

STATE INSURANCE & RISK MANAGEMENT BOARD
Minutes of Meeting No. 335
December 14, 2021
9:30 A.M.

The Three Hundred Thirty-Fifth meeting of the State Insurance and Risk Management Board was held on Tuesday, December 14, 2021. Due to the COVID-19 pandemic, the meeting was a Microsoft Teams meeting.

Chairperson Donatelli presided.

The following members were in attendance:

State Insurance & Risk Management Board

Ms. Susan M. Donatelli, Chairperson
Mr. Seth T. Mahler, Vice Chairperson
Mr. George A. Dagon
Mr. Brian M. Farrell
Mr. Stephen Fontana
Mr. Scott Kuhnly
Ms. Marjorie F.B. Lemmon
Mr. Patrick Mahon
Mr. Matthew S. Necci

Ms. Martha Carlson, Deputy Comptroller was unable to attend.

Department of Administrative Services/Insurance and Risk Management Board

Ms. Eileen G. McNeil
Mr. Gene Burk
Ms. Jolita Lazauskas
Mr. Jay Yasensky

Office of the Agent of Record

Mr. Mike Ross, President
Mr. Fred Tanguay, Senior Vice President
Ms. Doreen Lessard

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1. Call to Order

The meeting was called to order at 9:31 A.M.

2. Approval of Minutes

a) Meeting No. 334 held on September 14, 2021 (Exhibit 2a)

A motion was made by Mr. Fontana, seconded by Mr. Mahon and

VOTED: To approve the minutes of Meeting No. 334 held on September, 14, 2021.

Mr. Mahler abstained.

b) Special Meeting held on October 28, 2021 (Exhibit 2b)

A motion was made by Mr. Mahon, seconded by Mr. Necci and

VOTED: To approve the minutes of the Special Meeting held on October 28, 2021.

Mr. Fontana and Mr. Kuhnly abstained.

c) Special Meeting held on November 4, 2021 (Exhibit 2c)

Mr. Mahler noted that on Page 2, Item 4, his name should be changed from “Ms.” Mahler to “Mr.” Mahler. Mr. Fontana noted that on Page 1, it reads “Mr. Mr.” preceding his name. One “Mr.” needs to be removed.

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

VOTED: To approve the minutes from the Special Meeting held on November 4, 2021 with above changes.

Ms. Lemmon abstained.

3. SIRMB Budget - Review and Discussion

a) FY2021-2022 Budget Update as of November 30, 2021 (Exhibit 3a)

Ms. McNeil reviewed the budget as of November 30, 2021. She noted that the casualty policy is the last major policy to be paid this fiscal year and will be voted on today. Mr. Tanguay added that the Board is \$1.2 million below budget on GF premiums and \$1.1 million below budget on STF premiums. He asked that the members remember this when the casualty policy is voted on.

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3. b) FY2021-2022 Expenditures for September 2021-November 2021

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

VOTED: To approve the expenditures from September 2021.

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

VOTED: To approve the expenditures from October 2021.

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

VOTED: To approve the expenditures from November 2021.

4. Insurance Renewals (Discussion and Approval)

a) UConn Use of XL Center – Basketball/Hockey (Expired 10/8/21) (Exhibit 4a)

Mr. Tanguay stated that this insurance is purchased as a result of a lease agreement between UConn and the XL Center. Last year this coverage was not purchased since there were no spectators allowed in the venue. UConn advised Mr. Tanguay to bind coverage. A motion was made by Mr. Necci, seconded by Mr. Farrell and unanimously

VOTED: To confirm coverage be bound as outlined in Exhibit 4a at an annual premium of \$91,683.

4. b) CCSU Cyber Liability (Expired 11/12/21) Confirming Vote (Exhibit 4b)

Mr. Tanguay reminded the Board that at the November 4, 2021 Special Board Meeting, Central had not yet decided what option they were going to select. Ms. Carlson had suggested providing Central the Board's recommendation. Mr. Tanguay met with Central to suggest they select a limit no lower than \$2 million. Central ultimately selected Option II with a \$2 million limit.

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

VOTED: To confirm coverage be placed as outlined in Exhibit 4b, Option II, at an annual premium of \$83,000.

4. c) Public Defenders Professional Liability (Expires 11/12/21) (Exhibit 4c)

Mr. Tanguay explained that the Division of Public Defender Services hires approximately 200 full-time and 275 part-time contract attorneys that are not State employees. This policy provides

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4. c) Public Defenders Professional Liability (Cont.)

professional liability to these attorneys. A motion was made by Mr. Fontana, seconded by Mr. Mahler and unanimously

VOTED: To place coverage as outlined in Exhibit 4c, at an annual premium of \$66,595.

