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FEB 23 2018

CITY MANAGER'S

DATE: February 21, 2018

TO: Cathy Swanson-Rivenbark
City Manager

FROM: Raquel Elejabarrieta
Director, Labor Relations & Risk Management

SUBJECT: Insurance & Risk Management Advisory Board
Annual Report for Fiscal Year Ending September 2017

Please find enclosed Insurance and Risk Management Advisory Board annual report for fiscal year ending September 2017 for your review.

Thank you.

C: Walter J. Foeman, City Clerk

Insurance & Risk Management Advisory Board

Annual Report for Fiscal Year Ending September 30, 2017

In accordance with Section 2.66 "Annual Report" of the City's Code of Ordinance, the Insurance & Risk Management Advisory (the "Board") submits to the City Manager its annual report as follows:

1. *Whether the Board is serving the purpose for which it was created.*

Yes, the Board is serving the purpose for which it was created, which is to act in an advisory capacity to the City on the overall needs and requirements for various kinds of insurance coverages and issues related to risk management.

2. *A list of the Board's major accomplishments.*

- On March 3, 2017, the Board requested Arthur J. Gallagher ("AJG"), the City's insurance broker, to look into increasing the City's Windstorm Coverage over the then current limit of \$25,000,000. On March 10, 2017 a presentation was made by AJG and the Board approved increasing the Windstorm Coverage an additional \$25,000,000 for a total of \$50,000,000 in coverage.
- On March 10, 2017, the Board recommended and approved adding Terrorism Liability with limits of \$25,000,000 and Terrorism Property Coverage up to the property limits.
- On March 10, 2017, the Board recommended and approved increasing the City's Crime Insurance from \$1,000,000 to \$5,000,000.
- On March 10, 2017, the Board recommended and approved that the City change insurance carrier for their Cyber Risk insurance which resulted in 21% premium reduction from the prior policy period.
- Even with the above-mentioned coverage enhancements recommended and approved by the Board, there was an overall premium reduction of approximately \$12,000 compared to the prior policy. **Please see Exhibit 1**
- On July 10, 2017 the Board recommended and approved to renew the health insurance plan with Florida Blue with an overall decrease of 2% from the previous year. **Please see Exhibit 2**

- On September 27, 2017, the Board, then called Committee, approved a resolution to expand its scope and change its name from Insurance Advisory Committee to Insurance and Risk Management Advisory Board. The City Commission approved this resolution on October 24, 2017. **Please see Exhibit 3**
 - On September 27, 2017, the Board passed a resolution urging the City to study and consider installing protective bollards to protect the pedestrians, which was approved by the City Commission on October 24, 2017. **Please see Exhibit 4**
3. *Whether the ordinance creating the board should be amended to better enable the board to service the purpose for which it was created.*

The ordinance accurately reflects this Board's mission and does not require amendment.

4. *Whether the board 's membership requirements should be modified*


The Board may consider modification of membership requirements in the future but the Board does not recommend modification at this time.

5. *The cost, both direct and indirect, of maintain the board:*

Approximately \$12,200.00

6. *A report on authorized fundraising, bank accounts and grant applications and approvals.*
N/A

Submitted by:


Raquel Elejabarrieta, Board Liaison
2/15/2018
Date

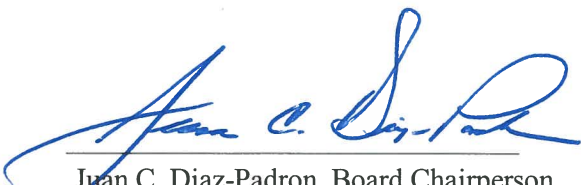

Juan C. Diaz-Padron, Board Chairperson
2/15/2018
Date

EXHIBIT 1



City of Coral Gables
CITY COMMISSION MEETING
 March 28, 2017

ITEM TITLE:

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 & omissions, excess workers' compensation, crime liability, cyber liability, terrorism property & 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)

DEPARTMENT HEAD RECOMMENDATION:

Approve.

BRIEF HISTORY:

The City's Agent of Record, Arthur J. Gallagher Risk Management Services, Inc. ("Gallagher"), has solicited and received quotes from various insurance carriers for the desired insurance policies shown below. The City Commission named Gallagher as the City's Agent of Record awarding Gallagher bid number RFP 2015.09.11- Risk Management & Insurance Brokerage Services for the Property and Casualty Lines of Insurance Coverage.

