

APPROVAL OF MINUTES: OPEN MINUTES OF JANUARY 8, 2021.

MOTION TO APPROVE OPEN MINUTES OF JANUARY 8, 2021.

Motion: Commissioner Fedorko
Second: Commissioner Kessler
Vote: 4 Ayes

CORRESPONDENCE: None

Brad Stokes provided the Executive Director's report.

Review of the 2021 Risk Management Plan. Changes include deductibles for equipment breakdown and POL/EPL retentions. He apologized for the delay in discussing these changes. Ed Cooney reviewed the changes for equipment breakdown under property insurance. Zurich increased the equipment breakdown deductible from \$25,000 to \$50,000. It is proposed that ACUA and ACIA will continue to receive lower deductibles and would be responsible for \$5,000 with the remaining \$45,000 being covered by the Insurance Commission. This proposal would need a vote.

EPL/POL coverages are with CHUBB. Across the entire industry and the CEL, the deductibles are increased across the program. EPL had a large increase. Deductibles are driven by the employee counts. The Insurance Commission is reviewing the proposal to take part of the retention so the individual members would have their same deductible as last year, then the Insurance Commission would self-insure the next piece before it hits the excess insurance company. The actuary is reviewing that all numbers are correct.

Cyber coverage. The breach coach deductible now has a \$10,000 deductible which is part of overall claims. The cyber deductible is \$75,000, and the breach coach deductible is \$10,000 and is included in the \$75,000. The maximum deductible for all members on a single claim is \$75,000.

Commissioner Kessler asked if there was an option to have higher premiums for a lower deductible on EPL claims prior to binding this coverage. Mr. Cooney confirmed there was no such option. Mr. Cooney assured this was the best option and there should have been more communication.

Equipment breakdown and the EPL/POL deductibles in the Risk Management Plan are being severed from the plan at this time which will require a motion, then vote by Commissioners on approving the amendment.

MOTION TO AMEND RESOLUTION #12-21 APPROVING THE 2021 PLAN OF RISK MANAGEMENT TO SEVER THOSE PORTIONS OF THE RESOLUTION DEALING WITH THE INCREASES IN THE SELF-INSURED RETENTION FOR EQUIPMENT BREAKDOWN AND THE INCREASE IN THE SELF-INSURED RETENTION FOR PUBLIC OFFICIALS LIABILITY AND EMPLOYMENT PRACTICES LIABILITY COVERAGES SO AS TO DEFER ACTION ON THOSE ISSUES UNTIL THE APRIL 9, 2021 COMMISSION MEETING. THE AMENDMENT TO THE RESOLUTION ALLOWS FOR THE APPROVAL OF THE ENTIRE RISK MANAGEMENT PLAN, SUBJECT TO THE EXCEPTIONS NOTED ABOVE.

Motion: Commissioner Giraldo
Second: Commissioner Fedorko
Vote: 4 Ayes

CERTIFICATES OF INSURANCE: There were 14 certificates issued from December 1, 2020 through February 1, 2021 and 226 renewal certificates were issued for 2021.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT.

Motion: Commissioner Fedorko
Second: Commissioner Robbins
Vote: 4 Ayes

The CEL met on December 29, 2020 and approved the final 2021 budget. The reorganization meeting is scheduled for February 25, 2021 via Zoom.

The financial fast track reports for the Commission as of November 30, 2020 shows the surplus to be \$4.7 million and the December 31, 2020 report shows the surplus to be \$4.9 million.

The CEL's financial fast track report for November 30, 2020 shows the surplus to be \$17.5 million. This report includes the dividends paid by the CEL to the member entities.

The claims activity report shows that as of December 2020 23 general liability claims closed. Kathy Kissane commented that a few were pothole claims and others were jurisdictional questions which were denied.

Assessment bills were issued and are due on March 15, 2021.

The next meeting is on April 9, 2021.

The proposed subrogation policy changes brought up last month were reviewed and there were no questions.

MOTION TO APPROVE THE REVISED SUBROGATION POLICY EFFECTIVE 2/19/21 AS CONTAINED IN THE EXHIBIT PRODUCED BY QUAL-LYNX.

Motion: Commissioner Kessler
Second: Commissioner Giraldo
Vote: 4 Ayes

Commissioner Kessler inquired when the next POL/EPL bills would be issued to the member entities. The bills will be issued next week.

