

RECREATION CENTERS OF SUN CITY, INC.

BOARD/MEMBER EXCHANGE

Monday June 12, 2017 at 9:00am

Lakeview Center - Social Hall #3

AGENDA

- Call to Order President Hoffer
- Pledge of Allegiance All
- President Comments President Hoffer
- Member Comments
- **Motions: *To be voted on at the June 29, 2017 Board Meeting***
 - #1 – BP#27- Standing Committees Director Eisert
 - #2 – Insurance Renewal Vice President DeLano
- Next Meeting Dates

REGULAR BOARD MEETING

Thursday – June 29, 2017

9:00am

Sundial Auditorium

MEMBER EXCHANGE

Monday – September 11, 2017

9:00am

Lakeview Center – Social Hall #3

- Adjourn

RECREATION CENTERS OF SUN CITY, INC.

BOARD OF DIRECTORS MOTION/RESOLUTION

Date of Meeting: June 29, 2017	Proposed by: Director Eisert
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I MOVE THAT Long Range Planning be reinstated as a Standing Committee.

I FURTHER MOVE THAT Board Policy Resolution No. 27 titled Standing Committees be amended to include the following paragraph:

Long Range Planning Committee:

The Long Range Planning Committee is dedicated to advising the Board of Directors of the Recreation Centers of Sun City, Inc. to aid in maintaining their position of leadership among retirement communities. This is to be accomplished by focusing on the current needs of our Members and through research of the needs and desires of future Members.

The Long Range Planning Committee shall provide the Board of Directors of the Recreation Centers of Sun City, Inc. with reports, recommendations, and suggestions regarding the future needs of its Members and a suggested timeframe to implement future facilities and programs to meet those needs.

All other provisions of Board Policy Resolution No. 27 titled Standing Committees shall remain the same.

Approved Defeated Postponed Withdrawn

RECREATION CENTERS OF SUN CITY, INC.

BOARD OF DIRECTORS MOTION/RESOLUTION

Date of Meeting: June 29, 2017	Proposed by: Vice President DeLano
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I MOVE THAT the Recreation Centers of Sun City, Inc. accept the coverages, carriers and premiums for insurance renewal commencing July 1, 2017, as detailed in the attached summary, and as recommended by the Insurance Committee.

Approved Defeated Postponed Withdrawn

Recreation Centers of Sun City, Inc.

