

MINUTES OF THE MEETING OF  
THE REGULAR SESSION OF THE BOARD OF TRUSTEES  
OF THE MARYLAND AUTOMOBILE INSURANCE FUND  
Held at the Home Office in Baltimore, Maryland  
Wednesday, January 11, 2017

MEMBERS PRESENT: Karenthia A. Barber, Chair  
Timothy J. Murphy, Jr., Vice Chair  
Enor R. Williams, Jr., Secretary  
Ann C. Ansel  
Christopher Gude  
William D. Mayer  
Robert L. McKinney  
Ryan C. O'Doherty  
Audrey E. Scott

ALSO PRESENT: Mark D. McCurdy, Executive Director  
Lois Wolfe Oechsle, General Counsel  
Paul L. Deter, Jr. Director of Fiscal Operations  
Dolores Mendoza, Recording Secretary

PRESENT FOR PART  
OF THE MEETING: Carlton (Butch) Milligan, Jr., Senior IT Department Manager

The meeting was called to order at 9:02 a.m. The Chair noted the presence of a quorum.

**REVIEW AND DISCUSSION OF THE MINUTES OF THE DECEMBER 6, 2016  
MEETING**

The minutes of the December 6, 2016 meeting were reviewed and approved as submitted.

**FINANCIAL HIGHLIGHTS AS OF NOVEMBER 30, 2016**

Mr. Deter presented the financial highlights as of November 30, 2016. As Maryland Auto strives for rate adequacy, it continues to experience changes in its book of business.

Mr. Deter noted that despite the downward movement of the overall Policies in Force (PIF), Earned Premium per policy exceeds the budget implying that Maryland Auto is achieving rate adequacy. The Loss Ratio continues to run higher than budget, masking the savings in General and Administrative expenses. Mr. Deter further noted that the sale of the Forest Drive property was completed and resulted in a net increase to Surplus.

## **IT PROCESS OVERVIEW**

Mr. McCurdy provided an overview of the Information Technology (IT) unit. He noted that senior managers and unit managers in IT are talented professionals that are also challenged to identify efficiencies in their department.

Mr. Milligan, Senior IT Department Manager, provided an in-depth look into their operations, and his team's development of the Project Management Office (PMO). He noted that IT staffing has been reduced from 55 employees in 2008 to 22 in 2016 through attrition, retirement and the Voluntary Separation Program. He further detailed the major IT projects and highlighted recent expense reductions that resulted in over \$500,000 savings annually.

Mr. Milligan discussed the development of the Project Management Office (PMO) and the implementation of the Bright Ideas thought sharing platform. It is an on-line communication tool that promotes collaboration between departments and provides the opportunity for employee's ideas to receive equal consideration facilitated by department management. Mr. Milligan reviewed the project scoring and priority matrix that assists management in identifying which project is a priority and will have the biggest economic impact.

Board discussion ensued and the Board Chair commended Mr. Milligan and his team for their efforts.

Upon motion made, seconded and unanimously approved, the Board moved into Executive Session to perform administrative and executive functions and additionally, closed the meeting pursuant to General Provisions Article §3-305(b) to consider legal, personnel, and other matters that in the Board and Counsel's judgment are deemed exempt under the Open Meetings Act at 9:45 a.m.

The Executive Session adjourned at 11:44 a.m. and the meeting returned to Regular Session.

## **OTHER MATTERS**

The Board commended Mr. McCurdy for the Friday messages to all employees.

A Board discussion ensued and the Board passed a resolution commending all of the departments of Maryland Auto for their hard work in 2016.

There were no other matters for discussion and the meeting adjourned at 11:48 a.m.

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Karenthia A. Barber, Chair

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Enor R. Williams, Jr., Secretary