

Insurance Committee
May 15, 2009

A meeting of the Insurance Committee was held on Friday May 15, 2009 at 8:00 am in the Purchasing Office's conference room. The following people were in attendance: City: John Smith, Roald Erling, Robin Manuele, Diane Ferguson, Roger Spear, PMA Management Group: Fred Moreno and Dom Perno, Tracy Driscoll: Fred Denote, Willis HRH: Alice Sherman, Ed LaVallee, and Brian Decelles. Ron Messier, Glenn Klocko and Tony Malavenda were not in attendance.

The meeting was called to order at 8:05am.

Agenda item # 1 - Workers' Compensation /PMA Management Corp- Fred went over the Claim Comparison report as of 5/15/09. This fiscal year to date there are 303 claims with a total incurred of \$753,904. There are no individual claims valued over \$100,000. John asked about the open claims in previous years and Dom stated there is a claims review scheduled in June with Donna, the claims adjustor. It was noted that a large amount of the open claim balance for fiscal year 03-04 is due to a reopened claim. Dom agreed that these older year claims should be closing out.

Since the March 26, 2009 meeting, Fred noted that there was an ergonomic survey at the BOE and a safety committee meeting. Fred commented again that the safety committees are providing a lot of good feedback and asking questions. There has been a lot of cooperation and it shows in the claims. *Diane Ferguson entered the meeting at 8:15 am.* Fred and Dom exited the meeting at 8:25 am.

Agenda item # 2 - Bid results for 09-10 Liability and Property Insurance- Fred Denote from Tracy Driscoll entered the meeting at 8:25 am to discuss the bid proposals for the City's property and liability insurances for fiscal year 09-10. Fred recommended staying with HD Segur, the incumbent for liability insurance. Segur came in with the lowest price and have had the City's account as well as many other municipalities for many years. They have the experience to handle the City's needs.

Fred then discussed the two possibilities for property insurance - Dumont, the incumbent and local agent and RC Knox. Dumont was the low bidder, however RC Knox had some additional coverage levels that needed to at least be discussed. A brief discussion ensued, with the Committee deciding that Dumont was to receive the property insurance bid.

A third item that needed to be addressed was the Excess Workers' Compensation insurance. Segur was the only agent to submit a bid, but they had several different options. Fred discussed the options and self-insured retention limits that we currently have as well as proposed levels. In the end, the Committee felt it was wise to leave the self-insured retention levels as they are and select New York Marine as the Insurer.

A motion was made by Roald and seconded by John to "award the bid for liability and excess workers' compensation insurance totaling \$996,605 to HD Segur for fiscal year 2009-10 and recommend to the Board of Finance for approval." A second motion was made by Roald and seconded by John to "award the bid for property insurance totaling \$179,875 to Roland Dumont for fiscal year 2009-10 and recommend to the Board of Finance for approval."

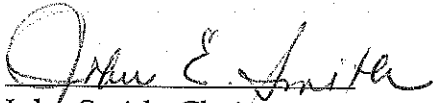
John thanked Fred for his efforts and commented that the bid process was worthwhile.

Agenda item # 3 - Owner Controlled Insurance Program presented by Willis- Three representatives from Willis entered the meeting at 8:50 am, Alice Sherman, Ed Lavallee, and Brian Decelles. John asked them to attend the meeting to discuss how an Owner Controlled Insurance Program (OCIP) works and the advantages to using an OCIP in large construction projects such as the two school projects. Alice discussed what an OCIP is and how it works. Willis has a model to plug in data and estimate if it's worthwhile for Bristol to consider this. If it doesn't save money and meet Bristol's needs, then it wouldn't be used. Ed discussed the safety end of the program, as well as claims management and loss control. Fred Denote asked about deductibles. Alice said the programs are written with large deductibles, usually \$250,000. At the end of the presentation, John asked for a few references so he can place some phone calls to see how the program worked out. Alice, Ed, Brian and Fred left the meeting at 9:40 am.

Agenda item # 4 - Bidding Health Insurance for fiscal year 10-11 - Robin said that at the April 28th meeting, the Committee met with AON and decided to move forward with bidding health insurance for fiscal year 10-11. AON will start working in conjunction with the City in early fall.

The meeting adjourned at 9:45 am.

Respectfully submitted,


John Smith, Chairman