

# Insurance Renewal Planning

Taking the mystery out of your club's insurance renewal process

By Rob Bouvier

It's that time of year again when the telephone starts to ring with agents asking to bid on this year's property and casualty insurance renewal. Each of these agents may claim to have the best rates in town. Question is, how do you sort through the maze of companies and programs that offer true opportunities for savings and service underwritten through A-rated carriers and won't prove to be a waste of everyone's time, most importantly yours!

It is important to give yourself plenty of lead time to ensure the integrity of the process and four months is not an unreasonable amount of time. The first step in this process is to identify who the decision makers ultimately will be. The more you can identify in terms of each person's roles and responsibilities throughout the process, the better off everyone will be. This can also head off potentially embarrassing situations that may involve an existing member or "a good friend of a member."

Once you have sorted through your role in the process, the next step is to determine how many quotes and from whom they will be solicited from. Conventional wisdom is to let the incumbent agent handle the entire process and present all the quotes solicited on behalf of the club. In fact the best way to ensure a competitive and fair bidding environment is to involve at least one other agent in the process. This will ensure your club's best interest is the priority and allows all opportunities for programs and carriers to be explored. For instance, it may be that the incumbent agent is not licensed with a particular carrier that has a very strong offering underwritten by an A rated carrier that could potentially save the club thousands of dollars of the renewal premiums. You should also not hesitate to ask what the agent's experience level is and the history, experience and ratings of the insurance carrier you are looking to offer a renewal proposal.

If your agent is a member of your club, is this the only country club they write? If that is the case, you need to proceed with caution. Exposures that are unique to country clubs and the products and services available to properly cover them are fairly sophisticated and require the assistance of an

experienced agent. Having the fiduciary interest of the club as your responsibility, you should be asking each agent who is interested in presenting a proposal how many clubs they write, are they familiar with specific coverage nuances such as EPLI, pollution, herbicide pesticide, liquor liability, flood etc. Additionally, what do they offer in terms of risk management and loss control services to help your facility better manage their exposures. These are just a few but important questions to review early on in the process and will go a long way to ensure the best possible outcome for the club.

Once you've determined which agent you will be using, it is important to assign markets to each agent so that no one is "stepping on each other's toes." An "assignment of market" letter, naming the carriers that each agent is authorized to approach, is the best way to avoid any confusion the bid process. Next, be prepared to spend some time completing applications with the agent. More likely than not, this will involve others in the club to properly complete the questions being asked. Loss runs will be requested from each agent you are working with and are a snapshot of your club's claims experience. They should not take more

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than a few days to be produced and assist each carrier in the underwriting of your account.

You now need to determine an appropriate timeline as to when the quotes should be due for your review and the board of directors. If you follow these simple steps you can be rewarded with an outcome that could potentially save your club thousands of premium dollars and provide for a more robust and comprehensive loss control program.

The PGA Preferred Golf Course Insurance program is exclusively available to PGA Professional-staffed facilities. Agents are available to answer questions you may have regarding insurance renewals and can assist in securing bids for your facility.

Please contact us at 1-800-888-GOLF for a review of your club's renewal process. ■

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