

# **FLORIDA LEAGUE OF CITIES**

## **INSURANCE BASICS**



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WHAT ARE WE TALKING ABOUT??

INSURANCE IS A CRITICAL  
PUZZLE PIECE IN A LOCAL  
GOVERNMENT'S RISK  
MANAGEMENT LANDSCAPE

## INSURANCE BASICS

# WHAT ARE WE TALKING ABOUT??

Municipal insurance is considered special because of the level of day-to-day risk involved in local governance.

In fact, in the 1980's, insurers denied coverage to a number of towns because of previous high number of claims involving them. Thus, insurers often promote risk management training with local officials when negotiating for coverage so as to minimize the number of claims that will be filed

# INSURANCE POLICIES IN ACTION



**PROTECTION & PEACE OF MIND**

**MITIGATION OF BUDGET EXPENDITURE**

**COORDINATED DEFENSE**

**SETTLEMENT**

# PUBLIC ENTITY CARRIERS IN FLORIDA

- **BROWN & BROWN**
- **FLORIDA MUNICIPAL INSURANCE TRUST (FMIT)**
- **PUBLIC RISK MANAGEMENT OF FLA. (PRM)**



## ASSEMBLING THE PUZZLE: TYPES OF POLICIES

### General Liability Coverage

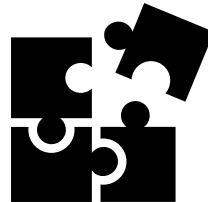
Provides broad protection against damage claims by third parties alleging negligent acts and operations

Coverage is limited by the Policy Exclusions against coverage

### Bodily injury/Property/Personal Injury/

### Advertising Injury

E.g. Slander, Libel, Copyright Infringement



## ASSEMBLING THE PUZZLE: GL POLICY LIMITATIONS

### Coverage Limits

Specific to the purchased product

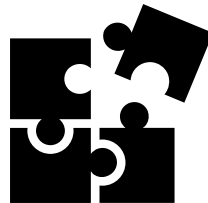
Defined by limit per occurrence  
and policy definition of  
“occurrence”

### Exclusions

What is specifically carved out of  
the Policy

Identify liability exposures

Create alternative planning needs



## ASSEMBLING THE PUZZLE: TYPES OF POLICIES

### Occurrence-Based

Generally broader than Claims-Made Policies

Claims may be reported to carrier any time in the future, subject to pendency of the policy term

Ideal for late-discovered claims by third parties

### Claims Made Coverage

Claims must be reported to carrier during the policy year/coverage period

e.g. Cyber-Coverage





# INSURANCE BASICS

## COMMON LINES OF COVERAGE & AVAILABLE RIDERS

**Auto & General Liability**

**Property & Casualty**

**Employment**

**Workers Compensation**

**Directors and Officers**

**Title Insurance**

**Bert J. Harris**

**1983 & Federal Claims**

# INSURANCE BASICS

## PARTICULAR AREAS OF INTEREST

**INTENTIONAL CONDUCT IS NOT COVERED**



**BERT HARRIS & INVERSE CONDEMNATION CLAIMS**

OTHER TOPICS OF INTEREST

DEFENSE COSTS & ERODING POLICIES



**TORT REFORM: CS/CS/HB 837 (2023)**

**EFFECTIVE DATE: MARCH 24, 2023**

**NEGLIGENCE STATUTE OF LIMITATIONS: 2 YEARS**

**CONTRIBUTORY VS. COMPARATIVE NEGLIGENCE**



**TORT REFORM: CS/CS/HB 837 (2023)**

**EVIDENTIARY CHANGES**

**PAST MEDICAL DAMAGES CAN ONLY BE PROVEN WITH AMOUNT  
ACTUALLY PAID, REGARDLESS OF SOURCE OF PAYMENT**

**LIMITS ON BAD FAITH CLAIMS**

**NO BAD FAITH CLAIM IF CARRIER TENDERS LESSER OF POLICY  
LIMITS OR AMOUNT DEMANDED IN SET PERIOD  
NEGLIGENCE ALONE IS NOT BAD FAITH**

**QUESTIONS??**