

**MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – January 24, 2022
Meeting Held Telephonically
10:30 AM**

Meeting was called to order by Chair Nazzaro. Mr. Thorpe read the Open Public Meetings notice into record.

ROLL CALL OF COMMISSIONERS:

Lillian Nazzaro, Esq.	Present
Raissa Walker	Present
K. Megan Clark Hughes	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
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Claims Service	Inservco Insurance Services, Inc. Nancy Fowlkes Amy Zeiders Richard Crooks
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Qual Lynx
Chris Roselli - Absent

PERMA
Jennifer Conicella
Robyn Walcoff

Managed Care Services	First MCO Alyssa Hrubash
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NJCE Underwriting Manager	Conner Strong & Buckelew Ed Cooney
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Risk Management Consultant	CBIZ Borden Perlman Doug Borden Diane Pursell Aricka Simms
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Attorney	Paul Adezio, Esq.
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Safety Director	J.A. Montgomery Consulting Glenn Prince
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ALSO PRESENT:

Jackie Tolbert, Mercer County Improvement Authority
Susan Schaefer, Susan Schaefer, LLC
Ana-Eliza Bauersachs, Esq., Capehart Scatchard
Cathy Dodd, PERMA Risk Management Services
Jason Thorpe, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN AND CLOSED MINUTES OF DECEMBER 20, 2021

MOTION TO APPROVE THE OPEN AND CLOSED MINUTES OF DECEMBER 20, 2021

Moved: Commissioner Walker
Second: Commissioner Hughes
Vote: Unanimous

CORRESPONDENCE: None

SAFETY COMMITTEE: Mr. Prince reported that the Safety and Accident Review Committee met on December 16th and discussed a variety of topics, including training, safety, and loss control visits. Mr. Prince advised that the next meeting is scheduled for January 26, 2022. With no questions, Mr. Prince concluded his report.

CLAIMS COMMITTEE: Ms. Conicella reported the Claims Committee did not meet, however the PARs and SARs would be presented during closed session via a Zoom breakout room. Ms. Conicella reported that Governor Murphy reenacted the State of Emergency for COVID, which began January 11. Ms. Conicella advised the reenactment reinstates the essential employee presumption that if an employee contracts COVID, it was done so while working. Ms. Conicella noted that the Claims Administrator is working hard to investigate all COVID claims to determine whether they are compensable. With no questions, Ms. Conicella concluded her report. Chair Nazzaro said she received an email from the President of 167 Correctional Officers PBA advising her of State of Emergency being reenacted for COVID and thanked Ms. Conicella for reporting on the matter.

EXECUTIVE DIRECTOR REPORT: Executive Director advised his report was included in the agenda and there were a number of action items.

REORGANIZATION RESOLUTIONS: Executive Director referred to the Reorganization Resolutions which were included in the agenda. Executive Director said with the Chair’s permission, he would review the Resolutions and then ask to approve the resolutions as a consent.

- Resolution 1-22 Appointing MCIFC Commissioners
- Resolution 2-22 Appointing NJCE Commissioner & Alternate
- Resolution 3-22 Appointing Treasurer
- Resolution 4-22 Appointing Commission Attorney
- Resolution 5-22 Designating Authorized Depositories for Fund Assets
- Resolution 6-22 Designating Authorized Signatures for Commission Bank Account
- Resolution 7-22 Designating Custodian of Records
- Resolution 8-22 Designating Official Newspapers
- Resolution 9-22 Establishing Cash Management Plan
- Resolution 10-22 Authorizing Commission Treasurer to Process Payments & Expenses
- Resolution 11-22 Utilizing Mercer County Approved Counsel

Executive Director asked if there are any questions on the resolutions. Hearing none, Executive Director asked for a motion approve the resolutions as a consent.

