ONE CITY. ONE JACKSONVILLE.

City of Jacksonville, Florida

Lenny Curry, Mayor

Division of Insurance and Risk Management
117 West Duval Street
Suite 335
Jacksonville, FL 32202
(904) 630-7521
www.coj.net

MEMORANDUM

TO: Greg Pease, Chairperson, Professional Services Evaluation Committee

COPY: Alex Baker, PSEC Specialist

FROM: Twane Duckworth, Chief of Risk Management
Ann Willis, Property & Casualty Compliance Administrator

DATE: October 24, 2019

RE: Brown & Brown of Florida, Inc. – Crime Insurance Broker Services
P-52-16 Request for Amendment Three

The current contract with Brown and Brown (No. 9269-07) for Crime Insurance Broker Services allows for Brown & Brown to place crime insurance coverage for a term of October 1, 2019 to September 30, 2020, with one (1) additional one year renewal options remaining.

The current contract will be amended to place a new crime insurance policy for the City and premium adjustment from the current maximum indebtedness of $114,151.00 by an additional $38,049.00 for a new total maximum indebtedness of $152,200.00.

It is respectfully requested that City Contract No. 9269-07, with Brown & Brown be amended for the placement, binding, and ratification of the purchase of the crime insurance coverage for the City of Jacksonville effective October 1, 2019 to September 30, 2020 as set forth in Exhibit E.

All other contract terms and conditions shall remain the same (nothing contained herein shall be amended, modified. or otherwise revised without prior PSEC and Mayor's approval).

Exhibits for your review:
Exhibit E – Crime Insurance 2020 Proposal

Thank you for your consideration.

PROPOSAL

Brown & Brown INSURANCE

EXHIBIT

Insurance Proposal Prepared on September 13, 2019 for

City of Jacksonville, Florida

Government Crime Coverage

October 1, 2019 to October 1, 2020

Prepared by Brown & Brown of Florida, Inc.

