

**MERCER COUNTY INSURANCE FUND COMMISSION  
OPEN MINUTES  
MEETING – FEBRUARY 3, 2014  
Mercer County  
McDade Administration Building  
640 South Broad Street  
Trenton, NJ 08650-0068  
10:30 AM**

Meeting was called to order by Chairman Mair. Ms. Dodd read the Open Public Meetings notice into record.

**ROLL CALL OF COMMISSIONERS:**

Andrew A. Mair	Present
Elizabeth A. Scannella	Present
Raissa Walker	Absent

**FUND PROFESSIONALS PRESENT:**

Executive Director	PERMA Risk Management Services <b>Joseph Hrubash</b>
Claims Service	Inservco Insurance Services, Inc. <b>Debra Stout</b> <b>Nancy Fowlkes</b>
	Conner Strong & Buckelew <b>Michelle Leighton</b> ( <i>via teleconference</i> ) <b>Robyn Walcoff</b> ( <i>via teleconference</i> )
Risk Management Consultant	Borden Perlman Salisbury & Kelly <b>Doug Borden</b> ( <i>via teleconference</i> ) <b>Courtney Cameron</b> ( <i>via teleconference</i> )
Attorney	
Treasurer	
Safety Director	J.A. Montgomery Risk Control <b>Glenn Prince</b> ( <i>via teleconference</i> ) <b>Dave McHale</b> ( <i>via teleconference</i> )

**ALSO PRESENT:**

Sarah G. Crowley, Deputy County Counsel  
Jim Kickham, PERMA Risk Management Services  
Cathy Dodd, PERMA Risk Management Services

**APPROVAL OF MINUTES: OPEN MINUTES OF JANUARY 10, 2014**

Ms. Scannella advised she had a correction for the minutes. Ms. Scannella indicated when she made the motion to introduce the budget she did not include the budget amount as stated in the minutes but said as amended.

**MOTION TO APPROVE THE OPEN MINUTES OF JANUARY 10, 2014  
AS AMENDED**

Moved:	Chairman Mair
Second:	Commissioner Scannella
Vote:	2 Ayes, 0 Nays

**COMMITTEE REPORTS:**

**SAFETY COMMITTEE:** Mr. Prince advised Mr. Barry Sloane attended the Accident Review Panel Meeting on January 14<sup>th</sup>. Mr. Prince also indicated at the next meeting Mr. Sloane would recommend establishing a stand alone Safety Committee for the Commission.

**CLAIMS COMMITTEE:** Ms. Walcoff reported the Claims Kick Off Meeting was scheduled to take place after the Commission meeting. Ms. Walcoff advised the goal was to establish the Claims Committee and discuss a Claims Committee Charter. Ms. Walcoff advised they were operating under the Interim Claims Reporting Procedures which was distributed earlier in the year. Ms. Walcoff also advised some property losses had been reported to Conner Strong & Buckelew and Inservco. In response to Executive Director's inquiry, Ms. Walcoff advised the losses were due to frozen pipes at the Airport and Youth Detention Center. Ms. Walcoff indicated Mr. Trump, the property adjuster from Vericlaim had already been in touch with the County. In response to Ms. Scannella's inquiry regarding the property deductible, Executive Director confirmed the property deductible was \$25,000, the same as they had in the past. Executive Director explained Mercer County Insurance Fund Commission's retention was \$100,000 less a \$25,000 member deductible. Executive Director noted that the Zurich American Insurance Company was in excess of the \$100,000 Commission retention.

**EXECUTIVE DIRECTOR REPORT:** Executive Director advised he had five action items for his report.

**2014 PROPERTY & CASUALTY BUDGET ADOPTION:** Executive Director advised the 2014 Property & Casualty Budget was introduced at the January 10<sup>th</sup> meeting and was advertised in the applicable newspapers. Executive Director explained the budget was amended since it was introduced. Executive Director noted the revised budget amount was \$7,340,951. Executive Director referred to line 9 of the budget and advised the figure was increased by \$181,766 as the primary excess liability program with BRIT now had higher limits and line 35 of the budget was decreased by \$213,470 as the limit on the Excess Liability Policy with National Casualty was reduced. This change in program structure resulted in a savings of approximately \$32,000. Executive Director also advised there were revisions to lines 16, 19, 20, and 29 to reflect the actual fees proposed by the vendors in their RFP responses. Executive Director noted lines 22 and 23 were amended to "0" since it was decided at the budget introduction meeting there would be no compensation to the Commission Attorney or Commission Treasurer. Lastly, Executive Director

reported the POL/EPL premium was increased by \$10,000. Executive Director indicated the revised budget of \$7,340,951 was less than the budget which was introduced last month.

**MOTION TO OPEN THE PUBLIC HEARING ON THE 2014 BUDGET**

Moved: Commissioner Scannella  
Second: Chairman Mair  
Vote: 2 Ayes, 0 Nays

Seeing no member of the Public, Chairman Mair requested a motion to close the Public Hearing.

