

**MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – JANUARY 10, 2014
Mercer County Administration Building
640 South Broad Street
Trenton, NJ 08650-0068
10:00 AM**

Meeting was called to order by Chairman Mair. Ms. Dodd read the Open Public Meetings notice into record. Chairman Mair noted the correct name of the organization was Mercer County Insurance Fund Commission.

ROLL CALL OF COMMISSIONERS:

Andrew A. Mair	Present
Elizabeth Scannella	Present
Raissa Walker	Present (<i>arrived 10:15</i>)

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
Claims Service	Inservco Insurance Services, Inc. Steven Daniels Steve Daveggia Nancy Fowlkes Jack Maher Kathy Rizzo Debra Stout
Risk Management Consultant	Conner Strong & Buckelew Michelle Leighton (<i>via teleconference</i>)
	Borden Perlman Salisbury & Kelly Doug Borden Matt Moraski Sandra DeBoskey
Attorney	Arthur Sypek, Jr.
Treasurer	
Safety Director	J.A. Montgomery Risk Control Glenn Prince

ALSO PRESENT:

Marcella Covello, Mercer County
Sarah Crowley, Mercer County
Jim Kickham, PERMA Risk Management Services
Cathy Dodd, PERMA Risk Management Services

PUBLIC COMMENT: Chairman Mair asked if anyone from the Public had any comments at this time. Seeing no members of the public wishing to speak Chairman Mair requested we move on to the Executive Director's report.

EXECUTIVE DIRECTOR REPORT:

ORGANIZATIONAL RESOLUTIONS: Executive Director advised he would review the Resolutions individually which were included in the agenda. After reviewing Resolution 1-14, Executive Director indicated the resolution and several others did not include the term and requested clarification. Chairman Mair reported the appointments and contracts were for a one year period. Chairman Mair indicated it was the intention of the body to have a trial period of one year to determine the effectiveness of this project and then to re-evaluate at the end of the year. In response to Mr. Kickham's inquiry, Chairman Mair advised the appointments and contracts would expire as of 12/31/14. Executive Director reviewed Resolutions 3-14 and 4-14 and noted there was no compensation for the Commission Treasurer or Commission Attorney. Executive Director continued to review the resolutions and asked if anyone had any questions. In response to Ms. Crowley's inquiry regarding the three newspapers, Chairman Mair advised the County used all three of the newspapers mentioned in the resolution.

MOTION TO APPROVE RESOLUTIONS 1-14 THROUGH 12-14 AS A BLOCK

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

MOTION TO APPROVE RESOLUTIONS 1-14 THROUGH 12-14

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

2014 PROPERTY & CASUALTY BUDGET INTRODUCTION: Executive Director referred to a copy of the 2014 budget which was included in the agenda. Executive Director advised lines 1-4 represented the self insured claims loss funds for property, liability, auto, and worker compensation as provided by the Actuary. Executive Director indicated the loss funds account for 61% of the budget. In response to Chairman Mair's inquiry, Commissioner Scannella advised the figure of \$4,615,000 represented the claims and Executive Director advised he did speak with Commissioner Scannella and confirmed the worker compensation figure did represent all compensation related costs. Executive Director referred to line 9 of the budget and advised the figure of \$1,745,841 represented the premium for the CELJIF. In response to Chairman Mair's inquiry, Executive Director advised he spoke to Commissioner Scannella yesterday and reported there was a re-structuring of the program and the figure on line 9 would be reduced slightly. Executive Director advised the correct figure would be reflected on the adopted budget. Executive Director then referred to the Expense portion of the budget and indicated line 19 of the budget for Claims Adjustment was \$230,750. Executive Director noted however, a review of the resolution indicated the fee was not to exceed \$190,000 and an adjustment would be reflected

on the adopted budget. Executive Director also noted lines 22, Executive Director fee, 23, Actuary Fee, and line 32, Risk Manager fee would be amended to reflect their RFP responses. Executive Director advised the Auditor figure was estimated as and RFP was not yet issued for this position. Executive Director reviewed lines 25 and 26 and Chairman Mair indicated since the Attorney and Treasurer were not compensated the line should be amended to "0". Executive Director referred to line 29 of the budget, Misc. Expense & Contingency and explained this figure represented funding for miscellaneous expenses that might come up during the year. Executive Director explained for example the Commission will need to create a website which is required by State Law and that the funds could be allocated against this expense. In response to Chairman Mair's inquiry regarding the basis for calculating the figure on line 29, Executive Director advised he would obtain clarification for the budget adoption. In response to Commissioner Scannella's inquiry, Mr. Kickham advised this account was used for advertising in the newspapers and Executive Director also explained a crime bond would be needed to cover the Executive Director, TPA, and Treasurer. Also, Executive Director reported one of the Commissions utilized funds from this account to purchase safety related items for their public works personnel. Executive Director then reviewed the CELJIF Ancillary Coverages and advised line 36, POL/EPL was specific to the County. Executive Director advised there was also an Excess Liability policy, Crime policy and Medical Malpractice policy. In response to Chairman Mair's inquiry, Executive Director advised the Medical Malpractice limits could be increased during the year for any new members which joined the Commission but noted that the difference between the higher limit and the primary limit would be effective the date the higher limit is bound. Executive Director indicated the Medical Malpractice figure reflected in the budget only included primary coverage available through the CEL and requested an e-mail be sent to him confirming no excess Medical Malpractice coverage was needed at this time. After a brief discussion it was agreed the budget would be introduced with the amended figure and the minutes would reflect the correct figure. Executive Director suggested the Public Hearing for the Budget Adoption be held on February 3, 2014 at 10:30 AM.

