

**MINUTES OF  
MISSISSIPPI TORT CLAIMS BOARD  
THURSDAY, NOVEMBER 10, 2021**

---

The Mississippi Tort Claims Board (Board) meeting was held at 1:30 p.m. in Room 138, Woolfolk State Office Building; 501 North West Street; Jackson, Mississippi.

The following members were present, constituting a quorum:

Chaney, Mike; Insurance Commissioner  
Edds, Steve; Chairman  
Smith, Denita; Representing Department of Public Safety Commissioner Sean Tindell  
Turner, Kim; Representing Attorney General Lynn Fitch  
Welch, Liz; Executive Director, Department of Finance & Administration

Also present were:

Buford, David; Institution of Higher Learning  
Donaldson, Bruce; Tort Claims Board  
Kelly, Trina; Tort Claims Board  
Kelsey, Christina; Insurance Commission  
Lanford, Mike; Department of Finance & Administration  
Logan, Jim; Tort Claims Board  
Milner, Steve; Tort Claims Board  
Rayburn, Amanda; Tort Claims Board  
Smith, Dan; Attorney General's Office  
Stephenson, Matthew; The Burkhalter Group  
Wells, Lisa; Cannon Cochran Management Services Inc.  
Wilson, Jeff; Trinity Capital

The Chairman called the meeting to order.

Motion was made by Ms. Kelsey to approve the minutes of the September 9, 2021 meeting. Mrs. Welch seconded the motion, which passed unanimously.

In Old Business, Mr. Donaldson reminded the Board about the public entities who are self-insured and were out of compliance by not submitting the material as required. Some others submitting only parts of their plan which made it difficult to analyze their self-insurance plan. We have now gotten them back in compliance and this letter is a sample of what we sent to all the public hospitals who are self-insured, medical centers, counties and municipalities. The letter informed them that these are the Board requirements and rules and we expect them to follow the guidelines provided in the letter. The Chairman commended Mr. Donaldson on doing a great job concerning this matter. Commissioner Chaney asked Mr. Donaldson how many entities are out

of compliance, and he said they all are good now. He informed the Board that they are being kept in a diary system now.

In New Business, Mr. Donaldson told the Board that everyone has a yellow sheet in their packet with the 2022 board meeting dates for next year. Mr. Donaldson wanted the Board to know how well the Tort Claims staff has done according to the DFA Internal Audit. He pointed out the highlighted lines on page five of the report that he is very proud of. The external audit was done back in May and we got an excellent report then too. Mr. Donaldson presented the Board a proposed rate increase per hour for the Tort Claims Board defense attorney contracts. The last increase was thirteen years ago on April 10, 2008 for \$135 per hour for general liability and professional liability, \$165 per hour for medical malpractice and nursing home malpractice, and the paralegal rate was \$60 per hour. The staff is proposing increasing the rates to \$170 for general liability and professional liability, \$200 per hour for medical malpractice and nursing home malpractice, and paralegal rate to \$75 per hour which reflects the Mississippi average as of today. The Attorney General Office has reviewed and agree to the amounts presented. Commissioner Chaney made a motion to approve and Mrs. Welch seconded. The motion passed unanimously.

Mr. Logan presented the financial report. Page one cash flow analysis shows assessments received just over \$3 million, out of the assessment total \$4.3 million which we have gotten around 70% so far. Total funds just under \$20 million in the Tort Claims Fund, it shows us how it's broken down between cash and treasury what we have in investments and our TPA. The reserves are at \$7.9 million that leaves unencumbered funds available at \$11,676,000.00 and under that is the details of claims payments and reserves for the year. The second page is budget comparison report. Our budget for the year we have expended right over 15%. Mr. Logan informed the Board that we are doing good at this time.

Mr. Wilson presented the executive summary of the portfolio in the packet to the Board. This summary can be compared to the minutes from our last board meeting and it would be almost the exact same report. The portfolio yield ticked up just under 60 basis points and anticipate they will continue to tick up through the rest of this year and into the first part of next year. The portfolio is down to about half of its securities being floating rate instruments which means they are going up as the market rates go up. Additionally we require the policy to have 10% portfolio in treasuries. We have been fortunate enough to have bought TIPS or inflation sensitive treasuries and those are up about 10 points since we bought those things this year which is what's keeping our market value in line. We anticipate continuing to liquidate floating rates and extending out the curve to achieve a return excess of 1% next fiscal year. The Chairman asked if any questions, Commissioner Chaney inquired if TIPS were acquired on a time certain basis? Mr. Wilson said no, they were bought at auction and every time there is quarterly CPI or PPI report, you get that amount of principle added to your investment. So as long as they stay the same market value at which we bought them, you get just the return of added principle, but in our case we picked up about 7 points of added principle and about 2.5 points in market value 1 point = 1%. So we bought them at an index value of 1 and now the index value is about 105 ½ picking up 5 ½ points.

Mr. Milner provided the members a report of his Loss Control activities since our last meeting. He informed the Board that ride along with new State Troopers has begun. Due to a lack of preventative maintenance and adherence to risk management recommendations relative to parking lots and walking services at the Fair Grounds, there were three triple fall incidents at this year fair. A formal letter with risk management recommendations and request for a written correction action plan has been sent to Fair Grounds management. Mr. Andy Gibson which allows him 30 days to respond.

