Agenda Report

2725 Judge Fran Jamieson Way
Viera, FL 32940

Brevard County

Consent

F.8. 5/5/2026

Subject:
Approval, Re: Renewal of Annual Property Insurance Program effective 6/1/2026

Fiscal Impact:
As presented by the County's property insurance broker, favorable market conditions will allow us to renew property coverage for the period 6/1/2026-27 under same terms and conditions at an amount not to exceed $3,582,405. The premiums will be paid from budgeted funds in Business Area 5050 / Cost Center 389610 from both FY 25-26 and FY 26-27 based on a pro-rata share as the coverage runs through time periods in both fiscal years. If funds in excess of the already budgeted amount are necessary (not to exceed the stated maximum), insurance reserves will be utilized.

Dept/Office:
Human Resources

Requested Action:
It is requested the Board of County Commissioners authorize the Risk Manager to bind and secure placement of the County's Property Insurance coverage as presented and recommended by Arthur J Gallagher, the County's property insurance broker, with an effective date of 6/1/2026, at a cost not to exceed $3,582,405.

Summary Explanation and Background:
Risk Management instructed Arthur, J Gallagher to secure renewal quotes for the Property Insurance program to mitigate the County's loss exposure, maintain the County's ability to recover from a major catastrophic loss, and to ensure the County is in compliance with FEMA's "Obtain and Maintain" insurance requirements.

The County's Property Insurance program provides coverage for both windstorm and non- windstorm related damage. Compliance with the Stafford Act, a condition for receiving FEMA funding, requires that applicants insure facilities and their contents with the "types and extent" of insurance that is reasonably available, adequate, and necessary to protect against future loss to the property.

The property insurance market remains stable. However, there are still affordability and availability challenges in high-risk areas prone to natural disasters. On a positive note, more insurers are using technology like predictive analytics and artificial intelligence to better assess and manage risks, and this is expected to improve market resilience while supporting price stability.

After evaluating the County's needs for Property and Flood coverage, Arthur J Gallagher surveyed the property insurance market and solicited quotes from 40 different carriers. The County has been presented with a 6/1/2026 property insurance renewal proposal which reflects a premium cost of (Not to Exceed) $3,582,405 a decrease of $72,045 (or -2%) over the expiring premium.

Risk Management continues to evaluate other methods to reduce the overall program cost and the broker will continue to vigorously negotiate on behalf of the County and explore alternative insurance options with all current and interested insurers prior to the 6/1/2026 renewal date. All viable options and cost-saving solutions will be evaluated by County Staff with the objective of securing additional rate reductions while maintaining appropriate coverage levels.

Clerk to the Board Instructions:

BREVARD County
BOARD OF COUNTY COMMISSIONERS

FLORIDA'S SPACE COAST

Kimberly Powell, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001
Fax: (321) 264-6972
Kimberly.Powell@brevardclerk.us

May 6, 2026

MEMORANDUM

TO: Melissa Powers, Human Resources Director

RE: F.8., Renewal of Annual Property Insurance Program Effective June 1, 2026

The Board of County Commissioners, in regular session on May 5, 2026, authorized the Risk Manager to bind and secure placement of the County's Property Insurance coverage as presented and recommended by Arthur J. Gallagher, the County's Property Insurance Broker, with an effective date of June 1, 2026, at a cost not to exceed $3,582,405.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
RACHEL M. SADOFF, CLERK

Kimberly Powell

Kimberly Powell, Clerk to the Board

/tr

cc: Finance
Budget

Gallagher
Insurance | Risk Management | Consulting

Market Summary 6/1 Renewals	
Non-Utilities Property	
National Fire & Marine	Quoted
Ironshore	Quoted
Endurance American	Quoted
Everest	Pending Response
Risksmith	Pending Response
Evanston	Pending Response
Beazley	Pending Response
StarStone	Quoted
Landmark	Quoted
Westchester	Pending Response- Previously Declined due to Docks
Arch	Unable to compete – Docks & Boardwalks
Arrowhead	Unable to compete
Aspen	Unable to compete – Docks & Boardwalks
AXIS	Pending Final Quote- Pricing Higher than Expiring
Beazley (Lloyds)	Pending Response
Great American	Unable to compete
James River	Excess Market – Pending Response
Lexington	Pending Response
Maxim/Navigators	Unable to compete – Docks & Boardwalks
MunichRe	Pending Response
SwissRe	Pending Response
Velocity	Unable to complete
Hamilton (Lloyds)	Pending Response
Westfield	Pending Response
SRU	Pending Response
Argo	Pending Response

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Market Summary 6/1 Renewals	
Sompo	Pending Response
Cincinnati (Lloyds)	Pending Response
QBE (Lloyds)	Pending Response
BRIT (Lloyds)	Pending Response
IGI (Lloyds)	Pending Response
WRB (Lloyds)	Pending Response
Markel	Pending Response
AML (Lloyds)	Pending Response
Berkley	Pending Response
Chubb Bermuda	Pending Response- Attach Higher than $50M
Utilities Property	
Starr Tech (Incumbent)	Quoted
Aegis	Declined
Boiler & Machinery/Equipment Breakdown	
Travelers	Indicated $
Inland Marine	
XL Specialty Insurance Company/AXA XL (Incumbent)	Quoted $
Ocean Marine	
Great American Insurance Company (Incumbent)	Quoted $

Brevard County

Property Renewal
June 1 2026-2027

Arthur J. Gallagher & Co.