As shown below, a number of the coverage limits for certain lines of insurance have been increased and new terrorism liability and property lines of insurance have been added. The total cost to renew the various insurance policies with the expanded coverage and the new lines of insurance is approximately \$12,000 less than the cost of these policies in the prior year for an amount not to exceed \$2,008,992.

The following is a summary description indicating insurance policies and premiums:

Description of the Insurance Policy, Surcharge or Fee	Premiums/Fees May 1, 2016 to May 1, 2017	Premiums/Fees May 1, 2017 to May 1, 2018
Primary Property Policy	\$726,000	\$580,000
Excess Workers Comp	\$184,643	\$194,100
Property <i>(increased limits for a named windstorm from \$25 million to \$50 million for 2017-2018)</i>	\$882,200	\$987,906
Boiler & Machinery	\$9,578	\$9668
ADD Business Travel	\$360	\$360
ADD Police and Fire	\$12,338	\$12,338
Bond Finance Director	\$1,750	\$1,138
Storage Tank	\$2,375	\$2,540
Crime <i>(increased limits from \$1 million to \$5 million for 2017-2018)</i>	\$4,942	\$10,500
Sports Liability	\$22,639	\$21,006
ADD Sports	\$16,716	\$16,006
Cyber Liability	\$37,333	\$29,639
Terrorism Liability <i>(new coverage for 2017-18)</i>	N/A	\$10,000
Terrorism Property <i>(new coverage for 2017-18)</i>	N/A	\$13,750
Total without surcharges	\$1,900,874	\$1,888,960
EMPA - State of Florida	\$16	\$32
Total after surcharges	\$1,900,890	\$1,888,992
Insurance Brokerage Fee (Gallagher)	\$ 120,000	\$120,000
Total Cost	\$2,020,890	\$2,008,992

Meetings of the Insurance Advisory Committee took place on March 3, 2017 and March 10, 2017 to discuss in detail the renewal of the City's property and casualty insurance program. During each of these meetings, Gallagher made a detailed presentation of the quotes obtained from the different carriers for the various types of insurance coverage.

George Erickson from Siver Insurance Consultants, the City's independent insurance consultant, also participated in these meetings. The Insurance Advisory Committee recommended approval of the aforementioned policies and coverages and Mr. Erickson concurred with the recommendation (see attached summary and recommendation letter).

FINANCIAL INFORMATION: (If Applicable)

	Amount	Account No.	Source of Funds
	Not to exceed \$ 2,008,992	540-000-590-4550	Insurance Fund
Total:		APPROVED BY:	

Attachments:

1. Resolution
2. Siver Insurance Consultants Summary and Recommendation Letter
3. Insurance renewal proposal and premium summary presented by Arthur J. Gallagher

CITY OF CORAL GABLES, FLORIDA

RESOLUTION NO. 2017-244

A RESOLUTION AUTHORIZING THE CITY MANAGER TO RENEW THE MEDICAL INSURANCE PLAN WITH FLORIDA BLUE WITH AN OVERALL COST DECREASE OF 2% FROM LAST YEAR FOR AN ADDITIONAL ONE-YEAR TERM, EFFECTIVE OCTOBER 1, 2017; FURTHER AUTHORIZING THE RENEWAL OF THE FLORIDA COMBINED LIFE DENTAL PLAN (WITH NO PREMIUM INCREASE FOR THE DHMO PLAN AND NO PREMIUM INCREASE FOR THE PPO PLAN) AND THE UNUM LIFE AND AD&D INSURANCE PLANS (WITH NO PREMIUM INCREASE GUARANTEED FOR 12 MONTHS), EFFECTIVE OCTOBER 1, 2017 (FUNDING SOURCE: INSURANCE FUND).

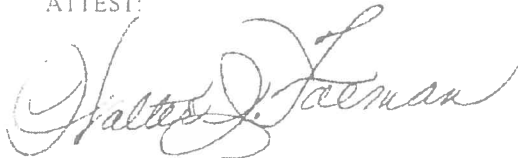
BE IT RESOLVED BY THE COMMISSION OF THE CITY OF CORAL GABLES:

SECTION 1. That authorization is hereby granted for the renewal of the medical insurance plan with Florida Blue for an additional one-year term, effective October 1, 2017; further authorizing the renewal of the Florida Combined Life dental plan, and the UNUM life and AD&D insurances for an additional one-year term, effective October 1, 2017.

