

City of Lake City Proposal

April 2025



Gallagher

Insurance | Risk Management | Consulting



Introductions

Let us introduce ourselves



Justin Terry

Area Senior Vice President
Jacksonville, FL



J.D. Curls

Benefits Consultant
Lake City, FL

About
Gallagher

FOUNDED IN
1927

\$9.9B

TOTAL ADJUSTED BROKERAGE
& RISK MANAGEMENT
REVENUES (2023)

SOCIAL RESPONSIBILITY

COMPANYWIDE FOCUS ON
ETHICAL CONDUCT, EMPLOYEE
HEALTH AND WELFARE,
ENVIRONMENTAL INTEGRITY
AND COMMUNITY SERVICE.

Our Network of Offices



130+
COUNTRIES SERVED

960+
OFFICES GLOBALLY

52,000+
EMPLOYEES WORLDWIDE



**15
FLORIDA
OFFICES

INCLUDING

LAKE CITY**

Health and Welfare Program Results

City of Lake City Health / Benefits

1. 2023 – identified opportunity based on 15+ year relationship with FMIT direct
2. Created market competition as broker
3. Initial savings for the core benefits was approximately \$415,000. Additional savings by revamping the optout program.
4. Gallagher's compensation was approximately \$130K and added to the total program cost before the \$415,000 savings was calculated, creating over a 4 to 1 value for the City.
5. Improved staff and employee administrative efficiencies through implementation of Employer Navigator System to automate manual processes
6. Gallagher continues to negotiate on the cities behalf to help with future health and welfare cost containment

Property/Casualty Insurance Opportunity

City of Lake City Property Casualty Insurance

1. 15+ Years with Florida Municipal Insurance Trust (FMIT)
2. No record of any competition for FMIT during 15+ year span
3. Current cost is over \$1.75M with significant rate increases the past couple of years
4. FMIT Underwriter's job is to get the most premium for the risk that the market will bear
5. City of Lake City Staff lack tools, skills and experience necessary to create a competitive environment for underwriters to drive competitive cost – similar to most all public entities and private companies
6. City of Lake City needs to clean up exposures to prepare for competitive evaluation

Property/Casualty Insurance Next Steps

Insurance Marketplace

1. Gallagher will work with CoLC staff to develop a presentation of the risk to the insurance marketplace
2. Gallagher will develop RFP to solicit competitive underwriter options
3. We often find a competitive evaluation can drive a 10-30% rate reduction (typically when conducted once every 3-5 years)
4. Due to 15+ years since last conducted, even better results may be achievable
5. Gallagher will work as a consultant to the City, to allow all traditional insurance carriers and direct writers to be competitive options to consider
6. The current carrier, FMIT, may still be the carrier of choice, but may be more aggressive

Budget Approval Needed to Take Next Steps

Gallagher Proposal

1. The fee will be \$125,000, as recently competitively bid by Indian River County
2. In the interest of time and resources, using piggyback agreement to Indian River County bid
3. If we saved 10% on city insurance cost, savings would be (insert number – think its over \$180,000) – follow up on current policies

Thank you

Justin Terry, Area Senior Vice President
904.333.8699 | justin_terry@ajg.com

J.D. Curls, Benefits Consultant
386.590.0951 | jd_curls@ajg.com

