

5. New Business

- **Motion to Approve Workers' Compensation Excess Insurance Policy Quote**

Mr. Hine advised the Board that the City's workers' compensation insurance policy would be renewing on October 1, 2023. He advised that Paul Dawson of Public Risk Insurance Advisors (PRIA) would be presenting on the policy.

Mr. Dawson advised that after discussions with the City that PRIA marketed to seven carriers including the current carrier, Safety National Casualty Corp., for the upcoming October 1, 2023 – October 1, 2024 policy renewal period. He advised that based upon the City's police and fire employee exposure that three of the carriers declined to quote, and the other three carriers were not competitive on premium compared to the current carrier.

Mr. Dawson provided the Board with the results of the renewal quote that resulted in a 9% premium increase for this policy year as compared to last if they reselected the current carrier. He advised that the City's premium rate had not changed but the City's payroll had increased by 10% which was the reason for the premium increase. The premium for the prior year was \$483,180 and the renewal premium will be \$524,336.

The Board proceeded to discuss this item and asked a few questions regarding the policy. Motion by Vice Chair Piechura, seconded by Mr. Botkin, to approve the workers' compensation insurance policy from Safety National Casualty Corp. for a premium of \$524,336. In a voice vote, the motion passed unanimously with Chair Schwartz abstaining.

6. Open Discussion – Old/New Business

- **Rising Property Insurance Costs**

Mr. Hine provided a brief overview on the discussion about the City's property insurance policy and the expected premium increases for 2024. He advised in a recap of prior discussion that the property market is facing challenges from Hurricane Ian, increased building costs, supply chain issues, inflation, and the war in Ukraine.

The City's probable maximum loss evaluation for property claims has a 250-year coverage limit of \$23 million and a 500-year coverage limit of \$35 million, while the State of Florida Citizens Insurance Company utilizes a 100-year coverage limit benchmark. The probable maximum loss is an estimation of the costliest claim likely to occur every 100-years, 250-years, or 500-years. Mr. Dawson recommends using the 250-year coverage limit to ensure that the City meets guidance for insurance coverage on state and federal disaster reimbursement.