Premium Exhibit



Lines of coverage	06/30/2016-2017	06/30/2017-2018	Change	
	Travelers/Mt. Hawley	Philadelphia	\$ / #	%
Property				
Blanket Building	\$ 71,899,562	\$ 82,405,688	No Change	No Change
Specific Limits Grand Avenue - Travelers				
Blanket Business Personal Property (Contents)	\$ 15,898,941	\$ 15,898,941	No Change	No Change
Blanket Business Income	\$ 12,247,229	\$ 12,247,229	No Change	No Change
Solar Panels	\$ 10,506,126	Included in Building	No Change	No Change
Total Insured Values	\$ 110,551,858	\$ 110,551,858	No Change	No Change
	Note: BI rated on value of:			
	\$ 5,296,444	\$ 5,296,444	No Change	No Change
Combined Rate Including EDP	0.1383	0.1214	\$ (0.0170)	-12%
Electronic Data Processing (EDP) Hardware/Software	\$ 1,190,951	\$ 1,298,630	\$ 107,679	9%
Golf Course Maintenance Equipment Aggregate	\$ 6,520,944	See Inland Marine		
Lawn Bowl Equipment	\$ 194,227	See Inland Marine		
Golf Carts Value	\$ 420,552	See Inland Marine		
Difference in Conditions (DIC)	Separate Policy	Included		
Wells Value	\$2M	\$2M		
Flood	\$1M/\$5M	\$5M/\$5M		
Earthquake	\$1M/\$5M	\$5M/\$5M		
Deductibles				
Property Deductible; unless noted below	\$ 5,000	\$ 5,000	No Change	No Change
Business Income Waiting Period	72 Hours	72 Hours	No Change	No Change
Flood	\$ 100,000	\$ 100,000	No Change	No Change
Earthquake	\$ 100,000	\$ 100,000	No Change	No Change
Premiums				
Equipment Breakdown	\$ 10,187	\$ 6,678	\$ (3,509)	-34%
All Other Property	\$ 118,866	\$ 126,947	\$ 8,081	7%
DIC	\$ 23,891	Included		
Annual Premium	\$ 152,944	\$ 134,191	\$ (18,753)	-12%
Inland Marine	Travelers	Philadelphia	\$ / #	%
Golf Course Maintenance Equipment Aggregate	Included in Property	\$ 6,208,079		
Lawn Bowl Equipment	Included in Property	\$ 194,227		
Golf Carts Value	Included in Property	\$ 420,552		
Contractor's Equipment - Leased/Rented	\$ 50,000	\$ 50,000	No Change	No Change
Newly Acquired Contractors Equipment	\$ 250,000	\$ 250,000	No Change	No Change
Listed Items	\$ 25,000	Per Schedule on file		
Flood Limit	\$ 50,000	Included		
Earth Movement Limit	\$ 50,000	Included		
Deductible	\$ 1,000	\$ 1,000	No Change	No Change
Earth Movement Limit and Flood Deductibles	\$ 1,000	\$ 50,000	\$ 49,000	4900%
Annual Premium	\$ 250	\$ 12,902	\$ 12,652	5061%
Difference in Conditions (Earthquake/Flood)	Mt. Hawley/Lloyds	Philadelphia	\$ / #	%
Total Insured Values Excluding Business Income	\$ 98,104,630			
Wells value included above	\$ 2,000,000			
Per Occurrence Limit	\$ 1,000,000			
Aggregate Limit	\$ 5,000,000			
Deductible - Earthquake	\$ 100,000			
Deductible - Flood	\$ 100,000			
Premium (Mt. Hawley Minimum Premium)	\$ 23,000.00			
Policy Fee	\$ 150.00			
Surplus Lines Tax and Stamping Fee	\$ 740.80			
Total Due Premium/Surplus Lines Tax & Fees		Included in Property		
General Liability/Liquor Liability/Employee Benefits Liability	Travelers	Philadelphia	\$ / #	%
General Liability				
General Aggregate Limit	\$ 2,000,000	\$ 2,000,000	No Change	No Change
Products-Completed Operations Aggregate Limit	\$ 2,000,000	\$ 2,000,000	No Change	No Change
Personal and Advertising Injury Limit	\$ 1,000,000	\$ 1,000,000	No Change	No Change
Each Occurrence Limit	\$ 1,000,000	\$ 1,000,000	No Change	No Change
Damage to Premises Rented to You/Any One Premises	\$ 100,000	\$ 100,000	No Change	No Change
Medical Expense Limit	Excluded	Excluded	No Change	No Change

Recreation Centers of Sun City, Inc.

