



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

#13-0976

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

FROM: Lee Feldman, ICMA-CM, City Manager

DATE: August 20, 2013

TITLE: MOTION – Approving Settlement of Workers’ Compensation File WC-96-8973 (Gladys McNeal-Neal) - \$377,990.40

Recommendation

Staff recommends settlement, and as provided in Section 2-151 of City Ordinances, this settlement has been evaluated by the proper City officials and all concur that a settlement of \$377,990.40 to Ms. McNeal-Neal is in the City’s best interest.

Background

Ms. Gladys McNeal-Neal was employed with the City of Fort Lauderdale as a Park Attendant. She has had four workers’ compensation injuries while working at the City. The claims were consolidated by the judge so The City is only dealing with one claim file at this time however this settlement is for all claims.

On December 5th, 1994 Ms. McNeal-Neal was injured. Then on February 28th, 1996 was injured again. Her next injury occurred on May 28th, 1997. Lastly, on April 15th, 2002 she received her final injury.

Ms. McNeal-Neal has received medical care and lost wages due to all of the above claims. She is presently receiving permanent total disability benefits. This benefit is payable for life and includes medical care related to the injuries. She also receives Social Security disability benefits.

Due to the currently ongoing benefit payments and exposure for lifetime payments, the City entered into negotiations, with the approval of our excess insurance carrier, to settle this claim. The parties were able to reach a tentative settlement agreement of all claims for \$377,990.40. This amount includes \$44,655 for a required Medicare set-aside trust to fund covered ongoing medical expenses. The Centers for Medicare & Medicaid Services (CMS) has already approved this part of the settlement.

The City’s excess insurance carrier has also approved the settlement of this claim to eliminate future exposure on the policy above the City’s self-insured retention. If not

settled, the City's future exposure is projected at \$706,000. Also should the City reject settlement of this claim the excess carrier is likely to file a reservation of rights letter, which would prevent the City from being reimbursed of any future expenses by the policy. Presently, the excess carrier will be reimbursing the City approximately \$72,000 of the total settlement. As of today, the City has spent a combined total of \$353,577 on the above injury claims.

This settlement was reviewed by the City Commission on July 2, 2013 at a session conducted in accordance with Section 768.28 of the Florida Statutes.

Resource Impact

There is a fiscal impact to the City in the net amount of \$305,990.40.

FY Year	SUB		FUND NAME	INDEX #	INDEX NAME	SUB		AMOUNT
	FUND	FUND				OBJECT #	SUBOBJECT NAME	
2013	543	01	City Insurance	INS010101	Self Insurance Claims	5125	Work Comp Claims	377,990.40
2013	543	01	City Insurance	INS010101	Self Insurance Claims	5125	Work Comp Claims	-72,000.00
TOTAL								305,990.40

Prepared by: Kathleen Thorpe, Claims Adjuster

Department Director: Averill Dorsett