

STATEMENT OF BUDGET IMPACT
(Policy Number 94-45)
Budgetary Review of Proposed Resolution &
Ordinances with Financial Implication.

Date: November 12, 2015

File: BIS 16 – 039

File: TMP-2015-00555

Proposed Legislation:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO BIND THE RENEWAL POLICIES FOR PRIMARY AND EXCESS PROPERTY INSURANCE, FLOOD INSURANCE, PUBLIC OFFICIALS LIABILITY INSURANCE, BOILER AND MACHINERY/EQUIPMENT BREAKDOWN INSURANCE AND TO BIND A NEW FLOOD INSURANCE POLICY FOR ONE PROPERTY FOR WHICH NO FLOOD COVERAGE IS IN PLACE FOR A NOT TO EXCEED AMOUNT OF \$1,670,440.00 FOR WHICH QUOTES WERE SOLICITED BY ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES.

Statement of Budget Impact:

1. ☐ No Budget Impact associated with this action;
2. ☒ Sufficient budgetary resources identified/available;
3. ☐ Budgetary resources not identified/unavailable;
4. ☐ Potential Revenue is possible with this action;
5. ☒ Will not increase the cost of Housing;
6. ☐ May increase the cost of Housing; (CDAB review required)

Explanation:

This Resolution seeks to authorize the appropriate City Officials to enter into and bind renewal insurance policies and agreements for primary and excess property damage, flood, public officials' liability, boiler and machinery/equipment breakdown insurance as well as secure flood insurance coverage for a property not previously covered in a total amount not to exceed \$1,670,440.00. Quotes for the various insurance policies were secured by Arthur J. Gallagher Risk Management Services, "Gallagher", as the agent of record on behalf of the City.

Previously on April 17, 2013, pursuant to Resolution R-2013-086, the City Commission awarded a bid to Gallagher based upon solicitation received in response to RFP-4344-13-IS as the City's Agent of Record for insurance purposes. In the furtherance of its duties and responsibilities as Agent of Record, Gallagher, has solicited insurance coverage from various insurance providers for several types of insurance as previously listed. Additionally, Gallagher has obtained a quote for flood insurance on one (1) property that was previously not covered under the City's flood insurance coverage.

Upon review and evaluation of the responses received by Gallagher for the various types of insurance coverage sought, it has been determined that the cost to provide said insurance coverage would be \$1,670,440.00 which is \$242,104.00 less than the cost to provide this coverage for the previous year. Funding for the projected cost of the various premiums to be paid is available in the City's Self Insurance Fund (58) and principally in account #58.1241.00000.590.049198.

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