

**SALEM COUNTY INSURANCE FUND COMMISSION
AGENDA AND REPORTS
DECEMBER 6, 2012 – 9:00 AM**

**COUNTY OLD COURT HOUSE
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: DECEMBER 6, 2012 - 9 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: November 8, 2012 Open MinutesAppendix I**

- CORRESPONDENCE - None**

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

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

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

- MEETING ADJOURNMENT**
**NEXT SCHEDULED MEETING: January 3, 2013, OLD COUNTY COURTHOUSE
BUILDING 104 MARKET STREET, SALEM, NJ 08079, 9:00 AM**

SALEM COUNTY INSURANCE FUND COMMISSION

9 Campus Drive, Suite 16
Parsippany, NJ 07054
Telephone (201) 881-7632
Fax (201) 881-7633

Date: December 6, 2012
Memo to: Commissioners of the Salem County Insurance Fund Commission
From: PERMA Risk Management Services
Subject: Executive Director's Report

2013 Property & Casualty Budget Introduction – To be Distributed - for your review and discussion is the 2013 proposed Property and Casualty Budget. The introductory budget represents a ___% 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 12/13/12.

Motion to introduce the 2013 property and casualty budget in the amount of \$_____ and schedule the public hearing on January 3, 2013 at 9:00 AM at the old Courthouse Building, 104 Market Street.

NJ Excess Counties Insurance Fund (CELJIF) (Page 4) – The CEL met on November 9, 2012. As discussed above, the CEL introduced its budget. Their Public Hearing is scheduled for 12/13/12. 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.

2012 RFQ Criteria Fair & Open Process: 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 4 at 2 PM.

A report of the results will be presented and if accepted, a resolution awarding professional services contracts will be considered. **(Page 6)**

Motion to approve Resolution 17-12 awarding a Professional Service contracts.

Certificate of Insurance Issuance Report: There were no requests for certificates of insurance during this period.

- ❑ **Establishing Committees** - Advisory committees are permitted to be appointed per the Rules and Regulations adopted by the Fund. A resolution is included to establish the Safety Committee.

- ❑ **Motion to approve Resolution 18-12 appointing members to the Safety Committee.**

- ❑ **Insurance Commission Website** – The 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.
- ❑ **2013 Auto ID Cards/WC Posting Notices/Renewal Certificates of Insurance** – The 2013 auto ID cards and WC Posting 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.
- ❑ **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.

2013 PROPOSED BUDGET – TO BE DISTRIBUTED

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND

9 Campus Drive – Suite 16
Parsippany, NJ 07054-4412
Telephone (201) 881-7632 Fax (201) 881-7633

Date: November 9, 2012

To: Executive Committee
Salem County Insurance Fund Commission

From: PERMA Risk Management Services

Subject: New Jersey Counties Excess Meeting Report

Membership Report: Both Salem County and Cumberland County have formed Commissions and joined the NJCE as of 10/4/12-Cumberland and 10/15/12-Salem. The Fund welcomed Ken Mecouch, Cumberland Fund Commissioner and Robert Vanderslice, Salem Fund Commissioner, to the board.

2012 Fund Year Budget - Amendment: The Board of Fund Commissioners reviewed a proposed Budget amendment for Fund year 2012 to reflect the addition of Cumberland County Insurance Commission and Salem County Insurance Commission. The board introduced a motion on first reading the amendments to the 2012 Budget and scheduled the Public Hearing on December 13, 2012, 1:00 p.m. at the Camden County Emergency Regional Training Room 129 Boardroom – Blackwood, NJ.

Property Insurance Market/ Hurricane Sandy: Executive Director reported that members have experienced minimal damage to county property from the Hurricane. However, the shoreline and certain inland municipal properties have had significant damage. The budget reflects a 20% increase in the property rate given the uncertainty of the actual rate action from our insurers, who also insures a large municipal program. Firm quotations will be offered in the next few weeks and before the public hearing, and if necessary an amendment will be made to reflect the actual amounts.

