

MINUTES  
Insurance Advisory Committee  
March 9, 2006  
Conference Room 4, Town Hall  
7:30 a.m.

The members of the Insurance Advisory Committee convened in open session on March 9, 2006 in Conference Room 4 of the Town Hall. The meeting was called to order at 7:36 AM. Chair June Roberts, John Borelli, Bob Masse, and Jeff Conti were in attendance. Bob Watson was not present.

The Committee reviewed the minutes of its previous meeting on February 13.

The Committee moved: To approve the minutes.

Motion carried unanimously.

The Committee reviewed the most recent auto loss report from MIIA.

Mr. Conti reported on the status of the Town's insurance account for the current year. He had audited the account and found that instead of being \$27,000 in the red, it actually has a positive balance of \$88,482. In addition to this, the Town has received a \$1000 credit for the removal of the Waverley Fire Station from our property insurance, and a \$4,000 dividend from our workers' compensation insurance. Mr. Conti said that he will now be reviewing every insurance bill or credit that comes through to make sure they are correct since he is the only one who is familiar with the policies.

Mr. Conti also reported that MIIA has processed a number of adds and drops to our auto fleet schedule, including the upgrade of the remaining fire truck to replacement cost coverage. The net cost to the Town of all these changes is \$48.

Mr. Conti explained that for FY07 the Town has budgeted less money for insurance than in FY06, because as the balance indicates we overbudgeted last year. From an FY06 level of \$320,000, we have reduced to \$312,000, which hopefully will still be slightly more than we need even assuming rates increase.

Mr. Conti also noted the Town is no making payment on a settlement agreement for a house that was damaged by a Town tree. The initial amount of the claim was \$5,725 and the claim is being settled for \$3,274.20. Mr. Conti said he felt this was a good outcome for the Town and represented the only general liability loss he is aware of since September of 2005. He also briefly updated the Committee on the status of a claim for auto damage caused by snow falling off the Homer Building, and a possible sewage damage claim by a homeowner.

The Committee discussed plans to re-bid the Town's insurance coverages. Mr. Conti reported that Mr. Terry Curtin of Kevin F. Donoghue and Associates has submitted a revised consulting proposal and he recommends it as the most cost-effective option for the Town.

The Committee moved: To accept the proposal of Mr. Terry Curtin of Kevin F. Donoghue and Associates to provide consulting services for the Town's re-bid of insurance coverages and to authorize the hiring of same.

Motion carried unanimously.

Human Resources Director Diane Jenkins appeared before the Committee to discuss the administration of the workers' compensation insurance program. Ms. Jenkins discussed procedures for ensuring that injured employees return to work when they are able to do so. She said that the Town is fortunate to have employees who are eager to work and has not had problems with malingering.

Mr. Conti reported to the Board that after a recent slip and fall incident, he has implemented a new reporting form to be used by all department heads to report accidents, thefts, or violent incidents to his office. This will ensure that if a claim is filed we will already have information on the incident.

Mr. Terry Curtin of Kevin F. Donoghue and Associates met with the Committee to discuss the insurance re-bid. After discussion, the Committee set a goal of issuing the RFP by the end of March, with bids expected back in by May 20. Mr. Conti will work on preparing the specifications. On the advice of Mr. Curtin, it was decided not to include pollution/environmental insurance as a category in the proposal but rather to approach this as a secondary question with the winning bidder.

It was agreed that the Committee should meet again soon to review a draft of the bid specifications. The Committee agreed to hold its next meeting on Thursday, March 23 at 7:30 AM in Conference Room 4 of the Town Hall.

The meeting adjourned at 9:08 a.m.

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Jeffrey B. Conti  
Assistant Town Administrator