



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

#20-0629

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

FROM: Chris Lagerbloom, ICMA-CM, City Manager

DATE: September 1, 2020

TITLE: Motion Authorizing Purchase of Workers' Compensation Insurance – Safety
National Casualty Corporation – \$402,556 – **(Commission Districts 1, 2,
3 and 4)**

Recommendation

It is recommended that the City Commission approve the purchase of a one-year excess workers' compensation insurance policy from Safety National Casualty Corporation in the amount of \$402,556.

Background

The City's excess workers' compensation insurance policy is scheduled to expire on September 30, 2020. Inasmuch as the competitive solicitation and selection process is inapplicable to the purchase of insurance and insurance-related products pursuant to Subsection 2-176(d), Code of Ordinances of the City of Fort Lauderdale, Florida, the City's contracted broker, Risk Management Associates, Inc., d/b/a Public Risk Insurance Advisors, conducted negotiations with all available and appropriate markets, including Safety National Casualty Corporation, Midwest Employers Casualty Company, Midlands – New York Marine and General Insurance Company, State National Insurance Company, Inc., Chubb – ACE American Insurance Company, Preferred Governmental Insurance Trust/Arch Insurance Company, and Colony Insurance Company.

The negotiations resulted in a proposed agreement with Safety National Casualty Corporation at a total premium quote of \$402,556, which is an increase of less than 1% compared to last year's premium of \$401,195. This policy, which provides coverage for medical bills and lost wages for employees injured on the job, includes a self-insured retention level of \$1,000,000 per occurrence; however, we were unable to retain this same retention level for police and fire-rescue personnel due to instability in the market related to COVID. The new retention for certain police and fire-rescue personnel will be \$1,500,000. The policy is for the period of October 1, 2020, through September 30, 2021. The Insurance Advisory Board reviewed and recommended approval of this item at its August 19, 2020, meeting.

Staff, and by recommendation from the Insurance Advisory Board, requests City Commission approval for the purchase of workers' compensation insurance from Safety National Casualty Corporation in the amount of \$402,556.

Resource Impact

There will be a fiscal impact to the City in the amount of \$402,556 in FY 2021. Future expenditures are contingent upon approval and appropriation of the annual budget.

Strategic Connections

This item supports the *Press Play Fort Lauderdale 2024* Strategic Plan, specifically advancing the Internal Support Focus Area:

- Goal 8: Build a leading government organization that manages all resources wisely and sustainably.
- Objective: Maintain financial integrity through sound budgeting practices, prudent fiscal management, cost effective operations, and long-term planning.

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We Are United*.

Attachments

Exhibit 1 – Expiring Policy Declarations Page

Exhibit 2 – Current Insurance Policy Quote

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