



Board Letter

Hearing Date: October 23, 2025

Staff: Clay Downing, Superintendent

Subject: Authorization of Brown & Brown to act as insurance agent of record for Chehalem Park and Recreation District

Order on Agenda: Consent

RECOMMENDATION

1. Authorize District personnel to select Brown & Brown as insurance agent of record for Chehalem Park and Recreation District.

DISCUSSION

In September, District staff reached out to multiple firms with a request for a competitive quote to act as insurance agent of record. This outreach included four separate firms, including our current agent of record, representing a mixture of local services and experience working with special districts in Oregon. Firms invited to provide a quote were:

Firm Name	Provided Competitive Quote to District
Hagan Hamilton Insurance Solutions (Current Agent of Record)	Yes
Brown & Brown Insurance Services, Inc.	Yes
Hopp Insurance	No
WHA Insurance	Yes

Based on evaluation of the received responses, staff feels that selection of Brown & Brown Insurance Services, Inc. will best serve the District. The response from Brown & Brown is included as Attachment 1.

The District's request for a competitive quote indicated that lines of coverage must include general liability, auto liability, property damage, workers' compensation, and boiler/mechanical breakdown. Firms were asked to include the specific people who would work on the account and their experience with organizations of CPRD's size and complexity who are located in Oregon and possess experience working with special districts and/or public park and recreation agencies/providers. Further, firms were asked to provide the District with a service plan and cost structure associated with any services that would be undertaken on the District's behalf. Lastly, each firm was invited to provide up to five relevant references.



Each firm's response provided pricing that was either commission-based or flat fee. Flat fee providers included escalation schedule (3%) or ancillary fees supplemental to the base fee. Although each pricing model varied, making consistent comparison challenging, staff evaluated proposals based on a five-year projection associated with agent-related costs. Substantial portions of the District's insurance-related expenditures will be largely unaffected because the District will continue to participate in pool-based insurance services provided by Special Districts Insurance Services (SDIS).

What is SDIS?

In 1985, the Special Districts Association of Oregon created a self-insured trust called Special Districts Insurance Services Trust to escape the volatile traditional insurance market. Now referred to as SDIS, the trust is responsible for protecting and managing funds related to the insurance programs and developing arrangements and strategies necessary to implement the programs. SDIS provides an opportunity for members to control insurance costs by jointly pooling resources to self-insure for property, liability, auto, health, and dental coverage. All of the equity, or surplus, belongs to the participants. SDIS's only objective is to provide reasonable, stable rates and broad coverage to Oregon public entities, unlike an insurance company where the profits are distributed to shareholders.

FISCAL IMPACT

Costs associated with insurance services are budgeted within the General Fund across multiple departments (001-multiple-380004).

ATTACHMENTS

1. Response to Competitive Quote Request from Brown & Brown Insurance Services, Inc.



CHEHALEM PARK & RECREATION DISTRICT

Response To Request For An Informal Competitive Quote For Agent Of Record Services

October 2025



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All information submitted by Brown & Brown in response to Chehalem Park & Recreation District's Request for Proposal (RFP) is non-binding and for evaluation purposes only. The data provided herein provides a general overview of Brown & Brown products and services. Analytics, pricing, and program structure are preliminary based on information included in Chehalem Park & Recreation District's RFP and is subject to adjustment or modification by Brown & Brown upon further review, consideration, and negotiation of the terms and conditions of a definitive final agreement.

The data and information contained in this RFP, including attachments, is privileged and confidential and may not be reproduced, published, or distributed to, or for, any third parties without the express prior written consent of Brown & Brown. It is intended only for the exclusive use of Chehalem Park & Recreation District.

COVER LETTER

Dear Chehalem Park & Recreation team,

Thank you for asking our team to provide you with an informal quote for Agent of Record Services for Chehalem Park & Recreation District (District). Each team member who will work on your account is experienced in Oregon public agencies and we carry a reputation of providing exceptional insurance services to districts throughout Oregon. Brown & Brown Insurance Services, Inc. (Brown & Brown) is the leading provider of agent of record services to Oregon's public entities, offering strength, experience, market influence and a proven track record of success.

Our talented team currently works with over 180 Oregon public agencies including Willamalane and Tualatin Hills Park & Recreation Districts. Within the footprint of your District, we represent the City of Newberg, the Newberg School District and Yamhill County. All of our accounts are managed by our Portland-based Public Sector team, many of which live near the District's boundaries.

Our customers are some of the largest and most complex in Oregon, just like the District. Your organization's challenges require an agent with experience, connections and specialized services to match those needs. As you may know, I was employed by SDAO for 21 years prior to starting with Brown & Brown. I was deeply involved in the claims, litigation, governance and operations while employed there. I can't imagine any other responder to your RFP who has such a depth of knowledge or ability to advocate for the District through well-established close contacts in the industry. I urge you to consider our team, so that we can maximize the benefits available to you as a multifaceted and complex park and recreation district.

