

**SALEM COUNTY INSURANCE FUND COMMISSION  
AGENDA AND REPORTS  
FEBRUARY 2, 2017 – 9 AM**

**COUNTY OLD COURTHOUSE  
104 MARKET STREET – 2<sup>ND</sup> 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 Times; and**
- 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  
FEBRUARY 2, 2017 – 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: December 8, 2016 Open Minutes.....Appendix I  
December 8, 2016 Closed Minutes.....To be Distributed**
  
  - CORRESPONDENCE - None**
  
  - EXECUTIVE DIRECTOR/ADMINISTRATOR – PERMA.....Page 1**
  
  - COMMITTEE REPORTS**
    - Safety Committee Report.....Verbal
    - Claims Committee Report.....Verbal
    - Claims Committee Schedule & Charter.....Page 38 & 39
  
  - TREASURER – Katie Coleman**
    - Resolution 13-17 Bills List.....Page 42
  
  - CEL SAFETY DIRECTOR – J.A. Montgomery Risk Control**
    - Monthly Report ..... Page 43
  
  - CLAIMS SERVICE – Inservco Insurance Services**
    - Monthly Savings Report..... Page 48
    - Stewardship Report.....Appendix II
  
  - EXECUTIVE SESSION - Motion for Executive Session for Certain Specified Purposes  
for Personnel, Safety, Public Property or Litigation in accordance with the Open Public  
Meeting Act - PAYMENT AUTHORIZATION REQUEST**
  
  - Motion to Return to Open Session**
  - Motion to Approve PARS as presented in Closed Session**
- 
- OLD BUSINESS**
  - NEW BUSINESS**
  - PUBLIC COMMENT**
- 
- MEETING ADJOURNMENT**
    - NEXT SCHEDULED MEETING: APRIL 6, 2017**

**SALEM COUNTY INSURANCE FUND COMMISSION**  
9 Campus Drive, Suite 216  
Parsippany, NJ 07054

Date: February 2, 2017

Memo to: Commissioners of the Salem County Insurance Fund Commission

From: PERMA Risk Management Services

Subject: Executive Director's Report

---

**Election of Chairperson & Vice Chairperson** – Executive Director asks for nominations and conducts election.

**Reorganizational Resolutions (Pages 3-31)** – Listed below are the necessary Reorganizational Resolutions for the Salem County Insurance Fund Commission.

- Resolution 1-17 Certifying the Election of Chairperson and Vice Chairperson
- Resolution 2-17 Appointing CEL Commissioner
- Resolution 3-17 Appointing Commission Treasurer
- Resolution 4-17 Appointing Commission Attorney
- Resolution 5-17 Appointing Commission Secretary
- Resolution 6-17 Designating Authorized Depositories for Commission Assets and Establishing a Cash Management Plan
- Resolution 7-17 Designating Authorized Signatures for Commission Bank Accounts
- Resolution 8-17 Appointing Agent for Service of Process and Designating Custodian of Commission Records
- Resolution 9-17 Designating Official Newspapers
- Resolution 10-17 Establish Public Meeting Procedures
- Resolution 11-17 Approving the 2017 Risk Management Plan

**Motion to approve Resolutions 1-17 through 11-17**

**2017 Property & Casualty Budget Adoption** - At the December 8, 2016 meeting of the Fund, the 2017 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 2017 budget appears on **page 32**.

- Motion to open the Public Hearing on the 2017 Budget.**
- Discussion of Budget.**
- Motion to close the Public Hearing.**

**☐ Motion to adopt Resolution 12-17 adopting the Budget for the Salem County Insurance Fund Commission in the amount of \$1,490,660 as presented for the Commission Year 2017 and Certifying Assessments. (Page 33)**

- ☐ **2017 Property & Casualty Assessments** – In accordance with the Commission’s By Laws, the assessment bills for 2017 for property and casualty will be mailed to member entities now that the budget has been adopted. Assessments will be due as follows: The first payment of 40% will be due on March 15, 2017. The second assessment of 30% is due on June 15, 2017 and the third assessment of 30% is due on September 15, 2017.
- ☐ **Certificate of Insurance Issuance Report:** There were 0 certificate of insurance issued during 11/22/2016 through 12/31/2016.
- ☐ **NJ Excess Counties Insurance Fund (CELJIF)** – The CEL held a special meeting on January 25<sup>th</sup> to process claim payments. The next regular meeting will be on February 23, 2017 at the Camden County Emergency Center. This will serve as the Funds Re-organizational meeting.
- ☐ **Financial Fast Track** – Included on **Page 34 & 35** of the agenda are the Financial Fast Tracks for the Salem County Insurance Fund Commission for October and November. As of November 30, 2016 the Commission has a deficit of \$853,651.
- ☐ **NJ CEL Property and Casualty Financial Fast Track** - Included in the agenda on **Page 36** is the NJ CEL Financial Fast Track Report as of November 30, 2016. The CEL has a surplus of **\$7,793,255**.
- ☐ **Claims Tracking Report** – The claims tracking report is on **Page 37** of the agenda. The Claims Activity Report tracks open claims; the Executive Director will review the report with the Commission.

**RESOLUTION NO. 1-17**

**SALEM COUNTY INSURANCE FUND COMMISSION**

**CERTIFYING THE ELECTION OF  
CHAIRPERSON AND VICE CHAIRPERSON**

**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

**BE IT RESOLVED** by the Salem County Insurance Fund Commission that the following persons have been elected as Chairperson and Vice-Chairperson:

Robert Vanderslice

Chairman

Katie Coleman

Vice Chairperson

**BE IT FURTHER RESOLVED**, that the Chairman and Vice Chairperson shall serve through 2017 SCIFC Reorganization.

**ADOPTED** by THE SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 2, 2017.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**VICE CHAIRPERSON**

**RESOLUTION NO. 2-17**

**COUNTY INSURANCE COMMISSION OF THE COUNTY OF SALEM APPOINTING A COMMISSIONER TO THE NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND FOR FUND YEAR 2017**

**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 New Jersey Counties Excess Joint Insurance Fund (hereinafter the Fund) is duly constituted as a joint insurance fund; and

**WHEREAS**, the Fund by-laws require each member insurance commission to appoint one (1) commissioner to the Fund; and

**WHEREAS**, **Jessica Bishop** is a member of the Commission and the Commission having deemed it appropriate to designate **Jessica Bishop** as commissioner to the Fund; and

**NOW THEREFORE BE IT RESOLVED** by the Commissioners of said Commission that **Robert Vanderslice** is designated Commissioner to the New Jersey Counties Excess Joint Insurance Fund until the New Jersey Counties Excess Joint Insurance Fund 2017 Reorganization.

**ADOPTED** by THE SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 2, 2017 .

**ADOPTED:**

**BY:** \_\_\_\_\_  
**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**VICE CHAIRPERSON**

**RESOLUTION NO. 3-17**

**SALEM COUNTY INSURANCE FUND COMMISSION  
DESIGNATING COMMISSION TREASURER**

**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 SCIFC requires the services of a Treasurer, and

**WHEREAS**, **Katie B. Coleman** has demonstrated the skill and possesses the qualifications to perform the duties of Treasurer for the County Insurance Commission;

**WHEREAS**, the Commission authorizes the appointment of **Katie B. Coleman** as SCIFC Treasurer for the term commencing upon adoption of the within resolution through 2017 SCIFC Reorganization;

**BE IT FURTHER RESOLVED** that **Katie B. Coleman** shall receive no compensation to serve as Commission Treasurer to the SCIFC.

**ADOPTED** by THE SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 2, 2017.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**VICE CHAIRPERSON**

**RESOLUTION NO. 4-17**

**SALEM COUNTY INSURANCE FUND COMMISSION  
DESIGNATING COMMISSION ATTORNEY**

**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 SCIFC requires the services of an Attorney, and

**WHEREAS**, **Michael M. Mulligan** has demonstrated the skill and possesses the qualifications to perform the duties of Commission Attorney for the County Insurance Commission;

WHEREAS, the Commission authorizes the appointment of **Michael M. Mulligan** as SCIFC Attorney for the term commencing upon adoption of the within resolution through 2017 SCIFC Reorganization; and

**BE IT FURTHER RESOLVED** that **Michael M. Mulligan** shall receive no compensation to serve as Commission Attorney to the SCIFC.

**ADOPTED** by THE SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 2, 2017.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**VICE CHAIRPERSON**

**RESOLUTION NO. 5-17**

**SALEM COUNTY INSURANCE FUND COMMISSION  
DESIGNATING COMMISSION SECRETARY**

**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 SCIFC requires the services of an Secretary, and

**WHEREAS**, **Cary Italiano** has demonstrated the skill and possesses the qualifications to perform the duties of Commission Secretary for the County Insurance Commission;

WHEREAS, the Commission authorizes the appointment of **Carey Italiano** as SCIFC Secretary for the term commencing upon adoption of the within resolution through 2017 SCIFC Reorganization; and

**ADOPTED** by THE SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 2, 2017.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**VICE CHAIRPERSON**

**RESOLUTION NO. 6-17**

**SALEM COUNTY INSURANCE FUND COMMISSION  
DESIGNATING AUTHORIZED DEPOSITORIES FOR FUND ASSETS  
AND ESTABLISHING A CASH MANAGEMENT PLAN**

**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

**BE IT RESOLVED** that **Fulton Bank** is hereby designated as the depository for assets of the Fund.

**BE IT FURTHER RESOLVED** that the attached Cash and Investment Management Plan, which includes the designation of authorized depositories, be and is hereby adopted.

**ADOPTED** by THE SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 2, 2017.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**VICE CHAIRPERSON**

## SALEM COUNTY INSURANCE FUND COMMISSION

### 2017 CASH MANAGEMENT AND INVESTMENT POLICY

#### 1.) Cash Management and Investment Objectives

The SALEM COUNTY INSURANCE FUND COMMISSION's (hereinafter referred to as the Commission) objectives in this area are:

- a.) Preservation of capital.
- b.) Adequate safekeeping of assets.
- c.) Maintenance of liquidity to meet operating needs, claims settlements and dividends.
- d.) Diversification of the Commission's portfolio to minimize risks associated with individual investments.
- e.) Maximization of total return, consistent with risk levels specified herein.
- f.) Investment of assets in accordance with State and Federal Laws and Regulations.
- g.) Accurate and timely reporting of interest earnings, gains and losses by line of coverage in each Commission year.
- h.) Where legally permissible, cooperation with other local municipal joint insurance funds/commissions, and the New Jersey Division of Investment in the planning and execution of investments in order to achieve economies of scale.
- i.) Stability in the value of the Commission's economic surplus.

#### 2.) Permissible Investments

Investments shall be limited to the following:

- a.) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America.
- b.) Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- c.) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located; or
- d.) Bonds or other obligations, having a maturity date not exceeding 397 days, approved by the Division of Investment of the Department of Treasury for investment by local units.
- e.) Debt obligations of federal agencies or government corporations with maturities not greater than five (5) years from the date of purchase, excluding mortgage backed obligations, providing that such investments are purchased through the New Jersey Division of Investment and are consistent the Division's own investment guidelines, and providing that the investment a fixed rate of interest not dependent on any index or external factors.

- f.) Repurchase agreements of fully collateralized securities, subject to rules and conditions established by the N.J. Department of Community Affairs.
- g.) Government money market mutual funds
- h.) Local Government Investment Pools

No investment or deposit shall have a maturity longer than five (5) years from date of purchase.

3.) **Authorized Depositories**

In addition to the above, the Commission is authorized to deposit funds in certificates of deposit and other time deposits in banks covered by the Governmental Unit Depository Protection Act, NJSA 17:9-14 et seq. (GUDPA).

The Commission is also authorized to invest its assets in the New Jersey Cash Management Fund.

4.) **Authority for Investment Management**

The Treasurer is authorized and directed to make investments, with a maturity of three months or longer, through asset managers that may be selected by the Executive Committee. Such asset managers shall be discretionary trustees of the COMMISSION.

Their actions and decisions shall be consistent with this plan and all appropriate regulatory constraints.

In executing investments, asset managers shall minimize transaction costs by querying prices from at least three (3) dealers and purchasing securities on a competitive basis. When possible, federal securities shall be purchased directly from the US Treasury. Transactions shall not be processed through brokerages, which are organizationally affiliated with the asset manager. Transactions may also be processed through the New Jersey Division of Investment by the Commission's asset managers.

5.) **Preservation of Capital**

Securities shall be purchased with the ability to hold until maturity.

