

**MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – JUNE 23, 2014
Mercer County
McDade Administration Building
640 South Broad Street
Trenton, NJ 08611
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	Present (<i>arrived 10:50 AM</i>)

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
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Claims Service	Inservco Insurance Services, Inc. Debra Stout Nancy Fowlkes Matthew Baron Terry Sheerin
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	Conner Strong & Buckelew Robyn Walcoff Michelle Leighton
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Risk Management Consultant	Borden Perlman Salisbury & Kelly Doug Borden
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Attorney	Arthur J. Sypek, Jr. Paul Adezio
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Treasurer

Safety Director	J.A. Montgomery Risk Control Glenn Prince Dave McHale
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ALSO PRESENT:

Phillip S. Miller, Mercer County Improvement Authority
Alma Ortiz, Mercer County Improvement Authority
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN & CLOSED MINUTES OF APRIL 28, 2014

MOTION TO APPROVE THE OPEN & CLOSED MINUTES OF APRIL 28, 2014

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

CORRESPONDENCE: None

COMMITTEE REPORTS:

SAFETY COMMITTEE: Mr. Prince reported the Safety Committee last met on April 23, 2014 with Barry Sloane of his office and the next meeting was scheduled for July 7th. Chairman Mair noted there was progress on the project to correct the trip and fall issue at the front entrance of the 640 South Broad Street building. Chairman Mair advised the work was incorporated in the 2014 street paving plan and the curbing and asphalt work should be completed by the end of the summer.

CLAIMS COMMITTEE: Ms. Walcoff reported the Claims Committee met on June 10th via a conference call to discuss the PARS that would be presented during closed session. Ms. Walcoff advised she was working with Ms. Leighton to coordinate the third Joint Insurance Claims Committees Best Practices Workshop. Ms. Walcoff indicated a planning meeting would be held in August to discuss the agenda and format. Ms. Walcoff noted the tentative date for the workshop was October 7, 2014. In response to the Executive Director's inquiry, Ms. Leighton advised the workshop would still be held at the Conner Strong & Bucklelew office in Marlton.

EXECUTIVE DIRECTOR REPORT: Executive Director advised he had three action items for his report along with some informational items.

MERCER COUNTY IMPROVEMENT AUTHORITY: Executive Director reported the Mercer County Improvement Authority voted to join the Commission as of July 1, 2014. Executive Director advised a Claims Kickoff Meeting for the Improvement Authority was held prior to the Commission meeting. Executive Director advised PERMA did receive copies of the Mercer County Improvement Authority's resolution approving their membership and the signed Indemnity & Trust Agreement. Executive Director requested a motion to approve the membership of the Mercer County Improvement Authority.

MOTION TO APPROVE MEMBERSHIP OF THE MERCER COUNTY IMPROVEMENT AUTHORITY AS OF JULY 1, 2014

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

2014 PROPERTY & CASUALTY BUDGET: Executive Director advised the budget was revised as of July 1, 2014 to include the Mercer County Improvement Authority. Executive Director advised a copy of the revised 2014 Property & Casualty Budget in the amount of \$7,490,750 was included in the agenda. Executive Director asked if anyone had any questions regarding the revised figures and then requested a motion to approve the budget.

**MOTION TO ADOPT THE AMENDED 2014 BUDGET TO INCLUDE
MERCER COUNTY IMPROVEMENT AUTHORITY AS OF JULY 1, 2014**

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

CERTIFICATE OF INSURANCE REQUEST FORM: Executive Director reported on the Certificate of Insurance Report for the period of April 21, 2014 to June 15, 2014. There were six (6) certificate of insurances issued during this period. In response to the Executive Director's inquiry, Commissioner Scannella advised she did not have any questions regarding the certificate report.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

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

NJ EXCESS COUNTIES INSURANCE FUND: Executive Director reported the CEL met on April 24, 2014 and a summary report of the meeting was included in the agenda. Executive Director advised at that meeting the Board of Commissioners adopted a Resolution to offer membership to Ocean County. Executive Director noted Ocean County did pass a Resolution to join the CEL has of June 1, 2014. Executive Director reported Ocean joined as a County only, however, it was expected that they would become a Commission as early as January 1st. Executive Director advised the CEL now has nine members and the next CEL meeting was scheduled for June 26, 2014.

MERCER COUNTY INSURANCE FUND COMMISSION PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director referred to the first Mercer County Insurance Fund Commission Financial Fast Track as of April 30, 2014 which was included in the agenda. Executive Director reviewed the figures on the report and advised the Commission had a surplus of \$120,935. Executive Director noted line 8 of the report, "Investment in Joint Venture" was Mercer County Insurance Fund Commission's share of equity in the CEL, \$35,025. In response to Mr. Borden's inquiry, Executive Director advised the actuary reviews the IBNR figure on a monthly basis.

