



City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	Item Type:		1 st Reading	2 nd Reading
9/16/2020	<input checked="" type="checkbox"/> Resolution	Ordinance Reading	N/A	N/A
File No.:	<input type="checkbox"/> Ordinance	Public Hearing	<input type="checkbox"/>	<input type="checkbox"/>
20-328	<input type="checkbox"/> Other	Advertising Required	<input type="checkbox"/>	<input type="checkbox"/>
		Quasi Judicial:	<input type="checkbox"/>	<input type="checkbox"/>
Fiscal Impact:	Account Balance (\$):	Funding Source:	Project Number :	
\$703,860	\$763,550	1810-545010 \$563,500 3390w-545010 \$200,000	N/A	
Contract/P.O. Required	RFP/RFQ/Bid Number:	Sponsor Name:	Department:	
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	James Buschman, Risk Manager	Human Resources/Risk Management	
Strategic Plan Focus Areas:				
<input type="checkbox"/> Financial	<input checked="" type="checkbox"/> Organizational Capacity	<input type="checkbox"/> Infrastructure	<input type="checkbox"/> Development, Redevelopment and Economic Development	
Implementation Timeline				
Estimated Start Date: Click or tap to enter a date. Estimated End Date: Click or tap to enter a date.				

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 SEVEN HUNDRED THREE THOUSAND EIGHT HUNDRED SIXTY (\$703,860) DOLLARS; AUTHORIZING THE CITY MANAGER TO EXECUTE ALL RELATED DOCUMENTS TO EFFECTUATE THE INSURANCE AS PROVIDED FOR IN FISCAL YEAR 2020-21 BUDGET; 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 upcoming Fiscal Year.

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 19/20, the premium for this coverage was \$657,684. For the upcoming Fiscal Year 20/21, the premium to renew this coverage will be \$703,860. The increase in premium was the result of an increase in property rates throughout the State.

Additional funding is available to insure the Tennis Facility once completed.

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 \$703,860.

ATTACHMENT(S):

Exhibit 1 – Proposed Resolution/Ordinance

Exhibit 2 – First Installment Billing