



MEMORANDUM

City of Venice

Human Resources Department

TO: City Council

THROUGH: Edward F. Lavalley, City Manager

FROM: Alan Bullock, Director of Human Resources

DATE: August 30, 2020

COUNCIL APPROVAL: Yes

MEETING DATE: September 14, 2021

STRATEGIC PLAN GOAL: Provide Efficient, Responsive Government with High Quality Services

SUBJECT: Property & Liability Insurance for Fiscal Year 2022

Background: As you may recall, the city selected The Gehring Group in 2018 to act as its agent/broker for property & liability insurance. In so doing, the city has since realized a \$7,500 annual savings in fees and has experienced an enhanced service level.

Requested Action: The Gehring Group has negotiated with the incumbent carrier Florida Municipal Insurance Trust for part of the property and liability portion of the City's Insurance program. The insurance industry is currently facing a 'hard market'. In general, property coverage is up 12-16% due to worldwide reinsurance losses, general liability coverage is up 10-12%, a subset of that being cyber liability, up 38-48%. We are also seeing professional/employment practices liability industry increases of 18-22%.

With this backdrop, then, it is remarkable that the city's overall premium is up only 7.5%; less than projected and considerably less than trend. This despite adding a significant number of employees in the Fire department to handle EMS services, adding vehicles and adding property value across the board. This success is attributable to sound risk management at the city and aggressive advocacy from The Gehring Group on the city's behalf.

For the Workers' Compensation (WC) portion of the program FMIT maintained at a very low \$200,000 per claim retention as per the expiring policy, this retention is expected to continue to cap WC losses to the program in the future, helping to keep the program financially sustainable and predictable.

Representatives of The Gehring Group and FMIT will attend the September 14, 2021 Council meeting to

give a short presentation on the proposed Fiscal Year 2022 coverage:

If for an agenda item, this document and any associated backup created by City of Venice staff has been reviewed for ADA compliance: Yes

City Attorney Review/Approved: N/A

Risk Management Review: Yes

Finance Department Review/Approved: Yes

Funds Availability (account number): Property & Liability Insurance Fund 504

ORIGINAL(S) ATTACHED: Premium recap (not to exceed amounts)

Cc: [Click or tap here to enter text.](#)