

Part of the discussion during the work shop related to the amount of the premium increase and the effect of the two new replacement schools:

The following is the response from Ilene Abella, Area Vice President, Arthur J. Gallagher & Co.:

While discussing the Cat Model a question came up regarding the two newly renovated schools, Gerald Adams Elementary School and Plantation Key Elementary School. They commented that the two new buildings should model better due to the improved construction. I indicated that yes, this would be factored into the modeling results. Below you will find the model results for the schools in 2016 prior to construction vs. 2019 after construction.

- While values for Gerald Adams Elementary increased 274%, the expected annual average loss increased only 3%
- While values for Plantation Key Elementary increased 323%, the expected annual average loss decreased by 11%

This is an excellent result reflecting the improved construction at these schools.

Loc Name	2016		2019		Change			
	TIV	Annual Average Ground Up Loss	TIV	Annual Average Ground Up Loss	Increase in TIV	Increase in TIV	Increase in AAL	Increase in AAL
Gerald Adams Elementary Bldg	\$10,144,651	\$70,575	\$37,964,564	\$72,744	\$27,819,913	274%	\$2,169	3%
Plantation Key Elementary Bldg	\$7,475,651	\$76,662	\$31,633,530	\$68,113	\$24,157,879	323%	-\$8,549	-11%

**Staff Notes:**

As indicated on page 7 of the attached document Monroe County School District property values have increased approximately 13 percent, the insurers average annual loss and gross loss due to a 100 Year event have increased 17 percent. Both of these factors, in addition to the hardening property insurance market, contributed to the 25 percent increase in property insurance premium year over year. The effect of the replacement schools is recognized in the total increase in property values mitigated by the effect of slight changes in average annual loss and gross loss. Those slight changes reflect the improved construction at those schools.