



400 South Federal Hwy
Hallandale Beach, FL 33009

City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	Item Type:		1 st Reading	2 nd Reading
9/28/2022	<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.:				
Fiscal Impact (\$):	Account Balance (\$):	Funding Source:	Project Number:	
\$895,486	\$995,000	1810-545010 \$720,000 3390w-545010 \$275,000	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: 10/1/2022 Estimated End Date: 9/30/2023				

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 PROPERTY INSURANCE WITH FLORIDA MUNICIPAL TRUST FUND IN THE AMOUNT OF EIGHT HUNDRED NINETY FIVE THOUSAND FOUR HUNDRED EIGHTY SIX (\$895,486) DOLLARS; AND PROVIDING AN EFFECTIVE DATE.

STAFF SUMMARY:

Summary:

This Agenda item is for the renewal of the City's Property Insurance with the Florida Municipal Insurance Trust Fund for the Fiscal Year 2022/2023.

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. The Trust then purchases re-insurance 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 \$107,177,754. There is a \$25,000 deductible per incident except for windstorm damage, which is a 5% per value of the building deductible. For the last Fiscal Year 2021/2022 the premium for this coverage was \$815,355. For the upcoming Fiscal Year 2022/2023, the premium to renew this coverage will be \$895,486. The increase in premium was the result of an increase in the cost of reinsurance in the state and the increase in the value of the lift station located at 500 Old Federal Highway.

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 property insurance with the Florida Municipal Trust Fund is the most prudent, cost-effective method of protecting the City's facilities from any physical damage.

PROPOSED ACTION:

Staff recommends approval of the attached Resolution approving the purchase of Property Insurance through the Florida Municipal Insurance Trust Fund in the amount of \$895,486.

ATTACHMENT(S):

Exhibit 1 – Proposed Resolution

Exhibit 2 – Renewal Quote for 2022-2023

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