

**MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – APRIL 27, 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 Terry Sheerin Matt Baron Keith Platt
Managed Care Services	Conner Strong & Buckelew Robyn Walcoff First MCO Thea Isabella
Risk Management Consultant	Borden Perlman Salisbury & Kelly
Attorney	Arthur J. Sypek, Jr., Esq. Paul Adezio, Esq.
Treasurer	
Safety Director	J.A. Montgomery Risk Control Glenn Prince

ALSO PRESENT:

Alma Ortiz, Mercer County Improvement Authority
Susan Schaefer, Susan Schaefer, LLC
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN & CLOSED MINUTES OF MARCH 23, 2015

MOTION TO APPROVE THE OPEN MINUTES & CLOSED MINUTES OF MARCH 23, 2015

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

CORRESPONDENCE: None

SAFETY COMMITTEE: Mr. Prince reported the Safety Committee last met on April 15, 2015 and his associate, Mr. Barry Sloane, attended the meeting. Mr. Prince advised the committee would meet again on May 20th.

CLAIMS COMMITTEE: Ms. Walcoff reported the Claims Committee met prior to the Commission meeting at 9:30 and several claims would be presented during closed session. Ms. Walcoff advised there was also a discussion on the recent property loss and Ms. Hughes had advised the contract for the reconstruction work would be awarded during the week. Ms. Walcoff also indicated she was trying to finalize the advanced payment from the insurance carrier. Ms. Walcoff advised the cause of the loss and the applicable deductible had not been determined yet and would follow up for mechanical engineer report.

EXECUTIVE DIRECTOR REPORT: Executive Director advised he had two action items for his report along with some informational items.

CERTIFICATE OF INSURANCE REQUEST FORM: Executive Director reported on the Certificate of Insurance Report for the period of March 17, 2015 to April 17, 2015. There were four (4) certificate of insurances issued during this period.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

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

2015 RISK MANAGEMENT PLAN REVISIONS: Executive Director referred to a copy of a Risk Management Plan which was included in Appendix II of the agenda. Executive Director advised the changes were highlighted in yellow and clarified the one occurrence wording in the

event of a CAT loss. Executive Director asked if anyone had any questions and requested a motion to adopt Resolution 20-15.

MOTION TO ADOPT RESOLUTION 20-15, AMENDMENT TO THE 2015 RISK MANAGEMENT PLAN

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

NJ EXCESS COUNTIES INSURANCE FUND (CELJIF): Executive Director reported the CEL met on April 23, 2015 and a summary report of that meeting would appear in the next agenda. Executive Director noted the CEL adopted a resolution authorizing the appointment of Citta, Holzapfel & Zabarsky, PA for Litigation Management Services. Executive Director advised the CEL also voted to handle their layer of retention in 12 month intervals for any multiple claims that occurred over two policy terms. Chairman Mair also advised there was a change in leadership for the CEL. Executive Director advised the Chairman of the CEL, Michael Smith, was leaving Burlington County to take on a position with the State. Executive Director advised Ross Angilella of Camden County was elected as the Chairman and the Secretary election was tabled until the next meeting.

MCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACKS: Executive Director advised the February 2015 monthly Financial Fast Track was included in the agenda. The Commission had a surplus of \$1,430,335 as of February 28, 2015. Executive Director also referred to line 8 of the report, "Investment in Joint Venture" and indicated \$292,065 of the surplus was the MCIFC's share of the CEL JIF equity.

NJ CEL PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the agenda included the Financial Fast Tracks for the NJ CEL for the months of January and February. As of February 28th the CEL had a surplus of \$5,802,522. Executive Director noted the CEL was monitoring eight or nine claims.

NEW CLAIMS TRACKING REPORTS: Executive Director reported the agenda included the two new claim monitoring reports as of March 31, 2015 which were introduced recently. Executive Director noted the "Claims Activity Report" indicated there were several new property claims opened for 2014 and 2015 and requested Inservco to research the new number of claims. Executive Director reviewed the "Claims Management Report Expected Loss Ratio Analysis" report and indicated the actual incurred amount was \$414,631 compared to the actuary projected amount of \$169,359. Executive Director pointed out that it was still early in the year and the 2014 fund year started out in the same manner.

