



**County Counsel
COUNTY OF TULARE
AGENDA ITEM**

BOARD OF SUPERVISORS

ALLEN ISHIDA
District One

PETE VANDER POEL
District Two

PHILLIP A. COX
District Three

J. STEVEN WORTHLEY
District Four

MIKE ENNIS
District Five

AGENDA DATE: July 27, 2010

Public Hearing Required	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Scheduled Public Hearing w/Clerk	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Published Notice Required	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Advertised Published Notice	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Meet & Confer Required	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>
Electronic file(s) has been sent	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>
Budget Transfer (Aud 308) attached	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Personnel Resolution attached	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Resolution, Ordinance or Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>

CONTACT PERSON: Robyn Henry PHONE: 559 733 6263 ext. 209

SUBJECT: Optional Excess Liability (OEL) Program

REQUEST(S):
That the Board of Supervisors:

1. Ratify and approve the purchase of Optional Excess Liability Insurance with CSAC-EIA effective July 1, 2010; and
2. Find that the Board had authority to purchase the Optional Excess Liability Insurance as of July 1, 2010 and that it was in the County's best interest to purchase the insurance effect that date.

SUMMARY:

On June 30, 2010, your Board approved renewal of the General Liability I and II insurance programs. On June 29, 2010. The renewal of the General Liability I and II Insurance Programs provide the County with \$25 million in standard program limits.

Risk Management received the renewal details for the Optional Excess Liability Program on June 28, 2010 for the July 1, 2010 renewal date. Risk Management executed the participation agreement to bind coverage for the renewal on June 29, 2010. This purchase will replace expiring limits and provide the County with total liability limits of \$35 Million.

SUBJECT: Optional Excess Liability Program
DATE: July 27, 2010

For renewal the OEL coverage will be provided by means of a memorandum of coverage with CSAC-EIA rather than an excess insurance policy. The coverage is reinsured 100% through Torus Insurance (UK) Limited. The OEL Program will now be subject to assessment in the same manner as the General Liability I and II Program layers which are under a memorandum of coverage with CSAC-EIA.

FISCAL IMPACT/FINANCING:

The cost of the \$10 Million in Optional Excess Liability limits is \$36,580 and is four percent higher than the expiring coverage. The cost of expiring OEL limits was \$35,104 for the 2009/10 coverage year.

LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:

Approval of this request will contribute to the organizational performance of the County through fiscal stability.

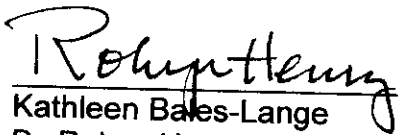
ALTERNATIVES:

No other reasonable alternatives exist.

INVOLVEMENT OF OTHER DEPARTMENTS OR AGENCIES:

Insurance costs are assessed among County agencies based on the agency's loss experience and exposure which is measured by Full Time Equivalents. An Agency's insurance allocation includes an amount for premium, administrative costs and funding of the self insured retention.

ADMINISTRATIVE SIGN-OFF:



Kathleen Bales-Lange
By Robyn Henry, Risk Manager

Cc: Auditor/Controller
County Counsel
County Administrative Office (3)

Attachment(s)

**BEFORE THE BOARD OF SUPERVISORS
COUNTY OF TULARE, STATE OF CALIFORNIA**

IN THE MATTER OF (Optional Excess Liability Program)

RESOLUTION NO. _____
AGREEMENT NO. _____

UPON MOTION OF SUPERVISOR _____, SECONDED BY
SUPERVISOR _____, THE FOLLOWING WAS ADOPTED BY THE
BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD _____
_____, BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: JEAN M. ROUSSEAU
COUNTY ADMINISTRATIVE OFFICER/
CLERK, BOARD OF SUPERVISORS

BY: _____
Deputy Clerk

* * * * *

1. Ratify and approve the purchase of Optional Excess Liability Insurance with CSAC-EIA effective July 1, 2010; and
2. Found that the Board had authority to purchase the Optional Excess Liability Insurance as of July 1, 2010 and that it was in the County's best interest to purchase the insurance effect that date.