



### Agenda Item Details

Meeting	Oct 25, 2017 - City Commission Meeting & Summary
Category	13. POLICY FORMATION AND DIRECTION
Subject	13.05 Approval of Amendments to City Commission Policies 214 and 216 -- James O. Cooke, IV, City Treasurer-Clerk
Access	Public
Type	Action
Budget Source	None

Recommended Action Option 1: Approve the recommended revisions to Commission Policies 214 and 216.

### Public Content

For more information, please contact: Gail Shuffler, Risk Management Administrator at (850)891-8372

### Statement of Issue

The City Commission has several policies in place concerning risk management and insurance. These policies are:

- Commission Policy 200 Claims Settlement Policy
- Commission Policy 214 Risk Management/Self-Insurance Policy
- Commission Policy 216 Insurance Procurement Policy

Commission Policy 214 was last reviewed and approved in 2012. This policy is brought forth for sunset review and extended as recommended by staff. Commission Policy 216 was last reviewed and approved in 2010. This policy is brought forth for sunset review and is being updated to reflect the change in methodology implemented in 2014. Commission Policy 200 was reviewed and approved in 2016.

### Recommended Action

Option 1: Approve the recommended revisions to Commission Policies 214 and 216.

### Fiscal Impact

None

### Supplemental Material/Issue Analysis

#### History/Facts & Issues

The City Commission has several policies in place concerning Risk Management and insurance. These policies are:

- CP 200 Claims Settlement Policy
- CP 214 Risk Management/Self-Insurance Policy
- CP 216 Insurance Procurement Policy

Commission Policy 214, addresses the coverage funding level and the calculation method of the City's Special Insurance Reserve (SIR) Fund. It also incorporates by reference to statute the City's liability limits under the Self-Insurance program. The city provides for payment of claims through an Internal Service Fund (ISF) allocated in the

annual budget process. The city is self-insured for many types of liability claims and operates under the requirements of the Florida Sovereign Immunity Statute, §768.28.

This update to the policy adds certain specialized coverages to the list of exceptions, which are not covered by the self-insurance program. Specifically, Cyber, UAV/Drone Liability and Appointed Official's Auto Liability. It also updates certain departmental naming references to align with current designations.

Commission Policy 216, establishes the method used to procure Commercial Property and Casualty Coverages for the City. The last update to this policy was in 2010. This review recommends an update to the method that reflects current practices. In 2014, the City Auditor reviewed the procedures and method then in use. It was recommended that the city change from the RFP for specific coverages to a Broker of Record method to procure coverages. That change has been implemented for both Commercial Property and Casualty Coverages. A second RFP for Casualty Insurance Brokerage Services was recently approved by the City Commission.

#### *Options*

1. Approve the recommended revisions to Commission Policies 214 and 216.

Pros: Reflects current practices as previously approved by the City Commission; reauthorizes continued self-insurance program; ensures that additional agencies and coverages are covered by the policies.

Cons: None

2. Do not accept the recommended revisions and provide further direction

Pros: Provides for additional direction regarding policies.

Cons: Delays update of policy to reflect prior City Commission.

#### *Attachments/References*

1. City Commission Policy 214, as proposed 10/25/17
2. City Commission Policy 216, as proposed 10/25/17

214 as proposed 10-25-17 .pdf (84 KB)

216 as proposed 10-25-17 .pdf (132 KB)