2014 AUDITOR POSITION: Executive Director advised the County issued the RFP for the 2014 Auditor Position and the responses were due on April 24, 2015. Executive Director agreed he would take part in the review and evaluation of the responses.

2015 EXCESS INSURANCE AND ANCILLARY COVERAGE POLICIES: Executive Director reported the CEL Underwriting Manager distributed an e-mail providing the login information and instructions to access the Conner Strong & Buckelew website to view the insurance policies and endorsements. Executive Director advised if anyone was experiencing any

difficulty in accessing the site they should contact the PERMA office. Executive Director noted that Mr. Borden could not attend the meeting; however he did send a note advising he was reviewing the renewal policies.

MAY MEETING DATE: Executive Director reported a meeting was not scheduled for May due to Memorial Day, and suggested an alternate meeting date of May 28th at 10:30 AM. Ms. Hughes advised she would not be able to attend; however, Ms. Walker and Mr. Mair would be available to attend the meeting. Executive Director requested a motion to schedule the meeting.

MOTION TO SCHEDULE A MEETING ON MAY 28, 2015 AT 10:30 AM

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

Executive Director noted PERMA would advertise the meeting in the Commission's official newspapers.

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 April Bill List, Resolution 21-15, was included in the agenda.

MOTION TO APPROVE RESOLUTION 21-15, APRIL BILL LIST

Moved:	Commissioner Walker
Second:	Commissioner Hughes
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 however mentioned that he was familiar with the law firm of Citta, Holzapfel & Zabarsky and thought it was a good idea for the CEL to enlist their services. My. Sypek indicated at some point it might be wise for the Commission to consider using a Litigation Management Services.

CLAIMS SERVICE:

Ms. Sheerin reported her office would look into the increased number of property claims which the Executive Director mentioned earlier.

Executive Director advised Resolution 22-15, Disclosure of Liability Claims Check Register, was included in the agenda along with a copy of the check register for the period of March 1, 2015 to March 31, 2015.

MOTION TO APPROVE RESOLUTION 22-15 AUTHORIZING DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTER

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

MANAGED CARE: Ms. Isabella of First MCO advised she would review the Managed Care Report which was included in the agenda. Ms. Isabella reported for the month of March provider bills were received in the amount of \$122,276 and First MCO re-priced the bills to \$91,877 for a savings of \$30,299 or 25% with 81% PPO penetration. In response to Chairman Mair's inquiry regarding the PPO penetration it was agreed Ms. Isabella would visit with the County to discuss improving and controlling the PPO penetration.

CEL SAFETY DIRECTOR: Mr. Prince reviewed the March – May Risk Control Activity Report which was included in the agenda. Mr. Prince noted he received a request for sexual harassment training but advised this training was not offered, however, advised he could offer some alternative resources which he would research. Ms. Walcoff suggested checking with the EPL carrier for the training.

RISK MANAGER CONSULTANT: Executive Director noted as he mentioned earlier, Mr. Borden was in the process of reviewing the renewal policies.

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 23-15 authorizing a Closed Session to discuss PARS.

RESOLUTION 23-15, EXECUTIVE SESSION FOR THE PURPOSE AS PERMITTED BY THE OPEN PUBLIC MEETINGS ACT, MORE SPECIFICALLY TO DISCUSS PARS RELATED TO PENDING OR ANTICIPATED LITIGATION AS IDENTIFIED

IN THE LIST OF CLAIMS PREPARED BY THIRD PARTY CLAIM ADMINISTRATOR INSERVCO INSURANCE SERVICES, INC. AND ATTACHED TO THIS AGENDA.

MOTION TO APPROVE RESOLUTION 23-15 FOR EXECUTIVE SESSION

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

MOTION TO RETURN TO OPEN SESSION

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

MOTION TO APPROVE PAYMENT AUTHORITY FOR PARS DISCUSSED IN CLOSED SESSION

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

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 11:01 AM

Minutes prepared by:
Cathy Dodd, Assisting Secretary