

**MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – April 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	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 Thea Isabella
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
Susan Schaefer, Susan Schaefer, LLC
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN & CLOSED MINUTES OF MARCH 3, 2016

MOTION TO APPROVE THE OPEN & CLOSED MINUTES OF MARCH 3, 2016

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

CORRESPONDENCE: NONE

SAFETY COMMITTEE: Mr. Prince reported the Safety & Accident Committee would meet again on May 18th and his associate Mr. Barry Sloane would attend.

CLAIMS COMMITTEE: Ms. Batchelor reported the Claims Committee met prior to the Commission meeting today. Ms. Batchelor advised there were three PARS and one SAR 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 three action items for his report.

CEL UNDERWRITING MANAGER TEAM: Executive Director reported Tom Nolan, the CEL Underwriting Manager, was retiring on July 1, 2016. Executive Director advised Ed Cooney would replace Mr. Nolan and would work with Tim Friel and Alex DeLuccia who were also on the Underwriting Team.

ALTERNATE COMMISSIONER: Executive Director referred to two resolutions which were included in the agenda. Chairman Mair indicated the County Executive approved alternates to serve as Commissioners for the Fund and the CEL. Chairman Mair advised the Commission should approve the alternates and then the Freeholders would also pass a resolution. Executive Director reported Resolution 24-16 appointed Lillian Nazzaro, Esq. as the alternate Commissioner for the Mercer County Insurance Fund Commission and requested a motion to approve.

MOTION TO APPROVE RESOLUTION 24-16 APPOINTING LILLIAN NAZZARO, ESQ. AS AN ALTERNATE COMMISSIONER TO THE MERCER COUNTY INSURANCE FUND COMMISSION

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

Executive Director also advised Resolution 25-16 appointed Raissa Walker as the alternate Commissioner to the New Jersey Counties Excess Joint Insurance Fund and requested a motion to approve.

MOTION TO APPROVE RESOLUTION 25-16 APPOINTING RAISSA WALKER AS AN ALTERNATE COMMISSIONER TO THE NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND FOR THE FUND YEAR 2016

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

CERTIFICATE OF INSURANCE REQUEST FORM: Executive Director reported on the Certificate of Insurance Report for the period of March 17, 2016 to April 20, 2016. There were eight (8) 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:	Commissioner Walker
Second:	Commissioner Hughes
Vote:	3 Ayes, 0 Nays

NJ EXCESS COUNTIES INSURANCE FUND (CELJIF): Executive Director reported the CELJIF's next meeting was scheduled for Tuesday, April 26, 2016 at 1:00 PM. Executive Director advised a summary report of the meeting would appear in the next agenda. In response to Chairman Mair's comments regarding the formatting of the CEL agenda Executive Director advised he would discuss his concerns with Ms. Ghani.

MCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACKS: Executive Director advised the February Financial Fast Track was included in the agenda. The Commission had a surplus of \$3,217,130 as of February 29, 2016. Executive Director also referred to line 9 of the report, "Investment in Joint Venture" and indicated \$526,555 of the surplus was the MCIFC's share of the CEL JIF equity. Executive Director noted the total cash balance was \$587,394.

NJ CEL PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the February Financial Fast Track was included in the agenda. Executive Director advised as of February 29, 2016 the Fund had a surplus of \$6,395,498 and a total cash figure of \$10,076,785. 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 March 31, 2016. Executive Director advised he reviewed the "Claims Activity Report" and noted he did not see any anomalies. Executive Director noted there was some worker compensation claim activity for February and March. 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 noted in conjunction with the Financial Fast Tracks the Commission was showing a

surplus for the fund years of 2014, 2015, and 2016. Executive Director asked if anyone had questions on the claim reports.

POLLUTION COVERAGE: Executive Director reported the completed pollution application was sent to the CEL Underwriting Manager on April 15, 2016 to obtain a quote.

2016 EXCESS INSURANCE AND ANCILLARY COVERAGE POLICIES: Executive Director reported the CEL Underwriting Manager distributed an e-mail advising the policies were now available on the Conner Strong & Buckelew website. Executive Director noted the e-mail also included the login information and instructions on how to access the site. Executive Director advised if anyone had any difficulties they should contact Ms. Dodd for assistance.

