

**Minutes of the Risk
Management Committee Regular Meeting
September 16, 2016**

1. CALL TO ORDER

C. McCullion, Chief Financial Officer, called the regular meeting of the Risk Management Committee to order and opened the General Session at 3:05 p.m. The meeting was held in the Senate Conference Room on the 7th Floor of City hall.

Permanent Members Present:

Chris McCullion, Chief Financial Officer
Brian Battles, Deputy Chief Financial Officer
Deborah Girard, Deputy Chief Administrative Officer, designee for Byron Brooks, Chief Administrative Officer

Staff Present:

Ray Scullian, Risk Management Division Manager
Michelle McCrimmon, Deputy Chief Financial Officer
Karen Zito, Claims Supervisor
Elly Grasle, Recording Secretary

Absent:

Jody Litchford, Deputy City Attorney, designee for Mayanne Downs, City Attorney
Heather Fagan, Deputy Chief of Staff, designee for Frank Billingsley, Chief of Staff

2. APPROVAL OF MINUTES OF AUGUST 03, 2016

D. Girard made a MOTION TO APPROVE the August 03, 2016 minutes, seconded by B. Battles. THE MOTION WAS UNANIMOUSLY CARRIED.

3. CASUALTY RENEWAL

Excess Liability

The Excess Liability policy renewal premium has increased slightly from an expiring amount of \$337,428 to a proposed amount of \$354,300. The policy provides coverage for Workers' Compensation, Auto Liability and General Liability claims. Workers' Compensation claims have no limit above a \$1,000,000 deductible and Auto Liability and General Liability claims have a \$1,000,000 limit above a \$1,000,000 deductible. The premium is rated almost exclusively on the City's Workers' Compensation exposures as the City is protected by Sovereign Immunity for almost all of our Auto Liability and General Liability exposures. No coverage under this policy for Police Liability claims.

Committee members asked questions and all were answered. R. Scullian recommends renewal of this policy at the premium of \$354,300.

B. Battles made a MOTION TO APPROVE the renewal of the Excess Liability Policy for a premium of \$354,300, seconded by D. Girard. THE MOTION WAS UNANIMOUSLY CARRIED.

Crime

The Commercial Crime policy covers claims that arise out of internal and external occurrences. Employee Dishonesty as well as robbery, burglaries, etc. are covered above a \$50,000 deductible up to a \$1,000,000 limit and for certain specified employees, up to \$10,000,000 in limits.

Generally, this coverage is based upon employee count and employee distribution. Our expiring premium was \$22,910. The renewal quote was \$32,303. Certain information was provided in the renewal process that produced the substantial increase. R. Scullian expected that once explained, the premium would drop closer to the expiring premium, but he is requesting authorization to bind at the higher amount, expecting improvement in the premium.

D. Girard made a MOTION TO APPROVE the renewal of the Crime Policy, seconded by B. Battles. THE MOTION WAS UNANIMOUSLY CARRIED.

Accidental Death & Dismemberment

The Accidental Death & Dismemberment policy is a policy purchased to comply with Florida Statutes for First Responders. It is essentially a life insurance/disability policy for First Responders injured or killed in the line of duty. The policy also provides other benefits to

families in the event of a loss such as educational benefits and health insurance continuation benefits. One claim was submitted and paid under last year's policy. R. Scullian recommends purchasing the Accidental Death & Dismemberment for all first responders for a premium of \$29,466.

B. Battles made a MOTION TO APPROVE the renewal of the Accidental Death & Dismemberment policy for a premium of \$29,466, seconded by D. Girard. THE MOTION WAS UNANIMOUSLY CARRIED.

The above three policies are brokered by Brown & Brown of Daytona Beach.

4. AMWAY PROPERTY INSURANCE RENEWAL

R. Scullian advised that this is the sixth year the City has purchased this stand alone policy. It is underwritten by Travelers and brokered by Arthur J. Gallagher. R. Scullian explained that last year we locked in a rate guarantee at one of the softest times in the property market. The rate guarantee involved no losses. We had no claims and were able to take advantage of the rate guarantee.

Last year's premium of \$301,997 increased to \$304,770 as a result of increased building values associated with construction costs and inflation trends. The rate remains .065 per \$100 of value.

Committee members asked questions and all were answered.

B. Battles made a MOTION TO APPROVE the renewal of the Amway Property Insurance for a premium of \$304,770, seconded by D. Girard. THE MOTION WAS UNANIMOUSLY CARRIED.

4. OTHER BUSINESS

R. Scullian advised that he would like to bring back the Dubsdread errant golf ball policy to the Committee and it will be scheduled in the near future.

There being no further business to come before the Committee, Chairman C. McCullion adjourned the meeting at 3:39 p.m.

Elly Graste
Recording Secretary

