



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#13-1168

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Lee R. Feldman, ICMA-CM, City Manager

DATE: September 3, 2013

TITLE: MOTION - Approving Workers' Compensation Insurance Purchase -
\$477,600

Recommendation

It is recommended that the City Commission approve the purchase of a one-year excess workers' compensation insurance policy in an amount of \$477,600 and make a determination that this policy best meets the needs of the City, as prescribed in Code of Ordinances, Section 2-199(3).

Background

The City's excess workers' compensation insurance policy is scheduled to expire on September 30, 2013. As prescribed in Section 2-199(3), Code of Ordinances of the City of Fort Lauderdale, the City Manager's designee, Risk Management Associates, Inc., d/b/a Public Risk Insurance Agency, conducted negotiations with all available markets. The negotiations resulted in a total premium quote of \$477,600 from the Florida Municipal Insurance Trust, through the Florida League of Cities, which is an increase of \$140,271 over last year's premium. However, this policy, which provides coverage for medical bills and lost wages for employees injured on the job, provides a self-insured retention level of \$1,000,000 per claim, \$500,000 less than last year's retention. In addition, the program through the Florida League of Cities provides risk control services. The contract is for the period of October 1, 2013 through September 30, 2014. This item was reviewed and approved by the Insurance Advisory Board at its August 7, 2013 meeting.

Staff, and by recommendation from the Insurance Advisory Board, requests that the City Commission approve the purchase of workers' compensation insurance in the amount of \$477,600, from the Florida Municipal Insurance Trust, through the Florida League of Cities, as prescribed in Section 2-199(3) of the Code of Ordinances, for the policy period of October 1, 2013 through September 30, 2014.

On July 2, 2013, the City Commission approved CAM 13-0891 (Item M-5) requesting authority to negotiate with all available markets (vote 5-0).

Resource Impact

There is a fiscal impact to the City in the amount of \$477,600.

Funding for this item is contingent upon approval and appropriation of the FY 2014 budget as follows:

		SUB				SUB		
FY Year	FUND	FUND	FUND NAME	INDEX #	INDEX NAME	OBJECT #	SUBJECT NAME	AMOUNT
2014	543	01	City Insurance	INS010101	Self-Insurance Claims	5122	Work Comp Carrier	477,600
					TOTAL			477,600

Prepared by: Guy Hine, Risk Manager

Department Director: Averill L. Dorsett, Human Resources Director

Attachment: Premium quotes and coverages (Exhibit 1)

FMIT proposal (Exhibit 2)