**MOTION TO CLOSE THE PUBLIC HEARING**

Moved: Commissioner Scannella  
Second: Chairman Mair  
Vote: 2 Ayes, 0 Nays

**MOTION TO ADOPT THE BUDGET AS AMENDED FOR THE MERCER COUNTY INSURANCE FUND COMMISSION AS PRESENTED FOR THE COMMISSION YEAR 2014**

Moved: Commissioner Scannella  
Second: Chairman Mair  
Vote: 2 Ayes, 0 Nays

Executive Director advised the assessments were included in the agenda. Executive Director reported he would work with Pauline Kontomanolis of his office on a cash flow program with Mr. Miller.

**MOTION TO CERTIFY THE ANNUAL ASSESSMENTS BASED UPON THE ADOPTED 2014 BUDGET**

Moved: Commissioner Scannella  
Second: Chairman Mair  
Vote: 2 Ayes, 0 Nays

**CASH MANAGEMENT PLAN:** Executive Director referred to the Cash Management Plan and Resolution 13-14, Establishing the Cash Management Plan which were included in the agenda. Executive Director advised the Cash Management Plan was sent to the Commission Treasurer for his review and his suggested revisions were reflected in the Plan.

**MOTION TO APPROVE RESOLUTION 13-14 ESTABLISHING THE CASH MANAGEMENT PLAN**

Moved: Commissioner Scannella  
Second: Chairman Mair  
Vote: 2 Ayes, 0 Nays

**RULES & REGULATIONS:** Executive Director referred to Resolution 14-14 Adopting the Rules and Regulations. Executive Director advised the Commission's Rules and Regulations were included in Appendix II of the agenda. Executive Director reported the document was sent to the Commission Attorney for his review and did not believe any feedback was received. Executive Director noted the Rules and Regulations were standard and used in the other Insurance Commissions. Ms. Crowley advised she and Mr. Sypek reviewed the document and found them to be in order.

**MOTION TO APPROVE RESOLUTION 14-14 ADOPTING THE RULES AND REGULATIONS**

Moved: Commissioner Scannella  
Second: Chairman Mair  
Vote: 2 Ayes, 0 Nays

**CERTIFICATE OF INSURANCE REQUEST FORM:** Executive Director advised the Certificate of Insurance Report was included in the agenda for the period of January 1, 2014 to January 29, 2014. There were 4 certificates issued during this period. Executive Director advised this would be a monthly report for the agenda which recapped the certificates issued for the month. Ms. Scannella noted to her memory the report was accurate.

**MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT**

Moved: Commissioner Scannella  
Second: Chairman Mair  
Vote: 2 Ayes, 0 Nays

**2014 MCIFC MEETING DATES:** Executive Director reported the 2014 Annual Meeting Schedule was included in the agenda. Executive Director advised the meetings would be held on the fourth Monday of the month. Executive Director noted the May meeting fell on Memorial Day and asked the Commissioners to consider cancelling the meeting or rescheduling. Chairman Mair suggested cancelling the meeting for now and then see what the weight of business was as the date approached. Chairman Mair suggested the Commissioners post their vacation schedules internally to ensure there was a quorum for future meetings. If there is an issue the Executive Director will be notified of the need for a change in the meeting schedule.

**MOTION TO ADOPT RESOLUTION 15-14, FIXING PUBLIC MEETING DATES FOR THE YEAR 2014**

Moved: Commissioner Scannella  
Second: Chairman Mair  
Vote: 2 Ayes, 0 Nays

**ORGANIZATIONAL RESOLUTIONS:** Executive Director advised Organizational Resolutions 1-14 through 12-14 were approved at the last meeting subject to some revisions. The resolutions were revised to correct the Insurance Commission name to Mercer County Insurance Fund Commission and the term of one year was inserted on certain resolutions. Executive Director indicated he would have the revised resolutions signed after the meeting.

**2014 PROPERTY & CASUALTY PLAN OF RISK MANAGEMENT:** Executive Director reported he was in the process of drafting the 2014 Risk Management Plan. Executive Director advised he would send a copy of the plan to Ms. Scannella for her review. The objective is to have the Risk Management Plan ready for the March meeting.

**PROPERTY AND BOILER MACHINERY:** Executive Director reported the Property and Boiler Machinery coverage was written with Zurich American. Executive Director advised Zurich would handle the NJ State required inspection of the jurisdictional objects and the 800 number was included in the agenda to order any inspections. In response to Commissioner Scannella's inquiry about the inspections, Executive Director suggested she call Mr. Jim Timpanaro of Zurich or he would arrange the call to assist with her questions. Mr. Borden advised his office had a schedule of the items and when they were last inspected.

**NJ EXCESS COUNTIES INSURANCE FUND:** Executive Director advised the CELJIF scheduled their Re-Organization Meeting on Thursday, February 27, 2014 at 1:00 PM. Executive Director indicated the meeting would be held at the Camden County College Regional Training Center, 420 Woodbury-Turnersville Road, Blackwood, NJ. Executive Director noted the call in information was included in the agenda in the event anyone wanted to participate via teleconference. Chairman Mair advised he would call into the meeting.