2013 Fund Year Budget: The Board of Fund Commissioners introduced a 2013 Budget totaling \$12,593,397, which represented a 5.17% increase. The board introduced a motion to introduce the 2013 Budget and to schedule the Public Hearing on December 13, 2012, 1:00 p.m. at the Camden County Emergency Regional Training Room 129 Boardroom – Blackwood, NJ.

2012 Ancillary & Excess Renewals: The Board of Fund Commissioners reviewed the Extraordinary Unspecifiable Services (EUS) statements submitted by the Underwriting Manager and adopted Resolution 27-12 authorizing purchase of the insurances for and Cumberland County Insurance Commission and Resolution 28-12 authorizing purchase of insurances for Salem County Insurance Commission.

Financials: Executive Director reviewed the Financial Fast Track as of August 31, 2012 and reported the statutory surplus stands at \$1,522,581.

Underwriting Manager: Underwriting Manager reported he will continue to work on the renewal 2013 policies and obtain firm quotations on the property coverage for the next meeting.

Claims Summary: CompServices Inc. prepared a brief summary report of claims with large open reserves, which was reviewed during Closed Session.

Risk Control: Safety Director's report included a report reflecting the risk control activities from September through November 2012.

Next Meetings: The Board canceled the November 20, 2012 scheduled meeting and scheduled a meeting for December 13, 2012, 1:00 p.m. at the Camden County Emergency Regional Training Room 129 Boardroom – Blackwood, NJ.

RESOLUTION NO. 17 -12

**SALEM COUNTY INSURANCE FUND COMMISSION
DESIGNATING PROFESSIONAL SERVICES OF THE FUND**

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

WHEREAS, the Commissioners of said Commission have deemed it necessary and appropriate to obtain certain professionals and other extraordinary and unspecifiable services

WHEREAS, the Commissioners of said Commission resolve to award professional service and agreement in accordance with a fair and open process pursuant to N.J.S.A. 19:44a-20.4 et. Seq.: and

WHEREAS, the SCIFC has previously advertised and published RFQ ‘s for the position of Fund Attorney, Defense Attorneys, Auditor and Actuary and the Commissioners having duly reviewed and considered all responses to said RFP’s; and

NOW THEREFORE BE IT RESOLVED by the Commissioners of the SCIFC that the following appointment awards are hereby made:

<u>Name</u>	<u>Services</u>	<u>Amount</u>
_____	Attorney	_____
_____	Auditor	_____
_____	Actuary	_____

Defense Attorney(s) (attached)

BE IT FURTHER RESOLVED by the Commissioners that the SCIFC is hereby authorized to execute contracts between the SCIFC and approved professionals with the terms and conditions as required by the SCIFC.

BE IT FURTHER RESOLVED by the Commissioners of said SCIFC, approved professionals acting as a “servicing organization” as defined in the SCIFC’s rules and regulations shall execute said contract prepared by the SCIFC and supply any surety bond along with errors and omissions coverage if required by law or deemed necessary at the sole discretion of SCIFC.

ADOPTED by THE SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on December 6, 2012.

ADOPTED:

BY: _____
ROBERT VANDERSLICE, CHAIRMAN

ATTEST:

EVERN FORD, VICE CHAIRMAN

RESOLUTION NO. 18 -12

**SALEM COUNTY INSURANCE FUND COMMISSION
ESTABLISHING SAFETY COMMITTEE**

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

WHEREAS, the Commission has deemed it necessary and appropriate to form advisory committees as permitted by the duly adopted Commission rules and regulations; and

WHEREAS, the Commission has resolved to establish a “safety committee”, comprised of representatives from the participating Salem County agencies and authorities and representation by the Commission’s Safety Director/Loss Prevention Officer;

NOW THEREFORE BE IT RESOLVED by the Salem County Insurance Fund Commission that a safety committee is hereby established and its members shall be those attached in **Addendum A**.

