



# COUNTY OF SANTA CRUZ

## Personnel Department Risk Management

701 OCEAN STREET, SUITE 310  
SANTA CRUZ, CA 95060

TELEPHONE: (408) 454-2600

FAX: (408) 454-2245

TDD: (408) 454-2123

May 19, 1998

AGENDA: June 2, 1998

BOARD OF SUPERVISORS  
County of Santa Cruz  
701 Ocean Street  
Santa Cruz, CA 95060

### VARIOUS INSURANCE POLICY RENEWALS

Dear Members of the Board:

As you know, the County renews several different insurance policies each year. This year the following policies are due for renewal: (1) Boiler and Machinery; (2) Fine Arts; (3) Non-Owned Aircraft Liability; and (4) Excess Liability Insurance. Each year at this time we present the various insurance policy renewals to your Board.

The Fine Arts and Non-Owned Aircraft Liability insurance are purchased through a local broker. All other coverages are obtained through a statewide joint purchase authority, CSAC-Excess Insurance Authority. A brief description of the policies follows:

Boiler and Machinery - This policy provides coverage for mechanical breakdowns of machinery, steam boiler explosions, and electrical damage to insured objects. It is anticipated that the renewal premium for 1998-99 will remain the same as the current year premium, \$4,330. However, because of recent loss history, this renewal premium may be higher than currently anticipated.

Fine Arts - This policy provides coverage for County owned art and local artist displays in various County buildings. The renewal premium is anticipated to remain the same as the 1997-98 premium of \$575.

Non-Owned Aircraft Liability Insurance - This policy provides coverage for County employees doing County business in aircraft not owned by the County. Last year the policy limits were increased to \$5 million. It is anticipated that the renewal premium for 1998-99 will remain the same as the current year premium, \$8,500.

Excess Liability Insurance - This policy was purchased for the first time since 1987 in the 1996-97 fiscal year. It provides catastrophic coverage for liability claims losses above a \$1 million Self-Insured Retention (deductible) to a maximum of \$20 million. It is anticipated that the renewal premium for 1998-99 will remain the same as the current year premium, \$125,576.

The anticipated renewal amounts are included in the recommended 1998-99 budget. Final premiums amounts will not be known until after the close of budget hearings. Accordingly, we are requesting authority to purchase each of the renewal policies at a premium not to exceed the 1998-99 budget amounts.

It is RECOMMENDED that your Board authorize the Personnel Director to renew the Boiler and Machinery Insurance; Fine Arts Insurance; Non-Owned Aircraft Liability Insurance; and Excess Liability Insurance policies at amounts not to exceed the 1998-99 proposed budget, effective July 1, 1998, subject to the approval of the 1998-99 Liability/Property Budget (Index Code 515200).

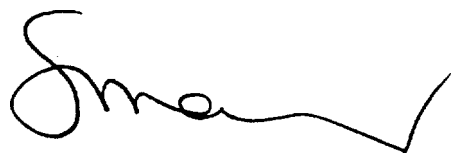
Very truly yours,

  
Dania Torres Wong  
Personnel Director

DTW: JM/jm

cc: Auditor-Controller

RECOMMENDED:

  
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SUSAN A. MAURIELLO  
County Administrative Officer