

**SALEM COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES MEETING – December 6, 2012
104 MARKET STREET
SALEM, NJ 9:00 AM**

Meeting called to order by Bradford Stokes. Open Public Meetings notice read into record.

ROLL CALL OF COMMISSIONERS:

Robert Vanderslice	Absent
Douglas Wright	Present
Evern Ford	Present

FUND PROFESSIONALS PRESENT:

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

David Strout, Cettei & Connell
Debbie Stout, Inservco Ins.
Glenn Prince, JA Montgomery
James Kickham, PERMA
Michelle Leighton, Conner Strong & Buckelew
Joseph Hrubash, Conner Strong & Buckelew
Cathy Dodd, Conner Strong & Buckelew

APPROVAL OF MINUTES: OPEN SESSION OF NOVEMBER 8, 2012

MOTION TO APPROVE THE OPEN MINUTES OF NOVEMBER 8, 2012

Moved:	Commissioner Wright
Second:	Commissioner Ford
Vote:	Unanimous

CORRESPONDENCE: None

EXECUTIVE DIRECTOR REPORT:

2013 Property & Casualty Budget Introduction: Executive Director distributed the 2013 proposed Property & Casualty Budget for review and discussion. The introductory budget represents a 3.23% increase. The CEL portion of this budget is subject to review and approval of the CEL budget by the CEL Commissioners. The CEL met on November 9th and introduced their 2013 budget. The CEL has scheduled their Public Hearing and Budget adoption on 12/13/2012.

Executive Director said we continue to look at the budget to see what we can adjust. There are some circumstances that have developed with the excess carriers on the property side, mainly from the hurricane. Joseph Hrubash said Zurich is the excess carrier and is a big insurer in the state of New Jersey. Although the CEL member entities have seemed to fair well, Zurich does insure a huge municipal program in New Jersey, and they do have clients in New York that suffered losses. So what they are trying to now is complete their reinsurance for flood. Once that is wrapped up we will have a better idea where they stand and we believe at the end of the day the monies we incorporated in the budget will cover any increases.

Executive Director reviewed the budget and said the total proposed budget for 2013 stands at \$1,318,695.. The public hearing for this budget will be held on January 3, 2013 at 9:00 am at the Old Courthouse Building at 104 Market Street.

MOTION TO INTRODUCE THE 2013 PROPERTY AND CASUALTY BUDGET IN THE AMOUNT OF \$1,318,685. AND SCHEDULE THE PUBLIC HEARING ON JANUARY 3, 2013 AT 9:00 AM IN THE OLD COURTHOUSE BUILDING, 104 MARKET STREET.

Moved:	Commissioner Wright
Second:	Commissioner Ford
Vote:	2 Ayes, 0 Nays

NJ Excess Counties Insurance Fund (CELJIF): Executive Director reported the CEL met on November 9, 2012. As discussed above, the CEL introduced its budget. Their Public Hearing is scheduled for 12/13/2012. Tom Nolan from Conner Strong & Buckelew was present and provided an overview of the potential issues CEL now faces with the property renewal in the aftermath of Hurricane Sandy. Attached on page 4 is the summary report of the CEL's meeting. Executive Director said the property rate was initially looking at a 20% increase and they have adjusted that down and is an area they are continuing to look at. Chairman Vanderslice participated in that meeting and they were welcomed aboard with Cumberland.

2012 RFQ Criteria Fair & Open Process: Executive Director reported the fund advertised for Request for Qualifications for Fund attorney, Defense Attorneys, Actuary & Auditor. Proposals were due back at the Fund Office by Tuesday, December 4th at 2 PM.

A synopsis of the RFQ responses were distributed to the members. Executive Director said we received several requests for Fund Attorney, one response for Auditor, and one for Actuary.

MOTION TO TABLE THE APPOINTMENT OF FUND ATTORNEY UNTIL THE REORGANIZATION MEETING

Moved: Commissioner Wright
Second: Commissioner Ford
Vote: Unanimous

MOTION TO APPROVE RESOLUTION 17-12 AWARDED PROFESSIONAL CONTRACTS FOR DEFENSE ATTORNEYS WITH AN AN HOURLY RATE STRUCK BY THE FUND , THE AUDITOR WITH AN ANNUAL FLAT FEE OF \$7,500 AND THE ACTUARY WITH AN ANNUAL FLAT FEE OF \$7,500.

