

**TO: ALL COUNTY PERSONNEL**

**FROM: VERDENIA C. BAKER  
COUNTY ADMINISTRATOR**

**PREPARED BY: RISK MANAGEMENT**

**SUBJECT: LIABILITY/PROPERTY CLAIM AND LAWSUIT PAYMENTS**

**PPM #: CW-P-064**

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**ISSUE DATE**  
**April 29, 2025**

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**EFFECTIVE DATE**  
**April 29, 2025**

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**PURPOSE:**

To establish procedures for the payment of settlements, judgments and related expenses for liability and property damage, claims and lawsuits against the County, and claims for loss or damage to County property.

**UPDATES:**

Future updates to this PPM are the responsibility of the Director of Risk Management.

**AUTHORITY:**

- Palm Beach County Administrative Code, Section 305.08, as may be amended
- Palm Beach County Self-Insured Retention Plan, as may be amended
- PBC BCC Resolutions R93-372D, R96-230, R2000-1524 and R2003-1573, as may be amended
- PPM # CW-O-007- Property and Liability Claims- Accident & Incident Reporting, as may be amended

**DEFINITIONS:**

Refer to **Attachment A** for a listing of definitions related to this PPM.

**POLICY:**

**I. Payment Limits (Self-Insurance)**

The County has established a Self-Insured Retention Plan in order to pay the liability claims and lawsuits brought against the County by others who sustain injury, including death, or damage to their property. Under Resolution R2003-1573, the Self-Insured

Retention Plan will pay for claims up to the retained limit of \$500,000 per occurrence. Under Resolution R2000-1524, the Self-Insured Retention Plan will pay for claims of loss or damage to County property up to the retained limit of \$1,000,000 per incident. Amounts above the County's self-insured limits may be covered by excess insurance.

## **II. Payment/Related Expense Approval Authority**

### **A. Board of County Commissioners (BCC)**

Settlements of lawsuits in excess of \$50,000 are subject to approval by the BCC. Payment of judgments rendered by a court is not subject to approval by the BCC, regardless of the amount.

### **B. County Administrator**

Under the Palm Beach County Administrative Code, Section 305.08, as adopted by Resolution R96-230, the County Administrator or the County Administrator's designee may authorize settlement of claims and lawsuits in the amount of \$50,000 or less, without approval of the BCC.

Costs incurred by the County Attorney in the defense or prosecution of lawsuits for the County (*see below*) shall not be counted against the settlement authority referenced herein.

#### County Attorney

The County Attorney and the County Attorney's designee(s) are authorized to incur costs on behalf of Palm Beach County, which are reasonably necessary to investigate, and prosecute and/or defend against lawsuits by or against the County. Such costs include, but are not limited to, the cost of investigative services, expert consulting, and expert testifying services, court reporting, mediation and copying services.

### **C. Risk Management/Risk Management Director**

The Director of Risk Management has authority to settle claims up to a maximum of \$5,000 for each claim brought by each claimant, up to a maximum per occurrence of \$50,000. This authority, in turn, may be delegated to Risk Management's designee.

The Director of Risk Management is authorized to incur costs on behalf of Palm Beach County that are reasonably necessary to investigate and defend against claims brought against the County. Such costs include, but are not limited to, the cost of investigative services, court reporting, experts, mediation and copying services. Costs incurred in the investigation or defense of claims against the

County shall not be counted against the settlement authority referenced herein.

Under Resolution R93-372D, Risk Management has the authority to adjust and pay all first party County property damage claims covered by the Self- Insured Retention Plan.

### **III. Reserve Establishment and Monitoring**

In order to adequately address the anticipated funding associated with a particular claim, the County designated claims adjuster will review the information provided and assign a reserve that is in line with industry best practices and procedures. Reserves shall be reviewed on a regular basis. Should the claim be transferred to the County Attorney's office, the lead attorney should then advise the claims adjuster if any issues arise that would cause a change in the reserved amount.

#### **PROCEDURES:**

##### **I. Liability Claims/Lawsuits Brought Against the County for Loss or Damage to Property or Injury to Person (non-County employees)**

###### **A. Investigation**

1. When the Risk Management Department, Casualty Claims Section, is advised of an actual or potential liability claim against the County, all known detail and information later developed, is reported to the County's contracted third-party claims administrator.
2. The adjusters investigate the loss in order to determine the extent of the County's liability and the amount of damages.
  - a. Many of the claims presented are denied because there is no liability on the part of the County. When these determinations are made, the claims adjustment service sends a denial letter to the claimant with a copy to Risk Management.
  - b. If warranted, they may attempt to settle the claim with the aggrieved party within the limits described below or make a recommendation to Risk Management for the settlement amounts. Under no circumstances should the adjusters purport make factual representations or legal admissions that may bind the County.

###### **B. Discussion**

1. The Risk Management Roundtable meets monthly to discuss outstanding lawsuits being defended by the County Attorney's Office as well as significant claims not yet in litigation. This team consists of representatives from the County Attorney's Office, Risk Management Department, County Administration and adjusters from the third-party claims administrator. A

representative of the department or division whose claim is to be discussed is also invited to attend the meeting.

2. The team recommends defense and settlement strategies, placing particular emphasis on lawsuits being mediated or heard in court during the coming month.

C. Settlement

1. Claims and Lawsuits up to and including \$5,000

- a. Risk Management communicates daily with the claims adjusters, as well as meeting formally and informally with them on a frequent basis to discuss open claims.
- b. Should a claim of up to \$5,000 be determined payable, the adjusting service will obtain releases and issue a check to the claimant out of an account established by the County.

