



Cover Memorandum/Staff Report

File #: 23-1040

Agenda Date: 9/18/2023

Item #: 6.F.

TO: Mayor and Commissioners
FROM: Duane D'Andrea, Human Resources Director
THROUGH: Terrence R. Moore, ICMA-CM
DATE: September 18, 2023

APPROVE RESOLUTION NO.179-23 FOR RENEWAL OF PROPERTY INSURANCE POLICY FLORIDA MUNICIPAL INSURANCE TRUST (FMIT)

Recommended Action:

Staff is requesting approval for renewal of Property, Excess Workers' Compensation and Excess Liability Insurance from the Florida Municipal Trust Fund (FMIT) for \$2,804,427 for the coverage period 10/1/2023 through 9/30/2024.

Background:

Relation, the Broker for the City of Delray Beach (City), presented proposals for Property, Excess Workers' Compensation and for a fully insured liability program at a cost of \$3,460,355 for the period of 10/01/2023 through 9/30/2024.

Relation also obtained a quotation to return to a self-insured liability program (Property, Excess Liability and Excess Workers' Compensation insurance) at a cost of \$2,804,427. Based on the various quote options, the Broker and staff concur that the most cost effective and service driven program is the FMIT option with a self-insured liability program for a total of \$2,804,427. The difference between the two proposals is \$655,928. The premium is due largely from a significant increase in the cost of property insurance, the Train Depot Fire, increase in payroll and the purchase of new vehicles.

A Return of Investment (ROI) that FMIT provides to members of the pool is through their Synergy Program. The City receives disaster recovery assistance in coordination with the City's Emergency Team during emergency weather related situations such as hurricane, floods, and other perils at no additional cost to the City. Therefore, staff is requesting the City Commission to approve the purchase of Property, Excess Liability and Excess Workers' Compensation insurance through FMIT for \$2,804,427 for the coverage period of 10/01/2023 through 9/30/2024.

City Attorney Review:

City Attorney recommends approval.

Funding Source/Financial Impact:

Funding is available from General Liability Account 551130405134511, Package Policy Premium Account 551130405134531, Excess Workers' Compensation Premium Account 551130405134532. Funding will be through the 2024 budgeted amount for these account numbers.

Timing of Request:

Policy renewal due October 1, 2023.