

THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

FINANCIAL SERVICES DEPARTMENT

M_E_M_O_R_A_N_D_U_M

TO: Al Weidner, Deputy Chief Financial Officer
FROM: Bert Palmer, Risk Manager
DATE: May 7, 2007
SUBJECT: WORKERS' COMPENSATION SPECIFIC EXCESS INSURANCE
Renewal: 07/01/2007

Our expiring policy with *Midwest Employers Casualty Company (MECC)* was a one (1) year rate guarantee that covered the period 07/01/2006 through 06/30/2007. The expiring rate per \$100 of payroll is \$0.0587. The policy has a specific retention of \$750,000 per claim and a specific limit of \$25,000,000 per claim. The employer liability limit is \$2,000,000. The deposit premium [subject to year end payroll audit] was \$147,547.00.

We received a quote from **MECC** [incumbent] and Safety National Casualty Company [**SNCC**]. The broker approached several other carriers to solicit quotations. The carriers were ACE American [not competitive & incomplete], **ARCH**, AIG [declined to quote]. The most competitive quotes were from **MECC**, **SNCC** and **ARCH**.

The expiring and renewal quote comparison is based upon the same policy limits as the expiring policy, and an estimated payroll of \$291,268,963 [for calculating renewal deposit]. The comparison is as follows:

Carrier	Rate Per \$100 Expiring [Incumbent]	Rate Per \$100 Renewal	% Change +/-
MECC	0.0587	0.0498	- 15.16%
ARCH	0.0587	0.0503	- 14.33%
SNCC	0.0587	0.0521	- 11.24%

Carrier	Expiring Deposit Premium [Incumbent]	Renewal Deposit Premium	% Change +/-
MECC	\$147,547	\$145,052	- 1.72%
ARCH	\$147,547	\$146,467	- 0.73%
SNCC	\$147,547	\$151,751	+ 2.85%

The renewal quote from MECC is guaranteed for a two-year (24 months) policy period. All of the other carrier quotes are for one year (12 months) only.

Recommended: Renew with *Midwest Employers Casualty Company (MECC)*, with a per claim limit of \$25,000,000 and a SIR of \$750,000. The rate per \$100 of payroll is 15.16% lower than the expiring program and lower than all the other quotes. **MECC** is the only carrier that would guarantee its rate for two years.

If you have any questions, please let me know.

Attachment

