



A Message From The President



Dear FSA Members,

Thank you for allowing me the opportunity to be your President for 2004-2005. Mike, Mark, Debbie, and I are all very excited about the coming year and we look forward meeting the various challenges that are sure to present themselves.

We congratulate the Florida Surety Association for winning an SIO Gold Award that was presented at this year's NASPB annual meeting. Please take a look at the press release in the "news" section of the website to learn more about the award. Special thanks to Matt Curran, John Valoze, Monica Morgan, DJ Conroy, Rich Caby, and Jack Neu for their individual efforts.

Our goals for the coming year are as follows:

1. Keep the quarterly meetings fun and informative.
2. Continue to improve communication by keeping an accurate e-mail distribution list and maintaining an up-to-date website.
3. Refocus bond form efforts on the local municipalities.
4. Continue our efforts in Tallahassee.

If you have any questions, concerns, or recommendations for things we can do better, please feel free to contact myself or any of the other officers and we will do what we can to help.

Very truly yours,

Jacob Fulmer
President
Florida Surety Association

Guest Article

Surety Consultant - Friend or Foe

by Vince Rotonda

I know, I know. You think I'm a nice guy, but after all, I am a Surety Construction / Claims Consultant. And that means I'm as welcome as an IRS Auditor or a bill collector. Underwriters and Bond Producers may say they like me, but they still think about crossing the street when they see me coming. After all, when I show up at a job site, it usually means that one of their contractors or projects is experiencing a problem.

However, all does not have to be gloom and doom. In fact, Surety Consultants can actually help Underwriters and Bond Producers sleep better at night! How you might ask? Well, in two ways. First, in general, we can be a great source of useful information. Very often, we hear of goings on in the industry. Such as, what material pricing is about to jump 50%; what big RFP will be coming out next week; or who just left Contractor A and went with Contractor B. If we would not have to betray a confidence, we would be happy to share that information.

Second, and more importantly, Surety Consultants have the know-how and the tools to help eliminate potential problems before claims or losses occur. How may you ask? The following identifies just a few ways:

1. By performing an independent estimate. Maybe your contractor left too much on the table and you're suddenly concerned about its ability to complete the project. We can help get a grasp on potential project costs and profit.

2. By performing a review of the project plans and specifications. Such a review can ensure that the project documents are understandable, unambiguous and consistent. If we detect potential problems, we can assist in developing the needed revisions.
3. By performing on-site audits. Another set of eyes can often spot deficient work and recommend solutions to problems. Early warning signs can be observed when options still exist and problems can be resolved at minimal cost.
4. By performing a schedule review. A realistic, solid schedule is the cornerstone of project planning. A professional scheduler knows how long it takes to perform each type of work and can visualize how all the project elements fit together. As a result, we can provide an early indication of schedule problems and impacts, and responsibility for delays.
5. Through funds administration. This function ensures that contract funds are used to pay project costs and greatly mitigates the potential for payment bond claims and liens.
6. By reviewing pay applications. Very often "front loading" or overpayment of a contract leads to completion problems later on.
7. By investigation potential problems early. Don't wait until things have gone totally "south" to investigate, and losses can no longer be mitigated. We can provide a comprehensive analysis of problems and recommend solutions for getting the project back on track.
8. By the realistic evaluation of construction delays and claims. This entitlement to and the determination of the monetary value of claims can help a Surety to correctly evaluate its potential exposure.

Over the past decade, construction claims have increased more than 130 percent. Utilizing Surety Consultants as part of a risk management program can greatly increase the probability for a completed, successful project with decreased potential for payment bond claims and liens.

So, it would seem that we can be allies. After all, I am a nice guy.

- Vince Rotonda is a Senior Consultant with Trauner Consulting Services, Inc. He has a B.S. in Civil Engineering and has over 30 years of construction experience.

May Meeting

Annual Association Meeting

Thank you to all our Florida Surety Association members who attended the annual meeting. We enjoyed a new location for this annual event. Our meeting was held at Marriott Orlando Lake Mary on May 11, 2004, and was highly attended by the membership. Whether it was the Timacuan golf course or the Marriott location we won't know, but we were excited about the turnout. Approximately 100 members attended the meeting.

Our new officers were voted in and include Jacob Fulmer, St. Paul Travelers as President; Mike Battenfield, The Hartford as Vice President; Deborah Tritt, Great American will serve as Secretary and Mark Coolbaugh, CNA as Treasurer. Deborah and Mark wanted to continue their terms and volunteered for a second go round!

Our speaker, Matthew Dobrowski, Executive Vice President/Partner of Funds Administration, gave away a great door prize. Matt kept us attentive throughout dessert with his Power Point presentation on the workings of Funds Administration. We hope Matt enjoyed our meeting as much as our members benefited from his presentation.

Golf was well attended and you'll likely recognize these familiar winners. Mike Battenfield presented the golf awards. The winning team consisted of Roy Fletcher, Doug Scribner, Dave Turcios and Dave Shick. Prize for the longest drives were Teresa Clark and Doug Moore. The closest to the pin awards went to Mike Brown and Brett Ragland. The "Bowling Score" went to the team of Jesus Labrador, Jacob Fulmer, Channing Black and Warren Alter. The FSA appreciates the donation of the golf prizes provided by; J. Labrador, CNA, The Hartford, Navigators, St. Paul Travelers and the Timacuan Golf & County Club.

All in all it was a well-attended meeting at a new location, and we were glad to see such a great turnout.

Thanks for attending and see you in August!

Deborah Tritt

Secretary

FSA - Quarterly Meeting in Tampa



FSA Quarterly Meeting in Tampa

Date & Time: August 10, 2004 - 6 PM Reception, 7 PM Dinner

Meeting Location: Seminole Hard Rock Hotel & Casino, Tampa 5223 North Orient Road, Tampa, FL 33610 Tel: 813-627-7625

Golf: TPC of Tampa Bay. Straight tee times starting in the late morning.

For more information, please e-mail Jacob Fulmer

Announcements and Notes

Does your company or agency have any announcements? If so, please let us know.