

MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – November 23, 2015
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	Present

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 Danielle Batchelor
Managed Care Services	First MCO Thomas Mooney
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:

Thomas J. Walls, Jr. Capehart Scatchard, P.A.
Susan Schaefer, Susan Schaefer, LLC
Alma Ortiz, Mercer County Improvement Authority
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN & CLOSED MINUTES OF OCTOBER 26, 2015

MOTION TO APPROVE THE OPEN MINUTES & CLOSED MINUTES OF OCTOBER 26, 2015

Moved: Commissioner Hughes
Second: Commissioner Walker
Vote: 3 Ayes, 0 Nays

CORRESPONDENCE: None

SAFETY COMMITTEE: Mr. Prince reported the meeting of November 18th was cancelled and the next meeting was scheduled for December 16th.

CLAIMS COMMITTEE: Ms. Batchelor reported the Claims Committee met prior to the Commission meeting and reviewed 8 PARS that would be presented during closed session.

EXECUTIVE DIRECTOR REPORT: Executive Director advised he had one action item which was the introduction of the 2016 Property and Casualty Budget.

2016 PROPERTY AND CASUALTY BUDGET INTRODUCTION: Executive Director reported a revised budget was distributed at the start of meeting as there was a slight change. Executive Director advised a budget narrative was included in the agenda. Executive Director referred to the Claims portion of the budget and noted there was an increase in the worker compensation line as the self insured retention was changing from \$250,000 to \$300,000. Executive Director noted the 2016 Loss Funds accounts for 63% of the total budget. Executive Director indicated the Excess Premiums (not ancillary) paid to the NJ CEL decreased by 2.54% as the CEL was now attaching at \$300,000 for worker compensation coverage. Executive Director advised the expenses were previously reviewed by Chairman Mair and other County representatives who requested a few minor changes. Executive Director referred to lines 14-19 of the budget and reviewed the vendor expenses with the Commission. Executive Director referred to the Ancillary Coverages portion of the budget and pointed out that line 35, Excess Liability, included a different figure than the pre finance meeting and advised the 3% increase was estimated. Executive Director advised the Risk Manager was in the process of working with the County and CEL Underwriting Manager on the Pollution and Employed Lawyers Liability coverage. Executive Director reported the premiums could be added for budget adoption; however, the CEL Underwriting Manager was waiting for the completed applications. Executive Director also noted the Risk Manager was also working with the CEL Underwriting Manager for increased cyber limits. Executive Director noted there were two new coverages added to the budget, Excess Flood and Aviation. Executive Director advised the total 2016 budget amount was \$7,969,368 and there was an increase of 1.74 % over last year’s budget. Executive Director asked if anyone had any questions on the 2016 budget.

MOTION TO INTRODUCE THE 2016 PROPERT AND CASUALTY BUDGET IN THE AMOUNT OF \$7,969,368 AND SCHEDULE A PUBLIC HEARING ON DECEMBER 28, 2015 AT THE MERCER COUNTY MCDADE BUILDING, 640 S. BROAD STREET, TRENTON, NJ AT 10:30 AM

Moved: Commissioner Walker
Second: Commissioner Hughes
Vote: 3 Ayes, 0 Nays

ADDITIONAL COVERAGE: Executive Director advised the additional coverage item was discussed during the budget introduction.

CERTIFICATE OF INSURANCE REQUEST FORM: Executive Director reported there were no certificates issued for the period of October 19, 2015 to November 16, 2015.

NJ EXCESS COUNTIES INSURANCE FUND (CELJIF): Executive Director advised the CEL met on October 22, 2015 and a summary of the meeting was included in the agenda. Executive Director reported the CEL also held a public hearing on November 19th to adopt the 2016 budget. Executive Director reported the Fund Attorney would be issuing Request for Proposals for the Executive Director, Underwriting Manager and Safety Director as their contracts expired on February 25, 2016. The 2016 Reorganization meeting was scheduled for February 25, 2016 at 1:00 PM.

MCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACKS: Executive Director advised the September 30, 2015 monthly Financial Fast Track was included in the agenda. The Commission had a surplus of \$2,097,406 as of September 30, 2015. Executive Director also referred to line 8 of the report, "Investment in Joint Venture" and indicated \$261,428 of the surplus was the MCIFC's share of the CEL JIF equity.

NJ CEL PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the September Financial Fast Track was included in the agenda. Executive Director advised as of September 30, 2015 the Fund had a surplus of \$5,123,726 and a total cash figure of \$13,131,916. 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 October 31, 2015. Executive Director advised he reviewed the "Claims Activity Report" and did not see anything to be concerned about. Executive Director noted there were five worker compensation claims closed. Executive Director also reviewed the "Claims Management Report Expected Loss Ratio Analysis" report and noted for 2015 the actual amount of claims was 45.50% while the actuary projection was 42.52%. Executive Director asked if anyone had questions on the claim reports.

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 November Bill List, Resolution 46-15, was included in the agenda.

**MOTION TO APPROVE RESOLUTION 46-15, NOVEMBER BILL LIST
IN THE AMOUNT OF \$54,456.90**

Moved:	Commissioner Hughes
Second:	Commissioner Walker
Vote:	3 Ayes, 0 Nays

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

ATTORNEY: Mr. Adezio advised he was working with the Insurance and Property Division to present the professional service agreements to the Freeholders for their December 8th meeting.

CLAIMS SERVICE:

Executive Director advised Resolution 47-15, Disclosure of Liability Claims Check Register, was included in the agenda along with a copy of the check register for the period of October 1, 2015 to October 31, 2015.

**MOTION TO APPROVE RESOLUTION 47-15 AUTHORIZING
DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTER**

Moved:	Commissioner Hughes
Second:	Commissioner Walker
Vote:	3 Ayes, 0 Nays

MANAGED CARE: Mr. Mooney advised their report was included in the agenda and pointed out the network penetration has increased. Mr. Mooney thanked Ms. Fowlkes for her assistance with increasing the penetration.

CEL SAFETY DIRECTOR: Mr. Prince reviewed the October – November Risk Control Activity Report which was included in the agenda. Mr. Prince advised the Loss Control Reports for the Fluorescent Light Survey and County Court Houses were included in the Appendix II section of the agenda. Mr. Prince asked if anyone had any questions, then concluded his report.

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: Commissioner Hughes
Second: Commissioner Walker
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 Walker
Second: Commissioner Hughes
Vote: 3 Ayes, 0 Nays

CLOSED SESSION: Chairman Mair read and requested a motion to approve Resolution 48-15 authorizing a Closed Session to discuss PARS.

MOTION TO APPROVE RESOLUTION 48-15 FOR EXECUTIVE SESSION

Moved: Commissioner Hughes
Second: Commissioner Walker
Vote: 3 Ayes, 0 Nays

MOTION TO RETURN TO OPEN SESSION

Moved: Commissioner Hughes
Second: Commissioner Walker
Vote: 3 Ayes, 0 Nays

MOTION TO APPROVE THE TWO SARS DISCUSSED IN CLOSED SESSION

Moved: Commissioner Hughes
Second: Commissioner Walker
Vote: 3 Ayes, 0 Nays

MOTION TO APPROVE THE PARS DISCUSSED IN CLOSED SESSION

Moved: Commissioner Hughes
Second: Commissioner Walker
Vote: 3 Ayes, 0 Nays

Chairman Mair advised that the recent Loss Control Report for 209 S. Broad Street mentioned some conditions and wanted to report that he did receive a letter from Mr. Phillip Miller of the Improvement Authority that the building would be vacated by the end of December.

Chairman Mair also commented on the improper parking at the new Court House and advised he notified the Sheriff and Building and Grounds to keep the dumpster area clear.

MOTION TO ADJOURN:

Moved: Commissioner Walker
Second: Commissioner Hughes
Vote: 3 Ayes, 0 Nays

MEETING ADJOURNED: 10:56 AM

Minutes prepared by:
Cathy Dodd, Assisting Secretary