6.) **Safekeeping**

Securities purchased on behalf of the Commission shall be delivered electronically or physically to the Commission's custodial bank, which shall maintain custodial and/or safekeeping accounts for such securities on behalf of the Commission.

7.) **Selection of Asset Managers, Custodial Banks and Operating Banks**

Asset managers, custodial banks and operating banks shall be retained for contract periods of one (1) year. Additionally, the Commission shall maintain the ability to change asset managers and/or custodial banks more frequently based upon performance appraisals and upon reasonable notice, and based upon changes in policy or procedures.

8.) **Reporting**

If the Commission utilizes the services of asset managers, they will submit written statements to the Treasurer and Executive Director describing the proposed investment strategy for achieving the objectives identified herein. Asset managers shall also submit revisions to strategy when justified as a result of changing market conditions or other factors. Such statements shall be provided to the Treasurer and Executive Director. The statements shall also include confirmation that all investments are made in accordance with this plan. Additionally, the Investment Manager shall include a statement that verifies the Investment Manager has reconciled and determined the appropriate fair value of the Commission's portfolio based on valuation guidelines that shall be kept on file in the Executive Director's office.

The Treasurer shall report to the Executive Committee at all regular meetings on all investments. This report shall include information on the balances in all bank and investment accounts, and purchases, sales, and redemptions occurring in the prior month.

9.) **Audit**

This plan, and all matters pertaining to the implementation of it, shall be subject to the Commission's annual audit.

10.) **Cash Flow Projections**

Asset maturity decisions shall be guided by cash flow factors payout factors supplied by the Commission Actuary and reviewed by the Executive Director and the Treasurer.

11.) **Cash Management**

All moneys turned over to the Treasurer shall be deposited within forty-eight (48) hours in accordance with NJSA 40A:5-15.

In the event a check is made payable to the Treasurer rather than the Commission, the following procedure is to be followed:

- a.) The Treasurer endorses the check to the Commission and deposits it into the Commission account.
- b.) The Treasurer notifies the payer and requests that in the future any check be made payable to the Commission.

The Treasurer shall minimize the possibility of idle cash accumulating in accounts by assuring that all amounts in excess of negotiated compensating balances are kept in interest bearing accounts or promptly swept into the investment portfolio.

The method of calculating banking fees and compensating balances shall be documented to the Executive Committee by the Treasurer at least annually.

Cash may be withdrawn from investment pools under the discretion of asset managers only to Commission operations, claims imprest accounts, or approved dividend payments.

The Treasurer shall escheat to the State of New Jersey checks, which remain outstanding for twelve or more months after the date of issuance. However, prior to implementing such procedures, the Treasurer, with the assistance of the claims agent, as needed, shall confirm that the outstanding check continues to represent a valid claim against the Commission.



**RESOLUTION NO. 8-17**

**SALEM COUNTY INSURANCE FUND COMMISSION  
APPOINTING AGENT FOR SERVICE OF PROCESS AND CUSTODIAN OF RECORDS  
FOR THE COMMISSION FOR THE YEAR 2017**

**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 SCIFC has deemed it necessary and appropriate to formally organize for the 2017 commission year; and

**NOW THEREFORE** be it resolved by the Salem County Insurance Fund Commission that **PERMA Risk Management Services** is hereby appointed as agent for service of process upon the SCIFC, at its office located at 9 Campus Drive, Suite 216, Parsippany, NJ 07054 and at 401 Route 73North, Suite 300, Marlton, NJ 08053 for the year 2017 or until its successor has been appointed and qualified. Said appointment shall be at no cost to the SCIFC.

**BE IT FURTHER RESOLVED** that **PERMA Risk Management Services** shall also be the Custodian of Records at no cost to the SCIFC.

**ADOPTED** by THE SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 2, 2017.

**ADOPTED:**

**BY:** \_\_\_\_\_

**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**VICE-CHAIRPERSON**

**RESOLUTION NO. 9-17**

**SALEM COUNTY INSURANCE FUND COMMISSION  
DESIGNATING OFFICIAL NEWSPAPERS FOR THE COMMISSION**

**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 SCIFC has deemed it necessary and appropriate to formally organize for the 2017 commission year; and

**BE IT RESOLVED** by the SCIFC, the **South Jersey Times** are hereby designated as the official newspaper for the Commission and all official notices required to be published and shall be published in these newspapers.

**BE IT FURTHER RESOLVED** that the designation of official newspapers shall be effective upon adoption of the within resolution through the 2017 re-organization of the SCIFC.

**BE IT FURTHER RESOLVED** that in the case of special meetings or emergency meetings, the SCIFC shall give notice of said meetings to the **South Jersey Times and/or Elmer Times**.

**ADOPTED** by THE SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 2, 2017.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**VICE CHAIRPERSON**

**RESOLUTION NO. 10-17**

**SALEM COUNTY INSURANCE FUND COMMISSION  
ESTABLISHING PUBLIC MEETING PROCEDURES**

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

**WHEREAS**, the SCIC has deemed it necessary and appropriate to formally establish meeting procedures for the 2017 Fund Year; and

**NOW, THEREFORE BE IT RESOLVED**, by the Commissioners of the Salem County Insurance Fund Commission that the SCIC shall hold public meetings during the year 2017 as follows:

<u>TIME</u>	<u>DATE</u>	<u>LOCATION</u>	<u>PURPOSE</u>
9:00 AM	April 6, 2017	Salem County Old Courthouse 104 Market Street Salem, NJ 08079	Regular Meeting
9:00 AM	June 1, 2017	“	Regular Meeting
9:00 AM	August 3, 2017	“	Regular Meeting
9:00 AM	October 5, 2017	“	Regular Meeting
9:00 AM	*December 14, 2017	“	Regular Meeting
9:00 AM	February 1, 2018	“	Reorganization Meeting

**ADOPTED** by the SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 2, 2017.

\*Second Thursday

**ADOPTED:**

**BY:** \_\_\_\_\_  
**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**VICE CHAIRPERSON**

**2017 Risk Management Plan**

**Salem County Insurance Fund Commission**  
(hereinafter the "Insurance Commission")

BE IT RESOLVED by the Insurance Commission's governing body that effective 1/1/17 the 2017 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 (NJCF).
    - 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
    - Medical Professional and General Liability

- Employed Lawyers Liability NOT PURCHASED
- Cyber Liability
- Non-Owned Aircraft Liability

2.) The limits of coverage.

a.) Workers' Compensation limits.

- The Insurance Commission covers \$300,000 per occurrence including:
  - Employer's Liability - \$300,000 per occurrence.
  - USL&H – \$300,000 per occurrence.
  - Harbor Marine/Jones Act - \$300,000 per occurrence.
- The NJC covers excess workers compensation claims to the following limits.
  - Workers' Compensation – statutory excess of the Insurance Commission's \$300,000.
  - Employer's Liability - at a sub-limit of \$30,700,000 excess of the Insurance Commission's \$300,000.
  - USL&H – included less NJ State benefits excess of member's SIR of \$300,000.
  - Harbor Marine/Jones Act - included less NJ State benefits excess of member's SIR of \$300,000.

NJC retains limits of \$200,000 excess \$300,000 for Workers Compensation and Employers Liability. NJC purchases from Wesco Insurance Company \$500,000 excess \$500,000 each occurrence/employee and purchases from Safety National Casualty Company 'Statutory' Workers Compensation limits excess of \$1,000,000 and \$5,000,000 excess of \$1,000,000 for Employers Liability. Additional Employers Liability limits of \$10,000,000 excess of \$6,000,000 are purchased from Underwriters at Lloyds and \$15,000,000 excess \$16,000,000 from National Casualty

b.) General Liability limits.

- The Insurance Commission covers \$300,000 per occurrence.
  - Law Enforcement - included in the General Liability limits.
  - Employee Benefits Liability - included in the General Liability limits.
  - Subsidence - \$300,000 per occurrence
  - Owned Watercraft 35' in length or less - \$300,000.
  - Garagekeepers Legal Liability - \$300,000
- The NJC covers excess liability claims as follows:
  - General Liability - \$25,200,000 excess the Insurance Commission's \$300,000. The \$10,000,000 excess \$500,000 commercial excess layer is subject to a \$20,000,000 aggregate limit for the policy period 1/1/17-18 - The \$15,000,000 excess \$10,500,000 commercial excess layer is subject to a \$15,000,000 annual aggregate limit (1/1/17-1/1/18).
  - Law Enforcement - included in the NJC's excess General Liability limits.
  - Employee Benefits Liability - included in the NJC's excess General Liability limits.
  - Subsidence - \$700,000 per occurrence excess of the Insurance Commission's \$300,000. NJC retains 100% of the limit excess of the Member's retention.
  - Owned Watercraft 35' in length or less - \$700,000 excess of the Insurance Commission's \$300,000. NJC retains 100% of the limit excess of the Member's retention.
  - Garagekeepers Legal Liability - \$200,000 excess of the Insurance Commission's \$300,000. NJC retains 100% of the limit excess of the Member's retention.

NJC retains limits of \$200,000 excess \$300,000 and purchases from Underwriters at Lloyds limits of \$10,000,000 per occurrence and a \$20,000,000 aggregate for the policy period of 1/1/17-18 excess over and above \$500,000.

NJC also purchases from National Casualty limits of \$15,000,000 per occurrence and a \$15,000,000 annual aggregate (1/1/17-1/1/18) excess over and above the \$10,000,000/\$20,000,000 with Underwriters at Lloyds.

c.) Automobile Liability limits.

- The Insurance Commission covers automobile liability claims as follows:
  - Automobile Bodily Injury and Property Damage Liability claims at a combined single limit of **\$300,000**.
  - The Insurance Commission covers \$250,000 for Personal Injury Protection (PIP) per Addendum I of this Plan.
  - The Insurance Commission covers \$15,000/\$30,000/\$5,000 for Underinsured/Uninsured Motorists Liability per Addendum II of this Plan.
- The NJC covers excess automobile liability claims as follows:
  - Automobile Bodily Injury and Property Damage Liability claims excess of the Insurance Commission's **\$300,000** CSL limit. Included in the NJC's excess General Liability limits as shown above.

NJC retains limits of **\$200,000** excess \$300,000 and purchases from Underwriters at Lloyds limits of \$10,000,000 per occurrence and a \$20,000,000 aggregate for the policy period of 1/1/17-18 excess over and above \$500,000. NJC also purchases from National Casualty limits of \$15,000,000 per occurrence and a \$15,000,000 annual aggregate (1/1/17-1/1/18) excess over and above the \$10,000,000/\$20,000,000 with Underwriters at Lloyds.

The NJC does not provide excess PIP OR Uninsured/Underinsured Motorist Coverage.

The excess general liability, auto liability, law enforcement liability and employers liability limits with Underwriters at Lloyds, National Casualty are per member Commission and are shared limits amongst SCIC member entities.

d.) Public Officials Liability/School Board Legal/Employment Practices Liability

- The NJC via the commercial market covers public officials liability, school board legal liability (where applicable) and employment practices liability as follows:
  - \$10,000,000 each claim and in the annual aggregate on a claims made basis per member Insurance Commission subject to the deductibles as outlined below:
    - Salem County - \$50,000 POL/\$75,000 EPL

e.) Excess Public Officials Liability/Employment Practices Liability/School Board Legal Liability:

- The NJC does not purchase an additional excess public officials liability/school board legal liability/employment practices liability program.

f.) Property/Equipment Breakdown

Property Limits/Sub-limits

- The Insurance Commission covers \$100,000 per occurrence less applicable member entity per occurrence deductibles.
- The NJC provides excess property coverage and Equipment Breakdown coverage via the commercial market with Zurich and excess property coverage with Mitsui Sumitomo Insurance Company of America (33.33%); Velocity (33.33%); Starr Companies (33.33%) quota share basis with the following limits excess of the member retention and member entity per occurrence deductible (*SHARED BY ALL NJC MEMBER COMMISSIONS AND THEIR MEMBER ENTITIES*)

Property Per Occurrence Limits:

- A. \$110,000,000 Per Occurrence with Zurich
- B. \$150,000,000 Per Occurrence with Mitsui Sumitomo Insurance Company of America (33.33%); Velocity (33.33%); Starr Companies (33.33%)
- C. \$260,000,000 per Occurrence Total Program Limit

Property Sub-Limits:

- Earthquake - \$100,000,000 (Annual Aggregate) + Excess Earthquake - \$100,000,000
- Flood - \$100,000,000 (Annual Aggregate) Except;
  - Flood Inside Special Flood Hazard Area (SFHA) - \$25,000,000
  - Excess Flood Add \$15,000,000 (Annual Aggregate)

