

STATE INSURANCE & RISK MANAGEMENT BOARD

Minutes of Meeting No. 291

June 23, 2011

10:00 A.M.

The Two Hundred Ninety-First meeting of the State Insurance and Risk Management Board was held on Thursday, June 23, 2011 at the Connecticut State University System Office, 39 Woodland Street, Hartford, CT.

Chairperson Sherman presided.

The following members were in attendance:

State Insurance & Risk Management Board

Ms. M. Alice Sherman, Chairperson
Mr. Seth T. Mahler, Vice Chairperson
Mr. Wallace J. Irish
Ms. Marjorie F.B. Lemmon
Mr. Patrick Mahon
Ms. Linda R. Savitsky
Ms. Martha Carlson, Deputy Comptroller

Mr. Robert Broomall was unable to attend.
Ms. Pamela J. Kedderis was unable to attend.
Mr. Edward S. Pocock, III was unable to attend.
Ms. Denise Zamore 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

STATE INSURANCE & RISK MANAGEMENT BOARD
Minutes of Meeting No. 291
June 23, 2011
Page 2

1. Approval of the Minutes of Meeting No. 290 held on March 24, 2011 (Exhibit 1)

A motion was made by Mr. Mahon, seconded by Mr. Irish and unanimously

VOTED: To approve the minutes of Meeting No. 290 held on March 24, 2011.

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

Mr. Tanguay reviewed the Net Payment Analysis noting the Board will have a 0 Balance in its O.E. account at the end of the fiscal year. DAS Commissioner DeFronzo asked if the Board could transfer \$600,000 from its O.E. budget to the Workers' Compensation Division since they were deficient. The Board transferred the \$600,000, but will now have to defer two claim settlements to the next fiscal year.

Mr. Tanguay also reviewed the STF account noting that claims were lower than anticipated and the Board should lapse some money.

Ms. Sherman thanked Mr. Tanguay for a great job forecasting the budget.

After a review of the payments, a motion was made by Mr. Mahon, seconded by Ms. Savitsky and unanimously

VOTED: To approve the premium, deductible payments and informal bids processed by the Board since the last meeting totaling \$1,379,448.25.

3. Votes

A) Airport Liability - Confirming (Exhibit 3A)

Mr. Tanguay reviewed the two proposals advising that D.O.T. reimburses 90% of this premium. DOT opted for Option I.

A motion was made by Ms. Savitsky, seconded by Mr. Irish and unanimously

VOTED: To confirm coverage be placed with Option I, as outlined in Exhibit 3A, for a total premium of \$145,600.

3. B) UConn Co-Generation Plant – Confirming (Exhibit 3B)

Mr. Tanguay explained that UConn has an electrical facility in the middle of campus that powers the campus. There is a contractual agreement requiring the State to purchase specific coverage and because of the contractual liability endorsement, it is very tough to place this coverage.

A motion was made by Mr. Mahler, seconded by Ms. Savitsky and unanimously

VOTED: To confirm coverage to be placed as outlined in the exhibit at a total premium of 193,157.

STATE INSURANCE & RISK MANAGEMENT BOARD
Minutes of Meeting No. 291
June 23, 2011
Page 3

3. C) Department of Public Safety - Helicopter/Fixed Wing (Exhibit 3C)

After some discussion, the Board asked Mr. Tanguay to look into removing liability off the helicopter and to find out how much we would get back if it was cancelled mid-term. It was later determined that at this point the Department of Public Safety would still own and operate the helicopter, thus liability coverage was renewed.

A motion was made by Mr. Irish, seconded by Mr. Mahon and unanimously

VOTED: To place coverage as outlined in Exhibit 3C at an annual premium of \$72,121.00.

4. Committee Reports

A) Claims Committee

Mr. Mahler advised that the Claims Committee met on May 6, 2011 to discuss large losses as well as discuss the R.F.P. for Third Party Administrative Services. Proposals are due on July 18. The new contract will begin on January 1, 2012.

5. Discussion on Ethics Policy for Insurance & Risk Management Board Members (Exhibit 5)

Ms. Cirish reminded the Board that the Auditors were looking for an updated Ethics Policy from the Board. The last time the Board adopted a policy was in 1995. An updated policy was drafted using the old policy and parts of the DAS policy. After a review of the draft, the Board had some concerns regarding the contract wording. Ms. Carlson suggested having the Comptroller's Ethics Liaison attend the next Board meeting to answer these concerns.

6. Any Other Matters to Properly Come Before the Board

There were none.

7. Date and Location of Next Meeting

The next Board meeting has been scheduled for Thursday, September 15, 2011. The meeting will be held at the C.S.U. System Office. The next Claims Committee Large Loss meeting has been scheduled for November 15, 2011.

8. Motion to Adjourn

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

VOTED: The meeting be adjourned. The meeting adjourned at 11:03 A.M.