As you review the pages ahead, we hope you gain a full understanding of our extensive experience, wide range of services and our commitment to safety, integrity and honesty. It is our hope that after you read this response and check our references, you will see that through our shared work, we can help the District accomplish its goals of connecting and enriching your community.

We truly love what we do and you will not find a group of insurance professionals more motivated to serve the needs of your staff and community partners than ours. Our entire team looks forward to an opportunity to serve you and we hope to speak with you about it more.

Sincerely,



Geoff Sinclair, ARM

Vice President, Public Sector

(503) 790-9364 | geoffrey.sinclair@bbrown.com

ABOUT BROWN & BROWN

ABOUT BROWN & BROWN

Brown & Brown provides both the personalized service of a local agency and the peace-of-mind expected from the sixth largest insurance brokerage in the nation. Our decentralized sales and service model means that decision-making remains with the local Portland office, uniquely positioning us to deliver and adapt solutions to fit local market challenges.

The local Brown & Brown Public Sector Practice is based in Portland, with additional offices in Bend and Medford, Oregon and Vancouver, Washington. Our 190 teammates are as connected here in our communities as they are to the more than 23,000 teammates across 700+ locations worldwide. We pride ourselves on our ability to integrate our national strength and resources with local, personalized service and we think of ourselves as a team, so we have teammates—not employees.

Brown & Brown is a leader in the insurance marketplace, with nearly \$612 million in premiums written locally in Oregon & Southwest Washington and \$35 billion placed, managed and serviced globally. This volume gives Brown & Brown significant leverage in the local and global insurance marketplace and benefits our customers tremendously. We work to deliver innovative solutions that help protect what you value most. We fulfill the insurance and insurance-related needs of businesses, governmental institutions, professional organizations, trade associations, families and individuals.

OUR MISSION & GUIDING PRINCIPLES

We are dedicated to making a positive difference in the lives of our customers by helping to protect what they value most. We believe in doing what is best for our customers, communities, teammates, carrier partners and shareholders—always. The cornerstones of our organization's guiding principles are people, performance, service and innovation.

OUR CULTURE

Since our beginning, we have known that doing what is best for our customers requires constant persistence and vision. The cornerstone of our success starts with the emphasis our leadership team places on making Brown & Brown a great place to work. We are proud to have been recognized with the following accolades:

- *The Oregonian's* Top Workplaces of Oregon & SW Washington
- *Portland Business Journal's* Most Admired Companies and Healthiest Places to Work
- Great Place to Work® national certification
- *Fortune* Best Workplaces for Women, Best Workplaces for Millennials and Best Workplaces in Financial Services & Insurance
- Mental Health America's Platinum Level Bell Seal for Workplace Mental Health Award – a certification that recognizes employers who strive to improve teammate mental health and create a psychologically safe workplace for all



These honors speak to Brown & Brown's deeply rooted cultural foundation built on honesty, integrity, innovation, superior capabilities and discipline. They also exemplify how Brown & Brown operates internally and with our valued customers and business partners. With industry-leading financial strength, we are committed to being a “forever” company—focused on growth through service and acquisitions while remaining independent.

LOCAL PEOPLE AND POWERFUL SOLUTIONS

As one of the top six brokers, we use our size to benefit our customers through market leverage, scalability and expansive resources. Our national resources are available to support critical items such as regulation changes, pharmacy, international, benefits administration and much more.

We layer our national resources with a local, dedicated service team. Our service team delivers a high-touch experience for day-to-day support and long-term strategic planning. This gives you the benefits of the size of a national brokerage without losing the personal, swift support that comes from a local team.

We have an extensive list of customers we can share with you upon request. We would consider this information confidential and would ask that it not be made available publicly or shared with others outside of the selection committee.