- Asbestos Cleanup - \$50,000 per occurrence
  - Valuable Paper And Records - \$10,000,000
  - Accounts Receivable - \$10,000,000
  - Demolition & Increased Cost of Construction -\$25,000,000
  - Business Interruption -Included in \$110,000,000 blanket limit (Business Income On Revenue Producing Property Only)
  - Extra Expense – \$10,000,000
  - Transit- \$1,000,000 Per Conveyance/\$1,000,000 Per Occurrence
  - Fine Arts - \$2,500,000 (Owned And Non Owned)
  - Pollution And Contamination Cleanup (Limited) - \$250,000 (Annual Aggregate)
  - Miscellaneous Unnamed Locations - \$10,000,000
  - New Construction and Additions - \$25,000,000 (the lesser of \$1,000,000 sublimit or 60 days for soft costs, subject to applicable deductible per cause of loss and 24 hour qualifying period)
  - Newly Acquired Locations – \$25,000,000 per location (90 day reporting period)
  - Service Interruption - \$10,000,000 Combined Time Element and Property Damage Including Overhead Transmission Lines within 1 mile of insured premises, 24 hour qualifying period)
  - Ingress/Egress – 30 Day Period for Property with a 5 mile radius not to exceed a \$5,000,000 limit.
  - Debris Removal -\$25,000,000
  - Civil Government Authority – Lesser of \$5,000,000 or 30 day period, within 5 mile radius
  - Leasehold Interest - \$15,000,000
  - Loss Of Rents - \$15,000,000
  - Professional Fees - \$1,250,000
  - Extended Period of Liability – 365 Days
  - Auto Physical Damage - \$15,000,000
  - Underground Piping - \$5,000,000 (only if within 5 MILES of a pump station, process plant, metering pit, wells or similar operational locations which are owned, leased, used occupied or intended for use by the member entity). There is no coverage for the perils of Earthquake, Flood or named Storm
  - EDP Equipment – Subject to a 24 hour qualifying period. No sub-limit for equipment. \$1,000,000 sublimit for data and software
  - Outdoor Property - \$10,000,000
  - Equipment Breakdown - \$100,000,000
    - Ammonia Contamination - \$5,000,000
    - Spoilage - \$5,000,000
    - Extended Period Of Indemnity - 365 Days
- Note: There is an Excess Property Policy with Mitsui Sumitomo Insurance Company of America (33.33%); Velocity (33.33%); Starr Companies (33.33%) on a quota share basis which extends the Per

Occurrence Policy Limits by \$150,000,000 to a total of \$260,000,000. The excess policy provides a sub-limit of \$25,000,000 excess of the underlying \$110,000,000 per occurrence for Named Storm Wind and Hail for Atlantic, Cape May, Ocean, Monmouth and Cumberland counties. Coverage sub-limits on the Primary policy are excluded by the Excess Property policy, including Equipment Breakdown. The primary limit is \$110,000,000.

- There is an Excess Flood/Earthquake policy placed with Aspen Specialty (20%)/AXIS Surplus (20%)/United Specialty (20%)/Endurance American Specialty(10%)/Interstate Fire & Casualty (10%)/RSUI Indemnity (10%)/Westchester Surplus (10%) which provides:
  - \$50,000,000 aggregate policy limit for Flood coverage excess of the aggregate policy limits provided by Zurich (\$25,000,000 for locations inside the 100-Year Flood Zone, \$50,000,000 for all other locations, as noted above); and
  - \$100,000,000 aggregate policy limit for Earthquake coverage excess of the \$100,000,000 aggregate policy limit provided by Zurich (noted above).

#### Property Deductibles

- The standard member insurance commission retention is \$100,000 per occurrence less member entity per occurrence deductibles below. Also applies to time element, auto physical damage and flood (except as noted below).Property/Boiler & Machinery
  - Salem County - \$5,000 Property & Auto Physical Damage
- The Vacant Properties deductible is \$250,000
- The Equipment Breakdown deductible is \$25,000 member entity deductible per occurrence.
- The Earthquake Member Insurance Commission retention is \$100,000 per occurrence less member entity deductibles.
- The Flood Member Insurance Commission retention is \$100,000 per occurrence (combined property damage and time element) less member entity per occurrence deductibles.
- Flood loss for property within the Special Flood Hazard Area (SFHA) is subject to a deductible of \$500,000 each building for municipality buildings, and \$500,000 each building for building contents member entity deductible per occurrence; and \$100,000 for each building for loss of income or the National Flood Insurance Plan's (NFIP) maximum available limits for public entities, whichever is greater, regardless of

whether National Flood Insurance program coverage is purchased or not. Losses shall also be adjusted subject to a \$100,000 per occurrence Insurance Commission deductible for pumping stations, pistol ranges, vehicles and mobile equipment less the applicable member entity deductible.

- “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.
- Note: Where there is an underlying Insurance Commission such as exist in Salem. The Salem County Insurance Commission provides coverage for the difference in deductible for “insured property” resulting from “insured perils” (per the terms and conditions of the Zurich policy through the NJC JIF), but only for what is not reimbursed by FEMA less the member entity deductible. The Salem County Insurance Commission will not provide coverage for the difference in deductible for time element loss.

Named Storm is defined as any storm or weather disturbance that is named by the U.S. National Oceanic and Atmospheric Administration (NOAA) or the U.S. National Weather Service or the National Hurricane Center or any comparable worldwide equivalent.. Location is defined as a building(s) bounded on all sides by public streets, clear land space or open waterways, each not less than 50 feet wide, a site or tract of land occupied or available for occupancy with tangible property. If the Named Storm involves covered property within the 100-year flood zone, the 100-year flood zone deductible above applies.

- Underground Piping \$100,000 per occurrence less the member entity deductibles as stated above. There is no coverage for the perils of earthquake, Flood or named Storm
- Golf Carts - \$25,000

NJC does not retain any risk as it is fully insured in the commercial market.

g.) Crime

The NJC via the commercial market provides crime coverage at the following limits and deductibles (the Insurance Commission retains no risk for Crime):

Limit per occurrence:

- Salem County – \$1,000,000

Deductible per occurrence:

- Salem County – \$10,000

NJC does not retain any risk as it is fully insured in the commercial market.

h.) Pollution Liability

The NJC via the commercial market provides pollution liability coverage at the following limits and deductibles (the Insurance Commission retains no risk for Pollution Liability):

- Limit of Liability: \$10,000,000 per claim and \$25,000,000 annual aggregate
- Member Entity Deductible: \$25,000

NJC does not retain any risk as it is fully insured in the commercial market.

All policy aggregates limits are shared by the Camden County Insurance Commission, Gloucester County Insurance Commission, Union County, Burlington County Insurance Commission, Cumberland County Utilities Authority, Ocean County Mosquito Extermination Commission, Salem County and Atlantic County Utilities Authority

i.) Medical Professional General Liability/Excess Medical Professional

The NJC via the commercial market provides medical professional general liability/excess medical professional coverage at the following limits and deductibles (the Insurance Commission retains no risk for medical professional general liability):

- Limit per claim/annual aggregate: \$1,000,000/\$3,000,000
  - This primary aggregate limit is shared by each member entity of each NJC member Commission.
- Excess Limit annual aggregate: \$20,000,000/\$20,000,000
  - Excess Limit is a Shared limit with CCIC, BCIC, GCIC ACIC and CUIC .

- Member Entity Deductibles GL and PL:
  - Salem County Health Clinic – \$5,000
  - Department of Corrections (prison Infirmary) - \$25,000

NJC does not retain any risk as it is fully insured in the commercial market.

j.) Employed Lawyers Professional Liability

The NJC via the commercial market offers an employed lawyers professional liability program that SCIC does not participate in.

k.) Cyber Liability

The NJC via the commercial market provides on an optional basis network privacy & security liability coverage at the following limits and deductibles (the insurance commission retains no risk for network privacy & security liability coverage):

- Limits per claim and annual aggregate:
  - Security & Privacy Liability: \$1,000,000
    - regulatory sub-limit: \$750,000\*
  - Network Interruption (12 hour period): \$250,000
  - Event Management: \$250,000
  - Cyber Extortion: \$ 1,000,000
  - Minimum affected individuals: 100
  - Maximum affected individuals: \$500,000
- Retention per member entity:
  - Security & Privacy Liability: \$25,000
    - Regulatory: \$25,000
  - Network Interruption (12 hour period): \$25,000
  - Event Management: \$25,000
  - Cyber Extortion: \$ 25,000
  - Minimum affected individuals: 100
  - Maximum affected individuals: \$500,000
- Participating member entities are:
  - Salem County

l.) Non-Owned Aircraft. The NJCE covers \$9,000,000 CSL for Bodily Injury and Property Damage Liability, and \$5,000 medical expense for each passenger.

NOTICE: The above description is a general overview of the coverage and limits provided by the Insurance Commission. The actual terms and conditions are defined in the individual policy documents and this Risk Management Plan. All issues and/or conflicts shall be decided upon by the individual policy documents.

3.) The amount of risk to be retained by the Insurance Commission (except as noted in section 2. Limits of coverage).

- a.) Workers' Compensation (all coverages) - \$300,000 CSL
- b.) General Liability (all coverages) - \$300,000 CSL
- c.) Law Enforcement Liability – Included in General Liability
- d.) Automobile Liability
  - Property Damage & Bodily Injury - \$300,000 CSL
  - Underinsured/Uninsured - \$15,000/\$30,000/\$5,000 CSL
  - Personal Injury Protection - \$250,000 CSL
- e.) Public Officials Liability/School Board Legal/Employment Practices Liability - None
- f.) Property/APD - \$100,000 per occurrence (\$250,000 Vacant Properties) less member deductibles.
- g.) Crime – None
- h.) Pollution Liability – None
- i.) Medical Professional General Liability – None
- j.) Employed Lawyers Liability – None
- k.) Cyber Liability - None

4.) The amount of unpaid claims to be established.

- a.) The Insurance Commission engages a claims service company to handle all claims. The performance of the claims adjusters is monitored and periodically audited by the Executive Director's office, the Insurance Commission Attorney, the NJC's attorney's office, as well as the claims department of the NJC's four major excess insurers (i.e. Underwriters at Lloyds and National Casualty for excess liability; Wesco Insurance Company and Safety National Casualty Company for workers' compensation). Every three years, the NJC's internal auditors also conduct an audit.
- b.) Claims reserves are subject to regular review by the Insurance Commission's Executive Director/Administrator, Attorney, Board of Commissioners and claims servicing company. Reserves on large or unusual claims are also subject to review by the claims departments of the commercial insurance

companies or reinsurance companies providing primary or excess coverages to the Insurance Commission either directly or through the NJC JIF.

5.) The method of assessing contributions to be paid by each member of the Insurance Commission.

- a.) By November 15th of each year, the actuary computes the probable net cost for the upcoming Insurance Commission year by line of coverage and for each prior Insurance Commission year. The Actuary includes all budget items in these computations. The annual assessment of each participating member entity is its pro rata share of the probable net cost of the upcoming Insurance Commission year for each line of coverage as computed by the Actuary.
- b.) The calculation of pro rata shares is based on each member's experience modified manual premium for that line of coverage. The Insurance Commission's Governing Body also adopts a capping formula which limits the increase of any member's assessment from the preceding year to the Insurance Commission wide average increase plus a percentage selected by the Governing Body. The total amount of each member's annual assessment is certified by majority vote of the Insurance Commission's Governing Body at least one (1) month prior to the beginning of the next fiscal year.
- c.) The Treasurer deposits each member's assessment into the appropriate accounts, including the administrative account, and the claim or loss retention trust Insurance Commission account by Insurance Commission year for each type of coverage in which the member participates.
- d.) If a member entity becomes a member of the Insurance Commission or elects to participate in a line of coverage after the start of the Insurance Commission year, such participant's assessments and supplemental assessments are reduced in proportion to that part of the year which had elapsed.
- e.) The Insurance Commission's Governing Body may by majority vote levy upon the participating member entities additional assessments wherever needed or so ordered by the Commissioner of Insurance to supplement the Insurance Commission's claim, loss retention or administrative accounts to assure the payment of the Insurance Commission's obligations. All supplemental assessments are charged to the participating member entities by applicable Insurance Commission year, and shall be apportioned by the year's assessments for that line of coverage.
- f.) Should any member fail or refuse to pay its assessments or supplemental assessments, or should the Insurance Commission fail to assess funds required to meet its obligations, the Chairman, or in the event by his or her failure to do so, the custodian of the Insurance Commission's assets, shall notify the Commissioner of Insurance and the Director of Community

Affairs. Past due assessments shall bear interest at the rate established annually by the Insurance Commission's Governing Body.

