FINANCE DIVISION

Jacksonville

Where Florida Begins.

MEMORANDUM

DATE: **September 15, 2017**

TO: **Gregory Pease, Chairman**
Professional Services Evaluation Committee

FROM: **Ann Willis, Property and Casualty Administrator**
Twane Duckworth, Chief of Risk Management

Subject: **Brown and Brown of Florida, Inc. –Crime Insurance, P-52-16 – Request for Contract 9269-07 Amendment One**

The current Contract No. 9269-07 Crime Insurance allows for placement of Crime Insurance coverages by Brown and Brown of Florida, Inc., for a term of October 1, 2016 to September 30, 2017, with four (4) additional one year options remaining at terms mutually agreeable. Currently the not to exceed maximum indebtedness is $38,051.00.

Risk Management is requesting to exercise one (1)of the four (4) remaining renewals for a policy term of October 1, 2017 to September 30, 2018 and to increase the maximum indebtedness by $38,051.00 for a not to exceed amount of $76,102.00 with all terms and conditions remaining the same.

The $38,051.00 represents no change in premium over the previous term for the Crime Insurance coverages

All other terms and conditions, as previously amended, shall remain the same except for such changes as the Office of General Counsel may deem appropriate to ensure compliance with the City's ordinances, Procurement policies and procedures and applicable federal and state laws.

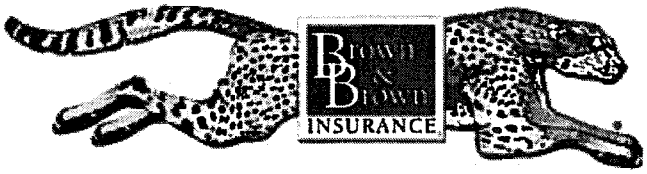
Attachments: Exhibit C

Exhibit C

2017 – 2018 Crime Insurance –Renewal Proposal

Insurance Proposal Submitted Especially For:

City Of Jacksonville, Florida



Policy Term:

Crime
October 1, 2017 to October 1, 2018

Prepared by:

Brown & Brown of Florida, Inc. – Jacksonville Branch
10151 Deerwood Park Blvd Bldg 100, Ste 100, Jacksonville, FL 32256
(904) 565-1952 phone • (904) 565-2440 fax

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

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 difference, policy will prevail.

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Account Service Team

No matter how comprehensive or price competitive your insurance program is, it is still people who must service it to insure that coverage will respond when needed.

Brenda Lewis-Lipscomb, CIC
Vice President, Commercial Sales Executive
(904) 565-8254
(904) 565-2440 fax
blewis@bbjax.com

Brenda is responsible for overseeing all aspects of your program.

Lori Duvall, CIC
Commercial Lines Team Leader
(904) 565-8288 phone
(904) 565-2440 fax
lduvall@bbjax.com

Lori will assist with the daily servicing of your account, including changes in coverage, invoicing, renewal and other daily account servicing.

Michelle Turner
Senior Marketing Analyst

Michelle is responsible for market analysis, including coverage comparison, finding best coverage available and making sure competitive pricing is offered.

Feel free to contact anyone on this list if you have questions or concerns regarding your insurance policy.

Claims Reporting Guidelines
For All Lines of Coverage except Workers' Compensation

Make Brown & Brown of Florida, Inc. aware of any and all incidents *immediately* after they occur, whether it be an auto accident, a theft, slip & fall, even a minor incident that appears will have no future activity. Do not wait for a police report.

Some insureds opt to handle a situation themselves as opposed to putting their carrier on notice. This decision is ultimately up to the insured, but Brown & Brown of Florida, Inc. should still be informed of a situation and requires written confirmation that the insured made the decision not to report the claim.

Gather as much concrete information as possible. For example, police reports, company incident reports, conversation logs, medicals and pictures - anything that may assist in the handling of your claim. Send this information either by mail, e-mail or fax to:

Brown & Brown of Florida, Inc. – Jacksonville Branch
Lori Duvall, CIC
10151 Deerwood Park Blvd., Bldg. 100, Ste. 100
Jacksonville, FL 32256
(904) 565-8288 phone
(904) 565-2440 fax
lduvall@bbjax.com

If you have any questions or incur any problems, please call our office and we will be glad to assist in any way we can.

Claims Reporting Guidelines for Workers' Compensation

Workers' Compensation Claims should immediately be reported directly to the insurance company.

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Crime Coverage

Named Insured(s) Schedule

City of Jacksonville
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

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Crime Coverage

National Union Fire – AIG

Coverage: Crime Insurance subject to policy provisions, conditions, terms, definitions and exclusions. Exclusions include, but are not limited to terrorism and *3rd party employee dishonesty*

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

Endorsements include, but are not limited to the following:
Forms Index Endorsement
Notice of Claim (Reporting by e-mail)
Florida Changes
Protected Information Exclusion
Indirect or Consequential Loss Exclusion
Economic Sanctions Endorsement
Add Credit, Debit or Charge Card Forgery -$3,000,000
Add Faithful Performance of Duty Coverage for Government Employees
Additional Named Insureds
Crime Advantage
Fidelity Research & Investigative Settlement Clause (FRISC)
FRISC List (Commercial and National Accounts)
Omnibus named Insured
Reliance on Application Signed by Insured's Agent Endorsement – State of Florida
Bonded Employee Exclusion Deleted
Excluded Specific Entities
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

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Premium Summary

	2016/2017	2017/2018	Commission
Crime	$ 38,051.00	$ 38,051.00	15%
Surcharges	$ 0.00	$ 0.00	
Total	**$ 38,051.00**	**$ 38,051.00**	

**Premiums are indication and subject to change after receipt of completed application

Payment Plan:

Payment in Full

Quote Conditions:

In order to renew, we will need the following prior to 10/1/2017:

- Most recent completed and signed application

Subject to:

Favorable Loss Control Survey and prompt compliance with all Loss Control Recommendations.
Final rating and underwriting approval by the Company.

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A.M. Best Rating of Proposed Carriers

Policy Type	Carrier	Rating
Crime	National Union Fire Insurance Company of Pittsburgh	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++	Good	C++, C+	Marginal
A, A-	Excellent	B, B-	Fair	C, C-	Weak

Financial Size Category:

The financial Size Category is an indication of the size of an Insurer and is based on reported Policyholders' surplus plus conditional or Technical Reserve Funds, such as mandatory securities valuation reserve, other investment and operating contingency funds and/or miscellaneous voluntary reserves in liabilities.

Financial Size Category (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	$1,750,000
Class XV	$1,750,000	to	$2,000,000

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 of Florida, Inc. – Jacksonville Branch. Brown & Brown does not guarantee financial condition of the insurers listed above.

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DISCLAIMER/COMPENSATION DISCLOSURE

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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.

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 the 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 1-800-637-6441 or, if you prefer, submit your question or request online at http://www.bbinsurance.com/customerinquiry.shtml