

**SALEM COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES MEETING – FEBRUARY 5, 2015
104 MARKET STREET
SALEM, NJ 9:00 AM**

Meeting called to order by Kevin Crouch. Open Public Meetings notice read into record.

ROLL CALL OF COMMISSIONERS:

Robert Vanderslice	Absent
Kevin Crouch	Present
Katie Coleman	Present

FUND PROFESSIONALS PRESENT:

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

Jessica Foote, Salem County
Thomas Narolweski, AJM Insurance Management
Lorraine Cannon, AJM Insurance Management – *telephonically*
Pat Halligan, AJM Insurance Management – *telephonically*
Gina Smith, AJM Insurance Management - *telephonically*
Veronica George, Inservco
Ashley Nelms, Inservco
Glenn Prince, JA Montgomery
Robyn Walcoff, Conner Strong & Buckelew
Joseph Hrubash, PERMA

APPROVAL OF MINUTES: OPEN SESSION OF DECEMBER 11, 2014

MOTION TO APPROVE THE OPEN MINUTES OF DECEMBER 11, 2014

Moved:	Commissioner Coleman
Second:	Commissioner Crouch
Vote:	Unanimous

CORRESPONDENCE: None

EXECUTIVE DIRECTOR REPORT:

Reorganization Resolutions (Pages 3-16): Listed below are the necessary reorganizational Resolutions for the Salem County Insurance Fund Commission.

Resolution 1-15 Certifying the Election of Chairperson and Vice Chairperson

MOTION TO APPOINT ROBERT VANDERSLICE AS CHAIRMAN

Moved: Commissioner Crouch
Second: Commissioner Coleman

MOTION TO APPOINT KEVIN CROUCH AS VICE CHAIRMAN

Moved: Commissioner Crouch
Second: Commissioner Coleman

MOTION TO CLOSE NOMINATIONS

Moved: Commissioner Crouch
Second: Commissioner Coleman

Resolution 2-15 Appointing Commissioner to the New Jersey Counties Excess Joint Insurance Fund for Fund Year 2015 – Executive Director said this resolution will appoint a Commissioner to the New Jersey Counties Excess Joint Insurance Fund for Fund Year 2015.

MOTION TO APPOINT KEVIN CROUCH AS DESIGNATED COMMISSIONER TO THE NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND

Moved: Commissioner Coleman
Second: Commissioner Crouch

MOTION TO CLOSE NOMINATIONS

Moved: Commissioner Crouch
Second: Commissioner Coleman

Resolution 3-15 Appointing a Commission Treasurer- Executive Director said this resolution will appoint Katie B. Coleman as Treasurer for the Salem County Insurance Fund Commission.

Resolution 4-15 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 6-15 Designating Authorized Depositories for Commission Assets and Establishing a Cash Management Plan for Fund Year 2014 – Executive Director said this resolution would appoint Fulton Bank as the designated depository for the commission and the 2015 Cash Management and Investment Policy. Executive Director noted on page 10 there were two other investments added. They have been long been accepted in this plan but they were not listed. Those plans are the government market mutual funds and local government investment pools.

Resolution 7-15 Designating Authorized Signatures for Commission Bank Accounts Executive Director said this would appoint Robert Vanderslice, Kevin Crouch and Katie Coleman as authorized signatures for the Commission bank accounts.

Resolution 8-15 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 2015 at no charge to the Commission.

Resolution 9-15 Designating Official Newspapers – Executive Director said this resolution will appoint the Elmer Times and the South Jersey News as the official newspapers for the Salem County Insurance Fund Commission.

Resolution 10-15 Establishing Public Meeting Procedures – Executive Director said this resolution will formally establish meeting dates and procedures for the 2015 Fund Year. The dates were amended as follows:

9:00 AM	April 2, 2015	Salem County Old Courthouse 104 Market Street Salem, NJ 08079	Regular Meeting
9:00 AM	June 4, 2015	“	Regular Meeting
9:00 AM	August 6, 2015	“	Regular Meeting
9:00 AM	October 1, 2015	“	Regular Meeting
9:00 AM	December 10, 2015	“	Regular Meeting
9:00 AM	February 4, 2016	“	Reorganization Meeting

MOTION TO APPROVE RESOLUTIONS 1-15 THOURGH 10-15

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

2015 Property & Casualty Budget Adoption: Executive Director said at the December 11, 2014 meeting of the Fund, the 2015 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 2015 budget appears on **page 17**.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2015 BUDGET

Moved: Commissioner Crouch
 Second: Commissioner Coleman
 Vote: Unanimous

DISCUSSION: A brief discussion was held on the proposed budget. The Executive Director reported that the overall Budget for Fund Year 2015 is \$1,444,422. Risk Manager Tom Narolewski said they were looking to add cyber liability insurance. Executive Director said we will revisit and add the coverage.

