

CITY OF LEAGUE CITY
2024 WINDSTORM INSURANCE – RFP# T24521 RESPONSE ANALYSIS
March 20, 2024

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 (see table below). Proposals and indications were received from various insurance carriers representing various limits of coverage and deductible levels.

Of the responses received, four Renewal Options offer the best overall value:

- **Option 1** provides a \$45M Coverage Limit (*Insured Retention: 20% of the Primary \$10M limit*) for an annual premium of \$1,598,021. Representing a 0.6% rate cut from 2023 policy year.
- **Option 2** provides a \$45M Coverage Limit (*Insured Retention: 10% of the Primary \$10M limit*) for an annual premium of \$1,708,465.
- **Option 3** provides a \$25M Coverage Limit (*Insured Retention: 20% of the Primary \$10M limit*) for an annual premium of \$1,227,656.
- **Option 4** provides a \$25M Coverage Limit (*Insured Retention: 10% of the Primary \$10M limit*) for an annual premium of \$1,330,465.

The following table outlines the City's expiring premium rate per \$100 of insured value compared to these renewal options:

City of League City CATASTROPHE PERILS INSURANCE Wind / Hail / Flood Including Storm Surge					
Policy Period:	2023 – 2024 Expiring	2024 – 2025 Renewal Option 1	2024 – 2025 Renewal Option 2	2024 – 2025 Renewal Option 3	2024 – 20245 Renewal Option 4
TIV:	\$228,024,454	\$249,319,773	\$249,319,773	\$249,319,773	\$249,319,773
Limits:	\$45,000,000	\$45,000,000	\$45,000,000	\$25,000,000	\$25,000,000
Deductibles:	5% / \$100K Minimum plus Insured Retention 20% of the \$10M Primary	5% / \$100K Minimum plus Insured Retention 20% of the \$10M Primary	5% / \$100K Minimum plus Insured Retention 10% of the \$10M Primary	5% / \$100K Minimum plus Insured Retention 20% of the \$10M Primary	5% / \$100K Minimum plus Insured Retention 10% of the \$10M Primary
Premium:	\$1,529,585	\$1,598,021	\$1,708,465	\$1,227,656	\$1,330,465

We look forward to discussing these options and presenting a recommendation to the City Council for approval.

Sincerely yours,

Joseph R. Blasi

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Senior Executive Vice President

**CITY OF LEAGUE CITY
WINDSTORM INSURANCE 2024-2025
PROPOSAL ANALYSIS**

	Coverage Expiring April 6, 2023/2024	Proposed Renewal Coverage April 6, 2024/2025
	EXPIRING	RENEWAL OPTION 1
Carriers Participation	Sompo, Lloyds, Core, Kemah, Westfield, Arch, RSUI, Lexington, James River, Kinsale, Markel	Sompo, Kemah, Core, Lloyds, Westfield, Arch, Lexington, Skyfall, Rivington, RSUI, Kinsale, James River, Markel
Total Limit	\$45,000,000 (Insured Retention: 20% of the \$10M Primary)	\$45,000,000 (Insured Retention: 20% of the \$10M Primary)
Premium	\$1,529,585	\$1,598,021
Coverages	<p>Limit subject to underlying schedule (TIV \$228,024,454 per SOV) and is based on per occurrence; Replacement cost; No coinsurance.</p> <ul style="list-style-type: none"> • \$5,000,000 per occurrence and annual aggregate for Flood including Storm Surge to apply to: miscellaneous locations/items totaling \$24,206,590 in value (per SOV on file) (including coverage for SFHA Zones). • Ordinance of Law A (included in loss limit) B & C combined \$10,000,000 Per Occurrence • \$5,000,000 for Newly Acquired or Constructed buildings for 60 days. • Exterior Damage must occur for Coverage to apply. • Various coverage extensions apply. <p>Deductibles: Wind and Hail \$100,000 except Wind and Hail as a result of a Named Storm 5% subject to \$100,000 minimum; \$100,000 Flood deductible except subject to named storm deductible if caused by a named storm.</p>	<p>Limit subject to underlying schedule (TIV \$249,319,773 per SOV) and is based on per occurrence; Replacement cost; No coinsurance.</p> <ul style="list-style-type: none"> • \$5,000,000 per occurrence and annual aggregate for Flood including Storm Surge to apply to: miscellaneous locations/items totaling \$24,206,590 in value (per SOV on file) (including coverage for SFHA Zones). • Ordinance of Law A (included in loss limit) B & C combined \$10,000,000 Per Occurrence • \$5,000,000 for Newly Acquired or Constructed buildings for 60 days. • Exterior Damage must occur for Coverage to apply. • Various coverage extensions apply. <p>Deductibles: Wind/Hail/Wind Driven Rain \$100,000 except Wind /Hail/Wind Driven Rain as a result of a Named Storm 5% subject to \$100,000 minimum; \$100,000 Flood deductible except subject to named storm deductible if caused by a named storm.</p>