

**INSURANCE ADVISORY BOARD  
100 NORTH ANDREWS AVENUE  
8<sup>TH</sup> FLOOR CONFERENCE ROOM  
FORT LAUDERDALE, FL 33301  
WEDNESDAY, APRIL 4, 2018 – 8:00 a.m.**

<b>MEMBERS</b>	<b>ATTENDANCE</b>	<b>CUMULATIVE</b>	
		<b>PRESENT</b>	<b>ABSENT</b>
Joseph Cobo, Past Chair	P	2	0
Mark Schwartz, Chair	P	2	0
Joe Piechura, Sr., Vice Chair	A	1	1
Jim Drake	P	2	0
Steve Botkin	P	2	0
Ted Hess	P	2	0
Jonathan Perrillo	P	1	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)**

Past Chair Cobo called the meeting to order at 8:06 a.m.

As of this date, April 4, 2018, 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 March 7, 2018**

**Motion** by Chair Schwartz, seconded by Mr. Drake, to approve the minutes of the March 7, 2018 meeting as presented. In a voice vote, the motion passed unanimously.

**3. Communications to City Commission**

- None

**4. Unfinished Business**

- Congratulations to new Mayor and City Commission

Past Chair Cobo began the meeting by extending the Board's congratulations to the new Mayor and City Commission on their election.

- **Retirement thank you for Past Chair Joseph Cobo**

The Board proceeded to thank and express their gratitude to Past Chair Cobo for his 16 years of service on this Board. He has served on the Board since his appointment in 2002 and was elected as the Chair for many years.

Mr. Hine presented Past Chair Cobo with a certificate of appreciation for his many years of service to the Board, the City, its neighbors, and community builders. The Board proceeded to pose for a group photo in farewell celebration of Past Chair Cobo.

## **5. New Business**

- **Nomination and Election of 2018 Board Chair and Vice Chair**

Past Chair Cobo opened the discussion into nominating the new Chair and Vice Chair of the Board for the 2018 year. The consensus of the Board was for Mark Schwartz, the Past Vice Chair, to serve as the new Chair and for Joe Piechura, Sr. to serve as the new Vice Chair.

**Motion** by Past Chair Cobo, seconded by Mr. Drake, appointing Mark Schwartz as Chair and Joe Piechura, Sr. as Vice Chair of the Board. In a voice vote, the motion passed unanimously. After the election, Past Chair Cobo yielded the meeting to Chair Schwartz.

- **Discussion on the Police and Fire AD&D insurance policy**

Mr. Hine advised the Board that the City's Police and Fire AD&D insurance policy would be renewing on May 3, 2018.

Mr. Hine advised that after discussions with Paul Dawson of PRIA the City again marketed this policy to all available carriers for the upcoming May 3, 2018 – May 3, 2019 policy renewal period. However, new for this year was the fact that the AD&D policy was being extended to all City employees, based upon an old City Commission Resolution granting same.

Mr. Dawson provided the Board with an overview of the current market, strengths and weaknesses, and the results of the renewal quote marketing. He proceeded to explain the three different quotes obtained for the policy from ACE American, National Union Fire, and Hartford Life & Accident.

The Board was provided with copies of the historical policy listing for review. The Board proceeded to discuss this item and asked a few questions regarding the policy.

**Motion** by Mr. Botkin, seconded by Mr. Hess, to approve the AD&D policy, with the inclusion of all City employees, from National Union Fire Insurance Company for a premium of \$18,638. In a voice vote, the motion passed unanimously.

- **Review of FY 2019 budget request for new safety position**

Mr. Cobb provided the Board with an overview of Risk Management's FY 2019 budget request for a new safety trainer position to help with accident prevention, mitigation of community builder injuries, and reduction of claim costs.

The Board proceeded to discuss this item and asked a few questions regarding the new safety position request.

**Motion** by Past Chair Cobo, seconded by Mr. Drake, to support Risk Management's FY 2019 budget request for a new safety position. In a voice vote, the motion passed unanimously.

## **6. Open Discussion – Old/New Business**

- **Discussion on the crime insurance policy**

Mr. Hine advised the Board, as previously discussed, that the City received a nonrenewal notice from the current crime insurance carrier, Travelers. This policy was supposed to expire March 1, 2018 but the carrier has extended the expiration date until April 21, 2018. The reason behind the nonrenewal of the policy was due to the frequency of the City's theft claims.

Mr. Hine advised that after discussions with Mr. Dawson of PRIA the City marketed this policy to all available carriers for the new April 21, 2018 – April 21, 2019 policy renewal period due to the nonrenewal extension.

Mr. Dawson provided the Board with an overview of the current market, strengths and weaknesses, and the results of the renewal quote marketing. He proceeded to explain that PRIA approached 13 different carriers for quotes on this insurance. However, due to the nonrenewal and the City's claim history, the only carrier willing to provide a quote for the policy was Hiscox Insurance Company. In addition, their policy included a higher \$200,000 deductible instead of the prior \$25,000 deductible limit.

The Board was provided with copies of the historical policy listing for review. The Board proceeded to discuss this item and asked a few questions regarding the policy.

Chair Schwartz provided Mr. Dawson with some suggestions on marketing carriers for the crime insurance policy.

**Motion** by Past Chair Cobo, seconded by Mr. Hess, to approve the crime insurance policy, with the increased deductible limit of \$200,000, from Hiscox Insurance Company for a premium of \$9,105. In a voice vote, the motion passed unanimously.

- **Cyber-attack on the City of Atlanta**

Mr. Drake provided the Board with a copy of an article from the Insurance Journal from April 2, 2018 discussing the challenges that Atlanta was facing after experiencing a cyber-attack.

**7. Schedule Next Meeting – May 2, 2018**

**8. Adjourn**

**Motion** by Mr. Drake, seconded by Mr. Perrillo, to adjourn the meeting. Hearing no objection, the meeting was adjourned at 8:38 a.m.

**Minutes Prepared By:** Matthew Cobb