

**MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – January 25, 2016
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
K. Megan Clark Hughes	Present
Raissa Walker	Absent

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
Claims Service	Inservco Insurance Services, Inc. Nancy Fowlkes Keith Platt Matthew Baron Conner Strong & Buckelew
Managed Care Services	First MCO
Risk Management Consultant	Borden Perlman Salisbury & Kelly Doug Borden
Attorney	Paul Adezio, Esq.
Treasurer	
Safety Director	J.A. Montgomery Risk Control Glenn Prince

ALSO PRESENT:

Susan Schaefer, Susan Schaefer, LLC
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN & CLOSED MINUTES OF JANUARY 7, 2016

MOTION TO APPROVE THE OPEN MINUTES OF JANUARY 7, 2016

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

MOTION TO APPROVE THE CLOSED MINUTES OF JANUARY 7, 2016

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

CORRESPONDENCE: None

SAFETY COMMITTEE: Mr. Prince reported the next Safety Committee meeting was scheduled for February 17th and would be attended by his associate, Mr. Barry Sloane. Mr. Prince advised Tool Box Talks would be distributed along with weather related topics. Chairman Mair reported the County had initiated an active shooter program in the building. Chairman Mair advised the program would be conducted by certified Sheriff Officers and asked Mr. Prince if he had any input or material that would be helpful to the program. In response to Mr. Prince’s inquiry, Chairman Mair indicated to contact Mr. Harbourt and his office could provide his contact information.

CLAIMS COMMITTEE: Executive Director advised Ms. Batchelor was not present; however the Claims Committee did meet prior to the Commission meeting and discussed four PARS that would be presented during closed session.

EXECUTIVE DIRECTOR REPORT: Executive Director reported this was the 2016 Reorganization Meeting of the Commission.

REORGANIZATION RESOLUTIONS: Executive Director referred to Resolutions 5-16 through 13-16 which were included in the agenda. Executive Director advised he would review the documents with Commission and then request approval of the Resolutions with one motion.

- Resolution 5-16 Appointing MCIFC Commissioners
- Resolution 6-16 Appointing CEL Commissioner
- Resolution 7-16 Appointing Treasurer
- Resolution 8-16 Appointing Commission Attorney
- Resolution 9-16 Designating Authorized Depositories for Fund Assets

In response to Chairman Mair’s inquiry, Executive Director advised TD Bank was designated as the bank when the Commission was formed. Chairman Mair indicated he would like to evaluate the use of TD Bank, and noted he would approve the resolution as it was broad and allowed for any other bank.

- Resolution 10-16 Designating Authorized Signatures for Commission Bank Account
- Resolution 11-16 Designating Custodian of Records
- Resolution 12-16 Designating Official Newspapers
- Resolution 13-16 Establishing Cash Management Plan

Executive Director advised he was working with the CEL Underwriting Manager to update the 2016 Risk Management Plan Resolution. Executive Director noted the resolution would be ready for review and approval at the February meeting.

Executive Director asked if anyone had any other questions or comments regarding the Reorganization Resolutions and requested a motion to approve Resolutions 5-16 through 13-16.

MOTION TO APPROVE REORGANIZATION RESOLUTIONS NUMBER 5-16 THROUGH 13-16 AS A BLOCK

Moved:	Commissioner Hughes
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 January 1, 2016 to January 18, 2016. There were eighteen (18) certificates of insurances issued during this period. Executive Director asked if there were any questions and requested a motion.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

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

NJ EXCESS COUNTIES INSURANCE FUND (CELJIF): Executive Director reported the CEL 2016 Reorganization meeting was scheduled for February 25, 2016 at 1:00 PM.

MCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACKS: Executive Director advised the November 30, 2015 monthly Financial Fast Track was included in the agenda. The Commission had a surplus of \$2,316,779 as of November 30, 2015. Executive Director also referred to line 9 of the report, “Investment in Joint Venture” and indicated \$272,267 of the surplus was the MCIFC’s share of the CEL JIF equity. Executive Director noted the total cash balance was \$498,920.

NJ CEL PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the November Financial Fast Track was included in the agenda. Executive Director advised as of November 30, 2015 the Fund had a surplus of \$5,086,463 and a total cash figure of \$17,340,929. Executive Director advised the cash was decreased as the CEL issued a dividend to the Camden and Gloucester County Insurance Commissions for the 2010 Fund Year. Executive Director asked if anyone had any questions regarding the Financial Fast Tracks.

CLAIMS TRACKING REPORTS: Executive Director reported the agenda included the claim monitoring reports as of December 31, 2015. Executive Director advised he reviewed the “Claims Activity Report” and noted there were 8 liability claims closed in 2014, 5 in 2015 and 12 worker compensation claims in 2015. Executive Director also reviewed the “Claims Management Report Expected Loss Ration Analysis” report. Executive Director advised this report was another method to determine how the Commission was operating. Executive Director advised the actual amount of claims for 2015 was 45.59% while the actuary projection was 64.12%. Executive Director asked if anyone had questions on the claim reports.

2016 EXCESS INSURANCE AND ANCILLARY COVERAGE POLICIES: Executive Director reported the CEL 2016 excess policies would be available in April electronically through the Conner Strong & Bucklew secure website for authorized representatives. Executive Director noted the CEL Underwriting Manager was reviewing the 2016 policies and would send an e-mail when the policies were available.

Executive Director advised that concluded his report unless anyone had any questions on any of the items discussed.

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Chairman Mair advised the Treasurer was not present. Chairman Mair advised the January Bill List, Resolution 14-16, was included in the agenda.

MOTION TO APPROVE RESOLUTION 14-16, JANUARY BILL LIST IN THE AMOUNT OF \$47,152.00

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

Executive Director advised the monthly Treasurer Reports were included in the agenda.

ATTORNEY: Mr. Adezio advised he did not have anything to report.

CLAIMS SERVICE:

Executive Director advised Resolution 15-16, Disclosure of Liability Claims Check Register, was included in the agenda along with a copy of the check register for the period of December 1, 2015 to December 31, 2015.

MOTION TO APPROVE RESOLUTION 15-16 AUTHORIZING DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTER

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

MANAGED CARE: Executive Director advised the Managed Care vendor was not present due to the inclement weather and he would review their report which was included in the agenda. Executive Director advised for the month of December there was a 35% savings and the network penetration was 78%. Executive Director noted the overall network penetration was 80% for 2015.

CEL SAFETY DIRECTOR: Mr. Prince reviewed the January - February Risk Control Activity Report which was included in the agenda. Mr. Prince referred to the Training Schedule and noted there were 20 instructor led programs scheduled for February. Mr. Prince advised last month he was requested to conduct a loss control visit to the new prosecutor's headquarters. Mr. Prince indicated the visit was scheduled for tomorrow, 1-26-16. Mr. Prince advised that concluded his report unless anyone had any questions.

RISK MANAGER CONSULTANT: Mr. Borden advised he did not have anything to report.

Correspondence Made Part of Minutes.

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT:

MOTION TO OPEN THE MEETING TO THE PUBLIC

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

CLOSED SESSION: Chairman Mair read and requested a motion to approve Resolution 16-16 authorizing a Closed Session to discuss PARS.

MOTION TO APPROVE RESOLUTION 16-16 FOR EXECUTIVE SESSION

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

MOTION TO RETURN TO OPEN SESSION

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

MOTION TO APPROVE THE PARS/SARS DISCUSSED IN CLOSED SESSION

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

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 10:51 AM

Minutes prepared by:
Cathy Dodd, Assisting Secretary