sexual Harassment Prevention for Managers**

120 minutes

This course, designed for managers and/or supervisors, discusses the federal and state anti-discrimination laws and company policies prohibiting sexual harassment. Using hypothetical scenarios and real-life examples, managers are instructed on how to recognize and prevent sexual harassment and retaliation and are provided practical guidance on the steps that should be taken to correct sexual harassment. Managers will learn of their legal and moral obligations in refraining from harassment and maintaining a harassment-free environment as well as the remedies available for victims.

*Audience: All managers needing to know their special responsibilities in understanding and preventing sexual harassment in the workplace.*

### **The Family Medical Leave Act (FMLA)**

45 minutes

The course is designed for managers or supervisors whose employees may request or require leave. It also provides an "advanced path" with more detailed information designed for FMLA-leave administrators (i.e., staff responsible for designating and qualifying leave requests as FMLA-qualifying). Users will learn about eligibility requirements, circumstances under which employees qualify for FMLA leave, pay and benefits employees are entitled to while on leave, and responsibilities for record keeping and posting notices regarding FMLA procedures.

*Audience: Managers or supervisors whose employees may request or require leave.*

### **Understanding Sexual Harassment** (Also available in Spanish)

30 minutes

This course teaches employees to recognize conduct and circumstances that can give rise to a claim of sexual harassment including those which create a hostile work environment. It also discusses the dangers of engaging in office relationships and the steps to take if one witnesses or experiences sexual harassment.

*Audience: All employees within an organization who need to understand what is and what is not sexual harassment.*

### **Understanding Unlawful Workplace Harassment**

45 minutes

This course teaches employees about the human characteristics that are protected by anti-discrimination laws and the type of conduct related to the "protected classes" that can lead to a claim of unlawful workplace harassment. It also discusses the steps employees can take to prevent workplace harassment and what to do in the event that they witness or experience it.

*Audience: All employees within a company.*

### **Valuing Diversity**

45 minutes

In order to realize the greatest competitive advantage and retain the most qualified employees, companies must make an effort to ensure that a diverse population of employees is fully represented and that a culture of inclusion and respect is promoted and maintained. This program explores the realities of working in a diverse environment and discusses strategies to help you recognize, accept, and value individual differences in your workplace. Users will learn about the concept of diversity and how to recognize diversity issues that can lead to legal liability under anti-discrimination and harassment laws. Also covered are the positive steps that can be taken to embrace diversity and promote a culture of inclusion in the workplace.

*Audience: All employees within an organization who would benefit from understanding the value of diversity in the workplace.*

### **Valuing Diversity for Managers**

45 minutes

In order to realize the greatest competitive advantage and retain the most qualified employees, companies must make an effort to ensure that a diverse population of employees is fully represented and that a culture of inclusion and respect is promoted and maintained. This course discusses the advantages and pitfalls of working in and managing a diverse workforce. It also offers strategies to help managers recognize and value individual differences so as to maximize the potential of all employees.

*Audience: All managers within an organization who would benefit from understanding the value of diversity in the workplace.*



## LEGAL COMPLIANCE: Environmental Health and Safety

### **Back Injury Prevention**

45 minutes

We depend on our back for so many activities. Unfortunately, back problems are so common that 60-80% of adults will complain of back pain at some point in their lives. An injured or sore back can make everyday life difficult and painful. Maintaining a healthy back is vital to ensure a good quality of life and our ability to do our job. This course presents lifting rules that will help prevent back injuries, as well as preventative methods to maintain a healthy back. Strategies to prevent strains and injuries during static activities such as seated and standing work are also provided.

*Audience: All employees.*

### **Bloodborne Pathogens**

45 minutes

Exposure to blood and other potentially infectious materials is a major concern for organizations and employees, particularly for those who respond to medical incidents. This course teaches how to identify bloodborne pathogens and how they are transmitted. Employees will know how to control exposure to bloodborne pathogens and the procedures to follow in the event of an exposure incident. They will also learn how to minimize the chances of contracting HIV, HCV, and HBV by using appropriate exposure controls such as Universal Precautions, PPE, and vaccines. The course teaches how to follow procedures in an exposure plan for clean up, disinfection, decontamination, and follow up.

*Audience: All employees who may be exposed to blood or other body fluids.*

### **Bloodborne Pathogens for Healthcare Workers**

45 minutes

Exposure to blood and other potentially infectious materials occurs on a daily basis for many healthcare workers. Information provided in this course helps minimize serious health risks to healthcare workers who may be exposed to these materials. Upon completion, learners will be able to describe bloodborne pathogens and how they are transmitted, control exposure to bloodborne pathogens, and apply appropriate procedures in the event of an exposure incident.

*Audience: All healthcare workers potentially exposed to blood or other infectious materials while on the job.*

### **Chemical Safety (HAZCOM)**

60 minutes

This course provides an overview of the requirements of OSHA's Hazard Communication Standard (29 CFR §1910.1200) and chemical safety information covered under the OSHA Laboratory Safety Standard (29 CFR §1910.1450). Specific elements covered include 1) chemical hazards, 2) use of Material Safety Data Sheets (MSDS) and hazard labels, and 3) chemical storage, use, and handling. The employee will learn the basic issues that will serve as a foundation for job-specific chemical safety that should be provided by the worker's supervisor. Application is intended for all employees covered under the OSHA Hazard Communication and Laboratory Safety Standards.

*Audience: All employees who work near or with chemical hazards.*

### **Confined Spaces**

45 minutes

In this course employees will learn about the OSHA standards that apply to permit and non-permit confined spaces. Upon completion of this course, employees will have an understanding of the OSHA requirements to classify and enter a confined space. They will be able to recognize the dangers and hazards associated with confined spaces, the entry requirements of permit and non-permit confined spaces, and the roles and training required for workers.

*Audience: All employees who may enter permit or non-permit confined spaces.*

### **Defensive Driving**

45 minutes

Learning to drive defensively is the best protection against becoming involved in a potentially life-threatening accident. By understanding and adhering to the safety tactics and practices, employees will be better prepared to protect themselves and their passengers. After taking this course, employees will be able to prepare a vehicle for operation, avoid distractions in a motor vehicle, develop five defensive driving tactics and practices, identify five potential accident situations, and avoid aggressive driving behavior and aggressive drivers.

*Audience: All employees who drive for work purposes.*

# LEGAL COMPLIANCE: Environmental Health and Safety



## **DOT Hazardous Materials Transportation: Classification**

30 minutes

The U.S. Department of Transportation (DOT) regulates all modes of transportation in the U.S. including highway, rail, air, and water and is especially concerned with hazardous materials. As part of its regulations, DOT requires general awareness and function-specific training for all Hazmat employees. This course guides the learner through information on how to correctly classify the contents of a hazardous material before packaging, marking, loading, or shipping the material.

*Audience: Employees involved in the transport of hazardous materials.*

## **DOT Hazardous Materials Transportation: General Awareness**

60 minutes

The U.S. Department of Transportation (DOT) regulates all modes of transportation in the U.S. including highway, rail, air, and water and is especially concerned with hazardous materials. As part of its regulations, DOT requires general awareness training for all HAZMAT employees. This course provides a general overview of hazardous materials transportation and provides a foundation for more detailed job-specific training for HAZMAT employees. After taking this course, employees will be able to recognize DOT hazard classes and packing groups, identify containers certified for hazardous materials shipment, interpret DOT container markings, labels and placards, recognize critical information on shipping papers and recognize safe and unsafe loading and unloading procedures. General awareness of DOT regulatory scheme, sections from 49 CFR 171.180, (172.704) (172.101)

*Audience: Employees involved in the transport of hazardous materials.*

## **DOT Hazardous Materials Transportation: Loading and Unloading**

30 minutes

The U.S. Department of Transportation (DOT) regulates all modes of transportation in the U.S. including highway, rail, air, and water and is especially concerned with hazardous materials. As part of its regulations, DOT requires general awareness and function-specific training for all Hazmat employees. It describes tasks and regulations related to the last step in preparing hazardous materials for shipment—the loading of bulk and non-bulk containers on a vehicle.

*Audience: Employees involved in the transport of hazardous materials.*

## **DOT Hazardous Materials Transportation: Marking, Labeling and Placarding**

30 minutes

The U.S. Department of Transportation (DOT) regulates all modes of transportation in the U.S. including highway, rail, air, and water and is especially concerned with hazardous materials. As part of its regulations, DOT requires general awareness and function specific training for all Hazmat employees. This course guides the learner on how to correctly identify the contents of a hazardous material shipment through required marking, labeling, and placarding.

*Audience: Employees involved in the transport of hazardous materials.*

## **DOT Hazardous Materials Transportation: Packaging**

30 minutes

The U.S. Department of Transportation (DOT) regulates all modes of transportation in the U.S. including highway, rail, air, and water and is especially concerned with hazardous materials. As part of its regulations, DOT requires general awareness and function specific-training for all Hazmat employees. This course describes tasks and regulations related to the selection an appropriate container for the given hazardous material.

*Audience: Employees involved in the transport of hazardous materials.t requirements facing electronics companies to reduce the environmental impacts of their products. The course takes a life-cycle perspective of product-based environmental requirements from the selection of materials through the manufacture, distribution, use and final disposal. This course also provides a self-assessment system to review the existing designs and design practices.*

# LEGAL COMPLIANCE: Environmental Health and Safety



## **DOT Hazardous Materials Transportation: Shipping Papers**

30 minutes

The U.S. Department of Transportation (DOT) regulates all modes of transportation in the U.S. including highway, rail, air, and water and is especially concerned with hazardous materials. As part of its regulations, DOT requires general awareness and function-specific training for all Hazmat employees. This course describes the process of preparing shipping papers for hazardous materials in compliance with DOT regulatory requirements.

*Audience: Employees involved in the transport of hazardous materials.*

## **Electrical Safety Awareness**

60 minutes

This course is designed to present an overview of electrical energy and the hazards of systems operating at 50-600 Volts, as well as workplace practices to prevent injuries, fires and arc flashes. This course will assist employers in meeting the training requirements of 29 CFR 1910, Subpart S, and the regulation that allows only a "qualified person" to work on or test energized electric circuit parts or equipment that carry more than 50 volts of electricity.

*Audience: Any worker who may be exposed to or work with electrical equipment on the job*

## **Environment, Safety and Health @ Work**

45 minutes

This course discusses Environmental, Health and Safety (EH&S) information that new employees need to know in their new position. Upon completion of this course, employees will be familiar with their company's EH&S policy and procedures, their roles and responsibilities related to ESH, and general safety precautions related to their work environment. Employees will know what to do in case of an emergency, how to properly report and investigate an accident, and the training requirements for their job task.

*Audience: All employees within an organization, especially new hires.*

## **Environment, Safety and Health @ Work: Contractors Edition**

45 minutes

This new hire orientation provides basic information for contractors working at your company—both in an office environment or in manufacturing, laboratory, maintenance, or warehousing environments. This course focuses on important Environmental, Health and Safety information to ensure a safe and secure workplace. Included in this course is an overview of the ESH policy and philosophy. Contractors taking this course will learn their roles and responsibilities related to ESH within your company's facility and the additional training requirements for their job task. They will understand the general safety and security issues at work, the emergency procedures, and the procedures for reporting and investigating incidences.

*Audience: All contractors who perform work for an organization.*

## **Environmental Management Systems**

30 minutes

The International Environmental Management System Standard (ISO 14001) requires that all staff whose work may create a significant impact on the environment receive appropriate training. This course is intended to assist in addressing this requirement and explains the following:

the requirements of ISO14001 (such as environmental policy and procedures)  
how to identify the environmental aspects of an organization and how to measure these for continuous improvement.

the key roles and requirements of staff in an Environmental Management System.

This course is intended to assist the training of a wide range of staff involved in Environmental Management Systems.

*Audience: All employees, contractors, and suppliers within a company implementing an Environmental Management System.*



## LEGAL COMPLIANCE: Environmental Health and Safety

### **Ergonet: A Personal Assessment**

45 minutes

Based on the work of renowned professional ergonomists at the UC Ergonomics Program, Ergonet features an online ergonomics assessment for individual employee's workstations, posture's, and work patterns. It provides individualized comments and corrective strategies for reducing the risk of ergonomic injuries.

*Audience: All employees who work in an office environment.*

### **Ergonet: A Training Guide for Healthy Office Work**

45 minutes

Based on the work of renowned professional ergonomists at the UC Ergonomics Program, this course ensures that all employees have a broad understanding of office ergonomics issues and guidelines for healthy office work.

*Audience: All employees who work in an office environment.*

### **Ergonomics for Manufacturing**

45 minutes

This course provides an overview of Musculoskeletal Disorders, their signs and symptoms, and ergonomic risk factors. In addition, it illustrates how industrial workers and supervisors can apply ergonomic principles in the workplace to reduce injury and increase human performance.

*Audience: Workers in the industrial sector who perform manufacturing and manual tasks including materials handling, lifting, pulling and pushing (primary) and their managers (secondary).*

### **Fall Protection**

45 minutes

Working safely at elevations can be a matter of life or death. Falls are the fourth leading cause of workplace fatalities in general industry. Working at elevated locations requires knowledge of fall hazards and fall protection equipment in order to prevent serious injury. This course introduces when and how to use fall protection equipment and the hazards associated with working at heights or on a roof.

*Audience: Construction workers who work at elevations (primary) and their managers (secondary).*

### **Fire Extinguisher Safety**

45 minutes

Employees who use fire extinguishers must be familiar with the general principles of their use and the hazards involved in fighting incipient-stage fires. They should also know the company's policy regarding fire extinguishers and their expected role in an emergency. Employees will learn how to properly select and use a fire extinguisher plus the critical three stages of a fire.

*Audience: All employees who may operate fire extinguishers.*

### **Hazardous Energy Control (Lock-out/Tag-out)**

30 minutes

This course describes the features and implementation of OSHA's Control of Hazardous Energy standard (29 CFR §1910.147). The material is intended for all "affected workers" and provides the essential information for "authorized workers" to safely perform work on both electrical and non-electrical energy sources (moving/rotating, hydraulic, pneumatic, chemical, or thermal). Note that affected workers are those who operate or use equipment on which servicing or maintenance is being performed under lockout or tag-out, or whose job requires him/her to work in an area in which such servicing or maintenance is being performed. "Authorized workers" are those who actually perform the maintenance and repair activities and need to practice lockout and/or tag-out procedures.

*Audience: Authorized employees who perform lock-out/tag-out operations (primary audience). The course also serves as an overview of safety procedures for managers and affected employees.*

# LEGAL COMPLIANCE: Environmental Health and Safety



## **Hazardous Waste Management**

60 minutes

Workers in facilities that handle hazardous waste must be trained to comply with regulatory requirements for waste characterization, container marking and labeling, waste minimization, manifesting, transportation, emergency response, and land disposal restrictions and certification. This course provides the employee with the information necessary to carry out this task and prepares the worker for job-specific training that should be provided by the worker's supervisor.

*Audience: This course is for all workers in facilities handling hazardous waste.*

## **Hearing Conservation: Protecting Yourself from Hearing Loss**

45 minutes

The ability to hear is an important communication tool, and one that is often taken for granted. Exposure to high levels of noise can result in permanent hearing damage if proper ear protection is not taken. This course will teach employees what noise is, the sources of noise, the harmful effects of noise, how to measure noise levels and hearing damage, and how to choose and properly wear hearing protection.

*Audience: Employees exposed to loud noise at work.*

## **Incident Command**

45 minutes

Emergencies are typically very chaotic and in order to control an emergency, an Incident Command System should be in place. This course introduces members of an Emergency Response Team to the Incident Command System (ICS) so they can quickly and consistently organize emergency responders, and resources to minimize chaos and confusion. The ICS also improves the efficiency, effectiveness, and timeliness of mitigating an emergency incident.

*Audience: All employees in a company that handle emergency crisis, specifically emergency response team members, crisis management personnel, and security personnel.*

## **Introduction to Accident Investigation**

45 minutes

Accidents occur every day in workplaces all over the United States. This course teaches those responsible how to prevent the recurrence of accidents by discovering not only what happened in an accident, but how and why it happened. Upon completion of this course, learners will be able to identify 1) the goal of accident investigation, 2) the difference between major and minor accidents, 3) direct, indirect, and root causes of accidents, and 4) basic steps in accident investigation.

*Audience: Supervisory and management personnel who have safety responsibilities for accident prevention.*

## **Introduction to Laser Safety**

60 minutes

With the advent of a wider variety of more powerful lasers integrated into many areas of modern life, the issues involving laser safety are of even greater importance. People working with lasers, or with equipment containing lasers, need to understand the hazards associated with laser light, and know what precautions are in place to control these hazards. After taking this course, laser operators, and those working with equipment containing lasers, will be able to identify the nature and hazards of laser radiation, describe safety issues associated with the use of lasers in industrial and research environments, become familiar with standards and guidelines in order to control laser hazards, and identify and follow exposure controls and emergency procedures.

*Audience: Employees who use lasers or operate laser systems (primary audience) as well as personnel who work in the vicinity of lasers or laser systems, but do not operate them (secondary audience).*

# LEGAL COMPLIANCE: Environmental Health and Safety



## **Laboratory Safety**

60 minutes

This course examines workplace safety in laboratory environments, including health hazards, exposures, physical hazards, hazard recognition, exposure controls and emergency procedures. This course also includes optional sections on biological hazards. The course will assist employers in meeting the training requirements of 29 CFR 1910.1450, Occupational Exposure to Hazardous Chemicals in Laboratories. When employees complete this course, they will understand the physical and health hazards of materials commonly used in laboratories. They will also understand the methods and observations that may be used to detect the presence or release of a hazardous material and understand exposure control measures.

*Audience: Research laboratory personnel.*

## **Ladder Safety**

45 minutes

Ladders are practical tools that are utilized every day in a variety of tasks, both at work and at home. Unfortunately, accidents related to the use of ladders result in thousands of ER visits, and a number of deaths every year. This course identifies the risks involved in utilizing the portable ladder and offers steps to safe use including selection, inspection, set up, and rules for use.

*Audience: All employees.*

## **Managing Workplace Safety and Health**

45 minutes

Supervisors are responsible for the safety of their employees. Besides their legal and moral responsibilities, supervisors also have an obligation to protect their company from expensive workplace accidents. This course will teach supervisors how they can protect their employees while supporting the company's Environmental, Health and Safety policies.

*Audience: All laboratory research and support personnel, as well as ESH personnel.*

## **Personal Protective Equipment: General Overview**

30 minutes

This course provides a general overview on the use of personal protective equipment (PPE). By taking this course, you will understand what PPE is and the laws surrounding protection systems. This course provides an introduction to the different types of PPE's, their proper fit and limitations. This course is intended for all personnel who are required to wear PPE or are exposed to hazards in their workplace. Upon completion, the learner should be able to describe the role and limitations of PPE in an overall safety strategy, recognize workplace hazards and match the appropriate types of PPE, understand their responsibilities with respect to PPE, and recognize the importance of properly fitting PPE.

*Audience: All employees exposed to hazards in the workplace, required to wear PPE, and managers of those employees.*

## **Personal Protective Equipment: Eye and Face**

30 minutes

This course is about the proper use and maintenance of eye and face personal protective equipment (PPE). By understanding the role and limitations of eye and face PPE in an overall safety strategy, workers will be able to recognize workplace hazards and match the appropriate types of PPE. This course will help employees understand his/her responsibilities with respect to PPE and the importance of properly fitting eye and face protection. Upon completion, the learner should be able to describe types of eye and face protection, recognize potential eye and face hazards, understand their responsibilities with respect to PPE, and recognize the importance of properly fitting eye and face protection.

*Audience: All employees exposed to hazards of the eyes and face and managers of those employees.*



## **LEGAL COMPLIANCE: Environmental Health and Safety**

### **Personal Protective Equipment: Foot Protection**

30 minutes

This course is about the proper use and maintenance of personal protective equipment (PPE) for the foot. Upon completion of this course, workers will be able to describe types of foot protection and recognize potential hazards. This course will help employees understand their responsibilities with respect to foot protection and the importance of ensuring proper fit and use.

*Audience: All employees exposed to hazards of the head and managers of those employees.*

### **Personal Protective Equipment: Hand and Arm Protection**

30 minutes

This course is about the proper use and maintenance of personal protective equipment (PPE) for hands and arms. Upon completion of this course, workers will be able to recognize potential hazards and know the appropriate time to wear gloves. This course will help employees understand their responsibilities with respect to hand and arm protection and the importance of ensuring proper fit and use of gloves.

*Audience: All employees exposed to hazards of the hand and arm and managers of those employees.*

### **Personal Protective Equipment: Head Protection**

30 minutes

Injuries to the head can be devastating. In many instances, they are permanent, even fatal. Without head protection, chances of surviving a serious accident are slim. This course is about the proper use and maintenance of head personal protective equipment (PPE). By understanding the role and limitations of head PPE in an overall safety strategy, workers will be able to recognize workplace hazards and ensure proper use of his/her hard hat. Upon completion, the learner should be able to recognize the potential "head hazards", describe the types of hard hats and how they work, inspect and properly maintain a hard hat, and ensure proper fit and use of a hard hat.

*Audience: All employees exposed to hazards of the head and managers of those employees.*

### **Powered Industrial Truck Safety**

30 minutes

This module teaches prospective operators how to safely use a powered industrial truck in accordance to the OSHA training requirements. Employees will learn the principles and procedures for safe operation of these vehicles, safety practices to prepare a truck for use, principles of stability when operating a powered industrial truck, inspection protocols, and safe driving procedures.

*Audience: All industrial truck operators.*

### **Preventing Workplace Violence**

30 minutes

Unfortunately, workplace violence has become an important safety and health issue in the workplace today. Homicide is the second leading cause of fatal occupational injury in the United States and is the leading cause of occupational fatalities among women. This course uses OSHA guidelines and recommendations to reduce worker exposures to this hazard. This training provides the employee with information on how to recognize workplace security hazards and risk factors, measures to prevent workplace assaults, and what to do when an assault occurs including emergency action and post-emergency procedures.

*Audience: All employees in the workplace.*

### **Radiation Safety**

30 minutes

New employees will learn about ionizing and non-ionizing radiation in the workplace. This module teaches the health hazards that may be presented by radiation producing industrial equipment and how to control workplace exposure to radiation through safe handling. Note that this course does not cover radioactive isotope usage.

*Audience: Workers in facilities with radiation-producing industrial equipment.*



## LEGAL COMPLIANCE: Environmental Health and Safety

### **Radioisotope Safety**

45 minutes

Radiation exposure from use of radioactive materials can cause adverse health effects. Using exposure controls and following safe work practices help minimize radiation exposures and prevent radiation contamination of work areas and equipment. After completing this course, learners will be able to identify safety issues associated with radioisotopes commonly used in the laboratory environment, describe health hazards associated with radiation, identify exposure control methods and monitoring techniques, and follow appropriate emergency procedures.

*Audience: All employees who work around radioisotopes commonly used in a laboratory environment.*

### **Respiratory Protection**

45 minutes

Respiratory protection, or the use of respirators, can protect employees from a multitude of respiratory hazards that include chemical, biological and radiological agents as well as oxygen-deficient atmospheres. After taking this course, employees will be aware of the types of respirators and when to use them, the capabilities and limitations of respirators and the medical requirements for using respirators. Employees will also learn how to fit test and leak test respirators and their proper care and maintenance procedures.

*Audience: Employees who may be exposed to airborne contaminants.*

### **Slip, Trip, and Fall Prevention**

45 minutes

Slip, trip and fall accidents are serious business. Millions of these accidents occur each year, resulting in billions of dollars in lost-production, medical, legal, and insurance costs. This course teaches practical steps that can be taken to identify, correct, and mitigate slip, trip, and fall hazards. It also provides information to help prevent falls from lower heights and details how to report potentially hazardous maintenance-related issues.

*Audience: All employees.*

## LEGAL COMPLIANCE: Industry Specific

### **New Employee Training for School and College Districts** (Also available in Spanish)

30 minutes

This program is designed to provide new employees working in school and college districts with very important information about how to respond to emergencies, their special duties relating to students, and their job related rights/benefits.

*Audience: All employees working within a College or School District.*

### **Privacy Laws and Practices:**

#### **Applying the Gramm-Leach-Bliley Act to the Insurance Industry**

30 minutes

This course provides an overview of the Gramm-Leach-Bliley Act (GLBA) and other privacy regulations relevant to insurance companies. It defines key privacy terms and concepts, and identifies best practices with regard to consumer concerns.

*Audience: All employees within an insurance company.*

## D. EXPERIENCE

CITY OF DELTONA  
Property & Casualty Insurance – RFP #13008

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**D. EXPERIENCE**

Brown & Brown was founded in 1939 in Daytona Beach, Florida where its headquarters remain today. Brown & Brown, Inc. and its subsidiaries offer a broad range of insurance and reinsurance products and services, wholesale brokerage services, risk management, third party claims and program administration. Providing service to business, public entity, individual, trade and professional association clients nationwide, the Company is ranked by Business Insurance magazine as the United States' sixth largest independent insurance intermediary. Brown & Brown has over 184 offices in 39 states with 41 offices located in Florida. Total employee count exceeds 6,500. Brown & Brown is publicly traded on the New York Stock Exchange under symbol "BRO". The company's outstanding financial and business successes can be reviewed at [www.bbinsurance.com](http://www.bbinsurance.com). Our operations are divided into four divisions: Retail, National Programs, Wholesale Brokerage, and Services.

As part of one of the largest insurance agencies in the nation, we have the resources and personnel to provide our clients with the most cost effective insurance products and services in the industry. **Brown & Brown is the largest provider of insurance and related services in Florida.** Our annual premium volume for all Florida clients exceeds \$2,000,000,000. While these facts are impressive, the real benefit to our customers is that they receive the benefit of a superior negotiating platform. Our capabilities with insurance carriers doing business in Florida are unsurpassed.

PRIA has access to and enjoys excellent relationships with all of the major public entity insurance markets and industry specialists. Our tenure in the public entity insurance business and our large volume of business with national carriers, regional carriers, and niche markets afford us the ability to represent our clients more effectively than our competitors. As standard operating procedure, we not only search the marketplace for insurance products but provide consultation on various program design and alternative risk finance techniques that best protect our clients operations, financial assets, personnel, and elected officials.

Public Risk Insurance Agency (PRIA) is the public entity retail specialist within the Brown & Brown organization. Our public entity services nationwide represent over \$700,000,000 in premium nationwide and over \$110,000,000 in the State of Florida. PRIA has focused exclusively on the risk management and insurance needs of Florida's public entities since 1992. Since that time our business has grown to include **over 250 of Florida's governmental entities** and \$70,000,000 in Florida premium. **100%** of PRIA's business activity is directed in designing, implementing, procuring and servicing property and casualty programs for Florida's public entities.