2015 AUDIT: Executive Director advised the auditor was in the process of preparing the 2015 Fund Year Audit. Executive Director noted when the audit was completed, Mr. Jim Miles of Bowman & Company would be asked to attend the meeting to review his report with the Commission.

CONNER STRONG & BUCKELEW ANNOUNCEMENT: Executive Director referred to a copy of an announcement from Conner Strong & Buckelew which was included in the agenda. Executive Director advised the Holding Company for Conner Strong & Buckelew entered into a strategic alliance with Century Equity Partners to accelerate the firm's expansion strategy in the Northeast region. Executive Director noted there would be no change in the management of the company. In response to Chairman Mair's inquiry, Executive Director advised they received a legal opinion on the Executive Director, Safety and Underwriting Manager contracts and based on the type of transaction there was no need to make any changes on any contracts at this time.

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 26-16, was included in the agenda.

MOTION TO APPROVE RESOLUTION 26-16, APRIL BILL LIST IN THE AMOUNT OF \$54,554.11

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. Adezio advised he did not have anything to report.

CLAIMS SERVICE:

Executive Director advised Resolution 27-16, 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, 2016 to March 31, 2016.

**MOTION TO APPROVE RESOLUTION 27-16 AUTHORIZING
DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTER**

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

MANAGED CARE: Ms. Isabella 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 \$139,873 and First MCO re-priced the bills to \$78,468 for a savings of \$61,405 or 44%. Ms. Isabella advised the PPO penetration for the month of March was 93% which was excellent. Ms. Isabella advised that concluded her report unless anyone had any questions.

CEL SAFETY DIRECTOR: Mr. Prince reviewed the March - April Risk Control Activity Report which was included in the agenda. Mr. Prince referred to copies of the Safety Director Bulletin which was included in the agenda regarding the Comprehensive Playground Inspection Programs. Mr. Prince advised he had information for two online training programs for driver safety available to the law enforcement community. Mr. Prince reported S-Serve offered an Intersection Emergency Response Vehicle Training and also the Attention and Distracted Driving Module. Mr. Prince advised both training programs were available online and he would forward the instructions electronically to the supervisors. In response to the Executive Director's inquiry regarding the Board of Social Services, Mr. Prince indicated there were two loss control reports conducted by Mr. Sloane and there were some minor suggestions made for some improvements to prevent slip and fall accidents.

RISK MANAGER CONSULTANT: Mr. Borden reported he had two items to discuss. Mr. Borden advised he was notified under the Public Official Policy there was a bond exclusion that was being removed for some Counties/Commissions, however it would not be removed for Mercer County or the Improvement Authority. Mr. Borden indicated he did not see any issues with the bond exclusions. Mr. Borden advised he was in the process of reviewing the policies that were posted on the Conner Strong & Buckelew website. Mr. Borden reported so far he had an opportunity to review the Public Official policy and it included all of the changes he had requested last year. In response to Chairman Mair's inquiry, Mr. Borden advised he did discuss the bond exclusion with Ms. Nazzaro and she was OK with the exclusion.

Correspondence Made Part of Minutes.

OLD BUSINESS: Chairman Mair advised he had a few items to discuss and the first was a worker compensation case for Alan Longstreet which was discussed at the last meeting. Mr. Walls reported the motion was filed to reconsider the Court's decision. Chairman Mair reported there had been success with the Cushman vehicles. Chairman Mair advised all types of the Cushman vehicles now have safety equipment installed or was in the process of having the equipment installed.

NEW BUSINESS: Commissioner Walker advised she needed some clarification on an insurance claim issue. Executive Director advised further discussion regarding this claim should be discussed during closed session.

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 28-16 authorizing a Closed Session to discuss PARS.

MOTION TO APPROVE RESOLUTION 28-16 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 APPROVE THE PARS/SARS DISCUSSED IN CLOSED SESSION

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

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 10:41 AM

Minutes prepared by:

Cathy Dodd, Assisting Secretary