

**SALEM COUNTY INSURANCE FUND COMMISSION
AGENDA AND REPORTS
APRIL 7, 2016 – 9 AM**

**COUNTY OLD COURTHOUSE
104 MARKET STREET – 2ND FLOOR
SALEM, NJ 08079**

**To attend the meeting via teleconference please dial 1-866-921-5493
and enter passcode 7269691#**

OPEN PUBLIC MEETINGS ACT - STATEMENT OF COMPLIANCE

In accordance with the Open Public Meetings Act, notice of this meeting was given by:

- I. Advertising the notice in the South Jersey News and the Elmer Times**
- II. Filing advance written notice of this meeting with the Commissioners of the SALEM COUNTY INSURANCE FUND COMMISSION; and**
- III. Posting notice on the Public Bulletin Board in the Salem County Courthouse and the Salem County Administration Building and filing it with the County Clerk**

**SALEM COUNTY INSURANCE FUND COMMISSION
AGENDA -OPEN PUBLIC MEETING
APRIL 7, 2016 – 9:00 AM
104 MARKET STREET
SALEM, NJ 08079**

- MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ**
- FLAG SALUTE**
- ROLL CALL OF COMMISSIONERS**
- APPROVAL OF MINUTES: February 4, 2016 Open Minutes.....Appendix I
February 4, 2016 Closed Minutes.....To be Distributed**

- CORRESPONDENCE - None**

- EXECUTIVE DIRECTOR/ADMINISTRATOR – PERMA.....Page 1**

- COMMITTEE REPORTS**
 - Safety Committee Report.....Verbal
 - Claims Committee Report.....Verbal

- TREASURER – Katie Coleman**
 - Resolution 14-16 Bills List.....Page 9

- CEL SAFETY DIRECTOR – J.A. Montgomery Risk Control**
 - Monthly Report Page 10

- CLAIMS SERVICE – Inservco Insurance Services**
 - Monthly Savings Report..... Page 13

- EXECUTIVE SESSION - Motion for Executive Session for Certain Specified Purposes
for Personnel, Safety, Public Property or Litigation in accordance with the Open Public
Meeting Act - PAYMENT AUTHORIZATION REQUEST**

- Motion to Return to Open Session**
- Motion to Approve PARS as presented in Closed Session**

- OLD BUSINESS**
- NEW BUSINESS**
- PUBLIC COMMENT**

- MEETING ADJOURNMENT**
 - NEXT SCHEDULED MEETING: JUNE 2, 2016**

SALEM COUNTY INSURANCE FUND COMMISSION

9 Campus Drive, Suite 216

Parsippany, NJ 07054

Date: April 7, 2016

Memo to: Commissioners of the Salem County Insurance Fund Commission

From: PERMA Risk Management Services

Subject: Executive Director's Report

- Certificate of Insurance Issuance Report:** Attached on **Page 2** is the Certificate of Insurance Issuance Report from the CEL listing those certificates issued for the period of January 29, 2016 to March 16, 2016. There were 3 certificate of insurance issued during this period.
- Motion to approve the certificate of insurance report.**
- NJ Excess Counties Insurance Fund (CELJIF)** – The CEL held their Re-Organization Meeting on February 25, 2016. A summary report appears on **Pages 3 & 4**. The next meeting of the CEL is Tuesday, April 26, 2016.
- Financial Fast Track** – Included on **Page 5 & 6** of the agenda are the Financial Fast Tracks for the Salem County Insurance Fund Commission for December and January. As of January 31, 2016 the Commission has a deficit of \$700,611.
- NJ CEL Property and Casualty Financial Fast Track** - Included in the agenda on **Page 7** is the NJ CEL Financial Fast Track Report as of January 31, 2016. The CEL has a surplus of **\$6,222,795**.
- Claims Tracking Report (Page 8)** – The claims tracking report is on page 45 of the agenda. The Claims Activity Report tracks open claims; the Executive Director will review the report with the Commission.
- 2016 Excess Insurance and Ancillary Coverage Policies** – The CEL Underwriting Manager distributed an e-mail providing login information and instructions to access the website to view the insurance policies and endorsements. If any authorized representative experiences difficulty with the website they should contact the PERMA office for assistance.

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND

9 Campus Drive – Suite 216
Parsippany, NJ 07054-4412
Telephone (201) 881-7632 Fax (201) 881-7633

Date: February 25, 2016
To: Executive Committee
Salem County Insurance Fund Commission
From: PERMA Risk Management Services
Subject: New Jersey Counties Excess Meeting Report

2016 Reorganization: The NJCE conducted its 2016 Reorganization and adopted the respective resolutions to conduct the business of the Fund.

As per the NJCE Bylaws, the total number of commissioners exceeds seven and can meet as an Executive Committee with a Chair, Secretary, a five-member Executive Committee and up to four Alternate Commissioners. Below is a listing of the 2016 Executive Committee and alternates; however, the NJCE meets as a Board of Fund Commissioners.

2016 Officers & Executive Committee

Chairman	Ross Angilella	Camden County Insurance Commission
Secretary	John Kelly	Ocean County
Executive Committee	Janette Kessler	Atlantic County Insurance Commission
	Kendall Collins	Burlington County Insurance Commission
	Ken Mecouch	Cumberland County Insurance Commission
	Gerald White	Gloucester County Insurance Commission
	Edmund Shea	Hudson County
Alternates	Andrew Mair	Mercer County Insurance Fund Commission
	Jessica Foote Bishop	Salem County Insurance Commission
	Michael Yuska	Union County

Public Meeting Procedures: The Board of Fund Commissioners confirmed the following meeting schedule:

2016 Meeting Schedule & 2017 Reorganization

April 26, 2016	Camden County Emergency Training Center	1:00PM
June 23, 2016	Camden County Emergency Training Center	1:00PM
September 22, 2016	Camden County Emergency Training Center	1:00PM
October 27, 2016	Camden County Emergency Training Center	1:00PM
November 17, 2016	Camden County Emergency Training Center	1:00PM
February 23, 2017	2017 Reorganization Camden County Emergency Training Center	1:00PM

2016 Risk Management Plan: Included as part of the Reorganization was the 2016 Risk Management Plan with changes highlighted from the prior year.

