

4/24/18

April 24, 2018 - Regular Meeting
Agenda Item #17

Subject

Purchase of Liquor Liability Insurance for Bradenton Area Convention Center and Powel Crosley Estate

Briefings

Briefing Provided Upon Request

Contact and/or Presenter Information

Mitchell O. Palmer, County Attorney, ext. 3750

Linda R. Klasing, Risk Manager, ext. 3750

Action Requested

Motion to approve the purchase of an annual liquor liability insurance policy for a total cost of \$3,725.00 and to authorize the County Attorney, or his designee, to execute all related documents.

Enabling/Regulating Authority

Ordinance 16-26

Background Discussion

Manatee County purchases liquor liability insurance to protect against the liability that arises from selling or serving liquor at the Convention Center and at the Crosley Estate. Previously, the Convention Center purchased this policy via a bid process. The annual renewal of this policy is now being handled by the Risk Management Division via the County's insurance broker, First Florida Insurance Brokers.

This renewal policy is being purchased through Illinois Union Insurance Company. The total premium for this renewal is \$3,725.00 (inclusive of all taxes and fees). This premium will bind coverage in the amount of \$1 million each cause and \$1 million annual aggregate, with a policy period of May 10, 2018 to May 10, 2019.

The County Attorney recommends purchasing this liquor liability policy in the amount of \$3,725.00 (inclusive of all taxes and fees), Furthermore, the County Attorney requests authorization for him or his designee to execute all related documents.

County Attorney Review

Other (Requires explanation in field below)

Explanation of Other

This is a County Attorney item.

Reviewing Attorney

Palmer

Instructions to Board Records

Emailed 4/26/18

Please return a stamped copy of this Agenda Memorandum certifying its approval by the Board of County Commissioners to Mitchell O. Palmer at mitchell.palmer@mymanatee.org and to Linda R. Klasing at linda.klasing@mymanatee.org.

Cost and Funds Source Account Number and Name

\$3,725.00 Fund 5050001500 Risk Management General Liability

Amount and Frequency of Recurring Costs

\$3,725.00 One Time Payment

Attachment: [MCBOCC Liquor Liability Proposal 18-19.pdf](#)



Creating Unique Risk Solutions

**MANATEE COUNTY GOVERNMENT BRADENTON AREA CONVENTION CENTER AND
MANATEE COUNTY GOVERNMENT POWEL CROSLEY ESTATE**

LIQUOR LIABILITY INSURANCE PROPOSAL

**TERM:
MAY 10, 2018 TO MAY 10, 2019**

Primary Contact:
Maggie Boykin, ARM-P
Vice President, Property & Casualty

Prepared By:
Kristin Seitzinger
Technical Assistant

**100 SOUTH ASHLEY DRIVE
SUITE 250
TAMPA, FL 33602**

**813-902-3502 – PHONE
813-223-3932 – FAX**

Date: March 29, 2018

www.ffinsbr.com

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NAMED INSURED AND MAILING ADDRESS

