



UNDERWRITING CRITERIA

- Minimum Annual Payroll of \$500,000
- Full-time professional management
 - Authority vested in the Chief Administrative Officer to discipline and/or hire and fire employees without the direct approval of elected officials, except for police officers
- Experience modification factor of 1.15 or less
 - If between 1.0 and 1.15 review claims used in factor determination
- Three year average loss ratio of 75% or less.
 - Review of all incurred claims exceeding \$25,000
 - Review of claims of last three years for any recurring type of claims or habitual claimants
- Municipality is “financially strong”
 - Annual financial audit by an independent CPA
 - Review of audit report and notes for any fiscal management problems
 - Municipality has not, within the past three years, been identified by the DCA as a “distressed community”. If so identified, review circumstances.
- Loss Control and Safety Policies and Procedures
 - Management commitment to safety
 - Review of safety policies and practices for adequacy
 - Review of safety equipment provided for use by employees
 - Review condition of physical facilities and equipment, storage of flammable and hazardous materials and general housekeeping procedures