Professional Contracts:

Award of Contracts Executive Director, Underwriting Manager and Safety Director- The fund released and advertised Request for Proposals for these vendors for a three-year period; responses were reviewed by the Fund Attorney, Chairman, Secretary and Treasurer. The Board adopted a resolution authorizing the award of contracts, pursuant to a publicly advertised request for proposal by and between the Fund and PERMA Risk Management Services as Executive Director, Conner Strong & Buckelew as Underwriting Manager and J.A. Montgomery as Safety Director. Contract term is from February 25, 2016 through reorganization of the Fund in February 2019.

Solicitation of Quotations Auditor: The fund's one-year contract for auditing services is set to expire in April. The Board authorized the fund office to solicit quotations for auditing services; results will be prepared by the next meeting for the board to review and award a contract so services can begin on the audit ending December 31, 2015.

Actuary: The fund awarded a contract to The Actuarial Advantage for a one-year period on 11/19/15 and their previous contract term expired on 6/30/15. In the interim, the firm provided actuarial services and submitted a request to approve payment for services rendered. The Board adopted a resolution to authorize payment in equity to The Actuarial Advantage.

2013 DOBI Examination: The State of New Jersey Department of Banking & Insurance performed an examination of the Fund for the 2013 Fund Year. The examination contained no negative findings or recommendations. The Board approved the Examination Report and would execute the necessary affidavits for the fund office to file with the DOBI.

NJCE Website: The Fund received correspondence from the Department of Banking & Insurance, which noted items that did not appear on the fund's website as per N.J.S.A. 40A:10-38.14 Internet Website Documentation. Executive Director reported the fund office responded by the deadline indicating where the documentation could be located.

NJCE Financials: The Financial Fast Track as of December 31, 2015 reflected the fund's statutory surplus of \$5.9 million.

2016 Excess & Ancillary Renewals: The Board previously approved authorization for the Underwriting Manager to bind coverage of the 2016 renewal program. Underwriting Manager provided a summary report on the renewal program, which detailed significant changes. The Extraordinary Unspecifiable Services (EUS) statements were included in the agenda and the Board of Fund Commissioners adopted a resolution memorializing the authorization of the purchase of insurances.

Claims Status Summary: AmeriHealth Casualty Services provided a summary report of any claims with large open reserves which were reviewed during Closed Session.

Risk Control: Safety Director's report included a report reflecting the risk control activities from November 2015-February 2016.

Next Meeting: The next meeting of the NJCE fund is scheduled for Tuesday April 26, 2016 at 1:00PM at the Camden County College Regional Emergency Training Center.

SALEM COUNTY INSURANCE COMMISSION					
FINANCIAL FAST TRACK REPORT					
		AS OF	December 31, 2015		
ALL YEARS COMBINED					
		THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1.	UNDERWRITING INCOME	120,982	1,451,789	3,222,630	4,674,419
2.	CLAIM EXPENSES				
	Paid Claims	96,510	579,973	1,044,566	1,624,539
	Case Reserves	105,333	339,081	443,951	783,031
	IBNR	(66,837)	24,519	286,689	311,208
	Discounted Claim Value	(1,515)	18,384	(46,951)	(28,566)
	TOTAL CLAIMS	133,490	961,957	1,728,255	2,690,212
3.	EXPENSES				
	Excess Premiums	64,908	779,319	1,689,146	2,468,465
	Administrative	16,161	83,131	161,746	244,877
	TOTAL EXPENSES	81,070	862,449	1,850,892	2,713,341
4.	UNDERWRITING PROFIT (1-2-3)	(93,577)	(372,617)	(356,517)	(729,134)
5.	INVESTMENT INCOME	0	10	2	12
6.	PROFIT (4 + 5)	(93,577)	(372,606)	(356,515)	(729,121)
7.	CEL APPROPRIATION CANCELLATION	0	0	1,259	1,259
8.	DIVIDEND INCOME	0	0	0	0
9.	INVESTMENT IN JOINT VENTURE	7,199	2,553	49,989	52,542
10.	SURPLUS (6 + 7 + 8)	(86,378)	(370,053)	(305,267)	(675,320)
SURPLUS (DEFICITS) BY FUND YEAR					
	2012	(45,849)	(46,908)	(110,295)	(157,203)
	2013	10,278	(234,506)	(76,854)	(311,360)
	2014	64,764	(43,294)	(118,118)	(161,412)
	2015	(115,572)	(45,346)		(45,346)
	TOTAL SURPLUS (DEFICITS)	(86,378)	(370,053)	(305,267)	(675,320)
TOTAL CASH					
					301,867
CLAIM ANALYSIS BY FUND YEAR					
FUND YEAR 2012					
	Paid Claims	6,077	47,488	173,588	221,076
	Case Reserves	40,964	(710)	45,265	44,555
	IBNR	590	(3,966)	8,648	4,682
	Discounted Claim Value	(1,565)	2,100	(3,937)	(1,837)
	TOTAL FY 2012 CLAIMS	46,066	44,913	223,564	268,477
FUND YEAR 2013					
	Paid Claims	6,849	111,374	536,291	647,665
	Case Reserves	(7,817)	152,647	215,490	368,137
	IBNR	(7,476)	(40,462)	100,924	60,462
	Discounted Claim Value	557	9,648	(20,122)	(10,474)
	TOTAL FY 2013 CLAIMS	(7,888)	233,206	832,583	1,065,789
FUND YEAR 2014					
	Paid Claims	26,938	148,760	334,687	483,447
	Case Reserves	(61,060)	(42,458)	183,195	140,737
	IBNR	(32,017)	(80,300)	177,117	96,817
	Discounted Claim Value	2,488	16,540	(22,891)	(6,351)
	TOTAL FY 2014 CLAIMS	(63,650)	42,543	672,108	714,651
FUND YEAR 2015					
	Paid Claims	56,647	272,351		272,351
	Case Reserves	133,245	229,602		229,602
	IBNR	(27,935)	149,247		149,247
	Discounted Claim Value	(2,995)	(9,905)		(9,905)
	TOTAL FY 2015 CLAIMS	158,963	641,295	0	641,295
COMBINED TOTAL CLAIMS		133,490	961,957	1,728,255	2,690,212