**Manatee County Government Bradenton Area
Convention Center and
Manatee County Government Powel Crosley Estate**

**One Haben Blvd
Palmetto, FL 34221-4059**

**8474 N Tamiami Trl
Sarasota, FL 34243-2014**



**MANATEE COUNTY GOVERNMENT BRADENTON AREA CONVENTION CENTER AND
MANATEE COUNTY GOVERNMENT POWEL CROSLY ESTATE**

LIQUOR LIABILITY PROPOSAL

TERM: MAY 10, 2018 TO MAY 10, 2019

	LIQUOR LIABILITY	
	EXPIRING	RENEWAL
COMPANY	Illinois Union Insurance Company [Non-Admitted – A++ XV]	Illinois Union Insurance Company [Non-Admitted – A++ XV]
POLICY PERIOD	05/10/17 to 05/10/18	05/10/18 to 05/10/19
LIMIT [NOT LIMITED TO]		
▶ Each Common Cause Limit	\$1,000,000	✓
▶ Annual Aggregate	\$1,000,000	✓
DEDUCTIBLES [NOT LIMITED TO]		
▶ Deductible	Nil	✓
TERMS & CONDITIONS [NOT LIMITED TO]		
▶ Minimum Earned Premium 25%	✓	✓
▶ Estimated Sales	\$295,988	\$295,988
▶ 30 days cancellation; 10 days for nonpayment	✓	✓
PREMISES COVERED		
▶ Location 1: One Haben Blvd, Palmetto, FL 34221	✓	✓
▶ Location 2: 8374 N. Tamiami Trail, Sarasota, FL 34243	✓	✓
EXCLUSIONS [NOT LIMITED TO]		
▶ Expected or Intended Injury	✓	✓
▶ Assault or Battery	✓	✓
▶ Sexual Abuse/Assault	✓	✓
▶ Nuclear Energy	✓	✓
SUBJECT TO IN ORDER TO BIND [NOT LIMITED TO]		
▶ AUDITABLE: Liability Premium basis of this policy is subject to an audit; additional premium may be due		✓
▶ Signed Westchester Application		✓
▶ Signed Terrorism Form		✓
▶ Any reported liquor liability and/or assault or battery claims or notification of such claims within the past 5 years?		✓
▶ Has there been a change in Insured Name or address?		✓
▶ Has there been a material change in operations, including entertainment and use of a bouncer, security or doorperson?		✓
▶ If licensed, has the gross sales of alcohol and/or food increased or decreased by 20% or more?		✓
▶ Have there been any violations for the sale or service of alcohol during the policy term?		✓
▶ Have there been any incidences during the policy term which might lead to a claim?		✓
▶ The insured has had no more than one liquor liability claim or incident likely to give rise to a liquor liability claim within five years prior to the date the application for this insurance is signed (excluding liquor liability claim closed without payment because insured found not legally liable).		✓
▶ The insured has had no more than two fines or citations for violation of law or ordinance related to the sale or service of alcohol at a scheduled location within five years prior to the date the application for this insurance is signed.		✓
▶ Neither the insured nor any principal with a controlling interest in the insured has filed for bankruptcy (either liquidation or reorganization) within 12 months prior to the date the application for this insurance is signed.		✓
▶ A Commercial General Liability Insurance Policy is maintained with limits of insurance equal to or greater than the Liquor Liability limits of this policy		✓
▶ A valid, active liquor license, if required by ordinance or law, is maintained prior to the insured selling, serving or distributing alcohol.		✓
▶ Enforced written policies and procedures are maintained that prohibit the consumption of alcohol by any person during employment or service at the scheduled location. This includes “employees”, “temporary workers”, “leased workers”, entertainers or performers of any kind, club members (if providing service), or any other person providing any service at the scheduled location.		✓
▶ Enforced written policies and procedures are maintained providing that only the insured and its authorized employees or members are permitted to serve alcohol. In the alternative, the insured warrants that persons serving alcohol who are not the insured’s authorized employees or members are insured under separate policy of liquor liability insurance with limits equal to or greater than the limits of this policy.		✓
PREMIUM		
Total Premium	\$2,861.00	\$3,725.00
	<i>difference</i>	\$864.00
		30.2%

✓ = per expiring

Creating Unique Risk Solutions

CARRIER	A.M. BEST RATING	A.M. BEST as of	SURPLUS LINES	ACTION RESPONSE
Illinois Union Insurance Company	A++ XV	03/21/2018	Yes	▶ Quoted

Surplus Lines carriers are non-admitted and are not protected by the Florida Guarantee Fund, per disclosures included within this proposal

A. M. BEST FINANCIAL STRENGTH GUIDE

A++ to A+	A to A-	B++ to B+	B to B-	C++ to C+	C to C-
Superior	Excellent	Very Good	Good	Fair	Marginal

(In \$000 of Reported Policyholders' Surplus Plus Conditional Reserve Funds)

FSC I	Up	to	1,000	FSC IX	250,000	to	500,000
FSC II	1,000	to	2,000	FSC X	500,000	to	750,000
FSC III	2,000	to	5,000	FSC X	750,000	to	1,000,000
FSC IV	5,000	to	10,000	FSC XI	1,000,000	to	1,250,000
FSC V	10,000	to	25,000	FSC XII	1,250,000	to	1,500,000
FSC VI	25,000	to	50,000	FSC XIII	1,500,000	to	2,000,000
FSC VII	50,000	to	100,000	FSC XV	2,000,000	to	more
FSC VIII	100,000	to	250,000				

Best's Insurance Reports, published annually by A.M. Best Company, Inc., presents comprehensive reports on the financial position, history, and transactions of insurance companies operating in the United States and Canada. Companies licensed to do business in the United States are assigned a Best's Rating which attempts to measure the comparative position of the company or association against industry averages.

