

**SALEM COUNTY INSURANCE FUND COMMISSION
AGENDA AND REPORTS
AUGUST 6, 2015 – 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
AUGUST 6, 2015 – 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: June 4, 2015 Open Minutes.....Appendix I
June 4, 2015 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 20-15 Bills List..... Page 14**

 - CEL SAFETY DIRECTOR – J.A. Montgomery Risk Control**
 - Monthly ReportPage 15**

 - CLAIMS SERVICE – Inservco Insurance Services**
 - Monthly Savings Report Page 17**
 - Liability Claim Payments – 5/1/15 to 6/30/15..... Page 21**
 - Resolution 21-15 Authorizing Disclosure of Claims Check Register.....Page 22**

 - 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: October 1, 2015**

SALEM COUNTY INSURANCE FUND COMMISSION

9 Campus Drive, Suite 216

Parsippany, NJ 07054

Telephone (201) 881-7632

Fax (201) 881-7633

Date: August 6, 2015

Memo to: Commissioners of the Salem County Insurance Fund Commission

From: PERMA Risk Management Services

Subject: Executive Director's Report

Revised Risk Management Plan (Appendix II) – Included in Appendix II of the agenda is an amended 2015 Risk Management Plan. The applicable pages are included and the changes are highlighted in yellow. Page 8 of the plan was revised along with revisions to Addendum # 2 to reflect underinsured motorist coverage in addition to uninsured motorist coverage.

Motion to approve Resolution 19-15, Revised Risk Management Plan

Certificate of Insurance Issuance Report: On **page 3** is the Certificate of Insurance Issuance Report from the CEL listing those certificates issued for the period of May 26, 2015 to July 27, 2015. There were 3 certificates issued during this period.

Motion to approve the certificate of insurance report

RFQ for Professional Service – The Agreement for the Fund's Claims Administrator expires in October. The Fund Office advertised and issued an RFQ with a due date of July 30th. A report will be provided at the meeting.

NJ Excess Counties Insurance Fund (CELJIF) — NJ Excess Counties Insurance Fund (CELJIF) (Pages 4-6) - The CEL met on June 25, 2015. A summary report of the meeting is included in the agenda on pages 4-6. The next CEL meeting is scheduled for September 24, 2015 at 1:00. PM.

Financial Fast Track – Included on **Pages 7 & 8** of the agenda are the Financial Fast Tracks for the Salem County Insurance Fund Commission for April & May. As of May 31, 2015 the Commission has a deficit of \$383,852.

NJ CEL Property and Casualty Financial Fast Track (Page 9) – Included in the agenda is the NJ CEL Financial Fast Track Report. As of May 31, 2015 the CEL has a surplus of **\$5,655,858**.

- ❑ **Claims Tracking Report (Page 10)** – A new claims tracking report is on page 9 of the agenda. The Claims Activity Report tracks open claims; the Executive Director will review the report with the Commission.

- ❑ **2016 Renewal** – Recently the NJCE FY 2016 Renewal Data Schedules were sent out to the County’s Risk Manager’s office. The updated documents should be returned by e-mail to the Fund Office no later than Friday, August 14, 2015. The CEL Underwriting Manager has sent out renewal applications for completion as respects to the ancillary lines of insurance.

- ❑ **OPRA Form (Page 11)** – The Fund office has revised the OPRA form used for all of the County Insurance Commissions. Attached on page 14 is a copy of the first page of the form which amends the contact person, e-mail address and fax number.

- ❑ **New Jersey Counties Excess Joint Insurance Fund – Joint Insurance Claims Committees Best Practices Workshop** – Michelle Leighton is coordinating a joint meeting of the Member Insurance Commissions of the CELJIF. The tentative date is scheduled for October 6, 2015. A planning committee will be formulated to discuss the agenda, format and location of the meeting. Ms. Leighton will reach out to last year’s committee members to participate in the planning. Please hold the date of October 6th open for the workshop.

- ❑ **Zurich Environmental Emergency Response (Pages 12-13)** – Zurich has made Environmental Emergency Response available at no additional cost to member entities who purchase Pollution Liability Insurance through the NJCEL’s ancillary insurance program. Zurich Environmental Emergency Response gives you direct access to a dedicated team of professionals experienced in the areas of environmental emergency response, investigation and remediation of accidental releases of hazmat and other regulated materials. In the event of a spill: (1) please login in to the site at <http://www.spillcenter.com/zurich> and (2) choose “Report a Pollution Event” from the menu or call 888 SPILLHELP (888-774-5543). (3) User Name: Mleighton Password: _____. A separate claim report must be made in addition to the call for spill help that can be made by calling Zurich’s claim reporting facility at 1-800-987-3373, Fax 1-866-255-2962 or email at USZ_Zurich_Environmental@zurichna.com and claimsteamc@connerstrong.com. Please note that all Environmental claims must be reported immediately. Below is the pertinent policy information for the Pollution Liability Insurance.

New Jersey Counties Excess Joint Insurance Fund
Line of Coverage: Pollution Liability
Policy Number: ZRE554295500 ,Policy Period: 1/1/2013 – 1/1/2016

**Salem County Insurance Commission
Certificate Of Insurance Monthly Report**

Tuesday, July 28, 2015

From 5/26/2015 To 7/27/2015

Holder (H) / Insured Name (I)	Holder / Insured Address	Holder Code	Description of Operations	Issue Date	Coverag
<u>SCIC</u> H- NJ Department of Military & Veterans Affairs I- Salem County	Jill Ann Priar, Chief, Real Property Bureau PO Box 340 Trenton, NJ 08625-0340 94 Market Street Salem, NJ 08079	468	Evidence of insurance. All operations usual to County Governmental Entity as respects the use of Woodstown Armory for Emergency Evacuation – 24 hr holding Period for the Salem County Correctional Facility. Company E: XS Worker Compensation XS Employers Liability Policy Term 1/1/15 to 1/1/16 Policy # SP4052392	6/19/2015	GL EX AU WC \$1,000,000 x \$1,000,000
H- NJ Department of Military & Veterans Affairs I- Salem County	Jill Ann Priar, Chief, Real Property Bureau PO Box 340 Trenton, NJ 08625-0340 94 Market Street Salem, NJ 08079	468	Certificate holder is additional insured where obligated by virtue of a written contract or written mutual aid agreement or other written agreement with the Named Assured, but only in respect to acts or operations by or on behalf of the Named Assured, and subject to the limitations on coverage contained in any such written contract or written mutual aid agreement or other written agreement as respects the use of Woodstown Armory for Emergency Evacuation – 24 hr holding Period for the Salem County Correctional Facility. Company E: XS Worker Compensation XS Employers Liability Policy Term 1/1/15 to 1/1/16 Policy # SP4052392	6/23/2015	GL EX AU WC \$1,000,000 x \$1,000,000
H- Division on Aging I- Salem County	Building 12D, Quaker Bridge Plaza PO Box 807 Trenton, NJ 08625 94 Market Street Salem, NJ 08079	885	Evidence of insurance. All operations usual to County Governmental Entity as respects the Senior Health Insurance Program (SHIP) grant application in the State Health Insurance Program (SAGE). (see page 2) Company E: XS Worker Compensation XS Employers Liability Policy Term 1/1/15 to 1/1/16 Policy # SP4052392	6/11/2015	GL EX AU WC \$1,000,000 x \$1,000,000

Total # of Holders = 4

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: June 25, 2015
To: Executive Committee
Salem County Insurance Fund Commission
From: PERMA Risk Management Services
Subject: New Jersey Counties Excess Meeting Report

NJCE Secretary: The Board of Fund Commissioners elected Commissioner John Kelly of Ocean County as Secretary.

PERMA Staff Announcement: After 30 years of service Mary Lou Doner, Vice President of Claims is retiring on July 1, 2015; PERMA is pleased to announce that Robyn Walcoff will join the operation as the Vice President of Claims.

Commission Membership: Executive Director reported that Camden County Insurance Commission and Gloucester County Insurance Commission are scheduled to renew their membership with the Fund as of January 1, 2016. Renewal documents will be sent to each respective County.

Professional Contracts – Actuary: Executive Director reported the Fund’s contract with The Actuarial Advantage will expire on 6/30/15. The Board of Fund Commissioners authorized the fund office to issue a Request for Price Quotes and report the responses received at the next meeting.

