

**City of Coral Gables City Commission Meeting**  
**Agenda Item H-6**  
**March 28, 2017**  
**City Commission Chambers**  
**405 Biltmore Way, Coral Gables, FL**

**City Commission**

**Mayor Jim Cason**  
**Commissioner Pat Keon**  
**Commissioner Vince Lago**  
**Vice Mayor Frank Quesada**  
**Commissioner Jeannett Slesnick**

**City Staff**

**City Manager, Cathy Swanson-Rivenbark**  
**City Attorney, Craig E. Leen**  
**City Clerk, Walter J. Foeman**  
**Deputy City Clerk, Billy Urquia**  
**Labor Relations and Risk Manager, Raquel Elejabarrieta**

**Public Speaker(s)**

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Agenda Item H-6 [2:17:39 p.m.]

A Resolution authorizing the renewal of the property and casualty insurance program which includes, but is not limited to, property insurance, general liability, automobile liability, public officials errors and omissions, excess workers' compensation, crime liability, cyber liability, terrorism property and liability, as well as other ancillary lines of insurance coverage and insurance broker fees through Arthur J. Gallagher Risk Management Services, Inc., for a not to exceed amount of \$2,008,992 for the policy period of May 1, 2017 to May 1, 2018. (Funding source: Insurance Fund)

Mayor Cason: Let's do H-6, which is the insurance program.

Ms. Elejabarrieta: Good afternoon Mayor, Commissioners, for the record Raquel Elejabarrieta with the office of Labor Relations and Risk Management. Before you today is a resolution authorizing the renewal of the property and casualty insurance program. I come before you with excellent news. Not only has the premium decreased by approximately \$12,000, but the City has

made important enhancements to its insurance program. Specifically when it comes to the City's liability and excess workers compensation policy, we've increased the City's aggregate limit from \$4 million to \$8 million. We have also increased the City's sublimit for sexual harassment claims and sexual abuse claims. Despite these important enhancements to the insurance program, the premium just on this policy alone decreased about \$150,000. This has been the result of the City not experiencing any large workers comp losses or liability losses in the last five years. The greatest enhancement that you'll see is in the City's property program. We currently have \$25 million with coverage for a named wind storm, we are increasing that to \$50 million, that was at the suggestion of the Insurance Advisory Board members and it was a result of a very soft market, we were able to obtain significant enhancements. Obviously, we doubled our property insurance for only about \$100,000. In years past that was unaffordable. Terrorism – we now have added terrorism liability insurance, as well as terrorism property insurance, currently we do not have that coverage right now. Crime insurance we've also increased our sub-limit on the crime insurance from \$1 million to \$5 million. Cyber, we enhanced our cyber insurance program and we've changed carriers from AIG to Chubb and we've experienced a 21 percent decrease in our insurance premium for cyber liability. This result could not have occurred without the effort of all of our employees who help keep the City safe and an environment that enhances workplace safety. The City continues to enhance our safety program and to that end we have recently formed a safety action team, who meets regularly to discuss safety issues and the management of risk. We are continuously conducting safety trainings for all of our employees on a regular basis and for all of our supervisors. We are constantly reviewing claims status to determine trends and patterns and see areas of improvements. We are also performing site and equipment inspections, also to see to assess our safety issues. Very instrumental to this entire process are members of the Insurance Advisory Board who had given excellent suggestions. We also have here today to answer any questions, Tony Abello and Maria Perez from Arthur J. Gallagher who is the City's insurance agent of record, and also with us today is George Erickson from Siver Consulting, who is the City's independent consultant on this matter. So with that, if you have any questions.

Mayor Cason: The progress that you've made on workers comp has made a big impact, I think. If I recall, five or six years ago, we had a couple bad incidents and we were paying, seems like a lot of money, and it looks like we are going really in the right direction in terms of safety and being recognized for it by the insurance rates.

Ms. Elejabarrieta: Correct. So, that's attributed to we haven't had any large workers comp claims. We've enhanced our safety programs, but we are also addressing our litigated workers comp claims more aggressively. We are settling them earlier or we are very selective in the claims that we are litigating and taken them further, so that has decreased our workers comp claims.

Mayor Cason: Any discussion? We have a motion on H-6.

Commissioner Lago: So moved.

Vice Mayor Quesada: Second.

Mayor Cason: Who made the motion? - Commissioner Lago made the motion; Vice Mayor seconded it – City Clerk.

Commissioner Keon: Yes

Commissioner Lago: Yes

Vice Mayor Quesada: Yes

Commissioner Slesnick: Yes

Mayor Cason: Yes

(Vote: 5-0)

Commissioner Lago: Great work.

Mayor Cason: Thank you.

[End: 2:21:43 p.m.]