



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

#22-0849

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

FROM: Greg Chavarria, City Manager

DATE: September 22, 2022

TITLE: Motion Authorizing Purchase of Excess Workers' Compensation Insurance
- Safety National Casualty Corporation - \$483,180 - **(Commission
Districts 1, 2, 3 and 4)**

Recommendation

Staff recommends the City Commission approve the purchase of a one-year excess workers' compensation insurance policy (Option 15140613293) from Safety National Casualty Corporation in the amount of \$483,180.

Background

The City's excess workers' compensation insurance policy is scheduled to expire on September 30, 2022. 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, approached all available and appropriate markets, including Safety National Casualty Corporation, Midwest Employers Casualty Company, State National Insurance Company, Inc., Chubb - ACE American Insurance Company, Preferred Governmental Insurance Trust, Arch Insurance Company, and Travelers Property Casualty Company of America and all, other than Safety National, either declined to quote or were not competitive.

The negotiations resulted in a proposed policy with Safety National Casualty Corporation at a total premium quote of \$483,180, which is an increase of 13.68% compared to last year's premium of \$425,031. This increase is due to current market conditions, claims experience and increase in payroll. 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 for non-police and fire-rescue personnel and a retention level of \$1,500,000 for police and fire-rescue personnel. The policy is for the period of October 1, 2022, through September 30, 2023. The Insurance Advisory Board reviewed and recommended approval of this item at its August 17, 2022, 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 \$483,180.

Resource Impact

Funds for this purchase in the amount of \$483,180 are contingent upon the approval of the FY 2023 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.

This item supports the *Advance Fort Lauderdale 2040* Comprehensive Plan, specifically advancing:

- The Internal Support Focus Area
- Implementation Element
- Goal 1: The Fort Lauderdale Comprehensive Plan shall accomplish the City's *Fast Forward Fort Lauderdale 2035* Vision Plan regarding the City's future growth and the six Cylinders of Excellence and shall be the City's primary policy document to guide all of its activities and development.

Attachments

Exhibit 1 – Expiring Policy Declarations Page

Exhibit 2 – Current Insurance Policy Quote

Exhibit 3 – Insurance Advisory Board Minutes

Prepared by: Guy Hine, Risk Manager, Human Resources Department

Acting Department Director: Jerome Post, Human Resources Department