December 31, 2014 Audit: The Fund Auditor submitted and reviewed a draft financial audit for the period ending December 31, 2014. Fund Auditor noted there was no recommendations or findings and would prepare the final report for the next meeting. The Board adopted resolution 20-15 authorizing the fund office to file the draft audit and request an extension to submit the final report to the Department of Community Affairs.

2016 Renewal: As previously reported, the fund office is implementing a new data collection procedure designed to be more dynamic to provide relevant information to underwriters. The fund office is working with the local Insurance Commissions and County members to roll out the process in June; the initial deadline to complete the general liability and property information is set for August and all remaining exposure data by September in order to present a budget by the October meeting.

New Jersey Counties Excess Joint Insurance Fund– Joint Insurance Claims Committees Best Practices Workshop: Ms. Michelle Leighton is coordinating a joint meeting of the Member Insurance Commissions of the NJCE JIF with a tentative date scheduled for October 6, 2015. A planning committee will be formulated to discuss the agenda, format and location of the meeting. Ms. Leighton will reach out to last year’s committee members to participate in the planning. Please hold the date of October 6th open for the workshop.

Department of Banking & Insurance Examination: Under the Statute and Regulations the DOBI may conduct an audit of joint insurance funds anytime within 5 years. The review includes but is not limited to an examination of the assets and liabilities, financial condition and method of conducting business of the fund. Executive Director reported the DOBI recently completed a review of the NJCE as of 12/31/13; the final report will be distributed when available.

PERMA Office Location: PERMA has moved offices within its current building and has an updated suite number. While all other contact information remains the same, the new address is:

PERMA Risk Management Services
9 Campus Drive, **Suite 216**
Parsippany, NJ 07054-4412

NJCE Financials: The Financial Fast Track as of April 30, 2015 showed the fund’s statutory surplus of \$5.6 million.

NJCE Website: The fund’s website, www.njce.org, continues to be updated on an as-needed basis with fund information.

Marketing Report: Included in the agenda was a report by Mr. Frank Proctor on marketing updates as well as new business activities. Mr. Proctor reported the following:

- **Schools:** Seven schools from Burlington, Camden, Gloucester and Atlantic Counties were quoted for membership. Unfortunately, as in the past, the Fund was unable to be competitive with what is currently being offered through the New Jersey Schools Insurance Group.
- **Additional Counties:** Morris County already has a Commission set up within its Country structure; an initial meeting was held to determine potential membership in the Fund with positive feedback and could be quoted should the opportunity arise. Cape May County was quoted for membership a few years ago, but at the time was not competitive and is currently being reviewed to quote membership for a 1/1/16 date. Essex County was quoted for a 6/1/15 date, but was not competitive since the County currently has higher self-insured retentions in their current program.
- **Colleges:** Mr. Proctor reported on the prospective development of an underlying College JIF to bring the majority of NJ Community Colleges into the Fund by 1/1/16; enclosed separately from the agenda was a related presentation. Mr. Proctor reported that a majority of the State Community Colleges have workers’ compensation coverage through the NJ Community College Pool while all other lines of coverage are through Borden Perlman - a brokerage firm in Mercer County.

The intent would be to roll the current NJ Community College Pool into the NJCE program to allow colleges to obtain excess coverage through the NJCE. The Board of Fund Commissioners expressed support of this initiative.

Safety National 2016 Excess Workers' Compensation Renewal: Underwriting Manager presented a report on the renewal of Excess Workers' Compensation and Employers' Liability coverage through Safety National, which currently insures all counties (except Hudson) with an underlying retention of \$1,000,000.

Underwriting Manager reported Safety National has agreed to extend the same rate per \$100 of payroll to January 1, 2017 with the following adjustment effective January 1, 2016: Safety will require retention of \$1,150,000 for Workers' Compensation codes 7720 Police and 7710 Firemen. The Board of Fund Commissioners authorized the Underwriting Manager to secure an extension of the current rate per \$100 of payroll to 1/1/17 with the adjustments made to retentions for Workers' Compensation codes 7720 Police and 7710 Firemen.

Risk Control: Safety Consultant's report included the risk control activities from April through July 2015. Safety Consultant reported Brit has \$10,000 of grant money available to split and members may want to consider the purchase of body cameras for police personnel to reduce potential exposure. Commissioners expressed concerns of privacy, OPRA and records retentions with respect to body cameras; Safety Consultant was requested to provide a checklist of potential issues for each county to review with legal counsel and sheriff's department. Executive Director clarified the grant money can be split among members, but the NJCE does not set policy on County operations.

Claims Status/Other Claim Matters: The Board of Fund Commissioners adopted a resolution authorizing the need for closed session; AmeriHealth Casualty Services discussed claims with large open reserves during Closed Session.

Next Meeting: The next scheduled meeting of the NJCE fund is September 24, 2015 at 1:00PM at the Camden County Emergency Training Center. If a meeting is scheduled in the interim then a notice will be sent to members, advertised and posted on the fund's website.

SALEM COUNTY INSURANCE COMMISSION				
FINANCIAL FAST TRACK REPORT				
AS OF April 30, 2015				
ALL YEARS COMBINED				
	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1. UNDERWRITING INCOME	121,433	485,734	3,222,630	3,708,364
2. CLAIM EXPENSES				
Paid Claims	47,936	165,185	1,044,566	1,209,751
Case Reserves	95,033	2,041	443,951	445,991
IBNR	(13,652)	42,849	286,689	329,538
Discounted Claim Value	1,898	12,158	(46,951)	(34,792)
TOTAL CLAIMS	131,215	222,233	1,728,255	1,950,488
3. EXPENSES				
Excess Premiums	65,397	261,651	1,689,146	1,950,797
Administrative	6,611	25,470	160,931	186,401
TOTAL EXPENSES	72,009	287,121	1,850,077	2,137,198
4. UNDERWRITING PROFIT (1-2-3)	(81,790)	(23,620)	(355,702)	(379,322)
5. INVESTMENT INCOME	1	3	2	5
6. PROFIT (4 + 5)	(81,790)	(23,617)	(355,700)	(379,317)
7. CEL APPROPRIATION CANCELLATION	0	0	1,259	1,259
8. INVESTMENT IN JOINT VENTURE	(2,112)	1,534	49,984	51,518
9. SURPLUS (6 + 7 + 8)	(83,902)	(22,084)	(304,457)	(326,541)
SURPLUS (DEFICITS) BY FUND YEAR				
2012	(1,386)	(145)	(110,295)	(110,440)
2013	(22,817)	15,392	(76,854)	(61,462)
2014	(58,298)	(41,326)	(117,308)	(158,634)
2015	(1,401)	3,995		3,995
TOTAL SURPLUS (DEFICITS)	(83,902)	(22,084)	(304,457)	(326,541)
TOTAL CASH				131,474
CLAIM ANALYSIS BY FUND YEAR				
FUND YEAR 2012				
Paid Claims	5,418	11,723	173,588	185,311
Case Reserves	(5,572)	(16,689)	45,265	28,576
IBNR	487	2,798	8,648	11,446
Discounted Claim Value	1,008	2,219	(3,937)	(1,718)
TOTAL FY 2012 CLAIMS	1,340	51	223,564	223,615
FUND YEAR 2013				
Paid Claims	37,309	52,707	536,291	588,998
Case Reserves	19,341	(17,991)	215,490	197,499
IBNR	(39,364)	(60,871)	100,924	40,053
Discounted Claim Value	3,014	9,728	(20,122)	(10,394)
TOTAL FY 2013 CLAIMS	20,300	(16,428)	832,583	816,155
FUND YEAR 2014				
Paid Claims	2,670	50,076	334,687	384,763
Case Reserves	62,705	(2,233)	183,195	180,962
IBNR	(7,426)	(15,394)	177,117	161,723
Discounted Claim Value	109	7,419	(22,891)	(15,472)
TOTAL FY 2014 CLAIMS	58,058	39,869	672,108	711,977
FUND YEAR 2015				
Paid Claims	2,538	50,678		50,678
Case Reserves	18,559	38,954		38,954
IBNR	32,652	116,317		116,317
Discounted Claim Value	(2,233)	(7,208)		(7,208)
TOTAL FY 2015 CLAIMS	51,516	198,741	0	198,741
COMBINED TOTAL CLAIMS	131,215	222,233	1,728,255	1,950,488