SALEM COUNTY INSURANCE COMMISSION				
FINANCIAL FAST TRACK REPORT				
AS OF January 31, 2016				
ALL YEARS COMBINED				
	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1. UNDERWRITING INCOME	124,915	124,915	4,674,419	4,799,334
2. CLAIM EXPENSES				
Paid Claims	98,894	98,894	1,624,539	1,723,433
Case Reserves	(62,095)	(62,095)	783,031	720,937
IBNR	54,565	54,565	311,208	365,773
Discounted Claim Value	3,650	3,650	(28,566)	(24,917)
TOTAL CLAIMS	95,014	95,014	2,690,212	2,785,226
3. EXPENSES				
Excess Premiums	56,340	56,340	2,468,465	2,524,805
Administrative	7,065	7,065	244,877	251,941
TOTAL EXPENSES	63,405	63,405	2,713,341	2,776,746
4. UNDERWRITING PROFIT (1-2-3)	(33,504)	(33,504)	(729,134)	(762,638)
5. INVESTMENT INCOME	1	1	12	13
6. PROFIT (4 + 5)	(33,503)	(33,503)	(729,121)	(762,625)
7. CEL APPROPRIATION CANCELLATION	0	0	1,259	1,259
8. DIVIDEND INCOME	0	0	0	0
9. INVESTMENT IN JOINT VENTURE	8,213	8,213	52,542	60,755
10. SURPLUS (6 + 7 + 8)	(25,290)	(25,290)	(675,320)	(700,611)
SURPLUS (DEFICITS) BY FUND YEAR				
2012	715	715	(157,203)	(156,487)
2013	(2,393)	(2,393)	(311,360)	(313,753)
2014	(23,550)	(23,550)	(161,412)	(184,962)
2015	(13,201)	(13,201)	(45,346)	(58,546)
2016	13,139	13,139		13,139
TOTAL SURPLUS (DEFICITS)	(25,290)	(25,290)	(675,320)	(700,611)
TOTAL CASH				202,974
CLAIM ANALYSIS BY FUND YEAR				
FUND YEAR 2012				
Paid Claims	0	0	221,076	221,076
Case Reserves	0	0	44,555	44,555
IBNR	(140)	(140)	4,682	4,542
Discounted Claim Value	5	5	(1,837)	(1,832)
TOTAL FY 2012 CLAIMS	(135)	(135)	268,477	268,341
FUND YEAR 2013				
Paid Claims	745	745	647,665	648,409
Case Reserves	2,747	2,747	368,137	370,884
IBNR	(605)	(605)	60,462	59,857
Discounted Claim Value	(73)	(73)	(10,474)	(10,546)
TOTAL FY 2013 CLAIMS	2,814	2,814	1,065,789	1,068,604
FUND YEAR 2014				
Paid Claims	2,633	2,633	483,447	486,080
Case Reserves	18,676	18,676	140,737	159,414
IBNR	(484)	(484)	96,817	96,333
Discounted Claim Value	2,826	2,826	(6,351)	(3,525)
TOTAL FY 2014 CLAIMS	23,651	23,651	714,651	738,301
FUND YEAR 2015				
Paid Claims	95,366	95,366	272,351	367,718
Case Reserves	(90,379)	(90,379)	229,602	139,223
IBNR	5,201	5,201	149,247	154,448
Discounted Claim Value	2,298	2,298	(9,905)	(7,607)
TOTAL FY 2015 CLAIMS	12,486	12,486	641,295	653,781
FUND YEAR 2016				
Paid Claims	150	150		150
Case Reserves	6,861	6,861		6,861
IBNR	50,593	50,593		50,593
Discounted Claim Value	(1,406)	(1,406)		(1,406)
TOTAL FY 2016 CLAIMS	56,198	56,198	0	56,198
COMBINED TOTAL CLAIMS	95,014	95,014	2,690,212	2,785,226