6.) Procedures governing loss adjustment and legal expenses.

- a.) The Insurance Commission engages a claims service company to handle all claims. The performance of the claims adjusters is monitored and periodically audited by the Executive Director's office, the Insurance Commission Attorney, the NJC's attorney's office, as well as the claims department of the NJC's three major excess insurers (i.e. Star Insurance for excess liability and workers' compensation; Everest National and Star & Indemnity for excess liability). Every three years, the NJC's internal auditors also conduct an audit.
- b.) Each member entity is provided with a claims reporting procedure and appropriate forms.
- c.) In order to control workers' compensation medical costs, the Insurance Commission has engaged a managed care organization (MCO) *through the claims service company* whose procedures are integrated into the Insurance Commission's claims process.
- d.) To provide for quality defense and control costs, the Insurance Commission has established an approved defense attorney panel with firms which specialize in Title 59 matters. The performance of the defense attorneys is overseen by the Insurance Commission Attorney, as well as, the various firms which audit the claims adjusters.

7.) Coverage to be purchased from a commercial insurer, if any.

The Insurance Commission does not purchase commercial insurance.

8.) Reinsurance to be purchased.

The Insurance Commission does not purchase reinsurance.

9.) Procedures for the closure of Insurance Commission years, including the maintenance of all relevant accounting records.

- a.) Not applicable at this time.

10.) Assumptions and Methodology used for the calculation of appropriate reserves requirements to be established and administered in accordance with sound actuarial principles.

- a.) The general approach in estimating the loss reserves of the Insurance Commission is to project ultimate losses for each Insurance Commission year using paid and incurred loss data.

Two traditional actuarial methodologies are used: the paid loss development method and the incurred loss development method. From the two different indications resulting from these methods the Insurance Commission Actuary chooses a "select" estimate of ultimate losses. Subtraction of the paid losses from the select ultimate losses yields the loss reserve liability or Insurance Commission funding requirement.

b.) The following is an overview of the two actuarial methods used to project the ultimate losses.

- Paid Loss Development Method - This method uses historical accident year paid loss patterns to project ultimate losses for each accident year. Because this method does not use case reserve data, estimates from it are not affected by changes in case reserving practices. However, the results of this method are sensitive to changes in the rate of which claims are settled and losses are paid, and may underestimate ultimate losses if provisions are not included for very large open claims.
- Case Incurred Loss Development Method - This method is similar to the paid loss development method except it uses historical case incurred loss patterns (paid plus case outstanding reserves) to estimate ultimate losses. Because the data used includes case reserve estimates, the results from this method may be affected by changes in case reserve adequacy.

11.) The maximum amount a certifying and approving officer may approve pursuant to N.J.A.C. 11:15-2.22.

- \$15,000 for workers compensation claims
- \$7,500 for liability claims
- With the advance approval of the Insurance Commission Attorney or Executive Director, the certifying and approving officer may also pay hospital bills if waiting until after the next regularly scheduled Insurance Commission meeting would result in the loss of a discount on such bills. When the certifying and approving officer utilizes this authority, a report shall be made to the Commissioners at their next meeting.\

**ADOPTED** by the SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 2, 2017.

---

**CHAIRMAN**

**ATTEST:**

---

**VICE CHAIRPERSON**

SALEM COUNTY INSURANCE COMMISSION					
PROPOSED BUDGET					
		ANNUALIZED BUDGET FY2016	PROPOSED BUDGET	Change \$	Change %
APPROPRIATIONS					
I. Claims and Excess Insurance					
Claims					
1	Property	62,309	68,000	5,691	9.13%
2	Liability	62,760	120,000	57,240	91.20%
3	Auto	6,276	5,000	(1,276)	-20.33%
4	Workers' Comp.	482,783	525,000	42,217	8.74%
5	LFC	106,151		(106,151)	100.00%
6	<b>Subtotal - Claims</b>	<b>720,279</b>	<b>718,000</b>	<b>(2,279)</b>	<b>-0.32%</b>
7					
8 Premiums					
9	CEL JIF	492,165	492,912	747	0.15%
10					
11	<b>SubTotal Premiums</b>	<b>492,165</b>	<b>492,912</b>	<b>747</b>	<b>0.15%</b>
12	<b>Total Loss Fund</b>	<b>1,212,444</b>	<b>1,210,912</b>	<b>(1,532)</b>	<b>-0.13%</b>
13					
14 II. Expenses, Fees & Contingency					
15					
16	Claims Adjustment	23,347	22,700	(647)	-2.77%
17	Safety Director	0	0	0	0.00%
18	General Expense				
19	Exec. Director	35,513	35,513	0	0.00%
20	Actuary	7,959	7,959	0	0.00%
21	Auditor	7,959	7,959	0	0.00%
22	Attorney	0	0	0	0.00%
23	Treasurer	0	0	0	0.00%
24					
25					
26	Misc. Expense & Contingency	27,839	20,000	(7,839)	-28.16%
27					
28	<b>Total Fund Exp &amp; Contingency</b>	<b>102,617</b>	<b>94,131</b>	<b>(8,486)</b>	<b>-8.27%</b>
29	Risk Managers	0	0	0	0.00%
30					
31					
32	XS JIF Ancillary Coverage				
33	POL/EPL	99,068	99,068	0	0.00%
34	XS POL/EPL	0	0	0	0.00%
35	Excess Liability	35,795	35,795	0	0.00%
36	Crime Program	3,409	3,409	0	0.00%
37	Medical Malpractice	30,907	30,907	0	0.00%
38	Pollution Liability	1,333	1,333	(0)	-0.02%
39	Employed Lawyers Liab	0	0	0	0.00%
40	Cyber Liability/Special Coverages	14,146	14,146	0	0.00%
41	Aviation	959	959	(0)	-0.04%
42					
43	<b>Total FUND Disbursements</b>	<b>1,500,679</b>	<b>1,490,660</b>	<b>(10,019)</b>	<b>-0.67%</b>

**RESOLUTION NO. 12-17**

**RESOLUTION AUTHORIZING AND APPROVING THE BUDGET  
FOR THE YEAR 2017 FOR THE SALEM COUNTY INSURANCE FUND COMMISSION  
AND CERTIFYING MEMBER ASSESSMENTS**

**WHEREAS**, the SALEM COUNTY INSURANCE FUND COMMISSION is required under State regulation to adopt an annual budget in accordance with the Fiscal Affairs Law; and

**NOW THEREFORE BE IT RESOLVED** the appropriations in the total amount of **\$1,490,660.00** is hereby authorized & approved and assessments for member entities are hereby certified.

**ADOPTED** by THE SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 2, 2017.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**VICE CHAIRPERSON**

SALEM COUNTY INSURANCE COMMISSION				
FINANCIAL FAST TRACK REPORT				
AS OF October 31, 2016				
ALL YEARS COMBINED				
	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1. UNDERWRITING INCOME	125,057	1,250,565	4,674,419	5,924,985
2. CLAIM EXPENSES				
Paid Claims	50,297	356,888	1,624,539	1,981,427
Case Reserves	(32,076)	251,235	783,031	1,034,266
IBNR	21,433	229,334	311,208	540,542
Discounted Claim Value	(323)	(12,151)	(28,566)	(40,718)
<b>TOTAL CLAIMS</b>	<b>39,330</b>	<b>825,306</b>	<b>2,690,212</b>	<b>3,515,517</b>
3. EXPENSES				
Excess Premiums	56,482	564,819	2,468,503	3,033,322
Administrative	7,067	71,324	245,276	316,599
<b>TOTAL EXPENSES</b>	<b>63,549</b>	<b>636,143</b>	<b>2,713,779</b>	<b>3,349,921</b>
4. UNDERWRITING PROFIT (1-2-3)	22,178	(210,883)	(729,571)	(940,454)
5. INVESTMENT INCOME	1	5	12	17
6. PROFIT (4 + 5)	22,178	(210,878)	(729,559)	(940,437)
7. CEL APPROPRIATION CANCELLATION	0	0	1,259	1,259
8. DIVIDEND INCOME	0	0	0	0
9. DIVIDEND EXPENSE	0	0	0	0
10. INVESTMENT IN JOINT VENTURE	429	21,619	52,542	74,161
11. SURPLUS (6 + 7 + 8)	22,607	(189,260)	(675,758)	(865,017)
<b>SURPLUS (DEFICITS) BY FUND YEAR</b>				
2012	268	(1,282)	(157,203)	(158,485)
2013	(1,291)	70,123	(311,360)	(241,237)
2014	(5,147)	(62,355)	(161,412)	(223,767)
2015	(25,649)	(521,748)	(45,783)	(567,531)
2016	54,426	326,002		326,002
<b>TOTAL SURPLUS (DEFICITS)</b>	<b>22,607</b>	<b>(189,260)</b>	<b>(675,758)</b>	<b>(865,017)</b>
<b>TOTAL CASH</b>				<b>17,971</b>
<b>CLAIM ANALYSIS BY FUND YEAR</b>				
<b>FUND YEAR 2012</b>				
Paid Claims	0	4,719	221,076	225,794
Case Reserves	0	(1,309)	44,555	43,247
IBNR	(128)	(538)	4,682	4,144
Discounted Claim Value	5	83	(1,837)	(1,754)
<b>TOTAL FY 2012 CLAIMS</b>	<b>(123)</b>	<b>2,955</b>	<b>268,477</b>	<b>271,432</b>
<b>FUND YEAR 2013</b>				
Paid Claims	69,362	134,209	647,665	781,874
Case Reserves	(68,154)	(177,383)	368,137	190,754
IBNR	(835)	(33,453)	60,462	27,008
Discounted Claim Value	1,497	4,961	(10,474)	(5,512)
<b>TOTAL FY 2013 CLAIMS</b>	<b>1,869</b>	<b>(71,666)</b>	<b>1,065,789</b>	<b>994,123</b>
<b>FUND YEAR 2014</b>				
Paid Claims	950	24,033	483,447	507,480
Case Reserves	4,251	102,737	140,737	243,475
IBNR	(382)	(58,951)	96,817	37,865
Discounted Claim Value	(117)	(1,545)	(6,351)	(7,896)
<b>TOTAL FY 2014 CLAIMS</b>	<b>4,701</b>	<b>66,273</b>	<b>714,651</b>	<b>780,924</b>
<b>FUND YEAR 2015</b>				
Paid Claims	(22,210)	140,915	272,351	413,266
Case Reserves	48,852	291,137	229,602	520,738
IBNR	492	97,386	149,247	246,633
Discounted Claim Value	(1,513)	(8,563)	(9,905)	(18,468)
<b>TOTAL FY 2015 CLAIMS</b>	<b>25,621</b>	<b>520,875</b>	<b>641,295</b>	<b>1,162,170</b>
<b>FUND YEAR 2016</b>				
Paid Claims	2,194	53,013		53,013
Case Reserves	(17,024)	36,053		36,053
IBNR	22,287	224,891		224,891
Discounted Claim Value	(195)	(7,088)		(7,088)
<b>TOTAL FY 2016 CLAIMS</b>	<b>7,261</b>	<b>306,869</b>	<b>0</b>	<b>306,869</b>
<b>COMBINED TOTAL CLAIMS</b>	<b>39,330</b>	<b>825,306</b>	<b>2,690,212</b>	<b>3,515,517</b>

This report is based upon information which has not been audited nor certified by an actuary and as such may not truly represent the condition of the fund.

