

## PBV Board Meeting

7/16/2025

### PBV 2025 Appraisal and Insurance

Background: PBV carries five different types of insurance; however, 95% of our total insurance costs are for just our property insurance. All of our policies start on November 1<sup>st</sup> and run through to the following October 31<sup>st</sup>. The table below shows both our recent insurance costs and the appraised costs for rebuilding PBV in the event of a major disaster. By law, we must carry enough property insurance to cover our appraised rebuilding costs—so as our appraisal goes up, so does the cost of our property insurance. The law also requires us to have PBV reappraised every three years, and PBV will be reappraised this summer. The table and graph show our recent insurance and appraisal history. As you can see, our costs are driven by both our rebuilding cost and the cost per \$1000 of appraised value. Inflation is driving up our rebuilding costs, and the lack of underwriters and claims from recent hurricanes are driving up the cost per \$1000 of rebuilding costs.

Key points: I estimate that our appraisal will come in about 25% above the 2022 re-appraisal (which was a 31% increase). This will add about \$50,000 to the cost of our 12 month property insurance policy. Since the first two months of this policy are in 2025, this will add about \$8,500 to our 2025 insurance costs--as shown on the estimated yearend financial position. It is possible that our insurance rate for this November's policy will be reduced—which will reduce these costs.

	Year	Total Insurance Cost	Property Insurance Cost	Cost of All Other Policies	Appraised Re-Building Costs	Property Insurance \$/\$1000 of Coverage
	2018	\$101,389				
	2019	\$101,617	\$92,308	\$9,081	\$11,223,000	\$8.22
	2020	\$122,651	\$96,620	\$26,031	\$11,223,000	\$8.61
	2021	\$112,529	\$101,445	\$11,085	\$11,223,000	\$9.04
31%	2022	\$158,104	\$147,995	\$10,109	\$14,735,000	\$10.04
	2023	\$227,269	\$215,623	\$11,646	\$14,735,000	\$14.63
	2024	\$214,839	\$202,909	\$11,930	\$14,735,000	\$13.77
25%	2025	\$255,421	\$243,491	\$11,930	\$17,682,000	\$13.77

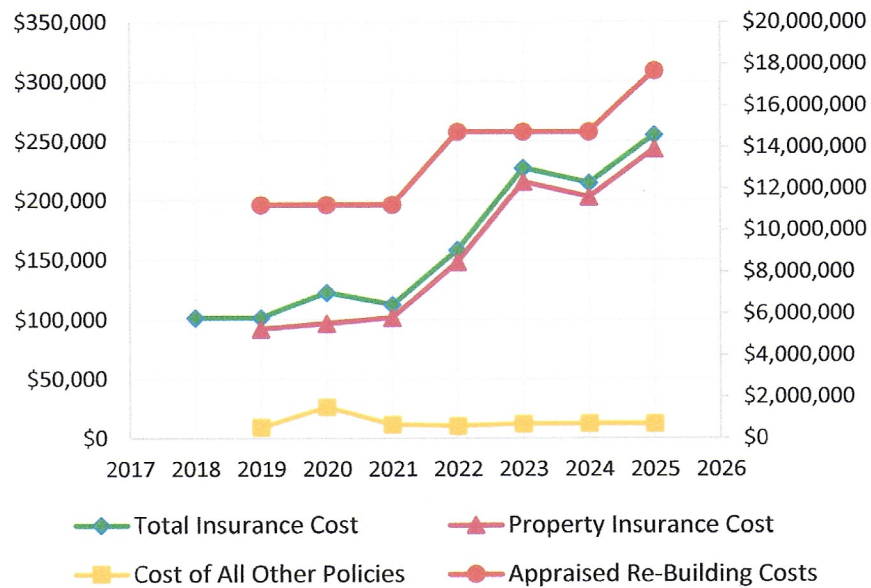
Notes: Other policies include Liability, Crime D & O, Umbrella, and Workman's Comp Insurance

All policies start November 1st in any year and run to October 31st of following year

Example The policies for year 2024 start on 11/1/2024 and run to 10/31/2025

The data for policies starting 11/1/2025 are in blue font to show that they are estimates

### PBV Insurance Appraisal & Costs



Note: The Appraised Re-Building Cost is graphed using the right vertical axis, the 3 Insurance Cost use the left vertical axis.