



## City of Hallandale Beach City Commission Agenda Cover Memo

<b>Meeting Date:</b>	October 2, 2019		<b>Item Type:</b> <i>(Enter X in box)</i>	<b>Resolution</b>  X	<b>Ordinance</b>	<b>Other</b>	
<b>Fiscal Impact:</b> <i>(Enter X in box)</i>	<b>Yes</b>	<b>No</b>	<b>Ordinance Reading:</b> <i>(Enter X in box)</i>	<b>1st Reading</b>		<b>2nd Reading</b>	
	X		<b>Public Hearing:</b> <i>(Enter X in box)</i>	<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>
<b>Funding Source:</b>	General Liability Trust Fund and Utility Fund		<b>Advertising Requirement:</b> <i>(Enter X in box)</i>	<b>Yes</b>		<b>No</b>	
						X	
<b>Account Balance:</b>	1810-545010 \$550,000 3390w-545010 \$160,000		<b>Quasi Judicial:</b> <i>(Enter X in box)</i>	<b>Yes</b>		<b>No</b>	
						X	
<b>Project Number :</b>	N/A		<b>RFP/RFQ/Bid Number:</b>	N/A			
<b>Contract/P.O. Required:</b> <i>(Enter X in box)</i>	<b>Yes</b>	<b>No</b>	<b>Strategic Plan Priority Area:</b> <i>(Enter X in box)</i>				
	X		<b>Safety</b> <input checked="" type="checkbox"/> <b>Quality</b> <input type="checkbox"/> <b>Vibrant Appeal</b> <input type="checkbox"/>				
<b>Sponsor Name:</b>	Greg Chaavarria		<b>Department:</b> <b>Human Resources/RM</b>	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 SIX HUNDRED FIFTY SEVEN THOUSAND SIX HUNDRED EIGHTY FOUR (\$657,684.00) DOLLARS; AUTHORIZING THE CITY MANAGER TO EXECUTE ALL RELATED DOCUMENTS TO EFFECTUATE THE

**INSURANCE AS PROVIDED FOR IN FISCAL YEAR 2019-2020 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 \$94,015,824 for buildings and \$6,638,000 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 18/19, the premium for this coverage was \$466,613. For the upcoming Fiscal Year 19/20, the premium to renew this coverage will be \$657,684. The increase in premium was the result of an increase in property rates throughout the State, the addition of the Bluesten Park facility, and the increase in value to the Ingalls Park and Marina Dock facilities.

**Why Action is Necessary:**

Pursuant to Chapter 23, Section 23-10 of the City Code of Ordinances, Appropriations required, (a) no obligation for expenditures of City funds may be incurred except pursuant to, and only to the extent of, a specific appropriation of funds in the budget. This provision shall apply, without being limited to, any formal or informal contractual obligation for the purchase of lease supplies, services or equipment, and personal services. No money may be drawn from the treasury of the city nor may the appropriate city officials execute any check, draft, warrant, note or other negotiable instrument, except pursuant to, and only to the extent of, a specific appropriation of funds in the budget to be debited for such payment.

**Fiscal Impact:**

For the upcoming Fiscal Year 19/20, the premium to renew this coverage will be \$657,684.

**Proposed Action:**

Staff recommends approval of the attached Resolution authorizing the City Manager to purchase Property Insurance through the Florida Municipal Insurance Trust in the amount of \$657,684 and authorize the City Manager to execute all related documents to effectuate the insurance for FY 19/20.

<b>Attachment(s):</b>
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Exhibit 1 – Resolution

Exhibit 2 – Renewal Quote for FY 2019/20