

CITY OF TALLAHASSEE

CITY COMMISSION AGENDA ITEM

ACTION REQUESTED ON:	February 24, 2010
SUBJECT/TITLE:	Approval of Amendments to City Commission Policies 200, 214 and 216
TARGET ISSUE:	N/A

STATEMENT OF ISSUE

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

- CP 200 Claims Settlement Policy
- CP 214 Self Insurance
- CP 216 Insurance Procurement

A review of these policies by staff has identified certain changes that are being recommended for approval. The most significant change included in the revised policies is to eliminate the Risk Management Advisory Board (RMAB) Other recommended changes are housekeeping or other minor items with the exception of eliminating sunset review provisions for each of these commission policies.

RECOMMENDED ACTION

Option 1: Approve the recommended revisions to Commission Policies 200, 214, and 216.

FISCAL IMPACT

None



Risk Manager

Gail Shuffler
Risk Management Division Director



Gary Herndon
City Treasurer-Clerk

For information, please contact: Gary Herndon, ext 8131

ITEM TITLE: Approval of Amendments to City Commission Policies 200, 214 and 216

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 Self Insurance
- CP 216 Insurance Procurement

It has been 10 years or more since the City Commission last revised each of these policies. A review of these policies by staff has identified certain changes that are being recommended for approval. The most significant change included in the revised policies is to eliminate the Risk Management Advisory Board (RMAB). The RMAB was established many years ago to provide direction and advice to the Risk Management division. A significant function of this 5-member board was to provide input to the City's RFP process. Because the very firms that might propose on such an RFP often employ persons who are qualified to serve in this capacity, the pool of candidates for the RMAB is limited. In addition, the development of a more comprehensive internal Risk Management staff in recent years has minimized the need for direction that existed when the RMAB was instituted. Other recommended changes are housekeeping or other minor items with the exception of eliminating sunset review provisions for each of these commission policies. Elimination of the sunset review is recommended because these policies provide guidance for an ongoing function of the government; there is no expectation that need for the function will expire.

CHARITABLE CONTRIBUTIONS

N/A

OPTIONS

- Option 1: Approve the recommended revisions to Commission Policies 200, 214, and 216.
Option 2: Provide staff with additional guidance.

ATTACHMENTS/REFERENCES

- Attachment 1: CP 200 Claims Settlement Policy
Attachment 2: CP 214 Self Insurance
Attachment 3: CP 216 Insurance Procurement

City Commission Policy 200 - Claims Settlement Policy

DEPARTMENT: Treasurer-Clerk

DATE ADOPTED: October 1, 1986

DATE OF LAST REVISION: May 24, 1995

200.01 Authority: This policy adopted by the Tallahassee City Commission on October 1, 1986 and becomes effective immediately upon such adoption.

200.02 Scope and Applicability: This policy, and the procedures implemented to accomplish its objective, shall be applicable to all third-party claims brought against the City covered under the self-insured automobile and general liability program established by ~~the City Commission effective October 1, 1986~~ Policy 214.

200.03 Policy Statement: It is the policy of the City of Tallahassee to promptly respond to and investigate all claims for personal injury and/or property damages filed as third-party actions against the City. The City, through its Risk Management Office, shall implement a claims administration process that resolves each claim by payment of fair and equitable compensation for those claims for which the City is determined to be legally liable ~~for and by~~ denial and defense of those without merit and liability.

200.04 Procedures:

All claims filed against the City shall be ~~investigated initially within~~ reported initially to the City Risk Management Office. ~~After a determination is made as to actual involvement of City operations and the likelihood of liability exposure, claims are assigned to the City's Third-Party Claims Administrator.~~ As prescribed and defined within this policy, a full and complete investigation shall be made and handled as appropriate ~~appropriate~~ and the City's contract with the Claims Administrator, they shall complete full investigation and handle each claim as appropriate up to and including negotiating and settlement of all claims with merit for which the City is legally liable.

The ~~Claims Administrator~~ Risk Management Office shall make final determinations as to the merits of each claim. If the investigation fails to support the claims allegation of negligence of the City, the claimant ~~is will be~~ notified of the denial ~~of their claim and damages demanded.~~ ~~Claimants, if they so choose, may pursue the denial of any claims through the courts. Should this final step of resolution be necessary.~~ Should litigation ensue, the City Attorney shall coordinate and defend the City's position up to and including civil trial.

