

CITY OF CORAL GABLES, FLORIDA

RESOLUTION NO.2024 - _____

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 \$3,774,489 FOR THE POLICY PERIOD OF MAY 1, 2024 TO MAY 1, 2025 (FUNDING SOURCE: INSURANCE FUND)

WHEREAS, the City desires to protect its assets through the purchase of various insurance products; and

WHEREAS, Arthur J. Gallagher Risk Management Services, Inc., serves as the City's agent of record and solicited and/or obtained quotes from different carriers for the various types of insurance coverage named above on behalf of the City; and

WHEREAS, the property insurance market faced several challenges in 2023, as rates climbed significantly and capacity shrunk due to poor underwriter performance over multiple years; and

WHEREAS, as a result in 2023, the City experienced a 33% increase in property rates and took a 19% self-retention on the second \$25 million layer for named windstorm insurance; and

WHEREAS, the property insurance market in 2024 became more stable, and there was an increase in capacity and rate relief and as a result, the City was able to fill the full \$50 million of named windstorm insurance without taking a self-retention and realize a 7% reduction in property rates; and

WHEREAS, the City's general terms and conditions for all the other coverages are similar to last year with some less significant increases/terms; and

WHEREAS, funding has been identified and will be available from the City's Insurance Fund.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE CITY OF CORAL GABLES:

SECTION 1. The foregoing "Whereas" clauses are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Resolution upon adoption hereof.

SECTION 2. The City Manager is authorized to renew the City's property and casualty insurance program for the policy period of May 1, 2024 to May 1, 2025, which includes, but are not limited to, property insurance, general liability, automobile liability, public officials errors & omissions, excess workers' compensation, crime liability, cyber liability, terrorism property and 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 \$3,774,489 and is authorized to make changes to the structure of the City's property and casualty insurance program in an effort to reduce the rate and premium while ensuring that the risk remains similar.

SECTION 3. That said Resolution shall become effective upon the date of its passage adoption herein.

PASSED AND ADOPTED THIS _____ DAY OF _____, A.D.,
2024.

APPROVED:

VINCE LAGO
MAYOR

ATTEST:

BILLY URQUIA
CITY CLERK

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:

CRISTINA M. SUAREZ
CITY ATTORNEY