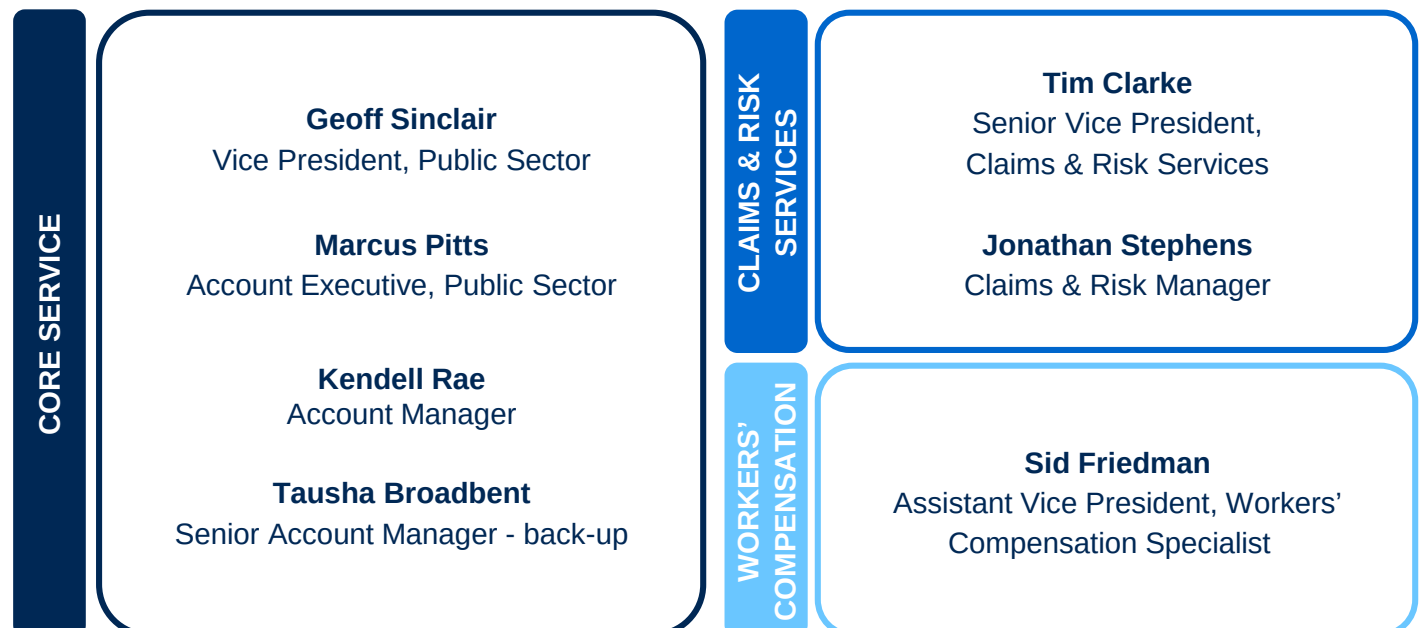
OUR TEAM

PUBLIC SECTOR PRACTICE

The Brown & Brown Public Sector Practice is deeply committed to being present and available to our customers. With built-in redundancy across all specializations, each member of our broad service team has experienced and available colleagues to provide support when the assigned teammate is unavailable. This allows for efficiency and consistency in service delivery while providing an environment that enjoys different experiences and opportunities for collaboration. Our teammates are never on an island; we engage in ongoing internal discussions to share insights and challenge each other to be our best.

If selected, Geoff and Marcus would be your primary contacts. As team lead, Geoff's experience working both as a broker and a representative for SDIS gives him invaluable perspective into the needs of public sector customers. Marcus adds an equally important perspective to the team, with many years overseeing safety as the Risk Manager for the City of Salem, including their Parks department, and further experience at Multnomah County. Combined, Geoff and Marcus have more than 40 years of insurance experience working directly with Oregon Park & Recreation operations.

You are assigned a key team but if the need arises, others can come in and help without reliving the issue over and over. We can provide services at a higher level and greater frequency than other agencies simply because this is all that we do, and our team energetically supports each other. The following individuals would be a part of your team, with biographies following.



Core Service



Geoff Sinclair, ARM
Vice President, Public Sector

Geoff began his insurance career in 1996 in the claims department with Self-Insured Management Services where he handled claims for SDIS, CIS, PGE and area grocery stores. In 2002, Geoff moved “in house” to SDAO where he was later named the Director of Claims/Litigation and PACE Services. Geoff joined Ron Cutter and the Brown and Brown team in 2017. His specialized experience in the public entity sector provides him with a unique ability to represent and provide his clients with the best options available along with real world advice.

Geoff graduated from Willamette University with a B.S. in Business Economics. He is a licensed agent in Oregon, Washington and Alaska and has his Associate in Risk Management (ARM) designation. Geoff is an associate board member of both the Oregon Association of School Business Officials and the Oregon School Safety Officers Association and the past Board Chair for the Make-A-Wish Foundation of Oregon, currently sitting on their Ambassador Board. Geoff is a frequent speaker at PRIMA, OASBO, OSSOA, OFSMA, SDAO, PACE, OFCA, OWRC and Colorado Special Districts Association.



Marcus Pitts, ARM, AINS
Account Executive, Public Sector

Marcus began his career 22 years ago as a liability and property claims specialist for a multi-national self-insured senior living provider. Over the next 11 years he supported, then oversaw multiple aspects of the risk management program, including property and liability claims management, workers compensation, safety, loss prevention and risk transfer.

In 2014, Marcus began serving the public sector, first within the Multnomah County risk management department, and soon after as the Risk Manager for the City of Salem. He held this position until 2022, when he joined the brokerage side of insurance as a Director of Risk Management. His years of running complex self-insured programs have given him invaluable insight into the challenges and opportunities that customers face in balancing operations, budgets and risks.