MOTION TO INTRODUCE THE 2014 PROPERTY & CASUALTY BUDGET IN THE AMOUNT \$7,340,951 AND SCHEDULE A PUBLIC HEARING ON FEBRUARY 3, 2014 AT 10:30 AM AT THE MERCER COUNTY ADMINISTRATION BUILDING, 640 SOUTH BROAD STREET, TRENTON, NJ 08650

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

CERTIFICATE OF INSURANCE REQUEST FORM: Executive Director advised the New Jersey Counties Excess Joint Insurance Fund developed a Certificate of Insurance Request Form for its members to request certificate of insurances and a special email address just for certificate requests. Executive Director explained the form could be e-mailed or faxed to his office to request a certificate. Executive Director advised Ms. Dodd supplied Commissioner Scannella with a list of certificates that were issued last year and they would work together to determine which renewals certificates were needed.

2014 MCIFC MEETING DATES: Executive Director reported it was discussed previously the Commission meetings should be held on the fourth Monday of the month. Executive Director advised the proposed meeting dates were included in the agenda. Chairman Mair indicated the

monthly meetings were in order for the initial period and then cut back out a later date. Executive Director advised the meeting schedule for the first year would be set up monthly and if a meeting was not needed it could be cancelled with proper notification. Chairman Mair advised the future meetings would be held in Room 212.

LIMIT SCHEMATICS: Executive Director distributed copies of the limit schematics and reviewed them with the Commissioners. Executive Director advised there were a few changes in the schematics since the first time they were reviewed with Commissioner Scannella. Executive Director referred to the Excess Liability Limit Schematic and pointed out that Underwriters at Lloyds were now writing 10,000,000 per occurrence & 20,000,000 annual aggregate over the SIR of \$500,000. Also the excess liability coverage was now written by National Casualty Company who replaced CV Starr. Executive Director also pointed out the third layer for worker compensation was now written by Underwriters at Lloyds instead of Wesco. Executive Director also reviewed the Property Limit Schematic. In response to Chairman Mair's question, Executive Director advised the named storm was not limited to hurricanes. Executive Director continued to review the rest of the limit schematics and then asked if anyone had any questions.

SAFETY: Executive Director advised Barry Sloan would continue as the Safety Consultant. Executive Director introduced Glenn Prince, the CEL Safety Director, and advised he would attend the monthly meetings and schedule training sessions. Mr. Prince noted he would work closely with Mr. Sloan to provide safety training as in the past and advised he would distribute his business card and asked if anyone had any questions at any time to call him. In response to Chairman Mair's inquiry Mr. Prince advised he would look into HIPPA training request to determine appropriate training programs available.

NEXT AGENDA: Executive Director reported the next agenda would include the Commission's Rules and Regulations and a Cash Management Plan for approval Executive Director advised he would forward the documents to the Commission Attorney and Commission Treasurer to review prior to the next meeting. Executive Director also advised he would prepare a Risk Management Plan and send to Commissioner Scannella for her review.

CLAIMS KICKOFF MEETING: Ms. Leighton reported she would organize a Claims Kickoff Meeting to again review the limit schematics that the Executive Director just presented and clarify the claims reporting procedures. Ms. Leighton advised that at the Kickoff Meeting she would like the Commissioners to establish a Claims Committee and co-ordinate a meeting schedule. Executive Director recommended scheduling the Claims Kickoff Meeting after the Commission meeting on February 3rd.

Chairman Mair requested the Executive Director's office to work with Commissioner Scannella on scheduling the monthly claims committee meetings.

Executive Director's Report Made Part of Minutes.

OLD BUSINESS: None

NEW BUSINESS: None

MOTION TO ADJOURN:

Moved:	Chairman Mair
Second:	Commissioner Scannella
Vote:	3 Ayes, 0 Nays

MEETING ADJOURNED: 10:36 AM

Minutes prepared by:
Cathy Dodd, Assisting Secretary