

**HOWARD COUNTY BOARD OF COMMISSIONERS MEETING DECEMBER 28, 2004**

The Howard County Board of Commissioners met in Special Session on Tuesday, December 28<sup>th</sup>, 2004, at 9:00 a.m. in Hearing Room No. 338 of the Howard County Administration Center. Those in attendance included Vice President Paul J. Raver, and Member Bradley J. Bagwell. Also present were County Attorney Lawrence Murrell and Auditor Martha Lake. President John B. Harbaugh was unable to attend the meeting.

The meeting was called to order and conducted by Vice President Paul Raver.

*Vice President Paul Raver vacated the chair when necessary, in order to carry out the business of the County, in the absence of President John B. Harbaugh.*

**IN THE MATTER OF COUNTY PROPERTY & CASUALTY INSURANCE RENEWAL:**

Mr. Phil Thatcher, Miles and Finch Insurance Agency presented the renewal policy for County Property and Casualty Insurance for the year-2005. Mr. Thatcher distributed and explained an outline of the proposed coverages that, if approved, would become effective December 31<sup>st</sup>, 2004 for a one (1) year policy period ending December 31<sup>st</sup>, 2005. The insured entities are the Howard County Board of Commissioners, Howard County Jail & Juvenile Detention Center Building Corporation. The Commissioners requested the Redevelopment Authority to be added to the list of insured. Mr. Thatcher said this entity is probably included in the definition of the names insured; however he would take care of adding the Redevelopment Authority on the list of insured.

All of the property and casualty coverages would be covered by Selective Insurance Company with the exception of Gemini Insurance providing the professional liability coverage. Selective Insurance is an A+ rated carrier. Gemini Insurance specializes in professional liability coverage and has an A rating.

The policy has a total blanket Buildings and Contents limit of \$55,198,000. This figure is calculated according to replacement cost values on all of the buildings owned by the County. Business income coverage, which is Loss of Rents and Extra Expense, is included in the proposal in the amount of \$3,675,000. Property claims carry a \$2,500.00 deductible for replacement costs. The policy has a coinsurance requirement that requires each location to be insured for at least 90% of its total value.

Mr. Thatcher stated that most of the coverage for 2005 is similar to the 2004 coverage except for some property coverage. During the past few years, value of buildings and property owned by the Howard County Historical Society were blanketed into the total value for the County. However, due to a large claim from a similar municipality, it was necessary for Selective Insurance to make a change. One museum housing historical artifacts submitted a claim that far exceeded the value that was listed for the contents. Mr. Thatcher has conversed with Howard County Museum Director Kelly Thompson about obtaining a professional appraisal of the items in the museum in order to determine a more exact value of the items.

Regarding Elitepac Property Enhancements, Mr. Bagwell asked what the difference between communication and radio equipment is. Clarification of the equipment could possibly prevent duplication of coverage. Mr. Thatcher advised he would find out the answer to Mr. Bagwell’s question.

A brief discussion ensued about the possibility of increasing the amount of coverage for Law Enforcement Professional Liability in the future. Sheriff Marshall Talbert has indicated that he has a major concern with keeping insurance costs down. Mr. Thatcher had knowledge that the Sheriff’s Department is doing everything possible to reduce the potential risks to the County. Mr. Thatcher reported that there were only two minor claims in 2004. If there is another good year in 2005, Mr. Thatcher said it would help to reduce the premiums and deductibles.

Mr. Thatcher stated that the total annual premium includes Terrorism Insurance at a cost of \$24,616.00. Following the 9/11 act of terrorism in New York in 2001, the Federal Government passed a Terrorism Insurance Act (TRIA) mandating insurance companies to offer terrorism insurance. The coverage only applies to acts of terrorism “certified” by the Federal Government, as defined in the legislation. Mr. Thatcher contacted Mr. Mark E. Dillard, Professional Liability Underwriter with U.S. Risk Underwriters, Inc., regarding an opinion whether it is feasible for Howard County to purchase the additional coverage. Mr. Dillard responded with, “*As such, the bulk of the exposure associated with terrorism for law enforcement agencies, is not specifically addressed by TRIA. I think that it is for this reason that most of our law enforcement agencies opt to reject the coverage and save the additional premium.*” Mr. Thatcher advised that the Commissioners could either accept or reject the terrorism insurance for each of the coverages except for the Workers Compensation, which is required by the State. During a discussion, the Commissioners felt it is essential to have terrorism coverage on County owned buildings but not for law enforcement.