Marcus is a licensed Property and Casualty insurance agent with multiple risk management certifications. He’s served locally as a board member of the Oregon chapter of RIMS and the Oregon chapter of PRIMA. Marcus is passionate about working closely with public agencies to understand their needs and helping to provide services that match their goals.

Core Service Continued



Kendell Rae
Account Manager

With over nine years of comprehensive experience in the insurance sector, Kendell's journey began handling claims for a forestry program in 2015, which laid the foundation for her career. In 2017, Kendell acquired her insurance license, pivoting to producing and managing policies for local logging, construction and trucking companies.

At Brown & Brown, Kendell excels as a member of the Public Sector Practice. Her primary focus is delivering exceptional service to customers and overseeing the day-to-day operations for their insurance needs. Kendell is a licensed Property & Casualty agent in Washington, Oregon, California and Hawaii. She is currently working towards her Certified Insurance Counselor (CIC) and Certified Risk Manager (CRM) designations, highlighting her dedication to professional growth in the insurance industry.

In her free time, Kendell finds joy at her lakeside home in Washington state, where she and her husband enjoy boating and fishing. With a profound love for animals, she extends her compassion by volunteering at a local animal rescue, exemplifying her commitment to both nature and community.



Tausha Broadbent
Senior Account Manager – Back-up

Tausha is a licensed Property & Casualty agent in Oregon, Washington, and California. Born and raised in Montana, she began her career in 2015 working with contractors and small businesses assisting in claims, certificates, and policy endorsements. In 2017, she obtained her insurance license and began selling and servicing policies for contractors in the Pacific Northwest.

Since joining the Brown & Brown public entity team, Tausha focuses on providing great service to our customers by managing day-to-day services for property, liability, auto, cyber, and workers' compensation lines of coverage.

Claims & Risk Services



Tim Clarke, MLS, CPCU, AIC
Senior Vice President, Claims & Risk Services

Tim has over 32 years of insurance, claims and risk management experience, including insurance company claims management, insurance agency claims and risk management, and law enforcement. Tim joined Brown & Brown in 2002 and oversees risk management services. His team provides training and consulting services to a broad spectrum of customers and helps them to position themselves to successfully manage their risks. Workers' compensation and risk mitigation to reduce losses is a large focus for the team.

Tim graduated from Portland State University School of Business, and he obtained his Master of Legal Studies from the Sandra Day O'Connor's School of Law at Arizona State University. He is a licensed agent and consultant in OR and a licensed agent in WA, CA and NV. Tim is also a Chartered Property and Casualty Underwriter and has an Associate degree in Insurance Claims from American Institute of AIC/CPCU/AII.

Claims & Risk Services



Jonathan Stephens, ARM, AIC, AIS
Claims & Risk Manager

Jonathan is a native Portlander and has been in the insurance industry for 26 years, beginning in 1998 with 18 years at Grocers Insurance and five with Brown & Brown subsidiary Wright Specialty. After seven years in claims, Jonathan spent the last 19 in risk control and has a deep passion for safety and working with our customers on the front lines. He joined the Brown & Brown team in January 2022.

Jonathan is a proud graduate of both Portland State and University of Oregon, with a Bachelor of Arts and Master of Arts in English. He is a licensed agent and adjuster in the State of Oregon and holds designations of Associate in Claims (AIC), Associate in Risk Management (ARM) and Associate in Insurance Services (AIS). He works with the Public Entity team to consult with, train and provide solutions for schools, districts and municipalities to control risk and manage claims.

Workers' Compensation



Sid Friedman, AU, AINS, ARM
Assistant Vice President, Workers' Compensation Specialist

Sid began his career in underwriting and claims with a national underwriting company and has been with Brown & Brown for 14 years. With tenured experience in commercial and public sector property & casualty, Sid currently provides a depth of technical knowledge and a wide range of support to customers as a workers' compensation specialist. He is extremely detailed and has very good working relationships with both underwriters and customers.

Sid is a licensed Property & Casualty agent in Oregon, Washington and California with over 16 years in the insurance industry. He holds an Associate in Underwriting (AU), Associate in Insurance (AINS), and is currently working towards his Associate in Risk Management (ARM) designation.

Born and raised in Oregon and the Northwest, he is a graduate of Whitworth University and enjoys spending time with family and the dogs in the outdoors.

"I really appreciate the timely service and experienced counsel that I get from working with the Public Entity team at Brown & Brown. They are head and shoulders above the rest."

- Mike Jacobs, Tualatin Valley Water District (former)

SERVICE PLAN

ONGOING SERVICE MODEL

The Brown & Brown Public Sector team brings decades of experience with Oregon special districts, allowing us to thoroughly analyze coverage and exposures and tailor insurance programs to your unique needs through retention, loss prevention and transfer of risk. We maintain close communication with risk professionals throughout each policy year, focusing on claims monitoring, project preparation, safety program reviews, market and legal updates, and advocating for customers during and after the renewal process to minimize costs and prevent coverage gaps.