Mr. Donaldson presented one attorney for inclusion in the approved Attorney Register. The Honorable Kathy Smith at Mayo Mallette, PLLC of Oxford, Mississippi. She meets the eligibility requirements of the Board and staff recommends approval. Commissioner Chaney made a motion to approve and Mrs. Welch seconded. The motion passed unanimously.

Mr. Donaldson presented a list of 59 political subdivisions with the recommendation of the Board approval for renewal of Certificates of Coverage. We have reviewed their submission and they are all in compliance with the statute requirements. Mrs. Welch made a motion to approve and Commissioner Chaney seconded. The motion passed unanimously.

The Chairman made a motion to go into executive session and Commissioner Chaney seconded. The motion passed unanimously. The Chairman then asked for a Board member to motion an executive session for the purpose of discussing litigation. Mrs. Welch made the motion and Ms. Turner seconded. The motion passed unanimously.

After the discussion, the Chairman asked for a motion to go back into open session. Mrs. Welch made the motion and Commissioner Chaney seconded. The motion passed unanimously.

The Chairman asked a Board member for the announcement. Commissioner Chaney made the announcement that the meeting is re-opened. The Chairman informed that the Board had voted to go into executive session for the purpose of considering litigation and now out of executive session. The Chairman ask for a motion to hire Attorney Alan Purdie as counsel for us to investigate circumstances surrounding the litigation and claims that has been filed with us with regards to the Jackson water litigation. Mrs. Welch made the motion and Commissioner Chaney seconded. The motion passed unanimously.

There being no further business to come before the Board, Commissioner Chaney motion for the meeting to adjourn and Ms. Turner seconded the motion, which passed by unanimous vote. The meeting was adjourned.

New Chairman was introduced → Phillip Buffington  
STEVE EDDS, CHAIRMAN

  
MIKE CHANEY, BOARD MEMBER

  
LYNN FITCH, BOARD MEMBER

  
DAVID MCRAE, BOARD MEMBER

\_\_\_\_\_  
SEAN TINDELL, BOARD MEMBER

  
LIZ WELCH, BOARD MEMBER

\_\_\_\_\_  
CHRIS WELLS, BOARD MEMBER

Mississippi Tort Claims Board  
November 10, 2021 - 1:30pm  
Conference Center North, Room 138  
First Floor, Woolfolk Building  
Jackson, Mississippi

ATTENDANCE LIST

<u>NAME</u>	<u>DEPARTMENT/COMPANY</u>
Steve Edds	Butler & Snow
Mike Chaney	Insurance Comm
Liz Welch	DFA
Kim Turner	AG
Christina Kelsey	Insurance Comm
Devita Smith	DPS
Bruce Donaldson	Tort
Trina Kelly	Tort
Jim Logan	Tort
Steve Milner	Tort
Amanda Rayburn	Tort
Jeff Wilson	Trinity
David Buford	IHL
Matthew Stephenson	Burkhalter Group
Lisa Wells	CCMSI
Dan Smith	AG
Mike Lanford	AG/DFA

**Mississippi Tort Claims Board**  
**Wednesday, November 10, 2021 – 1:30 P.M.**

**AGENDA**

- I. Approval of Minutes
  - A. September 9, 2021
  
- II. Old Business
  - A. Public Entity Self-Insured Compliance (hospitals, counties, municipalities, etc.)
  
- III. New Business
  - A. 2022 Board Meeting Dates
  - B. DFA Internal Audit
  - C. Tort Claims Contract Defense Attorney Rate:
    - Proposed Increase: GL/PL/Auto \$170.00 per hour
    - Medical Malpractice & Nursing Home Malpractice \$200.00 per hour
    - Paralegal \$75.00 per hour
  
- IV. Financial Reports
  - A. Financial Report – Jim Logan
  - B. Investment Report – Jeff Wilson
  
- V. Loss Control – Steve Milner
  
- VI. Attorney General’s Report – Bruce Donaldson
  
- VII. Certificates of Coverage – Bruce Donaldson
  
- VIII. Claims Report – Amanda Rayburn
  
- IX. Adjournment

**MINUTES OF  
MISSISSIPPI TORT CLAIMS BOARD  
THURSDAY, SEPTEMBER 9, 2021**

---

The Mississippi Tort Claims Board (Board) meeting was held at 1:30 p.m. in Room 138, Woolfolk State Office Building; 501 North West Street; Jackson, Mississippi.

The following members were present, constituting a quorum:

Bolin, Liz; Representing Attorney General Lynn Fitch  
Edds, Steve; Chairman  
Goodwin, Aubrey Leigh; Representing MS Department of Finance & Administration  
Executive Director Liz Welch  
McRae, David; MS State Treasurer  
Tindell, Sean; Commissioner, MS Department of Public Safety

Also present were:

Donaldson, Bruce; Tort Claims Board  
Kelly, Trina; Tort Claims Board  
Logan, Jim; Tort Claims Board  
Milner, Steve; Tort Claims Board  
Rayburn, Amanda; Tort Claims Board  
Smith, Dan; Attorney General's Office  
Stephenson, Matthew; The Burkhalter Group  
Wells, Lisa; Cannon Cochran Management Services Inc.  
Wilson, Jeff; Trinity Capital

The Chairman called the meeting to order.

Motion was made by Mr. McRae to approve the minutes of the July 8, 2021 meeting. Mr. Tindell seconded the motion, which passed unanimously.