SALEM COUNTY INSURANCE COMMISSION				
FINANCIAL FAST TRACK REPORT				
AS OF November 30, 2016				
ALL YEARS COMBINED				
	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1. UNDERWRITING INCOME	125,057	1,375,622	4,674,419	6,050,041
2. CLAIM EXPENSES				
Paid Claims	12,152	369,040	1,624,539	1,993,579
Case Reserves	16,599	267,834	783,031	1,050,866
IBNR	23,415	252,749	311,208	563,956
Discounted Claim Value	(2,157)	(14,308)	(28,566)	(42,875)
<b>TOTAL CLAIMS</b>	<b>50,009</b>	<b>875,315</b>	<b>2,690,212</b>	<b>3,565,527</b>
3. EXPENSES				
Excess Premiums	56,482	621,301	2,468,503	3,089,803
Administrative	11,031	82,355	245,276	327,631
<b>TOTAL EXPENSES</b>	<b>67,513</b>	<b>703,656</b>	<b>2,713,779</b>	<b>3,417,434</b>
4. UNDERWRITING PROFIT (1-2-3)	7,534	(203,349)	(729,571)	(932,920)
5. INVESTMENT INCOME	2	6	12	18
6. PROFIT (4 + 5)	7,536	(203,343)	(729,559)	(932,901)
7. CEL APPROPRIATION CANCELLATION	0	0	1,259	1,259
8. DIVIDEND INCOME	0	0	0	0
9. DIVIDEND EXPENSE	0	0	0	0
10. INVESTMENT IN JOINT VENTURE	3,831	25,449	52,542	77,991
11. SURPLUS (6 + 7 + 8)	11,366	(177,893)	(675,758)	(853,651)
<b>SURPLUS (DEFICITS) BY FUND YEAR</b>				
2012	(277)	(1,559)	(157,203)	(158,762)
2013	(208)	69,916	(311,360)	(241,445)
2014	5,286	(57,069)	(161,412)	(218,481)
2015	27,322	(494,426)	(45,783)	(540,209)
2016	(20,757)	305,245		305,245
<b>TOTAL SURPLUS (DEFICITS)</b>	<b>11,366</b>	<b>(177,893)</b>	<b>(675,758)</b>	<b>(853,651)</b>
<b>TOTAL CASH</b>				<b>681,806</b>
<b>CLAIM ANALYSIS BY FUND YEAR</b>				
<b>FUND YEAR 2012</b>				
Paid Claims	1,115	5,833	221,076	226,909
Case Reserves	1,566	257	44,555	44,813
IBNR	(2,552)	(3,091)	4,682	1,592
Discounted Claim Value	0	83	(1,837)	(1,754)
<b>TOTAL FY 2012 CLAIMS</b>	<b>128</b>	<b>3,083</b>	<b>268,477</b>	<b>271,560</b>
<b>FUND YEAR 2013</b>				
Paid Claims	1,084	135,293	647,665	782,958
Case Reserves	(3,392)	(180,775)	368,137	187,362
IBNR	1,935	(31,518)	60,462	28,944
Discounted Claim Value	0	4,961	(10,474)	(5,512)
<b>TOTAL FY 2013 CLAIMS</b>	<b>(373)</b>	<b>(72,039)</b>	<b>1,065,789</b>	<b>993,751</b>
<b>FUND YEAR 2014</b>				
Paid Claims	427	24,460	483,447	507,907
Case Reserves	(14,490)	88,247	140,737	228,984
IBNR	9,245	(49,707)	96,817	47,110
Discounted Claim Value	0	(1,545)	(6,351)	(7,896)
<b>TOTAL FY 2014 CLAIMS</b>	<b>(4,818)</b>	<b>61,455</b>	<b>714,651</b>	<b>776,106</b>
<b>FUND YEAR 2015</b>				
Paid Claims	1,703	142,618	272,351	414,969
Case Reserves	6,353	297,489	229,602	527,091
IBNR	(35,189)	62,197	149,247	211,444
Discounted Claim Value	0	(8,563)	(9,905)	(18,468)
<b>TOTAL FY 2015 CLAIMS</b>	<b>(27,134)</b>	<b>493,741</b>	<b>641,295</b>	<b>1,135,036</b>
<b>FUND YEAR 2016</b>				
Paid Claims	7,824	60,837		60,837
Case Reserves	26,563	62,616		62,616
IBNR	49,976	274,867		274,867
Discounted Claim Value	(2,157)	(9,245)		(9,245)
<b>TOTAL FY 2016 CLAIMS</b>	<b>82,206</b>	<b>389,075</b>	<b>0</b>	<b>389,075</b>
<b>COMBINED TOTAL CLAIMS</b>	<b>50,009</b>	<b>875,315</b>	<b>2,690,212</b>	<b>3,565,527</b>

This report is based upon information which has not been audited nor certified by an actuary and as such may not truly represent the condition of the fund.

NEW JERSEY COUNTIES EXCESS JIF				
FINANCIAL FAST TRACK REPORT				
AS OF November 30, 2016				
ALL YEARS COMBINED				
	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1. UNDERWRITING INCOME	1,774,241	19,506,655	76,187,004	95,693,659
2. CLAIM EXPENSES				
Paid Claims	164,790	1,619,726	1,089,974	2,709,700
Case Reserves	74,183	218,521	2,413,317	2,631,837
IBNR	(133,668)	490,540	9,188,910	9,679,450
Discounted Claim Value	(8,363)	(87,549)	(651,074)	(738,622)
<b>TOTAL CLAIMS</b>	<b>96,943</b>	<b>2,241,237</b>	<b>12,041,128</b>	<b>14,282,365</b>
3. EXPENSES				
Excess Premiums	1,256,275	13,816,041	52,056,606	65,872,648
Administrative	109,526	1,410,559	5,652,271	7,062,830
<b>TOTAL EXPENSES</b>	<b>1,365,801</b>	<b>15,226,600</b>	<b>57,708,877</b>	<b>72,935,478</b>
4. UNDERWRITING PROFIT (1-2-3)	311,498	2,038,817	6,436,999	8,475,816
5. INVESTMENT INCOME	4,142	40,266	184,725	224,991
6. PROFIT (4+5)	315,639	2,079,084	6,621,724	8,700,807
7. Dividend	150,000	150,000	150,000	300,000
8. Cancelled Appropriations	0	0	607,551	607,551
9. SURPLUS (6-7-8)	165,639	1,929,084	5,864,173	7,793,256
<b>SURPLUS (DEFICITS) BY FUND YEAR</b>				
2010	(83,512)	(39,547)	642,182	602,635
2011	(62,975)	(251,951)	1,149,228	897,276
2012	(25,736)	263,332	477,778	741,111
2013	(22,709)	(83,104)	1,259,797	1,176,692
2014	60,333	566,506	1,417,746	1,984,252
2015	26,048	(95,498)	917,441	821,943
2016	274,190	1,569,346		1,569,346
<b>TOTAL SURPLUS (DEFICITS)</b>	<b>165,639</b>	<b>1,929,084</b>	<b>5,864,172</b>	<b>7,793,255</b>
<b>TOTAL CASH</b>				<b>19,997,092</b>
<b>CLAIM ANALYSIS BY FUND YEAR</b>				
<b>FUND YEAR 2010</b>				
Paid Claims	0	901	163,454	164,355
Case Reserves	0	(0)	1	1
IBNR	8,719	(35,901)	326,545	290,644
Discounted Claim Value	0	1,841	(11,008)	(9,167)
<b>TOTAL FY 2010 CLAIMS</b>	<b>8,719</b>	<b>(33,159)</b>	<b>478,992</b>	<b>445,832</b>
<b>FUND YEAR 2011</b>				
Paid Claims	157,151	248,385	144,097	392,482
Case Reserves	(157,151)	145,550	262,007	407,557
IBNR	(11,650)	(203,935)	623,896	419,961
Discounted Claim Value	0	(8,954)	(41,637)	(50,591)
<b>TOTAL FY 2011 CLAIMS</b>	<b>(11,650)</b>	<b>181,046</b>	<b>988,363</b>	<b>1,169,409</b>
<b>FUND YEAR 2012</b>				
Paid Claims	3,650	613,709	515,889	1,129,597
Case Reserves	222,751	(422,433)	856,270	433,837
IBNR	(200,276)	(475,619)	1,120,043	644,424
Discounted Claim Value	0	25,403	(82,267)	(56,865)
<b>TOTAL FY 2012 CLAIMS</b>	<b>26,125</b>	<b>(258,941)</b>	<b>2,409,934</b>	<b>2,150,994</b>
<b>FUND YEAR 2013</b>				
Paid Claims	0	500,452	15,975	516,427
Case Reserves	0	112,427	511,304	623,730
IBNR	23,277	(542,878)	1,657,721	1,114,843
Discounted Claim Value	0	19,898	(110,993)	(91,095)
<b>TOTAL FY 2013 CLAIMS</b>	<b>23,277</b>	<b>89,898</b>	<b>2,074,007</b>	<b>2,163,905</b>
<b>FUND YEAR 2014</b>				
Paid Claims	3,926	144,097	120,096	264,193
Case Reserves	8,637	(167,460)	313,106	145,646
IBNR	(72,142)	(586,638)	2,411,798	1,825,160
Discounted Claim Value	0	51,879	(164,745)	(112,866)
<b>TOTAL FY 2014 CLAIMS</b>	<b>(59,579)</b>	<b>(558,121)</b>	<b>2,680,255</b>	<b>2,122,134</b>
<b>FUND YEAR 2015</b>				
Paid Claims	62	112,182	130,464	242,646
Case Reserves	(60)	550,367	470,629	1,020,997
IBNR	(4,995)	(552,549)	3,048,907	2,496,358
Discounted Claim Value	0	18,105	(240,424)	(222,319)
<b>TOTAL FY 2015 CLAIMS</b>	<b>(4,993)</b>	<b>128,105</b>	<b>3,409,576</b>	<b>3,537,681</b>
<b>FUND YEAR 2016</b>				
Paid Claims	0	0		0
Case Reserves	7	70		70
IBNR	123,399	2,888,060		2,888,060
Discounted Claim Value	(8,363)	(195,720)		(195,720)
<b>TOTAL FY 2016 CLAIMS</b>	<b>115,043</b>	<b>2,692,410</b>	<b>0</b>	<b>2,692,410</b>
<b>COMBINED TOTAL CLAIMS</b>	<b>96,943</b>	<b>2,241,237</b>	<b>12,041,128</b>	<b>14,282,365</b>

This report is based upon information which has not been audited nor certified by an actuary and as such may not truly represent the condition of the fund.

**Salem County Insurance Commission**

**CLAIM ACTIVITY REPORT**

AS OF	November 30, 2016					
<b>COVERAGE LINE - PROPERTY</b>						
<b>CLAIM COUNT - OPEN CLAIMS</b>						
<b>Year</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>
October-16	0	0	0	2	0	2
November-16	0	0	0	2	0	2
<b>NET CHGE</b>	0	0	0	0	0	0
Limited Reserves						<b>\$3,750</b>
<b>Year</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>
October-16	\$0	\$0	\$0	\$7,500	\$0	\$7,500
November-16	\$0	\$0	\$0	\$7,500	\$0	\$7,500
<b>NET CHGE</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Ltd Incurred</b>	\$0	\$45,689	\$0	\$92,856	\$0	\$138,545
<b>COVERAGE LINE - GENERAL LIABILITY</b>						
<b>CLAIM COUNT - OPEN CLAIMS</b>						
<b>Year</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>
October-16	0	2	3	10	6	21
November-16	0	1	3	10	7	21
<b>NET CHGE</b>	0	-1	0	0	1	0
Limited Reserves						<b>\$30,152</b>
<b>Year</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>
October-16	\$0	\$182,500	\$65,000	\$423,601	\$32,500	\$703,601
November-16	\$0	\$123,189	\$65,000	\$426,001	\$19,000	\$633,190
<b>NET CHGE</b>	\$0	(\$59,311)	\$0	\$2,400	(\$13,500)	(\$70,411)
<b>Ltd Incurred</b>	\$313	\$245,710	\$67,128	\$428,579	\$19,000	\$760,731
<b>COVERAGE LINE - AUTO LIABILITY</b>						
<b>CLAIM COUNT - OPEN CLAIMS</b>						
<b>Year</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>
October-16	0	0	0	0	0	0
November-16	0	0	0	0	0	0
<b>NET CHGE</b>	0	0	0	0	0	0
Limited Reserves						<b>#DIV/0!</b>
<b>Year</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>
October-16	\$0	\$0	\$0	\$0	\$0	\$0
November-16	\$0	\$0	\$0	\$0	\$0	\$0
<b>NET CHGE</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Ltd Incurred</b>	\$0	\$3,558	\$4,002	\$0	\$0	\$7,559
<b>COVERAGE LINE - WORKERS COMP.</b>						
<b>CLAIM COUNT - OPEN CLAIMS</b>						
<b>Year</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>
October-16	2	5	7	3	5	22
November-16	2	5	7	3	7	24
<b>NET CHGE</b>	0	0	0	0	2	2
Limited Reserves						<b>\$17,091</b>
<b>Year</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>
October-16	\$43,246	\$76,408	\$174,224	\$40,785	\$20,577	\$355,241
November-16	\$44,812	\$64,173	\$163,985	\$93,590	\$43,616	\$410,176
<b>NET CHGE</b>	\$1,566	(\$12,235)	(\$10,239)	\$52,805	\$23,039	\$54,935
<b>Ltd Incurred</b>	\$271,408	\$675,347	\$665,762	\$420,625	\$104,453	\$2,137,594
<b>TOTAL ALL LINES COMBINED</b>						
<b>CLAIM COUNT - OPEN CLAIMS</b>						
<b>Year</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>
October-16	2	7	10	15	11	45
November-16	2	6	10	15	14	47
<b>NET CHGE</b>	0	-1	0	0	3	2
Limited Reserves						<b>\$22,359</b>
<b>Year</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>
October-16	\$43,246	\$258,908	\$239,224	\$471,886	\$53,077	\$1,066,342
November-16	\$44,812	\$187,362	\$228,985	\$527,091	\$62,616	\$1,050,866
<b>NET CHGE</b>	\$1,566	(\$71,547)	(\$10,239)	\$55,205	\$9,539	(\$15,476)
<b>Ltd Incurred</b>	\$271,722	\$970,303	\$736,892	\$942,060	\$123,453	\$3,044,429

**Salem County Insurance Fund Commission**  
**Claims Committee**  
**2017 Meeting Schedule**

All Claims Committee meetings will be held via conference call or in person,  
pursuant to the Claims Committee Charter on the  
**3rd Tuesday of each month at 9:30 a.m.**

All in person meetings will be held in the County Old Courthouse, 104 Market Street, 2<sup>nd</sup> Floor,  
Salem, NJ 08079

January 17, 2017

February 21, 2017

March 21, 2017

April 18, 2017

May 16, 2017

June 20, 2017

July 18, 2017

August 15, 2017

September 19, 2017

October 17, 2017

November 21, 2017

December 19, 2017

**SALEM COUNTY INSURANCE FUND COMMISSION  
CLAIMS COMMITTEE MEETING SCHEDULE,  
ASSIGNMENTS AND CLAIMS CHARTER**

**The Claims Committee will conduct meetings on the following schedule:**

Claims Committee meetings will be held on the third Tuesday of each month at 9:30 am at the County Old Courthouse – 2<sup>nd</sup> Floor, 104 Market Street, Salem, NJ 08079.