SERVICE PLAN OUTLINE

Below is an outline of an internal Service Plan we can use to identify, document and schedule tasks to be completed. Ultimately, it keeps our team on task in providing activities important to you. As the needs of your organization change, so does our Service Plan – as such, it is a living document. Our approach focuses on proactive risk mitigation, cost containment and strong claims advocacy.

ACTIVITY	DATE	RESPONSIBILITY
Manage Insurance Program		
Complete Detailed Policy Review	Feb/March	Geoff/Marcus
Workers' Compensation	Feb/March	Geoff/Marcus and SID
Deductible Evaluation	120 days prior to renewal	Geoff/Marcus
Meeting to Discuss Quotes	May/June	Geoff/Marcus
Regular Meetings on Risk Management Service Plan & Issues	Recommend at least quarterly	Geoff/Marcus
Safety Committee Program		
Evaluation of Program		Geoff/Marcus, Tim/Jonathan
Safety Committees	Ongoing	
Site Inspections	Ongoing	
Ergonomic Evaluations	As needed	
Service Plan & Relevant Issues/Areas to Emphasize		
Risk Planning & Goals	Ongoing	Tim and Jonathan
Review of Inspections Process	Ongoing	
Safety Inspections	Ongoing	
Contract & Policy Review	Upon Request	
Spot On Resources & Succeed Training	Upon Request	
Claims Consultation		
Reporting Claims to Carriers	As Needed	Tim and Jonathan, Geoff/Marcus
Claim Follow up with Adjusters	Ongoing	
Coverage Advocacy	As Needed	
Claim Processing & Management	Quarterly	
Meetings on Claim Issues with Carrier/Attorneys	Upon Request	
Claims Consultation – All Lines of Coverage	As Needed	
Catastrophic Claims Management	As Needed	
Training		
Deductible Evaluation	120 days prior to renewal	Geoff/Marcus
Meeting to Discuss Quotes	May/June	Geoff/Marcus
Advanced Analytics		
Earthquake Modeling	Upon Request	Geoff/Marcus
Deductible Review Analysis	Upon Request	

We recognize that the key to a quality relationship with the District is being responsive and thorough. If selected to be your insurance broker, we will meet with your team to establish clear and measurable communication channels.

Your account manager would utilize our internal customer workflow timeline to assign specific tasks to each team member and tracks progress until all items are completed. As a promise to our customers, we have developed the following service standards:

TASK	MINIMUM SERVICE STANDARD
Return phone calls	Within 4 hours
Prepare certificate or evidence of insurance	Within 24 hours (same day if requested by noon)
Answer written response	Within 24 hours
Provide a formal written service plan	Within one month of assignment
Conduct renewal strategy meeting	4 months prior to expiration
Request updated renewal information	4 months prior to expiration
Receive updated renewal information	3 months prior to expiration
Send renewal submission to markets	75 days prior to expiration
Coordinate underwriter meetings with insured	As required
Insurance quotes due	45 days prior to expiration
Present renewal results	30 days prior to expiration
Bind coverage, issue certificates, auto ID cards and finalize policy summary	10 days prior to expiration
Prepare premium allocation breakouts for customer	Within 7 days of binding coverage
Invoice customer	Within 7 days of the effective date
Forecast premiums for budgeting purposes	6 months prior to renewal
Prepare service fee letter	Within 15 days before/after renewal
Review policies and non-premium endorsements	Within 30 days of receipt
Deliver policies	Within 60 days of renewal
Review and invoice annual audits	Within 10 days of receipt
Review and invoice premium endorsements	Within 10 days of receipt

BROKER OF RECORD SERVICES

Brown & Brown's Public Sector Practice has the most experience providing representation, advice, claims advocacy, placement of difficult risks, risk management services and lasting relationships with associations and groups in the Oregon public sector. We are the only Diamond level sponsor for the Oregon Public Risk Insurance Managers Association (PRIMA) and often speak at their conferences – Geoff and Marcus just presented last fall and Tim will be presenting in early October. We also support many other public entity associations throughout the state, including SDIS/SDAO.

RISK ANALYSIS

Our team consistently performs a diverse array of risk management services for our customers, including contract review, coverage review, intergovernmental agreements and facility use agreement reviews with recommended language for risk transfer, insurance minimums, etc. For example, we will help perform property inspections alongside your team and support your safety committees to create a system to complete the OSHA-required quarterly inspections and injury investigations.

There are three key areas that will help enable us to limit your risk and exposures associated with those risks.