All claims, ~~as determined by the Claims Administrator,~~ that are found to be meritorious shall be negotiated and settlement made as authorized by this policy ~~and incorporated into the City Claims Administration Contract.~~

Claims settlement limits are established by this policy to define the Levels of authority for settlement, ~~given to the Claims Administrator, City staff and the City Commission.~~

Sewer Back-up Claim Procedures:

1. When a sewer ~~back-up~~ back-up occurs on the City maintained portion of the service or main and unless the cause can be attributed to some definitive third party, the City will cover the clean-up costs associated with the back-up which occurred inside the building. This coverage shall apply to both commercial and residential exposures.
2. Claims resulting from rising water, whether mixed with sewage or not, will not be covered by the City. *This lack of coverage shall not restrict or limit the City's Wastewater Division from responding to and sanitizing or treating such affected areas as they deem necessary and appropriate.*
3. Property damage claims shall be adjusted on an actual cash value basis (replacement cost less depreciation) ~~by the City's TPA.~~ Only direct damage resulting from the back up/back-up will be considered, ~~with the TPA having the option to repair or replace damaged items at their discretion and consistent with standard insurance policy and practice.~~
4. The City will pay for up to four (4) days of reasonable food and lodging expenses when a residence is uninhabitable as determined and authorized by the City's claim field investigator ~~TPA~~ consistent with current standard insurance policy and practice. No further additional living expenses or loss of use expenses will be covered. This

coverage (per diem) shall not extend to commercial exposures.

5. The City's responsibility for each ~~back-up~~~~back-up~~ claim shall not exceed the actual costs of direct structural damage including carpet replacement (flooring) that is necessary to make the dwelling/building inhabitable as determined by the City's TPA.

The City's responsibility for each ~~back-up~~~~back-up~~ relative to contents that suffer direct damage from sewage shall not exceed the lesser of actual damages or \$10,000 per occurrence.

6. Any payments by the City shall be made only to the extent that the loss exceeds any purchased coverage that a claimant may have.

This entire policy does not ~~of course~~ apply to situations where the City is either negligent or otherwise obligated by law to pay such claims.

200.05 Settlement Authority:

A. Liability Claims:

The ~~Claims Administrator~~Risk Management Office shall determine the City's percentage of liability in all claims found to have merit. They shall negotiate and make settlement for all such claims as authorized by this policy ~~as prescribed herein~~.

~~Level I - The Claims Administrator is authorized to negotiate and make settlement of all liability claims up to \$15,000 per claim.~~

~~Level II -~~ The ~~Claims Administrator~~Risk Management Staff is authorized to negotiate and make settlement of all liability claims up to \$25,000 with the review and approval of the City's Risk Manager.

~~Level III -~~ The ~~Claims Administrator~~Risk Manager is authorized to negotiate and make settlement of all liability claims ~~between from~~ \$25,000 ~~and up to~~ \$50,000 upon review and approval ~~of by~~ the City's Liability Oversight Committee (LOC). The committee shall consist of the City Attorney, City Manager, City Treasurer-Clerk, Director of ~~OMB-DMA~~ and Director of the department involved in the claim. Review and approval at this Level requires a ~~quorum majority~~ of LOC members ~~present for action to be taken to approve the item~~.

~~Level IV -~~ All claims reviewed at Level III which are recommended for settlement in excess of \$50,000 shall be agendaed and brought before the City Commission for final approval and authorization.

~~Level V -~~ **SETTLEMENT OFFERS AT TRIAL** - Prior to trial on any claim, the Risk Manager/City Attorney may, by agenda request, jointly seek a pre-authorized settlement authority above the \$50,000 limit. Often, developments at and during trial may encourage a settlement offer by either party. Since a recess by the court for any extended period is highly unlikely, City staff would be unable to agenda a request for such authority. This process maximizes the City's options and position for resolution up through this final step allowed in civil procedures.

B. Workers' Compensation Claims:

The Claims Administrator shall determine the compensability of each workers' compensation claim filed. They shall adjust the claim and make any and all payments required and/or

deemed necessary in accordance with Florida Statute 440 and applicable case law. If the City and the claimant (employee) decide that a lump sum settlement is in their best interest, such settlement shall proceed as follows:

Level I - The Claims Administrator is authorized to negotiate and make settlement and/or payments on all workers' compensation claims up to \$15,000 per claim.

Level ~~II~~ - The ~~Risk Management staff~~ ~~Claims Administrator~~ is authorized to negotiate and make settlement and/or payments on all workers' compensation claims up to \$25,000 with the review and approval of the City's Risk Manager.