In Old Business, Mr. Donaldson reminded us of the July meeting when we had the actuary report for FY2022 & 2023 from Mr. Burkhalter. In your folder, he had an actuary recommendation funding level of \$4.3 million and you will see that amount is broken down by agency in comparison with the prior year. Some went up and some went down my understanding that has to do with a loss history and payroll. This does not need to be voted on, it is for the Board information. The Chairman asked if this has been communicated to the various agencies and Mr. Donaldson answered not yet. Mr. Logan informed the Board that we are in the process of getting the invoices in MAGIC and they should go out next week after the Board has seen them. Mr. Donaldson advised the Board if you have any more detailed questions, Matt's here and may be able to answer them. He is with the Burkhalter Group. The Chairman wanted

to know why Auctioneer Commission went up 60%, just of interest? Mrs. Goodwin asked if that meant they had a claim or as to where they had none before? She said they regulate the auction industry, they issue the license in order to operate as an auctioneer. The Chairman asked if any questions, there were none.

The next item was concerning the public hospital and medical center compliance update. From our last meeting, we had a substantial number of public hospital and medical centers out of compliance. Since the last meeting, Mr. Donaldson has been in contact with all of them and happy to report that the response has been positive with most being current now. We do have a couple of self-insured for GL and PL medical centers who we feel are fully compliant. The way the actuary reports have come in and are still coming in with the renewal times in stages where we don't have everything yet, but have spoken with a few of them: Delta, Greenwood-Leflore and Magnolia. Their GL and PL self-insured plan is either coming in, or on the way in, or they have submitted enough to make us feel confident that they have what they need. We have found and are working on some new business for the next meeting under the Board's rules for these self-insured public hospitals and standalone entities. They are required under the rules to have a trust fund and a few do not have the fund. Over the next few months, Mr. Donaldson and Mr. Burkhalter will be exploring that issue and talking with the hospitals. We will get a little more in depth about this issue and report to the Board at the next meeting about the recommendation as to what may need to be done about that. The Chairman ask if it acts as a reserve fund for them, Mr. Donaldson responded yes for paying Tort Claims and expenses dedicated for that sole purpose. A few of them are not establishing that fund separate even though they have the funding to pay the claims, they do not have the line item fund itself. We are going to work with them on why they are not doing it, and see if we can convince them that they need to make that change. If they feel strongly about not doing it, then we will find out what that is and work through it in making it right. The Chairman thanked Mr. Donaldson.

There was no New Business.

Mr. Logan presented the financial report. Page one provided closing out last fiscal year through June 30. There were a few legal expenses and administrative expenses that we had to account for that we received after July 1<sup>st</sup> which closed us out for FY2021. Page two is cash flow for this year FY2022, not much activity right now because we are working on both fiscal years. It just shows the revenue and expenses with total expenses so far \$149,000 and the total funds just under \$17million less reserves of \$7.2million which leaves unencumbered funds available right now of \$9.6million. The bottom shows the detailed of claims as it relates to number of claims paid. Page three is the budget comparison report which shows how those expenses are figured into our current budget and how much has be expended for the first two months. The Chairman asked if any questions, there were none.

Mr. Wilson presented the executive summary of the portfolio in a packet to the Board. The portfolio value is \$12.8million with a market value of about \$63,000 more. The portfolio yield right now is up to 60 basis points finally ticking higher. We anticipate the portfolio rate will continue to trend higher between now and the end of the year. Not only because of rates in general, but we are continuing to work out of floating rate money market instruments that have kept the yield a little lower. Even 60 basis points, the portfolio is extremely short, less than two



years and that will also begin to extend out now that the rates have gone back above 1%. The Chairman asked if any questions, there were none.

Mr. Milner provided the members a report of his Loss Control activities since our last meeting. He informed the Board of risk management services for the 2021 Mississippi State Fair begin October 4, 2021.

Mr. Donaldson presented 2 attorneys for inclusion in the approved Attorney Register. Mr. Anderson Reid Brown of Simmons Dallas, PLLC and Ms. Rebecca Mansell of Rolfes Henry Co., LPA. Both attorneys meet the eligibility requirements of the Board and staff recommends approval. Ms. Bolin made a motion to approve and Mr. McRae seconded. The motion passed unanimously.

Mr. Donaldson presented a list of 131 political subdivisions with the recommendation of the Board approval for renewal of Certificates of Coverage. We have reviewed their submission and they are all in compliance with the statute requirements. Mrs. Goodwin made a motion to approve and Mr. McRae seconded. The motion passed unanimously.

Mrs. Rayburn informed the Board that there were no claims.

There being no further business to come before the Board, Mr. Tindell motion for the meeting to adjourn and Mr. McRae seconded the motion, which passed by unanimous vote. The meeting was adjourned.