The City is currently and will continue to be predominately serviced from PRIA's offices in Daytona Beach, FL. PRIA is located within the Daytona Beach corporate headquarters building. Consequently, we and the City have access to the highest levels of management (including the President and CEO) in the company as needed. We represent many entities right here in Volusia County to include the City of DeLand, City of DeBary, City of Orange City, Volusia County, and Volusia County Schools.

## D. EXPERIENCE (Cont'd)

PRIA's staff has over 200 years of combined insurance experience. We are committed to remain at the forefront of all industry trends by participating in professional memberships, continuing education, and through earning designations. Brown & Brown encourages and covers the cost to ensure adequate continuing **professional education** for all of its employees. In addition, we have internal training resources such as Brown & Brown University. BBU are intensive study classes with curriculum specific to providing our personnel with cutting edge learning tools for our insurance professionals. We also support the National Alliance for Insurance Education & Research studies and designations, and the Insurance Institute of America Risk Management classes.

Just as Brown & Brown's unique culture and business strategy benefits its many varied customer groups, we strive to really know and understand our clients' business. We participate in and maintain strong relationships in the following organizations.

FLC - Florida League of Cities  
FPPA – Florida Public Personnel Association  
FCCMA – Florida City and County Management Association  
FAC – Florida Association of Counties  
FASD – Florida Association of Special Districts  
FERMA – Florida Educational Risk Management Association  
PRIMA – Public Risk Management Association  
RIMS – Risk & Insurance Management Society

Just a few examples of direct experience in providing not just services, but effective results for our clients are below:

### City of Deltona

PRIA has been serving the City of Deltona since 2007. Our success with the City is not a result of complacency, but that of consistently providing results for the City.

- **Premiums are 4% lower than expiring** despite a statewide increase in Workers Compensation rates and implementation of current property values via a property appraisal funded by Preferred.
- **Consistency of Insurance Program -- Insurance Rates proposed herein are LOWER than they were in 2007.**
  - Note that total premiums are under 10% more than they were in 2007 due to the City's significant growth and exposure changes:
    - 30% higher property values when compared to 2007.
    - 12% higher payroll
    - 24% more vehicles
- Success in keeping coverage terms and conditions consistent in a changing marketplace – including Blanket Property coverage.
- Continuous review of other insurance program designs and coverage options.
- Identification of emerging risks – provided Cyber Liability coverage in 2011.
- Asset Management assistance, specifically in tracking the NSP property schedule.

## **D. EXPERIENCE (Cont'd)**

### **City of Sarasota**

PRIA became the agent of record for this account in June 2009 (former agent was Insurance and Risk Management Services - IRMS) and achieved the following improvements:

- In October 2009 reduced the casualty premiums by \$20,000 (7%) and improved the coverage
- In April 2010 reduced the property premium by \$346,000 (26%) and improved the terms. We have continued to improve terms each year.
- Discovered the current crime coverage was not in compliance with the City's charter and provided the correct terms and coverage
- Discovered the City's highest valued location was in flood zone with no flood insurance placed by the former agent. Problem was rectified with the procurement of a NFIP flood insurance policy.

### **Lee County Board of County Commissioners**

PRIA was awarded a 5 year contract for Agent/Broker for Property and Casualty Insurance in a Request for Proposals process in 2006 (former agent was AJ Gallagher). PRIA was successful in retaining the contract in a 2011 RFP process as well. This speaks to the level of satisfaction of the County with PRIA's services.

- Since 2007, overall premium savings negotiated on Lee County's behalf has been in excess of \$4,000,000.
- 2012 Property renewal resulted in a 3% rate reduction with no change in limits or retentions.
- After extensive analysis, the County increased its Liability self-insured retention. We were able to effectively negotiate a credit with the existing insurer to bring a 20% savings in premium.
- PRIA effectively navigated property insurance for the County's Bridges exposures in an extremely limited marketplace for engineered risk exposures. After identifying a significant carrier relationship within the Brown & Brown organization, we were able to negotiate a premium savings of 20% and enhanced coverages. This placement has proven to be extremely valuable in the subsequent renewals.
- Claims advocacy, including a \$5,475,000 large loss payment delivery to the insured within 30 days of the incident. The subsequent renewal premium was negotiated with no increase or change in terms or conditions.

### **Pinellas Suncoast Transit Authority (PSTA)**

PRIA prevailed in a RFP process in 2009 and since that time have been able to significantly reduce premiums and improve services and coverage:

- Currently in the process of implementing Cyber Liability coverage.
- Implemented National Flood Insurance Program (NFIP) in compliance with FEMA's Stafford Act, in addition to excess Flood insurance.
- Overall premiums remain 11% less than in 2008.
- Increased Crime Insurance available, reduced property deductible, and Stop Loss coverage
- Assisted in implementing organization-wide claims reporting practices.

**PRIA PUBLIC ENTITY CLIENTS****City/Town/Village**

Auburndale  
 Aventura  
 Bal Harbour Village  
 Belleview  
 Bunnell  
 Cape Coral  
 Chattahoochee  
 Chipley  
 Coconut Creek  
 Dania Beach  
 Davenport  
 Davie  
 Deltona  
 Destin  
 Eagle Lake  
 Edgewater  
 Fellsmere  
 Fort Lauderdale  
 Fort Myers  
 Fort Walton Beach  
 Groveland  
 Haines City  
 High Springs  
 Highland Beach  
 Hollywood  
 Indian River Shores  
 Inverness  
 Jacksonville Beach  
 Jupiter  
 Key West  
 Lake Helen  
 Lake Worth  
 Lauderhill  
 Lighthouse Point  
 MacClenny  
 Madeira Beach  
 Madison  
 Marco Island  
 Margate  
 Mayo  
 Miami  
 Mulberry  
 Naples  
 North Miami  
 North Miami Beach  
 North Palm Beach  
 Ocala  
 Orange City  
 Perry  
 Polk City

**City/Town/Village**

**(continued)**  
 St. Cloud  
 Sarasota  
 Treasure Island  
 Venice  
 Weston  
 West Palm Beach  
 Williston

**Counties**

Brevard  
 Citrus  
 Clay  
 Columbia  
 Desoto  
 Flagler  
 Gadsden  
 Gilchrist  
 Gulf  
 Highlands  
 Jefferson  
 Lee  
 Levy  
 Madison  
 Marion  
 Okaloosa  
 Santa Rosa  
 Sarasota  
 Union  
 Wakulla

**Special Districts**

Barefoot Bay  
 Recreation District  
 Bayfront Bay  
 Recreation District  
 Big Bend Water  
 Authority  
 Bonita Springs FCD  
 Broward MPO  
 Buckhead Ridge MCD  
 Canaveral Port  
 Authority  
 Central Florida Fire  
 Children's Board of  
 Hillsborough  
 Citrus County Sheriff  
 Citrus Mosquito  
 Control  
 Clay County Utility  
 Collier MCD

**East County WCD**

**Special Districts**  
**(continued)**  
 East Lake Tarpon Fire  
 Estero Fire Rescue  
 Fellsmere WCD  
 Ft. Myers HA  
 Ft. Myers Bch Fire  
 District  
 Health Care District of  
 Palm Beach  
 County  
 Hillsborough Transit  
 Authority  
 Immokalee FCD  
 Immokalee WSD  
 Key Largo Ambulance  
 Key Largo Fire/Rescue  
 Lake Asbury MSBD  
 Lake Region Lakes  
 Lake Worth Drainage  
 District  
 Lakewood Ranch  
 Interdistrict Auth  
 Lakewood Ranch  
 Stewardship Dist  
 Lee County HA  
 Loxahatchee Groves  
 WCD  
 Loxahatchee River  
 District  
 Melbourne Tillman  
 WCD  
 Miami Beach HA  
 Moore Haven MCD  
 Naples Airport  
 Authority  
 New River Solid Waste  
 Northern Palm Bch Co.  
 Improvement Dist  
 Old Plantation WCD  
 Palm Beach County HA  
 Peace River WSA  
 Pine Tree WCD  
 Pinellas Park WMD  
 Pinellas Suncoast Fire  
 Pinellas Suncoast  
 Transit  
 Pompano Beach HA  
 St. Johns River WMD  
 Sanibel Fire & Rescue  
 Sebring Airport

**Seminole Improvement  
District**

**Special Districts**  
**(continued)**  
 Senior Resources  
 South Indian River  
 WCD  
 South Trail Fire  
 Southeast Overtown  
 Park West CRA  
 Southwest Florida  
 WMD  
 Spring Lake  
 Improvement Dist  
 Suwannee River WMD  
 TBARTA  
 Tampa Bay Water  
 Tampa Historic  
 Streetcar  
 Three Rivers Library  
 Titusville HA  
 Upper Captiva FD  
 Wakulla UFFA  
 Washington County  
 Sheriff  
 Winter Haven HA  
 53 Community  
 Development  
 Districts

**Schools/Universities**

Cape Coral Charter  
 Schools Authority  
 Collier School District  
 Florida Atlantic  
 University  
 Florida International  
 University  
 Lee School District  
 Madison School Board  
 Okaloosa School  
 District  
 Orange County Schools  
 Pasco School District  
 Seminole School  
 District  
 University of Central  
 FL  
 University of FL  
 University of North  
 Florida  
 80 Charter Schools

## E. PERSONNEL AND QUALIFICATIONS

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**E. PERSONNEL AND QUALIFICATIONS – PRIA**

**Michelle Y. Martin, CIC**  
Vice President / Account Executive  
Public Risk Insurance Agency

**EXPERIENCE**

**Risk Management Associates, Inc. dba Public Risk Insurance Agency (a wholly owned subsidiary of Brown & Brown, Inc.)**

2005 to Present. Responsibilities include direct consulting with clients to identify and analyze risk exposures and coverage needs, and develop and design individualized insurance programs. Professional client services include oversight of insurance and risk management programs, including claims advocacy, internal policy and procedures development, and contract review. Effective and efficient communication methods for elected board presentations, committee meeting participation, and coordination of daily staff service needs.

**Brown & Brown, Inc.**

2004 to 2005. **Vice President, Risk Management Division/Account Executive.** Developed this division to enhance risk management services, cultivate new and existing client relationships, and concentrate marketing efforts for the agency's largest commercial accounts and other niche business, including governmental entities. Programs concentrated in National Accounts, Alternative Risk Finance Techniques, and Self-Insurance.

2002 to 2004. **Vice President, Marketing Manager.** Responsible for \$170,000,000+ of premium volume for existing commercial and public entity accounts.

1990 to 2002. **Technical Assistant, Marketing Analyst, Account Executive.** Handled large commercial and public entity insurance service, policy marketing, and quality control functions. Focused on large account management, including business development, marketing and client relations/service.

**CREDENTIALS**

University of Central Florida, B.A. Business Administration/Finance  
2-20 Property and Casualty license, State of Florida  
Certified Insurance Counselor (CIC)  
Risk Management for Public Entities (RMPE)  
Candidate for Associates in Risk Management (ARM)

**PROFESSIONAL AFFILIATIONS**

RIMS – Risk and Insurance Management Society  
PRIMA – Public Risk and Insurance Management Association  
FGFOA – Florida Government Finance Officer Association; Qualified speaker for continuing education  
Past: The Chamber, Daytona Beach/Halifax Area – Board of Directors, Executive Director of Civic Ballet of Volusia County, President of Downtown Daytona Kiwanis, Board of Directors Literacy Council

**E. PERSONNEL AND QUALIFICATIONS – PRIA**

**Robin L. Faircloth, CISR**  
Director of Operations  
Public Risk Insurance Agency

**EXPERIENCE**

**Risk Management Associates, Inc. dba Public Risk Insurance Agency (a wholly owned subsidiary of Brown & Brown, Inc.)**

April 2010 to Present. Director of Operations

Oversee day-to-day operations for support staff and operational issues. Supervisor of Account Representative staff, provide support for AMS procedures and training. Monitor processing procedures and maintain quality control standards for the office. Direct and support agency operational needs. Service of select accounts.

October 2009 to April 2010. Director of Marketing

July 2004 to October 2009. Customer Service Representative

**State Farm Insurance**

August 1998 to June 2004. Insurance Account Representative

Performed a range of insurance and financial sales and customer service functions. Handled the receiving, filing, and tracking the status of claims to facilitate appropriate resolutions, build customer satisfaction, expand account relationships. Clarified complex insurance terminology and procedures to educate customers. Responsible for incoming money and processed daily deposits. Trained and assisted all team members with day-to-day activities.

**EDUCATION**

Florida State University, BS Degree, Risk Management/Insurance and Finance

Certified Insurance Service Representative (CISR)

Risk Management for Public Entities (RMPE)

Candidate for Associate in Risk Management (ARM)

**LICENSES**

2-20 General Lines Agents License, State of Florida

2-15 Life, Health, and Variable Annuities License, State of Florida

1-20 Surplus Lines License, State of Florida

**E. PERSONNEL AND QUALIFICATIONS – PRIA**

**Nancy Burnet, CIC**  
Marketing Manager  
Public Risk Insurance Agency

**EXPERIENCE**      **Risk Management Associates, Inc. dba Public Risk Insurance Agency (a wholly owned subsidiary of Brown & Brown, Inc.)**

April 2013 to Present. Marketing Manager

Responsibilities are primarily focused on the coordination and presentation of PRIA's clients risk exposures to the insurance marketplace. This enhancement is supported by the gathering of data related to insurance market capabilities, coverage forms, and other relevant data sought by our clients to better inform them of their insurance program.

**Brown & Brown of Florida, Inc., Daytona Beach**

September 2010 to April 2013 – Marketing Manager / Senior Vice President

Responsibilities include establishing and maintaining insurance company relationships, and reviewing proposals to insure accuracy and compliance with quality control procedures. Responsible for assuring renewal retention as well as achieving pre-determined new business goals.

March 1999 – September 2010 – Orlando Office - Marketing Manager / Vice President

March 1996 – March 1999 – Daytona Beach Office – Renewal Marketing Analyst

**Caton Insurance Agency, Inc.**

March 1986 – March 1996. Commercial Lines Manager / Vice President

**MacDuff Underwriters**

August 1984 – March 1986. Excess & Surplus Lines Broker

**Chubb & Sons**

June 1975 – August 1984. Various Positions / Operations Officer

**EDUCATION**      Certified Insurance Counselor (CIC)

**LICENSES**      2-20 General Lines Agents License, State of Florida  
1-20 Surplus Lines License, State of Florida

**E. PERSONNEL AND QUALIFICATIONS – PRIA**

**Melody A. Blake, ACSR**  
Account Representative  
Public Risk Insurance Agency

**EXPERIENCE**

**Risk Management Associates, Inc. dba Public Risk Insurance Agency (a wholly owned subsidiary of Brown & Brown, Inc.)**

July 2010 to present. Account Representative

Responsibilities include working with mid-sized to large public entity clients. Handle requests for certificates of insurance, policy changes and endorsements, claims issues, and other daily servicing duties.

Manage initial notices of claims. Track claims activity until adjustors close files. Help address conflicts that may arise from claimants, insureds, and carriers. Provide technical and clerical support for public entity service representatives.

**Beskin & Associates, Inc.**

1991-2010. Senior Commercial Marketing Specialist

Responsible for in house underwriting, rating, and documentation for all new commercial lines business to agency handling six producers. Developed and maintained excellent agency/insurance company trust/rapport. Used various insurance companies' online rating systems. Maintained underwriting guidelines.

1990-1991. Customer Service Representative.

Responsibilities include working with small to large commercial clients. Handle requests for certificates of insurance, policy changes and endorsements, claims issues, and other daily servicing duties.

**EDUCATION**

Accredited Customer Service Representative

Candidate for Associate in Insurance Account Management (AIAM)

**LICENSES**

2-20 General Lines Agent, State of Florida

**E. PERSONNEL AND QUALIFICATIONS – PRIA**

**Amber Tolbert**  
Account Representative / Claims Coordinator  
Public Risk Insurance Agency

**EXPERIENCE**      **Risk Management Associates, Inc. dba Public Risk Insurance Agency (a wholly owned subsidiary of Brown & Brown, Inc.)**

May 2011-Present. Account Representative / Claims Coordinator  
Responsibilities include working with small to mid-sized public entity clients. Handle requests for certificates of insurance, policy changes and endorsements, claims issues, and other daily servicing duties.

Manage initial notices of claims. Track claims activity until adjusters close files. Help address conflicts that may arise from claimants, insureds, and carriers. Provide technical and clerical support for public entity service representatives.

**Regions Bank**

May 2010-May 2011 Branch Service Leader  
Responsible for disseminating information regarding procedural and operational changes to the branch staff. Scheduling and supervision of teller staff. Generating and reconciling daily administrative reports for branch operations.

**Wachovia**

June 2007-December 2009 Branch Service Leader  
Face to Face interaction with customers to provide excellent customer service. Evaluated customers to identify individual financial needs. Open new accounts and first contact with clients and prospects.

**Carolina Investment Advisors, LLC**

May 2007-May 2008 Intern/Administrative Assistant  
Assisted financial advisors with updating client's portfolios. Coordinated and managed different projects and travel plans. Complete various administrative duties such as organizing files and performing computer transactions.

**EDUCATION**      Lenoir-Rhyne College, B.A. Degree, Finance and Minor, Accounting  
Candidate for Certified Insurance Service Representative

**LICENSES**      2-20 General Lines Agents License, State of Florida



**E. PERSONNEL AND QUALIFICATIONS – LOSS CONTROL**

**Mike Marinan**

Director of Safety & Risk Management

Public Risk Underwriters

**EXPERIENCE**

**Public Risk Underwriters**

2001 to Present. Responsible for general management and oversight of all loss control and safety issues for Preferred Governmental Insurance Trust. Provide claim analysis for Trust members individually and collectively. Target clients with loss ratios exceeding 50% and establish measures for reducing losses. Visit accounts with specific individual safety and health needs. Assist with implementation of various programs, e.g. drug-free workplace, return to work-light duty policies and formal safety programs. Provide resources and direction at members' request.

**Universal Underwriters Group**

1998 to 2001 Account Executive

**Ulico Casualty Insurance Company**

1995 to 1998 Supervisor, Risk Management Services

**Executive Risk Consultants**

1986 to 1995 Assistant Director, Safety Management/Marketing

**CIGNA Insurance Company**

1980 to 1986 Senior Loss Control Representative

**EDUCATION**

BS Degree - Industrial Safety – Central Missouri State University  
220 Property and Casualty license, State of Florida  
State Certified Instructor of Construction CE Credits (OTI 500)

**ASSOCIATIONS:**

Florida Public Task Force on Workplace Safety  
Appointed by Governor Charlie Christ September 2008

**E. PERSONNEL AND QUALIFICATIONS –  
CLAIMS/LEGAL COUNSEL**

**George A. Helm, III**  
Lead Attorney  
George A. Helm, III, PA

**EXPERIENCE**

**AREAS OF PRACTICE:**

Workers Compensation Law (Board Certified Specialist since 1996)  
Florida Public City, County & Local Government Law  
Appellate Law

**LEGAL PUBLICATIONS and PRESENTATIONS:**

Co-author, “The Presumption Laws”, Florida Bar News & 440 Report

“Could the 120-Day Rule Be Applied Retroactively”?, Florida Bar News & 440 Report

Panelist, “Heart/Lung Presumptions in Workers’ Compensation Cases Involving Firefighters, Law Enforcement and Correctional Officers” (expert panel presentation offered throughout the State of Florida in 2011 and 2012)

Lecturer, “Government Presumptions, Firefighters and First Responders,” Barry University College of Law (2009-2010)

Lecturer, MRSA Claims and Governmental Entities (2010)

**EDUCATION**

University of Florida, Juris Doctor, 1988

**E. PERSONNEL AND QUALIFICATIONS –  
CLAIMS/LEGAL COUNSEL**

**Michael J. Roper**  
Partner  
Bell & Roper, PA

**EXPERIENCE**

Mr. Roper was admitted to the Florida Bar in 1985 and is admitted before the United States District Court, Middle, Northern and Southern Districts of Florida; the United States Court of Appeals, Eleventh Circuit; and the United States Supreme Court.

While attending the University of Florida, he served as the Editor in Chief of the International Law Journal. He is a member of the Orange County Bar Association, The Florida Bar, Defense Research Institute, and Florida Defense Lawyers Association. Mr. Roper's civil litigation practice includes civil rights and public entity law, products liability, construction litigation, employment law and insurance coverage, in both federal and state courts. He is also a frequent speaker at insurance, risk management, and other professional conferences.

**EDUCATION**

University of Florida, Juris Doctor, 1988

**E. PERSONNEL AND QUALIFICATIONS - CLAIMS**

**Stephen Kotzin, PCLA**  
National General Adjuster  
York Risk Services

Also a degreed Engineer serving York Risk Services, Mr. Kotzin has over 22 years of claims adjusting and supervisory responsibilities. York Services is the Designated Adjuster and will be the field representative for any Property claim. Mr. Kotzin is based out of Orlando and has assisted the City with favorable property claims adjustments in the past.

Behind Mr. Kotzin is the national network of York Risk Services, with national experience managing claims for over 5,800 public entities. Their national network of adjusters will be available to assist in the adjustment of catastrophic claims. The York Specialized Loss Adjusting (SLA) unit offers one of the most extensive rosters of Executive and National General Adjusters in the industry – experts who have been on the scene in every major U.S. disaster in the past three decades and have adjusted individual losses in excess of \$750 million. The average York SLA adjuster has more than 25 years of experience and has developed line of business and industry sector expertise to manage the most challenging and complex claims to include a public entity specialty. Their proven coordinated response strategies allow us to mobilize quickly, assess difficult situations in hours, and begin to provide assistance immediately. York's SLA is frequently called upon to lend its expertise to catastrophes. We seek out and hire the best talent, and then continue to develop that talent by providing frequent ongoing training and educational opportunities. Our national and international network of professionals means that we can adjust claims expertly in all areas around the globe. We will quickly locate a York expert anywhere one is needed. FORTUNE 500 companies and all top insurance companies select York as their partner of choice for specialized loss adjusting.

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## E. PERSONNEL AND QUALIFICATIONS - CLAIMS

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**Julius F. Hajas**  
Claims Manager  
Preferred Governmental Claims Services

**PREFERRED GOVERNMENTAL CLAIMS SERVICES, Florida** **2004-Present**  
*Claims Manager*

Responsible for the Liability Unit claims operations of a large TPA that specializes in governmental entities. Includes Auto, General Liability, Professional Liability, Property and Air Quality claims.

- Maintained a very high level of customer satisfaction.
- Operation handles WC and Liability claims for over 700 Municipalities.
- Oversaw over 5,000 Property claims from the 7 recent hurricanes that came through Florida.

**HARTFORD FINANCIAL SERVICES, Florida** **1983-2004**  
*Director, Orlando Workers' Compensation Claim Center, 2000-2004*

Centralized five workers' compensation claim operations into a regional claim center of 70 employees. Responsibilities included achieving Corporate goals for the states of Florida, Georgia, Alabama, Louisiana and Mississippi. Maintained a high level of customer satisfaction during consolidations, while changing to a new computer system and during the roll out of a new claim-handling strategy. Active in workers' compensation reform.

*Manager, Orlando Workers' Compensation Claim Office, 1991-2000*

Responsible for consolidating all of the claims in the state of Florida into one claim operation based in Orlando, resulting in a significant unallocated expense savings.

- Consistently exceeded corporate customer satisfaction goal of 90%.
- Lowered total cost per case six out of the ten years, despite medical inflation.
- Increased the use of provider networks from 39.6% in 1997 to 56.7% in 2000.

*Assistant Manager, Ft. Lauderdale, Tampa and Hollywood Claim Offices, 1985-1990*

Relocated to help troubleshoot or manage growing operations that specialized in Automobile, Liability, Property and Municipality claims. Supervised all Environmental claims in the state of Florida. Primary responsibility was to oversee the functional handling of the claim files.

- Implemented litigation management that resulted in closing of files and reduction of expenses. Took many cases to trial with a 90%+ success rate.

*Various Supervisor/Claims Adjuster Positions 1978-1984*

### EDUCATION AND PROFESSIONAL DEVELOPMENT:

B.A. Degree, Marist College

Graduate study coursework towards master's degree at Florida Atlantic University

Executive Program for Developing Effective Managers, University of New Haven

Licensed in State of Florida to handle all lines of claims

The L4 System, Using the Leader's Window to Build High Performing Teams Workshop

Problem Solving & Decision Making Workshop

Diversity & Inclusion Workshops

Zengler Miller Leadership Workshop/Team Building Workshop

Time Management, Interpreting Medical Reports

**E. PERSONNEL AND QUALIFICATIONS - CLAIMS**

Yarixa Eliason  
Assigned Claims Adjuster  
Preferred Governmental Claims Services

**EXPERIENCE**

**Senior Claims Representative/ Liability Supervisor**

All lines adjuster license. Experienced in handling property and casualty losses. Experience in handling claims for commercial auto, general liability, employment liability and governmental entities. Experience in field work and in house. Experience in investigating claims by taking recorded statements of claimants, insureds and witnesses and obtaining information in order to evaluate the loss. Manage litigation files and defense counsel's activities, attending and actively participating in mediations as needed. Experienced in reviewing and assign claims and task to staff. Experienced in review job performances and merit reviews.

**Employment**

Preferred Governmental Claims Services, Lake Mary, Florida  
Senior Claims Representative/ Liability Supervisor

Johns Eastern Company, Inc., Miami, Florida  
Senior Claims Representative

David H. Burstyn, P.A., Miami, Florida  
Receptionist and Office Administrative Assistant

**EDUCATION**

Valdosta State University, Valdosta , Georgia  
Major: Masters of Public Administration

Florida State University, Tallahassee, Florida  
Bachelor of Science  
Major: Criminology and Criminal Justice

Miami-Dade Community College, Miami, Florida  
Major: Criminal Justice

Languages:   Fluent in Spanish

Licenses:     Florida and Alabama All Lines Adjuster

## E. PERSONNEL AND QUALIFICATIONS - CLAIMS

**Kathleen Gayle Fidler**  
Assigned Liability Claims Adjuster  
Preferred Governmental Claims Services

### **EXPERIENCE - Over 20 years insurance industry experience.**

7/2007- Present - Preferred Governmental Claim Services, Lake Mary, Florida -Senior Claims Specialist  
Experience in public entity claims, Subrogation Unit, and multi-line claims.

4/2003 - 7/2003 Gallagher Bassett Services, Inc. Orlando, Florida  
Sr. Litigation Adjuster/Claims Representative

\*Adjust multi-state General Liability claims for large a Commercial account, from beginning through Litigation. Adjust claims for a County School Board, and work with Risk Manager and House Counsel to resolve pre-suit, through litigation. Also resolve Automobile and GL claims for large Commercial Vendors.

\*Maintain quality claim files in accordance with appropriate Best Practices.

\*Recognize and implement alternate means of resolution.

