



## COLLIN COUNTY

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Date: September 4, 2019  
To: Cynthia Jacobson, HR Director  
From: Julie Rutherford, Risk Manager  
RE: Property Insurance

The county's Property Insurance Policy will expire on October 1, 2019. The current policy is with Arthur J. Gallagher (Affiliated FM Global). In early renewal discussions, a high possibility of rate and deductible increases was mentioned. Due to this indication, a market check was conducted with Texas Association of Counties (TAC). We received quotes from Texas Association of Counties and Affiliated FM Global. Attached is a chart for your review highlighting portions of our current coverage compared to the coverage offered, as well as the premium for each offering.

After thorough review, I recommend moving to Texas Association of Counties for our property coverage.

Although we have one optional renewal remaining with Affiliated FM Global, their quote includes a policy with a rate increase of 23%, deductible increases, and coverage changes. The new wind/hail coverage deductibles are so high we would essentially be operating without coverage on certain locations.

While the premium for TAC is higher than Affiliated, TAC offers exceptional wind/hail deductibles at only \$50,000 per occurrence *across all locations* and enhanced services including no-cost property valuations, law enforcement animal coverage, and unmanned aircraft (drones) coverage.

The new policy will be in effect from October 1, 2019, to September 30, 2020 and will be an interlocal agreement with TAC. Funds have been budgeted in account 5501-03020-0018-41-30-0000-615905 to cover the FY 2020 TAC premium of \$445,553.