Nick Terlecki | Area Vice President
Nick_Terlecki@ajg.com | 407.923.2559
Terry Stubbs | Area Vice President
Terry_Stubbs@ajg.com |
April 23 2026

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Property

The property insurance market remains stable. However, there are still affordability and availability challenges in high-risk areas prone to natural disasters. On a positive note, more insurers are using technology like predictive analytics and artificial intelligence to better assess and manage risks, and this is expected to improve market resilience while supporting price stability.

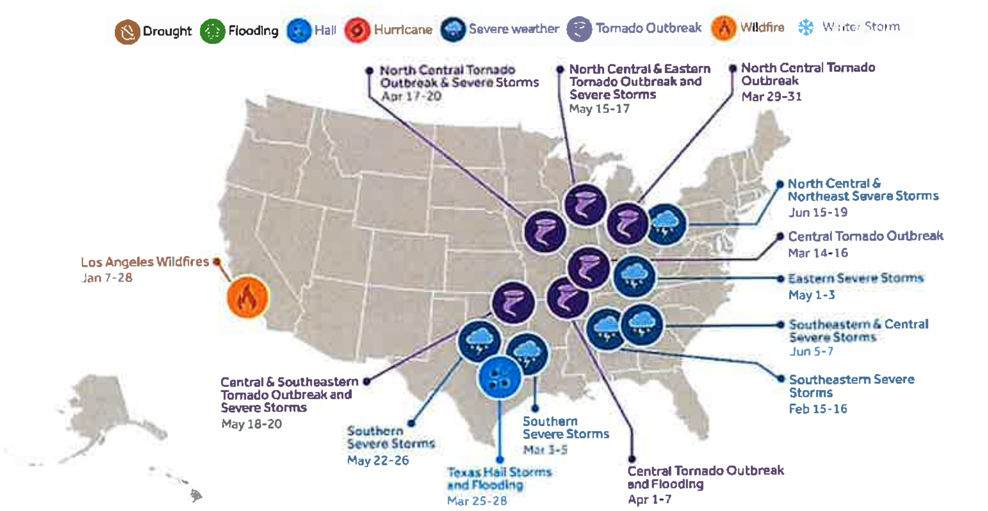
- After posting strong results in 2023, incumbent insurance carriers are pursuing growth and offering additional capacity for catastrophe business. Some new capacity has also entered the market, introducing fresh competition.
- In 2025, US SCS accounted for 61% (or $37 billion) of total economic losses globally (at $61 billion) from natural catastrophes. According to Gallagher Re, this loss already puts 2023/2024 as the costliest back-to-back period for US insurers for the peril on record. Carriers continue assessing their appetite for "secondary" perils, particularly SCS and wildfire.

Region	Rate Changes	Comments
Northeast	-15% to Flat	More market appetite than in previous years
Southeast	-23% to -5%	Coverage is readily available; plenty of capacity
South Central	-20% to Flat	Excess capacity; shared and layered programs seeing largest reductions
Great Lakes	-10% to Flat	Several available markets
Midwest	Flat	Adequate market options
Southwest	See Comments	-5% to -10% (K-12); -20% (Public Entity); Flat to -10% (Pools)
Northwest	See Comments	-5% to -10% (K-12); -20% (Public Entity); Flat to -10% (Pools)

Recommendations

- Perform risk assessments to identify and evaluate potential exposures and property-related hazards.
- Develop and implement proactive risk mitigation measures, such as installing fire alarms, smoke detectors, and sprinkler systems, improving building security, and ensuring compliance with building codes and safety standards.
- Maintain accurate and up-to-date property valuations and ensure all property assets are properly documented.