SALEM COUNTY INSURANCE COMMISSION					
FINANCIAL FAST TRACK REPORT					
AS OF May 31, 2015					
ALL YEARS COMBINED					
	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE	
1. UNDERWRITING INCOME	121,433	607,167	3,222,630	3,829,797	
2. CLAIM EXPENSES					
Paid Claims	48,760	213,945	1,044,566	1,258,511	
Case Reserves	36,331	38,372	443,951	482,322	
IBNR	24,423	67,272	286,689	353,961	
Discounted Claim Value	(2,197)	9,961	(46,951)	(36,989)	
TOTAL CLAIMS	107,318	329,550	1,728,255	2,057,805	
3. EXPENSES					
Excess Premiums	65,397	327,049	1,689,146	2,016,195	
Administrative	6,035	30,691	161,746	192,437	
TOTAL EXPENSES	71,433	357,739	1,850,892	2,208,631	
4. UNDERWRITING PROFIT (1-2-3)	(57,317)	(80,123)	(356,517)	(436,640)	
5. INVESTMENT INCOME	1	4	2	6	
6. PROFIT (4 + 5)	(57,316)	(80,119)	(356,515)	(436,634)	
7. CEL APPROPRIATION CANCELLATION	0	0	1,259	1,259	
8. INVESTMENT IN JOINT VENTURE	0	1,534	49,989	51,523	
9. SURPLUS (6 + 7 + 8)	(57,316)	(78,585)	(305,267)	(383,852)	
SURPLUS (DEFICITS) BY FUND YEAR					
2012	(741)	(886)	(110,295)	(111,181)	
2013	(28,032)	(12,640)	(76,854)	(89,494)	
2014	(48,932)	(89,444)	(118,118)	(207,562)	
2015	20,389	24,384		24,384	
TOTAL SURPLUS (DEFICITS)	(57,316)	(78,585)	(305,267)	(383,852)	
TOTAL CASH				82,715	
CLAIM ANALYSIS BY FUND YEAR					
FUND YEAR 2012					
Paid Claims	7,813	19,537	173,588	193,125	
Case Reserves	(6,282)	(22,971)	45,265	22,294	
IBNR	(1,108)	1,690	8,648	10,338	
Discounted Claim Value	318	2,537	(3,937)	(1,400)	
TOTAL FY 2012 CLAIMS	741	792	223,564	224,356	
FUND YEAR 2013					
Paid Claims	19,772	72,479	536,291	608,770	
Case Reserves	42,633	24,642	215,490	240,132	
IBNR	(34,191)	(95,062)	100,924	5,862	
Discounted Claim Value	(182)	9,546	(20,122)	(10,576)	
TOTAL FY 2013 CLAIMS	28,032	11,605	832,583	844,188	
FUND YEAR 2014					
Paid Claims	19,575	69,652	334,687	404,339	
Case Reserves	3,114	881	183,195	184,076	
IBNR	27,109	11,715	177,117	188,832	
Discounted Claim Value	(866)	6,553	(22,891)	(16,338)	
TOTAL FY 2014 CLAIMS	48,932	88,801	672,108	760,909	
FUND YEAR 2015					
Paid Claims	1,600	52,277		52,277	
Case Reserves	(3,133)	35,821		35,821	
IBNR	32,613	148,930		148,930	
Discounted Claim Value	(1,466)	(8,675)		(8,675)	
TOTAL FY 2015 CLAIMS	29,612	228,353	0	228,353	
COMBINED TOTAL CLAIMS	107,318	329,550	1,728,255	2,057,805	

NEW JERSEY COUNTIES EXCESS JIF					
FINANCIAL FAST TRACK REPORT					
		AS OF	May 31, 2015		
ALL YEARS COMBINED					
	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE	
1.	UNDERWRITING INCOME	1,822,623	9,113,115	54,944,240	64,057,355
2.	CLAIM EXPENSES				
	Paid Claims	2,616	377,226	411,505	788,731
	Case Reserves	302,106	465,852	683,536	1,149,386
	IBNR	64,254	790,384	8,429,959	9,220,343
	Discounted Claim Value	(28,119)	62,452	(1,189,781)	(1,127,328)
	TOTAL CLAIMS	340,857	1,695,915	8,335,219	10,031,133
3.	EXPENSES				
	Excess Premiums	1,371,824	6,438,526	36,749,433	43,187,959
	Administrative	132,138	659,373	4,081,008	4,740,381
	TOTAL EXPENSES	1,503,963	7,097,899	40,830,441	47,928,340
4.	UNDERWRITING PROFIT (1-2-3)	(22,197)	319,301	5,778,580	6,097,882
5.	INVESTMENT INCOME	2,808	12,983	152,545	165,528
6.	STATUTORY PROFIT (4+5)	(19,389)	332,284	5,931,125	6,263,410
7.	Cancelled Appropriations	0	0	607,551	607,551
8.	STATUTORY SURPLUS (6-7)	(19,389)	332,284	5,323,574	5,655,859
SURPLUS (DEFICITS) BY FUND YEAR					
	2010	22,524	83,131	680,166	763,297
	2011	46,964	176,647	994,756	1,171,403
	2012	(187,638)	(171,172)	822,655	651,483
	2013	8,382	35,993	1,310,706	1,346,699
	2014	30,668	(254,754)	1,515,291	1,260,537
	2015	59,711	462,439		462,439
	TOTAL SURPLUS (DEFICITS)	(19,389)	332,284	5,323,574	5,655,858
	TOTAL CASH				10,779,863
CLAIM ANALYSIS BY FUND YEAR					
FUND YEAR 2010					
	Paid Claims	1,696	12,597	142,195	154,792
	Case Reserves	(1,700)	(15,422)	24,085	8,663
	IBNR	(23,558)	(96,345)	463,719	367,374
	Discounted Claim Value	1,255	17,142	(41,484)	(24,342)
	TOTAL FY 2010 CLAIMS	(22,307)	(82,028)	588,515	506,487
FUND YEAR 2011					
	Paid Claims	0	0	144,097	144,097
	Case Reserves	(1)	(1,659)	2,671	1,012
	IBNR	(51,207)	(214,615)	1,113,232	898,617
	Discounted Claim Value	4,632	41,587	(121,623)	(80,036)
	TOTAL FY 2011 CLAIMS	(46,576)	(174,687)	1,138,377	963,690
FUND YEAR 2012					
	Paid Claims	11	251,087	125,213	376,300
	Case Reserves	239,990	32,737	653,695	686,432
	IBNR	(45,647)	(176,708)	1,521,091	1,344,383
	Discounted Claim Value	(6,229)	66,580	(240,518)	(173,938)
	TOTAL FY 2012 CLAIMS	188,125	173,697	2,059,481	2,233,178
FUND YEAR 2013					
	Paid Claims	0	0	0	0
	Case Reserves	64,713	64,713	2,025	66,738
	IBNR	(74,440)	(177,115)	2,322,975	2,145,860
	Discounted Claim Value	1,983	79,639	(311,625)	(231,986)
	TOTAL FY 2013 CLAIMS	(7,744)	(32,764)	2,013,375	1,980,611
FUND YEAR 2014					
	Paid Claims	909	113,542	0	113,542
	Case Reserves	(902)	135,471	1,058	136,529
	IBNR	(38,786)	(84,968)	3,008,942	2,923,374
	Discounted Claim Value	8,954	94,551	(474,530)	(379,979)
	TOTAL FY 2014 CLAIMS	(29,825)	258,596	2,535,470	2,794,066
FUND YEAR 2015					
	Paid Claims	0	0		0
	Case Reserves	6	250,012		250,012
	IBNR	297,893	1,540,136		1,540,136
	Discounted Claim Value	(38,715)	(237,047)		(237,047)
	TOTAL FY 2015 CLAIMS	259,184	1,553,100	0	1,553,100
	COMBINED TOTAL CLAIMS	340,857	1,695,915	8,335,218	10,031,133