4. d) UConn Cyber Liability (Expires 1/15/22) (Exhibit 4d)

Mr. Tanguay stated that it is impossible to get cyber liability quotes more than 30 days in advance. Once Mr. Tanguay receives the quotes, the Board will have a special meeting during the first week of January.

4. e) Casualty - Fleet, Highway, Bus (Expires 12/31/21) (Exhibit 4e)

Mr. Tanguay advised that this policy is purchased because the State's sovereign immunity is waived for State vehicles and State highways. The State owns approximately 12,000 vehicles and owns and maintains 4,000 miles of State roads. Mr. Tanguay reviewed the options noting that this year Safety National would only quote coverage at the \$5 million XS \$4 million SIR layer.

After review, a motion was made by Mr. Mahon, seconded by Mr. Fontana and

VOTED: To place coverage as outlined in Exhibit 4e, Option I, at an annual premium of \$3,972,086.

Mr. Necci abstained.

4. f) Automobile Physical Damage (Expires 12/31/21) (Exhibit 4f)

Mr. Tanguay explained that this policy provides collision and comprehensive physical damage on scheduled State-owned vehicles with a value of \$100,000 or more. He stated that values decreased from \$74 million last year to \$43 million this year. A motion was made by Mr. Kuhnly, seconded by Mr. Farrell and unanimously

VOTED: To place coverage as outlined in Exhibit 4f, at an annual premium of \$170,194.

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5. Committee Reports (informational)

a) Claims Committee Report (Patrick Mahon)

Mr. Mahon advised that the committee met with the TPA on September 28, 2021 to review approximately 20 claims. The committee granted the TPA settlement authority on some claims. Mr. Tanguay advised that a couple of these claims have since been resolved in the past few weeks.

6. Any Other Matters to Properly Come Before the Board

a) CSCU Property Risk Improvement Plan

Ms. Donatelli advised that she and Mr. Burk have been working with OPM and Ms. Pritchard, CEO of the CSCU System, on this matter. OPM is waiting for bonding funds to be approved to help pay for some of the improvements to the CSCU schools as recommended by FM Global. OPM did not have any specifics as to how much money it would be or what projects are involved. Ms. Donatelli will keep the Board updated when she receives additional information from OPM.

6. b) RFP for Property Insurance Appraisals

Ms. Donatelli stated that a committee of the Board has been established to help develop an RFP for property appraisals through DAS/Procurement. This committee consists of Ms. Lemmon, Mr. Kuhnly and Mr. Necci. The goal is to obtain updated underwriting information to submit to FM Global for the CSCU schools for the 2022 property renewal. Mr. Tanguay advised that he has been working with Mike Baczewski from DAS/Procurement and a draft of the RFP is close to being distributed to the committee.

6. c) SIRMB Priorities CY 2022 (Exhibit 6c)

Ms. Donatelli prepared a list of six priorities for the Board for 2022 to be reviewed by the members. Ms. Lemmon inquired about setting up a captive. Ms. Lemmon suggested having a feasibility study done to show the cost/benefits of creating a captive. Mr. Burk agreed this was a good idea, but to wait until the new Risk Manager was hired.

A motion was made by Mr. Fontana, seconded by Mr. Necci and unanimously

VOTED: To move forward with the CY 2022 priorities as drafted.

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6. d) Director of Insurance & Risk Manager's Position - Update

Ms. Donatelli advised the Board that the position was posted and the return date is today, December 14th. Mr. Burk explained the hiring process. He expects the interview process to be done in January. Ms. Donatelli asked for a volunteer from the Board to be involved in the hiring process. She also suggested that someone from the DAS/Business Office be involved as well since the Risk Manager has will have interaction with the Business Office. Ms. Lazauskas volunteered to be on the interview panel.

7. Meeting Schedule – Proposed Dates for Calendar Year 2022 (Exhibit 7)

Mr. Tanguay advised that the Claims Committee meeting needs be changed from 1/18/22 to 1/11/22 since the Travelers will be reporting back to work that day after 18 months of working remotely. The Board also discussed the need for a special meeting during the first week of January to discuss the cyber liability renewal; a special meeting the first week of March to discuss the cyber liability renewal for Southern and a special meeting in October to discuss the property renewal. Also, Mr. Tanguay will look to change the date of UConn's Co-Gen policy to coincide with the September Board meeting. Ms. Donatelli will prepare a revised list of meeting dates and Ms. McNeil will distribute to the Board.

8. Motion to Adjourn

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

VOTED: The meeting be adjourned. The meeting adjourned at 10:37 A.M.