

June 30, 2020

Richard L. Dyke
Cartersville City Schools
P.O. Box 3310
Cartersville, GA 30120

RE: 2020 PROPERTY AND CASUALTY INSURANCE BID ANALYSIS

Dear Richard:

Cartersville Schools made the decision to receive competitive bids for the July 19, 2020 Property and Casualty Insurance renewals. McNeary handled the bid project on behalf of the School System.

The School System placed a "Request for Proposal" on their website. This Request for Proposal instructed all interested bidders to contact McNeary with a list of markets that they wanted to approach in order of preference. We received responses from five (5) brokers who wanted to participate in the RFP process.

On March 2, 2020, McNeary assigned markets and released insurance specifications to the following bidders:

- Public Entities of America/Harry Daniel Insurance (Incumbent Broker)
- Brown & Brown
- Edward and Lee
- NFP Property & Casualty Services, Inc.
- Watkins Insurance

Proposals were received by the School System on May 12, 2020. We received proposals from PEA/Harry Daniel Insurance and Brown & Brown. Edward and Lee, NFP and Watkins Insurance did not submit proposals.

Public Entities of America (PEA) / Harry Daniel Insurance submitted proposals from the incumbent carriers Liberty Mutual, Axis and Lloyds with quotes from Key Risk and Bitco on the Workers' Compensation. PEA/Harry Daniel Insurance was able to put together the best program using Bitco on the Workers' Compensation, Axis on the Cyber Liability and Liberty Mutual on all other lines for a total premium of \$349,316. This premium amount represents an increase of \$22,339 or 6.8% over your expiring premium.

Brown & Brown presented an attractive quote using Argonaut on all lines of coverage except Beazley on the Cyber and Technology on the Workers' Compensation. Brown & Brown has quoted a total premium of \$330,879 which is only \$3,902 or 1.2% over your expiring premium.

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Overall, the insurance industry has been seeing premium increases, for most lines of coverage, since 3rd quarter of 2019. We continued to see increases in 2020 and then the COVID-19 pandemic made matters even more challenging. If the School System had not received alternate quotes this year, you probably would have seen a 10-15% increase in your expiring premiums.

Based on the proposal received, we recommend moving all coverages to Brown & Brown. If you agree with our recommendation, we will proceed with notifying all participants of the outcome.

Please let me know if you should have any questions or wish to discuss.

Yours very truly,

Laurie Eubank

Laurie Y. Eubank
Area Assistant Vice President
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Enclosure

CARTERSVILLE CITY SCHOOLS

PREMIUM SUMMARY

| Line of Coverage | 2019-2020 Expiring Program | 2020-2021 Proposed Program PEA / Harry Daniel Insurance (Incumbent Carriers) | 2020-2021 Proposed Program PEA / Harry Daniel Insurance (Liberty / Bitco / Axis) | 2020-2021 Proposed Program Brown & Brown (Argonaut) |
|--|---|---|---|--|
| Automobile Liability & Physical Damage | \$57,066 | \$59,750 | \$59,750 | \$29,646 |
| Crime | \$875 | \$879 | \$879 | \$937 |
| Cyber Liability | \$7,659 | \$4,970 | \$4,970 | \$12,594 |
| Data Processing | Included IM | Included IM | Included IM | \$534 |
| Drones | \$3,799 | \$3,444 | Included GL/IM | \$1,879 |
| General Liability | \$31,661 | \$37,925 | \$37,925 | \$9,834 |
| Inland Marine | \$16,014 | \$16,557 | \$16,557 | \$9,499 |
| Property Damage | \$73,007 | \$81,298 | \$81,298 | \$94,050 |
| School Board Liability | Included GL | Included GL | Included GL | \$24,113 |
| Workers' Compensation & Employers' Liability | \$136,896 | \$156,613 | \$147,937 | \$146,253 |
| Grand Total | \$326,977 | \$361,436 | \$349,316 | \$330,879 |