



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

#20-0764

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

FROM: Chris Lagerbloom, ICMA-CM, City Manager

DATE: October 6, 2020

TITLE: Motion Authorizing Purchase of Public Officials and Employment Practices
Liability Insurance – ACE American Insurance Company – \$192,865 -
(Commission Districts 1, 2, 3 and 4)

Recommendation

Staff recommends the City Commission approve the purchase of a one-year public officials and employment practices liability insurance policy from ACE American Insurance Company in the amount of \$192,865.

Background

The City's public officials and employment practices liability insurance policy is scheduled to expire on October 31, 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, the City's contracted agent, Risk Management Associates, Inc., d/b/a Public Risk Insurance Advisors, conducted negotiations with all available and appropriate markets. The marketing and negotiations resulted in a total premium quote of \$192,865, which is an increase of 6.5% over last year's premium, however, when coupled with the City's increase in revenues from last year to this year, which is part of the premium valuation, the increase in rate was less than 2%.

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. 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 official's portion of the policy and a \$150,000 retention level on the employment practices liability portion of the policy. It also provides a combined coverage limit of \$4 million. The policy is for the period of November 1, 2020, through October 31, 2021. The Insurance Advisory Board reviewed and approved this item at its September 16, 2020, meeting.

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

liability insurance from ACE American Insurance Company in the amount of \$192,865.

Resource Impact

There will be a fiscal impact to the City in the amount of \$192,865 for this contract of insurance.

<i>Funds available as of October 1, 2019</i>					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
543-INS010101-5134	Self-Insurance Claims	Non-Operating Expenses / Public Officials	\$7,278,257	\$7,278,257	\$57,859
543-INS010101-5137	Self-Insurance Claims	Non-Operating Expenses / Employment Practices	\$7,278,257	\$7,278,257	\$135,006
TOTAL AMOUNT ►					\$192,865

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*.

Attachment

Exhibit 1 – Premium Quote Comparison 2020-2021

Prepared by: Guy Hine, Risk Manager, Human Resources

Department Director: Tarlesha W. Smith, Esq., Human Resources