2. Lawsuits over \$5,000 up to \$50,000

- a. Settlement of all lawsuits, up-to and including \$50,000, must be authorized for payment by the County Administrator, or the County Administrator's designee, with the concurrence of the County Attorney.
- b. Whenever settlements involve mediation, representatives from the County Attorney and Risk Management are designated with the authority to and shall be responsible for negotiating settlements on behalf of the County using the monetary guidelines discussed at the Risk Management Roundtable.
- c. Once a settlement has been conditionally agreed upon, the Assistant County Attorney assigned to the lawsuit, will prepare and forward a settlement memorandum to the County Attorney for approval.
- d. The County Attorney's approval will then be submitted to the County Administrator for concurrence.
- e. The Assistant County Attorney assigned to the lawsuit will obtain the appropriate releases and forward the documentation to the adjustment service for payment.

3. Claims over \$5,000 and up to \$50,000

a. Claims (excluding Third-Party Property Damage Claims)

- All claims (except for third-party property damage), over

\$5,000 and up to and including \$50,000 must be authorized for payment by the County Administrator, or the County Administrator's designee, with the concurrence of the County Attorney.

b. Claims for Third-Party Property Damage

- 1) All claims for third-party property damage up to and including \$10,000 may be authorized for payment by the Director of the Risk Management Department or the Director's designee.
- 2) Claims for third-party property damage over \$10,000 must be authorized for payment by the County Administrator, or the County Administrator's designee, with the concurrence of the County Attorney.
- 3) When a claim arises that cannot be settled within Risk Management's authority, but can and should be settled for a higher amount, but not exceeding \$50,000, a memorandum is prepared by Risk Management or the County Attorney's Office and addressed to the County Attorney setting forth the facts of the claim and recommending approval of the settlement.
- 4) If the County Attorney agrees with the recommended settlement, he/she signs the memorandum and forwards it to the County Administrator for final approval/signature.
- 5) The County Administrator returns the memorandum to Risk Management for submission to the adjustment service that will obtain the necessary release forms and issue payment.

4. Lawsuits & Claims over \$50,000

- a. Settlements of lawsuits or claims over \$50,000 are subject to BCC approval and are handled by the County Attorney's Office.
- b. Whenever settlements involve mediation, representatives from the County Attorney and Risk Management are designated with the authority to and shall be responsible for negotiating settlements on behalf of the County using the monetary guidelines discussed at the Risk Management Roundtable.
- c. The Assistant County Attorney assigned to the case will prepare all necessary documentation, and the Agenda Item Summary for presentation at a forthcoming meeting of the BCC.

- d. When the item is approved by the BCC, the County Attorney's office will obtain the release form and contact the County's third-party claims administrator's adjusters for issuance of the loss draft.

## **II. Claims for County Property Damage**

1. When a County department or division sustains loss or damage to its property which exceeds the department's deductible, the department/division shall complete a Property Loss Report Form or create incident in the electronic reporting system and submit to Risk Management via email at Risk-CasualtyReports@pbcgov.org. The estimates of the repair or replacement of the item shall also be provided.
2. When Risk Management is satisfied that the loss is valid and covered under the program, documentation is sent to the County's contracted claims adjustment service, which then issues a draft covering the loss less any deductible payable to, "Palm Beach County Board of County Commissioners".
3. The amount is then credited to the appropriate fund.
4. A department desiring funding for the replacement of lost or damaged equipment must contact the Department of Financial Management & Budget to have these funds re-appropriated in their budget. Procedures for reporting property and/or liability claims, accident" and incidents are contained in Countywide PPM # CW - 0-007, entitled "Property and Liability Claims Accident and Incident Reporting."



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**VERDENIA C. BAKER**  
**COUNTY ADMINISTRATOR**

### **Supersession History:**

1. PPM# CW-P-064, effective 07/02/1998
2. PPM# CW-P-064, effective 05/26/2000
3. PPM# CW-P-064, effective 06/14/2000
4. PPM# CW-P-064, effective 08/30/2001
5. PPM# CW-P-064, effective 03/01/2008
6. PPM# CW-P-064, effective 10/02/2012
7. PPM# CW-P-064, effective 04/10/2019

## **ATTACHMENT A**

### **DEFINITIONS**

#### Claims

Financial demands brought against the County by a claimant because of an incident in which the County is alleged to bear some liability. In these instances, the claimant may or may not be represented by an attorney but no lawsuit has yet been filed.

#### First-Party Property Damage Claim

A claim for damage sustained by Palm Beach County to their property as the result of an act or omission of a third party.

#### Lawsuits

Financial demands brought against the County because of an incident in which the County is alleged to bear some liability and in which litigation has commenced with the County named as a party.

#### Reserve

The estimated amount of loss exposure (in dollars) assigned to a particular claim.

#### Risk Management Roundtable

A meeting composed of County staff, adjustors and other relevant individuals to discuss claims and lawsuits for the purposes of determining potential monetary settlement amounts or other guidelines to be followed. (This meeting is convened under F.S 286.011, Florida Sunshine Law's exemption in F.S. 768.28 (16)(c), as amended, and meeting minutes are collected to comply with the exemption.)

#### Settlement

Mutually agreed upon sum of money or other consideration that one party agrees to give the other party in order to obtain a release of present and future claims for damages.

#### Third-Party Property Damage Claim

A claim of property damage on behalf of an individual other than the County that is the result of a potential erroneous act or omission on behalf of the County.