



Text File

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Title:

Consider and take action on a resolution authorizing the purchase of windstorm and hail including flood and storm surge, property insurance through McGriff, in an amount not to exceed \$1,598,021 (Director of Human Resources and Civil Service)

..Background:

Approval of this item will authorize the purchase of windstorm and hail including flood and storm surge, property insurance through McGriff, in an amount not to exceed \$1,598,021.

The annual RFP process for the Windstorm Insurance Coverage renewing on April 6, 2024 has been conducted by McGriff Insurance Services. Underwriting specifications were advertised and submitted to over 50 insurance carriers located around the world. Proposals and indications were received from various insurance carriers representing various limits of coverage and deductible levels.

We are beginning to see a decrease in insurance premiums as the renewal "per \$1 of insured value" to maintain the current coverage will decrease for the upcoming policy term. The actual overall premium though will see a slight increase due to a 4% construction cost inflation and the addition of the ball park facilities to the coverage.

Of the responses received, three Renewal Options offer the best overall value (see attached chart for more information):

- Option 1 provides a \$45,000,000 Coverage Limit (Insured Retention: 20% of the Primary \$10M limit) for an annual premium of \$1,598,021. Increase of \$68,436 from last year.
- Option 2 provides a \$45,000,000 Coverage Limit (Insured Retention: 10% of the Primary \$10M limit) for an annual premium of \$1,708,465. Increase of \$178,880 from last year
- Option 3 provides a \$25,000,000 Coverage Limit (Insured Retention: 20% of the Primary \$10M limit) for an annual premium of \$1,227,656. \$20,000,000 decrease in coverage and \$301,929 decrease in premium from last year.
- Option 4 provides a \$25,000,000 Coverage Limit (Insured Retention: 10% of the Primary \$10M limit) for an annual premium of \$1,330,465. \$20,000,000 decrease in coverage and \$199,120 decrease in premium from last year.

Funding in the amount of \$1,835,502 is included in the FY2024 adopted budget. McGriff advisors and staff recommend option 1.

Attachments:

1. Data Sheet
2. Proposed Resolution
3. Windstorm Insurance Response Analysis
4. Marketing Summary

FUNDING

{x} Funds in the amount of \$1,598,021 are available from General Fund non departmental insurance coverage 1650000-53330 (\$997,222), Utility Fund non departmental insurance coverage 10201650-53330 (\$402,212) and 4B insurance account 2310440-53330 (\$198,587)

STRATEGIC PLANNING

{ x } Addresses Strategic Planning Critical Success Factor Maintain Infrastructure