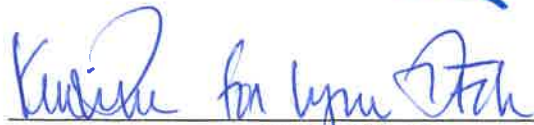
---

STEVE EDDS, CHAIRMAN



---

MIKE CHANEY, BOARD MEMBER



---

LYNN FITCH, BOARD MEMBER

---

DAVID MCRAE, BOARD MEMBER

*Sean Tindell*  
SEAN TINDELL, BOARD MEMBER

*Liz Welch*  
LIZ WELCH, BOARD MEMBER

CHRIS WELLS, BOARD MEMBER



STATE OF MISSISSIPPI  
GOVERNOR TATE REEVES

MISSISSIPPI TORT CLAIMS BOARD  
STEPHEN C. EDDS, CHAIRMAN

MIKE CHANEY, Commissioner  
Insurance Department  
LYNN FITCH, Attorney General  
Office of Attorney General  
DAVID McRAE, Treasurer  
Department of Treasury

SEAN TINDELL, Commissioner  
Department of Public Safety  
LIZ WELCH, Executive Director  
Department of Finance and Administration  
CHRIS WELLS, Executive Director  
Department of Environmental Quality

September 28, 2021

**CERTIFIED MAIL NO. 7019 1640 0001 9519 7345**

Mr. James Hobson  
Magnolia Regional Health Center  
611 Alcorn Drive  
Corinth, Mississippi 38834

Dear Mr. Hobson:

We would like to thank you for the latest submission of your self-insured program. We look forward to working with you in the future, as we collect all of the documentation **REQUIRED** to comply with the laws that we administer, and the approval of your program by our Board. Some may remember, others may have forgotten, and others may not have known that there are legal requirements for the annual submission of your self-insured plan information for review and our Board's approval.

Public hospitals and medical centers are required by law to have the following liability coverages: Professional Liability, General Liability, Auto Liability (assuming you own vehicles), Directors and Officers Liability and Law Enforcement Liability (assuming you have your own security department). The law requires that you submit all these coverages annually and/or upon renewal for our Board's approval.

If you have received this letter it's because you manage a self-insured program for general and professional liability and possibly law enforcement liability. Your annual self-insured plan submission is required by law and for our Board's approval to include these minimums:

- A. Most Recent Financial Audit;**
- B. Current Trust Indenture Balance Statement; and**
- C. Current actuarial analysis providing indicated reserves for past claims as well as the projected loss and expense for the prospective year, including the actuarial central estimate and projections at confidence levels of 75% & 90%.**

If your self-insured program submission fails to include these three items, it will **NOT** be in compliance with the laws we administer and will **NOT** be considered by our Board. No "Certificate of Coverage" will be issued until such time as these minimum requirements are met. In addition, you may be required to appear before our Board to explain your non-compliance.

Following are the Rules governing self-insurance requirements:

MISSISSIPPI TORT CLAIMS BOARD RULES chapter 8 *Rule 8.1*

**C. Reserves and Retentions:** Self-insurance reserves and/or aggregate retentions may be approved by the board, but must comply with the following requirements:

1. Amount: Amount of reserve or retention shall be established based on actuarial estimates for self-insured or pool of similar size and risk exposure.
2. Trust Indenture: The political subdivision shall enter into an agreement with the Tort Claims Board that a Trust Account shall be established with a state depository. The agreement shall provide that only tort claim settlements or judgments, cost of legal defense, third party administrator fees and expenses, and costs of regulation as determined by the Board shall be paid from the fund. All other related expenses, including liability claims not subject to the tort claims limitations of Section 11-46-1, et seq. of the Mississippi Code of 1972, as amended, shall not be expended from the trust account. (Emphasis added)
3. Audit by Independent Certified Public Accountancy Firm: An annual compliance audit on the operations and transactions affecting the trust account shall be required. The audit shall be conducted by a certified public accountancy firm and the cost paid by the self-insuring entity.
4. Actuary Review: An annual actuarial review of reserve adequacy, claim patterns and loss history, with recommendations regarding the initial and annual contribution to the reserve, must be contracted for with an insurance consulting or actuarial firm. Such contract and the initial report and recommendations must accompany the application for approval. Such reports must be furnished to the Tort Claims Board annually.
5. Insurance Policies: All insurance policies constituting all or a portion of the insurance plan must name the Tort Claims Board as additional insured in order that the Board receives direct notification by the carrier of any policy cancellations or changes prior to annual renewal.
6. Annual Reapplication for Approval: The political subdivision shall annually reapply for approval of its self-insured plan or plan of aggregate retention. The information required shall be submitted 60 days before the end of the fiscal year. In the event the application is denied, the political subdivision shall be given 30 days to reapply.

If you are relying on your self-insured fund to cover law enforcement claims, please remember that only those claims subject to the provisions of said Section 11-46-1 can be paid from this fund. **NO FEDERAL JURISDICTION or CIVIL RIGHTS** claims, or expenses should be expended from this fund. You must find other available and suitable coverage for these type claims.

**PROVIDE A COPY OF THIS LETTER TO YOUR ACTUARIAL CONSULTANT TO MAKE CERTAIN THEY INCLUDE THE REQUIRED INFORMATION IN THEIR FUTURE REPORTS AND AVOID UNNECESSARY DELAYS.**

Thank you for your time, attention and cooperation. Should you have any questions please do not hesitate to contact the undersigned.