Premium Exhibit



Lines of coverage	06/30/2016-2017	06/30/2017-2018	Change	
General Liability Rating Basis/Exposures:				
Gross Sales - Bowling Lanes	\$ 748,216	\$ 741,176	\$ (7,040)	-1%
Rate	12.183		\$ (12)	-100%
Golf Facility-Private Owned, Member - Rounds Played	300,816	300,165	\$ (651)	0%
Rate	5.050		\$ (5)	-100%
Philadelphia based on Sales		\$ 5,000,000		
Gross Sales - Restaurant	\$ 568,712	\$ 576,563	\$ 7,851	1%
Carrier rating includes Liquor Sales for total rating basis	\$ 851,559	\$ 881,758	\$ 30,199	4%
Rate Premises/Operations	2.742		\$ (3)	-100%
Rate Products/Completed Operations	0.222		\$ (0.222)	-100%
Gross Sales - Sporting Athletic Equipment Stores	\$ 168,532	\$ 172,487	\$ 3,955	2%
Rate Premises/Operations	1.250		\$ (1)	-100%
Rate Products/Completed Operations	0.038		\$ (0.038)	-100%
Each - Boats-Canoes-Not for Rent-no motors	6	6	No Change	No Change
Rate	16.440		\$ (16)	-100%
Location - Social Meetings-On Premises	50	50	No Change	No Change
Rate	20.199		\$ (20)	-100%
Area - YMCA, YWCA or Similar Institutions	157,578	157,578	No Change	No Change
Rate	204.575		\$ (205)	-100%
Area - Building/Premises Insured Maintenance LRO-NFP	8,893	8,893	No Change	No Change
Rate	16.569		\$ (17)	-100%
Each - Exhibition/Convention Building - NFP	77,425	77,425	No Change	No Change
Rate	39.276		\$ (39)	-100%
Each - Lakes/Reservoirs-Existence Hazards -NFP	2	2	No Change	No Change
Rate	139.412		\$ (139)	-100%
Each - Swimming Pools-NOC	9	9	No Change	No Change
Rate	488.401		\$ (488)	-100%
Area/Expiring Each/Renewal - Duffeeland Dog Park	1	1	No Change	No Change
Rate	401.327		\$ (401)	-100%
Solar Energy System	17	17	No Change	No Change
Rate	307.548		\$ (308)	-100%
Heath/Exercise Clubs - Priveledge and quest Cards		\$ 965,730		
Rate				
General Liability Annual Premium	\$ 60,349	\$ 57,955	\$ (2,394)	-4%
Liquor Liability				
Each Common Cause Limit	\$ 1,000,000	\$ 1,000,000	No Change	No Change
Aggregate Limit	\$ 2,000,000	\$ 2,000,000	No Change	No Change
Rating Basis: Gross Sales - Liquor Liability	\$ 282,847	\$ 305,195	\$ 22,348	8%
Rate	\$ 14.97	\$ 10.10	\$ (5)	-33%
Deductible	None	None	No Change	No Change
Liquor Liability Annual Premium	\$ 4,233	\$ 3,083	\$ (1,150)	-27%
Employee Benefit Liability				
Each Employee Limit	\$ 1,000,000	\$ 1,000,000	No Change	No Change
Aggregate Limit	\$ 2,000,000	\$ 2,000,000	No Change	No Change
Coverage Form	Claims Made	Claims Made	No Change	No Change
Rating Basis: Number of Employees	374	394	20	5%
Deductible	Nil	Nil	No Change	No Change
EBL Annual Premium	\$ 300	\$ 300	\$ -	0%
Annual Premium GL/Liquor Liability/EBL	\$ 64,882	\$ 61,338	\$ (3,544)	-5%
Auto Liability				
	Travelers	Philadelphia		
Combined Single Limit - Symbol 1 (Any Auto)	\$ 1,000,000	\$ 1,000,000	No Change	No Change
Rating Basis: Number of Autos	40	42	2	5%
Average Rate Per Unit	\$ 1,422	\$ 1,394	\$ (28)	-2%
Trailers	9	10	1	11%
Comprehensive Deductible	\$ 500	\$ 1,000	\$ 500	100%
Collision Deductible - Scheduled Vehicles	\$ 500	\$ 1,000	\$ 500	100%
Composite Rated	Yes	No		
Annual Premium	\$ 56,876	\$ 58,532	\$ 1,656	3%
Umbrella				
	Chubb	Chubb	\$ / #	%
Excess Coverage Other Aggregate	\$ 30,000,000	\$ 30,000,000	No Change	No Change
Umbrella Coverage Aggregate	\$ 30,000,000	\$ 30,000,000	No Change	No Change
Products Completed Operations Aggregate	\$ 30,000,000	\$ 30,000,000	No Change	No Change
Advertising Injury and Personal Injury Aggregate	\$ 30,000,000	\$ 30,000,000	No Change	No Change
Each Occurrence	\$ 30,000,000	\$ 30,000,000	No Change	No Change
Retention	\$ -	\$ -	No Change	No Change
Rating Exposures-Underlying Coverage				
Vehicle Count excluding trailers	40	42	2	5%
General and Liquor Liability Premium	\$ 64,582	\$ 61,038	\$ (3,544)	-5%
Number of Employees	374	394	20	5%
Rating-Underlying Coverages: GL/EBL/LL/EL/AL/D&O				
General Liability	Yes	Yes	No Change	No Change
Employee Benefit Liability	Yes	Yes	No Change	No Change
Liquor Liability	Yes	Yes	No Change	No Change
Employers Liability	Yes	Yes	No Change	No Change
Directors and Officers Liability	Yes	Yes	No Change	No Change
Auto Liability	Yes	Yes	No Change	No Change
Terrorism Coverage	Declined	Yes, Purchased		
Annual Premium	\$ 53,558	\$ 55,165	\$ 1,607	3%

