

**MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – June 27, 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	Present (<i>arrived 10:42 AM</i>)

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
Claims Service	Inservco Insurance Services, Inc. Nancy Fowlkes Keith Platt
	Conner Strong & Buckelew Danielle Batchelor
Managed Care Services	First MCO Kelly Royce
CEL Underwriting Manager	Conner Strong & Buckelew
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:

Alma Ortiz, Mercer County Improvement Authority
Thomas J. Walls, Jr., Capehart Scatchard, PA

Paul Adezio, Esq., Mercer County
Susan Schaefer, Susan Schaefer, LLC
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN & CLOSED MINUTES OF MAY 23, 2016

MOTION TO APPROVE THE OPEN & CLOSED MINUTES OF MAY 23, 2016

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

CORRESPONDENCE: NONE

SAFETY COMMITTEE: Mr. Prince reported the Safety & Accident Committee last met on June 14th and was scheduled to meet again on July 12th. Mr. Prince advised that concluded his report unless anyone had any questions.

CLAIMS COMMITTEE: Ms. Batchelor reported the Claims Committee met immediately prior to the Commission meeting today. Ms. Batchelor advised there were four PARS to present during closed session. Ms. Batchelor advised that concluded her report unless anyone had any questions.

EXECUTIVE DIRECTOR REPORT: Executive Director advised he had one action item for his report.

CERTIFICATE OF INSURANCE ISSUANCE REPORT: Executive Director reported on the Certificate of Insurance Report for the period of May 19, 2016 to June 19, 2016. There were two (2) 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:	Chairman Mair
Second:	Commissioner Hughes
Vote:	2 Ayes, 0 Nays

NJ EXCESS COUNTIES INSURANCE FUND (CELJIF): Executive Director reported the CELJIF met on June 23, 2016. Executive Director advised he did not have a written report, however would quickly summarize the two major items which were discussed. Executive Director reported a draft copy of the 2015 audit was presented, approved and filed with the Department of Insurance. Executive Director also indicated there were four Counties which were up for renewal as of January 1, 2017 and included Union, Ocean, Hudson, and Mercer. Executive Director noted the CEL would be sending the renewal documents to the Counties shortly. In response to Chairman Mair's inquiry, Executive Director advised it was a clean audit.

MCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACKS: Executive Director advised the April Financial Fast Track was included in the agenda. The Commission had a surplus of \$2,876,511 as of April 30, 2016. Executive Director also referred to line 10 of the report, “Investment in Joint Venture” and indicated \$433,857 of the surplus was the MCIFC’s share of the CEL JIF equity. Executive Director noted the total cash balance was \$599,559.

NJ CEL PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the April Financial Fast Track was included in the agenda. Executive Director advised as of April 30, 2016 the Fund had a surplus of \$5,647,549 and a total cash figure of \$17,556,245. Executive Director asked if anyone had any questions regarding the Financial Fast Tracks.

CLAIMS TRACKING REPORTS: Executive Director reported the Claims Activity report was included in the agenda as of May 31, 2016. Executive advised he reviewed the report and did not see any anomalies. Executive Director also reviewed the “Claims Management Report Expected Loss Ratio Analysis” report. Executive Director advised this report was another method to determine how the Commission was operating. Executive Director indicated he was pleased to report fund years 2014 and 2015 were continuing to run profitable and was also noted in the Financial Fast Track. Executive Director noted 2016 was off to a slow start as the actuary projection was 9%; however the actual amount was 27%. Executive Director indicated the concerns were the property and worker compensation losses. Executive Director indicated the Claims Administration verified there was an increase in claims so far in 2016. Executive Director asked if anyone had questions on the claim reports.

DISCLAIMER SIGNS AT COUNTY PARK FACILITIES: Executive Director reported a copy of the “Park at your own risk” signs were included in the agenda which the Commission had discussed at previous meetings.

REQUEST FOR PROPOSAL – AUDITOR: Executive Director advised the County issued the RFP for the 2015 Auditor Position and the responses were due on June 23, 2016. Mr. Adezio reported the County’s Purchasing Department would circulate a list of the responses that were received. Mr. Adezio noted the responses would be reviewed and evaluated by the Commissioners, with input from Commission Treasurer and Executive Director. Mr. Adezio advised once that was done a recommendation would be presented to the Freeholders for approval.

THE SCHOOL DISTRICT OF PHILADELPHIA: Executive Director reported the agenda included a letter from the School District of Philadelphia regarding a request made by the Mercer County Park Commission for evidence of liability insurance in order for grade school students to visit the Howell Living History Farm. Executive Director explained the School District of Philadelphia was self insured and it was typically difficult to obtain certificate of insurances. Executive Director noted their letter referred to the Tort Claims Act. After a brief discussion, Mr. Adezio noted the School did come out went to lunch and then decided to schedule the visit for another day. Commissioner Hughes advised they did bring a copy of the letter with them when they arrived. Executive Director also indicated it appeared they did not mandate student accident insurance covering injuries’ incurred at the school or in school activities. Chairman Mair advised a letter should be sent to the School District advising what was required for their visit. Executive Director advised there were markets for special event policies for the day and suggested the School look into purchasing this type of policy for the day. Mr. Borden advised the Commission program was structured the same way and the Commission issues certificate of insurances so the School

could still voluntarily issue. Mr. Borden also commented that the letter refers to the PA Tort Claim but felt it did not apply. Executive Director advised he agreed that a letter should be sent to the School advising they present some form of coverage or the facility would not be available.

POLLUTION COVERAGE: Executive Director reported the CEL Underwriting Manager advised that the insurance company provided a list of additional information that was needed. Mr. Borden advised he would reach out to Mr. Cooney for more clarification.

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 32-16, was included in the agenda.

MOTION TO APPROVE RESOLUTION 32-16, JUNE BILL LIST IN THE AMOUNT OF \$47,178.93

Moved:	Commissioner Hughes
Second:	Chairman Mair
Vote:	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:

It was noted that Commissioner Walker entered the meeting.

Executive Director advised Resolution 33-16, Disclosure of Liability Claims Check Register, was included in the agenda along with a copy of the check register for the period of May 1, 2016 to May 31, 2016.

MOTION TO APPROVE RESOLUTION 33-16 AUTHORIZING DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTER

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

MANAGED CARE: Ms. Royce advised she would review the Managed Care Report which was included in the agenda. Ms. Royce reported for the month of May provider bills were received in the amount of \$88,712 and First MCO re-priced the bills to \$47,169 for a savings of \$41,544 or 47%. Ms. Royce advised the PPO penetration for the month of May was 47%. Ms. Royce advised that concluded her report unless anyone had any questions.

CEL SAFETY DIRECTOR: Mr. Prince reviewed the May – June Risk Control Activity Report which was included in the agenda. Mr. Prince advised he conducted some accident investigation reports which he would discuss further in closed session. Mr. Prince advised that concluded his report unless anyone had any questions.

RISK MANAGER CONSULTANT: Mr. Borden advised he had nothing 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 Walker
Second:	Commissioner Hughes
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 31-16 authorizing a Closed Session to discuss PARS.

MOTION TO APPROVE RESOLUTION 34-16 FOR EXECUTIVE SESSION

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

MOTION TO RETURN TO OPEN SESSION

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

MOTION TO AUTHORIZE PAYMENT AUTHORITY REQUESTS DISCUSSED IN CLOSED SESSION

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

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 11:04 AM

Minutes prepared by:
Cathy Dodd, Assisting Secretary