SECTION 2. That said Resolution shall become effective upon the date of its Passage and adoption herein.

PASSED AND ADOPTED THIS TWENTY-NINTH DAY OF AUGUST, A. D., 2017.
(Moved: Keon / Seconded: Lago)
(Unanimous Voice Vote)
(Agenda Item: I-10)

ATTEST:



WALTER J. FOEMAN
CITY CLERK

APPROVED



RAUL VALDES-FAULI
MAYOR

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY.



CRAIG E. LEEN
CITY ATTORNEY

EXHIBIT 2



City of Coral Gables
CITY COMMISSION MEETING
 August 29, 2017

ITEM TITLE:

A resolution authorizing the City Manager to renew the medical insurance plan with Florida Blue with an overall cost decrease of 2% from the previous year for an additional one-year term, effective October 1, 2017; further authorizing the renewal of Florida Combined Life Dental Insurance (with no premium increase for the DHMO and PPO Plan) and the UNUM Life and AD&D insurance plans (with no premium increase guaranteed for 12 months), effective October 1, 2017.

ACTION REQUESTED BY THE BOARD/COMMITTEE:

The Insurance Advisory Committee is recommending that the City renew the medical insurance plan with Florida Blue for an additional one-year term, effective October 1, 2017; renew the Florida Combined Dental Insurance.

DEPARTMENT HEAD RECOMMENDATION:

Approval.

BRIEF HISTORY:

In 2014, the City issued an RFP for group health insurance, dental insurance and vision insurance. Florida Blue was selected to provide group health insurance, Florida Combined was selected for dental insurance, Humana was selected for vision, and UNUM was selected for life and AD & D insurances.

The Florida Blue group health renewal provides a decrease of 2% and will be providing the City with \$75,000 in wellness monies. The Florida Combined Life dental renewal, which is composed of 2 dental plans, has a 0% increase for the DHMO and PPO. The UNUM life and AD & D insurances will renew with no rate change. Therefore, the monthly insurance rates will be as follow:

HMO BLUECARE 57	FLORIDA BLUE PREMIUM	CITY SUBSIDY	EMPLOYEE MONTHLY COST
Employee	\$796.45	\$796.45	\$-
Employee + Spouse	\$1,376.25	\$796.45 + \$284.33	\$295.47
Employee + Child(ren)	\$1,245.65	\$796.45 + \$220.28	\$228.92
Employee + Family	\$1,620.76	\$796.45 + \$404.23	\$420.08

(Please note that there are 438 active employees in the HMO 57 plan and 26 retirees.)

HMO BLUECARE 56	FLORIDA BLUE PREMIUM	CITY SUBSIDY	EMPLOYEE MONTHLY COST
Employee	\$939.38	\$796.45	\$142.93
Employee + Spouse	\$1,623.25	\$796.45 + \$284.33	\$542.47
Employee + Child(ren)	\$1,421.20	\$796.45 + \$220.28	\$404.47
Employee + Family	\$1,911.65	\$796.45 + \$404.23	\$710.97

(Please note there are 8 employees in the HMO Bluecare 56 plan and 1 retiree.)

PPO BLUEOPTIONS	FLORIDA BLUE PREMIUM	CITY SUBSIDY	EMPLOYEE MONTHLY COST
Employee	\$1,055.57	\$796.45	\$259.12
Employee + Spouse	\$1,824.02	\$796.45 + \$284.33	\$743.24
Employee + Child(ren)	\$1,651.74	\$796.45 + \$220.28	\$635.01
Employee + Family	\$2,148.07	\$796.45 + \$404.23	\$947.39

(Please note there are 19 employees in the PPO Blueoptions plan and 5 retirees.)

FLORIDA COMBINED LIFE DENTAL INSURANCE	PRE-PAID (DHMO)	PPO
Employee	\$ 13.14	\$ 50.27
Employee + Spouse	\$ 27.01	\$ 102.47
Employee + Child(ren)	\$ 21.82	\$ 91.20
Employee + Family	\$ 38.22	\$ 124.96

(Please note that there are 228 employees in the DHMO and 45 retirees. There are 119 employees in the PPO and 22 retirees.)

UNUM LIFE AND AD&D

Life Insurance - \$0.127/\$1000

AD&D - \$0.03/\$1000

(Please note that the City pays for 758 employees for Life insurance and for 450 employees for AD & D.)

