



**City of Coral Gables**  
**CITY COMMISSION MEETING**  
**March 11, 2025**

**ITEM TITLE:**

RESOLUTION OF THE CITY COMMISSION AUTHORIZING THE RENEWAL OF THE PROPERTY AND CASUALTY INSURANCE PROGRAM WHICH INCLUDES, BUT IS NOT LIMITED TO, PROPERTY, GENERAL LIABILITY, AUTOMOBILE LIABILITY, PUBLIC OFFICIALS ERRORS & OMISSIONS, EXCESS WORKERS' COMPENSATION, CRIME LIABILITY, CYBER LIABILITY, TERRORISM PROPERTY & LIABILITY, POLLUTION LIABILITY, DEADLY WEAPON PROTECTION COVERAGE, FLOOD, AS WELL AS OTHER ANCILLARY LINES OF INSURANCE COVERAGE AND INSURANCE BROKER FEES THROUGH ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC., FOR A NOT TO EXCEED AMOUNT OF \$3,423,716 FOR THE POLICY PERIOD OF MAY 1, 2025 TO MAY 1, 2026 (FUNDING SOURCE: INSURANCE FUND)

**DEPARTMENT HEAD RECOMMENDATION:**

Approve.

**BRIEF HISTORY:**

The City's Agent of Record, Arthur J. Gallagher Risk Management Services, Inc. ("Gallagher"), has solicited and received quotes from various insurance carriers for the desired insurance policies shown below.

The property insurance market has stabilized because of more carriers coming into the property space and increased capacity, which will result in a property insurance premium decrease of at least 9%. Gallagher will continue to market the City's property program to realize additional premium savings until the program is bound in April for the policy period of May 1, 2025 through May 1, 2026.

The general terms and conditions for all other coverage options remain largely consistent with last year, featuring only a few minor adjustments in terms and premium rates.

The total cost to renew the various insurance policies based on the City's current property schedule will be at least \$137,000 less than the cost of these policies in the prior year for an amount not to exceed \$3,423,716.

The following is a summary indicating the insurance policies and premiums:

| Description of the Insurance Policy, Surcharge or Fee | Premiums/Fees May 1, 2024 to May 1, 2025 | Premiums/Fees May 1, 2025 to May 1, 2026 |
|-------------------------------------------------------|------------------------------------------|------------------------------------------|
| Package                                               | \$566,000                                | \$617,000                                |
| Excess Workers Comp                                   | \$166,771                                | \$148,121                                |
| Property                                              | \$2,485,692                              | \$2,266,781                              |

| <b>Description of the Insurance Policy, Surcharge or Fee</b> | <b>Premiums/Fees May 1, 2024 to May 1, 2025</b> | <b>Premiums/Fees May 1, 2025 to May 1, 2026</b> |
|--------------------------------------------------------------|-------------------------------------------------|-------------------------------------------------|
| Boiler & Machinery                                           | \$14,792                                        | \$13,995                                        |
| ADD Business Travel                                          | \$750                                           | \$750                                           |
| ADD Police and Fire                                          | \$12,053                                        | \$12,713                                        |
| Bond - Finance Director                                      | \$1,138                                         | \$1,138                                         |
| Bond - Golf and Country Club Health Studio                   | \$250                                           | \$250                                           |
| Bond – War Memorial Youth Center Health Studio               | \$250                                           | \$250                                           |
| Pollution Liability (2 year premium)                         | Prepaid previous year                           | \$38,535                                        |
| Crime                                                        | \$9,657                                         | \$8,482                                         |
| ADD Sports                                                   | \$9,780                                         | \$11,996                                        |
| Cyber Liability                                              | \$55,633                                        | \$45,000                                        |
| Terrorism Liability and Property                             | \$20,915                                        | \$20,915                                        |
| Deadly Weapon Protection                                     | \$11,004                                        | \$11,140                                        |
| Flood                                                        | \$114,911                                       | \$135,450                                       |
| EMPA & TRIA fees                                             | \$1,152                                         | \$1,200                                         |
| Insurance Brokerage Fee (Gallagher)                          | \$90,000                                        | \$90,000                                        |
|                                                              |                                                 |                                                 |
| <b>Total Cost of Program</b>                                 | <b>\$3,560,748</b>                              | <b>\$3,423,716</b>                              |

On December 17, 2024 and February 28, 2025, we met with the Insurance and Risk Management Advisory Board (the “Board”) to discuss the City’s insurance renewal. During these meetings, the Board was provided with detailed presentations of the quotes that had been obtained to date from the different carriers for the various types of insurance coverage as well as the terms that were offered. The Board agrees with the binding of the aforementioned insurance policies. Additionally, a follow-up meeting is scheduled for April with the Board, where Gallagher will present the final rates after continuing to market our insurance programs in search of better options.

#### **FINANCIAL INFORMATION: (If Applicable)**

|               | <b>Amount</b>             | <b>Account No.</b>                                        | <b>Source of Funds</b> |
|---------------|---------------------------|-----------------------------------------------------------|------------------------|
|               | Not to exceed \$3,423,716 | 540-9915-590-2400, 540-9915-590-3118, & 540-9915-590-4500 | Insurance Fund         |
| <b>Total:</b> |                           | <b>APPROVED BY:</b>                                       |                        |

#### **Attachments:**

- 1. Resolution**
- 2. Insurance Executive Summary presented by Arthur J. Gallagher**
- 3. Board Minutes (December 17, 2024 and February 28, 2025)**