8/2002 - 4/2003 - Insurance Office of America, Altamonte Springs, Florida  
Claims Consultant/Coverage Advisor

\*Monitored Adjuster work, researched coverage for Property, Automobile, and General Liability Issues, worked with agents assisting their clients with needed information. Presented our product, discussed ongoing claims with clients, agents, customers, claimants, carriers on coverage issues.

10/1995 - 8/2002 - One Beacon/Montgomery Insurance; fna CGU/General Accident Insurance, Maitland, FL  
Senior Claims Representative

5/1994 - 10/1995 - Corvel Corporation, Orlando, FL – Provider Bill Analyst

6/1989 - 3/1994 - AIHRS/ division of AIG, Orlando, FL - Provider/Hospital Auditor and Acting Supervisor

### **EDUCATION**

1978 - Community College of Allegheny Campus, Pittsburgh, PA  
State of Pennsylvania certified -Emergency Medical Technician (every 3 years) 1978-1986  
State of Pennsylvania Certified Para medic - 1982  
Certification - AIC 33, AIC 34 completed, certificate achieved.

**E. PERSONNEL AND QUALIFICATIONS - CLAIMS**

**Melissa L. Randall**

Assigned Workers Compensation Lost Time Claims Adjuster  
Preferred Governmental Claims Services

**EXPERIENCE**

Preferred Governmental Claim Solutions 2003-present

Responsibilities: Currently I handle lost time claims for School Boards and Municipalities; 3 point contacts, recorded statements and 120 day investigations. Monitor both medical and litigation aspects of the claim, been involved in depositions and mediations. Settlement, reserve evaluations and Indemnity payments. Filing state forms with the DWC and Responses to Petition for Benefits with DOAH. Keeping employers updated regarding progress of claims by telephone or by attending file reviews.

Protegrity Services, Inc. 2000-2003

Claims Capabilities, Inc. 1997- 2000

Positions held: Med-Pay, Notice of Injury Intake Unit, Adjuster Assistant, Medical only Adjuster and Lost time adjuster.

**EDUCATION**

520 All Lines Adjusting License

524 Workers' Compensation Adjusting License

Continuing education through Workers' Compensation seminars

High School Diploma - Lyman High School

## E. PERSONNEL AND QUALIFICATIONS - CLAIMS

**Rachel F. Kelly – ACA, ACLS**  
Assigned Property Specialist Claims Adjuster  
Preferred Governmental Claims Services

### EXPERIENCE

**PGCS Claims Services:** August 2011 to present

#### **Claims Specialist II**

- Coverage Investigations
- Liability investigation
- Handle Bodily Injury claims
- Obtain statements
- Handle all aspects of physical damage claims to include IA assignments, total losses, rental and payments.
- Oversee handling of First Party Property claims
- Handle General Liability Property Damage claims

**North American Risk Services- Free State Staffing:** Nov 2010 to July 2011

#### **Liability Claims Examiner**

**Safeco Insurance/Liberty Mutual - Indianapolis, Indiana:** Oct 2004 - Sept 2010

Total Loss Examiner March 2005- March 2010

Customer Service Representative October 2004- March 2005

**The Hartford Insurance: Subrogation Claims Service Representative- Lake Mary, Florida 2002 - 2004**

**Nationwide Mutual Insurance: Material Damage Specialist- Indianapolis, Indiana 2001- 2002**

**Allstate Insurance: Claims Specialist - Indianapolis, Indiana 1999 - 2001**

### EDUCATION

Southport High School, Indianapolis Indiana 1993  
Accredited Claims Adjuster (ACA) - completed 2002  
Auto Claims Law Specialist (ACLS) - completed 2003

## E. PERSONNEL AND QUALIFICATIONS - CLAIMS

**Evelyn Asencio**  
Assigned Claims Adjuster  
Preferred Governmental Claims Services

### EXPERIENCE

**WORKERS' COMPENSATION ADJUSTER:** Preferred Governmental Claim Solutions,  
Lake Mary, FL.

**MEDICAL CLAIMS PROCESSING:** Corvel Corporation San Juan, Puerto Rico.

**DATA ENTRY SPECIALIST:** Protegrity Services Inc./Humana Worker's Compensation  
Services, Longwood, FL.

**OPERATIONS SUPPORT/GENERAL CLERK:** PCA Solutions  
Longwood, FL.

### EDUCATION

Puerto Rico Junior College, Rio Piedras, Puerto Rico  
MBTI Institute, Santurce, Puerto Rico.

**Vanessa Heaton**  
Assigned "Fast Track" Liability Adjuster  
Preferred Governmental Claims Services

### EXPERIENCE

**Claims Specialist 1**, PGCS Claim Services, Lake Mary, FL (2011-present)

Claims adjuster handling auto and general liability property losses. Part of the Hurricane  
Claims team (2012)

**Liability Claims Assistant**, PGCS Claim Services, Lake Mary, FL (2011)

In charge of setting up new claims and handling all first party auto loss claims.

**Accounting/HR Assistant**, PGCS Claim Services, Lake Mary, FL (2007-2011)

### EDUCATION

**University of Central Florida**, Orlando, FL - B.S., May 2003; Major in Psychology

## F. REFERENCES

## F. REFERENCES

PRIA develops customized and innovative approaches towards effectively managing your risk. Cost effective insurance products, professional service, and commitment to client's needs are our primary goals. Proof of account satisfaction is reflected by a 97% business retention rate.

Feel free to contact any of our clients (client listing attached in Section D, Experience) for a reference in addition to those on the attached form. In addition to the Required Form, we have attached just a few letters of reference from our clients.

## REFERENCES

Provide specific references for at least five (5) customers (preferably public entities), including customers served by the firm's nearest office to the City. They should be of similar sizes, complexity and magnitude to the City. Additional references may be provided by attachment.

**Proposer:** Risk Management Associates, Inc. dba Public Risk Insurance Agency

1. Organization: Highlands County Board of County Commissioners  
Address: 600 S. Commerce Avenue, #B233, Sebring, FL 33871  
Contact, phone number: Sherri Bennett, 863-402-6792  
Insurance/Services provided: All lines of Property & Casualty Insurance
  
2. Organization: City of Fellsmere  
Address: 22 S. Orange Street, Fellsmere, FL 32948-6714  
Contact, phone number: Larry Napier, 772-571-1616  
Insurance/Services provided: All lines of Property & Casualty Insurance
  
3. Organization: City of Dania Beach  
Address: 100 W. Dania Beach Boulevard, Dania Beach, FL 33004  
Contact, phone number: Jackie Beauzil, 954-924-6800 Extension 3608  
Insurance/Services provided: All lines of Property & Casualty Insurance
  
4. Organization: City of Orange City  
Address: 205 E. Graves Avenue, Orange City, FL 32763  
Contact, phone number: Pennie Traber, 386-775-5457  
Insurance/Services provided: All lines of Property & Casualty Insurance
  
5. Organization: Hillsborough Transit Authority  
Address: 4305 E. 21st Avenue, Tampa, FL 33605-2300  
Contact, phone number: Rickey Kendall, 813-623-5835 Extension 1756  
Insurance/Services provided: All lines of Property & Casualty Insurance

## G. FINANCIAL STABILITY

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## G. FINANCIAL STABILITY

### BROWN & BROWN, INC.

Brown & Brown is publicly traded on the NYSE under symbol “BRO”. We are proud of our conservative fiscal approach and excellent financial performance. Financials are available upon request and may also be viewed at [www.bbinsurance.com](http://www.bbinsurance.com).

### PREFERRED GOVERNMENTAL INSURANCE TRUST (*Preferred*) - OVERVIEW

Preferred Governmental Insurance Trust has a conservative fiscal strategy, increasing its surplus and showing positive underwriting results every year. Total surplus is in excess of \$83 million currently. It is important to weigh this surplus against the Excess of Loss (similar to Reinsurance) structure, as the Trust maintains relatively low retention levels. A structure of the Excess of Loss is not yet available, as reinsurance negotiations are currently underway. We will provide this as it is available, and we fully expect to be able to do so in the next couple of weeks.

Preferred has earned a Certificate of Achievement for Excellence in Financial Reporting.

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Preferred Governmental  
Insurance Trust, Florida**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
September 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Linda C. Davison*

President

*Jeffrey R. Egan*

Executive Director

Preferred Governmental Insurance Trust (*Preferred*) represents the most financially secure alternative for municipalities, counties, special districts and schools for property, liability and workers compensation insurance coverages, with a foundation built upon a personalized service commitment to its members, customized loss control initiatives and aggressive claims management.

## G. FINANCIAL STABILITY

### PREFERRED GOVERNMENTAL INSURANCE TRUST (*Preferred*) - OVERVIEW

Following is a brief overview of the Trust structure and service components:

**1. Legal Structure**

- Multi-line intergovernmental pool
- Governed by Board of Trustees comprised of elected officials

**2. Marketing**

- Public Risk Underwriters, Lake Mary, Florida
- Kurt Heyman, Vice President-Marketing

**3. Underwriting**

- Public Risk Underwriters, Lake Mary, Florida
- Margaret Gross, Director of Underwriting

**4. Loss Control**

- Mike Marinan, Senior Safety & Risk Management Consultant
- Mike Stephens, Safety & Risk Management Consultant
- State of Florida approved program

**5. Policy Issuance**

- Public Risk Underwriters, Lake Mary, Florida
- Navrisk Management System
- Integrates interlocal agreement to participate with NCCI rules and regulations

**6. Auditing**

- Public Risk Underwriters, Lake Mary, Florida
- Quarterly self audits for Workers' Compensation

**7. Claims**

- Contractually provided for *Preferred* by Preferred Governmental Claims Solutions located in Lake Mary, Florida
- Toll free Workers' Compensation first notice of injury reporting line (866) 683-7710
- Toll free Workers' Compensation claims servicing line (800) 237-6617
- Toll free Property & Casualty claims servicing line (800) 237-6617
- Online access to Claims data for clients

**8. Accounting**

- Larry Shores, CPA, External Accountant, Shores & Company
- Specializes in intergovernmental pools
- Audited financial statements as required by the State of Florida

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**G. FINANCIAL STABILITY**
**PREFERRED GOVERNMENTAL INSURANCE TRUST (*Preferred*) - OVERVIEW**
**Preferred Governmental Insurance Trust  
Board of Trustees**

Chair	Dwight E. Wolf	Mayor – City of Wildwood
Vice Chairman	Charles Walsey	Chairman – Cypress Grove CDD
Secretary	Joanna Wilkinson	Mayor – City of Haines City
Board Member	Robert Walker	Mayor – City of Springfield
Board Member	Tom Rice, Sr.	Vice Chairman – South Indian River WCD
Board Member	Warren Yeager	Commissioner – Gulf County BOCC
Board Member	Welton Cadwell	Commissioner – Lake Sumter EMS

**Preferred Governmental Insurance Trust  
Risk Advisory Board**

Renee Stockwell	City of Bradenton	Risk/Safety Supervisor
Lori Parsons	City of Naples	Risk Manager
Christina Maguire	City of Ormond Beach	Risk Manager
Alan Bullock	City of Venice	Risk Manager
Deborah Franklin, MA	The Villages	Human Resources Director
Keri Martin	City of Winter Park	Risk Manager
Michael Quigley	City of Cape Coral	Risk Manager
Richard Swann	Hillsborough County Sheriff	Director of Risk Management
Gerard Visco	Brevard County BOCC	Risk Manager
Renee Daugherty	Town of Davie	Risk Manager
Jennifer Porrier	City of Treasure Island	Human Resources Director
Rickey Kendall	Hillsborough Transit Authority	Safety, Risk & Environmental Dir.
Sanjeev Bissessar	City of Coconut Creek	Risk Manager

**FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITORS' REPORT**

**PREFERRED GOVERNMENTAL  
INSURANCE TRUST**

**SEPTEMBER 30, 2012 AND 2011**

## **C O N T E N T S**

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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 statements of net assets of Preferred Governmental Insurance Trust (the "Trust") as of September 30, 2012 and 2011, and the related statements of revenue, expenses and changes in fund net assets, and of cash flows for the years then ended. These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Preferred Governmental Insurance Trust as of September 30, 2012 and 2011, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and the required supplementary information, as listed in the table of contents, are not a required part of the basic financial statements but are 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.

**INDEPENDENT AUDITORS' REPORT - CONTINUED**

As discussed in the Notes to the 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.

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.

January 11, 2013

*John T. Tegen, Partner, Butler & Company, P.A.*

## 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 year ending September 30, 2012 and 2011. We encourage readers to consider the information presented here in conjunction with the Trust's financial statements and notes to the financial statements to enhance their understanding of the Trust's financial performance.

#### *Financial Highlights*

Unless otherwise indicated, financial performance throughout this analysis is expressed in thousands.

- The Trust's overall financial condition has consistently improved in each of the last two years. Total net assets (surplus) increased by \$15,868 from 2011 to 2012, or 24%, to a total of \$82,416. In the prior year, total net assets increased by \$5,596 from 2010 to 2011, or 9%, to a total of \$66,549. Increases in net assets have come in response to strong operating results that have been created by consistent investment returns and actuarially determined reductions to the Trust's liability for unpaid losses and loss adjustment expenses.
- Total assets have steadily increased in each of the last two years. Total assets increased by \$5,443 from 2011 to 2012, or 4%, for a total of \$157,223. In the prior year, total assets increased by \$3,071 from 2010 to 2011, or 2%, to a total of \$151,780. Improvements each year are attributable to investment earnings and the growth in cash and investment accounts.
- Investment earnings have consistently tracked with internally adopted benchmarks. Earnings in 2012 were \$6,377 as the Trust's investments posted a 5.0% return on average investment balances. Internal benchmarks for 2012 were 4.9%. Returns benefitted from improved market values in comparison to temporary declines in investment value at the end of the 2011 fiscal year. Investment earnings of \$1,993 resulted in returns in 2011 of 1.6%. Although these returns suffered from temporary declines in value at year end in comparison to relatively strong market values in 2010, they tracked consistently with internal benchmarks that use various market indices to measure performance.
- The ratio of our premium to our net assets, a common measure of solvency has consistently improved each year. The ratio shows the degree to which the Trust's premium exceeds or is covered by net assets. The lower the ratio, the more solvent the Trust. Generally flat premium revenues from 2011 to 2012 in comparison to growing net assets produce a ratio of premium to net assets of 107% in 2012 in comparison to 131% in 2011 and 134% in 2010. As of 2012, the Trust's net assets is nearly equal to premium revenue.
- Routine recoveries from the Trust's excess program were consistent with the prior year. As claims mature and cost invade excess layers, timely and effective collections of claims of un-retained risk have become increasingly important to the Trust. Routine excess recoveries exceeded \$10,000 for the first time in the history of the Trust in 2010 and, while declining modestly, remained at approximately those same levels in 2011 and 2012.

## 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 assets, the statement of revenues, expenses and changes in fund net assets 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 assets 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 assets. The net assets 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 fund net assets presents information detailing the revenues and expenses that resulted in a change in net assets 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 might not be reflected as revenue until fully earned by 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 assets.

The notes to the 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, including historic developed losses.

## 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 Assets, Statements of Revenues, Expenses and Changes in Fund Net Assets and Statements of Cash Flows.

**Statements of Net Assets.** The Trust's Statements of Net Assets display the assets, liabilities and net assets of the Trust as of the Trust's year end, September 30. A comparison of audited balances as of September 30, 2012, 2011 and 2010 display continued increases in both assets and net assets. The growth in assets is a function of strong underwriting discipline to write insurance at an underwriting profit, vigorous control of losses and responsible investment.

	<u>2012</u>	<u>% Change</u>	<u>2011</u>	<u>% Change</u>	<u>2010</u>
<b>ASSETS</b>					
Investment securities available for sale	\$ 114,852	-3.5%	\$ 119,034	6.1%	\$ 112,231
Cash and cash equivalents	15,434	198.2%	5,174	-56.9%	11,997
Accrued interest receivable	668	-13.8%	775	0.5%	771
Premiums receivable	1,609	246.8%	464	2.4%	453
Excess recoverables on paid losses	3,854	6.6%	3,617	7.7%	3,359
Prepaid expenses and other assets	<u>20,806</u>	-8.4%	<u>22,716</u>	14.2%	<u>19,898</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>157,223</u></b>	<b>3.6%</b>	<b>\$ <u>151,780</u></b>	<b>2.1%</b>	<b>\$ <u>148,709</u></b>
<b>LIABILITIES AND NET ASSETS</b>					
Unpaid losses and loss adjustment expenses	\$ 63,409	-14.2%	\$ 73,872	-2.1%	\$ 75,441
Unearned premium	9,902	2.5%	9,660	-0.8%	9,738
Member prepayment	498	-56.5%	1,146	-40.7%	1,932
Claims service fees payable	608	251.4%	172	11.6%	155
Advances by excess insurers	104	0.0%	104	19.5%	87
State of Florida assessments payable	158	22.5%	129	10.3%	117
Accounts payable and other liabilities	<u>128</u>	-13.5%	<u>148</u>	-48.3%	<u>286</u>
<b>TOTAL LIABILITIES</b>	<b><u>74,807</u></b>	<b>-12.2%</b>	<b><u>85,231</u></b>	<b>-2.9%</b>	<b><u>87,756</u></b>
<b>NET ASSETS – UNRESTRICTED</b>	<b><u>82,416</u></b>	<b>23.8%</b>	<b><u>66,549</u></b>	<b>9.2%</b>	<b><u>60,953</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ <u>157,223</u></b>		<b>\$ <u>151,780</u></b>		<b>\$ <u>148,709</u></b>

**Preferred Governmental Insurance Trust**

**MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED**

A significant component of our costs has been our excess insurance program. 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.

Indeed, maturing claims make the excess program even more important as cash flows become dependent not only on our premium collections but also upon the timeliness of recoveries from excess insurance carriers.

The following schedule summarizes the collections from excess insurance carriers over the last five 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		Subtotal	Total
		Non Catastrophic	Catastrophic		
2012	\$7,539	\$2,280	\$ 143	\$2,423	\$9,962
2011	\$7,885	\$2,096	\$ 183	\$2,279	\$10,164
2010	\$5,127	\$4,922	\$ 427	\$5,349	\$10,476
2009	\$4,054	\$2,156	\$1,754	\$3,910	\$ 7,964
2008	\$2,027	\$1,242	\$2,389	\$3,631	\$ 5,658

Routine collections from the excess program for combined workers compensation and non-catastrophic coverage are essentially unchanged over the last three years ranging between \$9.8 million and \$10.0 million. The share of these recoveries from worker's compensation excess, however, has increased from about half the recoveries to over three quarters of recoveries. Collections generally represent claims initially paid by the Trust and then reimbursed by excess carriers. Maturing claims in years in which the Trust assumed lower risks for workers compensation exposures creates this collection pattern. Timely billing and collection of these amounts ensures cash flow for the Trust and maintenance of investment balances. Uniform collections of about \$10 million throughout the years have preserved average investment balances and helped to produce about \$255,000 (not in thousands) in investment earnings at 5.0% in 2012 and \$80,000 (not in thousands) 2011 earnings based on that year's 1.6% investment returns.

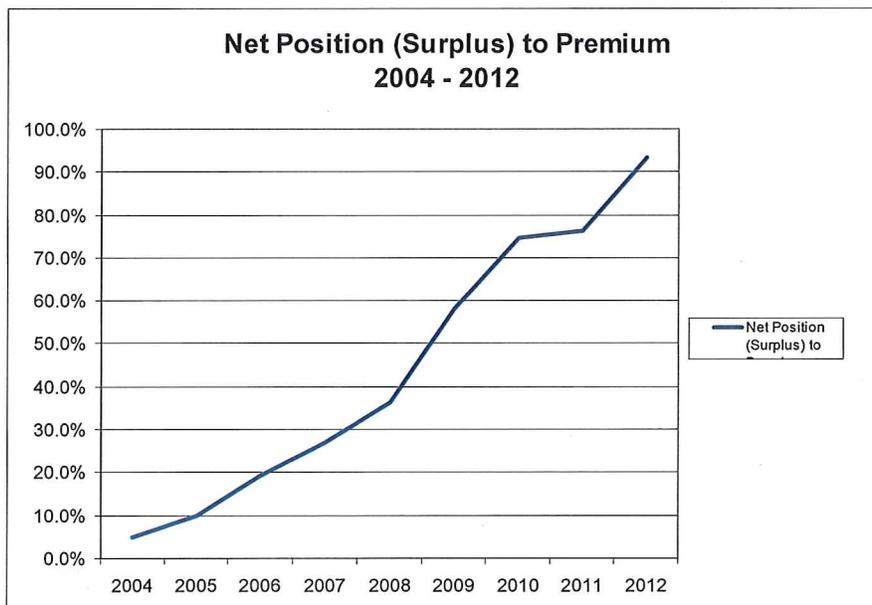
Statements of Revenues, Expenses and Changes in Fund Net Assets. The Statement of Revenues, Expenses and Changes in Fund Net Assets display the Trust revenues and expenses and the manner in which they account for the change in net assets. The following schedule shows a comparison of that activity for the years ended September 30, 2012, 2011, and 2010 and a number of key relationships.

**Preferred Governmental Insurance Trust**

**MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED**

	<u>2012</u>	<u>% Change</u>	<u>2011</u>	<u>% Change</u>	<u>2010</u>
<b>REVENUES</b>					
Premiums	\$ 88,232	1.1%	\$ 87,300	6.7%	\$ 81,794
Net investment income	3,416	-13.1%	3,933	11.7%	3,520
Net increase (decrease) in fair value of investments	<u>2,961</u>	N/A	<u>(1,940)</u>	-242.9%	<u>1,358</u>
<b>TOTAL REVENUES</b>	<u>94,609</u>	6.1%	<u>89,293</u>	3.0%	<u>86,672</u>
<b>EXPENSES</b>					
Losses and loss adjustment expenses	12,223	-42.9%	21,419	4.5%	20,501
Excess insurance expense	45,307	9.0%	41,566	9.5%	37,970
Administrative fees	9,662	-0.6%	9,724	12.5%	8,645
State of Florida assessments	574	13.7%	505	-44.2%	905
Agent commissions	6,572	-1.9%	6,697	10.7%	6,048
Claims service fees	3,508	30.4%	2,690	-4.6%	2,821
Other expenses	<u>895</u>	-18.3%	<u>1,096</u>	-9.1%	<u>1,206</u>
<b>TOTAL EXPENSES</b>	<u>78,741</u>	-5.9%	<u>83,697</u>	7.2%	<u>78,096</u>
<b>CHANGE IN NET ASSETS</b>	<u>15,868</u>	183.6%	<u>5,596</u>	-34.7%	<u>8,576</u>
<b>NET ASSETS – Beginning</b>	<u>66,548</u>	9.2%	<u>60,953</u>	16.4%	<u>52,377</u>
<b>NET ASSETS – Ending</b>	\$ <u>82,416</u>	23.8%	\$ <u>66,549</u>	9.2%	\$ <u>60,953</u>

The Trust benefited from increasing premiums, investment income and ongoing favorable development in older claims to produce favorable current year results. Investment earning responded to rebounding securities markets while actuarial evaluations of prior year claims liabilities have been conservative.



## Preferred Governmental Insurance Trust

### MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

The Trust continued to grow more solvent as net assets grew as a percentage of premiums. Over the last eight years, net assets have increased from less than 10% of earned premium to nearly 100% of earned premium. Results reflect the consistent conservative underwriting of the Trust as borne out by regular actuarially determined reductions to unpaid claims liability and related expense.

**Statements of Cash Flows.** The Statements of Cash Flows display the sources and uses of the Trust cash generated from operating and investing activities.

The Trust's cash flows from continuing operations show the increasing demands from maturing claims classified as losses and loss adjustment expenses paid even as cash receipts from premiums fall.

The Trust used cash in its operating activities despite the diligent collections of excess recoverables. These collections serve to offset the losses and loss adjustment expenses paid.

	2012	2011	2010
<b>CASH FLOWS FROM CONTINUING OPERATIONS</b>			
Premiums collected from policyholders, net of ceded reinsurance	\$ 39,232	\$ 41,554	\$ 45,679
Losses and loss adjustment expenses paid	( 22,988 )	( 22,988 )	( 22,222 )
Other underwriting expenses paid	( 16,650 )	( 20,579 )	( 19,842 )
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>( 406 )</b>	<b>( 2,013 )</b>	<b>3,615</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net proceeds (purchases) of debt and equity securities	7,143	( 8,743 )	( 2,961 )
Investment income collected	3,523	3,933	3,520
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>	<b>10,666</b>	<b>( 4,810 )</b>	<b>559</b>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>10,260</b>	<b>( 6,823 )</b>	<b>4,174</b>
Cash and short term investments – beginning of year	5,174	11,997	7,823
<b>CASH AND SHORT TERM INVESTMENTS - END OF YEAR</b>	<b>\$ 15,434</b>	<b>\$ 5,174</b>	<b>\$ 11,997</b>

The Trust decreased its investment base in 2012 to defray the cost of increasing excess insurance premiums thereby creating cash provided by investing activities. The decrease was the first such reduction in the investment base in the recent history of the Trust. The \$5 million subtraction follows an increase made to investments of \$10 million in 2011. The 2011 increase was the first addition to investments, in addition to portfolio earnings, since the 2009 fiscal year.

Movement within the investment accounts to meet operating cash flow requirements represented most of the overall change in cash and cash equivalents for all years presented.