Sincerely,

MISSISSIPPI TORT CLAIMS BOARD

Bruce Donaldson, Administrator  
Mississippi Tort Claims Board  
[Bruce.Donaldson@dfa.ms.gov](mailto:Bruce.Donaldson@dfa.ms.gov)  
Office: 601-359-3627

-----  
P.O. Box 267 Jackson, MS 39205  
501 North West Street, Suite 1319  
Jackson, MS 39205

# **Mississippi Tort Claims Board 2022 Meeting Dates**

## **January 13, 2022**

Suite 138, Conference Center North, Woolfolk Building  
Jackson, Mississippi at 1:30pm

## **March 10, 2022**

Suite 138, Conference Center North, Woolfolk Building  
Jackson, Mississippi at 1:30pm

## **May 12, 2022**

Suite 138, Conference Center North, Woolfolk Building  
Jackson, Mississippi at 1:30pm

## **July 14, 2022**

Suite 138, Conference Center North, Woolfolk Building  
Jackson, Mississippi at 1:30pm

## **September 8, 2022**

Suite 138, Conference Center North, Woolfolk Building  
Jackson, Mississippi at 1:30pm

## **November 10, 2022**

Suite 138, Conference Center North, Woolfolk Building  
Jackson, Mississippi at 1:30pm



PERFORMANCE AUDIT REPORT  
OFFICE OF TORT CLAIMS BOARD  
FOR THE PERIOD JULY 1, 2019 – JUNE 30, 2021  
September 3, 2021

## TABLE OF CONTENTS

GOVERNMENT AUDITING STANDARDS COMPLIANCE.....	3
AUDIT TEAM.....	3
OVERVIEW OF OFFICE OF TORT CLAIMS BOARD.....	4
OBJECTIVES, SCOPE, AND METHODOLOGY.....	4
OBSERVATIONS AND RECOMMENDATIONS.....	5 - 6



## **GOVERNMENT AUDITING STANDARDS COMPLIANCE**

---

This audit was conducted in accordance with Generally Accepted Government Auditing Standards. These standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

## **AUDIT TEAM**

---

Philando Brown, CPA, MPA, Director \* Internal Audit  
Krista Robinson, MBA \* Internal Audit  
Deron Simpson, MBA \* Internal Audit

## **OVERVIEW OF OFFICE OF TORT CLAIMS BOARD**

---

The Office of Tort Claims Board provides administrative and technical support for equitable settlement and payment of claims for injury or damage arising out of the torts of governmental entities and their employees while acting within the course and scope of their employment. The Mississippi Tort Claims Board manages claims arising out of the torts of governmental agencies and their employees acting within the course and scope of their employment. This includes managing the Tort Claims Fund, investigating and settling claims, legal defense of litigated claims, loss control programs, and oversight of liability insurance plans for political subdivisions.

## **OBJECTIVES, SCOPE, AND METHODOLOGY**

---

### **Objectives**

The objectives of the internal audit are as follows:

- To obtain an understanding of the controls in place to make sure the state agencies are in compliance with state laws and DFA policies and procedures
- Determine that the controls are operating effectively and efficiently
- Examine the various records the office must maintain
- Evaluate the effectiveness of claims handling practice at the Tort Claims office
- Determine that expenditures are recorded correctly as to amount and period

### **Scope**

The scope of the audit included the claim activity reports during the period 07/01/19 – 06/30/20 and 07/01/20 – 06/30/21.

### **Methodology**

To accomplish our audit objectives, we performed the following steps:

- We issued a risk assessment survey to determine whether the office was using accounting systems that are adequate to meet the department's administrative requirements.
- Interviewed the director along with some of his staff
- Obtained from the director a list of all staff and a description of their duties and responsibilities
- Selected a haphazard sample of claims from the claim activity reports and verified the supporting documentation in the iSynergy-DocuPhase and Riskonnect ClearSight software. We examined documentation such as photos, various communications, invoices and payments made to claimants.
- Selected a haphazard sample of cash disbursements to determine if proper internal control procedures are in place and operating effectively. We used the iSynergy-DocuPhase software.

## Observations-Claims

---

We haphazardly sampled fifty (50) general liability and minor property damage claims. Twenty-five (25) claims were from fiscal year 2020 and twenty-five (25) claims were from fiscal year 2021. Out of the fifty claims sampled, there were no discrepancies. All of the claims were administered effectively. All of the claims had the proper documentation attached. The extent of damage was consistent with the amount of the claim. We did not observe any deficiencies. Per conversation with Tom Henderson, Claims Officer, fast track claims pertaining to property damage are processed in the office. The Third Party Administrator, Cannon Cochran Management Services, Inc. (CCMSI) handles higher exposure property and bodily injury claims.

## Observations-Cash Disbursements

---

We haphazardly sampled fifty (50) cash disbursements. Twenty-five (25) cash disbursements were from fiscal year 2020 and twenty-five (25) cash disbursements were from fiscal year 2021. Each disbursement was in line with the operations of the office. The correct amount was invoiced and paid. The request for payment was signed by the supervisor. There were no discrepancies.

## Observations-Financial Summary

---

The Fiscal Analyst IV, Jim Logan, prepares a monthly financial summary. We examined two months, November 2019 and November 2020 and performed some recomputations. All of the recomputations were correct. Agencies are assessed at the beginning of the fiscal year. The Office of Tort Claims Board submit invoices to the various agencies. The agencies have the first six months to pay the first allotment and the second six months to pay the second allotment. Most of the assessments are received at the beginning of the fiscal year. On both reports, the total assessments received agreed with the general ledger. On the November 2019 report, the monthly assessments were \$72,597.38 and the year to date assessments were \$3,343,818.85. On the November 2020 report, the monthly assessments were \$655,961.86 and the year to date assessments were \$2,947,465.96. The claim losses for November 2019 total \$68,752.05 and the year to date total is \$922,226.40. The claim losses for November 2020 total \$356,275.16 and the year to date total is \$1,658,960.77.

