



**Nancy K. Kopp**  
State Treasurer

**Bernadette T. Benik**  
Chief Deputy Treasurer

September 15, 2020

Re: FY21 Annual Insurance Surveys (Estimated Premiums FY2023 & PD Renewal Due 1/5/2021)  
**Due: As soon as possible, but not later than November 30, 2020**

Dear: Agency CFOs

Once again it is time to complete the Annual Insurance Surveys. Our goal going forward is to send this request beginning in September of each year, to the individual agencies. This year and with all subsequent years we are requesting that you begin completing the survey as soon as you receive it. Once completed, please return to the Treasurer's office as indicated below. The insurance broker has requested the information earlier, so we are asking your cooperation by submitting the surveys prior the deadline date. However, the Insurance surveys must be completed and submitted to the State Treasurer's Office **no later than November 30, 2020**.

This survey will be used to calculate insurance premiums and the purchase of commercial insurance for Fiscal Year 2023. Also, the Treasurer's Office will continue to use the number of authorized full-time equivalent positions from the Fiscal Digest as the basis for calculating the Fiscal Year 2023 bond premium.

There are three types of surveys that all agencies must complete and return by November 30, 2020. A fourth survey, along with an underwriting questionnaire is required from any agency owning vessel(s) (watercraft). You will notice there is no tank survey form attached this year. A tank (underground) survey will only be requested every five years. The three surveys required from all agencies are:

- Auto
- Combined Property/EDP (Electronic Data Processing)
- State-owned Fine Arts

**Instructions:**

1. Please enter your State agency; contact name; contact name's phone number; contact's e-mail address and RSTARS code **on each individual tab**, as required.
2. Please enter all requested information in each of the worksheet tabs. All areas that are required to be completed are shaded in **yellow** on each survey form. The Excel worksheets will automatically calculate the totals for auto, fine art, and vessels.
3. This year we are providing the Property/EDP data your agency submitted last year. To update the Property/EDP tab:
  - a. Please enter the updated 2021 values for Building, Contents and EDP in the blank columns provided.
  - b. **Please provide the complete physical address or the GPS coordinate information for each location.**
  - c. Any new locations should be added in the blank rows provided at the end of the worksheet.
  - d. For locations that should be deleted, please enter the word **DELETE** instead of a value and confirm in the "2021 Comments" column.

- e. **New Item:** Please confirm your Building, Contents and EDP totals for your agency are correct and then enter the total amounts on the separate tab, "2021 Property and EPD Totals."
- f. **New Item:** This year we are requesting additional information for vacant buildings. Please enter the word VACANT on the designated "Vacant" column. If the buildings are only vacant for part of the year, please explain in the "2021 Comments" column.

When you are completing the Property/EDP and Vessel surveys, please keep in mind that the requested value is the current replacement cost, not the purchase price, land value, fixed asset value, or market value.

When considering building replacement costs, remember that building materials and labor costs typically increase a small amount annually. Rarely should there be a reduction in these values. If there is reduction a comment should be included to explain why the value(s) are reduced from the prior year. A comment column has been included for that purpose.

There are *two new items that will* be required annually:

**First**, please include any State-owned drones on the property insurance survey form. Indicate where they are typically stored when not in use in the address section and show the replacement cost value in the content's column.

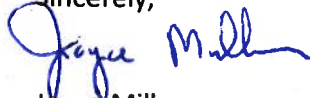
**Second**, if your agency has any insurance procurement authority in the law or has any written delegated insurance procurement authority, please attach a list of all the insurance policies you currently procure. The list should include the named insured, the insurance company, the policy effective and expiration dates, the name of the broker you used and a brief description of the type of insurance. This will help our claims department in the event of a loss.

Though it is the responsibility of the Insurance Division to gather this data, it is still critical that you retain an electronic copy of the surveys completed each year as part of your permanent records. Questions may arise in later years about insurance premiums and it is important that your agency be able to retrieve this data.

Please forward the completed surveys by e-mail to [MTurner@treasurer.state.md.us](mailto:MTurner@treasurer.state.md.us) and/or [FStewart@treasurer.state.md.us](mailto:FStewart@treasurer.state.md.us) at the Insurance Division.

We thank you in advance for making sure that the surveys are completed as accurately and early as possible. I welcome your suggestions on how to further improve the Annual Insurance Survey process. If you have any questions about the survey, please feel free to contact Muriel at (410) 260-7229.

Sincerely,



Joyce Miller

Director of the Insurance Division

cc: Muriel Turner, Sr. Underwriting Manager