Recreation Centers of Sun City, Inc.

Premium Exhibit



Lines of coverage	06/30/2016-2017	06/30/2017-2018	Change	
	Travelers	CopperPoint Mutual	\$ / #	%
Workers' Compensation				
Payroll - Class Code 9060 Club-Country, Golf, Fishing, or Yacht-All Employees & Clerical, Salespersons, Drivers, Golf and Ground Maintenance	\$ 7,699,851	\$ 8,676,175	\$ 976,324	13%
Estimated Audited Payroll for Additional Staff effective 01/01/2014				
Total Projected Payroll	\$ 7,699,851	\$ 8,676,175	\$ 976,324	13%
Each Accident	\$ 500,000	\$ 500,000	No Change	No Change
Policy Limit	\$ 500,000	\$ 500,000	No Change	No Change
Each Employee	\$ 500,000	\$ 500,000	No Change	No Change
Rating Basis:				
Class Code Rate	2.58	1.99	(0.59)	-23%
Experience Modification	1.23	1.56	0.33	27%
Deductible	Nil	Nil	No Change	No Change
Premium Discount	-9.40%	-9.52%	(0.001)	1%
Annual Deposit Premium	\$ 233,107	\$ 272,607	\$ 39,500	17%
Blanket Volunteer Accident - Automatic Renewal	AIG	AIG	\$ / #	%
Accidental Death Limit	\$ 25,000	\$ 25,000	No Change	No Change
Incurral Period	365 Days	365 Days	No Change	No Change
Accidental Dismemberment Limit	\$ 25,000	\$ 25,000	No Change	No Change
Incurral Period	365 Days	365 Days	No Change	No Change
Accidental Death & Dismemberment Aggregate Limit-Per Accident	\$ 250,000	\$ 250,000	No Change	No Change
Accident Medical Expense Excess	\$ 100,000	\$ 100,000	No Change	No Change
Deductible	\$ -	\$ -	No Change	No Change
Benefit Period	52 Weeks	52 Weeks	No Change	No Change
Incurral Period	90 Days	90 Days	No Change	No Change
Dental Maximum per tooth per accident	\$ 250	\$ 250	No Change	No Change
Catastrophe Cash Benefit	\$ 50,000	\$ 50,000	No Change	No Change
Incurral Period	30 Days	30 Days	No Change	No Change
Waiting Period - Consecutive Months	6	6	No Change	No Change
Rating Basis: Volunteers	75	75	No Change	No Change
Renewal rating considers average participation days per volunteer	20	20	No Change	No Change
Rate	\$ 6.67	\$ 6.67	No Change	No Change
Annual Premium	\$ 500	\$ 500	\$ -	0%
Cyber Liability	Beazley	Beazley	\$ / #	%
Policy Aggregate Limit	\$ 1,000,000	\$ 1,000,000	No Change	No Change
Regulatory Defense & Penalties Sublimit	\$ 1,000,000	\$ 1,000,000	No Change	No Change
PCI Fines, Expenses and Costs Sublimit	\$ 1,000,000	\$ 1,000,000	No Change	No Change
<i>Note: Sublimits are part of and not in addition to the overall Policy Aggregate.</i>				
Privacy Breach Response Services				
Aggregate Limit of Coverage for all incidents first discovered-notified individuals	100,000 Notified Individuals	100,000 Notified Individuals	No Change	No Change
Legal Services/Computer Expert Services/Public Relations and Crisis Management Expenses Aggregate Sublimit	\$ 1,000,000	\$ 1,000,000	No Change	No Change
<i>Note: Privacy Breach Response Services Limit of Coverage is separate from and in addition to the Policy Aggregate Limit of Liability</i>				
Cyber Extortion Loss	\$ 1,000,000	\$ 1,000,000	No Change	No Change
Retentions			No Change	No Change
Each Claim	\$ 25,000	\$ 25,000	No Change	No Change
Privacy Breach Responses Services/Threshold/Retention (Each Incident)				
Legal Services/computer Expert Services/Public Relations and Crisis Management Expenses	\$ 10,000	\$ 10,000	No Change	No Change
For Legal Services	\$ 5,000	\$ 5,000	No Change	No Change
Notified Individuals	Fewer than 100 individuals	Fewer than 100 individuals	No Change	No Change
Extortion Threat	\$ 25,000	\$ 25,000	No Change	No Change
Annual Premium	\$ 9,190	\$ 9,190	No Change	No Change
Surplus Lines Tax and Stamping Fee	\$ 294	\$ 294	No Change	No Change
Annual Premium incl. SL Taxes & Fees	\$ 9,484	\$ 9,484	\$ -	0%

