

**INSURANCE ADVISORY BOARD
100 NORTH ANDREWS AVENUE
8TH FLOOR CONFERENCE ROOM
FORT LAUDERDALE, FL 33301
WEDNESDAY, MAY 1, 2013 – 8:00 a.m.**

MEMBERS	ATTENDANCE	CUMULATIVE 1/13 – 12/13	
		PRESENT	ABSENT
Joseph Cobo, Chair	P	4	0
Mark Schwartz, Vice Chair	P	4	0
Joe Piechura, Sr.	A	3	1
Jim Drake	P	4	0
Charles Grimsley	A	3	1
Steve Botkin	A	3	1
Ted Hess	P	3	1

Staff

Guy Hine, Risk Manager
Matthew Cobb, Risk Management Coordinator
Paul Dawson, Public Risk Insurance Agency (PRIA)

Communications to City Commission

None.

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

Chair Cobo called the meeting to order at 8:29 a.m.

As of this date, May 1, 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 April 3, 2013

The Board was advised that the meeting minutes from April 3, 2013 were not ready and would distributed for approval at the June 5, 2013 meeting.

3. Communications to City Commission

None.

4. Unfinished Business

- **Motion to approve cyber liability insurance premium quote**

Mr. Hine advised that our agent, Paul Dawson, is here today to discuss the quotes that the City has received and to obtain further direction from the Board. As discussed at prior meetings, IT (information technology) conducted a network vulnerability assessment and staff has been researching the possibility of purchasing cyber liability to protect the City's interests.

Mr. Dawson proceeded to discussed how cyber liability is a new line of insurance and is still developing, but it essentially provides coverage for the costs associated with the regulatory requirements triggered by a cyber liability situation. This is a non-standard form of insurance and varies by carrier. However, there are three main key areas of coverage: third-party liability exposures, regulatory requirements and crisis management expenses.

Both Mr. Schwartz and Mr. Hess asked questions regarding the differences in coverage terms limits and options.

Mr. Dawson commented that five (5) carriers have provided quotes but ACE and AIG are the most competitive for the City's business. He advised that AIG currently provides the City with professional liability and insurance which is important as you typically want to align these types of coverage together.

Motion by Mr. Schwartz, seconded by Mr. Drake, to have staff follow-up with IT on potential exposure and negotiate with ACE to determine if they will match the AIG limits. In a voice vote, the motion passed unanimously.

- **Motion to approve police liability insurance premium quote**

Mr. Hine informed the Board that Paul Dawson needs more time obtain quotes from different carriers. In addition, staff still needs to distribute the requested data to the Board regarding the loss ratios for police liability claims.

The Board approved deferring this item until the June 5, 2013 meeting.

5. New Business

6. Open Discussion – Old/New Business

7. Schedule Next Meeting – June 5, 2013

8. Adjourn

Motion by Mr. Schwartz, seconded by Mr. Hess, to adjourn the meeting. Hearing no objection, the meeting was adjourned at 8:47 a.m.