



LETTER TO THE COMMISSION

LTC No: 26-046

TO: Honorable Mayor and Members of the Fort Lauderdale City Commission
FROM: Rickelle Williams, City Manager *RW*
DATE: February 23, 2026
SUBJECT: **Property Insurance Policy – Final Premium Payment**

The purpose of this Letter to the Commission (LTC) is to provide an update on the City's purchase of one (1)-year property insurance policies, which were approved by the City Commission at its January 20, 2026 Regular Meeting in the not-to-exceed amount of \$4,442,230 (CAM #26-0106).

After further negotiations with the property insurance markets over the past few weeks, the final premium came in at \$3,788,127. This substantial reduction from the original NTE amount is not typical and is due to the following reasons:

1. Property insurers purchase insurance (reinsurance) to protect their assets, similar to any individual, but in much higher amounts. Many of the reinsurance policies did not renew until January 1, 2026, at which point the insurers knew how much insurance they could underwrite. This year, the renewal rates were favorable, allowing for more competitive negotiations.
2. The addition of the new Police Department Headquarters, with its anticipated Category Five (5) hurricane rating and large insured value, proved more attractive to insurers than anticipated.
3. These aspects generated more interest from additional insurers, creating more competition with current insurers and resulting in better pricing for the City.

Staff are also preparing for the substantial increase in the City's total insured values associated with the Prospect Lake Clean Water Center coming online later this calendar year. This addition will require an additional premium for the remainder of the policy period, which ends on February 1, 2027.

If you have any questions or would like additional information please contact Guy Hine, Risk Manager, at ghine@fortlauderdale.gov or 954-828-5494.

c: Shari McCartney, City Attorney
David R. Soloman, City Clerk

Patrick Reilly, City Auditor
City Manager's Office
Department Directors