



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING

#16-1538

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

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

DATE: January 4, 2017

TITLE: Motion Authorizing Purchase of Property Insurance – Underwriters at
Lloyd's of London, et al. – \$1,592,524

Recommendation

It is recommended that the City Commission approve the purchase of one-year insurance policies in an amount not-to-exceed \$1,592,524 and make a determination that these policies best meet the needs of the City, as prescribed in Section 2-199(1), Code of Ordinances, of the City of Fort Lauderdale.

Background

The City owns over 260 buildings/structures with an insurable value of just over \$500 million. The property insurance program is scheduled to renew on February 1, 2017. 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 allow the risk of loss to be spread among the following participating carriers: ACE American Insurance Company; Arch Specialty Insurance Company; Colony Insurance Company; Evanston Insurance Company; Liberty Surplus Insurance Corporation; Underwriters at Lloyd's of London; National Fire & Marine Insurance Company; Wright National Flood Insurance Company; XL Insurance America, Inc.

This year's premium, due to negotiations, is down slightly from last year (\$49,432 or about 3%). This premium quote is a not-to-exceed amount as final figures are still being negotiated, although it will be very close to this figure.

Staff, and by recommendation from the Insurance Advisory Board, requests that the City Commission approve the purchase of property insurance from Underwriters at Lloyd's of London, et al., in the amount of \$1,592,524.

Resource Impact

There will be a fiscal impact to the City in the amount of \$1,592,524 for these contracts of insurance.

<i>Funds available as of December 12, 2016</i>					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
543-INS010101-5101	Self-Insurance Claims	Non-Operating Expenses / All Risk Property Insurance	\$5,910,000	\$5,084,655	\$1,592,524
TOTAL AMOUNT ►					\$1,592,524

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: Enhance sound fiscal management.

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We Are United*.

Attachment

Exhibit 1 – Premium Quote Comparison 17-18

Prepared by: Guy Hine, Risk Manager

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