1. **Pull back the curtain** – Brown & Brown needs to sync up with your senior staff and gain their knowledge and trust. There is only one way to do that effectively and that is being together in regular meetings, dealing with difficult challenges, and coming up with real solutions that are both reasonable and attainable.
2. **Safety committees** – A key to accomplishing most of the goals you have is to create and nurture a well-informed, well-supported and well-trained safety committee. We have a successful safety committee training program that helps the entire culture of the district focus on prevention through analysis and accountability. We cannot wait to help you with this powerful tool.
3. **Workers' compensation** – We believe that your workers' compensation insurance is generally a reflection of your culture and your risk profile. Are you smelting steel or are you entering data from a chair? While Geoff and Marcus have very strong workers' compensation backgrounds, we have invested in an expert in Sid Friedman, who is available at the frequency of your choosing. Sid and Geoff often present together on workers' compensation analysis and how you can affect your experience modification factor. Being proactive and educating your staff and board are keystones to a successful program.

ANALYSIS OF RETENTION & TRANSFER OF RISK

It is important for a customer to understand their risk appetite and dive into the data to fully understand what it means to aggressively transfer risk via insurance. We have developed a tool (available upon request) to guide coverage recommendations that directly addresses deductibles and data. Our analysis asks complex questions in an easy-to-understand format. For instance:

- Does the District take on a large GL deductible of \$25,000 in order to maximize savings in the long term?
- What does your claims data tell us, what premium credits will you get from the carrier and will those credits outweigh the risks of a higher deductible historically over time?
- What does this do to your Total Cost of Risk (TCOR)? Total Cost of Risk consists of insurance premiums, claims paid under retentions/deductibles, third party administrative costs, broker fees and district staff time dedicated to managing risk.

To do this, we analyze data and speak with the adjusters and claims managers who handled the claims. We look at frequency, severity, annual expected losses, loss limiting factors and ultimately, whether the front-end risk is worth the possible long-term savings.

The most important part of this entire project is when we walk your team through the findings. We will provide examples and real-world challenges to help you make the best decision for the District. There is no additional charge for this analysis.

TRAINING

We offer training and support on many topics, such as:

- Executive Risk Management
- Risk Management Program Analysis
- Legislative Actions
- Contractual Risk Management
- Volunteer Risk Management
- Self-Insurance Services
- Self-Insurance vs. Insurance Cost Analysis
- Safety Programs
- Annual Report
- Cost Allocation
- Benchmarking
- Loss Prevention Services
- Claims Cost Containment
- Program Design
- Program Services
- Emergency Management
- Special Events
- Consumer Protection and Red Flag
- Construction and Project Management
- Risk Management Policy Manuals

Risk University

One of Brown & Brown's advantages is our ability to design programs to help customers, like our Risk University (Risk U). Risk U is a 14-module risk management training program designed to get supervisors, managers and directors on board to speak the same language so that everyone can maximize the value of your risk management practices. We can provide this training to your team alone, or along with other public agency employees from your region in order to create closer ties where appropriate. Topics include:

- What is Risk Management
- Executive Risk Management Team
- Risk Management Expectations
- The Law
- Loss Exposures
- OSHA
- Safety Committees
- Contracting
- Claims Administration
- Employment Liability
- Insurance Policy Analysis
- Best Practices
- Work Plan
- Risk Finance

Webinars

Additionally, our Claims & Risk Services team provides quarterly webinars on relevant topics to all Brown & Brown customers. Past sessions are available online, examples include:

- Having a Successful Safety Committee
- Preparing for an OSHA Inspection
- OSHA – Reporting Requirements & the Impact of Oregon OSHA Changes
- Understanding and Controlling your MOD
- Leveraging Online Portals – Spot On Resources & Succeed
- Emergency Preparedness Training

ONLINE PORTALS

Zywave

Brown & Brown provides access to Zywave, an online risk management tool, for as many employees as you would like. The library of materials available includes thousands of documents that can be rebranded to your liking and used in any capacity you find helpful.

Succeed

The Succeed Risk Management Center is a secure, comprehensive risk management and occupational safety solution platform designed to improve risk management, loss control and prevention, and OSHA compliance efforts and results. It allows you to reduce exposure and enable employee safety by creating effective risk mitigation programs. This platform is available District wide for a single annual fee of \$100 so the data can remain your property and not that of Brown & Brown.

Here are some of the included applications:

- **COI Track:** Manage certificates of insurance before a problem occurs
- **Incident Track:** Reduce claims by tracking incidents
- **SDS Track:** Organize and manage Safety Data Sheets
- **Job Description Track:** Create job descriptions and return to work programs easily
- **Safety Observation Track:** Maintain safe practices in a workplace
- **Training Track:** Track personal training
- **BBS Track:** Build behavior-based safety programs easily
- **Audit Track:** Create and maintain audits, surveys and questionnaires

BUILDING & SAFETY INSPECTIONS

Training available for facility personnel/safety committees on how to conduct an effective inspection and stay compliant with OSHA. While Brown & Brown can conduct some inspections alongside your staff, our inspections do not replace safety committee inspections required by OSHA (OAR 437-001-0765).