NEW JERSEY COUNTIES EXCESS JIF				
FINANCIAL FAST TRACK REPORT				
AS OF January 31, 2016				
ALL YEARS COMBINED				
	THIS	YTD	PRIOR	FUND
	MONTH	CHANGE	YEAR END	BALANCE
1. UNDERWRITING INCOME	1,787,112	1,787,112	76,187,004	77,974,116
2. CLAIM EXPENSES				
Paid Claims	254,592	254,592	1,089,800	1,344,392
Case Reserves	(68,975)	(68,975)	2,413,317	2,344,342
IBNR	335,418	335,418	9,188,910	9,524,329
Discounted Claim Value	(28,911)	(28,911)	(651,074)	(679,985)
TOTAL CLAIMS	492,124	492,124	12,040,954	12,533,078
3. EXPENSES				
Excess Premiums	807,826	807,826	52,056,606	52,864,432
Administrative	132,341	132,341	5,652,282	5,784,623
TOTAL EXPENSES	940,167	940,167	57,708,888	58,649,055
4. UNDERWRITING PROFIT (1-2-3)	354,821	354,821	6,437,162	6,791,983
5. INVESTMENT INCOME	3,638	3,638	184,725	188,362
6. PROFIT (4+5)	358,459	358,459	6,621,887	6,980,346
7. Dividend	0	0	150,000	150,000
8. Cancelled Appropriations	0	0	607,551	607,551
9. SURPLUS (6-7-8)	358,459	358,459	5,864,336	6,222,795
SURPLUS (DEFICITS) BY FUND YEAR				
2010	4,230	4,230	642,182	646,412
2011	(225,620)	(225,620)	1,149,228	923,608
2012	100,231	100,231	477,778	578,009
2013	16,486	16,486	1,259,797	1,276,283
2014	12,923	12,923	1,417,920	1,430,843
2015	(99,309)	(99,309)	917,430	818,121
2016	549,518	549,518		549,518
TOTAL SURPLUS (DEFICITS)	358,459	358,459	5,864,335	6,222,794
TOTAL CASH				8,592,052
CLAIM ANALYSIS BY FUND YEAR				
FUND YEAR 2010				
Paid Claims	901	901	163,454	164,355
Case Reserves	4,845	4,845	1	4,846
IBNR	(9,796)	(9,796)	326,545	316,749
Discounted Claim Value	54	54	(11,008)	(10,954)
TOTAL FY 2010 CLAIMS	(3,996)	(3,996)	478,992	474,996
FUND YEAR 2011				
Paid Claims	91,234	91,234	144,097	235,331
Case Reserves	166,357	166,357	262,007	428,364
IBNR	(18,717)	(18,717)	623,896	605,179
Discounted Claim Value	(12,832)	(12,832)	(41,637)	(54,469)
TOTAL FY 2011 CLAIMS	226,042	226,042	988,363	1,214,405
FUND YEAR 2012				
Paid Claims	127,973	127,973	515,889	643,861
Case Reserves	(203,092)	(203,092)	856,270	653,178
IBNR	(33,601)	(33,601)	1,120,043	1,086,442
Discounted Claim Value	8,992	8,992	(82,267)	(73,276)
TOTAL FY 2012 CLAIMS	(99,729)	(99,729)	2,409,934	2,310,205
FUND YEAR 2013				
Paid Claims	0	0	15,975	15,975
Case Reserves	1	1	511,304	511,305
IBNR	(16,577)	(16,577)	1,657,721	1,641,144
Discounted Claim Value	792	792	(110,993)	(110,201)
TOTAL FY 2013 CLAIMS	(15,784)	(15,784)	2,074,007	2,058,223
FUND YEAR 2014				
Paid Claims	34,485	34,485	119,922	154,407
Case Reserves	(37,896)	(37,896)	313,106	275,211
IBNR	(12,059)	(12,059)	2,411,798	2,399,739
Discounted Claim Value	3,388	3,388	(164,745)	(161,356)
TOTAL FY 2014 CLAIMS	(12,081)	(12,081)	2,680,081	2,668,000
FUND YEAR 2015				
Paid Claims	0	0	130,464	130,464
Case Reserves	809	809	470,629	471,438
IBNR	106,712	106,712	3,048,907	3,155,619
Discounted Claim Value	(7,275)	(7,275)	(240,424)	(247,699)
TOTAL FY 2015 CLAIMS	100,245	100,245	3,409,576	3,509,822
FUND YEAR 2016				
Paid Claims	0	0		0
Case Reserves	0	0		0
IBNR	319,457	319,457		319,457
Discounted Claim Value	(22,030)	(22,030)		(22,030)
TOTAL FY 2016 CLAIMS	297,428	297,428	0	297,428
COMBINED TOTAL CLAIMS	492,124	492,124	12,040,954	12,533,078

**Salem County Insurance Commission
CLAIM ACTIVITY REPORT**

AS OF	February 29, 2016					
COVERAGE LINE - PROPERTY						
CLAIM COUNT - OPEN CLAIMS						
Year	2012	2013	2014	2015	2016	TOTAL
January-16	0	0	0	3	0	3
February-16	0	0	0	3	0	3
NET CHGE	0	0	0	0	0	0
Limited Reserves						\$2,667
Year	2012	2013	2014	2015	2016	TOTAL
January-16	\$0	\$0	\$0	\$8,000	\$0	\$8,000
February-16	\$0	\$0	\$0	\$8,000	\$0	\$8,000
NET CHGE	\$0	\$0	\$0	\$0	\$0	\$0
Ltd Incurred	\$0	\$45,689	\$0	\$93,356	\$0	\$139,045
COVERAGE LINE - GENERAL LIABILITY						
CLAIM COUNT - OPEN CLAIMS						
Year	2012	2013	2014	2015	2016	TOTAL
January-16	0	6	8	17	0	31
February-16	0	4	6	13	1	24
NET CHGE	0	-2	-2	-4	1	-7
Limited Reserves						\$14,921
Year	2012	2013	2014	2015	2016	TOTAL
January-16	\$0	\$278,088	\$59,100	\$52,506	\$0	\$389,695
February-16	\$0	\$278,088	\$37,500	\$41,505	\$1,000	\$358,093
NET CHGE	\$0	\$0	(\$21,600)	(\$11,001)	\$1,000	(\$31,601)
Ltd Incurred	\$313	\$297,148	\$39,628	\$42,930	\$1,000	\$381,020
COVERAGE LINE - AUTO LIABILITY						
CLAIM COUNT - OPEN CLAIMS						
Year	2012	2013	2014	2015	2016	TOTAL
January-16	0	0	0	0	0	0
February-16	0	0	0	0	1	1
NET CHGE	0	0	0	0	1	1
Limited Reserves						\$500
Year	2012	2013	2014	2015	2016	TOTAL
January-16	\$0	\$0	\$0	\$0	\$0	\$0
February-16	\$0	\$0	\$0	\$0	\$500	\$500
NET CHGE	\$0	\$0	\$0	\$0	\$500	\$500
Ltd Incurred	\$0	\$3,558	\$4,002	\$0	\$500	\$8,059
COVERAGE LINE - WORKERS COMP.						
CLAIM COUNT - OPEN CLAIMS						
Year	2012	2013	2014	2015	2016	TOTAL
January-16	2	6	9	6	2	25
February-16	2	6	7	5	7	27
NET CHGE	0	0	-2	-1	5	2
Limited Reserves						\$14,777
Year	2012	2013	2014	2015	2016	TOTAL
January-16	\$44,555	\$92,796	\$100,314	\$78,717	\$6,861	\$323,243
February-16	\$47,499	\$92,439	\$186,124	\$59,774	\$13,137	\$398,973
NET CHGE	\$2,944	(\$357)	\$85,810	(\$18,943)	\$6,276	\$75,731
Ltd Incurred	\$268,728	\$674,792	\$671,329	\$354,059	\$20,300	\$1,989,208
TOTAL ALL LINES COMBINED						
CLAIM COUNT - OPEN CLAIMS						
Year	2012	2013	2014	2015	2016	TOTAL
January-16	2	12	17	26	2	59
February-16	2	10	13	21	9	55
NET CHGE	0	-2	-4	-5	7	-4
Limited Reserves						\$13,919
Year	2012	2013	2014	2015	2016	TOTAL
January-16	\$44,555	\$370,884	\$159,414	\$139,223	\$6,861	\$720,937
February-16	\$47,499	\$370,528	\$223,624	\$109,279	\$14,637	\$765,567
NET CHGE	\$2,944	(\$357)	\$64,210	(\$29,944)	\$7,776	\$44,630
Ltd Incurred	\$269,041	\$1,021,187	\$714,959	\$490,345	\$21,800	\$2,517,332
25-Mar-16						