Level ~~III~~ - The ~~Claims Administrator~~ ~~Risk Management staff~~ is authorized to negotiate and make settlement and/or payments on all workers' compensation claims exceeding \$25,000 with the review and approval of the Workers' Compensation Oversight Committee (WCOC). This committee shall consist of the City Treasurer-Clerk, City Attorney, City Manager or their representative(s), the Risk Manager and the Workers' Compensation Adjuster.

200.06 Administration: The City Treasurer-Clerk, through the Risk Management Office, shall be responsible for administering, updating and revising this policy as required. Any substantial changes, additions or deletions shall be approved by the City Commission.

~~**200.07 Sunset Review:** This policy shall be reviewed annually by the Risk Management Office and is subject to sunset review on October 1, 2000.~~

Revisions:

July 17, 1991

December 7, 1994

May 24, 1995

City Commission Policy 214 - Risk Management / Self-Insurance Policy

DEPARTMENT: Treasurer-Clerk

DATE ADOPTED: July 12, 1991

DATE OF LAST REVISION: June 21, 1995

214.01 Authority: This policy is authorized and adopted by the Tallahassee City Commission on July 12, 1991 and becomes effective immediately upon such adoption.

214.02 Purpose: The purpose of this policy is to authorize and create a self-insurance program for the City of Tallahassee. This policy establishes a uniform and centralized self-insurance system that will provide coverage and funding for ~~claims which~~claims, which have been traditionally insured through the commercial insurance market. In addition, this policy also authorizes the City to defend, save harmless and indemnify any of its Commissioners, officials, employees, volunteers, board or committee members from claims, lawsuits and judgments which might be brought against them for their alleged acts or omissions occurring in the performance of their duties.

214.03 Scope and Applicability: This policy and the self-insurance program authorized and created shall apply to all claims as defined herein against the City of Tallahassee, its Commissioners, officials, employees, volunteers, ~~or and~~ appointed board or committee members which may arise while acting lawfully within the scope of their duties and employment. The City of Tallahassee shall provide legal defense and will pay all legitimate costs for its Commissioners, officials, employees, volunteers and board or committee members ~~and employees~~ named as parties or defendants in claims or lawsuits as a result of acts or omissions made in good faith performance of the City's business. This policy shall only protect such Commissioners, officials, employees, volunteers and board or committee members who acted in good faith and in a manner in which he or she reasonably believed to be in, or not opposed to, the best interests of the City of Tallahassee. The City Attorney may also be consulted on various risk management issues as the need arises.

214.04 Policy Statement: It is the policy of the City of Tallahassee to provide coverage for

all claims against the City which emanate from automobile and general liability incidents (both personal injury and property damage), public official liability, professional liability, law enforcement liability, workers' compensation, employment-related claims, and Americans with Disabilities Act claims, eminent domain and inverse condemnation claims through a self-insurance internal service fund. As recommended by the Risk Manager, these exposures may also be either commercially insured or supplemented with commercial insurance to provide the most effective treatment of the exposures involved.

Liability for automobile and all general liability exposure areas defined above shall be limited to \$100,000 per person/\$200,000 per accident as governed by Florida Statute 768.28, often cited as the "*sovereign immunity statute*". Liability for workers' compensation claims shall be limited to benefits prescribed by Florida Statute 440, cited as the Workers' Compensation Law. It is also the policy of ~~the~~ City of Tallahassee to provide a defense for and indemnify any Commissioner, official, or employees or volunteers of the City, or any citizen member of a board or committee of the City of Tallahassee appointed by the City Commission, who is made a party to any suit or proceeding, other than by an action of the City of Tallahassee, or against whom a claim is asserted by reason of his or her actions taken within the scope of duty or service as a Commissioner, official, employee, or volunteer or as an appointed member of a board or committee of the City of Tallahassee.

In the case of claims or causes of action arising out of Title 42, §1983, USCA or other federal statutes, coverage under the self-insurance fund is extended to all claims or judgments against the City, its Commissioners, officials, employees, volunteers and appointed board and committee members while acting lawfully within the scope of their employment, so long as such actions are not willful, wanton or intentional in character.