Moved: Commissioner Wright
Second: Commissioner Ford
Vote: 2 Ayes, 0 Nays

Certificate of Insurance Issuance Report: Executive Director reported there were no certificates of insurance during this period.

Establishing Committees: Executive Director said we Advisory Committees are permitted to be appointed per the Rules and Regulations adopted by the Fund. A resolution is included in the agenda to establish the Safety Committee.

MOTION TO APPROVE RESOLUTION 18-12 APPOINTING MEMBERS TO THE SAFETY COMMITTEE

Moved: Commissioner Wright
Second: Commissioner Ford
Vote: Unanimous

Insurance Commission Website – Executive Director reported he Commission will need to establish a website for the Fund to satisfy new legislation, Chapter 167. It cannot be combined with the County’s website. The Executive Director’s office will obtain quotes for webpage design and a cost on the annual hosting. A report will be provided to the Commission at the next meeting. Commissioner Wright asked if it can be part of the county website or does it have to be a stand alone site. Executive Director said it has to be a stand alone site. Mr. Kickham said it has be a searchable site on the internet and has to be up by January 31, 2013. Mr. Hrubash said if the Commissioners would like to take a look at Gloucester County Insurance Commission and Burlington County Insurance Commission websites they will see the information posted on those websites is basic information satisfying the minimum requirements of the statute.

2013 Auto ID Cards/WC Posting Notices/Renewal Certificates of Insurance - Executive director said the 2013 auto ID cards and WC Postings Notices will be sent to each Member Entity contact for distribution the first week of December. The Executive Director’s office will review any certificates which need to be re-issued for the 2013 renewal. Cathy Dodd said the ID cards will be mailed on Monday for 2013.

Sandy CAT 90 Loss Log (Page 8) – Michelle Leighton from Conner Strong & Buckelew created a “Sandy CAT 90 Loss Log” to assist the Commissions in capturing key information where there were losses involving multiple locations. Ms. Leighton has sent the spreadsheet by e-mail and is requesting each member Commission designate a point person to collect the information and submit to Michelle Leighton at mleighton@connerstrong.com with a copy to Mike Trump, at MTrump@VeriClaimInc.com as soon as possible. Even if you did not have any damages to report, Ms. Leighton indicated the spreadsheet should be sent noting no damages. If anyone needs the spreadsheet or assistance, please contact the PERMA office.

Ms. Leighton said that none of the affiliated members within the county have reported any losses. We will confirm this with the carriers. We are taking our time to confirm the losses since this is considered as one occurrence. Ms. Leighton wanted to remind everyone that if there were any losses please be sure to complete and submit the spreadsheet that was provided.

Executive Director said we would like to schedule a Claims Kick-off Meeting on December 17, 2012 at noon in the Salem County Old Courthouse. An invite will be sent to all members.

Special Meeting to Pay Bills: Executive Director said that a special meeting may be scheduled to pay bills. This can be a conference call type meeting to process a simple bills list. A notice will be sent to schedule this meeting.

CEL SAFETY DIRECTOR REPORT

Safety Director reported on November 28, 2012 the Salem County Insurance Commission Safety Committee Kick-off Meeting was held with 31 members in attendance. We received a lot of positive feedback in regards to the training needs for 2013. We have already started some training

with public works and on November 28, 2013 we had a Snow Plow Safety course that was well attended. Our next meeting will be held on January 23, 2013 at 2:00 pm.

David Strout said they will also be establishing an Executive Safety Committee. An email has been send by BJ Ayers regarding the committee. A date has not been set yet but we will let everyone know when that will be scheduled. Vice Chairman Ford said the committee will consist of BJ Ayers, David Strout, Glenn Prince and himself. The purpose of the committee is to create a vision for the Safety Committee to work on.

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

MOTION TO ADJOURN:

Motion:	Commissioner Wright
Second:	Commissioner Ford
Vote:	Unanimous

MEETING ADJOURNED: 9:39 AM

NEXT MEETING WILL BE THURSDAY, January 3, 2013 at 9:00 AM

Minutes prepared by: Karen A. Read, Assisting Secretary