



MEMORANDUM

Date: August 27, 2025

To: Honorable County Commissioners

From: Raymond Carter, Risk Manager

Subject: Property and Casualty Insurance Renewal

Historical Perspective

The Board of County Commissioners of Charlotte County purchases property and other insurance to protect the County's real and personal property assets against losses caused by natural and other perils as well as the risk of financial loss through liability exposures as described herein. Three years ago this September 28th, Hurricane Ian made landfall in SW Florida and was recorded as the costliest hurricane in Florida's history.

The County currently has a 5% deductible per building for a named storm and \$5,000 retention on all other covered perils with a dedicated \$150,000,000 per occurrence limit for all other perils losses and \$75,000,000 sublimit for all named storm losses in the Policy Year. Risk Strategies/ Gehring Group, Part of the Brown & Brown Team, as the County's Broker of Record went out to Bid for the County's Insurance Program.

Market Bid Summary

Gehring Group released information to the insurance market to quote Property, Casualty and Workers' Compensation (Package Program) insurance coverages.

– Five (5) carriers, including the incumbent, responded to the request for quote for various lines of coverage. Quotes for Parametric Wind insurance were also requested to supplement the County's Package Program. On August 25, 2025, all quotes were presented to Administration along with stakeholders and Directors from EOC, Public Works and Facilities. Collectively, we are recommending the FMIT Insurance program with a \$75,000,000 Wind Limit (Named Storm) for a total annual premium of

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\$5,540,000, a reduction of \$848,000 compared to the expiring program, along with Swiss RE Option C Parametric Insurance with a \$25,000,000 limit with a premium of \$1,200,000. The net increase in premium for the Package Program portion of the renewal is a net increase of \$352,000 and our effective Named Storm limit is increased by 33% to \$100,000,000.

Parametric Wind Coverage Insurance provides coverage without deductibles and 'non-adjusted' claims; The policy pays out based upon Named Storm windspeed intensity recorded at scheduled County properties/locations up to 100% of the \$25,000,000 policy limit.

The Casualty coverage provided by the Package Program included in the discussion above consists of General Liability, Auto Physical and Auto Liability, Excess Workers' Compensation, Cyber Liability and Professional Liability.

Additional Insurance Coverages

The County has typically purchased additional coverages including Inmate Medical coverage for Outpatient Medical services, Pollution Legal Liability, Flood Insurance through the National Flood Insurance Program (NFIP), Statutory Accidental Death & Dismemberment, Crime, Drone, and Storage Tank 3rd Party Liability. The expenditures for these supplemental policies are not expected to exceed \$681,953 in FY 26 compared to \$727,825 per expiring a reduction of \$45,872 or 6%. Detail is shown:

Crime: This policy covers Fidelity, such as Employee Theft, Forgery or Alteration, Computer Crime/Fraud and Funds Transfer Fraud as well as Personal Accounts Protection which includes forgery and identity fraud reimbursement. Renewal premium for this coverage is \$6,078, the expiring policy was \$6,430.

Drone Insurance: Charlotte County operates 9 Drones across county operations, this renewal is \$4,484 which covers Aircraft Physical as well as Liability coverage referred to as 'Unmanned Aviation' the expiring policy was \$4,484.

Pollution Legal Liability: Projected renewal premium for this coverage is \$20,071 compared to the expiring policy premium of \$18,584.

Inmate Medical: Renewal premium for this coverage is \$353,028 compared to the expiring policy premium of \$425,736.

Flood Insurance: Projected renewal premium for flood insurance policies is \$229,604 compared to expiring premium of \$205,004.

Statutory AD&D: Covers two classes of employees; Class 1 Law Enforcement and Class 2 Fire Fighters. Typically Risk Management has placed the coverage for both classes in the Risk Management Program. The annual installment premium for this policy is \$45,594 (year 2 of 2).

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Storage Tank Liability: This insurance typically called 'Storage Tank Third Party Liability, Corrective Action and Clean up Costs' Policy. This is a 'Claims Made' policy which offers coverage, pursuant to policy in force at the time of loss, for claims occurring during the policy period. The renewal premium is \$23,093 which compared to expiring policy of \$21,994.

The total expected premiums for the Risk Management Insurance program for FY 26 is \$7,424,981 compared to \$7,118,904 an increase of \$306,078 or 4%.

Recommendation:

Staff recommends the approval of coverages as shown on the 2025-2026 Renewal Evaluation in an amount of \$7,424,981.

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