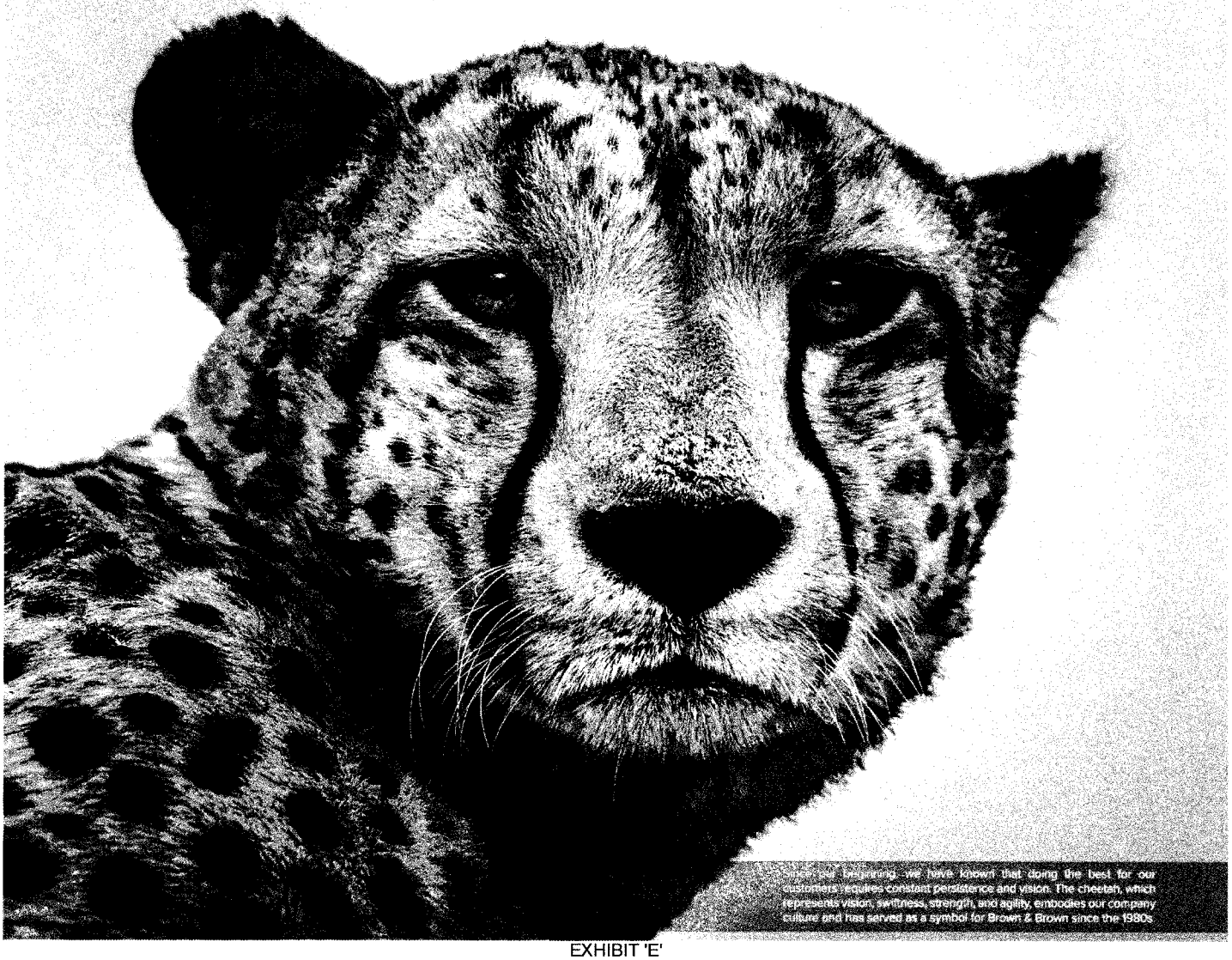

EXHIBIT 'E'

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Who Are We?

WE ARE Brown & Brown of Florida, a division Brown & Brown, Inc., and its subsidiaries. Our portfolio of products and services include insurance, reinsurance, as well as risk management, employee benefits administration and managed health care programs. We have been providing solutions to businesses, public entities, individuals, trade and professional associates for 80 years.

Our drive to be the best has made **B&B®** one of the largest and most respected independent insurance intermediaries in the world.

Starting in 2004, Brown & Brown has been designated as a ***Mergent's Dividend Index Achiever.*** This distinct honor is based on a record of 10 or more consecutive years of dividend increases, which has been achieved by less than 3% of U.S. listed dividend-paying companies.

NATIONAL	
6th Largest Insurance Broker in USA	
Number of Offices:	290+
Divisions of B&B:	120+
Teammates:	10,000+
Total Managed Premium:	$20 B
Publicly Traded:	BRO

WE ARE a global leader with a local presence

Established 1939, in Daytona Beach FL

Annual Revenues of **$2 Billion,** operating in over Forty States, London, Ontario, & Bermuda.

Networks of affiliated agencies, with programs developed and marketed by Brown & Brown are available in all fifty states, DC, Puerto Rico and the Virgin Islands

International Market Capabilities. **WE ARE** the seventh largest insurance brokerage in the World and the Sixth Largest in the United States.

WE ARE a Full Service Brokerage specializing in:
Property & Casualty Insurance
Personal Lines
Health Insurance: (Affordable Care Act)
Life & Pension
Programs Division
Service Division

Web Address: www.bbjax.com

Your Service Team

A nationally ranked, publicly owned insurance firm built on the understanding and consideration of the buyer's needs.

Brown & Brown is one of the nation's leading independent insurance agency organizations, with 80 years of continuous experience within the industry. We offer you experience, skill, and innovation in arranging your business insurance needs – whether casualty, property, employee benefits, or personal.

People, and the relationships they form, are our strength. Our reputation has been built on a solid foundation of people dedicated to providing the highest degree of service.