FLOOD ZONE ANALYSIS

Use of aerial mapping to assess flood risk and negotiate better property insurance rates.



CLAIMS ADVOCACY

Brown & Brown has the most experienced team in Oregon when it comes to insurance and risk management for public entities in Oregon. There is likely not a claim or risk-related issue that you could encounter that we have not addressed in the past. Our team works with customers daily on issues such as recreational immunity, cyber exposures, large fires, employment related claims, security/police actions, jail losses, abuse allegations, volunteers, comfort animals, drones and construction contracts.

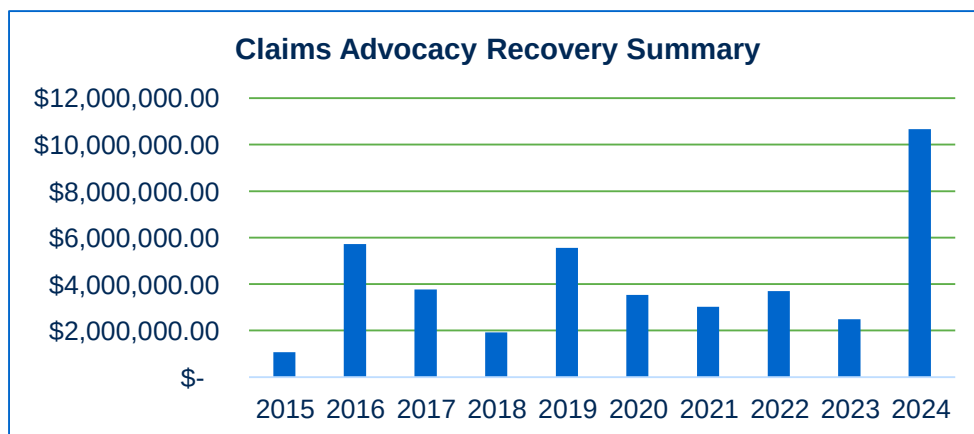
Brown & Brown views claims advocacy as one of the most important components we provide to our customers. By providing consistent and ongoing oversight, we contribute significantly to reducing your total cost of risk.

This graph illustrates that over the past ten years, we have recovered over \$41 million on claims that were initially denied by insurance carriers.

Our Claims & Risk Services team provides advice, advocacy and insight into the process and options you may need.

A claims analysis across all lines of coverage is part of our regularly scheduled meetings and annual review/discussion. We will review the coverage you have available, what it means to the District and help you develop a strategy to minimize any mistakes.

Additionally, various claims reports and analysis can be provided at the frequency of your choosing.



Our team is available for support 24 hours/day, and offers services including:

- Provide customized loss data in the format and frequency you define
- Track and analyze claims data and provide individual claim narratives upon request
- Report claims to the carrier as instructed
- Advocate coverage issues to ensure the most advantageous interpretation of coverage and equitable claims settlement
- Review and help develop claims procedure manuals based on the needs of the organization
- Visit your buildings that routinely experience claims
- Discuss claims reporting procedures with your staff
- Help train your staff in basic claims principles in accordance with your philosophy
- Establish individual files on each claim reported to our office
- Monitor ongoing claims handling and reserves
- Assist in tracking incidents and occurrences that do not result in an insurance claim – our experience has proven that incidents can be a strong predictor of future claims when monitored effectively
- Assist with the selection of outside legal counsel and, if desired, assist in negotiations with insurance carriers regarding pre-approved legal counsel
- Communicate status of claims handled under reservation of rights by your insurer and perform the critical role of being your advocate
- Assist in the selection and coordination of independent or public adjusters when requested

This is just a snapshot of the ongoing value we provide — our approach is proactive, responsive and customized to meet the unique needs of the District and the community you serve.

TWO RECOMMENDED CONSIDERATIONS

We encourage you to think through the below questions.

What insurance limits should the district carry for your risks?

The Oregon Tort Claims Act is very important to the financial health of the District. The state agencies have an exposure of over \$4.5 million (state of Oregon or OHSU). That limit does not apply to the District. Currently, you have protections for state tort actions (general negligence) in the below amounts.

- Single claimant – \$879,200
- Multiple claimants – \$1,758,300
- Property single claimant – \$140,300
- Property multiple claimant – \$721,000

The SDIS coverage document provides per occurrence limits of up to \$10 million for General Liability and Auto Liability risks. You may ask, “Why have so much more coverage than the Tort caps listed above?”

- The OTCA only provides protection against state tort actions (generally negligence).
- It does not limit the damages for any federal suits such as sexual abuse, discrimination or retaliation claims based upon a federally protected class – age, gender, religion, ADA, etc.
- It also does not apply to any negligence claims brought in other states, such as California or Washington, and more importantly, it does not limit the amount of attorney fees that the district may be ordered to pay in addition to the damages that may be awarded in federal court.