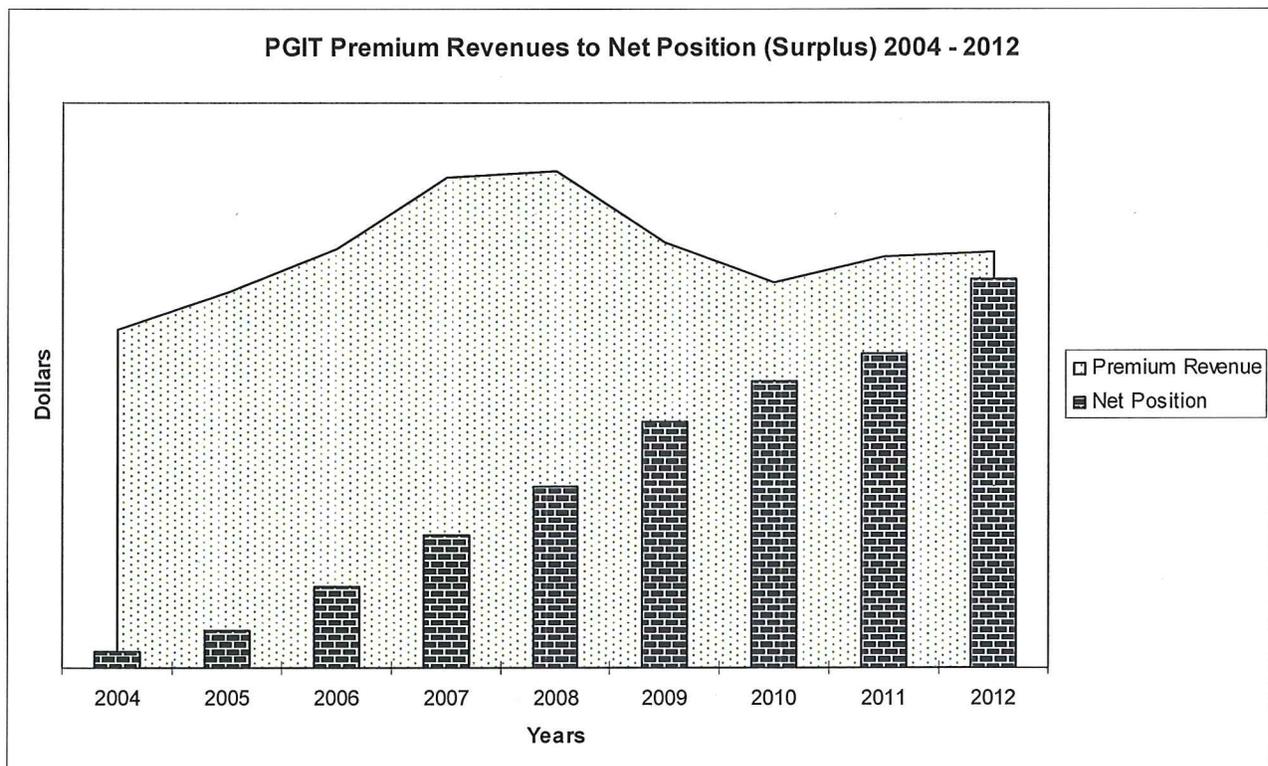
## Preferred Governmental Insurance Trust

### MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

#### *Economic Factors and Major Initiatives*

Revenues increased in 2012 due to a slight hardening of insurance premiums charged to the Trust's members. The 2011 increase in revenue is due primarily to the net addition of several new members to the Trust.

Net assets increased as a percentage of revenue and positioned the Trust for growth that will occur when the economy rebounds. The following graph shows the comparison of premium revenue to growth in fund surplus (net assets) from 2004 until the end of the current year.



The Trust engaged in a comprehensive rebranding of its product in 2010 and is now simply known as Preferred under a new logo. The Trust continued this initiative and refreshed the appearance and content of its web site and also revised its brochures and other marketing materials to fully leverage its new look and Preferred image.

The Trust continues to offer and invest in online services to its membership through its Preferred Academy including learning and training opportunities through webinars 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. The Trust's administrator added an additional loss control consultant to its team in 2011 to assist members and to help the Trust contain losses.

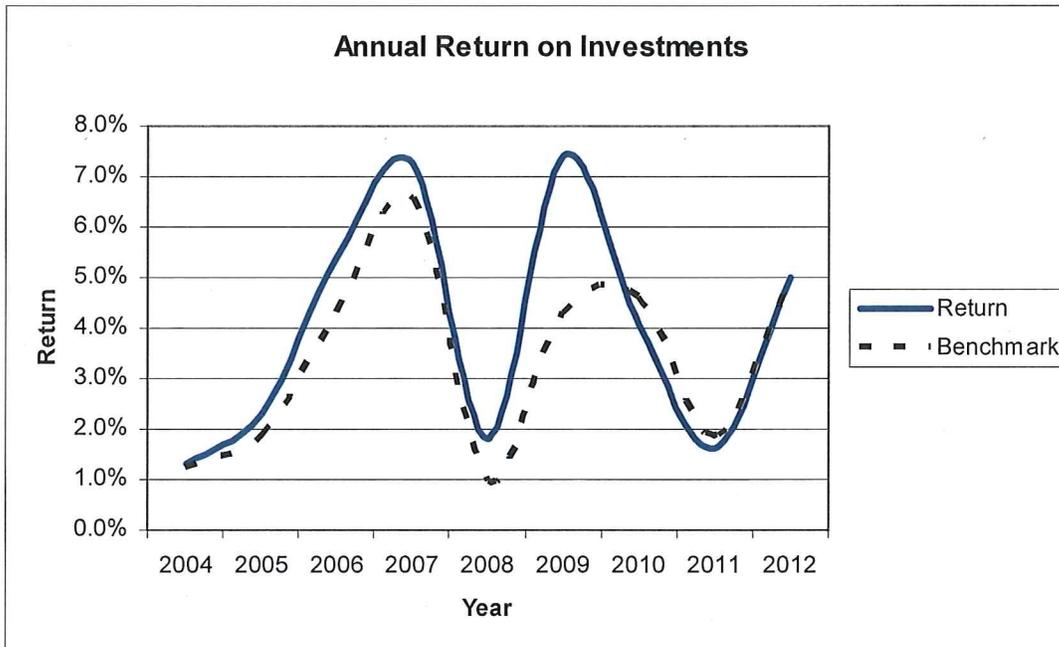
Preferred Governmental Insurance Trust

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

As the Federal Reserve Open Committee strives to keep interest rates low, fixed income results are likely to remain below long term averages. Current year earnings have been buoyed by a robust equities market that has rebounded from 2011 lows as the economy improved.

As always, investment returns are uncertain but asset allocations have steadily produced results consistent with internally established benchmarks and the Trust's risk tolerance.

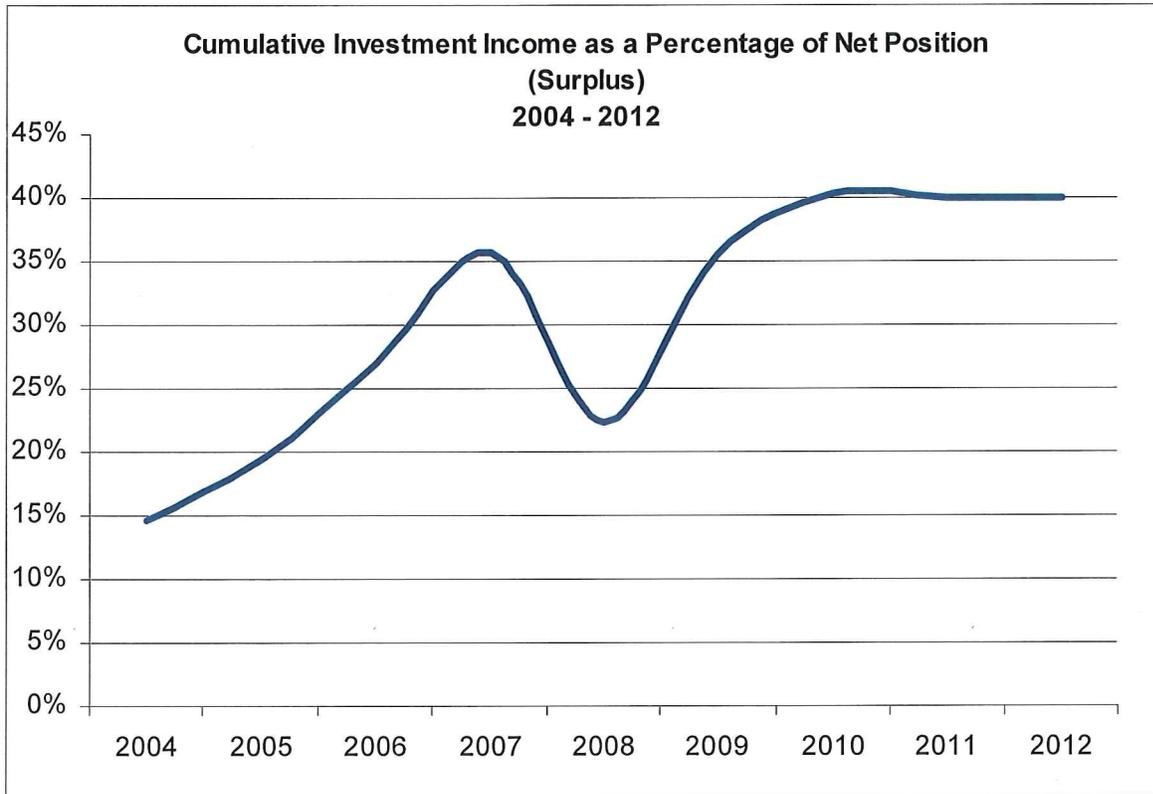
The following graph shows the investment performance of the Trust in comparison to those adopted benchmarks. Investment earnings track with market volatility and have followed the behavior of benchmark measures. The portfolio historically outperforms the market as it improves and either matches or underperforms the market as it deteriorates.



As Trust assets grow, investment income becomes an increasingly important and consistent element of operating results and net assets (surplus). Over the twelve year period ending September 30, 2012, the Trust has earned \$33 million in investment income which represents 40% of accumulated surplus. Even as the net assets the Trust has increased by 35% over the last two years, investment earning has remained a consistent contributor to that surplus. The following chart shows the growth of cumulative investment income as a percentage of surpluses since the Trust began retaining risk in 2003-2004.

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. Questions concerning the information provided in this report or requests for additional financial information should be addressed to William A. Zimmer, CIC, CPA, Senior Executive Vice President, Public Risk Underwriters of Florida, P.O. Box 958455 Lake Mary, Florida 32795-8455.

**FINANCIAL STATEMENTS &  
NOTES TO THE FINANCIAL STATEMENTS**

**Preferred Governmental Insurance Trust**

**STATEMENTS OF NET ASSETS**

**ASSETS**

	September 30,	
	2012	2011
Cash and cash equivalents	\$ 15,434,295	\$ 5,174,625
Investment securities	<u>114,851,703</u>	<u>119,034,000</u>
<b>Total cash and investments</b>	<b><u>130,285,998</u></b>	<b><u>124,208,625</u></b>
Accrued interest receivable	668,273	774,700
Premiums receivable	1,608,555	463,937
Excess recoverables on paid losses	3,853,658	3,616,878
Prepaid expenses and other assets	<u>20,806,683</u>	<u>22,715,735</u>
<b>Total assets</b>	<b><u>\$ 157,223,167</u></b>	<b><u>\$ 151,779,875</u></b>

**LIABILITIES AND NET ASSETS**

Unpaid losses and loss adjustment expenses	\$ 63,409,148	\$ 73,871,849
Unearned premium	9,902,396	9,659,802
Claims service fee payable	607,118	172,555
Advances by excess insurers	104,816	104,028
State of Florida assessments payable	157,879	129,183
Accounts payable and other liabilities	127,940	147,709
Member prepayments	<u>497,508</u>	<u>1,146,149</u>
<b>Total liabilities</b>	<b><u>74,806,805</u></b>	<b><u>85,231,275</u></b>
Net assets - unrestricted	<u>82,416,362</u>	<u>66,548,600</u>
<b>Total liabilities and net assets</b>	<b><u>\$ 157,223,167</u></b>	<b><u>\$ 151,779,875</u></b>

The accompanying notes are an integral part of these statements.

**Preferred Governmental Insurance Trust**

**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS**

	For the Years Ended September 30,	
	2012	2011
<b>REVENUES</b>		
Premiums	\$ 88,231,625	\$ 87,299,705
Net investment income	3,416,155	3,933,269
Net increase (decrease) in fair market value of investments	2,961,042	( 1,939,906)
Total revenues	94,608,822	89,293,068
<b>EXPENSES</b>		
Losses and loss adjustment expenses	12,222,707	21,419,096
Excess insurance expense	45,306,504	41,565,671
Administrative services	9,662,262	9,723,507
Agent commissions	6,572,404	6,696,911
Claims service fees	3,508,553	2,690,434
State of Florida assessments	574,114	505,451
Other expenses	894,516	1,095,907
Total expenses	78,741,060	83,696,977
<b>CHANGE IN NET ASSETS</b>	15,867,762	5,596,091
Net assets - beginning of year	66,548,600	60,952,509
<b>NET ASSETS - END OF YEAR</b>	\$ 82,416,362	\$ 66,548,600

The accompanying notes are an integral part of these statements.

**Preferred Governmental Insurance Trust**

**STATEMENTS OF CASH FLOWS**

	For the Years Ended September 30,	
	2012	2011
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Premiums collected from policyholders, net of ceded reinsurance	\$ 39,231,960	\$ 41,553,531
Losses and loss adjustment expenses paid	( 22,988,247)	( 22,988,247)
Net other underwriting expenses paid	( 16,649,964)	( 20,578,040)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<u>( 406,251)</u>	<u>( 2,012,756)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of debt securities	( 37,238,081 )	( 49,278,504)
Proceeds from maturity of debt securities	43,218,557	39,819,767
Purchase of equity securities	( 3,552,699 )	( 3,460,899)
Proceeds from sales of equity securities	4,715,562	4,176,344
Investment income collected	<u>3,522,582</u>	<u>3,933,269</u>
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>	<u>10,665,921</u>	<u>( 4,810,023)</u>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	10,259,670	( 6,822,779)
Cash and cash equivalents - beginning of year	<u>5,174,625</u>	<u>11,997,404</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 15,434,295</u>	<u>\$ 5,174,625</u>

The accompanying notes are an integral part of these statements.

Preferred Governmental Insurance Trust

STATEMENT OF CASH FLOWS – CONTINUED

	For the Years Ended September 30,	
	2012	2011
<b>RECONCILIATION OF CHANGE IN NET ASSETS TO NET</b>		
<b>CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES</b>		
Change in net assets	\$ 15,867,762	\$ 5,596,091
Change in fair value of investments	( 2,961,042 )	( 1,939,906 )
Investment income collected	( 3,522,582 )	( 3,933,269 )
<b>CHANGES IN ASSETS AND LIABILITIES</b>		
<b>(Increase) decrease in</b>		
Accrued interest receivable	( 106,427 )	3,399
Premiums receivable	( 1,144,618 )	11,518
Excess recoverables on paid losses	( 236,780 )	( 257,927 )
Prepaid expenses and other assets	( 1,909,052 )	2,817,689
<b>Increase (decrease) in</b>		
Unpaid losses and loss adjustment expenses	( 10,462,701 )	( 1,569,151 )
Unearned premium	242,594	77,740
Claims service fee payable	434,563	( 17,510 )
Advances by excess insurers	788	( 16,788 )
State of Florida assessments payable	28,696	( 12,200 )
Accounts payable and other liabilities	( 19,769 )	138,188
Member prepayments	( 648,641 )	( 786,370 )
 Net cash used in operating activities	 \$ ( <u>406,251</u> )	 \$ ( <u>2,012,756</u> )

**SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:**

Cash paid during the year for:

Income taxes	\$ <u>          --</u>	\$ <u>          --</u>
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Interest	\$ <u>          --</u>	\$ <u>          --</u>
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Non-cash increase (decrease) in investment securities available-for-sale and fund balances as a result of change in the basis of investment securities available-for-sale to their their estimated fair market value, net of taxes of \$-0-	\$ ( <u>2,961,042</u> )	\$ <u>1,939,906</u>
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The accompanying notes are an integral part of these statements.

Preferred Governmental Insurance Trust

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2012 and 2011

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.

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. Generally members are those governments that purchase insurance from 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 or 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. The Trust has elected not to apply Financial Accounting Standards Board (FASB) statements and interpretations issued after November 30, 1989 as the Trust follows Government Accounting Standards Board (GASB) guidance.

The assets, liabilities and nets assets of the Trust are reported in a self-balancing set of accounts representing funds available for support of the Trust's operations.

Preferred Governmental Insurance Trust

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2012 and 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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 Trust's operating revenues and expenses are deemed to consist of all revenues earned and all expenses incurred. All of the Trust's revenues and expenses relate to the operating and maintenance of the self insurance fund. There are no revenues or expenses deemed to be non-operating. Revenues consist of premium earnings and investment earnings. Premiums are direct charges for services while investment earnings serve to add to long term earnings which offset discount applied in the valuation of the unpaid claims liability. Expenses are entirely operating and represent losses, ceded earnings, acquisition costs, taxes and administration.

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 are highly liquid with an original maturity of ninety days or less when purchased or 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 statement of revenues, expenses and changes in fund net assets.

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. 31. 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:

Preferred Governmental Insurance Trust

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2012 and 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Fair Value Measurements - Continued

Level 1 - Inputs are unadjusted quoted prices for identical assets in active markets

Level 2 - Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; 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 Recoverables on Paid Losses

Recoverables from excess insurers on paid losses, if any, are reported as assets in the statements of net assets.

Recoverables from excess insurers on unpaid losses, if any are recorded as a reduction to the liability for unpaid losses and loss adjustment expenses in the statement of net assets.

Excess Insurance

The Trust uses excess insurance agreements to reduce its exposure to large losses on all types of insured events. 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 excess coverage in any of the past three fiscal years.

Prepaid expenses and other assets

Both deferred policy acquisition costs and ceded earned premium are accounted for as prepaid expenses and other assets.

*Deferred policy acquisition costs.* Acquisition costs, which consist primarily of marketing and underwriting fees and agent commissions vary with and are primarily related to the issuance of new insurance policies. These costs are deferred and amortized on a straight-line basis over the life of the insurance contract. Deferred acquisition costs are reviewed periodically to determine if they are recoverable from future income, including investment income. If the deferred costs are not recoverable, they are charged to expense in the period of the review. Residual values of deferred acquisition costs are displayed as a component of prepaid expenses and other assets.

Preferred Governmental Insurance Trust

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2012 and 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

*Ceded earned premium.* Excess premiums are generally paid in July and in October of each year and expire ratably each month. Residual values of paid premium are displayed as ceded earned premium, a component of prepaid expenses and other assets.

Unpaid losses and loss adjustment expenses

The Trust establishes claims liabilities based on estimates of the ultimate cost of claims (including future 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 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 actual 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 premium

Premiums are billed based upon the estimated annual premiums due and are recognized on a uniform basis throughout the year. Amounts due are initially recorded as unearned premium. Amounts due or paid that have not been recognized as revenues are displayed as unearned premium.

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.

Income Taxes

The Trust is exempt from Income taxes under provisions of Section 115 of the Internal Revenue Code.

Preferred Governmental Insurance Trust

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2012 and 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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.

NOTE 2 - FAIR VALUE MEASUREMENTS

The following table sets forth, by level within the fair value hierarchy, the Fund's assets at fair value:

	As of September 30, 2012			
	Level 1	Level 2	Level 3	Total
Debt securities	\$ --	\$ 103,247,605	\$ --	\$ 103,247,605
Equity securities	\$ 11,604,098	\$ --	\$ --	\$ 11,604,098
Total securities	\$ 11,604,098	\$ 103,247,605	\$ --	\$ 114,851,703
	As of September 30, 2011			
	Level 1	Level 2	Level 3	Total
Debt securities	\$ --	\$ 107,869,264	\$ --	\$ 107,869,264
Equity securities	\$ 11,164,736	\$ --	\$ --	\$ 11,164,736
Total securities	\$ 11,164,736	\$ 107,869,264	\$ --	\$ 119,034,000

The Fund did not have any level 3 assets at any point during the years ended September 30, 2012 and September 30, 2011. There were no significant transfers between level 1 and level 2 during the years ended September 30, 2012 and September 30, 2011.

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 two investment portfolios for debt securities. One investment portfolio has shorter and investment portfolio has longer scheduled maturities. The Trust also has an investment portfolio devoted to equities.

Preferred Governmental Insurance Trust

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2012 and 2011

NOTE 3- CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED

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 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 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 investment portfolio of the Trust is weighted to result in the following composition: short-term debt securities portfolio (45%, +/- 15%), intermediate-term debt securities portfolio (45%, +/- 15%), and equity securities portfolio (10%, +/- 5%).

**Preferred Governmental Insurance Trust**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**September 30, 2012 and 2011**

**NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED**

Investment balances in each portfolio for the years ended September 30, 2012 and 2011 were as follows:

	September 30, 2012		September 30, 2011	
	Fair Value	Percent Asset Allocation	Fair Value	Percent Asset Allocation
Short Term Debt	\$ 61,176,854	49.1%	\$ 57,629,265	48.4%
Intermediate Term Debt	42,070,751	40.8%	50,239,999	42.2%
Total Debt Securities	103,247,605	89.9%	107,869,264	90.6%
Equities Securities	11,604,098	10.1%	11,164,736	9.4%
<b>Total</b>	<b>\$ 114,851,703</b>	<b>100%</b>	<b>\$ 119,034,000</b>	<b>100%</b>

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 by at least one NRSRO.

Corporate fixed-income securities issued by any corporation in the United States as long as they are rated A or better at the time of purchase by any NRSRO.

**Preferred Governmental Insurance Trust**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**September 30, 2012 and 2011**

**NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED**

**Investments allowed under the Trust's Investment Policy – Continued**

**U.S. dollar denominated and issued obligations and securities of foreign states or non-U.S. corporations which are rated A 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 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 A or better by on NRSRO.**

**Guaranteed investment contracts issued by insurance companies rated at least A 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**

Preferred Governmental Insurance Trust

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2012 and 2011

NOTE 3 - CASH AND INVESTMENTS - CONTINUED

Investments – Debt Securities

The following disclosures have been prepared relative to the debt securities included in the short-term and intermediate-term debt securities portfolios of the Trust.

*Interest rate risk.* The risk that the market 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

As of September 30, 2012 and 2011, the Trust's debt securities portfolios were segregated into two distinct portfolios defined in the Trust's investment policy by the maximum maturity of their individual securities.

The short term debt securities portfolio limits the maximum maturity of securities to three years. The typical effective duration of the short term debt securities portfolio is around one year and within a range of six to eighteen months. As of September 30, 2012 and 2011, the average maturity of the short term debt securities portfolio was 1.27 years and 1.35 years, respectively; and the effective duration was 1.03 years and 0.99 years, respectively.

The intermediate term debt securities portfolio limits maximum maturity of securities to ten years. The typical effective duration of the intermediate debt security portfolio is between 2.5 and 5.5 years. As of September 30, 2012 and 2011, the average maturity of the intermediate term debt securities portfolio was 4.00 years and 4.67 years, respectively; and the effective duration was 3.11 years and 3.43 years, respectively.

The combined investment portfolios had a weighted average duration of 2.26 years and 2.13 years as of September 30, 2012 and 2011 respectively.

Preferred Governmental Insurance Trust

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2012 and 2011

NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED

The schedule below shows the Trust's debt securities at September 30, 2012 and 2011.

Investment securities in debt securities are stated at their fair market value and consist of the following:

	September 30, 2012			
	Amortized Cost	Estimated Fair Value	Gross Unrealized Gains	Gross Unrealized Losses
U.S. Treasury securities	\$ 7,816,648	\$ 7,989,889	\$ 173,241	\$ --
Other government agencies	6,847,486	6,860,952	13,878	( 412 )
Corporate notes	56,401,185	58,849,352	2,449,495	( 1,328 )
Mortgage-backed Paydown securities	28,170,325	29,547,412	1,385,068	( 7,981 )
<b>Total debt securities</b>	<b>\$ 99,235,644</b>	<b>\$ 103,247,605</b>	<b>\$ 4,021,682</b>	<b>\$ ( 9,721 )</b>
	September 30, 2011			
	Amortized Cost	Estimated Fair Value	Gross Unrealized Gains	Gross Unrealized Losses
U.S. Treasury Securities	\$ 8,850,013	\$ 9,118,411	\$ 268,658	\$ ( 260 )
Other government agencies	11,246,571	11,295,132	50,948	( 2,387 )
Corporate notes	61,057,859	61,957,417	1,242,450	( 342,892 )
Mortgage-backed Paydown securities	24,061,677	25,498,304	1,444,829	( 8,202 )
<b>Total debt securities</b>	<b>\$ 105,216,120</b>	<b>\$ 107,869,264</b>	<b>\$ 3,006,885</b>	<b>\$ ( 353,741 )</b>

Preferred Governmental Insurance Trust

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2012 and 2011

NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED

The amortized cost and fair market value of debt securities available-for-sale as of September 30, 2012 and 2011 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, 2012			
	Amortized Cost	Estimated Fair Value	Gross Unrealized Gains	Gross Unrealized Losses
Due in one year or less	\$ 20,390,582	\$ 20,478,576	\$ 87,994	\$ --
Due after one year through five years	38,481,457	39,375,987	896,270	( 1,740 )
Due after five years through ten years	12,193,280	13,845,630	1,652,350	--
Mortgage-backed paydown securities	<u>28,170,325</u>	<u>29,547,412</u>	<u>1,385,068</u>	<u>( 7,981 )</u>
Total debt securities	<u>\$ 99,235,644</u>	<u>\$ 103,247,605</u>	<u>\$ 4,021,682</u>	<u>\$ ( 9,721 )</u>
	September 30, 2011			
	Amortized Cost	Estimated Fair Value	Gross Unrealized Gains	Gross Unrealized Losses
Due in one year or less	\$ 25,040,938	\$ 25,145,358	\$ 108,896	\$ ( 4,476 )
Due after one year through five years	43,993,788	44,458,765	674,347	( 209,370 )
Due after five years through ten years	11,123,384	11,745,297	753,606	( 131,693 )
Due after ten years through twenty years	996,333	1,021,540	25,207	--
Mortgage-backed paydown securities	<u>24,061,677</u>	<u>25,498,304</u>	<u>1,444,829</u>	<u>( 8,202 )</u>
Total debt securities	<u>\$ 105,216,120</u>	<u>\$ 107,869,264</u>	<u>\$ 3,006,885</u>	<u>\$ ( 353,741 )</u>

Preferred Governmental Insurance Trust

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2012 and 2011

NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED

Proceeds from sales and maturities of investment securities were approximately \$47,600,000 and \$44,000,000 during the year ended September 30, 2012 and 2011, respectively. Realized gains and losses of approximately \$1,116,000 and \$226,000, respectively, were realized on the sales of investment securities during the year ended September 30, 2012. Realized gross gains and losses of approximately \$1,163,000 and \$238,000, respectively, were realized on the sales of investment securities during the year ended September 30, 2011.

The following is a weighted average duration by security type as of September 30, 2012 and 2011:

	September 30, 2012		September 30, 2011	
	Fair Value	Weighted Average Duration	Fair Value	Weighted Average Duration
U.S. Treasury Note	\$ 7,989,889	1.77	\$ 9,118,411	1.35
Other government agencies	6,860,952	.57	11,295,132	.79
Corporate notes	58,849,352	2.67	61,957,417	2.77
Mortgage-backed paydown securities	29,547,412	1.99	25,498,304	2.13
Total debt securities	<u>\$ 103,247,605</u>		<u>\$ 107,869,264</u>	

The weighted average maturity of mortgage-backed paydown securities is approximately 23.0 years and 22.45 years at September 30, 2012 and 2011 respectively based upon the contractual due dates of the individual securities. The effective duration for these securities, however is approximately 1.99 years and 2.13 years at September 30, 2012 and 2011 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, 2012 and 2011. The credit ratings are those of only one NRSRO.