Agent	Title	Contact Information
Lori Duvall CIC	Commercial Team Leader *Responsible for Day-to-Day Client Services*	Direct: (904) 565-8288 Email: lduvall@bbjax.com
Brenda Lewis-Lipscomb, CIC, CPIW, AINS	Account Executive Vice President *Overall Responsibility for Client Relationship*	Direct: (904) 565-8254 Mobile: (904) 509-6042 Email: blewis@bbjax.com
Ancillary Account Support		
Michelle Turner	Marketing Leader *Responsible for Client Account Placement*	

Summary of Proposed Premiums

Coverage	2018-2019	2019-2020	Retail Commission	Wholesale Commission
Government Crime Coverage	$38,051.00	$38,049.00	15%	N/A
Broker Fees & Taxes	N/A	N/A		
Total	$38,051.00	$38,049.00		

Payment Plans

Line of Coverage	Payment Plan
Government Crime Coverage	Payment in full

In order to bind coverage, the following is needed:

Completed and Signed Crime Application

Named Insured Schedule

City of Jacksonville, Florida
Jacksonville Airport Authority
Jacksonville Port Authority
Jacksonville Housing Authority (JHA)
All Volunteer Fire Departments in Duval County
Clerk of the Circuit Court
City of Jacksonville Retirement System
General Employees Pension Plan
Correction Officers Pension Plan
Jacksonville Police & Fire Pension Plan (Co-Insured)
Including All Employee Benefit Plans
Any affiliated or subsidiary board, authority, committee, commission, or independent agency (including newly constituted) provided that such affiliated or subsidiary boar, authority, committee or independent agency is either a body politic created by a listed Named Insured; or one in which controlling interest of membership then is vested in a listed Named Insured.
All elected officials, appointed officials and members of all appointed governing bodies, the Sheriff and the Undersheriff, all while acting within the scope of their duties

The following are specifically excluded as Named Insureds

Duval County School Board
Jacksonville Transportation Authority
JEA
St Johns River Power Park

Government Crime Coverage

Carrier: National Union Fire Insurance Company of Pittsburgh, PA

Coverage

Government Crime Insurance subject to policy provisions, conditions, terms, definitions and exclusions.

Coverage Form: Loss Sustained Form

Coverage	Limits	Deductible
Employee Theft – Per Loss Coverage	$ 5,000,000	$ 50,000
Employee Theft – Per Employee Coverage	$ 3,000,000	$ 5,000
Forgery or Alternation	$ 3,000,000	$ 5,000
Inside the Premises - Loss of Money and Securities	$ 3,000,000	$ 5,000
Inside the Premises – Robbery or Safe Burglary of Other Property	$ 3,000,000	$ 5,000
Outside the Premises	$ 3,000,000	$ 5,000
Computer Fraud	$ 3,000,000	$ 5,000
Funds Transfer Fraud	$ 3,000,000	$ 5,000
Money Orders and Counterfeit Paper Currency	$ 3,000,000	$ 5,000
Faithful Performance Duty	$ 5,000,000	$ 75,000

Policy Forms Include but are not limited to:

- Add Credit, Debit or Charge Card Forgery - 3,000,000
- Add Faithful Performance of Duty Coverage for Government Employees - $5,000,000
- Additional Named Insureds
- Crime Advantage
- Omnibus Named Insured
- Bonded Employee Exclusion Deleted
- Excluded Specific Entities
  - Duval County School Board (including any subsidiary or affiliate thereof)
  - Jacksonville Transportation Authority (including any subsidiary or affiliate thereof)
  - JEA (including any subsidiary or affiliate thereof)
  - St. John's River Power Park (including any subsidiary or affiliate thereof)
- Include Treasurer or Tax Collectors as Employees
- Include Expenses Incurred to Establish Amount of Covered Loss - $50,000
- Include Designated Persona or Classes of Persons as Employees (All Elected officials, appointed officials and members of all appointed governing bodies, the Sheriff and the Undersheriff, all while acting within the scope of their duties.)
- Impersonation Fraud Coverage - $100,000 sublimit: $25,000 deductible

THIS PROPOSAL CONTAINS ONLY A GENERAL DESCRIPTION OF THE COVERAGE(S) AND DOES NOT CONSTITUTE A POLICY/CONTRACT. FOR COMPLETE POLICY INFORMATION, INCLUDING EXCLUSIONS, LIMITATIONS, AND CONDITIONS, REFER TO THE POLICY DOCUMENT. IN THE EVENT OF A DIFFERENCE, THE POLICY WILL PREVAIL.