MOTION TO CLOSE THE PUBLIC HEARING

Moved: Commissioner Crouch
 Second: Commissioner Coleman
 Vote: Unanimous

MOTION TO ADOPT RESOLUTION 11-15 ADOPTING THE BUDGET FOR THE SALEM COUNTY INSURANCE FUND COMMISSION IN THE AMOUNT OF \$1,444,422. AS PRESENTED FOR THE COMMISSION YEAR 2015 AND CERTIFYING ASSESSMENTS

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

2015 PROPERTY & CASUALTY ASSESSMENTS - Executive Director reported in accordance with the Commission's By Laws, the assessment bills for 2015 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, 2015. The second assessment of 30% is due on June 15, 2015 and the third assessment of 30% is due on September 15, 2015.

NJ Excess Counties Insurance fund (CELJIF) - The CEL did not meet in December or January. The next meeting will be on February 26, 2015 via conference call. Executive Director said we will send the information to Commissioner Crouch and they are typically on the 4th Thursday.

Financial Fast Track – Included on Page 19 & 20 of the agenda are the Financial Fast Tracks for the Salem County Insurance fund Commission for October and November. As of November 30, 2014 the Commission has a deficit of \$264,925. This is an improvement over the prior month by \$50,000. We did struggle in 2012 and 2013 with some lingering claims. In 2014 we did see an improvement and hopefully some of those claims will clear out. We will continue to monitor this and will report back going forward.

NJ CEL Property & Casualty Financial Fast Track – Executive Director said included in the agenda on Page 21 was the NJ CEL Financial Fast Track Report as of October 31, 2014. The CEL has a surplus of \$5,204,827.

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 21, 2014 to January 24, 2015. There were 30 certificates of insurance issued during this period.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

Moved: Commissioner Coleman
Second: Commissioner Vanderslice
Vote: Unanimous

SAFETY COMMITTEE REPORT

Glenn Prince reported the Safety Committee met on December 17, 2014 where a review was held of the lock down exercise that was held here in September. There were a lot of positive feedback that came out of the lock down procedure. Salem County did an excellent job the Sherriff's Department and the kids from the Woodstown School District did a phenomenal job which allowed up to view the entire procedure and we applaud there efforts.

Safety Director said the Committee will be meeting quarterly in 2015 and we are waiting for a confirmation of next month's meeting which will be in March.

CLAIM COMMITTEE REPORT

Claims Manager Robyn Walcoff reported there was an in depth Claims Review session in November. We are currently planning to do a similar exercise for an in depth review of general liability claims on January 19, 2015.

Claims Mangers said on page 28 of the agenda packet we have the 2015 Claims Committee schedule. We did not have a claims committee meeting in January because there have not been any PARs to review.

TREASURER

REPORT: Executive Director said the bills list Resolution 12-15 was distributed. A motion would be in order to approve the bills list.

MOTION TO APPROVE RESOLUTION 12-15 PAYMENT OF BILLS IN THE AMOUNT OF \$479,563.06.

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

CEL SAFETY DIRECTOR REPORT

Safety Director reviewed the report included in the agenda. Mr. Prince noted two safety bulletins that were distributed during the month of January one on MVR checks. Mr. Prince reminded all members to check the drivers' licenses of all employees that are operating county vehicles to insure the status of their drivers' license. Safety Director's other report was the OSHA Summary Log reminder to remind all our members of the new OSHA reporting requirements for injuries to employees. Mr. Prince said a matrix was distributed with that report to make it a little easier to

understand. In addition to that tomorrow Mr. Prince will be provided two classes to your DPW Department. The first is lock out tag out and the other will be a chainsaw chipper class.

CLAIMS SERVICE:

Veronica George of Inservco Insurance Services introduced Ashley Nelms that handles the liability claims. Ms. George reviewed the MCO Report and Stewardship Report that was included in Appendix II of the agenda. A discussion ensued regarding the PPO Penetration rate and what we can do to make it a better percentage and possibly including some of the local urgent care centers in network which may be a useful tool in some cases rather than the hospital.

Executive Director said included in the agenda is Resolution 13-15 Authorizing Disclosure of Claims Check Register. The Liability Claim Payments report is included in the agenda for the time period of 11/1/14 through 12/31/2014.

MOTION TO APPROVE RESOLUTION 13-15 AUTHORIZING DISCLOSURE OF CLAIM CHECK REGISTER

Moved:	Commissioner Coleman
Second:	Commissioner Crouch
Vote:	Unanimous

OLD BUSINESS: None

NEW BUSINESS: Tom Narolweski said AJM Insurance Management is implementing a new certificate of liability insurance program and hope to have it implemented by March 1st. Any certificates of insurance will be run through this system and it is web based so that the solicitor and so forth can look at the certificates. It will be a great way to manage and streamline the process.

PUBLIC COMMENT: None

MOTION TO ADJOURN:

Motion:	Commissioner Coleman
Second:	Commissioner Crouch
Vote:	Unanimous

MEETING ADJOURNED: 9:35 AM

NEXT MEETING WILL BE THURSDAY, April 2, 2015 at 9:00 AM

Minutes prepared by: Karen A. Read, Assisting Secretary