RESOLUTION NO. 14 -16

**SALEM COUNTY INSURANCE FUND COMMISSION
BILLS LIST**

WHEREAS, the Treasurer has certified that funding is available to pay the following bills::

BE IT RESOLVED that the Salem County Insurance Fund Commission, hereby authorizes the Commission Treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Commission.

FUND YEAR 2015

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
000146			
000146	SALEM COUNTY	VOIDED	
000147			
000147	SALEM COUNTY	REIMBURSEMENT FOR POSTAGE 2015	399.35
			399.35
		TOTAL PAYMENTS FY 2015	399.35

FUND YEAR 2016

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
000148			
000148	NEW JERSEY COUNTIES EXCESS JIF	CEL 1ST 2016	405,650.01
			405,650.01
000149			
000149	INSERVCO INSURANCE SERVICE INC	CLAIMS 1ST QTR'16 INV-378-011516041416	5,499.99
			5,499.99
000150			
000150	SALEM COUNTY	REIMBURSE FOR ADVETISEMENT - 1/7/16	36.70
			36.70
000151			
000151	DHS MARKETING SOLUTIONS	DOMAIN RENWL WEBST HOSTNG & MAINT	610.00
			610.00
		TOTAL PAYMENTS FY 2016	411,796.70

TOTAL PAYMENTS ALL FUND YEARS \$ 412,196.05

Chairperson

Attest:

Dated: _____

I hereby certify the availability of sufficient unencumbered funds in the proper accounts to fully pay the above claims.

Treasurer

**SALEM COUNTY INSURANCE COMMISSION
SAFETY DIRECTOR'S REPORT**

TO: Fund Commissioners
FROM: J.A. Montgomery Risk Control, Safety Director
DATE: March 30, 2016

**January – March 2016
RISK CONTROL ACTIVITIES**

MEETINGS ATTENDED / LOSS CONTROL VISITS CONDUCTED

- **January 29:** Attended the SCIC Safety Committee meeting in Salem.
- **February 4:** Attended the SCIC meeting in Salem.
- **February 16:** Attended the SCIC Claims Committee meeting via conference call.
- **March 8:** Conducted a loss control survey of SCIC Department of Corrections.
- **March 15:** Attended the SCIC Claims Committee meeting via conference call.
- **March 22:** Conducted an Asbestos, Lead, Silica and Health overview training for SCIC.

UPCOMING MEETINGS / LOSS CONTROL VISITS PLANNED

- **April 7:** Plan to attend the SCIC meeting in Salem.

SAFETY DIRECTOR'S BULLETINS & SAFETY ANNOUNCEMENTS

- Fire Extinguisher Essentials – March 24

CEL VIDEO LIBRARY USAGE

No videos were utilized by SCIC during 2015 & 2016.

March 2016

Fire Extinguisher Essentials

Small fires grow into big fires in seconds. There is only a small window of opportunity when a fire extinguisher is effective. Knowing how to select, inspect, and operate the extinguisher, is critical to saving property and potentially even lives.

When purchasing fire extinguishers, work with the vendor to select the proper class and size extinguishers for the hazards present in your work area. The type of fire fuel will determine the class of fire extinguisher to be chosen.



Class A – Ordinary Combustibles

The pictogram indicates a trash can and campfire on fire. A common way to remember this is ordinary combustibles leave ASHES when they burn.

Examples include paper, cardboard, wood, plastics, clothing, and vegetation.



Class B – Flammable and Combustible Liquids

The pictogram indicates an old-time gas can and a pool of liquid on fire. A common way to remember this is liquids have a BOILING point.

Examples include gasoline, kerosene, paints & thinners, and cooking grease.



Class C – Energized Electrical Equipment

The pictogram indicates an electric cord and plug on fire. Two common ways to remember this are ELECTRIC.

Examples include computers, televisions, electric stoves, and battery packs.

One strategy to match the fire extinguisher to multiple hazards, such as in many workplaces and homes, is to purchase an A-B-C (multi-class) fire extinguisher. In most office or home settings, select a 5 or 6 pound A-B-C extinguisher. For industrial settings or garages, consider a 10 pound extinguisher.

Inspection and maintenance is critical to ensure the extinguisher will work when needed. The following are some maintenance procedures necessary to insure that a portable fire extinguisher will operate as intended when needed:

Monthly Inspection

Every 30 days, each fire extinguisher should be given a visual inspection or "quick check" to be sure that it is accessible and will operate. Verify that the extinguisher is in its designated location and accessible, has not been operated or tampered with, and has not incurred any obvious physical damage. This does not require an engineer or fire inspector – it can be done by a building owner, occupant or a designated and educated representative.

