



Legislation Text

File #: 18-593, Version: 1

TO: Mayor and Commissioners
FROM: Kimberly Ferrell, Finance Director
Edward DeMicco, Risk Manager
THROUGH: Mark R. Lauzier, City Manager
DATE: September 25, 2018

FLORIDA MUNICIPAL INSURANCE TRUST (FMIT) FOR RENEWAL OF PROPERTY INSURANCE POLICY

Recommended Action:

Staff is requesting approval for renewal of Property, Excess Liability and Excess Workers' Compensation Insurance from the Florida Municipal Trust Fund (FMIT) for \$1,138,611 for the coverage period 10/1/2018 through 9/30/2019.

Background:

The City of Delray Beach's (City) broker, Relation, received price proposals for Property, Excess Liability, and Excess Workers' Compensation insurance for the City for the coverage period from 10/1/2018 through 9/30/19. Based upon the various quote options, the Broker and City Staff concur that the most cost effective and service driven program is the FMIT option for all insurance lines. This years' proposal quotation is for \$1,138,611, which represents an increase of \$140,353 (14%) from last year's approved premium. This increase is due largely as a result of the effects of last year's Hurricane Irma. A Return of Investment that the FMIT provides is a "Return of Premium" benefit to members of the pool. This year the City will enjoy a \$77,012 return of premium. Also, through FMIT's Synergy Program, the City receives disaster recovery assistance in coordination with the City's Emergency Manager during emergency weather related situations such as hurricanes, floods and other perils at no additional cost to the City. Staff has budgeted \$1,138,611 for Fiscal Year 2019 after a budget transfer of \$11,901 from project reserve due to the premium increase. Therefore, staff is requesting the City Commission to approve the renewal purchase of Property, Excess Liability and Excess Workers' Compensation Insurance from the Florida Municipal Trust Fund (FMIT) for \$1,138,611 for the coverage period 10/1/2018 through 9/30/2019.

City Attorney Review:

City Attorney recommends approval.

Funding Source/Financial Impact:

Funding is available from General Liability Account 551 13 040 513 45 11, Package Policy Premium Account 551 13 040 513 45 31 and Excess Workers' Compensation Premium Account 551 13 040 513 45 32.

Timing of Request:

Policy renewal due October 1, 2018