Given the risks you face daily, the SDIS coverage at this time is robust and offers limits that are reasonable. There will likely be structural changes to the Abuse Coverage over the next 6-18 months.

What limits should we require from our vendors?

Over the last three years, we have created a vendor insurance matrix template to help our customers outline what they believe should be the minimum amount of insurance required for different risks. When a customer takes this project on, we challenge them to think differently and create rules that will help provide more uniformity during the daily task of hiring vendors. However, a key component of this project is the use of an Exception Request – a single page document we believe is the key to making your system work for the long term.

For example, we recommend that you require a minimum of \$2 million per occurrence and \$3 million in the annual aggregate for General Liability as a baseline for most exposures the District would face, also adding a Sexual Abuse and Molestation (SAM) endorsement if they have any chance of interacting with minors. We recommend this because the Oregon Tort claims caps listed above are the guiding indicators. Your greatest exposure today is having multiple claimants in a single occurrence, which currently has \$1,758,300 for a limit.

If a vendor wants to challenge that requirement, then the vendor would complete the Exception Request document. We recommend that it be reviewed by at least two representatives of the district, usually Risk, HR and/or Finance, so that decisions are not being made in a vacuum. At the end of the year, you provide each exception document to the executive safety committee or other body and review the past exception document decisions. This series of requests may drive the district to make a different decision and perhaps require less limits in a certain type of risk going forward. The ability to be flexible is how the program continues to be viable while providing the district with the best mix of coverage and accessibility to local vendors.

COST STRUCTURE

Brown & Brown's philosophy regarding compensation is straightforward. We always provide full disclosure on the compensation that we make, whether that be through negotiated fees or commission, and all Brown & Brown proposals include a compensation disclosure. These proposals are based on a thorough assessment of the customer's needs coupled with in depth data analysis and industry benchmarking.

Just as we approach service as a consultative exchange, we welcome questions and dialogue regarding our compensation. We believe that the best relationships are mutually beneficial and that a fair compensation structure will enable us to deliver the best risk management products and the highest-level service in the industry.

Given the structure of the district's insurance program, we are proposing a combination of commission and flat fee for our compensation, which we've broken out below. While commissions are set by the insurance carrier, flat fees can vary.

PROPERTY & CASUALTY

For General Liability, Auto Liability, Auto Physical Damage, Boiler/Machinery, Crime and Property, we are strongly recommending a flat fee. Our proposed annual fee is \$16,950. We would seek a 3% escalation of our fee each year going forward. There are no additional fees charged for the risk management services referenced in this response except the optional Succeed platform, which is \$100/year.

Any additional policies or one-time policies would be outside this fee and we would receive industry standard commission.

Of note: Contrary to the usual arrangement for entities your size, you are currently paying your Agent of Record full commission rather than a flat fee for services. Last year, you paid over \$220,000 to SDIS for your premium, including approximately \$27,000 in commission to your current agent. Since there is no fee agreement in place, your SDIS applies a 14% commission rate, so your actual premium for coverage was about \$193,000 (excluding commissions earned from workers compensation or other policies placed).

In January of this year, SDIS premiums are expected to go up an average of 15% which we estimate will bring your base SDIS premiums without commission from \$193,000 to \$222,000. If no changes are made, under the current commission structure your current agent will get an increase in their fee from \$27,000 to around \$30,780 for the SDIS placed coverages alone. This would bring your total SDIS spend to around \$252,780. Given our pricing offer, you stand to conservatively save over \$162,000 in the next six renewals of our proposed fee structure, as illustrated below:

Year	Estimated Premium (15% increase)	Current Commission (14% commission)	Brown & Brown Proposed Fee (with 3% escalation)
Jan 2026	\$222,000	\$31,080	\$16,950
Jan 2027	\$255,300	\$35,742	\$17,458
Jan 2028	\$293,595	\$41,103	\$17,982
Jan 2029	\$337,634	\$47,268	\$18,521
Jan 2030	\$388,279	\$54,359	\$19,076
Jan 2031	\$446,520	\$62,512	\$19,648
Projected Savings if Brown & Brown is Chosen:			\$162,429

WORKERS' COMPENSATION

The District's current Workers' Compensation carrier is SAIF. SAIF will not issue policies net of (without) commission. As such, we would receive the scheduled commission from SAIF on the placement of that line of coverage in addition to the fee stated above.

"The team at Brown & Brown were recently selected to perform our agent of record services and we are extremely satisfied. The entire team is responsive, honest, knowledgeable and has been present when needed to perform trainings, property reviews and board presentations. I strongly recommend their team for your agent of record services."

- Nicole Dalke, Human Resources Manager, Springfield Utility Board

REFERENCES



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