FINANCIAL INFORMATION: (If Applicable)

No.	Amount	Account No.	Source of Funds
1.	Not to exceed budgeted funds	540-0000-590-4550	Insurance Fund

APPROVED BY:

APPROVED BY:

Department Director	City Attorney (If Applicable)	City Manager

Attachments:

1. Resolution
2. Bob Shafer – Digital Benefit Advisors – Renewal Summary

CITY OF CORAL GABLES, FLORIDA

RESOLUTION NO. 2017-244

A RESOLUTION AUTHORIZING THE CITY MANAGER TO RENEW THE MEDICAL INSURANCE PLAN WITH FLORIDA BLUE WITH AN OVERALL COST DECREASE OF 2% FROM LAST YEAR FOR AN ADDITIONAL ONE-YEAR TERM, EFFECTIVE OCTOBER 1, 2017; FURTHER AUTHORIZING THE RENEWAL OF THE FLORIDA COMBINED LIFE DENTAL PLAN (WITH NO PREMIUM INCREASE FOR THE DHMO PLAN AND NO PREMIUM INCREASE FOR THE PPO PLAN) AND THE UNUM LIFE AND AD&D INSURANCE PLANS (WITH NO PREMIUM INCREASE GUARANTEED FOR 12 MONTHS), EFFECTIVE OCTOBER 1, 2017 (FUNDING SOURCE: INSURANCE FUND).

BE IT RESOLVED BY THE COMMISSION OF THE CITY OF CORAL GABLES:

SECTION 1. That authorization is hereby granted for the renewal of the medical insurance plan with Florida Blue for an additional one-year term, effective October 1, 2017; further authorizing the renewal of the Florida Combined Life dental plan, and the UNUM life and AD&D insurances for an additional one-year term, effective October 1, 2017.

SECTION 2. That said Resolution shall become effective upon the date of its Passage and adoption herein.

PASSED AND ADOPTED THIS TWENTY-NINTH DAY OF AUGUST, A.D., 2017.

(Moved: Keon / Seconded: Lago)

(Unanimous Voice Vote)

(Agenda Item: I-10)

ATTEST:



WALTER J. FOEMAN
CITY CLERK

APPROVED:



RAUL VALDES-FAULI
MAYOR

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:



CRAIG E. LEEN
CITY ATTORNEY

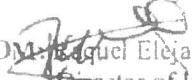
EXHIBIT 3

CITY OF CORAL GABLES

- MEMORANDUM -

TO: Honorable Mayor and Members
Of The City Commission

DATE: October 10, 2017

FROM:  Raquel Elejabarrieta
Director of Labor Relations &
Risk Management

SUBJECT: Resolutions Passed
By the Coral Gables Insurance
Advisory Committee

The Coral Gables Insurance Advisory Committee was established in the 1970s in order to act in an advisory capacity to the City on overall needs and requirements for various kinds of insurance coverage of the City and advises the City on sound risk management practices. In this role, on September 27, 2017, the Committee passed two resolutions shown below and which are attached to this memo:

*A RESOLUTION BY THE CORAL GABLES INSURANCE ADVISORY COMMITTEE
RECOMMENDING THAT THE CITY OF CORAL GABLES CHANGE THE NAME OF
AND EXPAND THE SCOPE OF THE INSURANCE ADVISORY COMMITTEE*

*A RESOLUTION BY THE CORAL GABLES INSURANCE ADVISORY COMMITTEE
URGING THE CITY TO STUDY AND INSTALL PROTECTIVE BOLLARDS
THROUGHOUT THE CITY IN ORDER TO PROTECT PEDESTRIANS*

Attachments:

Resolutions
September 27, 2017 Meeting Board Minutes

cc: Cathy Swanson-Rivenbark, City Manager
Craig Leen, City Attorney

CITY OF CORAL GABLES, FLORIDA

RESOLUTION

A RESOLUTION BY THE CORAL GABLES INSURANCE ADVISORY COMMITTEE RECOMMENDING THAT THE CITY OF CORAL GABLES CHANGE THE NAME OF AND EXPAND THE SCOPE OF THE INSURANCE ADVISORY COMMITTEE

WHEREAS, the Coral Gables Insurance Advisory Committee was established in the 1970s in order to act in an advisory capacity to the City on overall needs and requirements for various kinds of insurance coverage of the City; and

WHEREAS, the Coral Gables Insurance Advisory Committee has previously discussed and advised the City regarding risk management procedures; and

WHEREAS, the Coral Gables Insurance Advisory Committee continues to advise the City on issues related to risk management; and

WHEREAS, the Coral Gables Insurance Advisory Committee recommends and requests that the City Commission formally expand the scope of the Insurance Advisory Committee to include all of its advisory duties, including risk management, and change the name of the Committee to the Insurance and Risk Management Advisory Board;

NOW, THEREFORE, BE IT RESOLVED BY THE INSURANCE ADVISORY COMMITTEE OF THE CITY OF CORAL GABLES:

SECTION 1. That the foregoing "Whereas" clauses are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Resolution upon adoption hereof.

