

RECREATION CENTERS OF SUN CITY, INC.

Insurance Committee

April 23, 2021

Chair Sheila Rooney called the meeting to order at 9:00am in the Lakeview SH#2.

PRESENT: Chair Sheila Rooney, Co-Chair Steve Collins, Committee members George Courtot, Jerry DeLano, Mike Kennedy, Dave Liebler, John Chaney

RCSC STAFF PRESENT: General Manger Jan Ek, Director of Finance Bill Cook, Controller Angie Nelson

GUESTS: Lockton Companies representative Andy Forsell, RCSC Board President Sue Wilson

Approval of Prior Meeting Summary: The Meeting Summary for March 12, 2021 was approved as presented.

Presentation, Discussion & Review:

Mr. Forsell kicked off the meeting by sharing that the overall market is seeing 20-30% premium increases. The RCSC final renewal came in at a 1.71% overall increase due to reduction in total insured values, a reduction in Automobile coverage and the fact that we marketed our program to other carriers such as Cincinnati Insurance.

Based on the bid proposed by Philadelphia, which kept our coverages the same as current with only a 1.71% increase in premium, Lockton recommended that we renew with Philadelphia. Bill Cook concurred with this recommendation.

With respect to the Umbrella coverage, we had to buy \$10M in coverage from Philadelphia with Chubb covering an additional \$20M above the \$10M. This is a change to current coverage with Chubb carrying the entire \$30M.

The Workers' Compensation coverage will remain with Copperpoint with only a 0.3% increase year over year. The RCSC experience mod improved by 5% which was offset by a 5% increase in premium.

Mr. Forsell then recommended that RCSC reject the Terrorism Risk Insurance Act (TRIA) coverage due to the low risk associated with this coverage.

Mr. DeLano moved to approve Lockton's renewal recommendation and was seconded by Mr. Courtot with a unanimous approval by the Committee.

Mr. DeLano moved to approve Lockton's recommendation to reject TRIA coverage and was seconded by Mr. Kennedy with a unanimous approval by the Committee.

Mr. Forsell addressed two questions from the prior Insurance Committee meeting. The first was the fact that our Directors and Officers does not have a lien and foreclosure exclusion and that our Cyber coverage is adequate.

Adjournment: The meeting adjourned at 10:05am.

Next Meeting: Friday March 11, 2022 at 9:00am in Lakeview Boardroom

Respectfully submitted,

Director of Finance Bill Cook, Acting Secretary