

**MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – July 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
Lillian Nazzaro	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 Kelly Royce
CEL Underwriting Manager	Conner Strong & Buckelew
Risk Management Consultant	Borden Perlman Salisbury & Kelly Doug Borden
Attorney	Arthur Sypek, Esq.
Treasurer	
Safety Director	J.A. Montgomery Risk Control Glenn Prince

ALSO PRESENT:

Alma Ortiz, Mercer County Improvement Authority
Ana-Eliza T. Bauersachs, Esq., 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 JUNE 27, 2016

MOTION TO APPROVE THE OPEN & CLOSED MINUTES OF JUNE 27, 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 July 20th and there were a variety of accident investigations that were requested. Mr. Prince noted he would discuss those reports during closed session. Mr. Prince advised that concluded his report unless anyone had any questions.

CLAIMS COMMITTEE: Ms. Batchelor reported the Claims Committee did not meet prior to the Commission meeting today; however there were some payment authority requests to be presented during closed session. Ms. Batchelor advised it was time to start planning for the next New Jersey Counties Excess Joint Insurance Fund Best Practices Workshop. Ms. Batchelor indicated a conference call was scheduled for the beginning of August to discuss a date and to formulate the agenda and speakers. Ms. Batchelor advised more information would follow on the Workshop. 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 June 20, 2016 to July 20, 2016. There was one (1) certificate of insurance issued during this period. Executive Director asked if there were any questions and requested a motion to approve the report.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

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

NJ EXCESS COUNTIES INSURANCE FUND (CELJIF): Executive Director reported the CELJIF met on June 23, 2016 and referred to a summary report of the meeting which was included in the agenda. Executive Director advised Bowman & Company, LLP presented a draft copy of the 2015 Audit. Executive Director noted there were no findings. Executive Director also reported

there were four Counties scheduled to renew their membership with the Fund as of January 1, 2016 Union, Hudson, Ocean and Mercer.

NJCEJIF MEMBERSHIP: Executive Director advised Mercer County's three year membership in the CELJIF was expiring on December 31, 2016. Executive Director advised the applicable Resolution and Indemnity Agreement were sent to the County Administrator for execution on July 22nd.

ENTITY MEMBERSHIP IN THE INSURANCE COMMISSION: Executive Director also advised the three year membership for the entities of the Mercer County Insurance Fund Commission would expire on December 31, 2016. Executive Director noted the Fund office would mail the applicable Indemnity and Trust Agreement to the County and Improvement Authority for execution. Executive Director indicated each member entity would need to pass a resolution authorizing its membership in the Commission. Executive Director asked if anyone had any questions regarding the renewal membership. In response to Chairman Mair's inquiry regarding expanding the Commission to the schools, Executive Director advised he would discuss with Mr. Proctor.

MCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACKS: Executive Director advised the May Financial Fast Track was included in the agenda. The Commission had a surplus of \$3,172,475 as of May 31, 2016. Executive Director also referred to line 10 of the report, "Investment in Joint Venture" and indicated \$449,764 of the surplus was the MCIFC's share of the CEL JIF equity. Executive Director noted the total cash balance was \$596,738.

NJ CEL PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the May Financial Fast Track was included in the agenda. Executive Director advised as of May 31, 2016 the Fund had a surplus of \$5,779,624 and a total cash figure of \$17,002,755. Executive Director asked if anyone had any questions regarding the Financial Fast Tracks.

2017 RENEWAL: Executive Director advised on July 15th the Fund Office sent the NJCE FY 2017 Renewal Data Schedules to the County and Improvement Authority to update for the renewal. Copies were also sent to the Commission Risk Manager. Executive Director noted the updated documents should be returned to Ms. Dodd via e-mail by Monday, August 22, 2016. Executive Director reported the Fund Office would be sending out the renewal applications for the ancillary lines of coverage shortly. Executive Director asked that the documents be returned promptly so the budget process could be started. In response to Chairman Mair's inquiry, Executive Director advised an e-mail was sent to Ms. Hughes with a copy to Mr. Borden.

REQUEST FOR PROPOSAL – 2015 AUDITOR: Executive Director reported he had asked the Commissioners to review and evaluate the responses that were received regarding the 2015 Auditor position. Ms. Hughes advised she would meet with Mr. Miller and Ms. Walker. In response to Ms. Hughes' inquiry Ms. Dodd advised she would send Ms. Hughes a copy of the e-mail with that included the Executive Director's comments regarding the responses. Mr. Adezio indicated there was only one Freeholder meeting in August.

POLLUTION COVERAGE: Executive Director asked Mr. Borden if there was any update on the information needed for the pollution quote. Mr. Borden advised the task ahead was to inventory the AST's and UST's. Mr. Borden noted he was working with Ms. Hughes to reorganize the property schedule by department heads so Chairman Mair could send an e-mail to each department

to obtain their inventory. Mr. Borden indicated he was working closely with the CEL Underwriting Manager on the information that was needed to provide a quote.

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 July Bill List, Resolution 35-16, was included in the agenda.

MOTION TO APPROVE RESOLUTION 35-16, JULY BILL LIST IN THE AMOUNT OF \$989,692.02

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

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

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

CLAIMS SERVICE:

Executive Director advised Resolution 36-16, Disclosure of Liability Claims Check Register, was included in the agenda along with a copy of the check register for the period of June 1, 2016 to June 31, 2016.

MOTION TO APPROVE RESOLUTION 36-16 AUTHORIZING DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTER

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

MANAGED CARE: Ms. Royce advised she would review the Managed Care Report for the month of June and noted the agenda did not include the current information. Ms. Royce reported for the month of June provider bills were received in the amount of \$109,995 and First MCO re-priced the bills to \$65,537 for a savings of \$44,458 or 40%. Ms. Royce advised the PPO penetration for the month of June was 95%. Ms. Royce advised that concluded her report unless anyone had any questions. Executive Director asked Ms. Royce to send his office a copy of the updated report.

CEL SAFETY DIRECTOR: Mr. Prince reviewed the June - July Risk Control Activity Report which was included in the agenda. Mr. Prince advised as previously stated, he would review three accident reports 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 Hughes
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 Hughes
Second: Chairman Mair
Vote: 3 Ayes, 0 Nays

CLOSED SESSION: Chairman Mair read and requested a motion to approve Resolution 37-16 authorizing a Closed Session to discuss PARS.

MOTION TO APPROVE RESOLUTION 37-16 FOR EXECUTIVE SESSION

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

MOTION TO RETURN TO OPEN SESSION

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

MOTION TO AUTHORIZE PAYMENT AUTHORITY REQUESTS DISCUSSED IN CLOSED SESSION

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

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 10:51 AM

Minutes prepared by:
Cathy Dodd, Assisting Secretary