Preferred Governmental Insurance Trust

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2012 and 2011

NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED

	Credit Rating	Portfolio Asset Allocation	
		9/30/12	9/30/11
U.S. Treasury note	TSY	7.7%	8.5%
Other government agencies	AGY	35.5%	40.3%
Corporate notes	AAA	2.3%	1.4%
Corporate notes	AA1	1.0%	3.9%
Corporate notes	AA2	5.2%	6.9%
Corporate notes	AA3	9.8%	8.0%
Corporate notes	A1	13.2%	9.0%
Corporate notes	A2	12.0%	13.0%
Corporate notes	A3	9.0%	5.2%
Corporate notes	BAA1	.3%	2.9%
Corporate notes	BAA2	4.0 %	.9%

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.

*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.

Preferred Governmental Insurance Trust

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2012 and 2011

NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED

Short Term Debt Securities Portfolio

The short term debt securities portfolio is limited by the Trust's investment policy to debt securities with an effective maturity of any individual holding not to exceed three years. 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, 2012 and 2011, the Trust had the following issuer concentrations based on fair value of the five largest individual issuers in the short term debt securities portfolio aside from direct obligations of the United States government:

	<u>September 30, 2012</u>	
	<u>Fair</u>	<u>Percent Asset</u>
	<u>Value</u>	<u>Allocation</u>
U.S. Treasury securities	\$ 2,213,200	3.6 %
Other government agencies	28,674,682	46.9 %
Royal Bank of Canada	2,021,340	3.3 %
AFLAC	1,339,400	2.2 %
JP Morgan	1,229,320	2.0 %
AT&T	1,225,360	2.0 %
Target Corp	1,192,700	1.0 %
Other (combined)	<u>23,280,852</u>	<u>39.0 %</u>
Total short term debt securities	<u>\$ 61,176,854</u>	<u>100 %</u>

	<u>September 30, 2011</u>	
	<u>Fair</u>	<u>Percent Asset</u>
	<u>Value</u>	<u>Allocation</u>
U.S. Treasury securities	\$ 5,798,571	10.1 %
Other government agencies	18,944,395	32.9
Verizon Global	1,355,991	2.4
Allstate Life	1,325,623	2.3
Berkshire	1,310,985	2.3
John Deere Corp	1,305,980	2.3
Wells Fargo & Co.	1,271,772	2.2
Other (combined)	<u>26,315,948</u>	<u>45.5</u>
Total short term debt securities	<u>\$ 57,629,265</u>	<u>100 %</u>

Preferred Governmental Insurance Trust

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2012 and 2011

NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED

Intermediate Term Debt Securities Portfolio

The intermediate term debt securities portfolio is limited by the Trust's investment policy to debt securities with an effective maturity of any individual holding not to exceed ten years. 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, 2012 and 2011, the Trust had the following issuer concentrations based on fair value of the five largest individual issuers in the intermediate term debt securities portfolio aside from direct obligations of the United States government:

	<u>September 30, 2012</u>	
	<u>Fair</u>	<u>Percent Asset</u>
	<u>Value</u>	<u>Allocation</u>
U.S. Treasury securities	\$ 5,776,689	13.7 %
Other government agencies	7,733,681	18.4 %
West PAC	1,321,697	3.1 %
General Electric	1,318,421	3.1 %
US Bank Corp	1,315,145	3.1 %
Cisco Systems	1,305,551	3.1 %
Bank of New York	1,305,083	3.1 %
Other (combined)	<u>21,994,484</u>	<u>52.4 %</u>
<b>Total intermediate debt securities</b>	<b><u>\$ 42,070,751</u></b>	<b><u>100 %</u></b>

	<u>September 30, 2011</u>	
	<u>Fair</u>	<u>Percent Asset</u>
	<u>Value</u>	<u>Allocation</u>
U.S. Treasury securities	\$ 3,319,840	6.6 %
Other government agencies	24,755,457	49.3
AT & T	1,162,900	2.3
Target Corp	1,156,260	2.3
Blackrock Inc.	1,096,310	2.2
NYSE Euronext	1,062,276	2.1
Barclay	1,047,330	2.1
Other (combined)	<u>16,639,626</u>	<u>33.1</u>
<b>Total intermediate debt securities</b>	<b><u>\$ 50,239,999</u></b>	<b><u>100 %</u></b>

Preferred Governmental Insurance Trust

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2012 and 2011

NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED

Investments – Equity Securities Portfolio

The following disclosures have been prepared relative to the equity securities included in the equities portfolios 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 publically 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 three year track record and a market value of at least \$250 million, exchange traded funds and money market funds.

Since the Trust allocates a maximum of ten percent (plus or minus five percent) of its investment portfolio to equities and holds approximately fifty equity securities with balanced weightings of two percent of the equity securities portfolio, the Trust limits its exposure to the volatility of any individual equity security.

The cost and fair market value of equity securities as of September 30, 2012 and 2011 are shown below:

	September 30, 2012			
	Cost	Fair Market Value	Gross Unrealized Gains	Gross Unrealized Losses
Equity securities	\$ 9,988,094	\$ 11,604,098	\$ 2,034,122	\$ ( 418,118 )
	September 30, 2011			
	Cost	Fair Market Value	Gross Unrealized Gains	Gross Unrealized Losses
Equity securities	\$ 11,150,956	\$ 11,164,736	\$ 1,021,730	\$ ( 1,007,950 )

Preferred Governmental Insurance Trust

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2012 and 2011

**NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS - CONTINUED**

**Investments – Equity Securities Portfolio- Continued**

As of September 30, 2012 and 2011, the Trust had the following concentrations based on fair value in the equity securities portfolio:

	September 30, 2012		September 30, 2011	
	Fair Value	Percent Asset Allocation	Fair Value	Percent Asset Allocation
U.S. common equity securities	\$ 11,604,098	100%	\$ 10,970,264	98.3%
American depository receipts	--	--	194,472	1.7%
<b>Total</b>	<b>\$ 11,604,098</b>	<b>100%</b>	<b>\$ 11,164,736</b>	<b>100%</b>

**Foreign Currency Risk**

Although the Investment Policy of the Trust allows for investment in foreign securities, the Trust held no such investments at September 30, 2012 and 2011. The Trust has no exposure to foreign currency risk.

**NOTE 4 - PREMIUMS RECEIVABLE/OVERPAYMENT BY MEMBERS**

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. Based upon an analysis of past due receivables, it is management's opinion that no allowance for uncollectible accounts is necessary.

**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.

There are excess insurance recoverables on paid losses of approximately \$3,850,000 and \$3,625,000 as of September 30, 2012 and 2011, respectively. The largest amount due from a single carrier at September 30, 2012 and 2011 is approximately \$2,050,000 and \$1,900,000, respectively.

Preferred Governmental Insurance Trust

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2012 and 2011

**NOTE 5 - EXCESS INSURANCE RECOVERABLES ON PAID AND UNPAID LOSSES –  
CONTINUED**

There are excess insurance recoverables on unpaid losses of approximately \$105,900,000 (discounted) and \$80,700,000 (discounted) as of September 30, 2012 and 2011, respectively. Approximately \$100,000,000 and \$69,000,000 of the September 30, 2012 and 2011 amounts are due from 4 carriers.

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.

**NOTE 6 - PREPAID EXPENSES AND OTHER ASSETS**

Prepaid expenses and other assets consist of the following at September 30:

	2012	2011
Excess premiums	\$ 19,867,423	\$ 21,767,325
Agents' commissions	405,767	707,365
Administrative fees	533,493	241,045
TOTAL	\$ <u>20,806,683</u>	\$ <u>22,715,735</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. The change 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 IBNR provision totals approximately \$32,900,000 and \$46,400,000 as of September 30, 2012 and 2011, respectively.

The reserve for unpaid losses and loss adjustment expenses has 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 2.0% as of September 30, 2012 and 2011, which represents the anticipated investment earnings while the losses are being paid out. The discount totals approximately \$3,756,000 and \$4,372,000 at September 30, 2012 and 2011 respectively.

Preferred Governmental Insurance Trust

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2012 and 2011

**NOTE 7 - LIABILITY FOR UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES –  
CONTINUED**

Any change in the estimate of ultimate incurred losses and loss adjustment expenses as compared to the prior year will result in an increase (favorable development) or decrease (unfavorable development) in the current year's net income. During the years ended September 30, 2012 and 2011, the Trust experienced decreases in previous year's estimates of ultimate incurred losses and loss adjustment expenses attributable to prior years which have been recorded as a decrease to losses and loss adjustment expenses in the respective years.

The schedule below presents the changes in claims liabilities for the past two years of the Trust.

	<u>2012</u>	<u>2011</u>
Unpaid losses and loss adjustment expenses at the beginning of the year	\$ 73,871,849	\$ 75,441,000
Incurred claims and claim adjustment expenses:		
Provision for insured events of the current fiscal year	31,052,097	36,217,497
Provision for insured events of the prior fiscal year	( 18,829,390 )	( 14,798,401 )
Total incurred losses and loss adjustment expenses	<u>12,222,707</u>	<u>21,419,096</u>
Payments:		
Losses and loss adjustment expenses attributable insured events of the current fiscal year	7,075,292	7,210,710
Losses and loss adjustment expenses attributable insured events of the prior fiscal year	<u>15,610,116</u>	<u>15,777,537</u>
Total payments	<u>22,685,408</u>	<u>22,988,247</u>
Unpaid losses and loss adjustment expenses at the end of the year	\$ <u>63,409,148</u>	\$ <u>73,871,849</u>

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, 2012 and 2011, the Trust experienced an increase in the anticipated recoveries recognized from these contracts which has been recorded as a decrease to losses and loss adjustments expenses in the respective years.

Preferred Governmental Insurance Trust

NOTES TO FINANCIAL STATEMENTS – CONTINUED

September 30, 2012 and 2011

**NOTE 7 - LIABILITY FOR UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES –  
CONTINUED**

The unpaid loss and loss adjustment expenses as of September 30, 2012 will be paid over many years due to the he types of coverage's written by the Trust. The exact timing of payment of these payments is unknown and subject to many variables, however the net amount estimated to be paid during 2013 is approximately \$20 million, consistent with the \$22.7 million paid in 2012.

**NOTE 8 - CONTINGENCIES**

The Trust has contingencies related to claims services and other at September 30, 2012 and 2011.

**A. *Claims Services***

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.

As the contract with PGCS has not been terminated as of September 30, 2012 or 2011 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.

**B. *Other***

Various lawsuits against the Trust have arisen in the course of the Trust's business. Contingent liabilities arising from litigation and other matters, not previously detailed, are not considered material in relation to the financial position of the Trust.

**Preferred Governmental Insurance Trust**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**September 30, 2012 and 2011**

**NOTE 9 - ADMINISTRATIVE SERVICES AND CLAIM SERVICES AND CERTAIN  
BROKER AND AGENT COMMISSIONS**

The Trust contracts with Public Risk Underwriters (PRU) to provide certain administrative services to the Trust. The Trust incurred expenses under the above referenced contract of approximately \$9,662,000 and \$9,724,000 for the years ended September 30, 2012 and 2011, respectively of which approximately \$475,000 and \$500,000 were prepaid as of September 30, 2012 and 2011, respectively.

The Trust also contracts with Preferred Governmental Claim Solutions (PGCS), an affiliate of PRU, to provide claims adjustment services. The Trust incurred expenses under the above referenced contract of approximately \$3,500,000 and \$2,690,000 for the years ended September 30, 2012 and 2011, respectively of which approximately \$607,000 and \$173,000 is payable as of September 30, 2012 and 2011, 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 \$1,334,000 and \$1,352,000 for the years ended September 30, 2012 and 2011, 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 \$4,402,000 and \$4,682,000 for the years ended September 30, 2012 and 2011. Substantially all of the amounts referenced above were paid as of September 30, 2012 and 2011, respectively.

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 commission attributable to these contracts totaled approximately \$3,974,000 and \$3,263,000 for the years ended September 30, 2012 and 2011. These commissions are included as part of the cost of excess insurance in the accompanying financial statements.

**NOTE 10 - CONCENTRATIONS**

The Trust writes select lines of insurance coverage for public entities within the State of Florida only. The Trust had approximately 400 and 700 insureds as of September 30, 2012 and 2011. The reduction in membership reflects lost business and a large deduction in smaller members that did not meet underwriting criteria.

**NOTE 11 - RISK MANAGEMENT**

The Trust is exposed to various risks of loss. The Trust participates in the primary liability and workers compensation pools offered by the Trust and carries other commercial insurance.

**Preferred Governmental Insurance Trust**  
**NOTES TO FINANCIAL STATEMENTS – CONTINUED**  
**September 30, 2012 and 2011**

**NOTE 12 - SUBSEQUENT EVENTS**

**Management considered subsequent events through January 11, 2013, the date the financial statements were available to be issued.**

**REQUIRED SUPPLEMENTARY INFORMATION**

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## Preferred Governmental Insurance Trust

### Reconciliation of Claims Liabilities

The schedule below presents the changes in claims liabilities for the past two years by major line of businesses (in thousands).

	Year Ended 9/30/2012			Year Ended 9/30/2011		
	Workers Comp	Other Property & Casualty	Total	Workers Comp	Other Property & Casualty	Total
Unpaid losses and loss adjustment expenses at the beginning of year	\$ 21,826	\$ 52,046	\$ 73,872	\$ 22,073	\$ 53,368	\$ 75,441
Incurring claims and claim adjustment expenses:						
Provision for insured events of the current fiscal year	6,927	24,125	31,052	11,976	24,241	36,217
Provision for insured events of the prior fiscal year	( 5,526 )	( 13,303 )	( 18,829 )	( 1,832 )	( 12,966 )	( 14,798 )
<b>Total incurred losses and loss adjustment expenses</b>	<b>1,401</b>	<b>10,822</b>	<b>12,223</b>	<b>10,144</b>	<b>11,275</b>	<b>21,419</b>
<b>Payments:</b>						
Losses and loss adjustment expenses attributable to insured events of the current fiscal year	4,101	2,974	7,075	4,320	2,891	7,211
Losses and loss adjustment expenses attributable to insured events of the prior fiscal year	5,760	9,851	15,611	6,071	9,706	15,777
<b>Total payments</b>	<b>9,861</b>	<b>12,825</b>	<b>22,686</b>	<b>10,391</b>	<b>12,597</b>	<b>22,988</b>
<b>Unpaid losses and loss adjustment expenses at the end of the year</b>	<b>\$ 13,366</b>	<b>\$ 50,043</b>	<b>\$ 63,409</b>	<b>\$ 21,826</b>	<b>\$ 52,046</b>	<b>\$ 73,872</b>

Preferred Governmental Insurance Trust

COMPARATIVE SCHEDULE OF CLAIMS DEVELOPMENT AND EARNED ASSESSMENTS

For the Period October 1, 2002 through September 30, 2012

Year ending September 30,

	2012	2011	2010	2009	2008
Premiums and net investment income :					
Earned	\$ 91,647,780	91,232,974	\$ 85,314,796	\$ 93,637,322	\$ 109,676,431
Ceded	(45,306,504)	(41,565,671)	(37,970,228)	(36,926,617)	(44,171,860)
Net earned	<u>46,341,276</u>	<u>49,667,303</u>	<u>43,824,146</u>	<u>56,710,705</u>	<u>65,504,571</u>
Unallocated expenses	21,211,849	20,712,210	19,625,149	22,072,593	24,032,508
Estimated incurred losses and expenses, end of policy year (1):					
Incurred	48,658,389	55,233,820	47,003,739	47,325,568	49,601,169
Ceded	(17,606,292)	(19,016,323)	(14,784,116)	(13,170,406)	(14,456,287)
Net incurred	<u>31,052,097</u>	<u>36,217,497</u>	<u>32,219,623</u>	<u>34,155,162</u>	<u>35,144,882</u>
Paid (cumulative) as of:					
End of policy year	7,075,292	7,210,710	5,896,796	6,343,321	5,906,899
One year later		15,804,888	13,001,877	12,282,940	13,378,936
Two years later			15,033,640	15,697,732	17,201,184
Three years later				17,606,992	19,371,635
Four years later					20,910,183
Five years later					
Six years later					
Seven years later					
Eight years later					
Nine years later					
Re-estimated ceded losses and expenses (1)		15,820,204	15,033,640	17,606,992	20,910,183
Re-estimated net incurred losses: (1)					
End of policy year	31,052,097	36,217,497	32,219,623	34,155,162	35,144,882
One year later		29,836,312	26,508,001	28,303,595	31,818,646
Two years later			22,523,669	24,984,531	28,830,230
Three years later				22,723,474	26,799,763
Four years later					24,924,772
Five years later					
Six years later					
Seven years later					
Eight years later					
Nine years later					
Increase (decrease) in estimated incurred losses and expenses from end of policy year		(6,381,185)	(9,695,954)	(11,431,688)	(10,220,110)

(1) These amounts have been discounted over the estimated payout period of the claims

	2007	2006	2005	2004	2003
\$	108,548,839	\$ 92,424,069	\$ 80,494,465	\$ 72,167,471	\$ 46,996,535
	(42,983,626)	(33,461,952)	(23,069,335)	(20,135,311)	(18,103,835)
	<u>65,565,213</u>	<u>58,962,117</u>	<u>57,425,130</u>	<u>52,032,160</u>	<u>28,892,700</u>
	26,291,905	23,107,404	20,944,445	18,629,792	12,871,208
	52,702,217	55,669,300	36,874,801	61,482,579	26,748,646
	(14,588,651)	(24,155,858)	(2,870,309)	(31,762,651)	(11,585,181)
	<u>38,113,566</u>	<u>31,513,442</u>	<u>34,004,492</u>	<u>29,719,928</u>	<u>15,163,465</u>
	8,241,359	7,611,558	5,840,789	5,896,284	2,963,843
	15,077,474	11,212,887	8,512,798	12,051,809	7,339,722
	17,730,760	14,514,302	14,674,526	14,461,991	9,680,011
	19,563,609	16,828,362	17,561,349	17,665,347	12,176,970
	21,067,254	18,402,462	19,895,811	19,389,954	12,590,392
	21,711,052	19,096,675	21,243,074	21,268,178	17,340,558
		19,389,010	21,597,715	21,512,812	18,941,773
			21,950,651	21,657,048	19,258,685
				21,764,970	19,649,163
					19,788,540
	21,711,052	19,389,010	21,950,651	21,764,970	19,788,540
	38,113,566	31,513,442	34,004,492	29,719,928	15,163,465
	33,726,611	29,979,414	27,910,573	30,127,808	16,535,079
	28,144,837	24,526,903	31,495,860	25,973,045	14,145,839
	26,630,079	22,965,549	26,639,296	27,883,122	18,872,810
	25,531,501	22,715,118	26,206,375	25,047,391	18,989,288
	24,301,057	21,868,966	26,027,331	25,109,277	20,990,491
		20,948,583	25,113,636	24,469,572	21,902,202
			24,098,616	23,800,663	21,607,013
				23,162,821	21,397,100
					20,872,965
	(13,812,509)	(10,564,859)	(9,905,876)	(6,557,107)	5,709,500

**Preferred Governmental Insurance Trust  
Selected Financial Information  
At and for the year ending September 30, 2012**

**Assets**

Total Assets \$ 157,223,167

**Liabilities & Surplus**

Unpaid Losses and Loss Adjustment Expenses \$ 63,409,148

Total Liabilities \$ 74,806,805

Fund Balance \$ 82,416,362

**Premiums**

Earned Premiums \$ 88,231,625

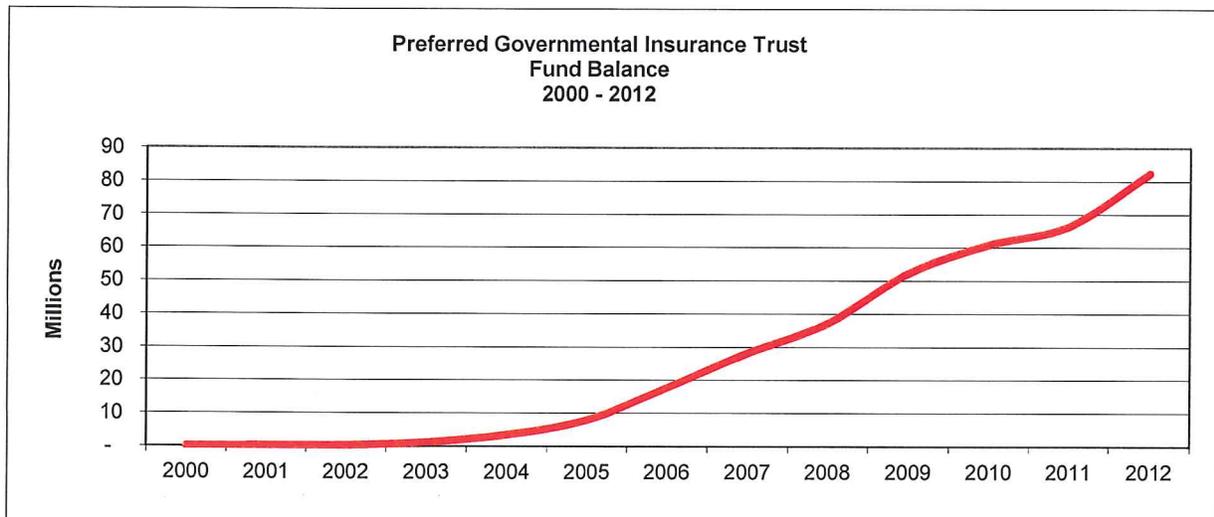
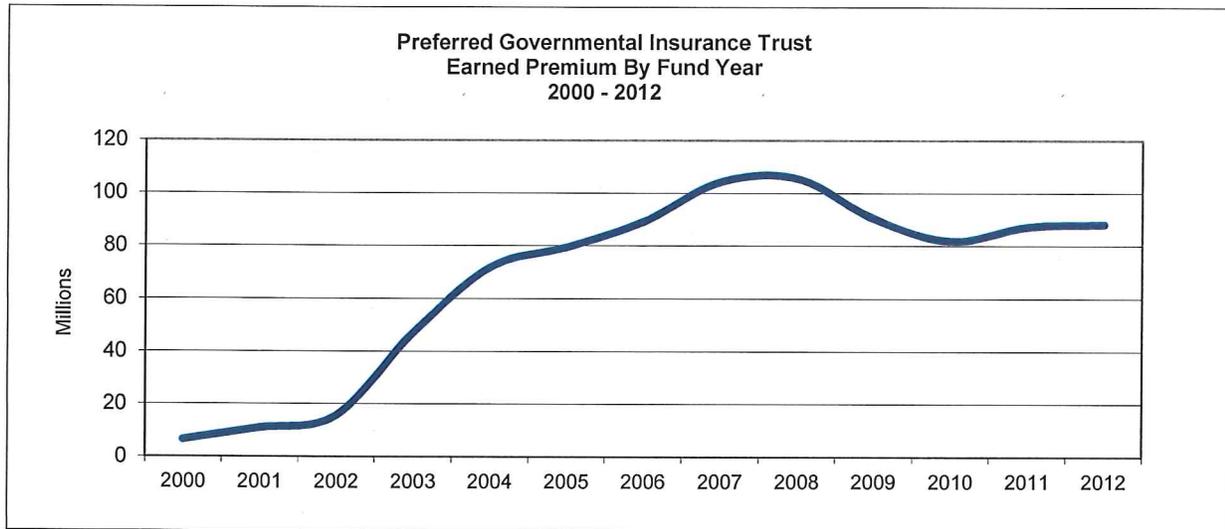
Excess Premiums \$ 45,306,504

**Expenses**

Losses and Loss Adjustment Expenses \$ 12,222,707

**Net Income (Loss)**

Net Income \$ 15,867,762



## H. CLIENT RECOMMENDATIONS

## H. CLIENT RECOMMENDATIONS

See just a few examples of results achieved by PRIA on behalf of our clients in Section D Experience. Herein are just a few letters of recommendation.



**CITY OF KEY WEST**  
**DEPARTMENT OF RISK MANAGEMENT**  
**P.O. Box 1409**  
**Key West, FL 33040**  
**Tel: (305) 809-3811**  
**FAX: (305) 809-3813**  
[sbarroso@keywestcity.com](mailto:sbarroso@keywestcity.com)

March 15, 2012

Michelle Y. Martin, CIC  
Vice President, Account Executive  
Brown & Brown - Public Risk Insurance Agency  
220 S. Ridgewood Avenue, Daytona Beach, FL 32114

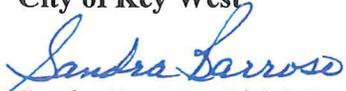
Dear Michelle:

Thank you for the opportunity to comment on the service you have provided the City of Key West for the past three years. Let me begin with the City's initial introduction to PRIA which was a response to an RFP issued in April of 2009 as an invitation to interested proposers to submit the most comprehensive coverage at the lowest and most effective cost. A total of five different agents expressed an initial interest in the City's program who requested access to over thirty-seven different insurers and who represented the majority, if not all, of the insurance companies that have the ability and desire to provide the insurance coverage the City was seeking. Some of the proposals received included a number of different options for the City to consider. PRIA provided a program offer from PGIT that included several optional enhancements to its Property coverage and generated a considerable savings when compared to the premiums offered by other proposers. I say with complete confidence the City has been very satisfied with its decision to accept PRIA's proposal.

PRIA, for the past three years has assisted the City in a continuous fine tuning of its insurance program. Working together we have identified exposures, assessed and updated property values and broadened coverage with a yield of lower and stabilized premiums. In addition to the enhancements in our insurance program PRIA has provided and continues to provide excellent, personalized service with you, as the lead person, and further complimented by your fine staff assistants, Melody Blake and Linda Burtchett. You have made yourself readily available in assisting the City through the complexity of insurance issues which is a constant in the "risky" world of Risk Management. When asked you have provided well informed comments, guidance and the expert opinion of others in specialty fields of insurance. On-site Loss Control services have been an added benefit of our affiliation with PRIA.

In my many years in this industry I can honestly say you are one of the finest hardworking and accessible agents with whom I have had the pleasure of working with. I have often commented to Sr. Management that the City has an exclusive agent who makes us feel as though we are her only client. Again thank you for the opportunity to comment and recommend PRIA to any of your potential clients.

