



Hallandale Beach
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400 South Federal Hwy
Hallandale Beach, FL 33009

City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	October 4, 2017		Item Type: <i>(Enter X in box)</i>	Resolution X	Ordinance	Other	
Fiscal Impact: <i>(Enter X in box)</i>	Yes	No	Ordinance Reading: <i>(Enter X in box)</i>	1st Reading		2nd Reading	
	X		Public Hearing: <i>(Enter X in box)</i>	Yes	No	Yes	No
Funding Source:	General Liability Trust Fund		Advertising Requirement: <i>(Enter X in box)</i>	Yes		No	
						X	
Account Balance:	1810-545010 \$420,000 3390w-545010 \$160,000		Quasi Judicial: <i>(Enter X in box)</i>	Yes		No	
						X	
Project Number :	N/A		RFP/RFQ/Bid Number:	N/A			
Contract/P.O. Required: <i>(Enter X in box)</i>	Yes	No	Strategic Plan Priority Area: <i>(Enter X in box)</i>				
	X		Safety <input checked="" type="checkbox"/> Quality <input type="checkbox"/> Vibrant Appeal <input type="checkbox"/>				
Sponsor Name:	Roger Carlton		Department: Human Resources/RM	Jim Buschman			

Short Title:

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, APPROVING THE RENEWAL OF THE CITY'S PROPERTY INSURANCE WITH FLORIDA MUNICIPAL TRUST FUND IN THE AMOUNT OF FOUR HUNDRED TWO THOUSAND FOUR HUNDRED THIRTY THREE (\$402,433.00) DOLLARS; AUTHORIZING THE CITY MANAGER TO EXECUTE ALL RELATED DOCUMENTS TO EFFECTUATE THE INSURANCE AS PROVIDED FOR IN FISCAL YEAR 2017-2018 BUDGET; AND PROVIDING AN EFFECTIVE DATE.

Staff Summary:

Background:

The City currently participates in the Florida Municipal Insurance Trust Fund, which is administered by the Florida League of Cities. This Trust Fund provides Property Insurance for all City facilities. Numerous Governmental Agencies throughout the State of Florida participate in this pooled program to include the following local municipalities: Aventura, North Miami Beach, North Miami, North Bay Village, Surfside, Miami Gardens, Pembroke Pines, Cooper City, Plantation, Sunrise and Tamarac to name a few. This fund divides all participating cities throughout the state into what is known as "Towers" so that loss exposure is never confined to one geographical location. Re-insurance is then purchased by the Trust so that adequate funding is available to pay for damages to any one of the participating members facilities.

Current Situation

All City of Hallandale Beach facilities are covered on a "Replacement Value" which is the cost to replace damaged property with property of like kind and quality; the cost to replace property without a deduction for depreciation. Currently, our Total Insured Value on all City facilities is \$68,933,596 for buildings and \$6,902,000 for content coverage. Currently we have a \$25,000 deductible per incident except for windstorm damage, which is a 5% per value of the building deductible. This year staff requested the League provide additional deductible options and as a result, the city was able to obtain a cost savings of \$34,408 by changing from a \$25,000 deductible up to a \$100,000 deductible. For the last Fiscal Year 16/17, the premium for this coverage with a \$25,000 deductible was \$454,404. For the upcoming Fiscal Year 17/18, the premium to renew this coverage with a \$100,000 deductible will be \$402,433.

The Florida Municipal Board of Trustees has approved a return of premium for member Cities that participated in the Pool for the 2015-2016 Fund Year. It is anticipated that in December, the City of Hallandale Beach will receive a \$59,413 reimbursement. This return of premium will be placed in the Self Insurance Trust Fund.

Why Action is Necessary:

Pursuant to Chapter 23, Section 23-8 Exception to Bid Requirements, (6) Bids and Contracts from other entities, and Section 23-9 Cooperative Purchasing, the City Manager is authorized to procure all supplies, materials and services from other government units, when the best interest of the City would be served subject to the requirement that any purchase in excess of \$50,000 requires City Commission approval.

Proposed Action:

Staff recommends approval of the attached Resolution authorizing the City Manager to purchase Property Insurance through the Florida Municipal Insurance Trust Fund in the amount of \$402,433.

Attachment(s):

Exhibit 1 – Resolution
Exhibit 2 – Renewal Quote for FY 17-18

Prepared by:

Jim Bushman

Jim Bushman, Risk Manager