**2017 CLAIMS COMMITTEE ASSIGNMENTS**

**Committee Members**

<b>Name</b>	<b>Affiliation</b>
Jessica Bishop (Chair)	Salem County
Stacey Pennington	Salem County
Diana Headman	Salem County
Jessica Miller	Salem County

**Fund Professionals**

Michael Mulligan	Commission Counsel
Bradford Stokes	PERMA
Karen Read	PERMA
Danielle Batchelor	Conner Strong & Buckelew
Glenn Prince	J.A. Montgomery Risk Control
Thomas Narolewski	AJM Insurance Management
Gina Smith	AJM Insurance Management
Amy Zeiders	Inservco Insurance Services
Keith Platt	Inservco Insurance Services
Matthew Baron	Inservco Insurance Services
Nancy Fowlkes	Inservco Insurance Services
Veronica George	Inservco Insurance Services

January 2017 Edition

# **SALEM COUNTY INSURANCE FUND COMMISSION CLAIMS COMMITTEE MEETING SCHEDULE, ASSIGNMENTS AND CLAIMS CHARTER**

## **CLAIMS COMMITTEE CHARTER**

The Salem County Insurance Fund Commission hereby constitutes and establishes a Claims Committee, an advisory committee authorized by the Commission's rules and regulations:

### **Composition**

The Claims Committee shall be comprised of at least one representative from each member of the Salem County Insurance Fund Commission and one Salem County Insurance Fund Commissioner. Each representative shall have one vote. As additional members join the Salem County Insurance Fund Commission, a representative from the new member entity shall be appointed to the Claims Committee.

Also serving on the Committee, with no voting privileges, shall be a representative from the Executive Director's office, the Fund Attorney, a representative from the Risk Management Consultant's office, a representative from the Third Party Administrator's office, and a representative from the CEL's Safety Director's office.

### **Authority and Responsibility**

1. The Claims Committee shall review and recommend for approval or denial all payment authority requests which are subject to any combination of payments that exceed seven thousand five hundred dollars (\$7,500) for Property, including Boiler & Machinery, Auto Liability, General Liability including Law Enforcement Legal Liability, and fifteen thousand dollars (\$15,000) for Workers' Compensation Claims, inclusive of legal fees, expenses, and such other items to be charged to the Salem County Insurance Fund Commission. This notification also includes any prior claim where a request for additional payment authority is needed beyond an amount previously approved, any requests for lien compromises, and any subrogation abandonment requests.
2. The Claims Committee shall develop and recommend claims cost containment programs.

### **Claims Committee Bylaws**

The Claims Committee of the Salem County Insurance Fund Commission was established in February 2013, where the Salem County Insurance Fund Commission adopted a resolution appointing certain employees of member entities to the Claims Committee, an advisory committee authorized by the Commission's rules and regulations. The Committee's operational guidelines are set down herein and may be amended by the Commissioners of the Salem County Insurance Fund Commission.

January 2017 Edition

## **SALEM COUNTY INSURANCE FUND COMMISSION CLAIMS COMMITTEE MEETING SCHEDULE, ASSIGNMENTS AND CLAIMS CHARTER**

### **Meetings**

In 2017, the Claims Committee shall meet at least monthly, on the third Tuesday of the month, and as many times as the Committee Chairman deems necessary; provided, however, if there are five or less payment authority requests to review in one month, the Claims Committee may conduct the review of the payment authority requests electronically or telephonically in lieu of an in-person meeting.

### **Attendance**

A majority of members of the Claims Committee shall be present at all meetings. In addition, a representative from the Executive Director's office, the Fund Attorney, a representative from the Risk Management Consultant's office, a representative from the Third Party Administrator's Office, and a representative from the CEL's Safety Director's office shall attend such meetings. As necessary or desirable, the Chairman may request other professionals and/or member representatives to also attend in order to exchange views on any issue that may be at hand.

### **Specific Duties**

In undertaking its responsibilities as outlined above, the Claims Committee is to:

1. Apprise the Commissioners of the Salem County Insurance Fund Commission, through special presentations as necessary, of significant developments in the course of performing its responsibility.
2. Review and recommend for approval or denial all payment authority requests which are subject to any combination of payments that exceeds seven thousand five hundred dollars (\$7,500) for Property, including Boiler & Machinery, Auto Liability, General Liability including Law Enforcement Legal Liability, and fifteen thousand dollars (\$15,000) for Workers' Compensation inclusive of legal fees, expenses, and such other items to be charged to the Salem County Insurance Fund Commission. This notification also includes any prior claim where a request for additional payment authority is needed beyond an amount previously approved, any requests for lien compromises, and any subrogation abandonment requests.
3. Recommend to Commissioners of the Salem County Insurance Fund Commission any appropriated changes or extensions in the duties of the Committee.
4. Report annually to the Commissioners of the Salem County Insurance Fund Commission on the discharge of these responsibilities.

January 2017 Edition

**RESOLUTION NO. 13-17**

**SALEM COUNTY INSURANCE FUND COMMISSION  
BILLS LIST**

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

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

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

FUND YEAR 2016

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
<b>000172</b>			
000172	PERMA RISK MANAGEMENT SERVS	POSTAGE FEE 12/2016	1.99
000172	PERMA RISK MANAGEMENT SERVS	1099 FILING - 2016	14.95
000172	PERMA RISK MANAGEMENT SERVS	POSTAGE FEE 10/2016	1.78
			<b>18.72</b>
TOTAL PAYMENTS FY 2016			18.72

FUND YEAR 2017

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
<b>000173</b>			
000173	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING FEE 1ST QTR 2017	1,989.75
			<b>1,989.75</b>
<b>000174</b>			
000174	PERMA RISK MANAGEMENT SERVS	EXECUTIVE DIRECTOR FEE 1ST QTR 2017	8,878.25
			<b>8,878.25</b>
<b>000175</b>			
000175	SALEM COUNTY	REIMBURSE FOR ADVERTISEMENT - 1/10/17	40.87
			<b>40.87</b>
<b>000176</b>			
000176	AJM INSURANCE MANAGEMENT	RMC FEE 1ST QTR 2017	2,500.00
			<b>2,500.00</b>
TOTAL PAYMENTS FY 2017			13,408.87

**TOTAL PAYMENTS ALL FUND YEARS \$13,427.59**

\_\_\_\_\_  
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:** January 23, 2017

---

**December – February 2017  
RISK CONTROL ACTIVITIES**

David McHale, Public Sector Director <a href="mailto:dmchale@jamontgomery.com">dmchale@jamontgomery.com</a> Office: 732-736-5213 Cell: 732-673-4802	Glenn Prince, Associate Public Sector Director <a href="mailto:gprince@jamontgomery.com">gprince@jamontgomery.com</a> Office: 856-552-4744 Cell: 609-238-3949	Natalie Dougherty, Executive Assistant <a href="mailto:ndougherty@jamontgomery.com">ndougherty@jamontgomery.com</a> Office: 856-552-4738
---	---	---

**MEETINGS ATTENDED / LOSS CONTROL VISITS AND TRAINING CONDUCTED**

- **December 8:** Attended the SCIC meeting in Salem.
- **January 13:** One session of Snow Plow/Snow Removal training was conducted for SCIC.

**UPCOMING MEETINGS / LOSS CONTROL VISITS PLANNED**

- **February 2:** Plan to attend the SCIC meeting in Salem.
- **February 21:** Plan to attend the SCIC Claims Committee meeting via conference call.

**CEL VIDEO LIBRARY USAGE**

- Three videos were utilized in 2016.

**SAFETY DIRECTOR BULLETINS**

- Best Practices for Snow Emergencies – January 11.
- PEOSH Reporting & Recording – January 23.

### Best Practices for Snow Emergencies

The following guidelines are offered as suggestions when planning for emergency operations presented by winter storms. Every storm event is different and needs and resources will vary. This document offers best practices that have been identified by our members regarding hours of operation, rest breaks, and rotating schedules for before, during and after snow events.

Emergency planners are also encouraged to refer to federal and state CDL driving limitations, and other standards or regulations that may apply.

#### **Pre-planning issues**

- **Chain of command**
  - Identify who will hold command staff positions. Plan for at least two persons for each command staff position to man the command center around the clock for the first day or two for major snow events.
  - Develop a written snow plan with defined roles and hierarchy.
  - Verify emergency contact information.
- **Staffing**
  - Supplement crews with back ups, including contractors, utilities, fire department and per diem drivers
  - Consider developing a list of retired CDL drivers you might call upon.
  - Consider areas that may require the use of contractors with specialized equipment i.e. cul-de-sacs.
  - Consider having departments clear their own lots if possible; i.e. fire departments and utilities.
- **Shift work planning**
  - Remind workers of need to prepare their homes and families for their absence during the emergency.
- **Plan for rest breaks / sleeping accommodations**
  - Entities may need to encourage drivers to stay at local facilities. Provide sleeping arrangements at fire and EMS stations, or senior centers.
  - Ensure quiet time at these locations.
  - Plan for possible power interruptions at these locations.
- **Plan for Health and Welfare**
  - Consider needs for food and hydration.
  - Educate workers on appropriate winter and protective apparel.
  - Remind workers to pack personal items such as medications, special dietary needs, etc.
  - Remind supervisors and employees that employees on transitional duty may not work beyond their medical restrictions.

#### **Operations during storm**

- **Establish priority routes and areas**
  - Clear parking lots and access routes of emergency response agencies (i.e. police, fire, and EMS) first
  - Consider providing sand / salt to use until clearing occurs at facilities

*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.*

- **Communication plans / telephone or radio contact**
  - Establish who will operate as Base (part of incident command structure)
  - Determine who takes calls from residents, both emergency and non-emergency (complaints)
  - Establish liaison with towns or agencies, news agencies, etc.
  - Ensure operators remain in constant contact with base
  - Establish procedures for reporting and responding to accidents / incidents
- **Deteriorating Storm Conditions “When to temporarily halt operations”**
  - Who will make the final call
  - Include the criteria for “temporary halting of operations” in plan, i.e., discontinuing operations until conditions improve, with consultation of major stakeholders,
  - Encourage all who are in the field to report status of conditions for the safety of the entire crew
- **Rest breaks / Fatigue**
  - Inform drivers that they have the personal responsibility to pull themselves from driving if they feel overly fatigued or diminished. Have a procedure on how the driver will report to a supervisor and how to address the situation within employment agreements.
- **Rotations**
  - Incorporate travel distance to work into shift planning. Those who live farthest, home after 12 hours to sleep and return for next shift.

