

# **Underwriting Committee Annual Summary Report**

## **2015-2016**

### **INTRODUCTION**

It is the Committee's responsibility to review rating, actuarial reports and changes to the Trust's Scopes of Coverage. The Committee met three times during the year and made the following recommendations which were approved by the Board:

### **SCOPE CHANGES FOR 2015-2016**

#### **Primary Liability Program**

- Injured Workers Exclusion (p. 1-10)

The Trust will not provide coverage for any obligation of Member under the Federal Employers' Liability Act, the Jones Act, or the Longshoremen's and Harbor Workers' Compensation Act.

- Airport Exclusion (p. 1-13)

The Trust will not provide coverage for Personal Injury or Advertising Injury arising out of activities at an airport operated, maintained or controlled by Member. The Trust will not provide coverage for administrative decisions of Member relating to an airport operated, maintained or controlled by Member.

- Cyber Liability Exclusion (p. 1-16)

The Trust will not provide coverage for any Claim or Lawsuit arising out of (i) any access to or disclosure of a Member's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information, or any other type of non- public information, or (ii) the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if Damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses, or any other cost, loss or expense incurred by a Member arising out of the items or events described in the preceding paragraph.

- Employment Relationship (p. 3-7)

The Trust will provide coverage for a Claim arising out of a refusal to employ, the termination of employment, or coercion, demotion, evaluation, reassignment, discipline, defamation, Harassment, humiliation, or discrimination in the employment relationship between Member and Member's Employee.

- Taking (p. 3-7)

The Trust will provide defense costs and indemnification coverage, including Attorneys' Fee Award, up to, but not to exceed, \$1,000,000 per Wrongful Act for any Damages arising out of or in any way connected with the operation of the 2

principles of eminent domain, adverse possession, dedication by adverse use, inverse condemnation, or condemnation proceedings, by whatever name used, including federal or State constitutional or statutory Claims arising from Member's land use or zoning decisions.

- Auto Physical Damage Limit of Liability (p. 4-17)

For Owned Autos Only that are less than 3 years old, computed from the date of manufacture as determined by the original serial number, the most the Trust will pay for Loss in any one Accident is for total Loss the replacement cost value of the damaged or stolen property as of the time of the Loss or for partial Loss the cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

For Autos that are 3 years or older, computed from the date of manufacture as determined by the original serial number, the most the Trust will pay for Loss in any one Accident is the lesser of the actual cash value of the damaged or stolen property as of the time of the Loss or the cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

For salvage Autos, the most the Trust will pay for Loss in any one Accident is the actual cash value of the damaged or stolen property as of the time of the Loss.

- Defense Costs in Civil Cases Seeking Equitable Relief Endorsement (p. A-16)

Subject to a maximum reimbursement of \$10,000 per case, the Trust will reimburse Member for reasonable defense costs, including attorney fees, which are incurred by Member in civil cases involving Claims, demands or actions seeking relief or redress in any form other than money Damages. A request for reimbursement must be made within 30 days from the conclusion of the civil case, including termination of all appeals.

### **Excess Liability Program**

- Employee Benefits Liability (p. 4)

Coverage will be afforded for Loss caused by a Wrongful Act in the Administration of Employee Benefits Programs.

### **Property Program**

- Personal Property of Employees and Volunteers (p. 5)

Coverage of the Personal Property of Member's Employees or Volunteers while such Personal Property is used in Member's operations or on Member's Premises is subject to a limit of \$2,500 per Occurrence unless a higher limit is selected.

- Cyber Liability Exclusion (p. 18)

The Trust will not pay for loss or damage caused by, resulting from, or arising out of (i) any access to or disclosure of a Member's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information, or any other type of non-public information, or (ii) the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses, or any other cost, loss or expense incurred by a Member arising out of the items or events described in the preceding paragraph.

- Valuation of Autos (p. 31)

Autos that are 3 years or older, computed from the date of manufacture as determined by the original serial number, and salvage Autos will be valued at Actual Cash Value. The Trust will determine the value of an Auto in the event of loss or damage as of the date of loss or damage.

## RATES FOR 2015-2016

The committee also recommended setting rates for 2014-2015 which resulted in the following funding changes:

- A change for Property of .5%
- A change for Primary Liability of +4.8% .
- A change for Excess Liability NONE – Stayed flat.

New members for the FY16 year are below.

<i>Participant</i>	<i>Primary</i>	<i>Excess</i>	<i>Property</i>	<i>Breakdown</i>	<i>Environmental</i>	<i>Employee Dishonesty</i>
<b><i>Centreville</i></b>	<b><i>X</i></b>	<b><i>X</i></b>	<b><i>X</i></b>	<b><i>X</i></b>		
<b><i>Willard (existing member adding new lines)</i></b>			<b><i>X</i></b>	<b><i>X</i></b>		

### **FY 2015-2016 Committee Members**

The Committee in fiscal 2016 was comprised of the following nine members:

John D. Miller, Chair.....Town of Middletown  
 Scott A. Hancock, Ex-Officio.....Maryland Municipal League (MML)  
 Michael J. Sanderson, Ex-Officio.....Maryland Association of Counties (MACo)  
 John E. Bloxom.....Worcester County (retired 12/2015)  
 DaVina Griffith.....Garrett County  
 Charles Hessling.....City of Bowie  
 Lynne Levin.....Howard County  
 Cecilia Devilbiss .....Carroll County  
 Daniel Baden .....Town of University Park  
 Tony Tomasello .....City of Gaithersburg  
 Michael Krantz .....Town of Bel Air