**MEDICARE SECONDARY PAYER:** Executive Director reported a copy of the notification from Centers for Medicare and Medicaid Services was included in the agenda indicating the Mercer County Insurance Fund Commission had successfully registered. Executive Director advised his office would create an account to be in compliance with the Section 111 Mandatory Reporting Requirements.

**MCIFC CLAIMS KICKOFF MEETING:** Executive Director advised the Claims Kickoff Meeting was scheduled to take place after the Commission meeting.

Due to the weather conditions, Executive Director suggested setting up a weather telephone number and appreciated Chairman Mair's e-mail updating everyone on the status of the meeting. Chairman Mair indicated he had everyone's e-mail address and could send out a blast e-mail if there were any changes with a meeting.

In response to Commissioner Scannella's inquiry regarding the SERVE Training, Executive Director advised Mr. Prince would discuss the document during the CEL Safety Director report.

Executive Director's Report Made Part of Minutes.

**OLD BUSINESS:** None

**NEW BUSINESS:** None

**TREASURER REPORT:** None

**ATTORNEY:** Ms. Crowley advised Mr. Sypek was absent, however they did review the By Laws and there were no legal concerns.

**CLAIMS SERVICE:** Ms. Stout advised she had nothing to report at this time.

**CEL SAFETY DIRECTOR:** Mr. Prince reviewed the January – February Risk Control Activity Report which was included in the agenda. Mr. Prince referred to a copy of a letter to Ms. Scannella which was included in the agenda regard the SERVE Emergency Responder Driver Training. Mr. Prince noted the program was made available by the excess workers' compensation carrier and was a free online training course. Mr. Prince indicated instructions for accessing the website were included in the agenda. Mr. Prince explained the course was beneficial for the law enforcement community as 80% of all first responder accidents occur at intersections. Mr. Prince advised the program was designed to prevent and combat that type of scenario. In addition, Mr. Prince reported the program also included a distracted driving module. In response to Ms. Scannella's questions, Mr. Prince advised there was no cost for the training program and Mr. McHale noted the instructions to logon on to the website were included in the agenda. Mr. McHale advised there was no scheduling involved and the course could be taken individually or as a group. Mr. McHale noted the distracted driving module portion of the course would be available in approximately two weeks. In response to Ms. Scannella's concern about the Highway and T.R.A.D.E Departments, Mr. McHale advised he would contact the insurer, Safety National, to see if a stand alone course could be created for distracted driving. In response to Executive Director's inquiry regarding the HIPPA training, Chairman Mair indicated he did speak to Mr. McHale and there was a need for further conversations to better clarify their HIPPA training needs.

**RISK MANAGER CONSULTANT:** Mr. Borden advised he did not have anything to report for this meeting as they were waiting for the specimen policies to review and the Claims Committee meeting to establish criteria on claims reporting.

Correspondence Made Part of Minutes.

**OLD BUSINESS:** None

**NEW BUSINESS:** Chairman Mair reported he had a few items to discuss. Chairman Mair wanted to confirm that there were some online discussions regarding the announcement and conduct of executive sessions. Executive Director advised the County's procedure would be followed for executive sessions. Chairman Mair advised there needed to be sufficient specificity in the meeting announcement. Ms. Crowley advised she would have the County Clerk send some samples of their notices to the Executive Director's office. Chairman Mair also wanted to confirm that the changes were made to the Cash Management Plan as recommended by Mr. Miller. Chairman Mair also indicated there was an issue regarding reporting requirements. Ms. Scannella advised some claims were still being reported to Borden Perlman's office, however they no longer have that role and wanted to make sure everyone at the County Counsels office understood how claims should be reported. Ms. Leighton advised the procedure could be discussed during the Claims Kick Off meeting but the reporting procedure in some of the other Commissions has the Risk Manager serving as a facilitator for the claims reporting. Ms. Scannella indicated that was in contrary to the Interim Claim Procedure she had received. Ms. Leighton noted when the procedure was prepared they did not have confirmation that Borden Perlman would be the Risk Manager. Ms. Leighton advised there was flexibility and the discussion would continue during the Claims Kick Off meeting.

**PUBLIC COMMENT:**

**MOTION TO OPEN MEETING TO THE PUBLIC**

Moved:	Commissioner Scannella
Second:	Chairman Mair
Vote:	2 Ayes, 0 Nays

Seeing not members of the public wishing to speak Chairman Mair asked for a motion to close the public comment portion of the meeting.

**MOTION TO CLOSE MEETING TO THE PUBLIC**

Moved:	Commissioner Scannella
Second:	Chairman Mair
Vote:	2 Ayes, 0 Nays

Executive Director advised there was no need for a closed session.

**MOTION TO ADJOURN:**

Moved:	Chairman Mair
Second:	Commissioner Scannella
Vote:	2 Ayes, 0 Nays

**MEETING ADJOURNED: 10:57AM**

Minutes prepared by:  
Cathy Dodd, Assisting Secretary