**Salem County Insurance Commission
CLAIM ACTIVITY REPORT**

AS OF		June 30, 2015						
COVERAGE LINE - PROPERTY								
CLAIM COUNT - OPEN CLAIMS								
Year		2010	2011	2012	2013	2014	2015	TOTAL
	May-15	0	0	0	0	0	3	3
	June-15	0	0	0	0	0	1	1
NET CHGE		0	0	0	0	0	-2	-2
Limited Reserves								\$0
Year		2010	2011	2012	2013	2014	2015	TOTAL
	May-15	\$0	\$0	\$0	\$0	\$0	\$6,500	\$6,500
	June-15	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NET CHGE		\$0	\$0	\$0	\$0	\$0	(\$6,500)	(\$6,500)
Ltd Incurred		\$0	\$0	\$0	\$45,689	\$0	\$45,000	\$90,689
COVERAGE LINE - GENERAL LIABILITY								
CLAIM COUNT - OPEN CLAIMS								
Year		2010	2011	2012	2013	2014	2015	TOTAL
	May-15	0	0	0	6	10	4	20
	June-15	0	0	0	7	9	9	25
NET CHGE		0	0	0	1	-1	5	5
Limited Reserves								\$10,920
Year		2010	2011	2012	2013	2014	2015	TOTAL
	May-15	\$0	\$0	\$0	\$135,000	\$68,501	\$6,501	\$210,002
	June-15	\$0	\$0	\$0	\$182,500	\$62,001	\$28,504	\$273,005
NET CHGE		\$0	\$0	\$0	\$47,500	(\$6,500)	\$22,003	\$63,003
Ltd Incurred		\$0	\$0	\$313	\$198,648	\$64,063	\$64,063	\$327,087
COVERAGE LINE - AUTO LIABILITY								
CLAIM COUNT - OPEN CLAIMS								
Year		2010	2011	2012	2013	2014	2015	TOTAL
	May-15	0	0	0	0	0	0	0
	June-15	0	0	0	0	0	0	0
NET CHGE		0	0	0	0	0	0	0
Limited Reserves								#DIV/0!
Year		2010	2011	2012	2013	2014	2015	TOTAL
	May-15	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	June-15	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NET CHGE		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ltd Incurred		\$0	\$0	\$0	\$3,558	\$4,002	\$0	\$7,559
COVERAGE LINE - WORKERS COMP.								
CLAIM COUNT - OPEN CLAIMS								
Year		2010	2011	2012	2013	2014	2015	TOTAL
	May-15	0	0	1	7	8	5	21
	June-15	0	0	1	7	8	22	38
NET CHGE		0	0	0	0	0	17	17
Limited Reserves								\$7,549
Year		2010	2011	2012	2013	2014	2015	TOTAL
	May-15	\$0	\$0	\$22,294	\$105,132	\$115,575	\$22,820	\$265,821
	June-15	\$0	\$0	\$13,445	\$103,077	\$111,670	\$58,657	\$286,849
NET CHGE		\$0	\$0	(\$8,849)	(\$2,055)	(\$3,906)	\$35,837	\$21,028
Ltd Incurred		\$0	\$0	\$214,468	\$648,490	\$517,735	\$70,338	\$1,451,032
TOTAL ALL LINES COMBINED								
CLAIM COUNT - OPEN CLAIMS								
Year		2010	2011	2012	2013	2014	2015	TOTAL
	May-15	0	0	1	13	18	12	44
	June-15	0	0	1	14	17	32	64
NET CHGE		0	0	0	1	-1	20	20
Limited Reserves								\$8,748
Year		2010	2011	2012	2013	2014	2015	TOTAL
	May-15	\$0	\$0	\$22,294	\$240,132	\$184,076	\$35,821	\$482,323
	June-15	\$0	\$0	\$13,445	\$285,577	\$173,671	\$87,161	\$559,854
NET CHGE		\$0	\$0	(\$8,849)	\$45,445	(\$10,406)	\$51,340	\$77,531
Ltd Incurred		\$0	\$0	\$214,782	\$896,386	\$585,800	\$179,401	\$1,876,368

- Burlington Co. Com
- Camden Co. Com.
- Cumberland Co. Com.
- Gloucester Co. Com.
- N.J. Counties Excess
- Salem Co. Com
- Mercer Co. Ins. Fund Com.
- Atlantic Co. Ins. Com

PLEASE SELECT ONE FUND PER FORM BY PLACING CHECK MARK NEXT TO THE JOINT INSURANCE FUND OR INSURANCE COMMISSION
OPEN PUBLIC RECORDS ACT REQUEST FORM

9 Campus Drive, Suite 216
 Parsippany, NJ 07054
 Phone No: 201-881-7632 Fax No: 856-830-1448
 Email: opra@permainc.com
 PERMA: Attn: Bradford C. Stokes

Important Notice

The last page of this form contains important information related to your rights concerning government records. Please read it carefully.

Requestor Information – Please Print

First Name _____ MI _____ Last Name _____
 E-mail Address _____
 Mailing Address _____
 City _____ State _____ Zip _____
 Telephone _____ FAX _____
 Preferred Delivery: Pick Up _____ US Mail _____ On-Site Inspect _____ Fax _____ E-mail _____
 If you are requesting records containing personal information, please circle one: Under penalty of N.J.S.A. 2C:28-3, I certify that I *HAVE* / *HAVE NOT* been convicted of any indictable offense under the laws of New Jersey, any other state, or the United States.
 Signature _____ Date _____

Payment Information

Maximum Authorization Cost \$ _____
 Select Payment Method
 Cash Check Money Order
 Fees: Letter size pages - \$0.05 per page
 Legal size pages - \$0.07 per page
 Other materials (CD, DVD, etc) – actual cost of materials
 Delivery: Delivery / postage fees additional depending upon delivery type.
 Extras: Special service charge dependent upon request.

Record Request Information: Please be as specific as possible in describing the records being requested. Also, please note that your preferred method of delivery will only be accommodated if the custodian has the technological means and the integrity of the records will not be jeopardized by such method of delivery.

AGENCY USE ONLY

AGENCY USE ONLY

AGENCY USE ONLY



Zurich Environmental Emergency Response

Zurich Environmental Emergency Response gives you direct access to a dedicated team of professionals experienced in the areas of environmental emergency response, investigation and remediation of accidental releases of hazmat and other regulated materials.

Access to the system is available at **no additional cost** to current Zurich environmental customers.

Sign up today! It's simple, just call

888-SPILLHELP

(1-888-774-5543) Or by visiting
www.zurichna.com/spillcenter and
choosing "enrollment" to create
your password and ID.

Zurich

1400 American Lane, Schaumburg, Illinois 60196-1056
866 219 3402 www.zurichna.com/environmental

This is intended as a general description of certain types of insurance and services available to qualified customers through the companies of Zurich in North America. Your policy is the contract that specifically and fully describes your coverage. The description of the policy provisions gives a broad overview of coverages and does not revise or amend the policy.

Insurance coverages underwritten by member companies of Zurich in North America, including Zurich American Insurance Company. Certain coverages not available in all states. Some coverages may be written on a nonadmitted basis through surplus lines brokers. ©2014 Zurich American Insurance Company

A1-18938 (1/14) 112003581



Whether it is a release from a vehicle accident or at your facility, any accident that requires emergency environmental clean-up can set off a complicated and potentially expensive chain of events.

That's why Zurich's Environmental underwriting and claims professionals developed the Zurich Environmental Emergency Response (ZEER). With more than 15 years of assessing and auditing environmental emergencies, the resources of Spill Center® can expedite and execute release reporting, dispatch clean-up contractors, reduce costs and mitigate potential liability, regardless of the extent of the environmental emergency, and at **no additional cost** to you.

Focusing on your business

A vehicle accident or an emergency release that results in an environmental hazard is, for most businesses, an extraordinary occurrence. Yet every business needs to be prepared for such an event. ZEER helps you deal with spill emergencies without expending your own resources to build and maintain a spill emergency response system. Zurich's assistance with your emergency response including reporting, response activation and documentation allows you time to focus on your business.

Spill reporting simplified

If you are registered with ZEER, you can report an environmental emergency online or by telephone 24 hours a day, seven days a week. Upon activating the system, enter all pertinent emergency information. Your information is sent electronically to the alert distribution list identified in your enrollment profile. Then, Zurich Environmental Emergency Response searches a database of more than 3,000 qualified contractors throughout North America who are skilled and equipped to react to particular types of environmental emergencies, minimizing costs and liability.

