



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:	November 19, 2018		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 \$500,000 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 checked="" type="checkbox"/> Vibrant Appeal <input type="checkbox"/>				
Sponsor Name:	Nydia M. Rafols Sallaberry, Interim City Manager		Department: Human Resources/Risk Management	Jim Buschman, Risk Manager			

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; RATIFYING THE RENEWAL OF THE CITY'S PROPERTY INSURANCE WITH FLORIDA MUNICIPAL TRUST FUND IN THE AMOUNT OF FOUR HUNDRED FIFTY SIX THOUSAND SIX HUNDRED SIXTEEN (\$456,616.00) DOLLARS; AUTHORIZING THE CITY MANAGER TO EXECUTE ALL RELATED DOCUMENTS TO

**EFFECTUATE THE INSURANCE AS PROVIDED FOR IN
FISCAL YEAR 2018-2019 BUDGET; AND PROVIDING AN
EFFECTIVE DATE.**

Staff Summary:

Background:

The City of Hallandale Beach Commission was recommended to approve the renewal of the City's Property Insurance for all City facilities. Due to the cancellation of the October 17, 2018 City Commission Meeting, it was necessary to make the required first installment payment by no later than October 26, 2018. Therefore, staff is requesting ratification of said action by the City Commission.

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, the City's Total Insured Value on all City facilities is \$74,042,809 for buildings and \$7,500,000 for content coverage. 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 17/18, the premium for this coverage was \$436,841. For the upcoming Fiscal Year 18/19, the premium to renew this coverage will be \$456,616. The increase in premium for Fiscal Year 18/19 is a result of the addition of the new Fire Station.

The Florida Municipal Board of Trustees has approved a return of premium for member Cities that participated in the Pool for the 2016-2017 Fund Year. It is anticipated that in December, the City of Hallandale Beach will receive a \$57,967 reimbursement. This return of premium will be placed in the Self Insurance Trust Fund.

Why Action is Necessary:

Pursuant to Chapter 23, Section 23-10, of the City Code of Ordinances, City Manager's purchasing authority for equipment, supplies, and contractual services is \$50,000.00. As expenses for Florida Municipal Insurance Trust are in excess of \$50,000.00, City Commission ratification is needed.

Fiscal Impact:

For the upcoming Fiscal Year 18/19, the premium to renew this coverage will be \$456,616.

Proposed Action:

Staff recommends approval of the attached Resolution ratifying the purchase of Property Insurance through the Florida Municipal Insurance Trust Fund in the amount of \$456,616.

Attachment(s):

Exhibit 1 – Resolution

Exhibit 2 – Renewal Quote for FY 18-19

Prepared by:

Reviewed by:



Jim Buschman, Risk Manager

Andrea Lues, Procurement Director