## Post-Storm Operations

- **Return to normal operations**
  - As conditions normalize, transition back to normal 8-hour shifts
  - Consider the impact of fatigue from the extended shifts when transitioning back to normal operations.
  - Inspect, repair and perform routine maintenance on equipment
- **Conduct after-incident debriefing**
  - Review with all stakeholders what worked and what challenges were encountered
  - Update Snow Emergency Plan with lessons learned from the event

### Liability issues – Recommendations to limit liability

- Maintain a record of weather conditions
- Document actions taken, date, time, crews, equipment employed, and materials (salt etc.) used
- Record *all* complaints with date and time received
- Document specific actions taken and time of action in response to complaints
- Take photographs to record weather conditions and incidents
- Preserve newspaper articles on storm severity and clean up activities
- Work with police to have their accident reports supplemented with photographs showing conditions

Snow events are difficult. Proper planning and training can ease the strain on employees, managers, and the community.

## **NJPEOSH Recording and Reporting of Occupational Injuries and Illnesses**

February 1<sup>st</sup> is the deadline to tabulate the Log of Work-Related Injuries and Illnesses (NJOSH-300). The Summary Log (NJOSH-300A) must be posted in a visible area for each establishment, where notices to employees are posted, from February 1 to April 30 of each year.

New Jersey requires all public employers to *record* occupational injuries and illnesses. In addition, certain serious injuries must be *reported* directly to New Jersey PEOSH within specified timeframes. The complete rules for recording and reporting injuries can be accessed at <http://nj.gov/health/peosh/record.shtml>

### **Recording of Occupational Injuries**

There are two important forms for the recording of injuries. The *Log of Work-Related Injuries and Illnesses (NJOSH-300)* is a listing of work-related injuries and illness that is maintained throughout the year. Injuries and illnesses are entered into the *Log* within 7 days of being notified of the injury / illness. Five years of *NJOSH-300 Logs* must be readily available to NJPEOSH inspectors. The second form is the annual summary of work-related injuries, *NJOSH 300A Summary of Work-Related Injuries and Illnesses*. This summary is posted at each work establishment from February through April.

'Work-related' is defined as any event or exposure in the work environment either causing or contributing to the resulting condition, or significantly aggravating a pre-existing injury or illness. 'Work-related' is presumed for injuries and illnesses resulting from events occurring in the work environment, unless an exception given in OSHA 1904.5(b)(2) applies. Recordable work-related injuries and illnesses are those that result in:

- Death or loss of consciousness
- Days away from work, placement on restricted work activity, or a job transfer
- Medical treatment beyond first aid

Public employers must also record the following conditions if they have been determined to be work-related:

- Any needle stick injury or cut from an object that is contaminated with a potentially infectious material
- Any case requiring an employee to be medically removed under an OSHA health (chemical) standard
- A tuberculosis infection as evidenced by a positive skin test or diagnosis by a physician
- An employee's audiogram reveals a specified hearing Standard Threshold Shift in one or both ears

### **Reporting of Serious Occupational Injuries to NJPEOSH**

New Jersey Public Employers must report fatalities to NJPEOSH **within eight (8) hours** of the occurrence, and report work-related hospitalizations, amputations, or loss of an eye **within 24 hours** by calling the 24-hour hotline (800) 624-1644 or the 24-hour fax line (609) 292-3749. Refer to the flow chart on page 2.

### **Links to additional resources**

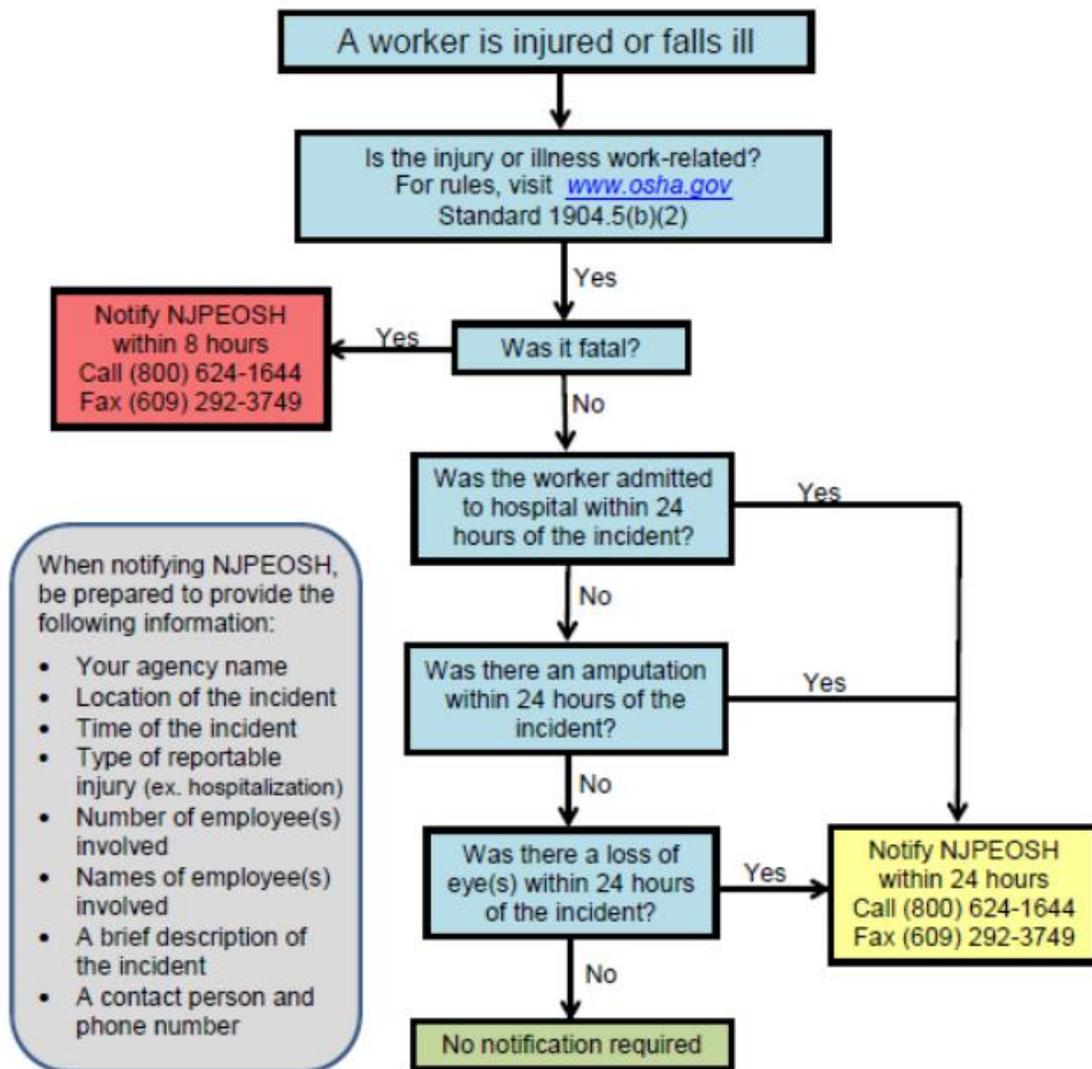
NJPEOSH 16-page guide to Recording and Reporting of Occupational Injuries and Illnesses is available at [http://lwd.dol.state.nj.us/labor/forms\\_pdfs/lse/NJOSH300.pdf](http://lwd.dol.state.nj.us/labor/forms_pdfs/lse/NJOSH300.pdf)

NPEOSH revised their Public Employee Alert #27 to reflect the new reporting regulations. It is available at [http://lwd.dol.state.nj.us/labor/forms\\_pdfs/lse/Alert27.pdf](http://lwd.dol.state.nj.us/labor/forms_pdfs/lse/Alert27.pdf).

Now is also a good time to verify the PEOSH poster is posted. A copy can be downloaded at [http://lwd.dol.state.nj.us/labor/forms\\_pdfs/lse/wps35.pdf](http://lwd.dol.state.nj.us/labor/forms_pdfs/lse/wps35.pdf)

*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.*

## NJPEOSH 2015 Injury Reporting Requirements



**Notes:**

- OSHA defines amputation as the traumatic loss of a limb or external body part, including a part, such as a limb or appendage, that has been severed, cut off (either completely or partially); fingertip amputations with or without bone loss; medical amputations resulting from irreparable damage; amputations of parts that have been reattached. Amputations do not include avulsions, enucleations, degloving, scalpings, severed ears, or broken or chipped teeth.
- If a motor vehicle accident occurs in a construction work zone, you must report the fatality, in-patient hospitalization, amputation, or loss of an eye. If the motor vehicle accident occurred on a public street or highway, but not in a construction work zone, you do not have to report the fatality, hospitalization, amputation, or loss of an eye.
- A work-related fatality or in-patient hospitalization caused by a heart attack must be reported

F I R S T

**MCO**

***First Managed Care Option***

2740 Route 10., Suite 304, Morris Plains, NJ 07950  
Tel: (973)257-5200 Fax: (973)257-2288

January 03, 2017

Staci Ulp

Inservco

3150 Brunswick Pike

LAWRENCEVILLE, NJ 08648

Re: Monthly Reports

Dear Staci Ulp:

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

- Savings Report for December, 2016

There were no appeals processed during the month of December

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	% FFO Penetration	# of Appeals	EMCO Fee
<b>Total 2013</b>	<b>\$358,432</b>	<b>\$148,272</b>	<b>\$244,402</b>	<b>\$210,160</b>	<b>59%</b>	<b>238</b>	<b>188</b>	<b>50</b>	<b>79%</b>	<b>0</b>	<b>\$42,032</b>
<b>Total 2014</b>	<b>\$559,839</b>	<b>\$242,972</b>	<b>\$459,691</b>	<b>\$316,867</b>	<b>57%</b>	<b>279</b>	<b>226</b>	<b>53</b>	<b>81%</b>	<b>0</b>	<b>\$62,318</b>
<b>Total 2015</b>	<b>\$291,510</b>	<b>\$166,300</b>	<b>\$324,272</b>	<b>\$125,210</b>	<b>43%</b>	<b>209</b>	<b>163</b>	<b>46</b>	<b>78%</b>	<b>1</b>	<b>\$25,490</b>
Jan-16	\$133,873	\$67,261	\$144,013	\$66,612	50%	14	11	3	79%	0	\$13,322
Feb-16	\$132,956	\$70,174	\$132,961	\$62,782	47%	10	9	1	90%	0	\$12,556
Mar-16	\$9,435	\$6,886	\$10,371	\$2,549	27%	21	19	2	90%	1	\$510
Apr-16	\$70,921	\$10,269	\$29,912	\$60,652	86%	26	23	3	88%	0	\$12,130
May-16	\$4,905	\$1,522	\$4,116	\$3,384	69%	7	5	2	71%	0	\$677
Jun-16	\$11,914	\$8,832	\$12,572	\$3,082	26%	21	17	4	81%	0	\$616
Jul-16	\$21,105	\$15,850	\$21,252	\$5,255	25%	8	8	0	100%	0	\$1,051
Aug-16	\$2,245	\$1,592	\$2,558	\$653	29%	12	11	1	92%	1	\$0
Sep-16	\$9,559	\$4,285	\$12,944	\$5,274	55%	6	4	2	67%	0	\$0
Oct-16	\$3,370	\$970	\$1,940	\$2,401	71%	6	5	1	83%	0	\$367
Nov-16	\$12,294	\$8,596	\$6,613	\$3,698	30%	13	11	2	85%	2	\$740
Dec-16	\$96,541	\$17,752	\$37,427	\$78,788	82%	17	13	4	76%	0	\$11,362
<b>Total 2016</b>	<b>\$509,117</b>	<b>\$213,989</b>	<b>\$416,679</b>	<b>\$295,128</b>	<b>58%</b>	<b>161</b>	<b>136</b>	<b>25</b>	<b>84%</b>	<b>4</b>	<b>\$53,332</b>
<b>Total to Date</b>	<b>\$1,718,898</b>	<b>\$771,533</b>	<b>\$1,445,044</b>	<b>\$947,365</b>	<b>55%</b>	<b>887</b>	<b>713</b>	<b>174</b>	<b>80%</b>	<b>5</b>	<b>\$183,171</b>