## Observations-Staff Changes

---

There have been some staff changes within The Office of Tort Claims Board. The previous Administrator, Lea Ann McElroy, retired March 31, 2021. Mr. Bruce Donaldson replaced Ms. McElroy. Ms. Amanda Rayburn took on Mr. Donaldson's responsibilities by becoming Bureau Director II. Ms. Rayburn administers and supervises bodily and litigated claims. On March 1, 2021, Mr. Tom Henderson was hired as the Claims Officer. Mr. Henderson handles all of the property damage claims. He initially inputs the codes, reserves and decides if the Tort Claims Board will handle the claim or the Third Party Administrator.

## Recommendations-Staff Changes

---

We recommend that The Office of Tort Claims Board start cross-training the staff since most of the employees have enough years to retire. Cross-training staff helps preserve knowledge and ensure stability of the office.

**MISSISSIPPI TORT CLAIMS BOARD**  
**Combined Financial Report - Fiscal Year 2022**  
Fund 3308100000

-----CASH FLOW ANALYSIS-----

	September	October	Year-To-Date
<b>REVENUE:</b>			
Assessments Received	2,727,082.20	336,500.40	3,063,582.60
Interest	2,099.19	1,669.75	6,899.73
Investment Interest	13,003.79	2,376.37	22,859.97
Transfer In Funds	0.00	250,000.00	500,000.00
<b>Total Revenue</b>	<b>\$ 2,742,185.18</b>	<b>\$ 590,546.52</b>	<b>\$ 3,593,342.30</b>
<b>EXPENSES:</b>			
Claim Losses - TCB and TPA	81,158.24	66,514.84	327,832.14
Legal Expenses - TCB and TPA	59,286.94	69,277.06	133,132.90
Other Expenses - TCB and TPA	577.00	917.30	2,573.30
Administrative Expenses Paid	115,361.61	61,127.48	290,589.15
Transfer of Funds - Out	0.00	250,000.00	500,000.00
<b>Total Expenses</b>	<b>\$ 256,383.79</b>	<b>\$ 447,836.68</b>	<b>\$ 1,254,127.49</b>
<b>FUNDS ON HAND:</b>			
Beginning Balance	\$ 16,947,912.02	\$ 19,433,713.41	
Revenue	2,742,185.18	590,546.52	
Expenses	(256,383.79)	(447,836.68)	
Adjustments (LAPSE PERIOD)	0.00	0.00	
<b>Total Funds</b>	<b>\$ 19,433,713.41</b>	<b>\$ 19,576,423.25</b>	
Cash in Treasury	\$ 6,490,797.80	\$ 6,424,978.35	
Investment in Treasury	\$ 12,812,627.73	\$ 12,815,004.10	
TPA Trustmark Bank Balance	130,287.88	336,440.80	
<b>Total Funds By Account</b>	<b>\$ 19,433,713.41</b>	<b>\$ 19,576,423.25</b>	
Less Reserves	\$ 7,778,665.81	\$ 7,900,103.20	
<b>Unencumbered Funds Available</b>	<b>\$ 11,655,047.60</b>	<b>\$ 11,676,320.05</b>	

-----CLAIMS/RESERVES DETAIL (Year-To-Date)-----

	MTCB	CCMSI	TOTAL
Claims - Payments	\$ 76,769.19	\$ 251,062.95	\$ 327,832.14
Claims - Legal Expenses	133,132.90	-	133,132.90
Claims - Other Expenses	105.00	2,468.30	2,573.30
<b>Total Paid Out to Date</b>	<b>\$ 210,007.09</b>	<b>\$ 253,531.25</b>	<b>\$ 463,538.34</b>
<b>OUTSTANDING RESERVES</b>	<b>522,852.99</b>	<b>7,377,250.21</b>	<b>7,900,103.20</b>
<b>Total Claims &amp; Reserves</b>	<b>\$ 732,860.08</b>	<b>\$ 7,630,781.46</b>	<b>8,363,641.54</b>
Number of Claims Created	374	139	513
Number of Claims Paid	115	44	159
Total Open Claims	408	309	717
<b>AVG. CLAIM \$ / # CLAIMS PAID</b>	<b>\$667.56</b>	<b>\$5,705.98</b>	<b>\$ 2,061.84</b>
<b>AVG. RESERVE / OPEN CLAIMS</b>	<b>\$1,281.50</b>	<b>\$23,874.60</b>	<b>\$ 11,018.28</b>

NOTE: Information represents combined operations for Treasury Fund 3081 and the Trustmark account (utilized by CCMSI).