Sincerely,  
City of Key West

  
Sandra Barroso, Risk Manager



**CITY OF NAPLES AIRPORT AUTHORITY**  
160 AVIATION DRIVE NORTH • NAPLES, FLORIDA 34104-3568

ADMINISTRATION (239) 643-0733/ FAX 643-4084  
OPERATIONS 643-0404/FAX 643-1791, E-MAIL [administration@flynaples.com](mailto:administration@flynaples.com)

PRIA

MAR 23 2012

RECEIVED

19 March 2012

Ms. Michelle Y. Martin, CIC  
Vice President, Account Executive  
Public Risk Insurance Agency  
220 S. Ridgewood Avenue  
Daytona Beach, FL 32114

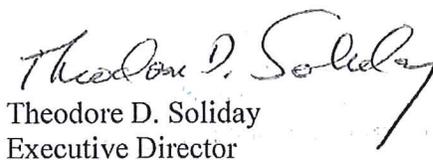
Dear Ms. Martin:

We wanted to take the opportunity to thank you for the great service both you and your staff, and Jeff Graber with Alexander Aviation Associates, Inc. and his staff have provided to the City of Naples Airport Authority. We appreciate the hard work and experience demonstrated, specifically:

- Direct and immediate access to principal team members
- Experienced staff with efficient service structure for policy maintenance within required timelines
- Claims advocacy for airport liability and property claims resulting in timely adjustments
- Effective communication with senior staff and Board members
- Improvements in coverage and/or premium reduction in all lines of insurance placed, including property and airport liability insurance.
- Review of contractual risk transfer and on-site loss control services

We look forward to continuing our relationship.

Sincerely

  
Theodore D. Soliday  
Executive Director

spd



February 20, 2010

Public Risk Insurance Company

To Whom It May Concern:

This letter is in reference to notifying PRIA that The City of Orange City truly appreciates the outstanding customer service that is provided to our City throughout the year on all loss control issues. Our City is a Charter member of PGIT (celebrating 10 years of service and commitment.) We truly appreciate the continuous service that is provided to us on a daily basis.

Sincerely,

Pennie Traber  
Human Resources/ Risk Manager  
City of Orange City  
386-775-5457

**Building**  
386-775-5423

**City Clerk**  
386-775-5403

**City Manager**  
386-775-5408

**Finance**  
386-775-5430

**Fire**  
386-775-5460

**Human Resources**  
386-775-5457

**Parks & Recreation**  
386-775-5454

**Planning**  
386-775-5415

**Police**  
386-775-9999

**Public Works**  
386-775-5447

**Utilities**  
386-775-5444

# I. VALUE ADDED SERVICES

## I. VALUE ADDED SERVICES

See attached description of a few of our very valuable “value added” resources available to the City.

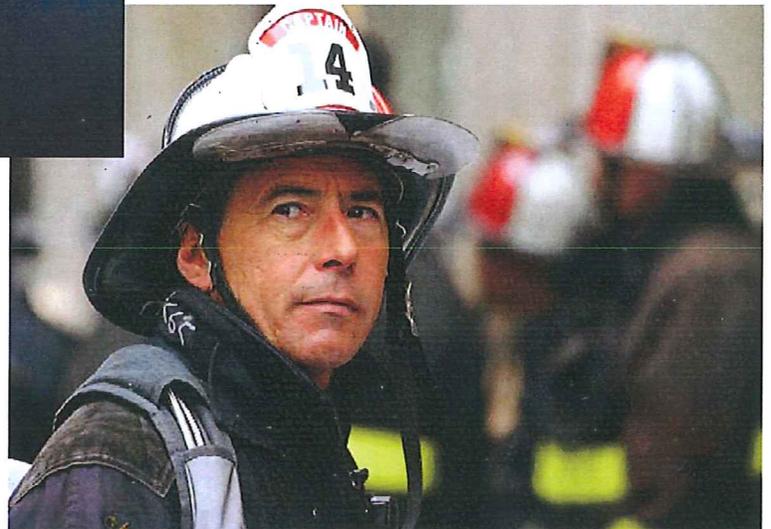
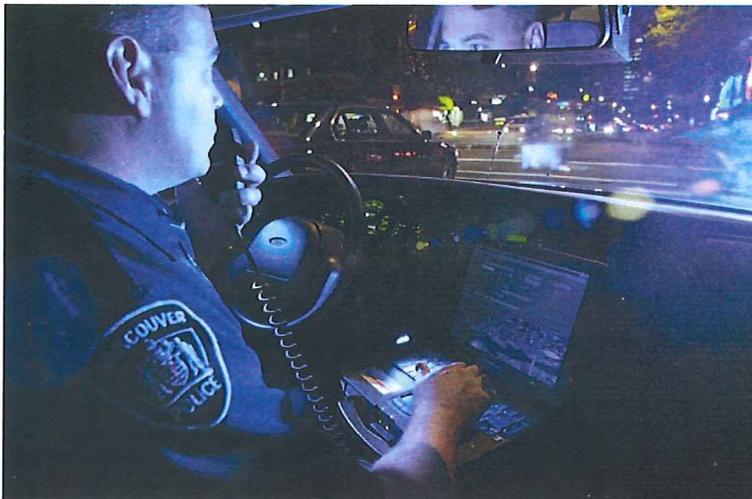
- BADGE program description – Presumption claims management strategy
- ModMaster Workers Compensation Experience Modification Analysis
- Asset Management Platform (AMP)
- *Preferred News* – periodical issued to deliver timely news and industry developments for Florida’s public entities.



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*Handbook for the BADGE Program* © 2008  
*(Cardiac & Exposure Claims)*

*Experts in the Presumption Law  
Claims Administration and Medical Management*



**Specializing in Florida's Heart and Lung Bill  
and  
Exposure and Infectious Disease Claims**

For more information please call 1-800-752-0886

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## FLORIDA HEART AND LUNG BILL

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Cardiac Disease State Management as it relates to the

**Florida Heart and  
Lung Bill of 2003**



*1) Any condition or impairment of health of any Florida state, municipal, county, port authority, special tax district, or fire control district firefighter or any law enforcement officer or correctional officer as defined in s. 943.10(1), (2), or (3) caused by tuberculosis, heart disease, or hypertension resulting in total or partial disability or death shall be presumed to have been accidental and to have been suffered in the line of duty unless the contrary be shown by competent evidence. However, any such firefighter or law enforcement officer shall have successfully passed a physical examination upon entering into any such service as a firefighter or law enforcement officer, which examination failed to reveal any evidence of any such condition. Such presumption shall not apply to benefits payable under or granted in a policy of life insurance or disability insurance, unless the insurer and insured have negotiated for such additional benefits to be included in the policy contract.*

*(2) This section shall be construed to authorize the above governmental entities to negotiate policy contracts for life and disability insurance to include accidental death benefits or double indemnity coverage which shall include the presumption that any condition or impairment of health of any firefighter, law enforcement officer, or correctional officer caused by tuberculosis, heart disease, or hypertension resulting in total or partial disability or death was accidental and suffered in the line of duty, unless the contrary be shown by competent evidence.*

---

## B.A.D.G.E

(Better Administration Dedication Guaranteeing Excellence)

---

### **Specialty Medical Director/Physician Advisor**

AmeriSys utilizes a Medical Director and/or Physician Advisor with Board Certification in Cardiology to assist and direct the medical management team. It is extremely important that the treating physician has experience in dealing with Workers' Compensation and knowledge of the components of the Heart and Lung Bill.

We are pleased to have a Cardiac Medical Director/Physician Advisor to assist with the following:

- Reviewed and approved the BADGE program.
- Treating Physician for employees in this cachement area.
- Physician Advisor for IMEs, Peer Reviews and other Utilization Review Issues.
- Medical Director for general technical advice, Liaison activity with other Cardiology or other specialty related providers.
- Assist with grievances associated with heart and lung claims.
- Assist in identifying and facilitating recruitment or providers of excellence for these services.

### **Cardiac Case-Manager**

In addition to the Cardiac Medical Director/Physician Advisor, we utilize Registered Nurses with cardiac patient experience to implement, monitor and assess all presumption claims.

### **Specialty Facilities and/or Specialty Providers contracted for Workers' Compensation**

We believe to best impact the ultimate outcomes you must recruit and train providers of excellence who demonstrate their willingness to customize and/or modify their program to meet the unique needs of the claimants covered by the Florida Heart and Lung Bill.

We recruit and train physician specialists in Workers' Compensation requirements and the components of the Heart and Lung Bill. These specialists include the following to name a few:

- Cardiology
- Cardiovascular Surgeons
- Pulmonologists
- Nephrologists

We must also identify facilities that are able to provide quick and reliable services related to:

- Cardiac Diagnostics Services
- Cardiac Rehab Facilities
- Thoracic Surgery
- Transplant Programs



---

## THE HEART AND LUNG PROTOCOLS

---

### **Newly Diagnosed**

The purpose of this protocol is to provide the county/district with a direct means for emergent care if needed.

To provide both employee and the county/district with proactive case management regarding assisting with the Emergent discharge needs, arrangement of cardiac diagnostics and treatment.

If the following occur:

- Employee begins to feel ill at work or off duty, and is transported to Physician's Office.
- Physician, on exam, discovers Employee is in danger and determines it is Emergent.
- Employee is transported to Emergency Room.

---

### **After Occurrence**

- Notice of Injury is completed by supervisor.
- Cardiac Case Management is notified.
- Authorization is called to treating facility.
- Adjusters for claim are notified.
- A Field Case-Manager is assigned a task assignment of retrieving information, if necessary (approval from adjuster or Government entity required).
- Request pre-employment records and preliminary information from hospital.
- Pre-determination will be made at this time as to Causality and Major Contributing Cause, notify the adjuster on file.
- Upon discharge, the treating physicians' orders are reviewed by the Cardiac Case-Manager, assess work status at this time and notify adjuster.
- Field Case-Manager will be used to arrange care as needed.
- Once the IW is stable, the Cardiac Case-Manager will attempt to transfer the claimant's care into the Network for treatment with a cardiologist if the situation allows.
- Further investigation into Causality and Major Contributing Cause, as needed.
- Once the claim has been deemed compensable by the adjuster, proceed with cardiac case management for intermediate care status.

---

## ROUTINE EXAM

---

Employee finds out on a routine exam, either fit for duty or their own personal physician that there is subjective/objective information requiring a further cardiac evaluation, if it is determined by the physician that this is not of an emergent nature proceed with the following protocol:

1. Notice of Injury is completed by the supervisor.
2. Cardiac Case-Manager and adjuster notified.
3. Arrange for Employee to be seen by a Network Provider.
4. Request the pre-employment physical.
5. Have the Network Provider review initial testing and determine if a cardiology referral is necessary at this time. Have the Network Provider make a determination of work status at this time.
6. If the Network Provider feels he/she is capable of monitoring the employee for the time being, have the physician address Causality and Major Contributing Cause.
7. The Cardiac Case-Manager will arrange and authorize appropriate diagnostics and treatment as needed.

---

## ACUTE CARDIAC STAGE

---

The purpose of this protocol is to provide management to those claims which remain in an Acute Cardiac condition. They require significant medical intervention and/or diagnostics. Acute Cardiac Case Management may include, but not be limited to ensuring hospital discharge planning, scheduling and coordination of additional proper diagnostic testing, arrangement of second opinions and secondary providers, treatment, treatment compliance and recognition of a deteriorating condition.

Acute Cardiac Case Management will also include conferencing with the treating physician regarding appropriate referrals, additional diagnostics as well as work status, and identifying projections for permanent restrictions, MMI and PIR. Once the above has been determined the employee will be processed to Intermediate Cardiac Care.

These types of claims are:

- Identified as being compensable and/or under review based upon the "Presumption Law".
- Determined by the physician that the employee is in an Acute Cardiac state at this time.
- The employee has been or is being processed through the Emergent Protocol.

---

### Treatment

1. Establish a personalized care plan for the employee.
2. Arrange and monitor any further diagnostics by the treating physician.
3. Assist in the coordination for any second opinions and/or secondary provider evaluations or treatments.
4. Assist in Discharge Planning if applicable.
5. Monitor treatment and medications as ordered by the treating physician.
6. Provide for and/or arrange transportation if required for follow-up diagnostics and/or treatment.
7. Identify the projected MMI/PIR and projected future work related information.
8. Consult with the Cardiac Medical Director as required (and approved) to facilitate proper treatment, evaluating treating physician's MMI, PIR and RTW projections, identifying additional needs to promote best medical outcomes.
9. Move file toward Intermediate Cardiac Case Status.

---

## INTERMEDIATE CARDIAC CASE MANAGEMENT

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The purpose of this protocol is to provide management to those claims which are no longer emergent, but require further medical intervention. Intermediate Cardiac Case Management will include, but will not be limited to ensuring proper diagnosis, treatment, treatment compliance and recognition of a deteriorating condition.

Intermediate Cardiac Case Management will also include conferencing with the treating physician regarding appropriate work status, permanent restrictions, MMI and PIR. Once the above has been determined the employee will be processed to Cardiac Maintenance Care.

---

### Types of Claims Include:

- Have been accepted by the county/district prior to the establishment of a specialty cardiac division.
- It is determined the employee is not in an acute cardiac state at this time and has not reached MMI.
- The claim has been processed through Newly Diagnosed/Emergent Protocol, and it has been determined that the file will be accepted by the Employer/Carrier.
- The employee is no longer in a state of acute cardiac illness.

### Treatment

1. Establish a personalized care plan for the employee.
2. Establish goals for the employee. If claim is not litigated, include and discuss goals with the employee.
3. Arrange and monitor any further diagnostics by the treating physician.
4. Ensure a work status is obtained for the employee.
5. Monitor treatment and medications as ordered by the treating physician.
6. Arrange any other specialty referrals as ordered.
7. Monitor compliance with treatment, medications, diet and exercise. Educate on those topics as necessary.
8. Notify the physician and adjuster/employer with concerns of non-compliance.
9. Once the employee as reached MMI/PIR and a permanent work status has been determined, and the cardiac condition is controlled and stable, move file to Cardiac Maintenance Status.

---

## CARDIAC MAINTENANCE CARE

---

The purpose of this protocol is to establish management guidelines for those employees with HNL claims that have reached MMI/PIR and their permanent work status has been established.

The employee that would be placed in this category is one who we are currently managing that has reached the above criteria or the employee who is processed through Newly Diagnosed, Intermediate Care and now has stabilized to proceed to Cardiac Maintenance Care.

1. The Cardiac Case-Manager will establish and maintain a care plan for each employee. The goals of this plan will be monitored by the Cardiac Case-Manager.
2. Physician appointments will be monitored.
3. The Physicians assessment will be reviewed for compliance with medication, treatment and diet.
4. If the employee maintains stability, their file will remain in this category. If not, their file will be moved to the appropriate category.

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## EXPOSURE PROGRAM

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These exposures usually occur in the course of performing their normal job duties as First Responders. Some of the exposures are readily evident and demonstrable, such as exposure to chemicals, while others may not be as readily evident, such as Tuberculosis and Hepatitis. These claims have the potential of representing significant expense both in Human Resources as well as economic impact. This type of claim is similar to the Heart/Lung Claims, are handled as a “presumption claim”.

The exposure program allows for:

- Claims research and analysis for newly reported claims to identify whether they are related to pre-existing medical conditions.
- Management of those claims to assure proper diagnosis, treatment, treatment compliance and early intervention and recognition of deterioration or complication.

We have developed the enclosed protocols for the county/district.

- Blood Borne Pathogens
- Tuberculosis
- MRSA (Methicillin Resistant Staphylococcus Aureus)



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## MEDICAL DIRECTOR/PHYSICIAN ADVISOR

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We believe that it is imperative, to address these claims aggressively, to utilize a Medical Director and/or Physician Advisors with experience dealing with issues related to Cardiology, Epidemiology and/or Toxicology. Very often this type of physician lacks significant experience in dealing with Workers' Compensation, therefore it is critical that the program, the Case-Managers and adjusters are coordinated and clear in their support and dealing with these Medical Providers. Our medical directors and physician advisors are readily available to assist in the decision making on these difficult claims.

### **Role of the Cardiac Nurse**

We utilize Registered Nurses with cardiac experience and workers' compensation experience. These nurses participate in the ongoing recruitment and education of medical providers. The Cardiac Case-Managers participates in the Workers' Compensation education of the physicians recruited.

### **Specialty Facilities and/or Specialty Providers contracted for Workers' Compensation**

These services are unique and may not be a part of general workers' compensation provider networks or systems. We believe to best impact the ultimate outcomes you identify and train providers of excellence who demonstrate their willingness to customize and/or flex their program to meet the unique needs of a workers' compensation claim that involves exposure issues.

The provider network offers physician specialties such as toxicology and infectious disease. We have also established relationships with ancillary providers to facilitate the specialty diagnostics needed to diagnose and treat these unique conditions.

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## TUBERCULOSIS EXPOSURE PROTOCOL

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**Purpose:**

The purpose of this protocol is to provide the injured worker who has been exposed to tuberculosis in the workplace consistent guidelines for treatment and follow up.

**Policy:**

An effective TB infection control program requires early identification and isolation of persons who have active TB. This includes the monitoring and evaluation of employee compliance with PPD testing, radiological examination and follow up with infectious disease physicians as needed.

**Procedure:**

- 1) All employees with newly recognized PPD tests will be evaluated promptly for TB.
- 2) Any employee who reports a persistent cough lasting greater than three weeks in combination with weight loss, night sweats, bloody sputum, anorexia or fever should be evaluated promptly for TB.
- 3) All employees should be encouraged to have a PPD test done on an annual basis. It is noted that under the Presumptive Illness Legislation, employees diagnosed with TB will be presumed to have become infected while performing duties unless proven by baseline testing at the pre-employment stages.
- 4) While the results of a tuberculin skin test alone cannot confirm an active TB infection. Other tests, such as a chest X-ray and sputum culture, should be done to confirm an active TB infection when a skin test is positive. If active TB is confirmed, the injured worker should be immediately referred to the designated physician that has been assigned to handle TB exposures for treatment and follow up.
- 5) An employee, who has a positive skin test or chest X-ray, but no TB symptoms, is usually thought to have a TB infection that cannot be passed to others (latent TB). Once a physician has confirmed the injured worker has latent TB, it is recommended that the injured worker is evaluated and has a chest x-ray annually.
- 6) It is the responsibility of the Case-Manager to communicate all medical findings to the employer and carrier.
- 7) It is the responsibility of the Case-Manager to monitor for treatment compliance and report any incidents of non-compliance with TB protocol immediately to the employer and carrier.

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## MRSA (Methicillin Resistant Staphylococcus Aureas) Protocol

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### **Purpose:**

The purpose of this policy is to provide the injured worker who has been exposed to MRSA in the workplace the appropriate and current treatment. It is also the purpose of this policy to assist in the prevention of the spread of MRSA in the workplace.

### **Policy:**

Once the diagnosis of MRSA has been identified in an employee, aggressive measures will be taken stabilize the injured worker's infection, assist the employer in preventing the spread of the infection and assist the carrier in addressing the compensability of the infection.

### **Procedure:**

Prevention of MRSA Infections:

- Keep hands clean by washing thoroughly with soap and water or using an alcohol based sanitizer.
- Keep cuts and scrapes covered with a bandage until healed.
- Avoid contact with open wounds and bandages.
- Avoid sharing personal items such as towels or razors.

Guidelines for treating and Case Management of MRSA or potential MRSA

- 1) Once MRSA has been identified in the workplace, refer all injured workers who present with an infection that may appear as a pimple, boil or abscess to a designated worker's compensation physician for evaluation.
- 2) Obtain and review culture and sensitivity results when available, notify the employer and carrier of the results.
- 3) Until the culture reports are available, assist the physician in determining work status, and inform the employer and carrier of the work status.
- 4) Educate the injured worker on ways to prevent the spread of infection. For example, frequent hand washing, keeping wounds covered, and avoid the sharing of personal items.
- 5) Monitor the tolerance and compliance with all prescribed antibiotics. Educate the injured worker on the importance of the completion antibiotic therapy.
- 6) Ensure the injured worker complies with all physician follow up appointments.
- 7) Collaborate with all treating physicians regarding the arrangement of possible IV antibiotic therapy and wound care needing home health services.
- 8) Confirm with all treating physicians that the injured worker is safe to return to work.

---

## BLOOD BORNE PATHOGEN EXPOSURE

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### **Purpose:**

The purpose of this policy is to provide the employee who is exposed to blood and body fluids in the work place the established measures to confirm a diagnosis and provide the appropriate treatment. A significant exposure is defined as an injury during which one person's blood or other high-risk body fluid comes in contact with someone else's body cavity. Injuries of concern include but are not limited to needle sticks, other sharps, splashes and bites.

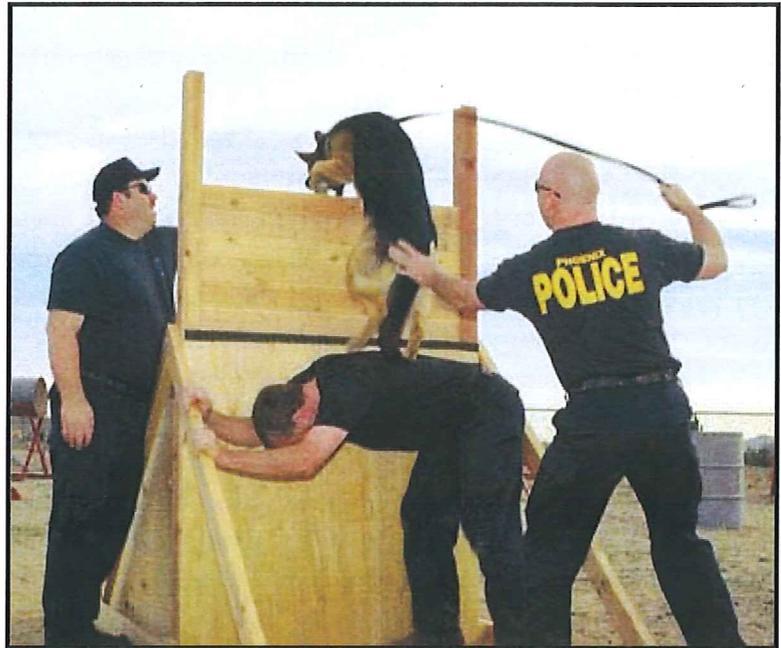
### **Policy:**

Employees who report exposure to blood and body fluids in the workplace will be promptly sent to the designated physician to have the appropriate testing and treatment. The Case-Manager will notify the employer and carrier of medical updates, compensability issues and the current work status. The Case-Manager will monitor for compliance with all testing and treatment protocols.

### **Procedure:**

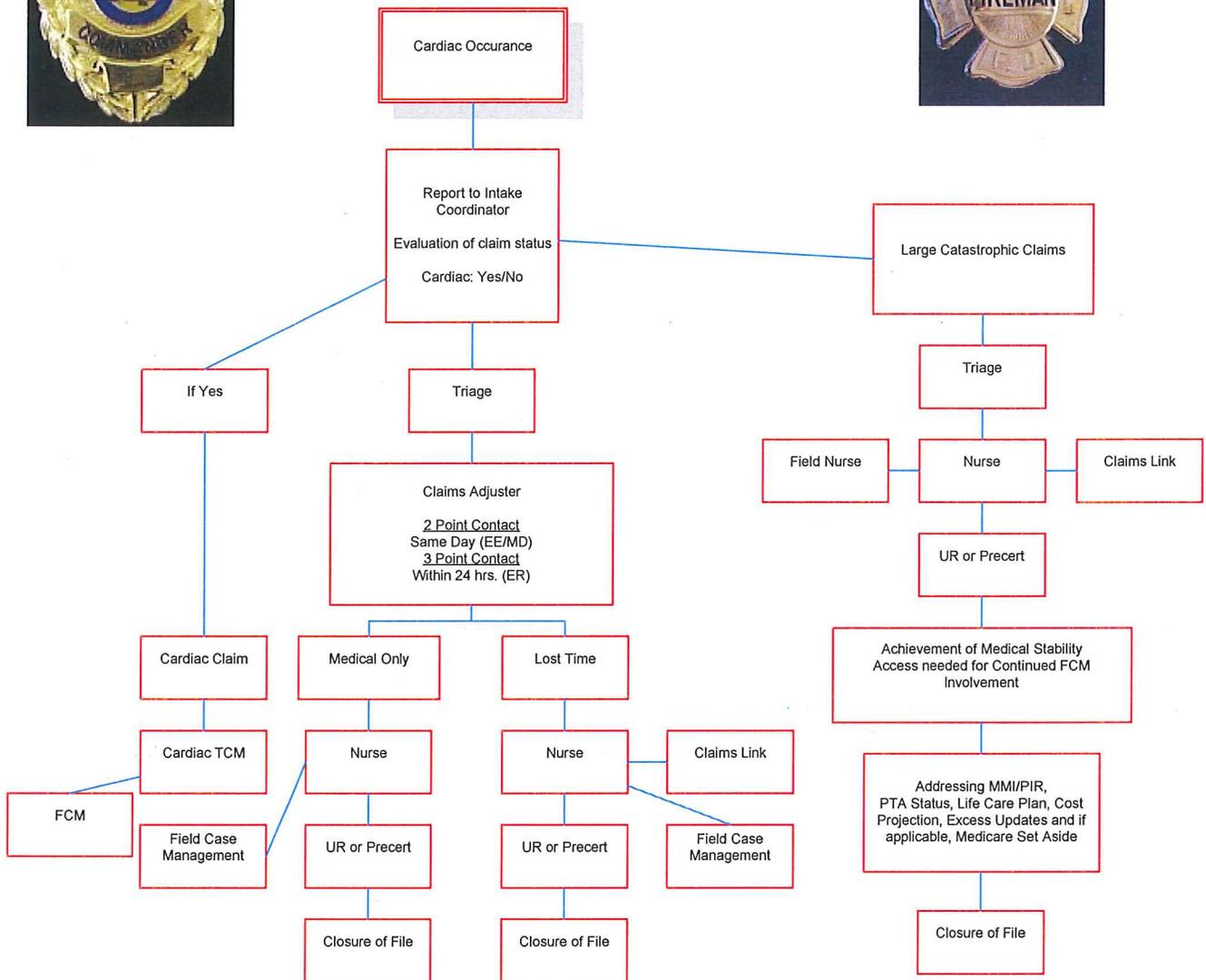
- 1) If the exposure is emergent in nature, immediately direct the injured worker to emergency treatment and/or initiate the EMS system.
- 2) If there is no serious injury involved with the exposure, the injured worker should be directed to the designated physician or facility for testing and treatment.
- 3) Ensure that both the injured worker and the source are tested as soon as possible. If the source is not available, the treating physician will determine the appropriate plan of treatment. If chemoprophylaxis is to be implemented in order to prevent the transmission of HIV, it should ideally be started between 2-4 hours post exposure, however it can be initiated up to 72 hours post exposure. Once the determination has been made that the source is HIV negative, the chemoprophylaxis can be discontinued. Follow up labs and or chemoprophylaxis may be indicated if there is concern that the source may be in the window period sero-conversion phase or if the source is unavailable. HIV testing should be done at baseline, 3 months, and 6 months. Counseling should be provided as to the prevention of a possible secondary infection.
- 4) The lab work performed should include an anti-HB level in relation to Hepatitis B exposure protection. The physician will determine if the injured worker is sufficiently protected. If it is determined the injured worker is not protected, the HBIG and/or HBV vaccine can be administered. Testing should occur at least one month after the receipt of the last dose of the vaccination, or four months after the receipt of HBIG, whichever is longer. If the injured worker's lab work continues to show insufficient protection, a second dose may be offered.
- 5) Although there is not a vaccination available to offer protection from Hepatitis C, a lab value should be obtained.
- 6) Follow up counseling and medical evaluation should be provided for all injured workers who are given chemoprophylaxis.
- 7) The Case-Manager will aggressively monitor compliance with all treatment and testing, notifying the employer and carrier of all non-compliance issues.