This bulletin is intended for general information purposes only. It should not be construed as legal advice or legal opinion regarding any specific or factual situation. Always follow your organization's policies and procedures as presented by your manager or supervisor. For further information regarding this bulletin, contact your Safety Director at 877.398.3046.

Annual Maintenance

Every year extinguishers must be examined by a New Jersey certified fire extinguisher vendor. The examination should include weighing the extinguisher and checking for defects that would not be identified during the monthly quick check. For example, the pressurized extinguisher must be periodically pressure-tested (hydrostatic) to ensure the structural integrity of the shell. Or that the powder has not become caked from being under pressure for a number of years.

Most home fire extinguishers have a 10 year life. Manufacturers either stamp or label the date of manufacture on the body of the extinguisher. The label should also include the expiration date.

Recharging

If the extinguisher has been used, never return it to its position. Even a momentary blast of the extinguishing agent will allow the pressurizing gas to leak, rendering the extinguisher useless. The used unit should be turned in and a spare extinguisher put in its place under a certified vendor can recharge the extinguisher.

Operating a Fire Extinguisher

Most individuals will never have the need to operate a fire extinguisher during an emergency. However, if the need does arise, remember the word 'PASS'

P

Pull the pin

Pull the pin from the valve handle. There is a seal holding in the pin which must be broken. If the pin is difficult to pull straight out, use the finger hole on the pin to twist the pin, breaking the seal.

A

Aim at the base of the fire

Hold the extinguisher in one hand by the handle, and use the other hand to hold the nozzle of the hose. Aim the nozzle at the base of the flames, where the flames meet the fuel source. Do not aim at the top of the dancing flames.

S

Squeeze the handle / trigger of the extinguisher

Most extinguishers are discharged by squeezing the handles on the top of the extinguisher. If the extinguisher is too heavy, the user can rest the extinguisher on the floor and lean on the top handle of the extinguisher to start the discharge.

S

Sweep the extinguishing agent across the surface of the fuel

Move the hand holding the nozzle, back and forth across the width of the flames. Start at the edge of the flame closest to you and 'push' the flames off the fuel. This is similar to using a garden hose to wash down a driveway.

The MEL Media Library has several online, VHS, and DVD fire extinguisher videos to enhance your fire extinguisher training. Many fire extinguisher service companies offer live-fire extinguisher training at your facility.

F I R S T

MCO

First Managed Care Option

119 Littleton Road, Parsippany, NJ 07054

Tel: (973)257-5200 Fax: (973)257-2288

March 01, 2016

Terry Sheerin

Inservco
3150 Brunswick Pike

LAWRENCEVILLE, NJ 08648

Re: Monthly Reports

Dear Terry Sheerin:

Enclosed please find the monthly reports for **SALEM COUNTY INS FUND**, which include the following:

- Savings Report for February, 2016

There were no appeals processed during the month of February

If you have any questions, or if I can be of additional assistance, please contact me at 973-257-5246.

Sincerely,

Tom Mooney
President

Enclosure

CC: Veronica George, Inservco

Roby Walcoff, SALEM COUNTY INS FUND

Nancy Fowlkes, Inservco

Karen Read, SALEM COUNTY INS FUND



First MCO Bill Review Services
SALEM COUNTY INS FUND
Medical Savings by Month
NJ

Month of Reprice Service	Provider Billed Amount	First MCO Repriced	U & C / Fee Schedule	Savings	% of Savings	# of Bills	In Network	Out Of Network	% PPO Penetration	# of Appeals	FMCO Fee	
Total 2013	\$358,432	\$148,272	\$244,402	\$210,160	59%	238	188	50	79%	0	\$42,032	
Total 2014	\$559,839	\$242,972	\$459,691	\$316,867	57%	279	226	53	81%	0	\$62,318	
Total 2015	\$291,510	\$166,300	\$324,272	\$125,210	43%	209	163	46	78%	1	\$25,490	
Jan-16	\$133,873	\$67,261	\$144,013	\$66,612	50%	14	11	3	79%	0	\$13,322	
Feb-16	\$132,956	\$70,174	\$132,961	\$62,782	47%	10	9	1	90%	0	\$12,556	
Total 2016	\$266,829	\$137,435	\$276,973	\$129,393	48%	24	20	4	83%	0	\$25,879	
Total to Date	\$1,476,609	\$694,979	\$1,305,338	\$781,630	53%	750	597	153	80%	1	\$155,718	

APPENDIX I – MEETING MINUTES

**SALEM COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES MEETING – FEBRUARY 4, 2016
104 MARKET STREET
SALEM, NJ 9:00 AM**

Meeting called to order by Chairman Vanderslice. Open Public Meetings notice read into record.

ROLL CALL OF COMMISSIONERS:

Robert Vanderslice	Present
Jessica Bishop	Present
Katie Coleman	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Bradford Stokes Karen A. Read
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ALSO PRESENT:

Thomas Narolweski, AJM Insurance Management
Michael Mulligan, Salem County
Keith Platt, Inservco
Veronica George, Inservco
Ashley Nelms, Inservco
Nancy Fowlkes, Inservco
Glenn Prince, JA Montgomery
Danielle Batchelor, Conner Strong & Buckelew
Ed Scioli, PERMA - *telephonically*

APPROVAL OF MINUTES: OPEN SESSION OF DECEMBER 10, 2015

MOTION TO APPROVE THE OPEN MINUTES OF DECEMBER 10, 2015

Moved:	Commissioner Coleman
Second:	Commissioner Bishop
Vote:	Unanimous

CORRESPONDENCE: None

EXECUTIVE DIRECTOR REPORT:

Election of Chairperson & Vice President: Executive Director asks for nominations and conducts election.

