

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

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

**ROLL CALL OF COMMISSIONERS:**

Robert Vanderslice	Present
Jessica Bishop	Present
Katie Coleman	Present

**FUND PROFESSIONALS PRESENT:**

Executive Director	PERMA Risk Management Services <b>Bradford Stokes</b> <b>Karen A. Read</b>
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**ALSO PRESENT:**

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

**APPROVAL OF MINUTES:** OPEN SESSION OF DECEMBER 10, 2015

**MOTION TO APPROVE THE OPEN MINUTES OF DECEMBER 10, 2015**

Moved:	Commissioner Coleman
Second:	Commissioner Bishop
Vote:	Unanimous

**CORRESPONDENCE:** None

**EXECUTIVE DIRECTOR REPORT:**

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

Commissioner Coleman nominated Robert Vanderslice as Chairman.

**MOTION TO APPOINT ROBERT VANDERSLICE AS CHAIRPERSON**

Moved: Commissioner Coleman  
Second: Commissioner Bishop  
Vote: Unanimous

Chairman Vanderslice nominated Katie Coleman as Vice Chairwoman

**MOTION TO APPOINT KATIE COLEMAN AS VICE CHAIRPERSON**

Moved: Commissioner Vanderslice  
Second: Commissioner Bishop  
Vote: Unanimous

**MOTION TO CLOSE NOMINATIONS**

Moved: Commissioner Bishop  
Second: Commissioner Coleman  
Vote: Unanimous

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

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

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

**Resolution 2-16 Appointing Commissioner to the New Jersey Counties Excess Joint Insurance Fund for Fund Year 2016** – Executive Director said this resolution will appoint a Commissioner to the New Jersey Counties Excess Joint Insurance Fund for Fund Year 2016.

**Chairman Robert Vanderslice nominated Jessica Bishop as designated CEL Appointee**

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

Moved: Commissioner Coleman  
Second: Commissioner Vanderslice

### **MOTION TO CLOSE NOMINATIONS**

Moved: Commissioner Vanderslice  
Second: Commissioner Coleman

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

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

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

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

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

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

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

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

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

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

**MOTION TO APPROVE RESOLUTIONS 1-16 THOURGH 11-16**

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

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

**MOTION TO OPEN THE PUBLIC HEARING ON THE 2016 BUDGET**

Moved: Commissioner Coleman  
Second: Commissioner Bishop  
Vote: Unanimous

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

**MOTION TO CLOSE THE PUBLIC HEARING**

Moved: Commissioner Coleman  
Second: Commissioner Bishop  
Vote: Unanimous

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

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

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

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

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

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

Moved:	Commissioner Coleman
Second:	Commissioner Bishop
Vote:	Unanimous

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

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

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

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

### **SAFETY COMMITTEE REPORT**

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

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

### **CLAIM COMMITTEE REPORT**

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

## **TREASURER**

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

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

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

## **CEL SAFETY DIRECTOR REPORT**

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

## **CLAIMS SERVICE:**

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

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

Moved:	Commissioner Bishop
Second:	Commissioner Coleman
Vote:	Unanimous

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

Moved: Commissioner Bishop  
Second: Commissioner Coleman  
Vote: Unanimous

**MOTION TO APPROVE THE PAYMENT AUTHORIZATION REQUEST**

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

**OLD BUSINESS:** None

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

**PUBLIC COMMENT:** None

**MOTION TO ADJOURN:**

Motion: Commissioner Coleman  
Second: Commissioner Bishop  
Vote: Unanimous

**MEETING ADJOURNED: 9:38 AM**

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

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Minutes prepared by: Karen A. Read, Assisting Secretary