

STATE INSURANCE & RISK MANAGEMENT BOARD
Minutes of Meeting No. 299
June 18, 2013
10:00 A.M.

The Two Hundred Ninety-Ninth meeting of the State Insurance and Risk Management Board was held on Tuesday, June 18, 2013 at the Board of Regents for Higher Education, 39 Woodland Street, Hartford, CT.

Acting Chairperson Savitsky presided.

The following members were in attendance:

State Insurance & Risk Management Board

Ms. Linda R. Savitsky, Acting Chairperson
Mr. Seth T. Mahler, Vice Chairperson
Mr. Robert J. Broomall
Ms. Susan M. Donatelli
Mr. Stephen Fontana
Mr. Daniel J. Friedman
Mr. Wallace J. Irish
Ms. Marjorie F.B. Lemmon, via phone
Ms. Martha Carlson, Deputy Comptroller

Linda L. Savitsky 9/20/2013

Mr. Patrick Mahon was unable to attend.

Department of Administrative Services/Insurance and Risk Management Board

Ms. Daria J. Cirish, Risk Manager
Ms. Eileen G. McNeil

Office of the Agent of Record

Mr. John Byrnes, President
Mr. Fred Tanguay, Vice President
Ms. Doreen Lessard

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Swearing in of new Board Members Susan Donatelli, Stephen Fontana and Daniel Friedman

Ms. Savitsky welcomed new Board members, Ms. Donatelli, Mr. Fontana and Mr. Friedman and administered the oath of office.

1. Approval of the Minutes of Meeting No. 298 held on March 19, 2013 (Exhibit 1)

A motion was made by Mr. Mahler, seconded by Mr. Broomall and

VOTED: To approve the minutes of Meeting No. 298 held on March 19, 2013.

Ms. Donatelli, Mr. Fontana, Mr. Friedman and Ms. Carlson abstained from voting.

2. Reconciliation of and Review of Premium Payments, Informal Bids Processed by the Board since the Last Approval (Exhibit 2)

Mr. Tanguay explained to the new members that written bids are prepared for policies over \$50,000, as well as explained the casualty policy self-insured retention, role of the Third Party Administrators (TPA's) and budget process. He informed the new members that the Board's 2012/13 Other Expense Appropriation is \$11,900,000 which includes a \$350,000 deficit mitigation reduction and a \$100,000 hold-back.

After a review of the payments, a motion was made by Mr. Mahler, seconded by Mr. Broomall and unanimously

VOTED: To approve the premium, deductible payments and informal bids processed by the Board since the last meeting totaling \$3,731,661.86.

3. Claims Committee

Mr. Mahler reported that the Claims Committee met on May 21, 2013 to discuss large losses. The committee gave the TPA's authority to settle certain claims and increase reserves on others. He explained to the new members that there are two TPA's handling claims. Constitution State Services (CSS) handles all claims occurring after March 1, 2012. Sedgwick will continue to handle all run-off claims that occurred prior to March 1, 2012.

4. Votes

A) UConn – Co-Generation Plant - Confirming (Exhibit 4A)

Mr. Tanguay explained that there is an inter-connection agreement between ISO New England, CL&P and the University of Connecticut regarding the plant that generates power at UConn. The agreement requires certain types of insurance.

After reviewing the exhibit, a motion was made by Ms. Carlson, seconded by Mr. Broomall and unanimously

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4. A) UConn – Co-Generation Plant (Cont.)

VOTED: To confirm the policy be renewed as outlined in Exhibit 4A for a premium of \$198,531.

4. B) Dept. of Emergency Services & Public Protection – Aircraft/Helicopter (Exhibit 4B)

Mr. Tanguay advised that this policy provides Hull and Protection and Indemnity coverage on the State Police aircraft and helicopter.

After some discussion, a motion was made by Mr. Mahler, seconded by Mr. Irish and unanimously

VOTED: To place coverage as outlined in Exhibit 4B for a premium of \$57,858.

Mr. Fontana questioned the timing of the renewals and asked if the policy dates can be changed so that there are no confirming votes at the Board meetings. Mr. Tanguay will look into changing dates of policies renewing prior to the Board meetings.

5. Any Other Matters to Properly Come Before the Board

Ms. Carlson suggested sending members a copy of the Annual Report to the Governor, a spreadsheet of policies and the 2013/14 budget.

Ms. Donatelli and Mr. Fontana will serve on the Claims Committee and Ms. Savitsky will come off the committee.

6. Date and Location of Next Meeting

The next Board meeting is scheduled for Friday, September 20, 2013. The meeting will be held at the Board of Regents for Higher Education.

7. Motion to Adjourn

It was moved by Mr. Broomall, seconded by Mr. Mahler and unanimously

VOTED: The meeting be adjourned. The meeting adjourned at 11:00 A.M.