Recreation Centers of Sun City, Inc.

Premium Exhibit



Lines of coverage	06/30/2016-2017	06/30/2017-2018	Change	
Executive Risk Program	Chubb	Chubb/Markel		
D&O/EPL/Fiduciary	Chubb	Chubb	\$ / #	%
Aggregate D&O/EPL/Fiduciary	\$ 5,000,000	\$ 3,000,000	\$ (2,000,000)	-40%
Directors and Officers Liability				
Each Wrongful Act Limit	\$ 5,000,000	\$ 3,000,000	\$ (2,000,000)	-40%
Retention	\$ 35,000	\$ 150,000	\$ 115,000	329%
Employment Practices Liability				
Each Policy Period Limit	\$ 5,000,000	\$ 3,000,000	\$ (2,000,000)	-40%
Retention	\$ 25,000	\$ 35,000	\$ 10,000	40%
Fiduciary				
Each Policy Period Limit	\$ 1,000,000	\$ 1,000,000	No Change	No Change
Retention	\$ -	\$ -	No Change	No Change
Crime				
Each Policy Period Limit	\$ 1,000,000	\$ 1,000,000	No Change	No Change
Retention	\$ 5,000	\$ 5,000	No Change	No Change
Excess Layer		Markel		
Each Policy Period Limit	NA	\$ 2,000,000		
Retention	NA	\$ -		
Total Premium All Parts	\$ 37,282	\$ 54,467	\$ 17,185	46%
Pollution Liability	AIG	Philadelphia	\$ / #	%
	2014-2017	2017-2020		
Each Incident Limit	\$ 1,000,000	\$ 1,000,000	No Change	No Change
Policy Aggregate Limit	\$ 2,000,000	\$ 2,000,000	No Change	No Change
Deductible Each Incident	\$ 10,000	\$ 10,000	\$ -	0%
3 Year Term Premium	\$ 24,166	\$ 24,509	\$ 343	1%
Surplus Lines Tax	\$ 724.98	\$ 735.27	\$ 10.29	1%
Surplus Lines Stamping Fee	\$ 48.33	\$ 49.02	\$ 0.69	1%
3 Year Term Premium incl. SL Taxes/Fees	\$ 24,939.31	\$ 25,293.29	\$ 354	1%
Total 2017 Insurance Program Cost	\$ 633,822.44	\$ 684,479.62	\$ 50,657.18	7.3%