**MISSISSIPPI TORT CLAIMS BOARD**

Budget Comparison Report  
 Treasury Fund 3308100000  
 Fiscal Year 2022

<b>Expenses:</b>	<b>Total Budget</b>	<b>September 2021</b>	<b>October 2021</b>	<b>Year To Date Expenditures</b>	<b>Ending Balance</b>	<b>Percent Expended</b>
A1-Salaries	\$ 611,647.00	\$ 48,784.57	\$ 49,663.54	\$ 196,017.25	\$ 415,629.75	32.05%
A2-Travel	4,000.00	2,009.93	0.00	2,009.93	1,990.07	50.25%
B-Contractual	1,634,410.00	123,222.61	80,362.63	223,875.15	1,410,534.85	13.70%
C-Commodities	7,000.00	624.94	374.87	1,906.07	5,093.93	27.23%
D2-Capital Outlay	2,000.00	0.00	0.00	0.00	2,000.00	0.00%
E-Subsidies	4,300,000.00	16,661.54	273,574.81	576,769.19	3,723,230.81	13.41%
<b>SUBTOTAL</b>	<b><u>\$ 6,559,057.00</u></b>	<b><u>\$ 191,303.59</u></b>	<b><u>\$ 403,975.85</u></b>	<b><u>\$ 1,000,577.59</u></b>	<b><u>\$ 5,558,479.41</u></b>	<b><u>15.25%</u></b>
TPA Expended		<u>65,080.20</u>	<u>43,860.83</u>	<u>253,549.90</u>		
<b>TOTAL Expended</b>		<b><u>\$ 256,383.79</u></b>	<b><u>\$ 447,836.68</u></b>	<b><u>\$ 1,254,127.49</u></b>		

# TRINITY

TRINITY CAPITAL INVESTORS

November 1, 2021

Mr. Bruce Donaldson  
Mississippi Tort Claims Board  
P O Box 267  
Jackson, MS 39205-0267

Re: October 2021 Portfolio Highlights

---

Total Portfolio	Book Value	\$12,845,810
	Market Value	\$12,840,787
YTD 2021 Internal Rate of Return		0.48%
Current Portfolio Book Yield		0.57%
Market Yield		0.59%
Weighted Average Life		Approximately 2 years
YTD 2021 Earnings		44,979
Accrued Interest		8,468

---

1675 Lakeland Drive Suite 400 Jackson, MS 39216  
Telephone 601-956-3511  
Fax 601-956-3513

Security Inventory  
 Booking Report  
 October 2021  
**MISSISSIPPI TORT CLAIMS FUND**

Security Group	Type	Par Value	Book Value/ Cost
AGEN	FFCB	6,300,000	6,299,010.65
	FHLB	2,669,616	2,669,490.38
CMO	GNMA		1,475,035.62
	FHR		115,074.19
	FNR		869,276.92
US TREAS			1,348,633.58
INTEREST			2,376.37
CASH			69,288.71
			12,845,810.05

Transfer:





STATE OF MISSISSIPPI  
GOVERNOR TATE REEVES

MISSISSIPPI TORT CLAIMS BOARD  
STEPHEN C. EDDS, CHAIRMAN

MIKE CHANEY, Commissioner  
Insurance Department  
LYNN FITCH, Attorney General  
Office of Attorney General  
DAVID McRAE, Treasurer  
Department of Treasury

SEAN TINDELL, Commissioner  
Department of Public Safety  
LIZ WELCH, Executive Director  
Department of Finance and Administration  
CHRIS WELLS, Executive Director  
Department of Environmental Quality

**MEMORANDUM**

**TO:** Mississippi Tort Claims Board  
**FROM:** Steve Milner  
**DATE:** November 10, 2021  
**RE:** Loss Control Report

Since the last Board Meeting, loss control services for the Tort Claims Board include:

- 14 Days State Fair Duty
- 1 Defensive Driving Classes
- 21 State Property/Leased Property Inspections
- 2 State Trooper Injury Investigations
- 1 MEMA Conference Call
- 2 Risk Management Consultations
- 3 Accident Investigations



STATE OF MISSISSIPPI  
GOVERNOR TATE REEVES

MISSISSIPPI TORT CLAIMS BOARD  
STEPHEN C. EDDS, CHAIRMAN

MIKE CHANEY, Commissioner  
Insurance Department  
LYNN FITCH, Attorney General  
Office of Attorney General  
DAVID McRAE, Treasurer  
Department of Treasury

SEAN TINDELL, Commissioner  
Department of Public Safety  
LIZ WELCH, Executive Director  
Department of Finance and Administration  
CHRIS WELLS, Executive Director  
Department of Environmental Quality

**MEMORANDUM**

**TO:** Mississippi Tort Claims Board  
**FROM:** Bruce Donaldson  
**DATE:** November 10, 2021  
**RE:** Additions to Defense Attorney List

**RECOMMENDATION:** Staff recommends approval of (1) attorney for inclusion on Defense Attorney List

Honorable Kathy K. Smith  
Mayo Mallette, PLLC  
Oxford, Mississippi 38655



KATHY K. SMITH  
ksmith@mayomallette.com  
Direct: (601) 601.364.2762

October 1, 2021

Mississippi Tort Claims Board  
Attn: Bruce Donaldson  
P. O. Box 267  
Jackson, MS 39205

Dear Mr. Donaldson:

Please accept this letter as a request for the Board's approval adding me to the Tort Claims Approved Attorney Register. I have 25 years of experience in civil litigation defense and am in good standing with the Mississippi Bar Association. Enclosed is a copy of my résumé.

Please let me know if you need any additional information.

Sincerely,

MAYO MALLETTTE PLLC

A handwritten signature in black ink that reads "Kathy K. Smith". The signature is fluid and cursive, with the first name "Kathy" and last name "Smith" clearly legible.

