

**MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – September 26, 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
Claims Service	Inservco Insurance Services, Inc. Nancy Fowlkes Richard Crooks
	Qual Lynx Chris Roselli
	PERMA Jennifer Conicella Shai McLeod
Managed Care Services	First MCO Mary Bresadola
NJCE Underwriting Manager	Conner Strong & Buckelew Ed Cooney
Risk Management Consultant	CBIZ Borden Perlman Doug Borden Diane Pursell
Treasurer	Dr. Sharon Sharp
Attorney	Paul Adezio, Esq.
Safety Director	J.A. Montgomery Consulting Glenn Prince Paul Shives

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
Dennis Skalkowski, Bowman & Co.

APPROVAL OF MINUTES: OPEN AND CLOSED MINUTES OF JULY 25, 2022

MOTION TO APPROVE THE OPEN AND CLOSED MINUTES OF JULY 25, 2022

Moved: Chair Nazzaro
Second: Commissioner Walker
Vote: 2 ayes, 0 nays
1abstention - Chair Nazzaro

CORRESPONDENCE: None

SAFETY COMMITTEE: Mr. Prince reported that the Safety and Accident Review Committee met on August 24th and advised that a variety of safety related resources and training opportunities were discussed. Mr. Prince further advised that the next Safety and Accident Review Committee meeting is scheduled for September 28, 2022. With no questions, Mr. Prince concluded his report.

CLAIMS COMMITTEE: Ms. Conicella reported the Claims Committee did not meet prior to the meeting but noted that the PARs and SARs would be presented during closed session via a Zoom breakout room. With no questions, Ms. Conicella concluded her report.

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

AUDIT REPORT AS OF DECEMBER 31, 2021 – Executive Director advised Mr. Dennis Skalkowski, who prepared the audit, was present in the meeting and would provide an overview. Mr. Skalkowski advised that after completing all the auditing procedures, he is happy to report that there were no findings or recommendations noted and they are clean opinion reports. Mr. Skalkowski referred to page 12 of the report, the Comparative Statements of Net Position. Mr. Skalkowski reviewed the Net Positions and results of operations for the Commission and advised the net position was \$10,212,068. Mr. Skalkowski reported that net position increased by \$949,531 over last year. Mr. Skalkowski said the Commission is in a good financial position and expressed his appreciation for the opportunity to conduct the audit. Mr. Skalkowski asked if there were any questions. Hearing none, Executive Director referred to Resolution 31-22 certifying the 2021 Year-end Audit and advised that a motion was needed to adopt resolution.

MOTION TO APPROVE RESOLUTION 31-22 CERTIFICATION OF ANNUAL AUDIT REPORT FOR PERIOD ENDING DECEMBER 31, 2021

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

APPOINTMENT OF COMMISSION TREASURER – Executive Director reported that Dr. Sharon Sharp has been appointed as Temporary CFO for Mercer County and will assume the Commission Treasurer responsibilities. Executive Director advised that it would be appropriate to appoint Dr. Sharp to the position of Insurance Commission Treasurer formally and designate Dr. Sharp as an authorized signer for Commission checks. Executive Director then referred to Resolutions 32-22 and 33-22, enclosed within the agenda, approving the same.

MOTION TO APPROVE RESOLUTION 32-22 APPOINTING SHARON SHARP AS MCIFC TREASURER

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

MOTION TO APPROVE RESOLUTION 33-22 DESIGNATING AUTHORIZED SIGNATURES FOR COMMISSION BANK ACCOUNT

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

PROFESSIONAL SERVICE AGREEMENTS – Executive Director reported that the Service Agreements for the positions of Executive Director, Actuary, Claims Administrator and Risk Management Consultant are due to expire on 12/31/22. Executive Director noted that his office will work with the County to issue and advertise the applicable RFPs for each professional service.

