



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

#13-1288

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

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

DATE: October 1, 2013

TITLE: MOTION - Approving Public Officials and Employment Practices Liability
Insurance Purchase - \$155,948

Recommendation

It is recommended that the City Commission approve the purchase of a one-year public officials and employment practices liability insurance policy in an amount of \$155,948 and make a determination that this policy best meets the needs of the City, as prescribed in Code of Ordinances, Section 2-199(3), which relates to the negotiation of the City's insurance policies.

Background

The City's public official and employment practices liability insurance policy is scheduled to expire on October 31, 2013. Per the negotiation method of the Ordinance, 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 \$155,948, which is a decrease of \$10,912 compared to last year's premium.

This policy provides coverage for claims arising out of the decisions made by the Commission, the City's advisory boards, and City staff, as well as employment related matters, such as wrongful termination and discrimination in hiring and firing. With the exception of a decrease in the retention level of claims associated with zoning ordinance issues from \$175,000 to \$100,000, this policy will provide the same coverages as last year's policy, including a self-insured retention level of \$100,000 per claim on the public officials policy and a \$150,000 retention level on the employment practices liability policy. It also provides a combined limit of \$4 million. The contract is for the period of November 1, 2013 through October 31, 2014. This item was reviewed and approved by the Insurance Advisory Board at its September 4, 2013 meeting.

Staff, and by recommendation from the Insurance Advisory Board, requests that the City Commission approve the purchase of public officials and employment practices

liability insurance in the amount of \$155,948 from ACE American Insurance Company for the policy period of November 1, 2013 through October 31, 2014.

On August 20, 2013, the City Commission approved CAM 13-1055 (Item M-12) 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 \$155,948. Funding for this item is contingent upon approval and appropriation of the FY 2014 budget as follows:

| | | SUB | | | | SUB | | |
|-------------|------|------|----------------|-----------|-----------------------|----------|--------------------------|---------|
| Fiscal Year | FUND | FUND | FUND NAME | INDEX # | INDEX NAME | OBJECT # | SUBJECT NAME | AMOUNT |
| 2014 | 543 | 01 | City Insurance | INS010101 | Self-Insurance Claims | 5134 | Public Officials Carrier | 46,784 |
| 2014 | 543 | 01 | City Insurance | INS010101 | Self-Insurance Claims | 5137 | Empl Practices Carrier | 109,164 |
| | | | | | TOTAL | | | 155,948 |

Prepared by: Guy Hine, Risk Manager

Department Director: Averill L. Dorsett, Human Resources Director

Attachment: Evaluation Worksheet (Exhibit 1)

Policy Summary (Exhibit 2)