Commissioner Coleman nominated Robert Vanderslice as Chairman.

MOTION TO APPOINT ROBERT VANDERSLICE AS CHAIRPERSON

Moved: Commissioner Coleman
Second: Commissioner Bishop
Vote: Unanimous

Chairman Vanderslice nominated Katie Coleman as Vice Chairwoman

MOTION TO APPOINT KATIE COLEMAN AS VICE CHAIRPERSON

Moved: Commissioner Vanderslice
Second: Commissioner Bishop
Vote: Unanimous

MOTION TO CLOSE NOMINATIONS

Moved: Commissioner Bishop
Second: Commissioner Coleman
Vote: Unanimous

Reorganization Resolutions (Pages 3-16): Listed below are the necessary reorganizational Resolutions for the Salem County Insurance Fund Commission. Executive Director said he would like to op

Resolution 1-16 Certifying the Election of Chairperson and Vice Chairperson

Executive Director said this resolution will certify the election of Robert Vanderslice as Chairman and Katie Coleman as Vice Chairperson for Fund Year 2016.

Resolution 2-16 Appointing Commissioner to the New Jersey Counties Excess Joint

Insurance Fund for Fund Year 2016 – Executive Director said this resolution will appoint a Commissioner to the New Jersey Counties Excess Joint Insurance Fund for Fund Year 2016.

Chairman Robert Vanderslice nominated Jessica Bishop as designated CEL Appointee

MOTION TO APPOINT JESSICA BISHOP AS DESIGNATED COMMISSIONER TO THE NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND

Moved: Commissioner Coleman
Second: Commissioner Vanderslice

MOTION TO CLOSE NOMINATIONS

Moved: Commissioner Vanderslice
Second: Commissioner Coleman

Resolution 3-16 Appointing a Commission Treasurer- Executive Director said this resolution will appoint Katie B. Coleman as Treasurer for the Salem County Insurance Fund Commission.

Resolution 4-16 Appointing a Commission Attorney – Executive Director said this resolution will appoint Michael M. Mulligan as attorney for the Salem County Insurance Fund Commission.

Resolution 5-15 Appointing a Commission Secretary – Executive Director said this resolution would appoint Carey Bergholz as the Commission Secretary.

Resolution 6-16 Designating Authorized Depositories for Commission Assets and Establishing a Cash Management Plan for Fund Year 2016 – Executive Director said this resolution would appoint Fulton Bank as the designated depository for the commission and the 2016 Cash Management and Investment Policy.

Resolution 7-16 Designating Authorized Signatures for Commission Bank Accounts Executive Director said this would appoint Robert Vanderslice, Katie Coleman and Jessica Bishop as authorized signatures for the Commission bank accounts.

Resolution 8-16 Appointing Agent for Service of Process and Designating Custodian of Commission Records - Executive Director said this would appoint PERMA Risk Management Services as the Agent of Service of Process and Custodian of Records for Fund Year 2016 at no charge to the Commission.

Resolution 9-16 Designating Official Newspapers – Executive Director said this resolution will appoint the Elmer Times and the South Jersey Times as the official newspapers for the Salem County Insurance Fund Commission.

Resolution 10-16 Establishing Public Meeting Procedures – Executive Director said this resolution will formally establish meeting dates and procedures for the 2016 Fund Year. The dates were amended as follows:

9:00 AM	April 7, 2016	Salem County Old Courthouse 104 Market Street Salem, NJ 08079	Regular Meeting
9:00 AM	June 2, 2016	“	Regular Meeting
9:00 AM	August 4, 2016	“	Regular Meeting
9:00 AM	October 6, 2016	“	Regular Meeting
9:00 AM	December 8, 2016	“	Regular Meeting
9:00 AM	February 2, 2017	“	Reorganization Meeting

Resolution 11-16 2016 Risk Management Plan – Executive Director said there are a few minor changes to the Risk Management Plan. Underwriting Manager Ed Scioli reviewed the changes. Mr. Scioli said the Property sub-limits for Flood have increased to \$100,000,000 for excess flood. The Crime limit has been increased to \$1,000,000 we changed carriers to AIG and we were able to increase the limit with no additional premium. Mr. Scioli said Salem County elected to join the Zurich Program for pollution liability coverage with limits of \$10,000,000 per claim and \$25,000,000 annual aggregate with a deductible of \$25,000. Salem County will share the policy aggregates with the other insurance commission entities that buy the policy and they are listed on page 25. Salem also elected this year to purchase cyber liability with AIG with limits of \$1,000,000 for security and privacy liability if there was a breach. AIG has an excellent product that comes to you free of charge now that you are a policy holder and it is called Cyber Edge. It is a free device that IBM will come out and install into your computer network called an auto shun device that will filter out known bad IPS addresses attempting to infiltrate your computer network. Mr. Scioli said he would give the information to Mr. Stokes if the Commission is interested in the product. Mr. Scioli said the CEL did buy non-owned aircraft liability coverage for all of the membership and this covers non-owned drones it does not cover any owned drones. Mr. Scioli said beyond those change just discuss all of the terms and conditions are as expiring and the retentions will be as expiring.

MOTION TO APPROVE RESOLUTIONS 1-16 THOURGH 11-16

Moved: Commissioner Coleman
 Second: Commissioner Bishop
 Roll Call Vote: 3 Ayes, 0 Nays

2016 Property & Casualty Budget Adoption: Executive Director said at the December 10, 2015 meeting of the Fund, the 2016 Property & Casualty Budget was introduced. In accordance with State regulations, the budget has been advertised in the Commission's official newspaper and posted at the Clerk's office. The Public Hearing for the budget will be held at this meeting. A copy of the proposed 2016 budget appears on **page 32**.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2016 BUDGET

Moved: Commissioner Coleman
Second: Commissioner Bishop
Vote: Unanimous

DISCUSSION: A brief discussion was held on the proposed budget. The Executive Director reported a 2.98% increase with the overall Budget for Fund Year 2016 at \$1,498,979.