BE IT FURTHER RESOLVED that the members of the safety committee shall serve pursuant to: 1) the rules and regulations of the Salem County Insurance Fund Commission, Article III, Organization, Advisory Committees, 2) pursuit to a resolution duly adopted by the Board of Chosen Freeholders.

ADOPTED:

BY: _____
ROBERT VANDERSLICE, CHAIRMAN

ATTEST:

EVERN FORD, VICE CHAIRMAN

APPENDIX A - Salem County Safety Committee 2013 Membership

Last Name	First Name	Department	Position/Title
Ayars	BJ	OEM	Training/Safety Officer
Bell	Doug	Sheriff	Sergeant
Burke	Nikki	Surrogate	Surrogate
Cooper	Aimee	HR	Personel Tech.
Crawford	Kathy	Corrections	Ops. Supervisor
Daniels	Jay	Engineer	Sr. Road Inspector
Davis	Bill	Road & Bridge	Supervisor
Duffy	Barbara	HR	Confidential Asst.
Ford	Evern	Admin	Administrator
Gill	Gilda	County Clerk	County Clerk
Goff	Matt	Planning/Agriculture	Principal Planning Aid
Harker	Curt	Social Services	Division Heal
Higgins	Bill	Prosecutor	Dep. Chief of Detec
Hinchman	Sherri	Office on Aging	Executive Director
Issacs	Doris	Schools	Business Administrator
Livingston	Susan	Prosecutor	Union Representative
Merkle	Chris	Health	Division Head
Miller	Sarah	Health	Asst. Health Educator
Pennington	Stacy	Health	Director
Pierce	Leroy	OEM	Chief Fire Instructor
Pompper	Jeff	OEM	Director
Ridgway	Jeff	Facilities	Director
Scull	Jim	Transit	Director
Seneca	Dennis	I.T.	Director
Sheppard	Jill	Health	Director of Education
Shoemaker	Carolyn	Health	Union Representative
Sorantino	Sandra	Surrogate	Deputy Surrogate
Willis	Sam	Facilities	Supervisor
Woolman	Ellen	I.T.	Analyst
Wright	Doug	Finance	CFO

Appendix I

**SALEM COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES MEETING – November 8, 2012
94 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	Present
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.
Veronica George, Inservco Ins.
Steve Daveggia, Inservco Ins
Glenn Prince, JA Montgomery
Michelle Leighton, Conner Strong & Buckelew

APPROVAL OF MINUTES: OPEN SESSION OF OCTOBER 11, 2012

MOTION TO APPROVE THE OPEN MINUTES OF OCTOBER 11, 2012

Moved:	Commissioner Wright
Second:	Commissioner Ford
Vote:	Unanimous

CORRESPONDENCE: None

EXECUTIVE DIRECTOR REPORT:

2012 Property & Casualty Budget Adoption: Executive Director reported at the October 11th meeting of the Fund the 2012 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 2012 budget appears on page 2.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2012 BUDGET

Moved: Commissioner Ford
Second: Commissioner Wright
Vote: Unanimous

DISCUSSION:

MOTION TO CLOSE THE PUBLIC HEARING

Moved: Commissioner Ford
Second: Commissioner Wright
Vote: Unanimous

MOTION TO ADOPT RESOLUTION 16-12 ADOPTING THE BUDGET FOR THE SALEM COUNTY INSURANCE FUND COMMISSION AS PRESENTED FOR THE COMMISSION YEAR 2012

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

2013 Property and Casualty Budget: Executive Director reported a developing budget for the Salem County Insurance Fund Commission requires the CEL to have a budget to introduce. The CEL premium cost represents around 39% of the Commission budget. The CEL has delayed its budget introduction to allow more time to finalize negotiations with excess insurers and will now introduce its budget on November 9th via a special meeting. There may be a 4% increase on the property side possibly for CEL members next year. We will have more information once the Budget for the CEL has been introduced and we will distribute that information at the next meeting. The Salem County Insurance Commission 2013 Budget will be introduced at the December meeting.

