



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

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

DATE: January 7, 2014

TITLE: MOTION – Approving Property Insurance Purchase – \$2,102,327

Recommendation

It is recommended that the City Commission authorize the City Manager to purchase a one-year property insurance policy in an amount not-to-exceed \$2,102,327 and make a determination that this policy/program meets the City's needs as prescribed in the Code of Ordinances, Section 2-199(3), which relates to the negotiation of the City's insurance policies.

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, 2014. 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: Underwriters at Lloyds of London; Arch Specialty Insurance Company; National Fire & Marine Insurance Company; Liberty Surplus Insurance Corporation; Colony Insurance Company; Alterra Excess & Surplus Insurance Company; ACE American Insurance Company and Zurich American Insurance Company.

This year's premium, due to negotiations, is down slightly from last year (\$43,592 or about 2.03%). This premium amount, as discussed at the Conference Meeting of December 17, 2013, is a not-to-exceed amount as final figures are still being worked out.

Staff, and by recommendation of the Insurance Advisory Board, requests that the City Commission approve the purchase of property insurance in the amount of \$2,102,327 for the policy period of February 1, 2014 through January 31, 2015.

Resource Impact

There is a fiscal impact to the City in the amount of \$2,102,327.

YEAR	FUND	SUB FUND	FUND NAME	INDEX	INDEX NAME	SUB OBJECT	SUB OBJECT NAME	AMOUNT
2014	543	01	City Insurance	INS010101	Self-Insurance Claims	5101	All Risk Property Carrier	\$2,102,327
TOTAL								\$2,102,327

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*.

Related CAM(s): #13-1349

Attachment: Fort Lauderdale Not to Exceed (NTE) Indication 14-15 - Final

Prepared by: Guy Hine, Risk Manager

Department Director: Averill L. Dorsett, Human Resources Director