Kathy K. Smith  
KKS/rn

cc: Cal Mayo  
Enclosure (as stated)

**Attorney Bio**  
**Kathy K. Smith**

**Education**

- B.S., magna cum laude, Mississippi State University, 1991
- J.D., magna cum laude, Mississippi College School of Law, 1996
- Mississippi College Law Review, Editor, 1995-1996

**Legal Experience**

- Admitted to Mississippi Bar, 1996
- Private Law Practice, Jackson, Mississippi, since 1996

**Concentration**

- Litigation, Appellate Practice

**Professional Activities**

- Barrister, Charles Clark Chapter, American Inns of Court
- Capital Area Bar Association
- Mississippi Bar Association
- Defense Research Institute
- Unauthorized Practice of Law Committee, MS State Bar
- Women in the Profession Committee, Capital Area Bar Association

**Court Admissions**

- All Mississippi state and federal courts
- United States Court of Appeals for the Fifth Circuit

**Distinctions**

- AV Rated by Martindale-Hubbell Law Directory
- Listed in The Best Lawyers in America Commercial Litigation, Personal Injury Litigation, Environmental Litigation, Mass Tort/Class Action Litigation, Product Liability Litigation,
- Fellow, Mississippi Bar Foundation,
- Fellow, American Bar Foundation,
- Recognized in Chambers for Litigation: General Commercial.

**Publications**

- Editor, Damages Law for Mississippi Trial Practice (Scranton Publ. Co. 2006)
- Editor of Mississippi Law Digest Section, Martindale-Hubbell 2004-2008



STATE OF MISSISSIPPI  
GOVERNOR TATE REEVES

**MISSISSIPPI TORT CLAIMS BOARD**

STEPHEN C. EDDS, CHAIRMAN

MIKE CHANEY, Commissioner  
Insurance Department  
LYNN FITCH, Attorney General  
Office of Attorney General  
DAVID McRAE, Treasurer  
Department of Treasury

SEAN TINDELL, Commissioner  
Department of Public Safety  
LIZ WELCH, Executive Director  
Department of Finance and Administration  
CHRIS WELLS, Executive Director  
Department of Environmental Quality

**MEMORANDUM**

**TO:** Mississippi Tort Claims Board  
**FROM:** Bruce Donaldson  
**DATE:** November 10, 2021  
**RE:** Political Subdivisions – Certificates of Coverage

**RECOMMENDATION:** Staff recommends approval of 59 political subdivisions shown on attached list.

# MISSISSIPPI TORT CLAIMS BOARD

Wednesday, November 10, 2021

Political Subdivisions Recommended for Renewal of Certificate of Coverage

AAA Ambulance Service, Inc.  
Abiaca Drainage District  
Adams County Board of Supervisors  
Atchafalaya Drainage District  
Beaver Dam Drainage District  
Biloxi City Clerk  
Clinton City Clerk  
D'Iberville City Clerk  
Deep Bayou Drainage District  
Drainage District #2  
Drainage District #7  
Drainage District #8  
Drainage District #10  
Farmhaven Volunteer Fire Department  
Forrest General Hospital  
Grenada County Firefighters Association  
Hatchie Drainage District of Alcorn & Tippah Counties  
Highland Community Hospital  
Hushpuckena Drainage District  
Jackson City Clerk  
Jackson County Fire District  
Jackson Municipal Airport Authority  
Jefferson Davis County School District  
Jones Bayou Drainage District  
Lafayette County Fire District  
Little O'Possum Drainage District  
Lost Lake Drainage District  
Ludlow Volunteer Fire Department  
Madison County Library System  
Madison County School District  
Marks Drainage District  
Mississippi Coast Transit Authority  
Moorhead Drainage District  
Nesbit Volunteer Fire Department  
New Porter Water Management District  
North Central Scott County Volunteer Fire Department  
Oktibbeha County Board of Supervisors (VFD)  
Poplarville Volunteer Fire Department  
Rankin County Board of Supervisors  
Region Eight Mental Health Services  
Region XII Commission on Mental Health and Retardation  
Renova City Clerk

Rocky Bayou Levee & Drainage District  
Shaw Drainage District  
Short Bayou Drainage District  
Singing River Mental Health/Retardation Services  
Sledge Bayou Drainage District  
Southwest Covington County Volunteer Fire Department  
Squirrel Lake Drainage District  
Tallahatchie General Hospital  
The Library of Hattiesburg, Petal and Forrest County  
Topashaw Canal Drainage District  
Upper Quiver River Drainage District  
Warren County Fire Service  
Wayne County Board of Supervisors  
Wayne County Fire  
Webster County Fire District  
West Covington Volunteer Fire Department  
Yazoo-Mississippi Delta Levee Board

**Total 59**



**STATE OF MISSISSIPPI**  
GOVERNOR TATE REEVES

**MISSISSIPPI TORT CLAIMS BOARD**  
STEPHEN C. EDDS, CHAIRMAN

MIKE CHANEY, Commissioner  
Insurance Department  
LYNN FITCH, Attorney General  
Office of Attorney General  
DAVID McRAE, Treasurer  
Department of Treasury

SEAN TINDELL, Commissioner  
Department of Public Safety  
LIZ WELCH, Executive Director  
Department of Finance and Administration  
CHRIS WELLS, Executive Director  
Department of Environmental Quality

**MEMORANDUM**

**TO:** Mississippi Tort Claims Board

**FROM:** Amanda Rayburn

**DATE:** November 10, 2021

Mississippi Department of Health and Director Jim Craig