

**INSURANCE ADVISORY BOARD MINUTES**  
**City of Fort Lauderdale**  
**100 North Andrews Avenue**  
**8<sup>th</sup> Floor Conference Room**  
**Thursday, February 16, 2006 – 8:00 a.m.**

<u>Board Members</u>	<u>Meeting Attendance</u>	<u>(1/06 to 12/06)</u> <u>Cumulative Attendance</u>	
Joseph Cobo, Chair	P	P-2	A-0
Mark Schwartz, Vice Chair	P	P-2	A-0
Randy Swensen	P	P-2	A-0
Ted Hess	P	P-2	A-0
Christopher Prestera	P	P-2	A-0
Roger Bond	P	P-2	A-0
Joe Piechura, Sr.	P	P-2	A-0

Staff and Guest

Daniel Jilek, Risk Manager  
Marilyn Mullen, Employee Benefits Coordinator  
Dave Fortune, Fortune Consulting  
Lisa Edmondson, Recording Clerk  
Layva Vassor, Recording Clerk

1. Roll Call

The meeting was called to order by Chair Cobo at 8:05 a.m.

2. Approve Minutes of January 19, 2006

It was requested that the minutes be corrected: 1) to reflect that Mr. Schwartz and Mr. Hess were present, 2) correct the spelling of Mr. Prestera's name, and 3) note that Chair Cobo called the meeting to order. Motion to approve made by Mr. Hess, seconded by Mr. Schwartz. In a voice vote, the motion passed unanimously.

3. Update on Pending Workers' Compensation Claims

Mr. Jilek stated he received the report from Gallagher Bassett, but did not believe that it contained the data the Board had requested. He did have an administrative report, although was limited in the information he could disseminate from it publicly. The report reflected claims and reserves in the last 30 days. Chair Cobo stated he was looking for projected reserves and claims broken down by department. Mr. Jilek stated there had been one claim in administrative services, six in fire and parks, eight in police, and six in public services. There have been six claims for indemnity or lost time; all others were medical benefits claims.

Chair Cobo asked if the City was missing something from a training standpoint to reduce claims. Mr. Jilek indicated he had been meeting with police, fire, and public works and they were looking into a driver improvement program, as well as conducting

a survey of other types of job training. He stated police and fire are more into specific duty training.

#### 4. Status on Insurance Policy Placement Efforts

Mr. Jilek reported he spoke with Rutherford regarding the crime policy application indicating that the existing carrier was looking for the audited annual report which had been sent previously. Mr. Jilek advised he had received numbers from Traveler's and AIG, and although he does not have firm numbers for every company, Travelers has so far given the best price. Mr. Jilek will report back at the next meeting.

Mr. Jilek has also been following up on the application for the State's insurance risk retention pool. The State is currently conducting an underwriting analysis of the City's historical reports for their underwriting needs. There was no quote available at this time, but the State will be getting back to the City with that information. Mr. Jilek will have the broker make a presentation to the Board once a quote is received.

#### 5. Status on Health Insurance Operations

Ms. Mullen stated, with regard to the Board's recommendation to the City Commission to extend the contract for two more years as was the intent in the RFP, the current Finance Director had not agreed with the recommendation and consequently not brought before the City Commission. Ms. Mullen was given instructions to move forward with the RFP, noting there is a revision to the RFP in that, this time, the Finance Director has mandated that the legal department review the RFP as it is part and parcel of the contract for health insurance benefits. This has now created a short time frame for review. Ms. Mullen indicated they will be meeting with each of the Commissioners to inform them of the process taking place, reminding them of the sensitivity this had last year, and asking for input. Ms. Mullen is now in the process of revising the RFP with the insurance consultant.

Mr. Bond asked how the Board's recommendation could get "sidetracked" by management and not be presented to the City Commission. Chair Cobo expressed concern also that their recommendation had been ignored, asking then what is the purpose of the Board. Ms. Mullen confirmed that staff has no authority to extend the contract without City Commission approval. Chair Cobo emphasized that the Board had recommended the contract be extended without an RFP. Ms. Mullen commented there was "political sensitivity" toward offering the opportunity to more than one vendor, reiterating that she had been directed to continue forward with the RFP. Mr. Jilek believed the City Commission would be made aware of the Board's recommendation through reading of the minutes. Chair Cobo did not feel the company got a "fair share" based upon the Board's previous discussion. He indicated it was the first time in years that one of the Board's recommendations was not at least given to the City Commission.

for discussion purposes. He was concerned that their recommendation not only didn't get to the City Commission, but was killed by a person who was no longer even going to be employed with the City.

Chair Cobo indicated he would ask the Mayor and other Commissioners to attend their next meeting and provide feedback as to the Board's role.

Ms. Mullen will be reporting back next month and asking for volunteers for the RFP selection committee.

6. Schedule March 2006 meeting

The next meeting will be on March 23, 2006 at 8:00 a.m. in the 8<sup>th</sup> floor conference room.

With no further business to come before the Board, the meeting was adjourned at 8:25 a.m.