CLAIMS SERVICES:

Jennifer Conicella provided the report. The Claims Committee met prior to this meeting. She reported that they are in the process of updating the Claims Charter for 2021, which will include the amendment to the subrogation policy. It will also amend the authority Qual-Lynx has to reserve claims, and prepare PARS when payment authority is needed. The amendments will be submitted for review and can be ratified at the next meeting.

Bonnie Lindaw asked why the changes were being made now if the Commissioners previously agreed to them. Ms. Conicella explained the Claims Charter amendments were tabled in light of the pandemic and are now moving forward.

New COVID-19 claims have been minimal.

TREASURER:

Bonnie Lindaw provided the monthly report. The January bank reconciliations for the admin account has a current balance of \$8,443,608.20. The workers' comp account has outstanding checks in the amount of \$165,448.95 and \$867.66 interest was earned in 2020. The GL account has \$134,110.07 in outstanding checks and \$189.86 interest was earned in 2020. It has been a pleasure working with Investor's Bank.

Resolution 13-21 is the February bills list. There are payments listed to Qual-Lynx for fund years 2018 and 2019, however, the list indicates the dates of the fees are 2020, they should be corrected to reflect dates of 2018 and 2019. Brad explained these are fees charged by Qual-Lynx in the prior contract to handle POL/EPL claims for 2018 and 2019. The Commission was not billed until now, so the fees were not paid. The list will be corrected.

There were no other questions.

MOTION TO APPROVE RESOLUTION 13-21 THE FEBRUARY BILLS LIST AS AMENDED.

Motion: Commissioner Giraldo
Second: Commissioner Kessler
Vote: 4 Ayes

CEL SAFETY DIRECTOR – JA MONTGOMERY RISK CONTROL:

Glenn Prince of JA Montgomery presented the safety report for January and February. Munich Re has agreed to provide the safety grant as has been done in past years. Two new items are the carrier wants to review all submissions prior to approval, and they will now also cover auto liability, general liability, and law enforcement liability. The grant has been increased to \$50,000 to be split with 10 counties. Forward submissions to Mr. Prince.

The Safety Committee meeting dates are proposed to be held by Zoom until further notice.

Commissioner Robbins asked whether the Safety Committee would be considering the wellness grant for 2021. Mr. Prince suggested reviewing that at the next meeting and forwarding a plan to the Executive Director for consideration. Mr. Stokes indicated that should be included.

MANAGED CARE – QUAL-LYNX:

Karen Beatty presented the claims services report. There were 333 bills processed in January and there were savings of 61% or \$236,364.90. The high savings are attributable to the 98% penetration rate. The intake reporting shows for January there are 17 claims, 13 for the County, 4 for the Utilities Authority, and 0 for the Improvement Authority. There were 17 COVID-19 claims reported from January 2020 through January 2021.

CLAIMS SERVICES – QUAL-LYNX:

Kathy Kissane reported that at the last claims meeting Commissioner Kessler had inquired about the deductible apportionment or reimbursement on a CAT loss. Not all CAT losses have been finalized from April 2020. Once that is complete, if there is any additional reimbursement to the members it will take place at that time. The Claims Committee met prior to the Commission meeting and reviewed 20 PARS. The PARS were recommended for approval by the Committee. Unless there are any other questions which would require a closed session, she requests a motion for approval of the PARS as reviewed and recommended by the Claims Committee.

MOTION TO APPROVE THE 20 PARS AS REVIEWED AND APPROVED DURING THE CLAIMS COMMITTEE MEETING OF FEBRUARY 19, 2021.

Motion: Commissioner Giraldo
Second: Commissioner Robbins
Vote: 4 Ayes

RISK MANAGER'S REPORT:

Bob Gemmell provided the Risk Manager's report. He has been reviewing older claims. He has provided insurance language on lease agreements and answered questions on workers' comp limits. He attended loss control visits at Drexel Avenue, the Civil Courthouse, the County Office Building, and the Ventnor library. He also reviewed various Safety Bulletins from JA Montgomery pertinent to the Commission. Commissioner Kessler indicated she would like to schedule loss control visits and would be contacting him.

OLD BUSINESS: None.
NEW BUSINESS: None.

PUBLIC COMMENT:

Commissioner Robbins opened the meeting to public comment. Having heard no public comment the public session is closed. The next meeting will be held on April 9, 2021 at 11:00 A.M.

MOTION TO ADJOURN THE MEETING.

Motion: Commissioner Giraldo
Second: Commissioner Fedorko
Vote: 4 Ayes

MEETING ADJOURNED: 11:33 A.M.

Minutes prepared by: Chandra Anderson, Secretary