You will be provided with the names of several contractors to choose from. The scope of work for the environmental emergency is monitored in real time to ensure that the work being performed is reasonable. Every release, no matter how small, can be identified, reviewed and recorded immediately. So even if a release doesn't require urgent attention, no emergency falls through the cracks. Generally, you submit costs in excess of the deductible to Zurich, which processes covered payments to third parties.

There's more to it than clean-up

Zurich's service doesn't stop with response and clean-up. The Zurich Environmental Emergency Response also coordinates assistance in completing the required local, state and federal release reports.

Depending on the jurisdiction and type of environmental emergency, you may have to file up to a dozen different reports. With ZEER, vital event information is collected once, consolidated and provided to the appropriate authorities upon your approval. Because the Spill Center constantly reviews and updates regulatory requirements, it will have up-to-date environmental regulatory requirements at the time of loss. You can even arrange for notification of your internal spill team to make the process even easier and more efficient.

In addition, you'll receive a full electronic data package with all of the outgoing correspondence generated by ZEER.

Zurich Environmental Emergency Response provides:

- Tracking of quickly changing environmental regulatory requirements
- Assistance with the coordination of clean-up activities from the initial response through release closure
- Coordination and filing of reports with regulatory authorities
- Notification of your in-house spill team, if requested
- Complete data package of outgoing correspondence

To report a spill call **888-SPILLHELP**
(1-888-774-5543)

Reporting a claim

Reporting an environmental emergency to the online system does not constitute reporting a claim, nor does it guarantee that an environmental emergency is covered under your policy. Zurich Environmental Emergency Response is not intended to be a substitute for reporting claims as required by the policy terms and conditions.

To report a claim, please refer to the claims reporting provisions outlined in your policy or call Zurich's Claim Reporting Facility at 1-800-987-3373. Whether or not coverage is ultimately found to exist, the Zurich Environmental Emergency Response is intended to help you effectively and efficiently mitigate these types of claims.

Additionally, this service is available within your deductible/Self Insured Retention. This is a value-added benefit at no cost to you and is afforded regardless of the amount of necessary clean-up costs. This system will help facilitate timely investigation of the facts and circumstances surrounding the event.

For more information, call Zurich's Spill Center at
888-SPILLHELP (1-888-774-5543)

RESOLUTION NO. 20 -15

**SALEM COUNTY INSURANCE FUND COMMISSION
AUGUST 2015 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>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000131			
000131	INSERVCO INSURANCE SERVICE INC	CLAIMS ADMIN - 3RD QTR 2015	5,499.99
			5,499.99
000132			
000132	PERMA RISK MANAGEMENT SERVS	POSTAGE FEE 05/2015	1.61
000132	PERMA RISK MANAGEMENT SERVS	EXECUTIVE DIRECTOR FEE 3RD QTR 2015	8,704.25
			8,705.86
000133			
000133	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING FEE 3RD QTR 2015	1,950.75
			1,950.75
000134			
000134	AJM INSURANCE MANAGEMENT	RMC FEE 3RD QTR 2015	2,500.00
			2,500.00
		TOTAL PAYMENTS FY 2015	18,656.60

TOTAL PAYMENTS ALL FUND YEARS \$ 18,656.60

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: July 29, 2015

**June – August 2015
 RISK CONTROL ACTIVITIES**

MEETINGS ATTENDED / LOSS CONTROL VISITS CONDUCTED

- **June 4:** Attended the SCIC meeting in Salem.
- **June 15:** Attended the SCIC Claims Committee meeting in Salem.

UPCOMING MEETINGS / LOSS CONTROL VISITS PLANNED

- **August 6:** Plan to attend the SCIC meeting in Salem.

TRAINING (JUNE - AUGUST)

DATE	LOCATION	TOPIC	TIME
6/9/15	SCIC	Flagger / Work Zone Safety	8:00 -12:00 pm
6/17/15	SCIC	Landscape Safety	8:30 - 11:30 am
6/17/15	SCIC	PPE	12:30 - 2:30 pm
7/21/15	SCIC	DDC	8:30 – 3:00 pm
8/5/17	SCIC	Excavation/Trenching/Shoring	8:00 - 12:00 pm
8/17/15	SCIC	Heavy Equipment Safety	8:30 - 11:30 am

SAFETY DIRECTOR'S BULLETINS

- Preventing Heat-Related Illnesses– June 17

CEL VIDEO LIBRARY

No videos were utilized by SCIC during 2014 & 2015.

Preventing Heat-Related Illnesses – A Team Approach

Working outdoors in high heat conditions can pose a number of hazards to workers. Even healthy adults can be affected. A coordinated team approach is the best strategy to protect workers from heat-related illnesses and injuries.

Managers and Supervisors

- Monitor the weather forecast and anticipated workload. To the extent possible, plan heaviest work early in the day when temperatures are milder. Gradually acclimatize workers to higher temperatures. Keep a closer watch of new and seasonal employees. Older persons are also more susceptible to heat illnesses.
- Talk to staff frequently about your commitment to protecting them from the dangers of over-exposure to heat and sun. Remind them of your specific expectations on especially hot and humid days. Have a program that integrates increasing levels of safeguards as the Heat Index reaches higher temperatures.
- Provide additional provisions for water, ice, shade, and other safeguards. Rotate personnel in and out of jobs with the highest heat or sun exposures. Train workers on heat illnesses and first aid measures.
- Investigate and evaluate new technologies such as cooling apparel, misters, and similar devices.

Employees

- Monitor the weather forecast. Know what to expect with regards to temperature and humidity.
- Come to work prepared. Eat a lighter than normal breakfast. Consider fruit instead of heavy breakfast sandwiches. Limit coffee and substitute juice and water. Drink water every 15 minutes, even if you are not yet thirsty.
- Dress wisely. Wear a hat and light-colored clothing of a breathable fabric, like cotton.
- Pace yourself. Work at a steady pace. Breaks should include time out of heat and direct sunlight. Find shady locations or use vehicles with air conditioning.
- Be aware that certain medications can affect your ability to effectively regulate body temperature. These include vasoconstrictors, beta blockers, diuretics, antidepressants, and stimulants.
- Monitor yourself for signs of overexposure. Page 2 of this Bulletin discusses the signs of overexposure.

Co-workers

- Keep an eye on your teammates. Watch them for signs of overexposure. If you see something, say something to the worker or the supervisor. In extreme cases, you may have to call 9-1-1.

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.

F I R S T
MCO

First Managed Care Option

119 Littleton Road, Parsippany, NJ 07054
Tel: (973)257-5200 Fax: (973)257-2288

June 02, 2015

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 May, 2015

There were no appeals processed during the month of May

If you have any questions, or if I can be of additional assistance, please contact me at 973-257-5325.

Sincerely,

Mark Spivak
Account Liaison

Enclosure

CC: Veronica George, Inservco

Roby Walcoff, SALEM COUNTY INS FUND

Nancy Fowlkes, Inservco

Karen Read, SALEM COUNTY INS FUND



First Managed Care Option, Inc.

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

Month of Reprice Service	Provider Billed Amount	First MCO Repiced	U & C / Fee Schedule	Savings	% of Savings	# of Bills	In Network	Out Of Network	% PPO Penetration	# of Appeals	EMCO Fee
Total 2013	\$350,432	\$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
Jan-15	\$4,039	\$2,323	\$3,613	\$1,716	42%	7	5	2	71%	0	\$343
Feb-15	\$30,023	\$20,738	\$25,426	\$9,285	31%	19	15	4	79%	0	\$1,857
Mar-15	\$11,290	\$6,559	\$11,211	\$4,731	42%	13	10	3	77%	0	\$946
Apr-15	\$4,185	\$3,017	\$4,743	\$1,168	28%	14	13	1	93%	0	\$234
May-15	\$26,192	\$14,964	\$26,237	\$11,228	43%	13	12	1	92%	0	\$2,246
Total 2015	\$75,729	\$47,601	\$71,231	\$28,127	37%	66	55	11	83%	0	\$5,626
Total to Date	\$994,000	\$438,846	\$775,324	\$555,154	56%	583	469	114	80%	0	\$109,975

Report Run Date:06/02/2015

SCI





First Managed Care Option

119 Littleton Road, Parsippany, NJ 07054
Tel: (973)257-5200 Fax: (973)257-2288

July 01, 2015

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 June, 2015

There were no appeals processed during the month of June

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 Managed Care Option, Inc.