214.05 Exceptions: Excluded from coverage under the self-insurance program are crime coverages, faithful performance bonds, police and firefighters statutory death benefits, airport liability insurance, certain excess coverages, and direct and indirect property damage to City buildings, facilities and other real and personal property. However, upon recommendation of the Risk Manager, any or all of these exposures, including any new exposures that may be identified, may be brought under the self-insurance program and/or covered by or supplemented with commercial insurance.

An employee shall not be covered under this plan if any of the following occur:

1. For any alleged act or omission not occurring in the performance of duty by an employee; or
2. For an alleged act or omission not constituting malfeasance in office or willful or wanton neglect of duty; or
3. For an alleged act constituting fraud by the city official, employee, volunteer, or board member.

This plan shall not apply to any claim, demand or lawsuit for liability arising out of an act or omission for which the City has procured a commercial policy of insurance. Provided, however, that in the event:

1. The City would otherwise be liable for the alleged act or omission if such insurance had not been purchased, and
2. The liability limits of such policy are less than the liability limits provided by this plan and/or contain a deductible amount to be assumed by the insured, then the liability limits of this plan shall apply to any damages and acceptance of the liability limits of such policy and up to the limits provided by Florida Statute 768 or to the deductible amount otherwise assumed by the insured.

214.06 Definitions:

City: Refers to the City of Tallahassee, Florida, a duly incorporated and chartered municipality by the State of Florida. The City was established in 1824 and chartered by the Legislature in 1919.

Claim: Is defined as a request for indemnification of a loss by a third-party for damages alleged to have been caused by the City or one of its agents. The term "*claim*" may also be used to refer to the estimated value or amount of a loss.

Employee: Means any person who performs services for remuneration and who is actually employed, whether full-time, part-time or temporarily, or as a volunteer by the City, while acting within the course and scope of his or her duties as such. The term "*employee*" shall not include independent contractors or other persons who are not considered employees of the City under Chapter 440, Florida Statutes.

Incurred But Not Reported or IBNR: Refers to claims, which based upon insurance industry methodology, have occurred but have not been reported to the alleged party. Such claims should be reasonably estimated and considered when reserving for future claims development. This term may also include the adverse development of existing claims.

Official: Refers to the Mayor and five (5) elected City Commissioners serving as the legislative government body of the City of Tallahassee as provided by the City Charter and/or to those appointed officials as defined by the City Charter, consisting of the City Manager, the City Treasurer-Clerk, the City Auditor and the City Attorney. Each official is an appointee serving at the pleasure of the City Commission.

Third-Party Administrator or TPA: Is an independent professional firm that investigates and handles claims filed against an insured or self-insured (*City*). The TPA contracts with the insured or self-insured to provide these services, usually on a flat fee or time and expense basis in order to provide the claimant an independent review and analysis of liability and subsequent value of damages in cases brought against the insured.

214.07 Procedures:

Statutory Authority: Pursuant to Section 111.072 of the Florida Statutes, the City of Tallahassee is authorized to create a self-insurance program to provide financial protection and funding for anticipation of claims and judgments against it.

By establishing this self-insurance program, the City specifically does not waive or intend to waive or impair any of its rights under any law, specifically including, but not limited to those rights recognized and afforded to the City under Section 768.28, Florida Statutes. The rights reserved include without limitation, the right of the City, its officials, officers, and employees and volunteers to assert "*sovereign immunity*" to the extent allowed by law, to assert restrictions and limitations on the amount of tort liability to which the City may be exposed to

under applicable law, and to assert restrictions and limitations on the collectibility of any tort judgment permitted by Section 768.28, Florida Statutes and other applicable provisions of Florida or federal laws.

Funding Source: By authority of this policy, there is hereby created an Internal Service Fund for the sole purpose of providing resources needed to pay all anticipated claims and judgments against the City arising out of the coverage areas defined within this policy. That fund shall be known as the Risk Management Fund and shall be funded on an annual basis sufficient to meet anticipated and projected claims payment and claims reserves for all known and incurred but not reported (IBNR) cases for such year together with any deficits for prior periods. Departments within the City shall be allocated their proportional share of these costs by Risk Management based upon their share of the exposure base and actual loss exposure within each area of coverage. This allocation is submitted to OMB in each budgetary preparation cycle.

In addition, a Special Insurance Reserve Fund is established and funded to meet unanticipated losses from catastrophic events, higher than expected claims experienced in a given fiscal year, or to meet other claims/resource needs in excess of the Risk Management Fund. The level of funding for this fund shall be set at the higher of 150% of the past three (3) years claims cost, or \$3,000,000. Any draw down of that fund below this level shall be replenished in the next budget cycle(s).

