

**MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – September 29, 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 Sureatha Hobbs
	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
Thomas J. Walls, Jr., 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 AUGUST 22, 2016

MOTION TO APPROVE THE OPEN & CLOSED MINUTES OF AUGUST 22, 2016

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

CORRESPONDENCE: NONE

SAFETY COMMITTEE: Mr. Prince reported the Safety & Accident Committee last met on August 24th and the next meeting was scheduled for October 19th. Mr. Prince noted at the October meeting his associate Mr. Sloane would distribute electronically some of the newly drafted Safety Director Bulletins addressing slips, trips, and falls in the workplace, entering workplace vehicles, proper traction and footwear. Mr. Prince advised the Committee would also discuss types of claims that historically occur with the cold weather approaching.

CLAIMS COMMITTEE: Ms. Batchelor reported the Claims Committee met prior to the Commission to discuss eleven payment authorization requests that would be discussed during closed session along with a claim for informational purposes. Ms. Batchelor advised that concluded her report unless anyone had any questions.

EXECUTIVE DIRECTOR REPORT: Executive Director advised he had one action item in his report and several informational items.

CERTIFICATE OF INSURANCE ISSUANCE REPORT: Executive Director reported on the Certificate of Insurance Report for the period of August 15, 2016 to September 20, 2016. There were five (5) certificates of insurances issued during the 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: Commission Nazzaro
Vote: 3 Ayes, 0 Nays

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND – JOINT INSURANCE CLAIMS COMMITTEES BEST PRACTICES WORKSHOP MEMBERSHIP: In response to Chairman Mair’s inquiry regarding the attendees for the workshop Ms. Batchelor advised e-mail invitations were scheduled to be sent out shortly. Ms. Batchelor indicated the County could invite other individuals as well. Ms. Batchelor noted usually HR, Department Heads and the TPA’s

attended the workshop. Executive Director advised Commissioners and General Counsel are also welcome. Executive Director noted there would be a speaker discussing Information and Security Risk Assessment and suggested someone from the County's IT Department attend. Ms. Batchelor reported the date of the workshop was November 2nd and would be held at the Conner Strong & Bucklew office in Marlton. Ms. Batchelor advised other speakers would discuss Policies and Strategies to Prevent, Identify and Address Employment Discrimination, Harassment Bullying and Violence in the Workplace, an Active Shooters presentation and Using Social Media as a Claims Investigative Tool.

NJ EXCESS COUNTIES INSURANCE FUND (CELJIF): Executive Director reported the CELJIF met on September 22, 2016 and a summary report of the meeting was included in the agenda. Executive Director noted the CEL would introduce their 2017 Budget on October 27th and Budget Adoption was scheduled for November 17th. Executive Director stated a sub committee meeting was scheduled on October 17th to review the budget presentation. Executive Director indicated once the CEL budget was presented the Mercer County Insurance Fund Commission budget could be prepared.

MCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACKS: Executive Director advised the July Financial Fast Track was included in the agenda. The Commission had a surplus of \$3,738,621 as of July 31, 2016. Executive Director also referred to line 10 of the report, "Investment in Joint Venture" and indicated \$524,036 of the surplus was the MCIFC's share of the CEL JIF equity.

NJ CEL PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the July Financial Fast Track was included in the agenda. Executive Director advised as of July 31, 2016 the Fund had a surplus of \$6,196,031 and a total cash figure of \$16,070,245. Executive Director asked if anyone had any questions regarding the Financial Fast Tracks.

CLAIM TRACKING REPORTS: Executive Director advised the Claims Tracking Reports for the month of August was included in the agenda. Executive Director reported he reviewed the Claim Activity Report and did not find any anomalies for the month. Executive Director reviewed the Claims Management Report Expected Loss Ratio Analysis report and stated the Commission was running better than the actuarial projection's for all three years.

2017 RENEWAL APPLICATION AND UPDATED EXPOSURE INFORMATION: Executive Director reported the 2017 property and casualty budget was reliant on a number of factors including the updated renewal applications and exposure data. Executive Director advised the CEL Underwriting Manager was still waiting for a few of the completed applications and asked that they be returned as soon as possible.

2015 COMMISSION AUDITOR: Executive Director reported it was his understanding the Freeholders re-appointed Bowman & Company, LLP as the 2015 Commission Auditor at their last Freeholder meeting. Chairman Mair and Mr. Sypek confirmed the re-appointment was made by the Freeholders.