MOTION TO CLOSE THE PUBLIC HEARING

Moved: Commissioner Coleman
Second: Commissioner Bishop
Vote: Unanimous

MOTION TO ADOPT RESOLUTION 12-16 ADOPTING THE BUDGET FOR THE SALEM COUNTY INSURANCE FUND COMMISSION IN THE AMOUNT OF \$1,498,979. AS PRESENTED FOR THE COMMISSION YEAR 2016 AND CERTIFYING ASSESSMENTS

Moved: Commissioner Coleman
Second: Commissioner Bishop
Roll Call Vote: 3 Ayes, 0 Nays

2016 PROPERTY & CASUALTY ASSESSMENTS - Executive Director reported in accordance with the Commission's By Laws, the assessment bills for 2016 for property and casualty will be mailed to member entities now that the budget has been adopted. Assessments will be due as follows: The first payment of 40% will be due on March 15, 2016. The second assessment of 30% is due on June 15, 2016 and the third assessment of 30% is due on September 15, 2016.

Certificate of Insurance Issuance Report: Executive Director reported the Certificate of Insurance Issuance Report was included in the agenda from the CEL listing those certificates issued

for the period of November 24, 2015 to January 28, 2016. There were 10 certificates of insurance issued during this period

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

Moved:	Commissioner Coleman
Second:	Commissioner Bishop
Vote:	Unanimous

NJ Excess Counties Insurance fund (CELJIF) - The CEL held a public hearing on November 19, 2015 and adopted the 2016 Budget in the amount of \$21,461,623 and certified the assessments. A summary report of the meeting is included in the agenda. The CEL Reorganization meeting is scheduled for February 25, 2016 at 1:00 PM.

Financial Fast Track – Included on Page 38 & 39 of the agenda are the Financial Fast Tracks for the Salem County Insurance fund Commission for October and November. As of November 30, 2015 the Commission has a deficit of \$588,943. Executive Director said the claims in 2013 and 2014 continue to haunt us hopefully that will straighten out a little bit and we can improve some numbers there.

NJ CEL Property & Casualty Financial Fast Track – Executive Director said included in the agenda on Page 40 was the NJ CEL Financial Fast Track Report as of November 30, 2015. The CEL has a surplus of \$5,086,462.

Claims Tracking Report (Page 41) - The claims tracking report is on page 41 of the agenda. The Claims Activity Report tracks open claims; the Executive Director will review the report with the Commission.

SAFETY COMMITTEE REPORT

Glenn Prince reported the Safety Committee met on January 29, 2016 a variety of topics were discussed including training for 2016. We will be meeting today to discuss the format of the Safety meeting to encourage safety rather than turning it into a complaint session.

A discussion ensued regarding the standard number of corrections officers vs inmates in a corrections facility. Keith Platt of Inservco said some time ago in Atlantic County he believes the standard was 1 officer per 10 inmates. Mr. Prince said it would also have to do with the type of inmates if they are a low security risk versus a higher risk. Mr. Prince said he would look into consulting firms that may be able to help provide an analysis of optimal staff for the county's jail and price to provide the analysis.

CLAIM COMMITTEE REPORT

Claims Manager Danielle Batchelor reported on page 42 of the agenda packet you will find the 2016 Claims Committee schedule and on page 43 is the Claims Committee Charter. We did not have the claims committee scheduled to meet on January 19th but we did not meet because there were no PARs to review however one Payment Authority Request has been brought to our attention so we will discuss that today in executive session.

TREASURER

REPORT: Executive Director said the bills list in the agenda was incorrect. Executive Director reviewed the correct billed amounts totaling \$18,884.80.

MOTION TO APPROVE RESOLUTION 13-16 PAYMENT OF BILLS AS AMENDED IN THE AMOUNT OF \$18,884.80.

Moved:	Commissioner Coleman
Second:	Commissioner Crouch
Vote:	3 Ayes, 0 Nays

CEL SAFETY DIRECTOR REPORT

Safety Director reviewed the report included in the agenda. Mr. Prince said he had an extensive review of the BRITT Safety Program at the last Safety Committee meeting. We have been working with the Corrections and Sherriff's Department to get pricing on video cameras and body cameras for use at their facilities. We would like to apply for a \$10,000 grant through BRITT and hopefully this will help with some of the issues at the facility.

CLAIMS SERVICE:

Ms. George reviewed the MCO Report and Stewardship Report that was included in Appendix II of the agenda. Attorney Mulligan said we are least 70% on indemnity, medical and total claims coming out of the Sherriff's office or corrections facility. Executive Directors said on a positive note you will see the net incurred decreased from 2013 and 2014 into 2015. Executive Director said maybe at the next claims review meeting we can go a little more in depth into the Stewardship Report.

MOTION TO GO INTO CLOSED SESSION

Moved:	Commissioner Bishop
Second:	Commissioner Coleman
Vote:	Unanimous

MOTION TO GO INTO OPEN SESSION

Moved: Commissioner Bishop
Second: Commissioner Coleman
Vote: Unanimous

MOTION TO APPROVE THE PAYMENT AUTHORIZATION REQUEST

Moved: Commissioner Bishop
Second: Commissioner Coleman
Vote: 3 Ayes, 0 Nays

OLD BUSINESS: None

NEW BUSINESS: Commissioner Coleman said since their Solicitor is now in house for reporting to Inservco should they estimate hours and multiply by an hourly rate. Executive Director said yes and they can discuss further on procedures.

PUBLIC COMMENT: None

MOTION TO ADJOURN:

Motion: Commissioner Coleman
Second: Commissioner Bishop
Vote: Unanimous

MEETING ADJOURNED: 9:38 AM

NEXT MEETING WILL BE THURSDAY, April 7, 2016 at 9:00 AM

Minutes prepared by: Karen A. Read, Assisting Secretary