AmeriSys recognizes the importance of “quality of life” and therefore will exert every effort to educate every employee with a potential for heart disease regarding healthy diet, weight loss and proper medication usage. They will be monitored for compliance in all areas of their care.



Serving those who protect

# EXAMPLE OF CARDIAC DISEASE STATE MANAGEMENT FLOW CHART



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## CARDIAC SPECIALIZED NETWORK

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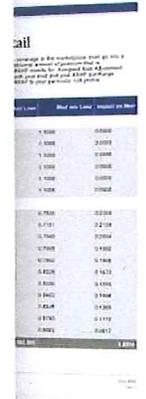
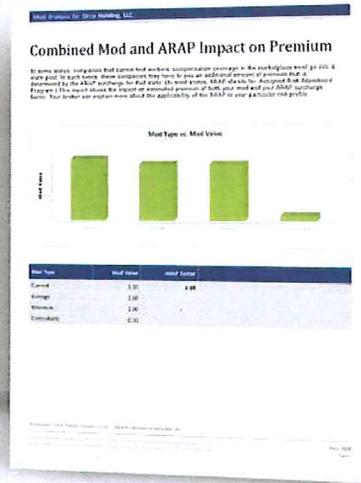
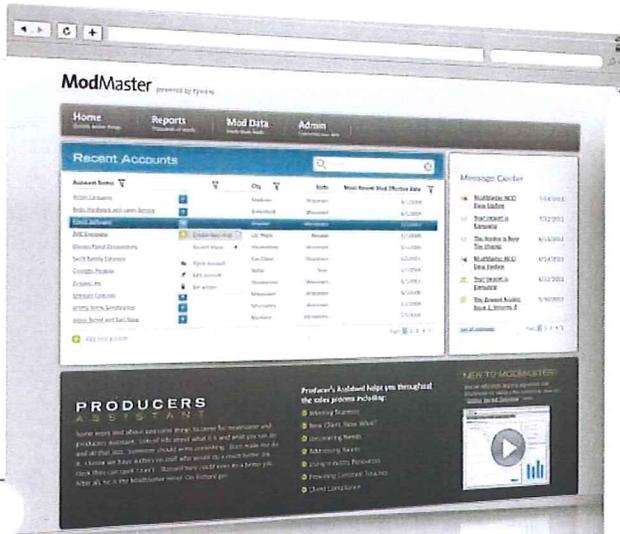
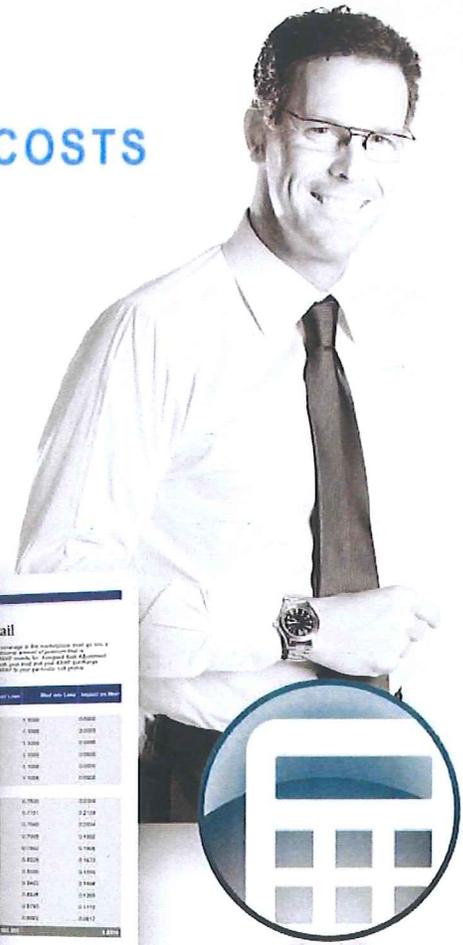
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# PROPERTY RISK MANAGEMENT

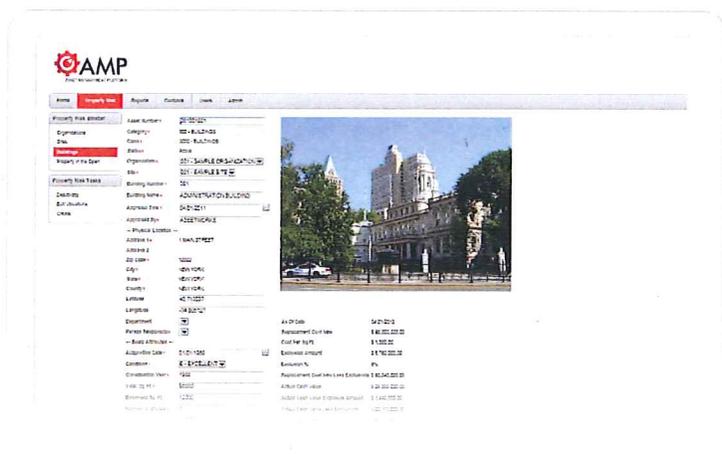


## Property Risk Management

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.

## 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

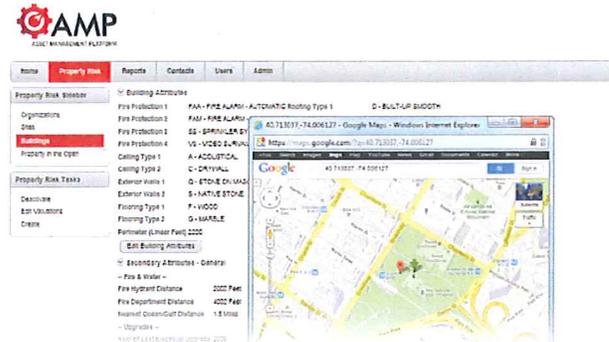
Allows asset and table data to be imported/exported in comma-delimited (CSV) and text formats

### 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.

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## Beware: What May Seem to be Innocent “Horseplay” can Lead to Liability Exposure

By Lyman H. Reynolds, Jr. - Roberts, Reynolds, Bedard & Tuzzio, PLLC



Teasing and practical jokes... sounds like it is all in good fun, right? Well, there is a “hazy” line between such behavior being considered mere “horseplay” and crossing into the realm of “hazing”. Although there is no universal definition of “hazing”, there are significant consequences when the line is crossed. These could include monetary liability for a governmental entity whose employees have participated or condoned such activity.

Hazing typically involves demeaning, humiliating and physically stressful acts that are required of an individual as a part of a ritual of acceptance into a club or group.

The most prominent example is that engaged in by college fraternities. However, such rituals have also become a part of other groups such as clubs in high schools, the fire service and police departments.

Firefighters conduct is an example of where governmental entities have been found liable for the acts of employees involved in hazing. In an Arizona case, a firefighter received a \$60,000 settlement from the city after the rookie firefighter was bound with duct tape and cold water was poured on him as an initiation by other firefighters.<sup>1</sup> Additionally, in a California case, a firefighter obtained a \$1.43 million settlement from the city after other firefighters served him spaghetti which was mixed with dog food.<sup>2</sup>

There have been reported incidents of hazing involving firefighters in High Springs and Coral Springs, Florida.<sup>3</sup> In *Skinner v. City of Miami*, a Miami firefighter claimed to have suffered injury when he was hazed by fellow firefighters who approached him from behind, wrestled him to the ground, handcuffed his wrists, and subjected him to a degrading activity.<sup>4</sup>

The firefighter sued the city under 42 U.S.C §1983 for Fourth, Fifth, and Fifteenth Amendment violations as well as under state law.<sup>5</sup>

## FEATURE ARTICLE

The city moved for summary judgment, claiming that the firefighter had not been subjected to injuries under color of law and that the city did not unconstitutionally train, supervise, and discipline its firefighters. After the motion was denied, a jury returned a verdict in favor of the firefighter for \$1.3 million. On appeal by the City, the appellate court agreed that the firefighter was subjected to the state law tort of assault. However, the Court held that there was no constitutional violation under these circumstances.

Firefighters, police officers, and public school teachers are governmental employees. Under §768.28(9) (a) *Fla. Stat.* the governmental entity employer is liable for all torts committed by their employee, unless it is committed outside the course and scope of employment or committed in bad faith or with a malicious purpose or in a manner exhibiting wanton and willful disregard of human rights, safety or property. Accordingly, when a governmental employee engages in hazing, the governmental employer may be held financially responsible for any damages incurred.

Moreover, liability for hazing may not be limited to those responsible for the actual act of hazing. Supervisors and administrators may be held liable if they condone or fail to intervene to stop hazing. An alternative theory of liability for negligent supervision retention may be claimed when an employer stands idly by and fails to take action with knowledge of the occurrence of hazing. For example, the University of Oklahoma settled a case brought by a soccer player against the university and its coaches, who was hazed by the team coaches as part of an initiation.<sup>6</sup> Additionally, schools can be held accountable not only for a teacher or coach that has actually been involved in the hazing of a student, but also for the school's failure to supervise when students have engaged in hazing among themselves.<sup>7</sup>

Some states have taken action to discourage and prevent hazing by enacting anti-hazing statutes and anti-hazing policies. In 2002, The Florida Legislature passed §1006.63 *Fla. Stat.*, a statute that defines and criminalize hazing in educational institutions. However, it is not applicable to hazing in other contexts, such as hazing of employees. Even with this student anti-hazing statute in place, instances of student hazing have continued to occur. More recently, a FAMU band member died during a hazing incident.<sup>8</sup> The lawsuit by the student's parents against the state university remains pending after a settlement offer of \$300,000 was rejected.<sup>9</sup>

Governmental employers should have strict policies in place which prohibit hazing with specific definitions of the prohibited behavior. §1006.63(7) *Fla. Stat.* requires colleges and universities to adopt policies and distribute them to all students and provides a definition for prohibited hazing behavior. It would be good policy for governmental employers to adopt similar strict policies and distribute them to all employees and make them a part of indoctrination and training sessions.

Additionally, there should be a policy adopted for reporting and handling complaints of hazing. Importantly, employees need to know they do not risk losing their job by coming forward with a complaint or a report of hazing. Of course, no action should be taken against complainants or reporters since they are afforded protection and a remedy under the Florida whistle-blower's statute.

Finally, employers should take prompt action as soon as they become aware of any alleged hazing. Taking these steps will not only help prevent hazing, but will also serve to assist the governmental entity in avoiding potential monetary liability for the hazing.

## FEATURE ARTICLE

### Footnotes:

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6. Associated Press, Judge Dismisses Lawsuit Against Oklahoma, ESPN (Apr. 14, 2001), <http://espn.go.com/soccer/news/2000/0413/479781.html>; Joshua A. Sussberg, Shattered Dreams: Hazing in College Athletics, 24 CARDOZO L. REV. 142, 1422 n.16 (2003).
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Lyman H. Reynolds, Jr. is a founding partner at RRB&T. He received his Bachelor of Arts degree with honors from Emory University and his Juris Doctor degree from Vanderbilt University College of Law. Mr. Reynolds was the Robert Tyre "Bobby" Jones Scholar and a member of Phi Beta Kappa. Mr. Reynolds began his practice out of law school with the law firm of Jones, Walker in New Orleans where he handled Jones Act and Seaman, Longshoremen, and Harbor Workers' cases as well as federal maritime collision and products liability cases. While in New Orleans, Mr. Reynolds also taught legal research and writing classes at Tulane University. After moving to Florida, Mr. Reynolds began handling a wide variety of civil litigation matters, representing numerous governmental entities, corporations and insurance companies for their general liability claims, in addition to continuing to handle work in maritime litigation involving both commercial and private vessels. Mr. Reynolds is a member of the Florida Bar and is an AV rated lawyer by Martindale-Hubbell. He is admitted to practice before the U.S. Supreme Court, Fifth and Eleventh U.S. Circuit Courts of Appeal and the U.S. District Court, Southern District of Florida. With more than 31 years of litigation experience, Mr. Reynolds has tried more than 100 cases to verdict. He specializes in handling cases with large exposure and complicated issues. Mr. Reynolds is known for his impressive trial presentation and presence in the courtroom. Mr. Reynolds' areas of litigation practice include products liability, negligent security liability, employment law, governmental agency liability, general negligence, medical malpractice and maritime law.

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## Unexplained Fall Cases and the Shifting Burden of Proof

By George A. Helm, III, Esquire - Bolton & Helm, LLP & Laura L. Cook, CVRC



Nothing can be more frustrating to an employer than an accident that occurs in the workplace without any known cause or explanation. “Unexplained fall” cases can cost employers significant amounts in increased payments of compensation and medical benefits, as well as increased premiums.

Florida Law does not allow compensation for every injury that occurs in the workplace or is incidental to the employment. Rather, the worker must show that the workplace accident is one that “arises out of” the employment. For an accident to arise out of employment, the employment must be the major cause of the accident. See Section 440.02(36), Florida Statutes (2012). The burden is on the employee to prove major contributing cause and if he fails to meet this burden, compensation should be denied. This requirement is mandated by the legislature to ensure that industry is not placed in an unfair position to carry the high costs of medical treatment and provide indemnity for accidents that are not industry related.

Major contributing cause becomes highly controversial in those cases where injuries result from a fall caused by an idiopathic condition. Much of the controversy is due, in part, to the misunderstanding of what constitutes an idiopathic condition. An idiopathic condition is a preexisting physical condition or weakness peculiar to the worker. Merriam-Webster’s Dictionary defines idiopathic as “arising spontaneously or from an obscure or unknown cause.”

One of the earlier cases dealing with idiopathic falls is *Foxworth v. Florida Industrial Commission*, 86 So.2d 147 (Fla. 1955). In *Foxworth*, the Florida Supreme Court noted: “It is well settled that injuries which arise out of risks or conditions personal to the claimant do not arise out of the employment unless the employment contributes to the risk or aggravates the injury.” *Foxworth* is not a major contributing cause case, but it is significant because it affirmed the claimant carries the burden to show that the employment “in some manner must contribute an increased hazard peculiar to the employment,” in order to overcome the causal effect of the idiopathic condition.

The Florida Workers’ Compensation Law has been amended numerous times since *Foxworth* was decided. However, the increased hazard rule has been used in many cases involving idiopathic falls to establish causation for well over 60 years. Despite this controlling precedent, a recent decision by the First District Court of Appeal has made clear that if the employer seeks to deny compensability then it must prove by competent and substantial evidence that the idiopathic condition was responsible for the cause of the accident.

In *Ross v. Charlotte County Public Schools*, 100 So. 3d 781 (Fla. 1st DCA 2012), the First District Court of Appeal clarified earlier interpretations of major contributing cause as it relates to idiopathic conditions. In *Ross*, the claimant reported that she fell when her foot caught on the linoleum flooring as she was walking quickly between classrooms. She testified that during balance training she had undergone as a result of the accident, she was advised that she had a “mild to moderate” vestibular problem. She asserted this condition had not contributed to the accident.

## EXCLUSIVE ARTICLE

The JCC denied compensation based on the claimant's admission that she did, in fact, have an idiopathic condition that he concluded may have contributed to the injury. The JCC held that the claimant failed to establish an increased risk of harm associated with her employment. Thus, she did not meet her burden of proof that the injury arose out of her employment.

The First DCA reversed the JCC's decision and held that where an unexplained fall happens while the claimant is "actively engaged" in the duties of employment, even where there is no other basis for the fall, the causal relationship between the employment and the accident is met and the burden then shifts to the employer/carrier to prove an alternative cause, i.e. an idiopathic condition. See *Caputo v. ABC Fine Wine & Spirits*, 93 So.3d 1097 (Fla. 1st DCA 2012). Thus, because the employer/carrier failed to present medical evidence showing the idiopathic condition contributed to the fall, the claimant was not required to show an increased risk of harm associated with her employment. The Court maintained that in the absence of medical evidence to establish the existence of an idiopathic cause, the claimant satisfies the major contributing cause requirement. See *Walker v. Broadway Assisted Living*, 95 So. 3d 942 (Fla. 1st DCA 2012). In effect, *Ross* allows for the establishment of major contributing cause when there is no evidence of a competing non-work cause, and the injured worker is where he is supposed to be, doing what he is supposed to be doing. The Court has determined that under such circumstances, the injured worker has met his burden of proof.

It is uncertain what impact the First DCA's decision in *Ross* will have on future cases that involve "unexplained falls." From a practical perspective, if the employer/carrier intends to use a defense based upon a preexisting idiopathic condition, they must be prepared to first prove by medical evidence that a preexisting idiopathic condition exists, and second that such condition is the cause of the accident.

George A. Helm, III is a Board Certified Workers' Compensation attorney and is AV rated by Martindale Hubbell. Mr. Helm has been practicing workers' compensation defense since 1988, and since 2001, specifically focusing on the defense of municipal workers' compensation claims. He received his Bachelor's Degree from the University of Florida with high honors in 1985 and graduated from the University of Florida College of Law in 1988. Mr. Helm has lectured at various seminars regarding workers' compensation issues and is an accredited lecturer through the State of Florida for insurance certification classes.

Laura L. Cook has a background in vocational/medical management of workers' compensation claims in the State of Kentucky. She has a Master of Arts in Vocational Rehabilitation from the University of Kentucky. She is a Certified Vocational Rehabilitation Counselor in the State of Kentucky. Currently, she attends Barry University Law School in Orlando where she is a third year law student. She plans to practice law in the State of Florida upon graduation.

*Preferred* would like to welcome the following new members...

Baker County Council on Aging

Central Florida Fair, Inc.

Pensacola Downtown Improvement District

Day Star Academy of Excellence

City of West Palm Beach



## Use of School Facilities and Potential Liability Pitfalls

By Kenneth Picton, Vice President - Preferred Governmental Claims Solutions



School boards have the right to control the use of school district facilities, but must be cautious in the exercise of that right to avoid liability and to reduce the risk of unreimbursed or uninsured loss. The proper control of school facilities is a multifaceted problem that involves a blend of the school district's philosophy for the use of its facilities, statutory requirements and constitutional implications. Whatever the recipe chosen by the school board to mix these ingredients, it should be spelled out in written policy and only after review by the school board legal counsel.

From a philosophical standpoint, school boards will have to decide how they want their facilities used. Questions that will have to be considered and answered include the following:

1. Will the school board allow non curriculum-related student groups to meet on school premises during non instructional time?
2. Will the school board allow nonstudent groups to meet on school premises at any time?
3. If non curriculum student groups or nonschool-related groups are permitted to meet on school premises, what conditions will be imposed on the groups with regard to such issues as: (a) rental fees; (b) supervision or policing; (c) insurance; and (d) cleanup and/or repair of damage. Obviously, the more onerous the conditions that are imposed, the less likely the groups will be able to use the facilities.

From a legal standpoint, there are a variety of state laws and constitutional provisions that come into play. The free speech clause of the First Amendment also has its mark limiting the authority of school boards to control the use of their facilities. Under the First Amendment, school boards are not required to open school district facilities to others or to allow their facilities and premises to be used by others for nonschool-related activities, but if they do, they must do so for all in ways which are not violative of the First Amendment. Permission to use school facilities may not be granted or denied on the basis of the content of speech or the viewpoints of those seeking to use school district facilities. Where access is allowed for other purposes, access may be required for certain religious uses. However, even where a school board is required to permit a use of its facilities in a manner that it may not desire, boards continue to be allowed to impose reasonable restrictions with respect to the time, place and manner of the use. Some of the restrictions that have been upheld by the courts include the following:

- Limitations on hours or number of people
- Preregistration requirements
- Traffic regulations
- Payment of reasonable fees
- Prohibition of uses that pose a clear and present danger of violence or disorder
- Prohibitions against sales and fund raising
- Uses which interfere with the usage of the property for school purposes

CONTINUED ON PAGE 7

## SPECIAL ARTICLE

Because of the First Amendment, school boards sometimes find that they are being required to permit uses that they find offensive or which are contrary to their beliefs as to what constitutes suitable use of publicly supported facilities. One way of dealing with this issue is to place in school board policy a statement referencing the First Amendment rights enjoyed by citizens and an explanation that the school board's approval of a particular use shall not be construed to be an endorsement of the individual or group or the message conveyed by the individual or group. The policy may also require that a notice be posted in each building that the school board's grant of permission to use school facilities by an individual or group is not and shall not be construed as an endorsement of the individual or group, or of the message conveyed by the individual or group.

If it is determined that individuals or groups will be permitted to use school district facilities, it is recommended that the use be subject to either a written license to use the facilities under reasonable restrictions as to time, place and manner, or a written contract setting forth reasonable limitations as to time, place and manner.

The decision whether to use a license or a written contract would depend upon whether the school district is charging a fee or requiring the individual or group to provide any services or consideration for the use of the facilities. If the individual or group is not providing any promises to the school district, a license permitting the use would be acceptable. If the individual or group is making any commitments to the school district, a contract format would be preferable.

Because of the multiplicity of issues that must be addressed and because the method of dealing with one issue may have impact on how other issues must be handled, it is impossible to propose a universal policy or contract form that would be applicable in all circumstances. Instead, the board must work closely with its legal counsel to craft a policy that reflects the board's will, yet at the same time does not run afoul of the statutory and constitutional provisions that are implicated.

Kenneth Picton began his career with Liberty Mutual Insurance Company as a multiple-line field claim adjuster subsequent to earning a Bachelor of Arts degree from Bradley University. He has over thirty-six years of insurance claims and management experience having worked for both carriers and third party administrators. Prior to coming to PGCS, Kenneth was a Litigation Claim Supervisor handling public entity claims for the Tennessee Municipal League and most recently served as Vice-President, SE Zone for Gallagher Bassett Services.

Kenneth has earned the Associate in Claims designation from the Insurance Institute of America and is currently enrolled in the Associate in Risk Management Program. He has also completed several courses to earn the American Educational Institute's SCLA designation. An Illinois native, Kenneth has resided and handled claims in the states of Illinois, Minnesota, and Tennessee and Florida.



## Preferred & Key Business Partners Conduct Law Enforcement Educational Seminar for Preferred Members

Submitted By Kurt Heyman, Vice President of Marketing - Public Risk Underwriters of Florida, Inc.

On Monday, February 11th, Preferred and some of its key business partners conducted a law enforcement education seminar at the Marina Civic Center in the City of Panama City. The presentation focused on Police Officers' Bill of Rights, Internal Investigations and Public Records Procedures and Compliance.

These are important areas where the trust is focusing its educational efforts to help our members proactively avoid future claims. This seminar was a follow-up to one that was conducted at the Rachel D. Murrah Civic Center in the City of Winter Park in late 2012.



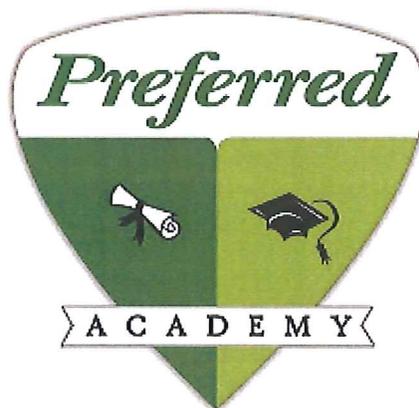
Pictured are attendees of the Law Enforcement Educational Seminar conducted at the Marina Civic Center located in the City of Panama City, Florida

Our thanks to Gerald Stanford, of the Stanford Insurance Agency, who was instrumental in our efforts to set up and coordinate this seminar. Tim and Bill Warner with the Warner Law Firm did an outstanding job presenting these topics. The Warner Law Firm is one of the original panel attorney's for Preferred and we appreciate their continued partnership. In attendance were approximately 40 law enforcement personnel from throughout the panhandle area representing numerous Preferred members.

If you are interested in copies of the presentation materials, please contact Kurt Heyman at [kheyman@publicrisk.com](mailto:kheyman@publicrisk.com). Preferred continues to hold educational seminars throughout the state and we welcome your suggestions on potential topics for these seminars and webinars.

On-line  
Learning

Seminars



Webinars

Training

## MEMBER SPOTLIGHT

### South Broward Drainage District Enhances Productivity and Safety with New Custom Designed Grapple Truck

Submitted By Public Risk Underwriters of Florida, Inc. - Safety & Risk Management Department

The South Broward Drainage District (SBDD) recently purchased a custom designed "Grapple Truck" to assist in the day-to-day operations and maintenance of District facilities. The main purpose of the Grapple Truck is to enhance SBDD's flood control efforts by improving both the productivity and safety of employees who remove weeds and other debris from District canals and along trash racks that protect critical stormwater pump stations.

According to SBDD Project Manager Joe Certain and SBDD Operations Manager Robert Franklin, both of whom were instrumental in designing the Grapple Truck, canal maintenance work has historically been a labor intensive and time consuming activity. They estimate that the Grapple Truck has reduced the manual labor previously associated with this type of work by approximately 80%. What used to require a four to seven person crew can now be done with a two-person crew. This frees up staff to perform other important flood control functions and allows SBDD to get more done without having to increase staff. In addition, the Grapple Truck is designed to perform other important functions such as shallow dredging and bulk debris removal (tree stumps) by simply changing out the bucket attachment.

From a safety perspective SBDD District Director, Kevin Hart, indicated that the use of the Grapple Truck has greatly reduced the need for intense, back bending labor associated with the manual clearing of trash tracks, which is a direct cause of back related sprains & strains. This manual raking process involves the continuous lifting of vegetation weighing up to 20 lbs and hoisting it from approximately 6 feet below ones feet. In addition, the potential for heat related illnesses (ie: heat stroke), has been significantly reduced as well.

The District is very pleased with the Grapple Truck as it has greatly improved their ability to effectively maintain their canal network and to prepare for major storms, which further helps to reduce flooding and associated property damage throughout the District. Mr. Hart indicated that he would be more than happy to discuss the Grapple Truck with other Members of our Trust. The District's website is located at [www.sbdd.org](http://www.sbdd.org).



## MEMBER SPOTLIGHT

### City of Venice Police Department Awarded Law Enforcement Re-Accreditation

Submitted By Public Risk Underwriters of Florida, Inc. - Safety & Risk Management Department

Venice Police Department received re-accreditation Sept. 27 as a result of three years of committed and professional work toward that goal. The ceremony took place in Sarasota, where Venice was one of 16 agencies from across the state to receive the recognition.

