



Hallandale Beach
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City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	Item Type:		1 st Reading	2 nd Reading
10/6/2021	<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.:				
21-390				
Fiscal Impact (\$):	Account Balance (\$):	Funding Source:	Project Number :	
\$815,355	\$815,355	1810-545010 \$615,355 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	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: 10/1/2021 Estimated End Date: 9/30/2022				

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 FIFTEEN THOUSAND THREE HUNDRED FIFTY FIVE (\$815,355) DOLLARS; AUTHORIZING THE CITY MANAGER TO EXECUTE ALL RELATED DOCUMENTS TO EFFECTUATE THE INSURANCE AS PROVIDED FOR IN FISCAL YEAR 2021-22 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 Fiscal Year 2020/2021.

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 \$98,416,754 for buildings and \$6,663,000 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 2020/2021, the premium for this coverage was \$703,860. For the upcoming Fiscal Year 2021/2022, the premium to renew this coverage will be \$815,355. The increase in premium was the result of an increase in property rates throughout the State and the addition of the Golden Isles Tennis and Park Facility.

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 \$815,355.

ATTACHMENT(S):

- Exhibit 1 – Proposed Resolution
- Exhibit 2 – Renewal Quote for FY2021/2022

Prepared By: *Jim Buschman*
Jim Buschman
Risk Manager

Reviewed By: Radu Dodea
Radu Dodea
Human Resources/Risk Mgmt. Director

Approved By: Noemy Sandoval
Noemy Sandoval
Assistant City Manager