

PUBLIC OFFICERS & EMPLOYEES LIABILITY INSURANCE

COMMISSION

COMMISSION MINUTES

March 16, 2021



NORTH CAROLINA DEPARTMENT OF INSURANCE

OFFICE OF THE STATE FIRE MARSHAL

Public Officers & Employees Liability Insurance Commission

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Commission Meeting

March 16, 2021

NC Department of Insurance
Raleigh, NC

Present:

James Avens
Melody Hairston
Thomas Sutton, Chairman – on phone 252-286-9300
Jackie Ireland, Vice Chairman
Tom Anderson
Will Polk
Len Hagaman- phone
Michael Kelly
James Avens, Jr
Michelle O'Connor
Owen Thomas
Robert Broome

Not Present:

Others Attending:

Elizabeth Hale
Bryan Heckle
Lisa Weatherly

PO&ELIC Background and Mission:

The PO&ELIC was created by the Legislature in 1979, following a study commission of the need of law enforcement personnel and local governments for professional liability insurance. Under Article 32 of NCGS Chapter 58, this Commission has broad power for public official & law enforcement liability (PO/LE) coverages and meets on a quarterly basis to carry out its responsibilities.

This Commission also has statutory responsibility for the excess liability covering state, university, and community college employees. The policy provides excess liability insurance for employees covered under the Defense of State Employees Act, Article 31A of NCGS 143.

All Commission members are appointed and are not paid salaries. The Risk Management section of the Department of Insurance, Office of the State Fire Marshall, provides staff, conducts research, and performs administrative duties for this Commission.

State Government Ethics Act

The NC Board of Ethics advised that the "PO&ELIC members must file with the State Ethics Commission effective January 1, 2010. Details on the NC Ethics Commission may be found at the following web address: <http://www.ethicscommission.nc.gov>.

I. Call to Order / Welcome:

The meeting was hosted by the Independent Insurance Agents of North Carolina, Cary, NC in a conference room at 101 Weston Court, Cary NC using zoom conferencing equipment.

Commission Chairman Tommy Sutton led the call and called the meeting to order at approximately 10:00 am. He welcomed everyone to the call.

A roll call of the members was not done since they were verified by their presence on screen. Attendance was recorded and is indicated above.

Chairman Sutton asked about a certificate of appreciation for Margie Boyd and her service to the State and POELIC Commission. Bryan Heckle indicated he would work on putting something together to present to her at a future meeting.

II. Approval of Minutes:

The minutes were in the March 16, 2021 meeting packet that was e-mailed to Commission members. James Avens moved for approval of the December 8, 2020 minutes with a second from Jackie Ireland. Liz Hale pointed out a spelling error with two of the carriers in the minutes. James Avens amended his motion to include the changes and Jackie Ireland seconded. The minutes were approved with all voting to approve.

Will Polk brought up a provision in State Statute requiring roll call votes on electronic meetings. This was acknowledged and a roll call vote was conducted for the approval of the meeting minutes, all presented voted aye.

III. Department of Insurance:

Ethic Training is important and needs to be updated every 2 years. Commission members can go to a class or take the class on-line. Reminders are sent by the Ethics Board. Bryan reminded member with upcoming renewal dates.

IV. NCAIA

Liz provided an update on possible excess quotes
Kinsale excess aggregate quote
AM Best A (Excellent, IX)
\$5,000,000 each occurrence/\$5,000,000 annual aggregate
Annual premium \$150,000 Terrorism \$7,500 (optional) minimum earned 25%

Other markets:

8 markets including Kinsale who already indicated a premium for us. These markets are:

- Markel
- Old Republic
- Ironshore (Liberty)
- AXA (formerly XL)
- Chubb
- RSUI
- Starr

Two of the underwriters had quoted this for us back in 2011 when there was interest in a \$10m x \$25m. Those underwriters are Ironshore and Starr.

Tentatively schedule next Tuesday at 10:00 am to review additional quotes.

Tommy Sutton asked - How have State Departments responded to increase in price?

Liz - No complaints

Bryan – Liz, please provide a report of who has paid and who has not paid to date

V. Claims Update:

Melody Hairston provided an update on claims, there were four new notifications and one claim had been dismissed.

VI. NC Association of County Commissioners (NCACC):

Michael Kelly stated that renewal applications had been sent to about half their membership, nothing to report. With the hard market he felt it would force counties to take bids from outside the pool.

VII. NC League of Municipalities (NCLM):

Tom Anderson reported that risk control was working with local governments to mitigate losses and they are very receptive. Nothing negative to report.

VIII. NC Police Chiefs & NC Police Executives Association:

James Avens reported that in February police and sheriffs wrote letter to Governor Cooper regarding vaccines. Trying to get law enforcement moved up in process. We are on front line. Both orgs moving forward with annual conference 5-10-21 Cherokee; July 24-25 in Wilmington.

Len Hagaman reported that the Sheriff's Association would be planning a spring meeting and reiterated what Chief Avens had reported.

IX. Other Business:

Our next meeting is scheduled for June 8, 2021 at 10am. Liz indicated the Board Room would be available if an in person meeting was to be held and Lisa stated that the NCAIA would be open to in person meetings. Bryan also indicated that the DOI conference rooms would also be available. There was a motion to adjourn by James Avens, the motion was seconded by Michelle O'Conner, a roll call vote was conducted and all voted in favor. The meeting was adjourned.