MEDICAL MALPRACTICE PROFESSIONAL LIABILITY POLICY – Executive Director reported that Ms. Cathy Jo Soden was hired as a Nurse Practitioner by the County and has been endorsed to the NJCE Medical Malpractice Policy. Executive Director advised that the budget has been amended, and the additional premium of \$1,500 will be billed on the next Statement of Account. Executive Director added that there was no action needed.

NJ COUNTIES EXCESS JOINT INSURANCE FUND (NJCE) – Executive Director informed the Commissioners that the NJCE met on September 22nd via zoom. Executive Director reported that the main topics discussed during the meeting included the 2021 audit, the 2023 NJCE budget, and the new Learning Management System (LMS). Executive Director reported that the 2020 Fund Year COVID claims were also discussed. Executive Director reminded the Commissioners that the NJCE and the MEL JIF have taken a different position than the carrier on how the endorsement of that policy should work for COVID claims in that fund year. Executive Director advised that the NJCE and the MEL’s position is that all COVID claims should be considered one occurrence and the carrier’s position is that every claim should have its own deductible. Executive Director reported that the MEL is close to settling the claim and the goal is to carry the negotiations over to the NJCE side of the matter.

NJCE 10TH YEAR ANNIVERSARY – Executive Director said the NJCE previously discussed that 2020 marked the 10th anniversary of the Fund’s inception, which began with two County members and has grown to ten members and 27 affiliated entities. Executive Director advised that the NJCE Board agreed to celebrate the milestone with a luncheon hosted at a central New Jersey venue for all Fund Commissioners, Professionals, and staff in April 2023.

MCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACK – Executive Director referred to the Financial Fast Track for the month of July enclosed within the agenda. Executive Director reported that as of July 31, 2022 the Commission has a surplus of \$10,034,255. 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 July 31, 2022 is \$1,416,956 and advised that the total cash balance is \$3,462,823.

NJCE PROPERTY AND CASUALTY FINANCIAL FAST TRACK – Executive Director referred to the NJCE Financial Fast Track for the month of July. Executive Director reported that as of July 31, 2022 the NJCE has a surplus of \$15,291,507. Executive Director advised that Line 7 of the report, “Dividend” represents the dividend figure released by the NJCE of \$5,857,551 and noted that the NJCE cash balance is \$20,655,233.

CLAIMS TRACKING REPORTS – Executive Director advised the Claim Tracking reports as of July 31, 2022, were included in the agenda. Executive Director referred to a copy of the Claims Management Report Expected Loss Ratio Analysis Report. Executive Director advised this report measured how the losses were running compared to the actuary’s projections. Executive Director reviewed the Fund Years with the Commission.

INFORMATIONAL ITEMS REPORT: Mr. Thorpe advised that he had three informational items for his report, none of which were action items.

CERTIFICATE OF INSURANCE REPORT – Mr. Thorpe reported that there were no certificates of insurance issued during the months of July and August.

2022 NJLM ANNUAL CONFERENCE – Mr. Thorpe reminded the Commissioners that the 107th Annual New Jersey State League of Municipalities Conference is scheduled for November 15th through November 17th at the Atlantic City Convention Center in Atlantic City. Mr. Thorpe advised that the MEL JIF will hold its annual Elected Officials seminar on November 16th and it is encouraged that all commissioners attend.

2022 MEETING SCHEDULE – Mr. Thorpe advised that the next scheduled Commission meeting is on October 17, 2022 and asked the Commissioners whether they preferred to conduct the meeting in-person or via Zoom. Chair Nazzaro suggested scheduling the meeting via Zoom, but with the option of changing to in-person closer to the meeting date if deemed necessary.

With no questions, Mr. Thorpe concluded his report.

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Executive Director advised the August Bill List, Resolution 34-22, and the September Bill List, Resolution 35-22 were included in the agenda.

MOTION TO APPROVE RESOLUTIONS 34-22 AND 35-22, AUGUST AND SEPTEMBER BILL LISTS

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

ATTORNEY: Mr. Adezio advised he did not have anything to report for the month but took the opportunity to thank the Inservco staff for their assistance on a regular basis. Mr. Adezio said Ms. Frey and Mr. Crooks do an excellent job monitoring and following-up on claims received by the county.

