

**INSURANCE ADVISORY BOARD
100 NORTH ANDREWS AVENUE
8TH FLOOR CONFERENCE ROOM
FORT LAUDERDALE, FL 33301
WEDNESDAY, FEBRUARY 6, 2013 – 8:00 a.m.**

MEMBERS	ATTENDANCE	CUMULATIVE	
		PRESENT	ABSENT
Joseph Cobo, Chair	P	1	0
Mark Schwartz, Vice Chair	P	1	0
Joe Piechura, Sr.	P	1	0
Jim Drake	P	1	0
Charles Grimsley	P	1	0
Steve Botkin	P	1	0
Ted Hess	P	1	0

Staff

Guy Hine, Risk Manager
Matthew Cobb, Risk Management Coordinator

Communications to City Commission

None.

1. Roll Call (including number of appointed members and quorum)

Chair Cobo called the meeting to order at 8:01 a.m.

As of this date, February 6, 2013, there are 7 appointed members to the Insurance Advisory Board, which means 4 would constitute a quorum. Roll was called and it was determined there was a quorum at this time.

2. Approve Minutes of December 5, 2012

Motion by Mr. Grimsley, seconded by Mr. Botkin, to approve the minutes of the December 5, 2012, meeting. In a voice vote, the motion passed unanimously.

3. Communications to City Commission

None.

4. Unfinished Business

- **Motion to approve negotiation method to purchase airport liability insurance.**

Staff advised the Board that the City's airport liability insurance was due to renew on May 25, 2013. The City's agent, Mr. Dawson of Public Risk Insurance Agency (PRIA), had advised that based upon the current market conditions the City should consider renewing with its current insurance carrier. The Board had limited discussion on the item.

Motion by Mr. Piechura, seconded by Mr. Grimsley, to approve the negotiation method to purchase airport liability insurance. In a voice vote, the motion passed unanimously.

- **Discussion on obtaining police liability insurance coverage**

The Board was advised by staff that the City Manager had asked that we investigate the possibility of purchasing police liability insurance coverage for the City's police professional exposure. Historically, this coverage has been funded through the City's self-insurance fund.

Staff and the Board reviewed the police liability loss runs and had limited discussion on the item. The Board has several suggestions for staff to review with PRIA in obtaining policy quotes: (1) Review the option of obtaining a claims-made type policy. (2) Attempt to obtain first dollar defense coverage. (3) Attempt to obtain no deductible for defense costs. (4) Attempt to obtain defense costs outside of the policy limits.

- **Discussion on obtaining inland marine insurance coverage**

Mr. Hine advised that the IT Director had requested that Risk Management staff investigate the possibility of obtaining inland marine insurance coverage. He wanted to have insurance to cover the costs of replacing mobile equipment, such as laptops in police vehicles.

Staff had done some investigation along with the City's agent, PRIA, and it did not appear that the costs to loss ratio would likely make the policy worthwhile.

Mr. Botkin and Mr. Hess advised that a policy of this type would likely have a \$1,000-2,000 deductible in the marketplace. Currently the City self-insures for this expenditure with Risk Management providing coverage beyond a \$5,000 department level deductible.

The Board suggested that this item be monitored for budget purposes, but was likely not going to be cost effective for the City based upon the costs to loss ratio.

5. Open Discussion – Old/New Business

- **Question on the property insurance policy**

Mr. Grimsley asked if the Commission had approved the property insurance policy for this year and if they had approved the policy that the Board had recommended. Mr. Hine advised that they had.

Mr. Hine also informed the Board that the Commission had instructed staff to add the Historical Society buildings, which are owned by the City but leased to the Historical Society, onto the City's property insurance policy at a cost of \$20,000.

6. Schedule Next Meeting – March 6, 2013

7. Adjourn

Motion by Mr. Schwartz, seconded by Mr. Piechura, to adjourn the meeting. Hearing no objection, the meeting was adjourned at 8:33 a.m.