2012 RFQ Criteria Fair & Open Process: Executive Director reported that last month we authorized RFQ's for Fund Auditor and Actuary. Those contracts will be awarded at the next meeting. Executive Director said at this time we would like to ask the Commission to entertain a motion to advertise for defense attorneys and fund attorney. This is not an immediate need but we should get a few attorneys on board by January, 2013. Claims Manager said ancillary coverage has very specific panels of attorneys. If there is any attorney that are utilized for employment matters please let us know who they are so we can seek prior approval because with the absence of them on the panel we could have some difficulty with the ancillary coverages.

MOTION TO ADVERTISE FOR DEFENSE ATTORNEYS AND FUND ATTORNEY

Moved:	Commissioner Wright
Second:	Commissioner Ford
Vote:	Unanimous

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

Establishing Committees: Executive Director said Advisory Committees are permitted to be appointed per the Rules and Regulations adopted by the Fund. The two most important would be claims and safety. Executive Director said Michelle Leighton will explain how the claims committee will work. Ms. Leighton reported that the Claims Committee would meet once a month. The committee would provide the third party administrator with a certain dollar threshold for payment authority. The Committee would review any payment authority requests that would meet or exceed that amount and subsequent to that we would have the TPA meet with the commissioners to approve any payment authority requests. Ms. Leighton asked the Commission for recommendations as to who would be part of the membership of the Claims Committee for the Salem Commission. Once a committee has been established we will follow up with a kick off meeting including the third party administrator to review claim reporting.

Executive Director said the other committee we discussed which we know Salem County has had up and running for years is the Safety Committee which will be formally adopted. Glenn Prince of JA Montgomery reported on the Safety Committee. Mr. Prince advised that there was a meeting on October 23, 2012 with Dave Strout, Jeff Pomper and BJ. Ayers and the topic conversation was resurrecting and improving the safety committee. We talked about training, accident investigation and accident review. Our next meeting is scheduled for November 28, 2012 and we are excited about getting the committee up and running. David Strout said it was a very productive meeting they were very happy to review the resources we would be bringing. We are all looking forward to working with the Safety Committee and share the added resources that will be available.

CEL SAFETY DIRECTOR REPORT

Safety Director reported that today's report will be verbal in the future you will receive a written report that will be included in the agenda packet and forwarded for distribution prior to the meeting so you can review all risk control activities. Mr. Prince said with the safety committee we just discussed he forwarded copies of the proposed agenda for the meetings to BJ Ayars and Jeff Pompper to review and asked for their input on what issues they wanted to address. They were also provided with samples of the Emergency Action Plans consistent with the standards established by the Code of Federal Regulations for evacuation plans. We will be working on the evacuation plan aggressively to get it up and running very soon.

OLD BUSINESS:

Claims Manager Michelle Leighton said if there is any damage the county sustained in light of hurricane sandy can we please get confirmation either way as quickly as possible. We would like to get good information to our underwriters. It is our understanding was the county sustained no damage and we want to make sure that is correct before we move forward. Dave Strout said that he has not heard back from any department heads that any damage has been sustained but will send a reminder notice to department heads with the forms to see if anyone has damages to report. Commissioner Ford said we will follow up and confirm that and get information to you by tomorrow at the latest.

NEW BUSINESS: None

PUBLIC COMMENT: None

MOTION TO ADJOURN:

Motion:	Commissioner Ford
Second:	Commissioner Vanderslice
Vote:	Unanimous

MEETING ADJOURNED: 9:21 AM

NEXT MEETING WILL BE THURSDAY, DECEMBER 6, 2012 at 9:00 AM

Minutes prepared by: Karen A. Read, Assisting Secretary