NJ CEL PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director reported the agenda included the Financial Fast Track for the NJ CEL for the months of March and April. As of April 30, 2014 the CEL had a surplus of \$4,114,420.

PROFESIONAL CONTRACTS: Executive Director reported PERMA did prepare service agreements between the Insurance Commission and the Commission Professionals. However, at the request of the Commissioners, the service agreements were revised to be between the County and the Commission Professionals. Executive Director noted the agreement between Spark Creative Group, the website vendor, would be between the Commission and the vendor. Executive Director indicated when the RFP's are issued in the future, the resulting service agreements should be drafted by the Commission as they would be making the decisions.

ASSUPINK DAM: Executive Director reported at the last meeting the Commission approved the purchase of additional excess liability coverage for the Assunpink Dam. Executive Director advised the policy with National Casualty Company was endorsed to add this coverage. Executive Director noted the pro rated additional excess premium of \$11,529 would be added to the final assessment bill for 2014.

COMP SERVICES INC. NAME CHANGE: Executive Director advised the TPA for the CEL announced they changed their name to AmeriHealth Casualty Services. Executive Director indicated a copy of the announcement was included in the agenda.

SAFETY NATIONAL ATTENTION & DISTRACTION DRIVER TRAINING: Executive Director advised the agenda included a copy of a letter from Mr. Prince to Commissioner Scannella regarding the Safety National Attention and Distraction Driver Training Course. Mr. McHale explained the course took approximately 20 to 30 minutes and a certificate would print out at the end of the session. Mr. McHale indicated the class focused on the importance of not eating, texting, or using your cell phone while driving. Mr. McHale mentioned another on line training program which was rolled out several months ago called S:ERVE. Mr. McHale explained this program focused on how to safely navigate through an intersection for emergency responders. Mr. McHale noted his office would send a reminder e-mail to everyone regarding this program. The Executive Director advised that these courses provided by CEL Insurers were free to the membership.

FINANCIAL DISCLOSURE FORM: Executive Director reported the Department of Community Affairs, (DCA) advised they did not recognize the Commissions as JIF's so the Commissioner's position with Insurance Commission filings is that they should be part of the County's roster. Executive Director also reported the DCA confirmed the 2014 Financial Disclosure Form was for the 2013 calendar year and since the Insurance Commission was not established in 2013 the filing would not apply.

BORDEN PERLMAN SALISBURY & KELLY'S RECOMMENDATIONS FOR INSURANCE: Executive Director reported the agenda included a response from Mr. Nolan, the CEL Underwriting Manager, answering Mr. Borden's coverage questions. Mr. Borden advised he would discuss further during his report.

2015 RENEWALS: Executive Director reported the CEL Underwriting Manager would be working with Mr. Borden and the County to obtain the underwriting information for the 2015 renewal. Executive Director also advised the Claims Department of Conner Strong & Buckelew would partner with Mr. Borden's office to obtain the historical loss data.

MEDICARE REGISTRATION 47487: Executive Director reported his office was working with Gould & Lamb, LLC to finish the 2nd part of the Medicare Registration. Ms. Dodd advised Medicare was sending the documents to Ms. Doner of PERMA to review for accuracy. In response to Commissioner Scannella's inquiry, Ms. Dodd advised she was working with Ms. Stout on the registration.

Executive Director advised that concluded his report unless anyone had any questions.

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Chairman Mair advised the Treasurer was not present. Chairman Mair advised the May Bill List, Resolution 27-14 and the June Bill List, Resolution 28-14, were included in the agenda.

**MOTION TO APPROVE RESOLUTION 27 -14, MAY BILL LIST AND
RESOLUTION 28-14, JUNE BILL LIST**

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

ATTORNEY: My Sypek advised he did not have a formal report.

CLAIMS SERVICE:

Executive Director advised Resolution 29-14, Disclosure of Liability Claims Check Register was included in the agenda along with copies of the reports for April & May. Ms. Dodd noted there were some checks issued in April and were outlined on the report.

**MOTION TO APPROVE RESOLUTION 29-14 AUTHORIZING
DISCLOURE OF LIABILITY CLAIMS CHECK REGISTER**

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

CEL SAFETY DIRECTOR: Mr. Prince reviewed the April – July Risk Control Activity Report which was included in the agenda. Mr. Prince also noted at the last meeting he was requested to investigate two claims, one at the Parks Department and the other at the Board of Social Services. Mr. Prince reviewed some of the facts revealed from his investigation. Mr. Prince noted he was scheduling loss control visits to the Airport, Department of Transportation, and the Parks Department. Chairman Mair noted there was some confusion with the J. A. Montgomery contract;

however it would be discussed at the next Freeholder meeting in July. Chairman Mair indicated he did discuss the subject with the Freeholder Director.