Report Run Date:01/03/2017

SCI



FIRST

**MCO**

**First Managed Care Option**

SALEM COUNTY INS FUND / Inservco

Savings Report for NJ

For the Period of: 12/01/2016 to 12/31/2016

Patient Name	Account Claim #	Provider Name	DOS Period	Invoice / EOR Number	Inv./ EOR Date	No Of Lines	Provider Charge	Provider Allowance	U & C Fee	Network Savings	FMCO Fee
<b>Employer Name: SALEM COUNTY INSURANCE FUND COMMISSION</b>											
ECRET, DONALD	3780000359	Premier Orthopaedic Associates of Southern New Jersey	11/23/2016	2308119600	12/21/2016	1	\$350.00	\$135.00	\$212.42	\$215.00	\$43.00
LAUER, WAYNE	3780000388	US Regional II	11/22/2016 - 11/29/2016	2310044600	12/30/2016	3	\$542.00	\$349.70	\$809.82	\$192.30	\$38.46
MCINTOSH, FRITZ	3780000358	American Workcare	11/15/2016	2306412200	12/12/2016	1	\$76.00	\$36.46	\$107.92	\$39.54	\$7.91
MCINTOSH, FRITZ	3780000358	American Workcare	11/15/2016	2309276300	12/28/2016	5	\$390.00	\$198.51	\$549.61	\$191.49	\$38.29
MCINTOSH, FRITZ	3780000358	Premier Orthopaedic Associates of Southern New Jersey	11/28/2016	2306457900	12/13/2016	3	\$1,070.00	\$675.76	\$1,070.00	\$394.24	\$78.84
MCINTOSH, FRITZ	3780000358	Premier Orthopaedic Associates of Southern New Jersey	11/18/2016	2308227200	12/21/2016	3	\$27,936.00	\$993.00	\$6,558.62	\$26,943.00	\$993.00
MCINTOSH, FRITZ	3780000358	Premier Orthopaedic Associates of Southern New Jersey	11/18/2016	2308228900	12/21/2016	5	\$58,490.00	\$9,970.00	\$15,405.92	\$48,520.00	\$9,704.00
PENVEN, JEFFREY	3780000324	Cooper University Emergency Physicians, PC	03/27/2016	2308429000	12/22/2016	1	\$283.00	\$212.25	\$385.65	\$70.75	\$14.15
PENVEN, JEFFREY	3780000324	Cooper University Emergency Physicians, PC	03/31/2016	2308664100	12/22/2016	1	\$283.00	\$212.25	\$385.65	\$70.75	\$14.15
PENVEN, JEFFREY	3780000324	Cooper University Emergency Physicians, PC	04/07/2016	2308688500	12/23/2016	1	\$283.00	\$212.25	\$429.49	\$70.75	\$14.15
PENVEN, JEFFREY	3780000324	Cooper University Emergency Physicians, PC	03/24/2016	2308732500	12/23/2016	1	\$422.00	\$316.50	\$620.82	\$105.50	\$21.10
POSTELL, KIA	3780000347	Emerg Physician Assoc of South Jersey PC	07/25/2016	2306078400	12/09/2016	3	\$1,558.00	\$846.47	\$1,170.89	\$711.53	\$142.30
POSTELL, KIA	3780000347	Emerg Physician Assoc of South Jersey PC	08/12/2016	2303863301	12/07/2016	2	(\$1,032.00)	(\$520.12)	(\$742.73)	(\$511.88)	(\$102.37)
POSTELL, KIA	3780000365	Emerg Physician Assoc of South Jersey PC	08/12/2016	2303863302	12/07/2016	2	\$1,032.00	\$520.12	\$742.73	\$511.88	\$102.37
ROBINSON, STERLING	3780000191	Memorial Hospital of Salem County	10/26/2014	2308425200	12/22/2016	5	\$3,999.69	\$2,999.77	\$1,033.41	\$999.92	\$199.98
WEBER, JASON	3780000325	Surgical Care Associates	04/12/2016 - 04/26/2016	2306581300	12/13/2016	3	\$350.00	\$183.13	\$350.00	\$166.87	\$33.38
WEBER, JASON	3780000366	US Regional II	11/14/2016 - 11/22/2016	2306235500	12/12/2016	3	\$508.00	\$411.21	\$652.81	\$96.79	\$19.36
<b>Employer Totals:</b>						<b>43</b>	<b>\$96,540.69</b>	<b>\$17,752.26</b>	<b>\$31,543.03</b>	<b>\$78,788.43</b>	<b>\$11,362.07</b>
<b>NJ Jurisdiction Totals:</b>						<b>43</b>	<b>\$96,540.69</b>	<b>\$17,752.26</b>	<b>\$31,543.03</b>	<b>\$78,788.43</b>	<b>\$11,362.07</b>

F I R S T  
**MCO**  
First Managed Care Option

SALEM COUNTY INS FUND / Inservco  
 Account Savings Summary  
 For the Period of: 12/01/2016 to 12/31/2016

Lines Processed	Provider Charge	Provider Allowance	U & C Fee	Network Savings	Total Reduction Amount	FMCO Fee
<u>43</u>	<u>\$96,540.69</u>	<u>\$17,752.26</u>	<u>\$31,543.03</u>	<u>\$78,788.43</u>	<u>\$78,788.43</u>	<u>\$11,362.07</u>

***APPENDIX I – MEETING MINUTES***

**SALEM COUNTY INSURANCE FUND COMMISSION  
OPEN MINUTES MEETING – DECEMBER 8, 2016  
104 MARKET STREET  
SALEM, NJ 9:00 AM**

Meeting called to order by Vice Chairperson Katie Coleman. Open Public Meetings notice read into record.

**ROLL CALL OF COMMISSIONERS:**

Robert Vanderslice	Absent
Katie Coleman	Present
Jessica Bishop	Present

**FUND PROFESSIONALS PRESENT:**

Executive Director	PERMA Risk Management Services <b>Bradford Stokes</b> <b>Karen A. Read</b>
--------------------	--

**ALSO PRESENT:**

Thomas Narolweski, AJM Insurance Management (*telephonically*)  
Michael Mulligan, Salem County  
Amy Zeiders, Inservco  
Veronica George, Inservco  
Ashley Nelms, Inservco  
Keith Platt, Inservco  
Glenn Prince, JA Montgomery  
Danielle Batchelor, Conner Strong & Buckelew  
Edward Cooney, Conner Strong & Buckelew (*telephonically*)

**APPROVAL OF MINUTES:** OPEN SESSION OF OCTOBER 6, 2016

**MOTION TO APPROVE THE OPEN MINUTES OF OCTOBER 6, 2016**

Moved:	Commissioner Coleman
Second:	Commissioner Bishop
Vote:	Unanimous

**CORRESPONDENCE:** None

**EXECUTIVE DIRECTOR REPORT:**

**2017 Property & Casualty Introduction:** Attached on page 3 for your review and discussion is the 2017 proposed Property & Casualty Budget in the amount of \$1,490,666.00. The introductory budget represents a 0.67% decreased compared to the 2016 budget. Executive Director reviewed the 2017 Proposed Budget. Executive Director said last year we instituted the Loss Fund Contingency amount of \$106,151. This year we were able to offset the funds from the Loss Fund Contingency with the increase the actuary proposed which enabled us to actually reduce the claims line by 0.32%. Executive Director said the CEL voted for the Salem County Insurance Fund Commission to increase the retention from \$250,000 to \$300,000. Fund Attorney Michael Mulligan said he is not uncomfortable with the increase and it gives us the ability to control cases not in that range. Executive Director said in light of the budget situation we felt it was appropriate to propose a flat fee for Fund Professionals. Ancillary coverages were processed by the underwriting office at a flat rate for the coming year. Overall the 2017 Budget is down -0.67%.

**MOTION TO INTRODUCE THE 2017 PROPERTY AND CASUALTY BUDGET IN THE AMOUNT OF \$1,490,660 AND SCHEDULE A PUBLIC HEARING AND ADOPTION ON FEBRUARY 2, 2017 AT 9:00 AM AT THE COUNTY OLD COURT HOUSE**

Moved: Commissioner Coleman  
Second: Commissioner Bishop  
Vote: Unanimous

**Member Entity Deductible and Litigation Defense Cost:** There is a need to adopt a procedure to advance litigation defense cost. Resolution 24-16 (Page 4)

**MOTION TO INTRODUCE APPROVE RESOLUTION 24-16 ADOPTING PROCEDURES TO ADVANCE LITIGATION DEFENSE COST**

Moved: Commissioner Coleman  
Second: Commissioner Bishop  
Roll Call Vote: 2 Ayes, 0 Nays

**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 September 27, 2016 to November 26, 2016. There were 4 certificates of insurance issued during this period.

**MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT**

Moved: Commissioner Bishop  
Second: Commissioner Coleman  
Vote: Unanimous

**NJ Excess Counties Insurance Fund (CELJIF) -** A sub-committee met on October 17, 2016 to review the preliminary 2017 budget. The CELJIF met on October 27, 2016 and introduced the CEL 2017 Budget. The proposed budget represented a total of \$20,914,827 or a decrease of 1.7% A

summary report of the meeting is included in the agenda on Pages 6-7. The public hearing and adoption of the budget was held on November 17, 2016.

**Financial Fast Track** – Included on Page 8 & 9 of the agenda are the Financial Fast Tracks for the Salem County Insurance Fund Commission for August and September. Executive Director said as of the September 30<sup>th</sup> report there is a deficit of \$887,625. Executive Director said 2016 is trending well but previous years not so well.

**NJ CEL Property & Casualty Financial Fast Track** – Executive Director said included in the agenda on Page 10 is the NJ CEL Financial Fast Track Report as of September 30, 2016. The CEL has a surplus of \$7,631,542.

**Claims Tracking Report (Page 11)** - The claims tracking report was on page 11 of the agenda. The Claims Activity Report tracks open claims; the Executive Director reviewed the report and said open claims from September and October increased by two which is fairly minor.

**Reporting of Claims to Claims Made Policies Prior to 12/31/16 Expiration** – Included in the agenda on pages 12-18 is a copy of a letter from Danielle Batchelor regarding reporting of claims to claims made policies prior to 12/31/16 along with the applicable limit schematics. Ms. Batchelor will review the information with the Commissions. Ms. Batchelor said just as a reminder which we do every year you have a few claims reported policies that are coming up for renewal on 1/1/2017. If you have any claims or potential claims that you may know of we ask that you report those claims before the end of the year.

**2017 Auto ID Cards WC Posting Notices Renewal of Certificate of Insurance** - The 2017 auto ID cards and WC Posting Notices will be sent to each member entity representative for distribution on or about December 10<sup>th</sup>. The CEL Underwriting Manger's team will review any certificates which need to be re-issued for the 2017 renewal.

**2017 CEL Excess Insurance Renewal** - The CEL Underwriting Manger will provide an update on their renewal marketing efforts. Underwriting Manager Ed Cooney said the 2017 renewal is at the final stages right now and it has been a great renewal. Overall we have a good relationship with our insurers and each are happy with how we are operating the program therefore the premiums are coming down.

## **SAFETY COMMITTEE REPORT**

Glenn Prince reported the Safety Committee last met on November 18, 2016 and the schedule for 2017 Safety Committee will continue to meet quarterly.

## **CLAIM COMMITTEE REPORT**

Claims Manager said there are six payment authorization requests to be reviewed in closed session.

## **TREASURER**

**REPORT:** Executive Director reported there are four bills to pay included in Resolution 20-16 in the amount of \$11,870.72.

### **MOTION TO APPROVE RESOLUTION 20-16 PAYMENT OF BILLS AS IN THE AMOUNT OF \$11,870.72**

Moved:	Commissioner Coleman
Second:	Commissioner Bishop
Roll Call Vote:	2 Ayes, 0 Nays

## **CEL SAFETY DIRECTOR REPORT**

Safety Director reviewed the report included in the agenda. Mr. Prince said he would like to thank Jessica Bishop for sending the information on the BRITT CEL Safety Program and as soon as the paid invoice is received we will forward it to BRITT for the \$10,000 reimbursement to the County.

## **CLAIMS SERVICE:**

Veronica George from Inservco reviewed the First MCO Report that was included in the agenda.

### **MOTION TO GO INTO CLOSED SESSION**

Moved:	Commissioner Coleman
Second:	Commissioner Bishop
Vote:	Unanimous

### **MOTION TO GO INTO OPEN SESSION**

Moved:	Commissioner Coleman
Second:	Commissioner Bishop
Vote:	Unanimous

### **MOTION TO APPROVE THE PAYMENT AND SETTLEMENT AUTHORIZATION REQUESTS**

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

**OLD BUSINESS:** None

**NEW BUSINESS:** None.

**PUBLIC COMMENT:** None

**MOTION TO ADJOURN:**

Motion:	Commissioner Coleman
Second:	Commissioner Bishop
Vote:	Unanimous

**MEETING ADJOURNED: 9:42 AM**

**NEXT MEETING WILL BE THURSDAY, February 2, 2017 at 9:00 AM**

---

Minutes prepared by: Karen A. Read, Assisting Secretary

## ***APPENDIX II – INSERVCO REPORT***