Any situation of such catastrophic nature to exceed the limits of protection provided by those two (2) funds shall qualify for an appropriation from the deficiencies and emergency fund and shall serve as the City's excess layer of financial protection for losses covered within this program.

Claims Administration: Claims filed against the City within the coverages defined within the self-insurance program ~~shall may be investigated and handled to conclusion by the Third-Party Claims Administrator (TPA) when appropriate and applicable by a firm selected through the competitive process and approved in accordance with the City's procurement policies. The investigative firm shall not have any settlement authority except that given by the Risk Management Division on a case-by-case basis.~~ Such services are governed by the terms and conditions set forth in a mutually-negotiated claims service contract. ~~Specific procedures and levels of settlement authority are incorporated into the City's Claim Settlement Policy, adopted July 17, 1991 and reviewed on May 24, 1995.~~

Indemnification: Upon notification of any claim, action or proceeding, the Commissioner, official, employee, volunteer or board or committee member shall notify the City Risk Management Office, which shall, through its claims administration process, resolve each claim and pay judgments, fines and amounts paid in settlement of any such claim suit or proceeding, including any appeal thereof, in accordance with the City's Claims Settlement Policy. Limits on payments of judgments, fines and amounts paid in settlement of any claim, or proceeding, including any appeal thereof, are established by the Claims Settlement Policy, defining the levels of authority for settlement given to the Claims Administrator, City Staff and the City Commission. In addition, the Commissioner, official, employee, volunteer or board or committee member shall cooperate fully with the City Risk Management Office, ~~the Third-Party Claims Administrator~~ and the City Attorney in the resolution of the claim, action or proceeding, providing such information as deemed necessary by the aforementioned parties. No employee shall discuss any accident or incident involving the City or their duties with the City with anyone other than their supervisors, the Risk Management Office, ~~the Third-Party Claims Administrator~~, the Safety Officer, the City Attorney or their exclusive representative, nor shall the employee furnish to any other person, agent, investigator, attorney or governmental agency any document or statement or waiver unless required by law. Requests for such shall be immediately forwarded to the Risk Management Office or the City Attorney's office. The City shall have the right and duty to provide legal representation through the City Attorney or at its discretion, through the selection of outside legal counsel, to any Commissioner, official, employee, volunteer, or board or committee member sued in connection with any claim for damages, other civil action or alleged violation of civil rights with criminal sanctions against such person arising out of the course and scope of employment provided that such Commissioner, official, employee, volunteer, or board or committee member may be entitled to indemnification as set forth in this section. Such legal representation shall be provided at no cost to the Commissioners, officials, employee, volunteer, or board or committee member. The indemnification provided to the above

referenced groups is consistent with that provided for in the City's current indemnification Resolution 86-R-1454 approved by the City Commission on November 25, 1986. The commissioner, official, employee, volunteer, or board or committee member shall cooperate fully with the City in preparation and presentation of the case and the failure to cooperate shall waive such Commissioner's, official's, employee's, volunteer's or board or committee member's right to representation and indemnity under this policy.

Legal Services: Legal services, when required to defend claims that evolve into litigation, shall be coordinated by and through the City Attorney's Office. The City Attorney is authorized to provide those services or, at his discretion, retain outside or special legal counsel to assist in the defense of the City and its Commissioners, officials, employees, volunteers and appointed board and committee members. When outside legal counsel is utilized, Risk Management shall participate in the selection process of that counsel. In addition, the Risk Management Office and the City Attorney's Office shall meet as necessary and may include outside defense counsel to discuss and prepare for mediations and trials.

Annual Reports: The City Commission shall be provided with an annual report detailing the performance of the self-insurance program. The report shall be prepared by the Risk Management Office and agendaed for City Commission review and discussion at one of the regular business meetings during the first quarter following the end of the year. ~~This presentation is a joint appearance by Risk Management and the Insurance Advisory Board to review the prior year's Risk Management activities.~~

214.08 Administration: The City Treasurer-Clerk, through the Risk Management Office, shall be responsible for the administration of this policy and program including: the establishment of required funding levels, distribution of such costs among departments, and the determination of reserves for known and IBNR claims. Any substantial changes, additions or deletions to this policy shall be approved by the City Commission.