Policy Forms Include but are not limited to (continued):

- Forms Index Endorsement
- Notice of Claim (Reporting by e-mail)
- Florida Changes
- Protected Information Exclusion
- Indirect or Consequential Loss Exclusion
- Economic Sanctions Endorsement

Higher Limits May be Available upon Request

A.M. Best Rating of Proposed Companies

COVERAGE	INSURANCE COMPANY	RATING
Government Crime Coverage	National Union Fire Ins Co of Pittsburgh, PA	A, XV

General Rating

These rating classifications reflect BEST's opinion of the relative position of each company in comparison with others, based upon averages within the Property-Casualty insurance industry. They are reflective of overall company services and standing within the industry.

A++, A+	Superior	B, B-	Fair
A, A-	Excellent	C++, C+	Marginal
B++, B+	Good	C,C-	Weak

Financial Size Category

The Financial Size Category is an indication of the size of an Insurer and is based on reported Policyholder's surplus conditional or Technical reserve Funds, such as mandatory securities valuation reserve, or other investments and operating contingency funds and/or miscellaneous voluntary reserves in liabilities. ($ in Thousands)

Class I	Up	To	$1,000
Class II	$1,000	to	$2,000
Class III	$2,000	To	$5,000
Class IV	$5,000	To	$10,000
Class V	$10,000	To	$25,000
Class VI	$25,000	To	$50,000
Class VII	$50,000	To	$100,000
Class VIII	$100,000	To	$250,000
Class IX	$250,000	To	$500,000
Class X	$500,000	To	$750,000
Class XI	$750,000	To	$1,000,000
Class XII	$1,000,000	To	$1,250,000
Class XIII	$1,250,000	To	$1,500,000
Class XIV	$1,500,000	To	$2,000,000
Class XV	$2,000,000	To	Greater

This information has been provided to you so that consideration is given to the financial condition of our proposed carriers. The financial information disclosed is the most recent available to Brown & Brown. Brown & Brown does not guarantee financial condition of the insurers listed above.

The financial condition of the above carriers has been fully explained by Brown & Brown of Florida, Inc. and I hereby acknowledge these financial conditions.

Premium Summary and Related Information

This proposal contains only a general description of the coverage(s) and does not constitute a policy/ contract. For complete policy information, including exclusions, limitations, and conditions, refer to the policy document.

This proposal is based upon the exposures to loss made known to the Agency. Any changes in these exposures (i.e., new operations, new products, additional states of hire, etc.) need to be promptly reported to us in order that proper coverage(s) may be put into place.

Compensation: In addition to the commissions or fees received by us for assistance with the placement, servicing, claims handling, or renewal of your insurance coverages, other parties, such as excess and surplus lines brokers, wholesale brokers, reinsurance intermediaries, underwriting managers and similar parties, some of which may be owned in whole or in part by Brown & Brown, Inc., may also receive compensation for their role in providing insurance products or services to you pursuant to their separate contracts with insurance or reinsurance carriers. That compensation is derived from your premium payments. Additionally, it is possible that we, or our corporate parents or affiliates, may receive contingent payments or allowances from insurers based on factors which are not client-specific, such as the performance and/or size of an overall book of business produced with an insurer. We generally do not know if such a contingent payment will be made by a particular insurer, or the amount of any such contingent payments, until the underwriting year is closed. That compensation is partially derived from your premium dollars, after being combined (or "pooled") with the premium dollars of other insureds that have purchased similar types of coverage. We may also receive invitations to programs sponsored and paid for by insurance carriers to inform brokers regarding their products and services, including possible participation in company-sponsored events such as trips, seminars, and advisory council meetings, based upon the total volume of business placed with the carrier you select. We may, on occasion, receive loans or credit from insurance companies. Additionally, in the ordinary course of our business, we may receive and retain interest on premiums you pay from the date we receive them until the date of premiums are remitted to the insurance company or intermediary. In the event that we assist with placement and other details of arranging for the financing of your insurance premium, we may also receive a fee from the premium finance company.

Questions and Information Requests. Should you have any questions, or require additional information, please contact this office at 1 800-755-7297 or, if you prefer, submit your question or request online at http://www.bbinsurance.com/customerinquiry.shtml.