

CORAL GABLES INSURANCE ADVISORY COMMITTEE

Minutes of March 24, 2008

2801 Salzedo Street – Human Resources Conference Room

MEMBERS	J	F	M	A	M	J	J	A	S	O	N	D	APPOINTED BY
Roger Serola	-	P	P										Mayor Donald D. Slesnick II
Ivan Brannon	-	P	P										Vice-Mayor William H. Kerdyk, Jr.
Thomas Page	-	A	A										Rafael “Ralph” Cabrera, Jr.
Ignacio Borbolla	-	P	E										Maria Anderson
Ruben Acosta	-	P	P										Wayne “Chip” Withers

A = Absent
E = Excused Absence
P = Present
- = No meeting

STAFF:

Marjorie H. Adler, Human Resources Director
Michael Sparber, Risk Management Administrator

GUESTS:

Lisette de Diego, Aon Risk Services, Inc. of Florida
Martha Roig, Aon Risk Services, Inc. of Florida
Erika Horn, Aon Risk Services, Inc. of Florida
Maria Vergho, Arthur J. Gallagher Risk Management Services
Tony Abella, Arthur J. Gallagher Risk Management Services

RECORDING SECRETARY:

Meralva Piñero

The meeting was called to order at 8:03 a.m. A quorum was reached.

I. INTRODUCTIONS:

For the benefit of guests, Aon Risk Services, Inc. of Florida and Arthur J. Gallagher Risk Management Services, introductions were made.

II. APPROVAL OF THE MINUTES OF THE FEBRUARY 6, 2008 INSURANCE ADVISORY COMMITTEE MEETING:

A motion was made by Mr. Serola and seconded by Mr. Acosta to approve the minutes of February 6, 2008. The motion passed by voice vote.

III. BOARD ITEMS/CITY COMMISSION UPDATES/CITY PROJECT UPDATES:

No Items Presented. Mr. Brannon indicated that he has been receiving copies of ENEWS via fax.

IV. PROPERTY INSURANCE RENEWAL:

The Property Insurance renewal, as presented by Ms. Martha Roig and Ms. Lisette de Diego of Aon Risk Services, Inc. of Florida, contained three (3) options as presented on the attached worksheet.

The options reflect \$15 – \$25 million of primary property insurance coverage including windstorm for named storms, plus excess coverage up to the total insured values including unnamed windstorms. The premium savings range from 28% to 17%, respectively over last years policies.

Coverage improvements include:

- (1) The 5% Windstorm deductible is now only applicable to Named Storms. All other windstorm losses will be subject to AOP (All other Peril) deductible, now reduced to \$ 50,000.
- (2) The Auto Physical Damage Deductible has been reduced from \$100,000 to \$50,000.
- (3) The sublimit for Errors and Omissions has been increased from \$1,000,000 to \$ 5,000,000.
- (4) Unnamed locations sublimit has been increased from \$ 100,000 to \$1,000,000.

After considerable discussion the committee declined TRIA coverage.

Mr. Serola moved and Mr. Brannon seconded a motion to recommend to the City Commission the renewal for property insurance (1D + 2C – TRIA on attachment). The motion was approved by voice vote.

V. CASUALTY/WORKERS COMPENSATION INSURANCE RENEWAL:

The Casualty/Workers Compensation renewal was presented by Ms. Maria Vergho and Mr. Tony Abella of Arthur J. Gallagher Risk Management Services. Two carriers proposed public entity package and excess liability, PESLIC and BRIT, as per attached. Arch was the sole responder for excess workers compensation coverage.

For the first time, a number of smaller liability policies have been adjusted to renew May 1, 2008 in order to enable the City to present a full picture of the costs of insurance coverage. These six (6) policies total \$37,470 in premiums.

AJG recommends remaining with PESLIC, noting that the strength of the existing relationship with City Attorney and Risk Management outweighs the modest saving (1% of premium).

Mr. Serola moved and Mr. Acosta seconded a motion to recommend to the City Commission that the City renew the Casualty Insurance Program as presented with the incumbent carriers. The Committee authorized AJG to share the quotations from BRIT with PESLIC in an attempt to obtain a reduction in premium for the renewal of the Public Entity Package and Excess Liability insurance policies. The motion was approved by voice vote.

The renewals will be presented at the April 8th meeting of the City Commission.

VI. OLD BUSINESS:

Ms. Adler advised the Committee on the City's health insurance renewal status. Recent claims history has not been very positive, but is still expected to be at trend.

VII. NEW BUSINESS:

No items presented.

VIII. NEXT MEETING DATE:

The next meeting of the Committee is scheduled for April 16, 2008 at 8:00am to receive the health insurance renewal.

IX. ADJOURNMENT:

There being no further business to come before the Committee, the Committee voted to adjourn at 9: 18 a.m. by voice vote.

Respectfully submitted,

Roger Serola
Chair

Marjorie H. Adler
Human Resources Director