



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

#19-0043

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

FROM: Chris Lagerbloom, ICMA-CM, City Manager

DATE: January 8, 2019

TITLE: Motion Authorizing Purchase of Property Insurance – Underwriters at
Lloyd's of London, et al. - \$1,848,439

Recommendation

It is recommended that the City Commission approve the purchase of one-year insurance policies in an amount not-to-exceed \$1,846,439.

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, 2019. The City's property and casualty insurance broker and consultant, 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 agents, in order to structure a layered program, which allows 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; General Security Indemnity Company of Arizona; Liberty Surplus Insurance Corporation; Underwriters at Lloyd's of London; National Fire & Marine Insurance Company; United Specialty Insurance Company; Wright National Flood Insurance Company; and XL Insurance America, Inc.

This year's premium, due to large losses in the industry, is up 13.67% from last year's premium of \$1,624,436. 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. All coverages, limits and deductibles remain the same as last year's policy.

Staff, and by recommendation from the Insurance Advisory Board, requests City Commission approval for the purchase of property insurance from Underwriters at Lloyd's of London, et al., in the amount of \$1,846,439.

Resource Impact

There will be an estimated fiscal impact to the City in the amount of \$1,846,439.

<i>Funds available as of December 20, 2018</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	\$8,198,115	\$5,971,046	\$1,846,439
TOTAL AMOUNT ►					\$1,846,439

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*.

Attachments

Exhibit 1 – 2019-2020 Premium – Not to Exceed Indication

Exhibit 2 – Five Year Historical Summary

Exhibit 3 – Program Illustration

Prepared by: Guy Hine, Human Resources

Department Director: Tarlesha Smith, Human Resources