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	EMCO Fee
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Apr-15	\$4,185	\$3,017	\$4,743	\$1,168	28%	14	13	1	93%	0	\$234
May-15	\$26,192	\$14,964	\$26,237	\$11,228	43%	13	12	1	92%	0	\$2,246
Jun-15	\$8,358	\$5,070	\$7,878	\$3,288	39%	13	10	3	77%	0	\$658
Total 2015	\$84,087	\$52,672	\$79,108	\$31,415	37%	79	65	14	82%	0	\$6,283
Total to Date	\$1,002,358	\$443,916	\$783,202	\$558,442	56%	596	479	117	80%	0	\$110,633

Report Run Date: 07/01/2015

SCI



SCIFC - 378

Financial Transaction Log - Liability Claim Payments
Monthly / Detail / By Coverage / By Payment Type / By Check Number
05/01/2015 Thru 05/31/2015

Type	Check #	Claim #	Claimant Name	From Date	To Date	Payee Name	Trans. Date	Payment Description	Amt. Requested	Amt. Paid
Coverage: General Liability										
C	2021	378000031 001	COLEMAN, JOY	4/1/2013	4/1/2013	JOY COLEMAN & HER ATTYS	5/1/2015	Full/Final Settlement of All Claims	15,000.00	15,000.00
Total for Coverage: General Liability							Number of entries: 1		15,000.00	15,000.00
Total for SCIFC - 378							Number of entries: 1		15,000.00	15,000.00

RESOLUTION NO. 21 -15

**SALEM COUNTY INSURANCE FUND COMMISSION
AUTHORIZING DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTER**

WHEREAS, the SALEM COUNTY INSURANCE FUND COMMISSION (hereinafter "SCIFC") is a duly constituted as an Insurance Commission pursuant to N.J.S.A. 40A:10-6 et seq.; and

WHEREAS, the SCIFC is subject to the requirements of the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq.; and

WHEREAS, the Open Public Meetings Act requires all meetings of public bodies be open to the public; and

WHEREAS, the Open Public Meetings Act further provides a public body may permissibly exclude the public from a portion of a meeting at which the public body discusses items per the Open Public Meetings Act at N.J.S.A. 10:4-12.b.(1) thru (9) recognized as requiring confidentiality, and

WHEREAS, it is necessary and appropriate for the SCIFC to discuss certain matters in a meeting not open to the public consistent with N.J.S.A. 10:4-12.b.(7); and

WHEREAS, the SCIC is a public agency which must comply with the Open Public Records Act (OPRA) N.J.S.A. 47: 1A-1 to -13; and

WHEREAS, the SCIFC must comply with OPRA and reported New Jersey Case Law interpreting same; and

NOW THEREFORE BE IT RESOLVED by the Commissioners of said Salem County Insurance Fund Commission pursuant to both the Open Public Meetings Act and the Open Public Records Act as follows:

The attached financial transaction logs generated by third party administrator Inservco Insurances Inc. for the periods 5/1/15 to 6/30/15, and related to all non-workers compensation payments are hereby approved for distribution to the listed claimants and for disclosure to the general public

ADOPTED by THE SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on August 6, 2015.

ROBERT VANDERSLICE, CHAIRMAN

ATTEST:

KEVIN CROUCH, VICE CHAIRMAN

APPENDIX I – MEETING MINUTES

**SALEM COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES MEETING – JUNE 4, 2015
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
Kevin Crouch	Absent
Katie Coleman	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Bradford Stokes Karen A. Read
--------------------	--

ALSO PRESENT:

Jessica Foote, Salem County
Thomas Narolewski, AJM Insurance Management
Veronica George, Inservco
Ashley Nelms, Inservco
Terry Sheerin, Inservco
Keith Platt, Inservco
Glenn Prince, JA Montgomery
Robyn Walcoff, Conner Strong & Buckelew
Edward Scioli, Conner Strong & Buckelew

APPROVAL OF MINUTES: OPEN SESSION OF JUNE 4, 2015

MOTION TO APPROVE THE OPEN MINUTES OF JUNE 4, 2015

Moved:	Commissioner Coleman
Second:	Commissioner Vanderslice
Vote:	Unanimous

CORRESPONDENCE: Communication Regarding Claims Account Transition – Executive Director said enclosed in the agenda is a memo regarding transition of personnel. Mary Lou Doner of PERMA has been a long time claims coordinator and is retiring after many years of service. We will sincerely miss Mary Lou and although you may not have seen her - behind the scenes she has been a constant monitor of all the claims and we thank her for her many years of service. Stepping into Mary Lou’s position is Robyn Walcoff. Executive Director congratulated Robyn in her promotion and said she will still be monitoring the claims but will not physically be at the meetings.

Robyn Walcoff introduced her replacement Danielle Batchelor who is also an attorney and former adjuster. Danielle comes to Conner Strong & Buckelew from Ace Insurance Company where she was an adjuster with a lot of experience with public entity. Prior to that she practiced employment law and brings a wealth of knowledge to the team. Ms. Walcoff said the transition will be seamless. Danielle Batchelor said she is looking forward to working with the Commission.

EXECUTIVE DIRECTOR REPORT:

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 January 30, 2015 to March 25, 2015. There was 1 certificates of insurance issued during this period.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

Moved:	Commissioner Coleman
Second:	Commissioner Vanderslice
Vote:	Unanimous

RFQ For Professional Service: Executive Director reported the Agreement for the Fund's Claims Administrator expires in October. The Fund Office will advertise and issue an RFQ in the next few weeks. Responses will be reviewed by the Commissioners and Fund Office, an award is anticipated at the August meeting.

MOTION TO AUTHORIZE THE FUND OFFICE TO ADVERTISE FOR AN RFQ FOR CLAIMS ADMINISTRATION

Moved:	Commissioner Coleman
Second:	Commissioner Vanderslice
Vote:	Unanimous

NJ Excess Counties Insurance Fund (CELJIF) - The CEL held their meeting on April 23, 2015. A summary report of that meeting is included in the agenda on pages 4-5. At that meeting Michael Smith advised he was leaving Burlington County and the Board of Fund Commissioners elected Ross Angilella as Chairman of the CEL and tabled the Secretary election until the next meeting. Bowman & Company was appointed to conduct the 2014 audit. Also, the fund office is implementing a new data collection for the 2016 renewal. The new process should be rolled out sometime in June. The next NJCE Fund meeting is scheduled for June 25, 2015 at 1:00 pm.

Financial Fast Track – Included on Page 6 & 7 of the agenda are the Financial Fast Tracks for the Salem County Insurance fund Commission for February and March. As of March 31, 2015 the Commission has a deficit of \$242,639 down \$177,000 from the previous month and we hope this

trend continues. As we move forward with the ongoing claims that are showing out of the jail we are concerned that we may see a spike there but we will continue to keep everyone informed.

NJ CEL Property & Casualty Financial Fast Track – Executive Director said included in the agenda on Page 8 was the NJ CEL Financial Fast Track Report as of February 28, 2015. The CEL has a surplus of \$5,802,522.

Claims Tracking Report: Executive Director said a new claims tracking report is on page 9 of the agenda. The Claims Activity Report tracks open claims; the Executive Director will review the report with the Commission. This report will show the number of claims that have open or closed from the previous month.

2015 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.

2015 Property & Casualty Assessments: The second Property & Casualty Assessment payment is due on July 15, 2015. Payments should be sent to the Commission Treasurer.

PERMA Change of Address: On June 1st the PERMA Parsippany will be moving to the second floor of the building they now occupy. Below is the new address. The only change in the address is the suite number. The telephone number and e-mail address will no change for any of the PERMA team.

PERMA
9 Campus Drive, Suite 216
Parsippany, NJ 07054

SAFETY COMMITTEE REPORT

Glenn Prince reported the Safety Committee met on March 6, 2015 several topics were discussed on future training which will be discussed in the Safety Director's report. The Committee is scheduled to meet again on June 18th. We will have a meeting directly after this meeting with Bob DiGregorio to iron out our future Safety Committee date and to discuss floor captains training and summer seasonal training.

