

## Personnel and Insurance Committee Minutes

April 6, 2011 – 3:00 p.m.

Present: Chairman A. Johnson; Supervisors Collyer, Daly, Hargrave, Richardson, Rowland, Wood, Thompson, and Southworth; Spencer Hellwig, Administrator; Ryan Moore, Mgmt. Analyst; Dominic Gallo, Cool Insuring; Marci McNamara, Jack Kalinkewicz, Personnel; Press.

Chairman A. Johnson called the meeting to order and welcomed all in attendance.

**On a motion made by Mr. Hargrave, seconded by Mr. Collyer the minutes of the March 2, 2011 meeting were approved unanimously.**

Mr. Kalinkewicz distributed the Self-Insurance Monthly Report and gave the following overview. The new cases for the month are up by 2 and the new cases for the year are up by 10. Expenses are down by \$110,000. He said on April 1<sup>st</sup> the county started with a new vendor, and the Personnel Department is in the process of getting things up an running with them.

Mr. Kalinkewicz said the Excess Employer Liability is the old Dow vs Dole Case, and ever since that decision and recommendation came out the county has provided this insurance in the County Self Insurance Program for product liability. This is something that the county has had for a number of years, however, some years ago the deductible amount was changed. Based on the budget resources the premium was lowered by about half. Since then the County has been working on that type of insurance, the type of insurance that carries that deductible and covers that same amount of liability. The premium is down approximately \$419 from last year, he said.

Mr. Hargrave asked if the county had turned down insurance on acts of terrorism? Mr. Kalinkewicz said, yes, it was recommended because we have coverage in other ways to cover that.

Mr. Johnson asked if the renewal coverage was in the budget? Mr. Kalinkewicz said, yes, that is something that we anticipated doing.

Mr. Richardson asked who was used as a broker? Mr. Kalinkewicz said, Sutton and Tarrantino.

Mr. Rowland asked if there was coverage for bank accounts in case someone was to hack into the account and try to wire transfers? Mr. Rowland said it happened in the Town of Bethlehem where someone hacked into their accounts, and transferred money out. Mr. Kalinkewicz said that was probably more of a county issue. This is strictly for Worker' Comp. This particular insurance covers product liability, where if an employee gets

injured and that injury can be deemed a result of some kind of product malfunction or problem they could sue based on that, and this protects us from being named in that product liability case.

Mr. Thompson said there was an incident in the Town of Milton where an account was hacked into, but they had a safety feature setup where it had to be emailed to three or four other people in the town before the transfer could take place. Mr. Thompson said the town has insurance and he thought that it was added at the county level.

**A motion was made by Mr. Hargrave, seconded by Mr. Rowland to approve the county Self Insurance Excess Liability Contract as written. Unanimous.**

Mrs. McNamara said the 2011 Step Up to the Challenge just ended on March 28<sup>th</sup>. Chairman Wood will be presenting the awards donated from the Blue Shield representative for 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> place at the April Board of Supervisors meeting. The total number of participants were 110 employees with 55 groups totaling approximately 35 million steps. The winner took approximately 2 million steps, which is approximately 1,200 miles, she said.

Mr. Kalinkewicz said there was a report from NACO stating that Saratoga County ranked second in Health Outcomes and third in Health Factors of overall health in comparison to 39 other counties.

Mr. Johnson said it is the time of year when the county addresses the overall renewal of the County Insurance Policy. He introduced Mr. Gallo from Cool Insurance who gave a brief overview of the policy changes and renewal premiums.

Mr. Hellwig said the county goes out for bid every three years. This, if the Board approves it, is the third year of the three-year cycle. A consultant will be hired over the next few months to prepare the specifications for next years renewal. That process involves competition between various brokers in the area to provide the county's insurance for the next three-year cycle.

Mr. Hargrave asked if the new amount is in the budget? Mr. Hellwig said \$603,000 was budgeted. This renewal is over that amount, but there are funds available to cover the difference, he said.

Mr. Gallo said Cool Insuring has been handling the insurance for the county for nine years. He said two years ago they had the bid and Cool Insuring was able to save the county between \$250,000 and \$300,000 on the insurance premium. The county over the past several years has seen considerable growth with the addition to the county Sewer District and the Animal Shelter increasing the exposure base from 163,444,499 to 192,032,863. There are two factors that are driving an increase in premium; one, is the exposure increase and the other factor was claims. There were two major claims over the past few years including one major claim at the sewer plant for \$450,000 and another one this past year with the collapse of the storage facility at a cost of approximately \$200,000, making the total claims for property roughly \$700,000.

Mr. Thompson asked if the county had insurance on items that were in the collapsed building? Mr. Gallo said, yes, there was insurance on the items that were included in the equipment list. Mr. Gallo said he received an email that there were final negotiations with regard to some holdbacks on \$15,000 of equipment that was used to take the building down. He said as of today he has been informed that they are going to pay the additional cost for equipment to the county. Mr. Gallo said there was coverage on the building for full value and the equipment is insured for cash value, so there will be depreciation on the equipment.

Mr. Johnson said, of the \$31,000 increase in the property exposure, \$27,000 of that will be recovered through the sewer district. With regard to Inland Marine, most of that increase is because of the addition of the radio system.

**A motion was made by Mr. Collyer, seconded by Mr. Richardson to approve the renewal of the County Insurance Policy for the period 5/8/11 through 5/8/12 at a cost of \$626,880. Unanimous.**

**A motion was made by Mr. Hargrave, seconded by Mr. Rowland to move into Executive Session for a Personnel matter. Unanimous.**

**On a motion made by Mr. Hargrave, seconded by Mr. Richardson the meeting was reopened to regular session.**

No action was taken.

**On a motion made by Mr. Hargrave, seconded by Mr. Rowland the meeting was adjourned.**

Respectfully submitted,  
Chris Sansom