



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

#21-0006

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

FROM: Chris Lagerbloom, ICMA-CM, City Manager

DATE: January 5, 2021

TITLE: Motion Authorizing Purchase of Property Insurance – Underwriters at
Lloyd's of London, et al. - \$2,377,111 - **(Commission Districts 1, 2, 3
and 4)**

Recommendation

Staff recommends the City Commission approve the purchase of one-year insurance policies in an amount not-to-exceed \$2,377,111.

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, 2021. Inasmuch as the competitive solicitation and selection process is inapplicable to the purchase of insurance and insurance-related products pursuant to Subsection 2-176(d), Code of Ordinances of the City of Fort Lauderdale, Florida, the City's contracted agent, Risk Management Associates, Inc., d/b/a Public Risk Insurance Advisors, 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; Underwriters at Lloyd's of London; Arch Specialty Insurance Company; National Fire & Marine Insurance Company; Endurance American Specialty Insurance Company; Colony Insurance Company; Steadfast Insurance Company; General Security Indemnity Company of Arizona; United Specialty Insurance Company; Lexington Insurance Company; HDI Global Specialty SE; Wright National Flood Insurance Company; and XL Insurance America, Inc.

This year's premium, due to large losses in the industry, is up 15% from last year's premium of \$2,060,079. 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 policies.

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 \$2,377,111.

Resource Impact

There will be an estimated fiscal impact to the City in the amount of \$2,377,111.

<i>Funds available as of December 12, 2020</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	\$7,278,257	\$6,783,972	\$2,377,111
TOTAL AMOUNT ►					\$2,377,111

Strategic Connections

This item supports the *Press Play Fort Lauderdale 2024 Strategic Plan*, specifically advancing the Internal Support Focus Area:

- Goal 8: Build a leading government organization that manages all resources wisely and sustainably.
- Objective: Maintain financial integrity through sound budgeting practices, prudent fiscal management, cost effective operations, and long-term planning.

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

Attachments

Exhibit 1 - 2021-2022 Premium – Not to Exceed Indication

Exhibit 2 - Five Year Historical Summary

Exhibit 3 - Program Illustration

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