MOTION TO APPROVE REORGANIZATION RESOLUTIONS NUMBER 1-22 THROUGH 11-22

Moved:	Commissioner Walker
Second:	Chair Nazzaro
Roll Call Vote:	Unanimous

2022 MCIFC MEETING DATES: Executive Director referred to a copy of the 2022 Annual Meeting Schedule which was included in the agenda. Executive Director advised there were no meetings for March, May, June, August and November. Executive Director said if the Commissioners agreed with the meeting schedule, Resolution 12-22, adopting the meeting dates for 2022 was included in the agenda and requested a motion.

MOTION TO ADOPT RESOLUTION 12-22, FIXING PUBLIC MEETING DATES FOR THE YEAR 2022

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Vote:	Unanimous

2022 PROPERTY & CASUALTY BUDGET: Executive Director reported that during the December 20, 2021 Commission Meeting the 2022 Property & Casualty Budget was introduced. Executive Director noted the budget was advertised in the Commission's official newspapers. Executive Director said the Public Hearing for the budget was today. Executive Director referred to a copy of the budget enclosed within the agenda. Executive Director reported the budget was in the amount of \$6,849,776 and there were no changes to the budget since introduction. Executive Director noted a copy of the assessments were also included in the agenda.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2022 PROPERTY & CASUALTY BUDGET

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Roll Call Vote:	Unanimous

Executive Director asked if there were any questions on the budget or assessments. Hearing none, Executive Director asked for a motion to close the Public Hearing.

MOTION TO CLOSE THE PUBLIC HEARING

Moved:	Chair Nazzaro
Second:	Commissioner Walker
Vote:	Unanimous

**MOTION TO ADOPT THE PROPERTY & CASUALTY BUDGET FOR
MERCER COUNTY INSURANCE FUND COMMISSION FOR THE 2022
YEAR AND CERTIFY THE 2022 ASSESSMENTS**

Moved: Chair Nazzaro
Second: Commissioner Walker
Roll Call Vote: Unanimous

CERTIFICATE OF INSURANCE REPORTS: Executive Director referred to a copy of the certificate of insurance issuance reports from the NJCE listing certificates issued during the month of December enclosed within the agenda. Executive Director advised there was one (1) certificate issued in December. Executive Director asked if anyone had any questions on the report. Hearing none, Executive Director asked for a motion to approve the report.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

Moved: Chair Nazzaro
Second: Commissioner Walker
Vote: Unanimous

MCIFC DIVIDEND – Executive Director reported that during the December 20, 2021 Commission meeting, dividend options were presented to the Commission. Executive Director reported that Chair Nazzaro has discussed the dividend with the Commission Treasurer and they are recommending dividend option # 1 for \$500,000. Executive Director advised that the dividend will appear as a credit on the 2022 assessment billing and will be applied to the outstanding receivable. Executive Director referred to Resolution 13-22 and asked if there were any questions. Hearing none, Executive Director asked for a motion authorizing the return of the 2021 dividend.

**MOTION TO ADOPT RESOLUTION #13-22 AUTHORIZING A TOTAL
RETURN DIVIDEND OF \$500,000 AND APPLY IT TO THE
OUTSTANDING RECEIVABLE**

Moved: Commissioner Walker
Second: Commissioner Hughes
Roll Call Vote: Unanimous

NJ EXCESS COUNTIES JOINT INSURANCE FUND (NJCE) – Executive Director reported that the NJCE Finance Committee met on December 13th to review the status of the 2022 renewal. Executive Director reported that the NJCE met on December 16, 2021 and adopted the 2022 budget. Executive Director referred to a written summary report of the meeting enclosed within the agenda. Executive Director advised that the NJCE will hold its 2022 Reorganization Meeting on Thursday, February 24, 2022.

MCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACK – Executive Director referred to the Financial Fast Track for the month of October enclosed within the agenda. Executive Director reported that as of October 31, 2021, the Commission has a surplus of \$10,099,971. Executive Director advised that line 10 of the report “Investment in Joint Venture” is Mercer County Insurance Fund Commission’s share of equity in the NJCE. Executive Director noted that MCIFC’s equity in the NJCE as of October 31, 2021 is \$1,179,827 and advised that the total cash balance is \$3,166,459.

NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK - Executive Director referred to the NJCE Financial Fast Track for the month of October. Executive Director reported that as of October 31, 2021 the Fund has a surplus of \$13,399,622. Executive Director advised that Line 7 of the report, “Dividend” represents the dividend figure released by the NJCE of \$5,107,551 and noted that the NJCE cash balance is \$31,702,239.

CLAIMS TRACKING REPORTS - Executive Director advised the Claims Tracking Reports as of October 2021 were included in the agenda. Executive Director referred to the Expected Loss Ratio report and advised this report compared how the Commission was performing versus the actuary’s projections. Executive Director reported that the Commission is performing better than the actuary projections in multiple years which has led to a sufficient amount of surplus. Executive Director reviewed the reports with the Commission and advised that 2021 is running a deficit and noted that the deficit is likely the result of COVID claims.

2022 NJCE EXCESS RENEWAL OVERVIEW AND CHANGES – Executive Director reported that the Underwriting Manager has completed the 2022 renewal marketing and there are a number of changes. Executive Director advised that the changes are summarized in the renewal overview enclosed within the agenda and asked the Underwriting Manager to provide comments. Mr. Cooney reported that the insurance market is still in a tough place but noted that the CEL Program renewal did very well considering the circumstances in the marketplace. Mr. Cooney reported that two Zoom webinars are being scheduled in the upcoming weeks to provide an overview of the overall renewal.

With no questions, Executive Director concluded his report.

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Chair Nazzaro advised the January Bill List, Resolution 14-22 was included in the agenda.

MOTION TO APPROVE RESOLUTION 14-22, JANUARY BILL LIST

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Roll Call Vote:	Unanimous

ATTORNEY: Mr. Adezio advised he did not have anything to report for the month.

CLAIMS SERVICE: CLAIMS ADMINISTRATOR – Chair Nazzaro advised Resolution 15-22, Disclosure of Liability Claims Check Registers were included in the agenda along with a copy of the check register for December 1, 2021 through December 31, 2021.

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

Moved:	Commissioner Walker
Second:	Chair Nazzarro
Roll Vote:	Unanimous

MANAGED CARE: Ms. Hrubash advised she would review First MCO’s report, which was included in the agenda for the year 2021. Ms. Hrubash provided the below information:

Month	Provider Bill Amount	Repriced Amount	Savings	Percentage of Savings	Number of Bills	In Network Bills	Net Savings	PPO %
Jan - Dec 2021	\$ 2,354,049	\$ 1,211,244	\$ 1,142,805	49%	1,008	936	\$ 914,243	93%

With no questions, Ms. Hrubash concluded her report.

NJCE SAFETY DIRECTOR: Mr. Prince referred to the Safety Director’s report for December through January enclosed within the agenda. Mr. Prince referred to the listing of all virtual trainings scheduled through the end of March enclosed within the agenda. Mr. Prince advised that any questions regarding trainings should be directed to him. With no questions, Mr. Prince concluded his report.

RISK MANAGER CONSULTANT: Ms. Pursell advised she did not have anything to report for the month.

Correspondence Made Part of Minutes.

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

CLOSED SESSION: Executive Director read and requested a motion to approve Resolution 16-22 authorizing a Closed Session to discuss PARS.

MOTION TO APPROVE RESOLUTION 16-22 FOR EXECUTIVE SESSION

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Vote:	Unanimous

MOTION TO APPROVE THE PARS/SARS AS REVIEWED DURING CLOSED SESSION

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Roll Call Vote:	Unanimous

MOTION TO ADJOURN:

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Vote:	Unanimous

MEETING ADJOURNED: 11:26 AM

Minutes prepared by:

Jason Thorpe, Assisting Secretary