First Florida Insurance Brokers used A.M. Best & Co.'s rating services to evaluate the financial condition of insurers whose policies we propose to deliver. The rating of the carrier and the year of publication of that rating are indicated. First Florida Insurance Brokers makes no representations and warranties concerning the solvency of any carrier, nor does it make any representation or warranty concerning the rating of the carrier which may change.

Copies of the ***Best's Insurance Reports*** on the insurance companies are available upon your request.

Actuarial	<p>The proposal is an outline of the coverages proposed by the insurers, based on the information provided by your company. It does not include all the terms, coverages, exclusions, limitations, or conditions of the actual contract language. The policies themselves must be read for those details. Policy forms are included in this proposal for your review.</p> <p>The information contained in this proposal is based on the historical loss experience and exposures provided to First Florida Insurance Brokers. This proposal is not an actuarial study. Should you wish to have this proposal reviewed by an independent actuary, we will be pleased to provide you with a listing of actuaries for your use.</p>
Compensation	<p>In general, First Florida Insurance Brokers may be compensated as follows:</p> <ol style="list-style-type: none">1. First Florida Insurance Brokers is compensated from the usual and customary commissions or fees received from the brokerage and servicing of policies handled for a client's account. As permitted by law, we occasionally receive both commissions and fees, with client authorization.2. First Florida Insurance Brokers may access other facilities, including wholesalers, reinsurance intermediaries, captive managers, underwriting managers and others that act as intermediaries for both First Florida and other brokers in the insurance marketplace.3. In placing, renewing, consulting on, or servicing any retail insurance policy, First Florida Insurance Brokers has not participated in Property and Casualty contingent commission agreements with insurance companies that provide for additional compensation if underwriting, profitability, volume, and retention goals are achieved.4. First Florida Insurance Brokers strongly supports compensation transparency with annual disclosures to clients.
Non-Admitted	<p>If coverage is placed with a Non-Admitted Carrier, the carrier is doing business in the state as a surplus lines or non-admitted carrier. Surplus Lines and/or non-admitted carriers are not subject to the same regulations which apply to an admitted carrier nor do they participate in the Florida state insurance guarantee fund.</p>

After careful consideration of proposal dated March 29, 2018 we accept your insurance program as indicated below:

LIQUOR LIABILITY



Illinois Union Insurance Company
Limit : \$1,000,000 Each Common Cause / \$1,000,000 Aggregate
Deductible: Nil
Premium: \$3,725.00 [inclusive of taxes/fees]

Bind above selected option as presented, dated March 29, 2018

Bind above lines of coverage with the following exception(s)

It is understood and agreed that referenced proposals provide only a summary of the insurance program. The actual policy will contain the complete terms, conditions, deductibles, exclusions, etcetera. Please review policy language for a full understanding of purchased program.

Please provide the County with respective binder and invoice for above selected program, at your earliest convenience, prior to effective date of May 10, 2018; as well as, term certificate(s) of insurance, if applicable.

Linda Klasing, Risk Manager
Manatee County Board of County Commissioners

Maggie Boykin, ARM-P
Vice President – Property & Casualty
First Florida Insurance Brokers

Dated

Dated

March 29, 2018

Ms. Linda Klasing, Risk Manager
Manatee County Board of County Commissioners
1112 Manatee Ave West
Suite 969
Bradenton, FL 34206

RE: Manatee County Government Bradenton Area Convention Center and
Manatee County Government Powel Crosley Estate
Effective: May 10, 2018

Dear Ms. Klasing:

As a follow-up to our proposal and in the interest of providing you insurance consistent with your needs and requirements, we have exhausted our alternatives and are offering Liquor Liability coverage with the following market:

Illinois Union Insurance Company

The above insurance market is not licensed in the State of Florida but is approved to write business in the State of Florida on a surplus lines basis. In the event this market becomes insolvent, the Florida Guarantee fund will not provide coverage.

If you have questions, please do not hesitate to contact us. As confirmation that you have read and understand this letter, please sign the copy of the letter provided and return it to our office for our files.

Very truly yours,

FIRST FLORIDA INSURANCE BROKERS



Maggie Boykin, ARM-P
Vice President – Property & Casualty

Approved and Accepted By
Linda Klasing, Risk Manager
MANATEE COUNTY
BOARD OF COUNTY COMMISSIONERS

Signature – Date Signed