CLAIM COMMITTEE REPORT

Claims Manager Robyn Walcoff reported the Claims Committee met in May and we will have one payment authorization to discuss in closed session. Claims Manager said we will also be giving and update on a workers compensation claim that dates back to 2012. On June 15th there is a scheduled follow up Liability Claims Review meeting.

C

TREASURER

REPORT: Treasurer Katie Coleman reviewed the bills list Resolution 17-15 which was included in the agenda on page 10. A motion would be in order to approve the bills list.

MOTION TO APPROVE RESOLUTION 17-15 PAYMENT OF BILLS IN THE AMOUNT OF \$18,659.68.

Moved:	Commissioner Coleman
Second:	Commissioner Vanderslice
Vote:	2 Ayes, 0 Nays

CEL SAFETY DIRECTOR REPORT

Safety Director reviewed the report included in the agenda. Mr. Prince said since the Commission will be doing a lot more work outside during the nice weather it would be appropriate to recommend Work Zone Safety Training which is scheduled for June 9th. In addition to that Landscape Safety and Personal Protective Equipment training will be scheduled to make sure everyone knows what is required when they complete their tasks and hopefully this will have an impact and reduction on injuries and works' comp claims.

CLAIMS SERVICE:

Terry Sheerin reinforced her team Veronica George, Ashley Nelms and Keith Platt the Claims Technical Specialist that will be handling the more technical files for the Commission. Ms. Walcoff said the Claims Committee is aware of the changes in the Inservco Team.

Ms. George reviewed the First MCO report and provided a summary of savings report and the PPO Penetration rate.

Executive Director said included in the agenda is Resolution 18-15 Authorizing Disclosure of Claims Check Register. The Liability Claim Payments report is included in the agenda for the time period of 3/1/15 through 4/30/2015.

MOTION TO APPROVE RESOLUTION 18-15 AUTHORIZING DISCLOUSE OF CLAIM CHECK REGISTER

Moved:	Commissioner Coleman
Second:	Commissioner Vanderslice
Vote:	Unanimous

MOTION TO GO INTO CLOSED SESSION

Moved:	Commissioner Coleman
Second:	Commissioner Vanderslice
Vote:	Unanimous

MOTION TO GO INTO OPEN SESSION

Moved: Commissioner Coleman
Second: Commissioner Vanderslice
Vote: Unanimous

MOTION TO APPROVE THE PAYMENT AUTHORIZATION REQUESTS

Moved: Commissioner Coleman
Second: Commissioner Vanderslice
Vote: 2 Ayes, 0 Nays

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

MOTION TO ADJOURN:

Motion: Commissioner Coleman
Second: Commissioner Vanderslice
Vote: Unanimous

MEETING ADJOURNED: 9:28 AM

NEXT MEETING WILL BE THURSDAY, August 6, 2015 at 9:00 AM

Minutes prepared by: Karen A. Read, Assisting Secretary

APPENDIX II

AMENDMENT TO THE PLAN OF RISK MANAGEMENT

RESOLUTION NO. 19-15
2015 Risk Management Plan

Salem County Insurance Fund Commission
Amended July 27, 2015

BE IT RESOLVED by the Insurance Commission's governing body that effective 1/1/15 the 2015 Plan of Risk Management shall be:

- 1.) The perils or liability to be insured against.
 - a.) The Insurance Commission insures the following perils or liability:
 - Workers' Compensation including Employer's Liability, USL&H and Harbor Marine/Jones Act.
 - General Liability including Law Enforcement Liability and Employee Benefits Liability.
 - Automobile Liability including PIP and Uninsured/Underinsured Motorists Coverage.
 - Property, Auto Physical Damage and Boiler & Machinery.
 - b.) The following coverage are provided to the Insurance Commission's member entities by their membership in the New Jersey Counties Excess Joint Insurance Fund (NJC).
 - Excess Workers' Compensation
 - Excess General Liability
 - Excess Auto Liability
 - Excess Property including Boiler and Machinery
 - Public Officials Liability/School Board Legal/Employment Practices Liability
 - Crime
 - Pollution Liability NOT PURCHASED
 - Medical Professional and General Liability

- “Named Storm as respects to covered property in Atlantic, Ocean, Monmouth and Burlington Counties located east of the Garden State Parkway and any covered property in Cape May County” For Property Damage: subject to a deductible of 1% of the value, per the Schedule of Values on file with the company as of the date of loss, for those Buildings where the direct physical loss or damage occurred, per occurrence; For Time Element: 1% of the full 12 months Gross Earnings or Gross Profit values that would have been earned following the occurrence by use of the facilities at the Location where the direct physical loss or damage occurred and all other Locations where Time Element loss ensues, per occurrence. The 1% Time Element deductible does not apply Extra Expense. Combined PD and TE deductible subject to a minimum deductible of \$250,000 per Location and a maximum deductible of \$1,000,000 per occurrence. The “Named Storm” deductible is a per member entity deductible.

2015 Risk Management Plan
Addendum #2
New Jersey Uninsured **and Underinsured** Motorists Coverage

With respects to coverage provided by this Addendum, the provisions of Policy #CP0513640 – Coverage forms CA 00 01 12 93, IL 00 17 11 98, IL 00 21 07 02, IL 02080702 apply unless modified by this Addendum.

This Addendum is effective July 27, 2015.

Limit of Insurance:

Bodily Injury:	\$15,000 per person \$30,000 per accident
Property Damage:	\$ 5,000 per accident

A. Coverage

1. **We** will pay all sums the insured is legally entitled to recover as compensatory damages from the owner or driver of an **uninsured and underinsured motor vehicle**. The damages must result from bodily injury sustained by the insured, or **property damage** caused by an accident. The owner's or driver's liability for these damages must result from the ownership, maintenance or use of an **uninsured and underinsured motor vehicle**.
2. With respect to damages resulting from an occurrence with an underinsured motor vehicle, we will pay under this coverage only if a. or b. applies:
 - a. The limit of any applicable liability bonds or policies have been exhausted by judgments or payments ; or
 - b. A tentative settlement has been made between an insured and the insurer of an underinsured motor vehicle and we:
 - (1) Have been given prompt written notice of such tentative settlement; and
 - (2) Advanced payment to the insured in an amount equal to the tentative settlement within 30 days after receipt of notification.
3. Any judgment for damages arising out of a suit brought without **our** written consent is not binding on **us**.

B. Who is An Insured

If the Named Insured is designated in **Policy #PK1019014** as:

1. An individual, then the following are insured:
 - i. The Named Insured and any family members.
 - ii. Anyone else **occupying** a covered auto or a temporary substitute for a covered auto. The covered auto must be out of service because of its breakdown, repair, servicing, loss or destruction.
 - iii. Anyone for damages he or she is entitled to recovery because of bodily injury sustained by another insured.
2. A partnership, limited liability company, corporation or any other form of organization, then the following are insureds:

- i. Anyone **occupying** a covered auto or a temporary substitute for a covered auto. The covered auto must be out of service because of its breakdown, repair, servicing, loss or destruction.
- ii. Anyone for damages he or she is entitled to recover because of bodily injury sustained by another insured.

C. Exclusions

This insurance does not apply to any of the following:

1. With respect to an **uninsured and underinsured motor vehicle**, any claim settled without our consent.
2. Damages for pain, suffering and inconvenience resulting from bodily injury caused by an accident involving an **uninsured and underinsured motor vehicle** unless the injured person has a legal right to recover damages for such pain, suffering and inconvenience under the New Jersey Automobile Reparation Reform Act. The injured person's legal right to recover damages for pain, suffering and inconvenience under the New Jersey Automobile Reparation Reform Act will be determined by the liability tort limitation, if any, applicable to that person.
3. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
4. The direct or indirect benefit of any insurer of property.
5. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
6. **Property damage** for which the Insured had been or is entitled to be compensated by other property or physical damage insurance.
7. The first \$500 of the amount of **property damage** to the property of each insured as the result of any one accident.
8. **Property damage** caused by a hit-and-run vehicle.
9. Punitive or exemplary damages.
10. Bodily injury or **property damage** sustained by an Insured who is an owner of a motor vehicle:
 - i. Insured under a basic automobile insurance policy issued in accordance with New Jersey law or regulation; or
 - ii. Required to be insured in accordance with New Jersey law or regulation, but not insured for this coverage or any similar coverage.