CLAIMS SERVICE: CLAIMS ADMINISTRATOR – Executive Director advised Resolution 36-22, Disclosure of Liability Claims Check Registers, was included in the agenda along with a copy of the check registers for July 1, 2022 to July 31, 2022 and August 1, 2022 to August 30, 2022

MOTION TO APPROVE RESOLUTION 36-22 AUTHORIZING DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTER

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

MANAGED CARE: Ms. Bresadola advised she would review First MCO’s report, which was included in the agenda for the months of July and August. Ms. Bresadola provided the below information:

Month	Provider Bill Amount	Repriced Amount	Savings	Percentage of Savings	Number of Bills	In Network Bills	Net Savings	PPO %
Jul-22	\$ 160,032	\$ 52,150	\$ 107,882	67%	86	83	\$ 86,305	97%
Aug-22	\$ 150,390	\$ 85,634	\$ 64,757	43%	102	96	\$ 51,805	94%

With no questions, Ms. Bresadola concluded her report.

NJCE SAFETY DIRECTOR: Mr. Prince referred to the Safety Director’s report for July through September enclosed within the agenda, which included all risk control activities. Mr. Prince then referred to the listing of all training opportunities that are scheduled through November 30th. Mr. Prince advised that any questions regarding trainings should be directed to him. Mr. Prince reminded the Commissioners that the Learning Management System (LMS) is transitioning from FirstNet to BIS and will be rolled out in early 2023. Mr. Prince said the new LMS is cheaper than the current one, has more capabilities, and is more user-friendly. Mr. Prince reported that BIS will be holding webinars for the named administrators and J.A. Montgomery will be available to provide members with in-person tutorials. Lastly, Mr. Prince reported that a variety of risk control visits were conducted during the month of August including the DOT Maintenance Yard and the Fire Academy. Mr. Prince added that J.A. Montgomery is also assisting the library system with updating their written programs for their emergency action plan and fire prevention programs. With no questions, Mr. Prince concluded his report.

RISK MANAGEMENT CONSULTANT: Ms. Pursell reported that since the last Commission meeting, her office worked with Commissioner Hughes to have the newly hired Nurse Practitioner added to the Medical Malpractice policy. Ms. Pursell reported that her office was also asked to review a consolidated lease agreement between Princeton National Rowing Association and the County for usage of the County’s rowing center. Ms. Pursell noted that she does have comments on the agreement that she will be sharing with the Commission Attorney. Lastly, Ms. Pursell said her office

is looking forward to submitting a proposal for the position of Risk Management Consultant once the RFP is issued. With no questions, Ms. Pursell concluded her report.

Correspondence Made Part of Minutes.

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

CLOSED SESSION: Chair Nazzaro requested a motion to approve Resolution 37-22 authorizing a Closed Session to discuss PARS.

MOTION TO APPROVE RESOLUTION 37-22 FOR EXECUTIVE SESSION

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Vote:	Unanimous

MOTION TO APPROVE THE PARS/SARS AS REVIEWED DURING CLOSED SESSION WITH EXCEPTION OF CLAIM# 3960003548, WHICH WAS TABLED

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

NEXT MEETING: Chair Nazzaro said that the next Commission meeting is scheduled for October 17th and it will be conducted via Zoom but may be changed to in-person as the date gets closer. Chair Nazzaro added that she would like to hold an in-person meeting before the end of the year. Executive Director said that it may be a good idea to schedule an in-person meeting when reviewing the 2023 budget and reviewing the RFP results. Chair Nazzaro agreed with the suggestion and said it was a great idea.

MOTION TO ADJOURN:

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Vote:	Unanimous

MEETING ADJOURNED: 11:50 AM

Minutes prepared by:
Jason Thorpe, Assisting Secretary