

**City of Coral Gables City Commission Meeting**  
**Agenda Item H-8**  
**March 11, 2025**  
**Police and Fire Headquarters**  
**2151 Salzedo Street, Coral Gables, FL**

**City Commission**

**Mayor Vince Lago**

**Vice Mayor Rhonda Anderson**

**Commissioner Melissa Castro**

**Commissioner Ariel Fernandez**

**Commissioner Kirk Menendez**

**City Staff**

**City Attorney, Cristina Suárez**

**City Manager, Alberto Parjus**

**City Clerk, Billy Urquia**

**Public Speaker(s)**

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Agenda Item H-8 [4:27 p.m.]

A 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 and 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 \$3,423,716 for the policy period of May 1, 2025 to May 1, 2026 (Funding Source: Insurance Fund)

Mayor Lago: H-8.

City Attorney Suarez: H-8 is a 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 and 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

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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.

Human Resources Director: Good afternoon, Mayor, Commissioners. So this is our annual renewal insurance renewal for property insurance and all the lines of coverage under liability insurance that the city carries. Our policy terms is May 1<sup>st</sup> to May 1<sup>st</sup>, so these numbers are a little bit preliminary, but we had to come before you because there are no meetings in April. The good thing is on property insurance, it looks like the markets have stabilized, so we are looking at least a 9 to a 10 percent reduction in our property insurance. We anticipate it being before we bind, we won't bind until the end of April, but we anticipate maybe up to 15 percent reduction in our insurance premiums. So, if you have any questions.

Mayor Lago: Yes, I do. I have a question for you. Thank you, by the way. I appreciate your hard work and I'd like to thank the insurance board and all the staff that played a hand in this. Its important. It's just a relief. It's a relief that I think is much needed. I have an idea, and I spoke to the Manager at my pre-agenda meeting and the DCM and the ACM. Again, I wanted to bring it before the Commission. I wanted to see if you had an idea. I don't know how much I trust that this is not going to go back up next year. Okay. So, I have a little bit of fear on that front. Do you think its worth taking the delta of the savings, the savings that we have from last year, because I know that our Finance Director always budgets accordingly, and she is very conservative, but do you think its worth maybe taking that delta and just socking that away into an account that's kind of like a piggybank just in case – we already have that money, we already have it budgeted, why not just say, that line item say, it won't hurt us as much if it goes back up or if it exceeds it. Do you think its worth doing that or you think that, I don't know. Give me your opinion on it. You know me, I always want to put money away.

Human Resources Director: So, the insured markets have stabilized the last two years, right. So last year we did see a decline in our property insurance, we're seeing another decline in this year's property insurance, there's been increased competition, more capacity and no hurricanes, right. So, if we have a good hurricane year, it should be the same next year. Luckily, the fires on the west coast did not affect the property insurance markets because they are taken from buckets; you have the bucket for windstorm insurance and fire insurance. I would defer to Finance if there's a need to – Diana.

Mayor Lago: Always thinking for a rainy day.

Finance Director Gomez: Right – exactly. Good afternoon, Diana Gomez, Finance Director. So yes, we could. In budget prep, we can in fact set aside some of those funds to say that, okay, the recurring cost, because insurance is a recurring cost, so if we want to budget for the larger amount, understanding that in the current year and in the coming year we are only going to spend a portion, of that. The balance of it can be used in that one year for onetime items, but yet, the recurring

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nature of that could be still built into the budget so that it will be available without having to take such a hit in the subsequent year. It doesn't mean not using the funds in the current years. It means don't use it for recurring. Don't reallocate it to another recurring need, reallocate it to a onetime need, and that can be done as part of the budget process. So, we can look at that as we are developing the budget and as we see what the needs are, we can try to figure that out.

Mayor Lago: Okay. Alright. Just wanted to bring it up. Anything else. Do we have any speaker cards.

City Clerk Urquia: No sir.

Vice Mayor Anderson: I'll move it or flip a coin. It doesn't matter. Whichever one you want to pick.

Commissioner Castro: I'll second. Let me know, somebody seconds it. I'll second it. There you go.

Vice Mayor Anderson: Yes

Commissioner Castro: Yes

Commissioner Fernandez: Yes

Commissioner Menendez: Yes

Mayor Lago: Yes

(Vote: 5-0)