U.S. 2025 Billion-Dollar Weather & Climate Disasters



This map shows the approximate location for each of the 14 separate billion-dollar weather and climate disasters that impacted the United States from January-June of 2025

Insurance Premiums

PLEASE SEE BREVARD COUNTY 6-1 PREM COMPARISON EXCEL FOR DETAIL COMPARISON

Non-Utility Property	24-25	25-26	26-27	Change
Limit	$50,000,000	$50,000,000	$50,000,000	0%
Wind Limit	$20,000,000	$20,000,000	$20,000,000	0%
TIV	**$666,360,403**	**$703,560,403**	**$806,472,508**	15%
Rate	$0.520	$0.411	$0.347	-15%
Premium	$3,464,320	$2,890,536	$2,800,536	-3%

Utility Property	Starr 24-25	Starr 25-26	Starr 26-27	Change
Limit	$100,000,000	$100,000,000	$100,000,000	0%
Wind Limit	$15,000,000	$15,000,000	$15,000,000	0%
TIV	**$206,247,358**	**$208,862,601**	**$220,492,789**	6%
Rate	$0.293	$0.278	$0.264	-5%
Premium	$603,626	$581,001	$581,0001	0%

Inland Marine	XL 24-25	XL 25-26	XL 26-267	Change
Limit	$10,000,000	$10,000,000	$10,000,000	0%
TIV	**$41,297,510**	**$53,533,768**	**$53,533,768**	0%
Rate	$0.213	$0.200	$0.215	8%
Premium	$87,797	$106,961	$115,000	8%

Boiler & Machinery	CNA 24-25	Travelers 25-26	Travelers 25-27	Change
Limit	$125,000,000	$250,000,000	$250,000,000	0%
TIV	**$667,360,403**	**$703,585,403**	**$806,472,508**	15%
Rate	$0.00264	$0.00275	$0.00298	8%
Premium	$17,637	$19,331	$24,000	24%

Watercraft	Great American 24-25	Great American 25-26	Great American 26-27	Change
TIV	**$649,196**	**$812,836**	**$812,836**	0%
Rate	$2.619	$2.505	$2.348	-6%
Premium	$17,002	$20,362	$19,082	-6%

NFIP Flood	Wright 24-25	Wright 25-26	Wright 26-27	Change
Premium	$30,728	$36,259	$42,786	18%

Total	2024-2025	2025-2026	2026-2027	Change
Premium	**$4,221,110**	**$3,654,450**	**$3,582,405**	**-2%**

Program Structure

Last Year Program

$50M	Landmark 100% $30M xs $20M $108,000 $30M							
$20M	National Fire 25% Primary $20M $700,000 $5M	Llyods 20% Primary $20M $560,000 $4M	Starstone 10% Primary $20M $280,000 $2M	Everest 7.5% Primary $20M $202,500 $1.5M	Ironshore 10% Primary $20M $280,000 $2M	Endurance 12.5% Primary $20M $350,000 $2.5M	Westchester 10% Primary $20M $270,000 $2M	Swiss Re 5% Primary $20M $140,000 $1M

Project 2026 Program

$50M	Landmark 100% $30M xs $20M $100,000 $30M							
$20M $10M	National Fire 25% Primary $20M $688,000 $5M	Llyods 20% Primary $20M $550,000 $4M	Starstone 10% Primary $20M $270,000 $2M	Everest 7.5% Primary $20M $192,500 $1.5M	Ironshore 10% Primary $20M $270,000 $2M	Endurance 12.5% Primary $20M $340,000 $2.5M	Westchester 10% Primary $20M $260,000 $2M	Swiss Re 5% Primary $20M $130,000 $1M
	SIR							

Coverage Sublimit

- Projected Additional Premium to Increase Wind from $20M to $30M is $1,000,000
- Projected Additional Premium to Increase Wind from $20M to $50M is $1,750,000

Coverage	Renewal Program	Renewal Program
Deductibles		
All Perils	$100,000	$100,000
Named Windstorm	5% Named Storm $500K Min	5% Named Storm $500K Min
Program Limits		
Flood	$20,000,000	$20,000,000
Accounts Receivable	**$2,500,000**	$2,500,000
Building Ordinance or Law	**$15,000,000**	$15,000,000
Business Interruption	$10,000,000	$10,000,000
Civil or Military Authority	$250,000	$250,000
Course of Construction	**$10,000,000**	$10,000,000
Decontamination and Clean up Expense	**$1,000,000**	$1,000,000
Debris Removal	**$15,000,000/ 25%**	$15,000,000/ 25%
Errors or Omissions	**$10,000,000**	$10,000,000
Expediting Expense	**$1,000,000**	$1,000,000
Extra Expense	$1,000,000	$1,000,000
Fine Arts	**$500,000 or $25K Per Item**	$500,000 or $25K Per Item
Fungus, Mold, Wet or Dry Rot (Direct Physical Loss	**$500,000**	$500,000
Ingress/Egress	**$2,500,000/30 days**	$2,500,000/30 days
Land Improvements	**$1,000,000**	$1,000,000
Loss Adjustment Expenses	**$1,000,000**	$1,000,000
Miscellaneous Unnamed Locations	**$5,000,000**	$5,000,000
Newly Acquired Property	**$10,000,000/ 180 Days**	$10,000,000/ 180 Days
Off Site Storage	$100,000	$100,000
Personal Property	**$250,000**	$250,000
Service Interruption	$500,000	$500,000
Soft Cost	**$1,000,000/ 24 Hour**	$1,000,000/ 24 Hour
Transit	**$1,000,000**	$1,000,000
Valuable Papers and Records	$2,500,000	$2,500,000
Period of Indemnity	365	365

