



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

#14-1615

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

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

DATE: January 6, 2015

TITLE: Purchase of Property Insurance - \$2,033,021

Recommendation

It is recommended that the City Commission authorize the City Manager to purchase one-year property insurance policies in an amount not-to-exceed \$2,033,021 and determine that the named insurance carriers best meet the needs of the City with regard to such insurance.

Background

The City owns over 260 buildings/structures with an insurable value of just over \$500 million. The property insurance policy is scheduled to renew on February 1, 2015. The City Manager's designee, Risk Management Associates, Inc., d/b/a Public Risk Insurance Agency, marketed the City's property insurance program and conducted negotiations with various insurance carriers and/or their agent, in order to structure a layered program, which allows the risk of loss to be spread among the following participating carriers: ACE American Insurance Company; Arch Specialty Insurance Company; Colony Insurance Company; Evanston Insurance Company; Liberty Surplus Insurance Corporation; Lloyd's, Underwriters at, London; National Fire & Marine Insurance Company; Wright National Flood Insurance Company; and Zurich American Insurance Company.

This year's premium, due to negotiations, is down slightly from last year (\$10,213 or about 0.5%). This premium listed is a not-to-exceed amount as final figures are still being negotiated.

Staff, and by recommendation of the Insurance Advisory Board, requests that the City Commission approve the purchase of property insurance in the amount of \$2,033,021 for the policy period of February 1, 2015 through January 31, 2016.

Resource Impact

There is a fiscal impact to the City in the amount of \$2,033,021.

Funds available as of December 8, 2014					
ACCOUNT NUMBER	INDEX NAME (Program)	OBJECT CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Object Code)	AVAILABLE BALANCE (Object Code)	PURCHASE AMOUNT
543-INS010101-5101	Self-Insurance Claims	Non-Operating Expenses /All Risk Property Insurance	\$2,500,000	\$2,500,000	\$2,033,021
PURCHASE TOTAL ►					\$2,033,021

Strategic Connections

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative, included within the Internal Support Cylinder of Excellence, specifically advancing:

- Goal 12: Be a leading government organization, managing our resources wisely and sustainably.
- Objective 1: Ensure sound fiscal management.

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

Attachment(s): Exhibit 1 - Fort Lauderdale Not-to-Exceed (NTE) Indication 15-16

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