MERCER COUNTY INSURANCE FUND COMMISSION MEMBERSHIP: Executive Director advised the Freeholders also executed the Indemnity and Trust Agreement and passed a resolution for the County to renew its membership in the Mercer County Insurance Fund Commission.

PROFESSIONAL SERVICE CONTRACTS: Executive Director reported the Service Contracts for the positions of Executive Director, Actuary, Claims Administrator and Risk Management Consultant were expiring on 12/31/16. Chairman Mair advised the County had posted the request for proposals on their website and expected them to be heard at the November Freeholder meeting. In response to the Executive Director's inquiry, Ms. Dodd advised copies were on the County website. Chairman Mair indicated he and Ms. Walker would grade the responses. Ms. Dodd advised she received an e-mail late yesterday afternoon from Amerihealth requesting loss runs. Executive Director indicated it sounded like they were planning to quote on the Third Party Administrator contract and needed the loss runs to do so. Chairman Mair noted they also received an extensive inquiry from PMA. Executive Director suggested the County should provide the loss data with the help of Ms. Batchelor. Executive Director expressed the importance of providing the same loss data to all of the firms that want wanted to respond.

DEFENSE ATTORNEY PANEL: Executive Director explained the other CEL Member Insurance Commissions have a Defense Attorney Panel which is renewed each year through an RFP process. Executive Director indicated he wanted to bring this to the Commissioners attention in the event they wanted to also consider this approach.

POLLUTION COVERAGE: Executive Director reported there was a revised pollution quote and asked Mr. Borden if he saw the quote. Mr. Borden replied he did see the quote; however it did not include any of the tanks as he was still working with the County on the inventory of the tanks. Chairman Mair advised yesterday he sent a request to all department heads to certify knowledge or no knowledge of the tanks. Ms. Hughes noted she did receive information from two departments and she would forward the information to Mr. Borden. Mr. Borden suggested the policy be effective January 1st and include the premium in the budget.

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 September Bill List, Resolution 41-16, was included in the agenda.

**MOTION TO APPROVE RESOLUTION 41-16, SEPTEMBER BILL LIST
IN THE AMOUNT OF \$44,890.20**

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

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

ATTORNEY: Mr. Sypek reported a tort claim notice was received on Monday for \$5million from a former Mercer County Park Commission employee. Mr. Sypek advised an internal investigation would be conducted along with due diligence and he would keep everyone apprised. In response to Mr. Sypek's inquiry, Ms. Nazzaro advised the excess insurance carrier was notified. In response to Executive Director's inquiry, Mr. Sypek indicated it was a public document and related to the former Executive Director of the Parks Commission.

CLAIMS SERVICE:

Executive Director advised Resolution 42-16, Disclosure of Liability Claims Check Register, was included in the agenda along with a copy of the check register for the period of August 1, 2016 to August 31, 2016.

MOTION TO APPROVE RESOLUTION 42-16 AUTHORIZING DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTER

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

MANAGED CARE: Ms. Royce advised she would review the Managed Care Report for the month of August which was included in the agenda. Ms. Royce reported for the month of August provider bills were received in the amount of \$86,526 and First MCO re-priced the bills to \$53,777 for a savings of \$32,749 or 38%. Ms. Royce advised the PPO penetration for the month of August was 93%. Chairman Mair noted he was very pleased with the overall PPO penetration of 84%. Ms. Royce advised that concluded her report unless anyone had any questions.

CEL SAFETY DIRECTOR: Mr. Prince reviewed the August – September Risk Control Activity Report which was included in the agenda. Mr. Prince referred to a copy of a Loss Control Report which was included in Appendix II of the agenda for the Arm and Hammer Arena. Mr. Prince noted there were a few recommendations from his associate Mr. Sloane relating to some structural issues that should be addressed. Mr. Prince also advised he would discuss three accident investigation reports during closed session. Chairman Mair reported they were in the process of instituting active shooter training with a certified officer from the Sheriff’s Department. Chairman Mair noted at this point they were simply scheduling. Chairman Mair explained it was a three tier training, one a classroom setting, tabletop, and then a full blown simulation. Chairman Mair reported they were now installing hand rails at the ball park.

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 Nazzaro
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: Commissioner Nazzaro
Vote: 3 Ayes, 0 Nays

CLOSED SESSION: Chairman Mair read and requested a motion to approve Resolution 43-16 authorizing a Closed Session to discuss PARS.

MOTION TO APPROVE RESOLUTION 43-16 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/SETTLEMENT AUTHORITY REQUESTS DISCUSSED IN CLOSED SESSION

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

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 11:03 AM

Minutes prepared by:
Cathy Dodd, Assisting Secretary