Flood Zone	Flood Risk Description	Annual Flood Risk
Zone A	High risk. 100-year floodplain, no BFE determined.	1% chance
A1-A30	High risk. 100-year floodplain, BFE determined.	1% chance
AE	High risk. 100-year floodplain, BFE determined.	1% chance
AH	High risk. Areas of shallow flooding (ponding).	1% chance
AO	High risk. Areas of shallow flooding (sheet flow).	1% chance
AR	High risk. Flood protection under restoration.	1% chance
A99	High risk. Flood protection system under construction.	1% chance
Zone V	High risk. Coastal flood hazard with storm waves.	1% chance
V1-V30	High risk. Coastal flood hazard with storm waves.	1% chance
VE	High risk. Coastal flood hazard with storm waves and BFE determined.	1% chance
Zone B	Moderate risk. 500-year floodplain.	0.2% chance
Zone X (shaded)	Moderate risk. 500-year floodplain.	0.2% chance
Zone C	Minimal risk. Outside the 500-year floodplain.	Less than 0.2%
Zone X (unshaded)	Minimal risk. Outside the 500-year floodplain.	Less than 0.2%
Zone D	Undetermined risk due to insufficient analysis.	Unknown

Flood Zones	**Building and Structures** 1825 Total Locations $806M	**Total Assets List**
A	36	264
AE	203	730
AH	2	70
AO	0	3
VE	14	26
X	1178	22434
X500	167	2396
Blank	427	1763

1. **Zone A**: Areas with a 1% annual chance of flooding (100-year floodplain). No base flood elevation (BFE) determined. There are different subcategories within Zone A:
   - **AE**: Areas with determined BFEs.
   - **AH**: Flooding areas with shallow water depths (ponding) ranging from 1 to 3 feet.
   - **AO**: Areas with shallow flooding (sheet flow) with average depths between 1 and 3 feet.
2. **Zone V**: Coastal areas with a 1% or greater annual chance of flooding, with additional hazards from storm waves. There are also subcategories:
   - **VE**: Coastal areas with determined BFEs and additional storm-related wave hazards.
3. **Zone B and Zone X (shaded)**: Areas with a moderate risk of flooding. These areas have a 0.2% annual chance of flooding (500-year floodplain).
4. **Zone C and Zone X (unshaded)**: Areas with minimal risk of flooding outside the 500-year floodplain.
5. **Zone D**: Areas with possible but undetermined flood risks due to insufficient analysis.
6. **Zone X**: A zone designation used to replace Zones B and C on newer flood maps, distinguishing between shaded and unshaded areas.

Gallagher CORE360

Your Team

Your Gallagher team is a true partner. We have the expertise to understand your business and we're here to service and stay alongside you, every step of the way.

Name/Title	Phone	Email	Role
Primary Service Team			
Nicholas Terlecki, ARM	407.563.3568 Work 407.923.2559 Cell	Nick_Terlecki@ajg.com	Team Leader
Terry Stubbs	713.304.2658 Cell	Terry_Stubbs@ajg.com	Co-Team Leader
Sandra Sierra	407.563.3531 Work	Sandra_Sierra@ajg.com	Client Service Manager
Caitlin Strong	407 563 3521 Work	Caitlin_Strong@ajg.com	Client Service Manager
Program Specialists			
Anthony Lehnen	312.803.7447 Work	Anthony_Lehen@ajg.com	Environmental Insurance
Joey Sylvester	504.378.4605 Work	Joey_Sylvester@ajg.com	Terrorism
Ted Way	408.878.3823 Work	Ted_Way@ajg.com	Construction
Claims & Loss Control			
Bart Douglas	305.639.3121 Work	Bart_Douglas@ajg.com	Claims Advocacy
Scott Clark	561.998.6815 Work	Scott_Clark@ajg.com	Claims Advocate Senior
Jim Smith	561.998.6801 Work	Jim_Smith@ajg.com	Loss Control Manager, Southeast
Leadership Team			
Michael Gillon	407.563.3550 Work	Michael_Gillon@ajg.com	Executive Leadership

Thank You for Your Business

We have enjoyed our partnership and appreciate the continued time, support and confidence you have placed in us as your risk management team. This past year has been successful as evidenced by your scorecard. Your total cost of risk is being impacted favorably and our strategy for this upcoming renewal continues to focus on ways to improve this positive impact on your profitability. Thank you.