~~**214.09 Sunset Review:** This policy shall be effective upon approval for a period of five (5) years and shall automatically be extended for an additional five (5) year period unless terminated by the City Commission.~~

City Commission Policy 216 - Insurance Procurement Policy

DEPARTMENT: Treasurer-Clerk

DATE ADOPTED: July 12, 1992

DATE OF LAST REVISION: July 2, 1997

216.01 Authority: This policy authorized and adopted by the Tallahassee City Commission on July 12, 1992 and becomes effective immediately upon such adoption.

216.02 Purpose: To establish a method to be used by the City of Tallahassee for the procurement of all commercial property and casualty insurance coverages. Such procurement is an integral part of the City's overall loss financing/funding process to protect its assets from unexpected negative loss.

216.03 Scope and Applicability: This policy, and all procedures implemented to accomplish its objective, shall be applicable to the procurement of all commercial property and casualty insurance coverages by the City of Tallahassee.

216.04 Policy Statement: It shall be the policy of the City of Tallahassee to procure commercial property and casualty insurance for all loss exposures not specifically financed within the self-insured Workers' Compensation and Liability Program. Loss exposures, which are potentially catastrophic in nature, such as Property & Boiler Machinery and Airport Liability, as well as specific specialty coverages including Fidelity Bonds, Fire/Police Death Benefits and Excess Worker's' Compensation, are currently financed through commercial insurance.

216.05 Definitions:

Commercial Property and Casualty Insurance: shall mean specific lines of commercial insurance such as Property & Boiler/Machinery insurance coverage that transfer the loss exposure to the commercial insurer for a premium and specific coverage period.

~~Insurance Advisory Board: shall mean a City Commission appointed advisory board established April 12, 1955 to serve in an advisory board capacity for Risk Management Insurance programs. Five (5) members of the local commercial insurance community are appointed to serve staggered three (3) year terms.~~

Insurance Broker: the firm or company which markets and places a particular insurance coverage.

Insurance Company: the company which actually underwrites and bears financial responsibility for a particular insurance coverage.

216.06 Procedures:

The City of Tallahassee shall procure all commercial insurance coverages through the Request for Proposal (RFP) process. The Risk Management Division Office, at the direction of the City Treasurer-Clerk, ~~in conjunction with City Insurance Advisory Board (IAB),~~ shall be responsible for the development, release and evaluation of an RFP designed to elicit responses from the commercial insurance marketplace for coverage options and premium quotations. Quotations shall be sought for all loss exposure areas determined to be appropriately financed through the commercial insurance markets by the City's Risk Manager.

An RFP shall be developed and released to all interested commercial insurance agents, brokers and underwriters via the Procurement department's usual procedures during the third quarter of the fiscal year renewals are sought. Responses will be evaluated ~~during the fourth quarter of that year~~ by the Risk Management staff ~~and Insurance Advisory Board~~ to determine the best coverage options and premium quotes to meet the City's insurance needs. This RFP process shall be directed through the City Treasurer-Clerk's Office, ~~which is the process that has worked well for the City for over a decade now.~~

A ~~joint~~ recommendation for the selection and award of coverages shall be agendaed by the Risk Management staff ~~and Insurance Advisory Board~~ for City Commission consideration and approval ~~in September of the same fiscal year. All coverages and carriers selected shall be for a coverage period of three (3) years beginning October 1 through September 30 of the appropriate fiscal year(s).~~

In the event a specific coverage problem should arise (such as policy cancellation during the ~~three year~~ awarded policy period) prior to the next scheduled insurance RFP renewal period, an interim insurance carrier (the insurance company) shall be selected by the insurance broker (the City's insurance agent) who was awarded placement of the particular coverage. This replacement coverage shall be subject to the approval of the City's Risk Manager and the City Treasurer-Clerk.

All funds necessary to finance premium costs for all commercial insurance coverages are determined on an annual basis by the Risk Management Office for consideration and inclusion in each fiscal year budget. These funds are a part of the overall City insurance financing costs included in the internal service insurance fund.

216.07 Administration: The City Treasurer-Clerk, through the Risk Management Office, shall be responsible for the administration, update and revision of this policy. Any substantial changes, additions or deletions shall be approved by the City Commission.

~~216.08 Sunset Provision: This policy shall be reviewed by the City Treasurer-Clerk on or before July 2, 2002. The results of the review, together with any recommended changes, will be reported to the City Commission.~~

~~216.09-08 Effective Date:~~

This policy shall become effective immediately after City Commission approval on ~~July 2, 1997~~. February 24, 2010.