SECTION 2. That the Coral Gables Insurance Advisory Committee requests and recommends that the City Commission formally expand the scope of the Insurance Advisory Committee and change the name of the Committee to the Insurance and Risk Management Advisory Board.

PASSED AND ADOPTED BY THE CORAL GABLES INSURANCE ADVISORY COMMITTEE ON THIS 27TH DAY OF SEPTEMBER 2017.


RAQUEL ELEJABARRIETA
SECRETARY TO THE BOARD

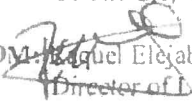
EXHIBIT 4

CITY OF CORAL GABLES

- MEMORANDUM -

TO: Honorable Mayor and Members
Of The City Commission

DATE: October 10, 2017

FROM:  Edguel Elejabarrieta
Director of Labor Relations &
Risk Management

SUBJECT: Resolutions Passed
By the Coral Gables Insurance
Advisory Committee

The Coral Gables Insurance Advisory Committee was established in the 1970s in order to act in an advisory capacity to the City on overall needs and requirements for various kinds of insurance coverage of the City and advises the City on sound risk management practices. In this role, on September 27, 2017, the Committee passed two resolutions shown below and which are attached to this memo:

*A RESOLUTION BY THE CORAL GABLES INSURANCE ADVISORY COMMITTEE
RECOMMENDING THAT THE CITY OF CORAL GABLES CHANGE THE NAME OF
AND EXPAND THE SCOPE OF THE INSURANCE ADVISORY COMMITTEE*

*A RESOLUTION BY THE CORAL GABLES INSURANCE ADVISORY COMMITTEE
URGING THE CITY TO STUDY AND INSTALL PROTECTIVE BOLLARDS
THROUGHOUT THE CITY IN ORDER TO PROTECT PEDESTRIANS*

Attachments:

Resolutions
September 27, 2017 Meeting Board Minutes

c: Cathy Swanson-Rivenbark, City Manager
Craig Leen, City Attorney

CITY OF CORAL GABLES, FLORIDA

RESOLUTION

**A RESOLUTION BY THE CORAL GABLES INSURANCE
ADVISORY COMMITTEE URGING THE CITY TO STUDY
AND INSTALL PROTECTIVE BOLLARDS THROUGHOUT
THE CITY IN ORDER TO PROTECT PEDESTRIANS**

WHEREAS, the Coral Gables Insurance Advisory Committee was established in the 1970s in order to act in an advisory capacity to the City on overall needs and requirements for various kinds of insurance coverage of the City; and

WHEREAS, the Coral Gables Insurance Advisory Committee advises the City on sound risk management practices; and

WHEREAS, recently pedestrians in the United States and abroad have been attacked by vehicles on high pedestrian streets; and

WHEREAS, installing bollards which protect pedestrians from vehicular attacks is sound risk management; and

WHEREAS, high pedestrian streets in the City, including Giralda Avenue, Miracle Mile, and Biltmore Way near City Hall often host events which close the streets to traffic; and

WHEREAS, the Coral Gables Insurance Advisory Committee urges the City Commission to study and then install protective bollards throughout the City in order to protect pedestrians from vehicles;

**NOW, THEREFORE, BE IT RESOLVED BY THE INSURANCE ADVISORY
COMMITTEE OF THE CITY OF CORAL GABLES:**

SECTION 1. That the foregoing "Whereas" clauses are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Resolution upon adoption hereof.

SECTION 2. That the Coral Gables Insurance Advisory Committee urges the City Commission to study and then install protective bollards throughout the City in order to protect pedestrians from vehicles.

PASSED AND ADOPTED BY THE CORAL GABLES INSURANCE ADVISORY
COMMITTEE ON THIS 27th DAY OF SEPTEMBER 2017.



RAQUEL ELEJABARRIETA
SECRETARY TO THE BOARD