RISK MANAGER CONSULTANT: Mr. Borden advised he had some discussions with Commissioner Scannella regarding boats at the Mercer County Lake and he indicated there were four boats scheduled with Hull Insurance for liability. Mr. Borden reported the canoe and kayaks were automatically covered under the general liability and he was waiting for confirmation from Ms. Williamson of Conner Strong & Buckelew. Mr. Borden advised it was his interpretation if they were less than 26 ft. and not powered they were covered. Mr. Borden also advised there were discussions on insuring the horses and dogs. It was agreed the horses would not be insured and the sheriff's dogs were fine on mortality because they go home. Mr. Borden indicated they were still accessing the blood hounds which are housed at the airport. Mr. Borden advised he had not received the property policy yet only the specimen policy and would review the coverages once he received the original policy. In response to Mr. Borden's inquiry about the loss runs for the Improvement Authority, Mr. Miller advised Jen West should have his loss run information. Mr. Borden advised after he had critiqued the policies he had had several questions and comments. In response to Mr. Nolan's comments to request the changes at renewal, Mr. Borden did not feel comfortable with three of the items. Mr. Borden advised he would contact Mr. Nolan about endorsing the crime policy to the loss discovered form, adding the County of Mercer to the Employed Nurses policy, (Healthcare Professional) and the ADA sublimit coverage on the Public Official Liability Policy.

Correspondence Made Part of Minutes.

OLD BUSINESS: In response to Chairman Mair's inquiry, Commissioner Scannella advised she received all of the contracts, except the Executive Director's. Commissioner Scannella indicated there was some language within the contract she needed to discuss with Mr. Hrubash.

Chairman Mair advised the County has taken over from Capitol Health Services the dispatch of Emergency Medical Services. Chairman Mair indicated they provided those service themselves, there were no EMT on staff, they simply radio and dispatch. The transition will be effective July 1. Mr. Borden advised Mr. Hrubash sent the applicable contracts to him to review. A discussion ensued on the details of the services. Executive Director recommended Mr. Borden discuss the coverages with Ms. Williamson of Conner Strong & Buckelew as soon as possible as the July 1st date was fast approaching. Executive Director also suggested Mr. Borden have a conversation Ms. Williamson about a retroactive date to May 19th explaining there was an indemnification in place until the contracts were signed.

NEW BUSINESS: Chairman Mair advised the County was doing their diligence in considering if whether they would continue with the State Health Benefit Plan. Chairman Mair indicated once they knew what the premium increase was they would then price out some other options. Executive Director noted the Commission By-Laws allowed for health insurance under the Commission. Chairman Mair advised it was discussed early on, however the numbers did not make sense, but they were checking them again. Executive Director recommended Chairman Mair contact Mr. Joe DiBella of Conner Strong & Buckelew.

In response to Mr. Borden's inquiry, Executive Director advised the Improvement Authority would not have voting authority at the Commission meetings. Executive Director explained only the County Commissioners would vote, however, Ms. Ortiz would be able to vote at the Claims and Safety Committee meetings.

PUBLIC COMMENT:

MOTION TO OPEN MEETING TO THE PUBLIC

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

Seeing no 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:	3 Ayes, 0 Nays

CLOSED SESSION: RESOLUTION 30-14, EXECUTIVE SESSION FOR THE PURPOSE AS PERMITTED BY THE OPEN PUBLIC MEETINGS ACT, MORE SPECIFICALLY TO DISCUSS PARS RELATED TO PENDING OR ANTICIPATED LITIGATION AS IDENTIFIED IN THE LIST OF CLAIMS PREPARED BY THIRD PARTY CLAIM ADMINISTRATOR INSERVCO INSURANCE SERVICES, INC. AND ATTACHED TO THIS AGENDA.

MOTION TO APPROVE RESOLUTION 30-14 FOR EXECUTIVE SESSION

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

MOTION TO RETURN TO OPEN SESSION

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

Commissioner Scannella advised she would make a motion to approve the two PARS that were discussed during closed session.

MOTION TO APPROVE THE TWO PARS THAT WERE DISCUSSED DURING CLOSED SESSION

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

Ms. Stout introduced Terry Sheerin of Inservco who would be taking on the role of the Liability Team Leader. Ms. Sheerin would replace Steve Daveggia who took on another role with the company.

Executive Director advised Inservco just reported there was one more claim they needed to discuss which required an additional payment authority request. Mr. Spyek indicated the notice for executive session stated additions and or deletions may change without further notice, so he recommended the Commission reconvene to closed session.

MOTION TO RECOVENE TO CLOSED SESSION

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

MOTION TO RETURN TO OPEN SESSION

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

MOTION TO APPROVE #0138 IN THE AMOUNT OF \$150,000

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

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 11:30 AM

Minutes prepared by:
Cathy Dodd, Assisting Secretary