However, this exclusion does not apply to an individual Named Insured, and such Named Insured's spouse, unless the individual Named Insured or such Named Insured's spouse are **occupying**, at the time of an accident, a motor vehicle described in Subparagraph a. or b. under Item B Who is An Insured.

D. Limit of Insurance

1. Regardless of the number of covered autos, insureds, premiums paid, claims made or vehicles involved in the accident, the Limit of Insurance shown in this Addendum for Uninsured Motorists Coverage is the most we will pay for all damages resulting from any one accident with an **uninsured and underinsured motor vehicle**.
 - i. However, subject to our maximum limit of Insurance for this coverage, if:
 1. An insured is not the individual named insured under this Coverage;
 2. That Insured is an individual named insured under one or more other policies providing similar coverage; and
 3. All such other policies have a limit of insurance for similar coverage which is less than the Limit of Insurance for this coverage; then the

most **we** will pay for all damages resulting from any one accident with an **uninsured and underinsured motor vehicle** shall not exceed the highest applicable limit of insurance under any coverage from or policy providing coverage to that insured as an individual named insured.

- ii. However, subject to our maximum Limit of Insurance for this coverage, if;
 1. An insured is not the individual named insured under this Addendum or any other policy;
 2. That insured is insured as a **family member** under one or more other policies providing similar coverage; and
 3. All such other policies have a limit of insurance for similar coverage which is less than the Limit of Insurance for this coverage;

Then the most **we** will pay for all damages resulting from any one accident with an **uninsured and underinsured motor vehicle** shall not exceed the highest applicable limit of insurance under any coverage form or policy provide coverage to that Insured as a **family member**.

2. With respect to damages resulting from an accident involving an **uninsured and underinsured motor vehicle**, **we** will not make a duplicate payment under this Coverage for any element of loss for which payment has been made by or for anyone who is legally responsible.
3. No one will be entitled to receive duplicate payments for the same elements of loss under this Addendum and any Liability Coverage Form or Endorsement within Policy #CP0513640.

We will not pay for element of loss if a person is entitled to receive payment for the same elements of loss under any personal injury protect benefits.

E. Conditions

All "Other Insurance" Conditions stated in Policy #CP0513640 are deleted in their entirety and replaced with the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

1. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy provided coverage on either a primary or excess basis.
However, if an Insured is:
 - i. An individual named insured under one or more policies providing similar coverage; and
 - ii. Not **occupying** a vehicle owned by that individual named insured;

then any recovery for damages for bodily injury or **property damage** for that insured may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy provided coverage to that insured as an individual named insured.

However, if an insured is:

- i. Insured as a family member under one or more policies providing similar coverage;
and
- ii. Not an individual named insured under this or any other Policy;

then any recovery for damages for bodily injury or **property damage** for that insured may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or Policy provided coverage to that insured as a **family member**.

- 2. Any insurance provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible uninsured motorist's insurance providing coverage on a primary basis.
- 3. If the coverage under this Addendum is provided:
 - i. On a primary basis, **we** will pay only **our** share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that **our** limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
 - ii. On an excess basis, **we** will pay **only** our share of the loss that must be paid under insurance providing coverage on an excess basis. **Our** share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

F. Duties In The Event of Accident

All provisions as stated in Policy #CP0513640 and the following:

- 1. Promptly notify the policy if a hit-and-run driver is involved; and
- 2. Promptly send **us** copies of the legal papers if a suit is brought.
- 3. **A person seeking coverage under this Addendum must also promptly notify us, in writing, of a tentative settlement between the insured and the insurer of an underinsured motor vehicle, and allow us to advance payment to that insured in an amount equal to the tentative settlement within 30 days after receipt of notification to preserve our rights against the insurer, owner or operator of such underinsured motor vehicle**

G. Transfer of Rights of Recovery Against Others To Us

If **we** make any payment and the insured recovers from another party, the insured shall hold the proceeds in trust for us and pay us back the amount we have paid. **Our rights do not apply under this provision with respect to damages caused by an occurrence with an underinsured motor vehicle if we:**

- a. **Have been given prompt notice in writing of a tentative settlement between an insured and the insurer of an underinsured motor vehicle; and**
- b. **Fail to advance payment to the insured in an amount equal to the tentative settlement within 30 days after receipt of notification**

If we advance payment to the insured in an amount equal to the tentative settlement within 30 days after receipt of notification:

- (1) **That payment will be separate from any amount the insured is entitled to recover Under the provisions of this endorsement; and**

(2) **We also have a right to recover the advanced payment**

H. Arbitration

1. If **we** and an insured disagree whether the insured is legally entitled to recover damages from the owner or driver of an uninsured **and underinsured** motor vehicle or do not agree as to the amount of damages that are recoverable by that insured, then the matter may be arbitrated. However, disputes concerning coverage under this Addendum may not be arbitrated. Either party may make a written demand for arbitration. In this event each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expense it incurs and bear the expenses of the third arbitrator equally.
2. Unless both parties agree otherwise, arbitration will take place in the county in which the insured lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

G. Additional Definitions

1. **Family member** means a person related to an individual Named Insured by blood, marriage, or adoption who is a resident of such Named Insured's household, including a ward or foster child.
2. **Insured/we/us/our** means Gloucester County Insurance Commission
3. **Occupying** means in, upon, getting in, on, or out off.
3. **Property damage** means damage to a covered auto, or to any property of an insured while contained in a covered auto.
4. **Underinsured motor vehicle** means the following:
 - i. With respect to an **insured** who:
 1. Is not the individual named insured under this Addendum; and
 2. Is an individual named insured under one or more other policies providing similar coverage

Underinsured motor vehicle means a land motor vehicle or **trailer** of any type to which a liability bond or Policy applies at the time of an **occurrence** but its limit of liability is less than the highest applicable limit of liability under any coverage form or Policy providing coverage to that **insured** as an individual named insured

- ii. With respect to an **insured** who:
 1. Is not the individual named insured under this Policy or any other Policy; and
 2. Is insured as a **family member** under one or more other policies providing similar coverage,

Underinsured motor vehicle means a land motor vehicle **trailer** any type to which a liability bond or Policy applies at the time of an **occurrence** but its limit for liability is less than the highest applicable limit of liability under any coverage form or Policy providing coverage **insured** as a **family member**

with respect to any other **insured** who is not described in paragraphs i. or ii. above, underinsured motor vehicle means a land motor vehicle or trailer of any type to which a liability bond or policy applies at the time of an occurrence but its limit of liability is less than the limit of insurance for this coverage.

however, an **underinsured motor vehicle** does not include any vehicle:

3. Owned or operated by a self-insurer under any applicable motor vehicle law;
4. Owned by any governmental unit or agency
5. Operated on rails or crawler treads;
6. Designed for use mainly off public roads while not on public roads; or
7. While located for use as a residence or premises
8. Owned by or furnished or available for the regular use of the named Insured or, if the Named insured is an individual, any **family member**.

5. **Uninsured motor vehicle** means a land motor vehicles or trailer:

- i. For which no liability bond or policy applies as the time of an accident;
- ii. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
- iii. That, with respect to damages for bodily injury only, is as hit-and-run vehicle whose operator or owner cannot be indentified and that hits, or causes an accident resulting in bodily injury without hitting:
 1. An individual Named Insured or any family member;
 2. A vehicle that the Named Insured or any family member, if the Named Insured is an individual, and occupying; or
 3. a covered auto.

However, uninsured motor vehicle does not include any vehicle:

- i. Owned by or furnished or available for the regular use of the Named Insured or any family member, if the Named Insured is an individual;
- ii. Owned or operated by a self –insured under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- iii. Owned by any government unit or agency;
- iv. Insured under a basic automobile insurance policy issued in accordance with New Jersey law or regulation;
- v. Operated on rails or crawler treads;
- vi. Designed for use mainly off public roads while not on public roads;
- vii. Whiled located for use as a residence or premises.