



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

**#16-1120**

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

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

**DATE:** October 5, 2016

**TITLE:** Motion Authorizing Purchase of Public Officials and Employment Practices  
Liability Insurance – ACE American Insurance Company – \$166,629.

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**Recommendation**

It is recommended that 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 \$166,629 and make a determination that this contract of insurance with ACE American Insurance Company best meets the needs of the City, as provided in Section 2-199(1), Code of Ordinances of the City of Fort Lauderdale.

**Background**

The City's public official and employment practices liability insurance policy is scheduled to expire on October 31, 2016. As provided in Section 2-199(1), Code of Ordinances of the City of Fort Lauderdale, the City's contracted agent, Risk Management Associates, Inc., d/b/a Public Risk Insurance Agency, conducted negotiations with available markets, including the current vendor, ACE American Insurance Company. The negotiations resulted in a total premium quote of \$166,629, which is an increase of 1.38% over last year's premium. The Insurance Advisory Board recommended staying with the current vendor due to their higher A.M. Best financial stability rating and their acceptance of the City's choice of outside defense counsel.

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 officials policy and a \$150,000 retention level on the employment practices liability policy. It also provides a combined limit of \$4 million. The policy is for the period of November 1, 2016 through October 31, 2017. The Insurance Advisory Board reviewed and approved this item at their September 7, 2016 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 \$166,629.

### **Resource Impact**

There will be a fiscal impact to the City in the amount of \$166,629 for this contract of insurance.

<b><i>Funds available as of October 1, 2016</i></b>					
<b>ACCOUNT NUMBER</b>	<b>INDEX NAME (Program)</b>	<b>OBJECT CODE/ SUB-OBJECT NAME</b>	<b>AMENDED BUDGET (Character)</b>	<b>AVAILABLE BALANCE (Character)</b>	<b>PURCHASE AMOUNT</b>
543-INS010101-5134	Self-Insurance Claims	Non-Operating Expenses /Public Officials	\$12,980,000	\$12,980,000	\$49,988.70
543-INS010101-5137	Self-Insurance Claims	Non-Operating Expenses /Employment Practices	\$12,980,000	\$12,980,000	\$116,640.30
<b>PURCHASE TOTAL ►</b>					<b>\$166,629</b>

### **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*.

### **Attachment(s)**

Exhibit 1 – Premium Quote Comparison 16-17

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Prepared by: Guy Hine, Risk Manager

Department Director: Averill L. Dorsett, Human Resources Director