

STATE INSURANCE & RISK MANAGEMENT BOARD
Special Meeting
April 13, 2021
9:30 A.M.

A special meeting of the State Insurance and Risk Management Board was held on Tuesday, April 13, 2021. Due to the COVID-19 pandemic, the meeting was a Teams meeting.

Vice Chairperson Mahler presided.

The following members were in attendance:

State Insurance & Risk Management Board

Mr. Seth T. Mahler, Vice Chairperson
Mr. George A. Dagon
Mr. Stephen Fontana
Mr. Scott Kuhnly
Ms. Marjorie F.B. Lemmon
Mr. Patrick Mahon
Ms. Martha Carlson, Deputy Comptroller

Ms. Susan M. Donatelli was unable to attend.

Department of Administrative Services/Insurance and Risk Management Board

Mr. David E. Pajak
Ms. Eileen G. McNeil

Office of the Agent of Record

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. CT Rail Liability Renewal (Exhibit 2)

Mr. Tanguay advised the Board that this policy covers the high-speed rail line from Springfield to New Haven. Amtrak owns the rail line and CTDOT has an Access Agreement with Amtrak that contractually requires CTDOT to carry excess rail liability limits. Mr. Tanguay explained that the limits are tied into Amtrak's tort cap plus an additional \$25 million. In the past the tort cap was \$295 million. The tort cap was increased to \$323 million in April of this year, therefore, the new required limit is \$348 million.

Mr. Tanguay explained that there are very few new companies that can underwrite this coverage and it must be layered with several companies to obtain the required total limits.

After some discussion, a motion was made by Ms. Carlson, seconded by Mr. Fontana and

VOTED: To place coverage as outlined in Exhibit 2 for an annual premium of \$2,190,000.

Mr. Mahler and Ms. Lemmon abstained.

3. Bonds (Discussion/Approval) (Exhibit 3)

Mr. Pajak noted that the bond limits for Public Officials have not been increased in over 15 years. He reviewed the exhibit and is suggesting raising the limits for the Treasurer from \$200,000 to \$500,000; the Comptroller from \$25,000 to \$250,000 and the remaining 28 public officials from \$25,000 to \$100,000. Mr. Pajak explained that the Travelers provided Mr. Tanguay with a premium range of \$16,000 to \$19,000 for the increased the limits, in addition to the renewal of \$4,091. Mr. Pajak noted that the Board does not have the funding in the bond account if the premium is on the higher end of the quote.

After discussion, the Board agreed that it would be wise to increase the limits for the Treasurer to \$500,000; increase the limits for the Comptroller to \$250,000 and increase the limits for the other 28 public officials to \$75,000 instead of \$100,000. This would ensure that the premium stays within the Board's bond budget. The limits on this bond can be readdressed at next year's renewal if the Board believes the limits should be further increased.

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

VOTED: To increase the bond limits as noted above.

Ms. Lemmon abstained.

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4. Motion to Adjourn

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

VOTED: The meeting be adjourned. The meeting adjourned at 9:59 A.M.