Accreditation is a process that validates an agency through review of outside peers and determines that the agency works in the most ethical, professional and safest manner possible. It serves to define clear policies set by the department and understood by all its employees.

"The accreditation process is the vehicle that guides our agencies in the efficiency and effectiveness of law enforcement services," Venice Chief Tom McNulty said. "In reality, the accreditation process is really much larger. It strengthens our foothold on our Constitutional foundation, demonstrating our commitment to be the best we can be while building confidence and trust with the various components of our communities and citizens."

"If you look up 'community policing' in the dictionary, the definition would be the Venice Police Department," said Pete Marcus, Edgewood, Fla., police chief and accreditation review commissioner.

Among those in the audience lending support to the department were Mayor John Holic, Vice Mayor Kit McKeon and Council Members Jim Bennett, Emilio Carlesimo and Dave Sherman.



Accepting the award ( L to R) Vice Mayor Kit McKeon; Mayor John Holic; Capt. Tom Mattmuller; Chief Tom McNulty; Lee Lyons, who led the department through the accreditation process; Commissioner Butch Arenal, chairman of the Florida Accreditation Commission and Punta Gorda police chief; Lori Mizell, executive director of the commission; Lt. Mike Rose; and Council Members Emilio Carlesimo and Jim Bennett

### BE IN THE MEMBER SPOTLIGHT...

We would like to share your best practices, risk management expertise, success stories, and the accomplishments of your entity and employees with fellow members in our next news letter.

If interested, please contact:

Mike Stephens - Safety & Risk Management Consultant  
Email: [mstephens@publicrisk.com](mailto:mstephens@publicrisk.com) Phone: 321-832-1658



# BREAKTIME FUN -N- GAMES

## PLACES IN FLORIDA THAT END WITH "SPRINGS"

N P V C N E W S M D Q Z W A C R C X  
 X E U Y U I U O H I O U L O E E Q M  
 T A G L T C I T R L A L V L D T Z F  
 F C B I D H Z P F T U M L I H N L K  
 A O R H N E R O B K H X I N O I F A  
 Q C C P U T X F A N N I N G J W L I  
 R K C M K U O W T C H E N Q M T B N  
 G J P O N C E D E L E O N G A O H U  
 H G I H F K O X R M D V R M T J W F  
 A E V O C N E E R G A A O Y D O O E  
 E S P X M E Y E R V I N H O C W N D  
 C J S N W E R J N N T D A R J H U X  
 M G K A V N Q S B E A H S T Q I D F  
 S L R J S P O O I W R Z Y X E T F U  
 W L A Y T O W P I C O R A L M E K Z  
 E X E P S C M K R E N L W H I B C L  
 A T I N O B E O P A B T V W Q O E L  
 C T C L U W T H H S T U L B A J P G

### SOURCE WORDS:

ALTAMONTE  
 BLUE  
 BONITA  
 CORAL  
 DE FUNIAK  
 FANNING  
 GREEN COVE  
 HIGH  
 HOMOSASSA  
 ICHETUCKNEE  
 MANATEE  
 MIAMI



PALM  
 PEACOCK  
 PONCE DE LEON  
 RAINBOW  
 TARPON  
 TROY  
 WAKULLA  
 WEKIWA  
 WHITE  
 WINTER  
 WORTHINGTON  
 ZOLFO



## FLORIDA SPRINGS KNOWLEDGE QUIZ

The state of Florida is said to have the largest convergence of natural freshwater springs on the planet with an estimated 700 or more.

In the 1800's, the crystal clear water of the springs attracted developers, which lead to 14 Florida municipalities being established with "Springs" as part of their name.

Test your knowledge..! The word search source words above are a mixture of Florida municipalities that have "Springs" as part of their name and state parks with natural freshwater springs. Can you guess which ones are which..?

Please visit [www.pgic.org /Resources/Preferred News 2013 - Spring 2013/Article Index](http://www.pgic.org/Resources/Preferred%20News%202013%20-%20Spring%202013/Article%20Index) for word search & knowledge quiz solution keys

## KEY STAFF CONTACTS:

As a member of Preferred your first call should always be to your agent, if however you need help beyond your agent please feel free to contact us as indicated below:

### Marketing:

marketing@publicrisk.com  
 321-832-1455  
 Kurt Heyman

### Operations:

ahansen@publicrisk.com  
 321-832-1510  
 Ann Hansen

### Loss Control:

mstephens@publicrisk.com  
 321-832-1658  
 Mike Stephens

### Claims:

liability.claims@pgcs-tpa.com  
 866-683-7710  
 Julius Hajas

*Preferred*<sup>®</sup>  
PGIT GOVERNMENTAL  
INSURANCE TRUST



Standard  
Presort  
U.S. Postage  
PAID  
Permit 1979  
Orlando, FL

P. O. BOX 958455 - Lake Mary, FL 32795-8455

*Preferred*

## J. REQUIRED FORMS

## J. REQUIRED FORMS

### Addendum to Qualifications Summary

**9. Do you have experience in placing property coverage for similar sized entities?**

Yes, Our extensive experience in placing property programs for public entity risks include **Total Insured Values (TIV) in excess of \$16,000,000,000** to include accounts *similar to the City's size*.

*City of Coconut Creek*

*Columbia County*

*City of Edgewater*

*City of Haines City*

*Loxahatchee River District*

*City of Venice*

*City of Marco Island*

*Peace River Manasota Water Supply Authority*

*City of Naples*

*City of Key West*

*St. John's Water Management*

*City of Weston*

**13. Explain your ability to access, utilize and leverage the property insurance market.**

Total premiums placed in Florida:

- \$2 billion+ of Florida premium – Brown & Brown
- \$700 million+ of public entity premium nationally – Brown & Brown
- \$70 million+ of public entity premium – PRIA only

Market Submission – As an example, if we are marketing the property we will review in-depth the Property Statement of Values (SOV) and assist the City in ascertaining any missing information including site inspection(s) if needed. We will make sure the SOV information is as complete as possible ensuring that model software outputs the best Probable Maximum Loss (PML) results.

The same applies when we are marketing the Casualty such as reviewing exposures, changes in operations slicing and dicing your loss data and assembling special reports and narratives for the markets. We handle every line of coverage with the same care and diligence when processing an underwriting submission.

Market Access and Negotiations – PRIA's team has the ability to access, identify and effectively negotiate with the insurance and reinsurance marketplace. Brown & Brown's market volume and national public entity practice, coupled with our team's relationships and technical coverage knowledge make an excellent platform for identifying both traditional and up and coming market relationships in which to represent the Authority. Formally present coverage submissions to agreed upon insurance carrier(s) and negotiate terms on behalf of the City.

## J. REQUIRED FORMS

### Addendum to Qualifications Summary (Cont'd)

**15. List any exclusive access you may have including specialized markets, programs, or trusts and explain the advantages of their programs.**

PRIA has an advantage to providing options to the City as we are an independent insurance agency which contracts with multiple insurers. It is important to note that we have brought other insurers to the City to provide coverage options in the past, but Preferred has remained very competitive.

We have presented an additional option with a different insurer for the Public Officials and Employment Practices liability which will save almost \$25,000 of premium vs. *Preferred's* renewal for this line of coverage. If this option is of interest to the City, we suggest a careful review of terms and conditions.

Due to our public entity focus, PRIA enjoys special and volume-based relationships with many carriers such as the City's incumbent.

**Preferred Governmental Insurance Trust (*Preferred*)\*** – PRIA is the largest agent for *Preferred* and so we have more experience with which to negotiate. The advantage of this program for the City is that it is the incumbent and has been an excellent partnership for the City. **Preferred has a very small agency distribution network, and many of our competitors do not have access to this extremely valuable insurer.**

### **Annual Premium Volumes for Regional/National Insurers:**

**AIG** - \$300 million+

**Zurich** - \$300 million+

**Travelers** - \$300 million+

**Munich Re** - \$200 million+

**ACE** - \$100 million+

## J. REQUIRED FORMS

### Addendum to Qualifications Summary (Cont'd)

**In addition, Property markets to be accessed on the City's behalf include (but are not limited to).**  
Many of these markets mandate use of wholesale brokers and/or London brokers.

ACE / Westchester	Glencairn
Admiral	Global Excess Partners
Allianz / AGCS	Great American
Alterra (Formerly known as Max Specialty)	Hiscox
AmRisc / ACIC	IRI (Industrial Risk)
Arch	Ironshore
Aspen Specialty	James River Specialty
AWAC US	Kinsale
AXIS Specialty	Lexington / AIG
Beazley / First State	Liberty E&S
CNA	Lloyds of London
Chubb Custom	Markel
Colony Insurance	Rockhill
CV Starr	RSUI / Landmark
DSG / United National	Scottsdale Insurance
Essex	Sompo
Everest Re Group	Zurich E&S
General Star	International Markets

**Casualty markets which may be accessed on the City's behalf include (but are not limited to):**

ACE	Euclid – Scottsdale
AIG	Hiscox / Station National
American States	Liberty Mutual
Arch	Meadowbrook
Alteris (via APEX)	Midwest Employers
Aspen	Midlands Management – NY Marine & General Insurance Company
Brit (via APEX)	Munich Re
Chubb	Safety National
CNA	Travelers / Discover Re
Darwin	XL / Indian Harbor
Employers Re	Zurich

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## J. REQUIRED FORMS

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### Clarifications and Exceptions

- 1) Insurance Requirements, Page 9: Brown & Brown has structured a very comprehensive insurance program for our specific business exposures. The insurance to be provided and confirmed with the City varies from the stated requirements:
  - a. Policy will not be endorsed to provide 30 days' notice of cancellation, however, as part of our service commitment, we will endeavor to provide such notice to the City directly.
  - b. As we are a "private" company, we may not provide copies of our insurance policies to the City. However, we will comply with any questions or concerns concerning our coverage.

We respectfully request acceptance of our specimen certificate as attached, and will issue a Certificate to the City upon confirmation.

- 2) We have not presented a Fuel Storage Tank Liability proposal, due to the very limited marketplace available for this type of policy, and due to the fact it does not renew until December of 2013. We believe we have this currently placed with one of, if not the most competitive, provider of coverage to satisfy the state of Florida's financial responsibility criteria.
- 3) RFP requests only Occurrence Form coverage. Based on the past Claims Made coverage for, we believe this is the most effective coverage form for the Public Officials/Employment Practices. Occurrence Form as requested may be available upon further explanation and request.
- 4) All liability coverages are provided on a Duty to Defend basis, however defense costs/legal fees associated with the Public Officials/Employment Practices Liability are subject to the deductible.
- 5) Certain options may have not been presented due to availability, however, we are willing to re-consider upon request.
- 6) Quote is valid until 9/30/2013.
- 7) A structure of the *Preferred* Excess of Loss is not yet available, as reinsurance negotiations are currently underway. We will provide this as it is available, and we fully expect to be able to do so in the next couple of weeks. *Preferred* commits to utilizing high-quality, AM Best rated A- or better excess of loss insurers.

We have endeavored to specifically list any discrepancy to RFP requirements on this page and within the body of our response. We reserve the right to provide further clarification on any specific item requested in the RFP.

<p><b>Submit RFP to:</b></p> <p><b>CITY OF DELTONA</b></p> <p>2345 Providence Blvd. Deltona, Florida 32725 Attn: Purchasing</p> <p><b>CLEARLY MARK SEALED ENVELOPE WITH BID NAME AND NUMBER</b></p>	<p><b>REQUEST FOR PROPOSALS # 13008 FOR: PROPERTY AND CASUALTY INSURANCE</b></p>
<p><u>Contact:</u></p> <p>Kate Krauss, CPPO, CPPB, SPSM Purchasing Manager kkrauss@deltonafl.gov Phone: (386) 878-8570 Fax: (386) 878-8571</p>	<p><b>RESPONDENTS</b> NAME: <u>Michelle Martin, CIC</u> <u>Risk Management Associates, Inc. dba</u> <u>Public Risk Insurance Agency</u></p>
<p><b>Proposal Due Date &amp; Time:</b> <b>TUESDAY, MAY 7, 2013 AT 2:00 P.M.</b></p>	<p><b>MAILING ADDRESS:</b> _____</p>
<p><u>Location of Public Opening:</u> City of Deltona City Hall 1ST Floor Conference Room 2345 Providence Blvd. Deltona, FL 32725</p>	<p><u>220 S. Ridgewood Avenue, Suite 210</u> <u>Daytona Beach, FL 32114</u> Phone#: <u>(386) 239-4047</u></p>

**GENERAL CONDITIONS, INSTRUCTIONS AND INFORMATION FOR BIDDERS**

These documents constitute the complete set of terms and conditions, specification requirements, and forms. Respondents shall complete and submit the additional required information together with the forms herein in a binder and in the order as they are requested. All responses shall be submitted in a sealed envelope. The face of the envelope shall contain Company's name, return address, the due date and time, the RFP# and title. Companies shall submit **one original and three copies along with a CD** of their response, complete with all supporting documentation. **SUBMITTAL OF A RESPONSE TO THIS REQUEST FOR PROPOSALS CONSTITUTES AN OFFER BY THE COMPANY SUBMITTING RESPONSE.** RFP responses which do not comply with these requirements may be rejected at the option of the City.

**CITY OF DELTONA**  
**BIDDER INFORMATION FORM**

The information below is required to complete your bid packet. Type or print only.

Company Name: Risk Management Associates, Inc. dba Public Risk Insurance Agency

Address: 220 S. Ridgewood Avenue, Suite 210

City: Daytona Beach

State: FL

Zip Code: 32114

Phone Number: (386) 239-4047

Fax Number: (386) 239-4049

Project Contact: Michelle Martin, CIC

e-mail address: mmartin@bbpria.com

**Remittance (Payment) Mailing Information**

Address: P.O. Box 2416

City: Daytona Beach State: FL Zip Code: 32115

Phone Number: (386) 239-4047

Fax Number: (386) 239-4049

Project Contact: Michelle Martin, CIC

e-mail address: mmartin@bbpria.com

Federal Tax ID No.: 59-2445801

Tax ID Type:  Federal Tax ID  Social Security Number

***This Form Must Be Completed and Returned with your Submittal.***

# Qualifications Summary

## QUALIFICATIONS SUMMARY

### CITY OF DELTONA REQUEST FOR PROPOSAL PROPERTY AND CASUALTY INSURANCE PROGRAM

1. Agent/Broker Name: Michelle Martin, CIC
2. Agency or Firm Name: Risk Management Associates, Inc. dba Public Risk Insurance Agency
3. Address: 220 S. Ridgewood Avenue, Suite 210, Daytona Beach, FL 32114
4. Telephone: (386) 239-4047
5. Fax: (386) 239-4049 Email Address: mmartin@bbpria.com
6. Number of Years in Business: PRIA - 21 Years; Brown & Brown (B&B) - 74 Years
7. Number of Public Entities Serviced: 300+
8. Number of Municipalities Serviced in Florida: 300+
9. What is your Florida Premium volume? PRIA - \$112,000,000; B&B - \$11,393,000,000
10. Do you have experience in placing property coverage for similar sized entities?  
If yes, please list the name(s) of the entities.  
See Addendum to this form attached.  
\_\_\_\_\_  
\_\_\_\_\_
11. List key personnel who will be assigned to the City's account, including name, licenses held and years of experience in servicing public entity accounts. Attach an additional sheet if necessary.  
Michelle Martin, CIC - 2-20 General Lines License - 23 Years Experience  
Robin Faircloth, CISR - 2-20 General Lines, 2-15 Life & Health & 1-20 Surplus Lines - 15 Years Exp  
Melody Blake, ACSR - 2-20 General Lines License - 22 Years Experience
12. List the name(s) of any officer, director, agent or other key personnel who is an official or employee of the City. N/A
13. List any information pertinent to the selection of your submitted proposal. Be sure to include service, experience or qualifications which may give you an advantage over other proposers.

See Cover Letter/Executive Summary, Section D Experience, and Section E Personnel & Qualifications.

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14. Explain your ability to access, utilize and leverage the property insurance market.  
See Addendum to this form attached.

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15. List any exclusive access you may have to including specialized markets, programs or trusts and explain the advantages of their program(s).  
See Addendum to this form attached.

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16. Additional Comments:

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RESPONSE FORM

RESPOND TO: CITY OF DELTONA

Kate Krauss, Purchasing Manager  
Deltona City Hall  
2345 Providence Blvd.  
Deltona, FL 32725

I acknowledge receipt of Addenda No. (s) 1, 2

I have included

- Response Form X
- Lobbying and Conflict of Interest Clause X
- Non-Collusion Affidavit X
- Drug-Free Workplace Form X
- Public Entity Crime Statement X

I have included a current copy of the professional licenses as noted in the RFP document.

**Check mark items above, as reminder that they are included)**

Mailing Address: P.O. Box 2416 Telephone: (386) 239-4047  
Daytona Beach, FL 32115 Fax: (386) 239-4049  
 Date: 5/6/2013

Signed   
Alan Florez  
 (Print Name)  
Executive Vice President  
 (Title)

Witness: Macey A Blake

STATE OF: Florida

COUNTY OF: Volusia

Subscribed and sworn to (or affirmed) before me on 5/6/2013

(date) by Alan Florez (name of affiant). He/She is personally known to me or has produced \_\_\_\_\_ (type of identification) as identification.



Robin Lee Faircloth  
NOTARY PUBLIC

My Commission Expires: 9/30/2014

LOBBYING AND CONFLICT OF INTEREST CLAUSE

ETHICS CLAUSE

" Risk Management Associates, Inc. dba Public Risk Ins. Agency "  
(Company)

"...warrants that he/it has not employed, retained or otherwise had act on his/her behalf any former City officer or employee in violation of Section \_\_\_\_\_ of Ordinance No. \_\_\_\_\_ or any City officer or employee in violation of Section \_\_\_\_ of Ordinance No. \_\_\_\_\_. For breach or violation of this provision the City may, in its discretion, terminate this Agreement without liability and may also, in its discretion, deduct from the Agreement or purchase price, or otherwise recover, the full amount of any fee, commission, percentage, gift, or consideration paid to the former City officer or employee."

[Signature]  
(Signature)  
5/6/2013  
(Date)

STATE OF: Florida

COUNTY OF: Volusia

Subscribed and sworn to (or affirmed) before me on 5/6/2013

(date) by Alan Florez (name of affiant). He/She is personally known to me or has produced \_\_\_\_\_ (type of identification) as identification.



[Signature]  
NOTARY PUBLIC

My Commission Expires: 9/30/2014

NON-COLLUSION AFFIDAVIT

I, Alan Florez of the city of \_\_\_\_\_ according to law on my oath, and under penalty of perjury, depose and say that

1. I am Executive Vice President of the firm of Risk Management Associates, Inc. dba Public Risk Insurance Agency the bidder making the Proposal for the project described in the Request for Proposals for Property & Casualty Insurance and that I executed the said proposal with full authority to do so;
2. The prices in this bid have been arrived at independently without collusion, consultation, communication or agreement for the purpose of restricting competition, as to any matter relating to such prices with any other bidder or with any competitor;
3. Unless otherwise required by law, the prices which have been quoted in this bid have not been knowingly disclosed by the bidder and will not knowingly be disclosed by the bidder prior to bid opening, directly or indirectly, to any other bidder or to any competitor;
4. No attempt has been made or will be made by the bidder to induce any other person, partnership or corporation to submit, or not to submit, a bid for the purpose of restricting competition; and
5. The statements contained in this affidavit are true and correct, and made with full knowledge that the City of Deltona relies upon the truth of the statements contained in this affidavit in awarding contracts for said project.

[Signature]  
 (Signature)  
5/6/2013  
 Date:

STATE OF: Florida

COUNTY OF: Volusia

Subscribed and sworn to (or affirmed) before me on 5/6/2013

(date) by Alan Florez (name of affiant). He/She is personally known to me or has produced \_\_\_\_\_ (type of identification) as identification.



[Signature]  
 NOTARY PUBLIC  
 My Commission Expires: 9/30/2014

DRUG-FREE WORKPLACE FORM

The undersigned vendor in accordance with Florida Statute 287.087 hereby certifies that:

(Name of Business)

- 1. Publishes 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. Informs employees about the dangers of drug abuse in the workplace, the business' 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. Gives each employee engaged in providing the commodities or contractual services that are under bid a copy of the statement specified in subsection (1).
4. In the statement specified in subsection (1), notifies the employees that, as a condition of working on the commodities or contractual services that are under bid, 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 (Florida Statutes) or of any controlled substance law of the United States or any state, for a violation occurring in the workplace no later than five (5) days after such conviction.
5. Imposes 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, or any employee who is so convicted.
6. Makes a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign the statement, I certify that this firm complies fully with the above requirements.

(Signature) [Handwritten Signature]
Date: 5/6/2013

STATE OF: Florida

COUNTY OF: Volusia

Subscribed and sworn to (or affirmed) before me on 5/6/2013 (date) by

Alan Florez (name of affiant). He/She is personally known to me or has produced (type of identification) as identification.



[Handwritten Signature]
NOTARY PUBLIC

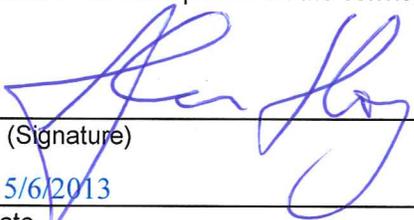
My Commission Expires: 9/30/2014

**PUBLIC ENTITY CRIME STATEMENT**

"A person or affiliate who has been placed on the convicted vendor list following a conviction for public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or 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 from the date of being placed on the convicted vendor list."

Risk Management Associates, Inc. dba

I have read the above and state that neither Public Risk Ins. Agency (Proposer's name) nor any Affiliate has been placed on the convicted vendor list within the last 36 months.

  
(Signature)  
5/6/2013  
Date

STATE OF: Florida

COUNTY OF: Volusia

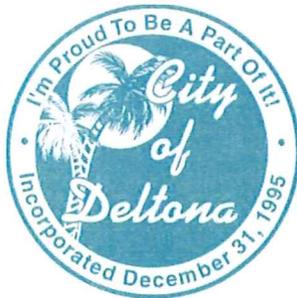
Subscribed and sworn to (or affirmed) before me on 5/6/2013

(date) by Alan Florez (name of affiant). He/She is personally known to me or has produced \_\_\_\_\_ (type of identification) as identification.



  
NOTARY PUBLIC

My Commission Expires: 9/30/2014



**ADDENDUM #2 TO BID # 13008  
PROPERTY AND CASUALTY INSURANCE  
May 2, 2013**

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This addendum is to update the property schedule to include the facilities at 76 S. Courtland that were inadvertently omitted and should be considered for pricing.

ALL OTHER SPECIFICATIONS AND CONDITIONS REMAIN UNCHANGED.

RECEIPT OF THIS ADDENDUM IS HEREBY ACKNOWLEDGED

Risk Management Associates, Inc. dba Public Risk Insurance Agency

NAME OF BUSINESS

BY:

5/6/2013

SIGNATURE/DATE

Alan Florez, Executive Vice President

NAME & TITLE, TYPED OR PRINTED

220 S. Ridgewood Avenue, Suite 210

MAILING ADDRESS

Daytona Beach, FL 32114

CITY, STATE, ZIP CODE

(386) 239-4047

AREA CODE AND TELEPHONE NUMBER

**RETURN SIGNED ADDENDUM WITH YOUR BID  
ACKNOWLEDGING RECEIPT OF IT**

\*Public Risk Insurance Agency has received three (3) Addendums to this RFP.



# CERTIFICATE OF LIABILITY INSURANCE

OP ID: JW

DATE (MM/DD/YYYY)

01/04/13

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 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 <b>Brown &amp; Brown of Florida, Inc.</b> Daytona Beach Office P.O. Box 2412 Daytona Beach, FL 32115-2412 M. Decker Youngman		386-252-9601  386-239-5729	CONTACT NAME: <b>SANDRA RAKAUSKAS #13021</b> PHONE (A/C, No, Ext): <b>386-239-5750</b> E-MAIL ADDRESS: <b>SRAKAUSKAS@BBDAYTONA.COM</b> PRODUCER CUSTOMER ID #: <b>BROWN-3</b>	FAX (A/C, No): <b>386-323-9134</b>
INSURED <b>BROWN &amp; BROWN INC ETAL</b> <b>PUBLIC RISK INSURANCE AGENCY</b> <b>P O BOX 2412</b> <b>DAYTONA BEACH, FL 32115</b>		INSURER(S) AFFORDING COVERAGE		NAIC #
		INSURER A : <b>Travelers Prop &amp; Cas of Amer</b>		<b>25674</b>
		INSURER B : <b>National Surety Corporation</b>		<b>21881</b>
		INSURER C : <b>Charter Oak Fire Ins</b>		<b>25615</b>
		INSURER D : <b>XL Specialty Ins Co</b>		<b>37885</b>
		INSURER E : <b>Executive Risk Indemnity</b>		<b>35181</b>
		INSURER F :		

**COVERAGES**

CERTIFICATE NUMBER: 12021

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 INSR	SUBR WVP	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY			TC2JGLSA9527B874-13	01/01/13	01/01/14	EACH OCCURRENCE	\$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person)	\$ 5,000
							PERSONAL & ADV INJURY	\$ 1,000,000
							GENERAL AGGREGATE	\$ 2,000,000
							PRODUCTS - COMP/OP AGG	\$ 2,000,000
								\$
A	AUTOMOBILE LIABILITY			TC2JCAP9527B862-13	01/01/13	01/01/14	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
	<input type="checkbox"/> ANY AUTO						BODILY INJURY (Per person)	\$
	<input type="checkbox"/> ALL OWNED AUTOS						BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> SCHEDULED AUTOS						PROPERTY DAMAGE (Per accident)	\$
	<input checked="" type="checkbox"/> HIRED AUTOS							\$
	<input checked="" type="checkbox"/> NON-OWNED AUTOS							\$
B	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR			SUO00032003352	01/01/13	01/01/14	EACH OCCURRENCE	\$ 10,000,000
	EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE						AGGREGATE	\$ 10,000,000
	<input type="checkbox"/> DEDUCTIBLE							\$
	<input type="checkbox"/> RETENTION \$							\$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			TC2OUB9517B58013	01/01/13	01/01/14	<input checked="" type="checkbox"/> WC STATUTORY LIMITS	<input type="checkbox"/> OTHER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input type="checkbox"/> Y/N	N/A				E.L. EACH ACCIDENT	\$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
D	INS AGENTS E&O			ELU12825213	01/01/13	01/01/14	EACH LOSS	5,000,000
E	EMP DIS/FIDELITY			82220236	01/01/13	01/01/14	BLANKET	25,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
**FOR INFORMATION**

**CERTIFICATE HOLDER****CANCELLATION**

PUBLR04

**PUBLIC RISK INSURANCE AGENCY**  
**P O BOX 2416**  
**DAYTONA BEACH, FL 32115**

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

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