

**ONTARIO COUNTY
INSURANCE COMMITTEE MINUTES
August 7, 2012**

MEMBERS

JEFFERY GALLAHAN
JOHN COWLEY
ROBERT LAROCCA
FREDRICK LIGHTFOOTE
DONALD NINESTINE
RICHARD RUSSELL

PRESENT: Jeffrey Gallahan, John Cowley, Frederick Lightfoote, Richard Russell, Darlys McDonough, Kris Thorsness, John Parrott, Christopher Day, Mary Krause, Julie Hoffman, Sherman Manchester and Karen Valesko

DISTRIBUTION: Committee Members, Board Chairman Ted Fafinski, John Parrott, John Park, Michael Reinhardt, Julie Hoffman, John Garvey, Sheriff Philip Povero, Karen DeMay, Sherman Manchester, Don Havens and Stephen Healy.

CALL TO ORDER

Chairman Gallahan called the meeting to order at 10:00 A.M. and announced that Supervisors LaRocca and Ninestine are necessarily absent.

Supervisor Russell made a motion to approve the minutes of both the July 3rd and July 12, 2012 meeting minutes. Supervisor Cowley seconded the motion. All ayes; motion carried.

VENDOR INSURANCE LIMIT REDUCTION

Christopher Day, Civil Engineer, asked the committee to approve a waiver of the County's \$1,000,000 general liability insurance limit for Sandman's Sandblasting. Public Works would like to hire Sandman to clean some structural steel that the county possesses to use in the construction of a pedestrian bridge in Grime Glen Park in Naples. Sandman currently has general liability insurance limits of \$300,000, \$600,000 and \$300,000 for each occurrence, general aggregate, and product-comp/op aggregate, respectively. The vendor has not been able to locate an insurance carrier willing to increase this liability limits to the level required by the County, and according to the vendor, the limits he has are fairly standard for the industry.

For safety, financial, and logistical reasons, Public Works prefers to use Sandman for the work rather than the other vendors who quoted on the business. John Parrott supported the one time waiver, as did Sherman Manchester. Kris Thorsness assured Supervisor Russell that the "hold harmless" language in the contract was well written.

Supervisor Russell made a motion to approve a one-time reduction in the vendor liability insurance limit for Sandman's Sandblasting for this job. Supervisor Cowley seconded the motion. All ayes; motion carried.

SAFETY REPORT

Mr. Manchester reviewed the new recordable incidents within the municipalities and the county.

WORKERS' COMPENSATION

Ms. Hoffman reported continued positive balances in the medical and compensation budget lines. July reimbursements from Special Funds were good, and if the trend continues, there may be no need to touch the operating fund balance this year.

TOWERS WATSON DRAFT REPORT

Mr. Parrott discussed the draft actuarial report prepared by Towers Watson. Of note, as of December 31, 2011, the pool's total reserves, including the reserve fund and operating balance, was \$6,535,831, making the County fully funded. Their overall estimate of ultimate losses decreased from their estimate in December 2009 by approximately 7%. That was due to the fact that Ontario County performs better than the industry standards and had favorable development in accident years 2010 and 2011.

Mr. Parrott said he just received an updated draft that he will report on at the September meeting.

LIABILITY SELF-INSURANCE

Ms. Thorsness attended in place of Mr. Reinhardt. She made a request to enter into executive session to discuss pending litigation.

At 10:18 A.M. a motion was made by Supervisor Cowley, seconded by Supervisor Russell, that the Insurance Committee adjourn and reconvene in executive session for the purpose of discussing information regarding proposed, pending or current litigation. All ayes; motion carried.

Supervisor Cowley made a motion to leave executive session and reconvene in regular session at 10:22 A.M. Supervisor Lightfoote seconded the motion. All ayes; motion carried.

OTHER BUSINESS

With no further business to come before the committee,

Supervisor Lightfoote made a motion to adjourn, seconded by Supervisor Russell. All ayes; motion carried.

The meeting adjourned at 10:24 A.M.

Respectfully submitted,

Karen Valeski