

**INSURANCE ADVISORY BOARD  
100 NORTH ANDREWS AVENUE  
8<sup>TH</sup> FLOOR CONFERENCE ROOM  
FORT LAUDERDALE, FL 33301  
WEDNESDAY, AUGUST 7, 2013 – 8:00 a.m.**

| <b>MEMBERS</b>            | <b>ATTENDANCE</b> | <b>CUMULATIVE</b> |               |
|---------------------------|-------------------|-------------------|---------------|
|                           |                   | <b>PRESENT</b>    | <b>ABSENT</b> |
| Joseph Cobo, Chair        | P                 | 6                 | 0             |
| Mark Schwartz, Vice Chair | P                 | 6                 | 0             |
| Joe Piechura, Sr.         | P                 | 4                 | 2             |
| Jim Drake                 | P                 | 6                 | 0             |
| Charles Grimsley          | P                 | 5                 | 1             |
| Steve Botkin              | P                 | 5                 | 1             |
| Ted Hess                  | P                 | 5                 | 1             |

**Staff**

Guy Hine, Risk Manager  
Matthew Cobb, Risk Management Coordinator  
Paul Dawson, Public Risk Insurance Agency (PRIA)  
Jim McGinn, Florida League of Cities, Inc.

**Communications to City Commission**

None.

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

Chair Cobo called the meeting to order at 8:05 a.m.

As of this date, August 7, 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 June 5, 2013**

**Motion** by Mr. Grimsley, seconded by Mr. Hess, to approve the minutes of the June 5, 2013, meeting. In a voice vote, the motion passed unanimously.

**3. Communications to City Commission**

None.

**4. Unfinished Business**

- **Motion to approve workers' compensation insurance premium quote**

Mr. Hine advised the Board that based upon their previous approval our agent, Public Risk Insurance Agency (PRIA), obtained premium quotes for excess workers' compensation insurance from all available and interested markets. He advised that Mr. Dawson would be presenting the quotes for review from the commercial market and Mr. McGinn would present the quote from the Florida Municipal Insurance Trust (FMIT) on behalf of the Florida League of Cities.

Mr. Dawson briefly outlined that the City received seven quotes for coverage of the City's excess workers' compensation claims, including the quote from FMIT. He advised that the City's current self-insured retention level is \$1.5M and the City is insured with Star Insurance. Star has exited the excess workers' compensation market and is no longer writing policies, thus the need for the City to market the insurance policy.

Mr. McGinn advised that FMIT is a property and casualty trust administered by the Florida League of Cities for municipal governments within the state. He provided a brief background on the history of FMIT and the League. He advised that FMIT was willing to provide a \$500,000 self-insured retention level policy for the City on workers' compensation and \$1.0M on presumption claims.

Mr. Dawson went through the quote evaluation with the Board and advised that in his opinion the top three carriers, including FMIT, are the most competitive for the City.

The Board proceeded to discuss the merits of each of the policy limits and quotes.

**Motion** by Mr. Schwartz, seconded by Mr. Grimsley, to approve the purchase of workers' compensation insurance policy from FMIT at a \$1.0M retention level and a maximum premium of \$480,000. If FMIT is unable to provide a policy at this level, then the Board approves the purchase of workers' compensation insurance policy from Security National at a \$1.5M retention level and a premium of \$333,277. In a voice vote, the motion passed unanimously.

- **Discussion on private waste haulers insurance requirements**

Mr. Hine briefly discussed with the Board the private waste haulers insurance requirements which the City Manager asked that staff review the ordinance language with the Board, and they had discussed at the prior meeting on June 5, 2013.

**Motion** by Mr. Schwartz, seconded by Mr. Botkin, to accept the revised insurance language in this ordinance. In a voice vote, the motion passed unanimously.

## **5. New Business**

- **Motion to approve negotiation method and to market the public officials and employment practices liability insurance to obtain a premium quote**

Mr. Hine discussed with the Board the need to market the public officials and employment practices liability insurance policy.

Mr. Dawson advised that based upon losses in the industry on this line of business the current carrier has advised that the City will receive a rate increase. This is a good time to market the policy and determine how competitive the market will be on the City's policy, considering its good claim history.

The Board proceeded to discuss the City's current policy and the status of the market.

**Motion** by Mr. Grimsley, seconded by Mr. Botkin, to approve negotiation method and to market the public officials and employment practices liability insurance to obtain a premium quote. In a voice vote, the motion passed unanimously.

- **Review of insurance requirements related to businesses regulated by City Ordinance**

Mr. Hine briefly outlined that the City Manager had asked that staff review the ordinance insurance language and provide recommendations along with the Board. Staff will be bringing suggested language for the different ordinances at future Board meetings for their review.

6. **Open Discussion – Old/New Business**
7. **Schedule Next Meeting – September 4, 2013**
8. **Adjourn**

**Motion** by Mr. Schwartz, seconded by Mr. Hess, to adjourn the meeting. Hearing no objection, the meeting was adjourned at 9:05 a.m.

**Minutes Prepared By:** Matthew Cobb