Mr. Bagwell made a motion to reject terrorism coverage on the Gemini portion of the insurance regarding Law Enforcement and elect terrorism coverage with the Selective Insurance portion. Mr. Raver seconded the motion, and it carried.

**Premium Summary:**

Property	\$ 66,532.00
Inland Marine	\$ 18,739.00
Crime	\$ 3,476.00
General Liability	\$ 106,461.00
Law Enforcement Liability & EPLI Liability	\$ 231,902.00

Public Officials Liability	\$ 57,126.00
Automobile	\$ 150,004.00
Workers Compensation	<u>\$ 200,128.00</u>
Sub-Total Annual Premium	\$834,368.00
Minus Terrorism Insurance	
Gemini Portion	- <u>\$ 13,419.00</u>
<b>Total Annual Premium 2005</b>	<b>\$820,949.00</b>

Mr. Bagwell made a motion to accept the insurance coverage by Selective Insurance and Gemini Insurance as amended with the rejection of the Terrorism Insurance from Gemini Insurance. Seconded by Mr. Raver, the motion carried.

*The Commissioners expressed appreciation of the County Attorney’s assistance regarding insurance renewal issues.*

**IN THE MATTER OF VOTER REGISTRATION APPOINTMENT:**

The Commissioners acknowledged a letter from Mr. Mike Kennedy, Chairman of the Democrat Party, regarding a new appointment to the Howard County Voter Registration Office. Ms. Shirley McCoy has been designated as the Democrat Board Member/Democrat Department Head to fill the position vacated by Darlene Elliott.

The County Attorney advised that he would research the State Statute regarding this appointment. The Commissioners took no further action on this issue. The issue would be considered at the next regular meeting on Monday, January 3<sup>rd</sup>, 2005.

**IN THE MATTER OF OFFICE CLOSURES:**

1. **Treasurer’s Office:** Ms. Martha Lake will assume the Office of the Howard County Treasurer on January 1, 2005. She requested permission to close the Treasurer’s Office on **Monday, January 3<sup>rd</sup>, 2005, from 8:00 a.m. to 9:00 a.m.** for orientation of her new employees.

A motion was made by Mr. Bagwell, seconded by Mr. Raver and carried to close the Treasurer’s Office on the date and time as requested.

2. **Auditor’s Office:** Ms. Ann Wells will assume the Office of the Howard County Auditor effective January 1, 2005. She requested approval to close the Auditor’s Office on **Monday, January 3<sup>rd</sup>, 2005, from 3:00 p.m. to 4:00 p.m.** for orientation.

Mr. Bagwell made a motion to close the Auditor’s Office on Monday, January 3<sup>rd</sup>, 2005, from 3:00 p.m. to 4:00 p.m. for orientation. Seconded by Mr. Raver, the motion carried.

**IN THE MATTER OF CUMULATIVE CAPITAL DEVELOPMENT FUNDS:**

At the previous meeting copies of the detailed requests for additional appropriations out of the Cumulative Capital Development Fund were presented to the Commissioners for perusal. The total amount requested is approximately \$1,200,000.00, which is the close to the amount that will be collected for the 2005-year.

Mr. Bagwell commented that there might be some items requested from the CCD Fund that could possibly be paid out of the EDIT Fund. Mr. Raver reminded the Board that recommendations regarding the requests out of the CCD and EDIT Funds would be made at the next regular meeting on January 3<sup>rd</sup>, 2005. The Council would address the requests at their January 25<sup>th</sup>, 2005 meeting.

There being no further business, Mr. Bagwell made a motion to adjourn. Mr. Raver seconded the motion, which carried. The meeting closed at 10:15 a.m.

**THE HOWARD COUNTY BOARD OF COMMISSIONERS**

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JOHN B. HARBAUGH, PRESIDENT

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PAUL J. RAVER, VICE PRESIDENT

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BRADLEY J. BAGWELL, MEMBER

ATTEST:

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MARTHA J. LAKE, AUDITOR  
Commissioner Minutes, December 28<sup>th</sup>, 2004