



City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	Item Type:		1 st Reading	2 nd Reading
9/26/2023	<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Other	Ordinance Reading	N/A	N/A
		Public Hearing	<input type="checkbox"/>	<input type="checkbox"/>
		Advertising Required	<input type="checkbox"/>	<input type="checkbox"/>
		Quasi-Judicial:	<input type="checkbox"/>	<input type="checkbox"/>
File No.:				
23-297				
Fiscal Impact (\$):	Account Balance (\$):	Funding Source:	Project Number:	
\$152,318	167,000	575-1820-545060	N/A	
Contract/P.O. Required	RFP/RFQ/Bid Number:	Sponsor Name:	Department:	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	N/A	Jim Buschman Risk Manager	Human Resources/Risk Management	
Strategic Plan Focus Areas:				
<input type="checkbox"/> Finance & Budget		<input checked="" type="checkbox"/> Organizational Capacity		<input type="checkbox"/> Infrastructure/Projects
Implementation Timeline:				
Estimated Start Date: 10/1/2023 Estimated End Date: 9/30/2024				

SHORT TITLE:

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, DECLARING A UNIQUE CIRCUMSTANCE FOR THE BROKERAGE OF MUNICIPAL INSURANCE PRODUCTS; APPROVING THE RENEWAL OF THE CITY'S EXCESS WORKERS' COMPENSATION INSURANCE WITH FLORIDA MUNICIPAL TRUST FUND IN THE AMOUNT OF ONE HUNDRED FIFTY-TWO THOUSAND THREE HUNDRED EIGHTEEN DOLLARS (\$152,318); AND PROVIDING AN EFFECTIVE DATE.

STAFF SUMMARY:

Summary:

This item is for the renewal of the City's Excess Worker's Compensation policy with the Florida Municipal Trust Fund for the Fiscal Year 2023/2024.

Background:

The City of Hallandale Beach maintains a Self-Insured Fund to comply with Florida Statute 440. The purpose of this Statute is to assure the quick and efficient delivery of disability and medical benefits to an injured worker should he/she sustain an on-the-job injury.

As part of the Self-Insured Program, the City currently purchases an Excess Insurance policy with a Self-Insured Retention (SIR) of \$350,000. Self-Insured Retention is known as the limit to which an entity will pay all costs related to any one claim. Therefore, the City is required by Florida Statute to pay such costs as medical, indemnity, and other related costs up to the SIR limit of \$350,000 on any one claim or accident. Any amount incurred above the SIR limit would be covered by the Excess Insurance Policy.

Current Situation:

The Florida Municipal Insurance Trust (FMIT) is an insurance trust fund administered by the Florida League of Cities. Participating members are comprised of Municipalities, Villages, Townships and Water Districts from within the State of Florida.

This year we again were able to renew coverage at the same self-insured retention level of \$350,000. Traditional excess workers' compensation carriers which are licensed to underwrite coverage in Florida, will not provide a SIR under \$750,000 to agencies which have police and fire personnel.

After submitting rating information to the League Underwriting Department, a renewal premium of \$152,318 was received for the renewal of this insurance for Fiscal Year 2023/2024. This represents an increase from last fiscal year's premium of \$145,770.

It should be noted that the Trust Fund completes an audit for all government entities usually in the month of December, therefore, it is possible that the final premium might increase or decrease slightly prior to the end of the fiscal year.

Why Action is Necessary:

Pursuant to Chapter 23, Section 23-10 of the City Code of Ordinances, the City Manager's purchasing authority for equipment, supplies and contractual services is \$50,000. As expenses for Florida Municipal Insurance Trust are in excess of \$50,000, City Commission approval is needed.

Cost Benefit:

Purchasing excess workers' compensation coverage limits the City's exposure to a certain amount on any one claim.

PROPOSED ACTION:

The City Commission considers the attached Resolution.

ATTACHMENT(S):

Exhibit 1 – Proposed Resolution
Exhibit 2 – Renewal Quote for 2023-2024

Prepared By: Jim Buschman
Jim Buschman
Risk Manager

Reviewed By: Radu Dodea
Radu Dodea
Human Resources/Risk Management Director

Reviewed By: Noemy Sandoval
Noemy Sandoval
Assistant City Manager