

# **TOWN OF PALM BEACH**

Information for Town Council Meeting on: March 4, 2025

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TO: Mayor and Town Council

VIA: Kirk W. Blouin, Town Manager

VIA: Robert Miracle, CPA Deputy Town Manager, Finance and Administration

FROM: Dean Mealy, II NIGP-CPP, CPPO Town Procurement and Contract Manager

RE: Resolution No. 023-2025, approving a change order to Gehring Group's original resolution authorization of \$442,380 of a multi-year contract to new resolution authorization of \$558,031

DATE: February 20, 2025

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## **STAFF RECOMMENDATION**

Staff recommends the Town Council approve Resolution No. 023-2025, approving a change order to Gehring Group's original resolution authorization of \$442,380 of a multi-year contract to new resolution authorization of \$558,031.

## **SUMMARY EXPLANATION/BACKGROUND**

In 2024, the Town requested the addition of services to support Police and Fire Statutory Accidental Dismemberment and Death Benefit along with Firefighter Cancer Insurance to offset the rising cost and liabilities associated with self-insured claims. The amount of \$25,379 was added to the FY 2025 budget (see Table on Page 2). The Town Council approved the services provided by the Gehring Group as part of the budget submission for FY25. However, during the review process of contracts, Procurement and Contract Management (PCM) noted that the resolution authorization amount was not updated. The approval of this resolution will remedy authorized amount.

The Gehring Group serves as the Health Insurance Broker for the Town. They also provide Actuarial Services as part of their award. Their services were originally obtained and authorized by RFP No. 089-2018.

Gehring Group provides the following services to the Town:

- Annual employee benefits program servicing, marketing and placement – they find and negotiate best providers and costs for the Town. This is for both current and retired employees
- Actuarial Services
  - Annual 112.08 filing of actuarial soundness with State of Florida
  - Annual OPEB/GASB Reporting
- BenTek Online Enrollment and Administration Services – no charge to the Town
- Gehring also assisted in setting up the Town Clinic at no additional cost to the Town, working with Concentra who operates the clinic

The Town has paid the following for services since the inception of the contract:

FY	PO Description	Total PO Amount
FY20	Benefits Program Consulting	\$85,500
FY21	Benefits Program Consulting	\$85,500
FY22	Benefits Program Consulting	\$85,500
FY23	Benefits Program Consulting	\$88,065
FY24	Benefits Program Consulting	\$88,065
FY25	Benefits Program Consulting	\$112,401*
FY20-FY22	Actuarial Services – services provided and not invoiced	No charge for these three years
FY23	Actuarial Services	\$3,250
FY24	Actuarial Services	\$3,250
FY25	Actuarial Services	\$3,250

\*The increase for FY25 charges reflects the new services being provided for Statutory Accidental Dismemberment, Death and Firefighter Cancer Insurance in the amount of \$25,379.

The total change order for FY25 consists of the following services:

- Benefits Program Consulting
- Actuarial Services
- Accidental Dismemberment/Death and Firefighter Cancer

The Gehring Group has provided outstanding services to the Town during the term of their engagement. In addition to the services noted, they assist employees with claims issues throughout the year. They also provide any updates as legislation is updated to ensure our coverage meets all new requirements.

We have generally maintained that all contracts are for a five-year period. With the changes that were implemented last year to accommodate Police and Fire, we thought it was best to wait one additional year to resolicit. It is the intent to resolicit the contract this summer to secure the best services and negotiate best commission rates being charged.

### **FUNDING/FISCAL IMPACT**

The funding is from the Self Insurance (Health Benefit) fund.

### **TOWN ATTORNEY REVIEW**

This format has been utilized by the Town in previous recommendations and was approved by the Town Attorney.