

**SALEM COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES MEETING – OCTOBER 2, 2014
104 MARKET STREET
SALEM, NJ 9:00 AM**

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

ROLL CALL OF COMMISSIONERS:

Robert Vanderslice	Present
Katie Coleman	Present
Kevin Crouch	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
Michael Mulligan, Salem County
Robert Vanderslice, Salem County
Dave Strout, Cettei & Connell
Veronica George, Inservco
Joseph Porch, Conner Strong & Buckelew
Glenn Prince, JA Montgomery
Robyn Walcoff, Conner Strong & Buckelew

APPROVAL OF MINUTES: OPEN AND CLOSED SESSION OF AUGUST 7, 2014

**MOTION TO APPROVE THE OPEN AND CLOSED MINUTES OF
AUGUST 7, 2014**

Moved:	Commissioner Coleman
Second:	Commissioner Crouch
Vote:	Unanimous

CORRESPONDENCE: None

EXECUTIVE DIRECTOR REPORT:

Certificate of Insurance Issuance Report: Executive Director reported the Certificate of Insurance Issuance Report from the CEL listing those certificates issued for the period of July 30, 2014 to September 22, 2014 was included in the Agenda. There were 12 certificates issued during this period.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

Moved: Commissioner Coleman
Second: Commissioner Crouch
Vote: Unanimous

2014 Property & Casualty Assessments – The final assessment payments were due on September 15, 2014. A revised statement of account was e-mailed.

NJ Excess Counties Insurance fund (CELJIF) (Pages 5-6) – Executive Director said the CEL met on September 25, 2014. A summary report of their meeting is included in the agenda. At that meeting the CEL scheduled their budget introduction for the October 23rd meeting and a public hearing and adoption on November 20th. The board also voted to approve the final audit report. The Executive Director reported that discussions were ongoing with Atlantic County on possible membership in the CEL. Executive Director said the meeting with Atlantic County was very productive and we are looking into possible CEL membership effective January 1, 2015. The CEL currently has nine members and Atlantic County is on the cusp right now.

Executive Director said on page six of the agenda in the CEL Report the underwriting manager reported the Self-Insured retention is \$250,000 and with the rising costs of workers compensation claims including medical expenses the renewal quote will include options to increase members' Self- Insured retention to \$300,000. The CEL will have additional information within the next few months.

Financial Fast Track – Executive Director included in the agenda on **Pages 7 & 8** of the agenda are the Financial Fast Tracks for Salem County Insurance Fund Commission for June and July. As of July 31, the Fund has a deficit of **\$115,705**. Line 8 of the report, "Investment in Joint Venture" is the Commission's share of the equity in the CEL, \$115,129. Executive Director said we are almost at a wash with the Commission deficit and the Commission's share of equity in the CEL. We should keep in mind that we did an assessment that helped reduce the deficit drastically but overall Fund Year 2014 is fairing well with \$69,742 and hopefully we will continue to have a good year to help with the deficit from prior years.

NJ CEL Property and Casualty Financial Fast Track – Executive Director said included in the agenda on **Page 9** is the NJ CEL Financial Fast Track Report as of July 31, 2014. The CEL has a

surplus of **\$4,842,732**. There are only a handful of claims that have reached the excess level at the CEL with only four or five active claims.

RFQ for Professional Services – The Executive Director stated that several of the Funds Professional Services Agreements expire as of December 31, 2014. The positions of Executive Director, Actuary and Auditor are up for renewal. The Fund office advertised for the positions with responses due back on September 30, 2014. A report was distributed at the meeting with three submissions. The fee increase for the Executive Director and Actuary were 2% for each. The Auditor requested a fee increase from \$7,500 to \$8,300 due to the scope of work. A discussion ensued about the Auditor fee and Commissioner Coleman felt the Executive Director should go back to the Auditor and propose a 2% increase.

2015 Renewal Applications and Updated Exposure Information – The 2015 property and casualty budget is reliant on a number of factors including updated renewal applications and exposure data. The CEL Underwriting Manager's office sent e-mails in the beginning of August to the member entities to complete certain applications and to update exposure information.

As of today there are still some members who have not completed their renewal applications and updated their exposure information. It is imperative that this information be forwarded as soon as possible to the CEL Underwriting Manager otherwise it will hold up the budgeting process.

2015 Property & Casualty Budget Process – The 2015 property and casualty budget is scheduled to be introduced at the December meeting. The following components are being processed to create the budget:

- **Claim Fund Projection:** This projection is being prepared by the Commission Actuary.
- **Insurance and Excess Insurance Renewals:** The CEL Underwriting Manager is in the process of negotiating these renewals.
- **Expenses:** Budgeted expenses can be based upon current contracts or upon some other basis determined by the Commission.

New Jersey Counties Excess Joint Insurance Fund – Joint Insurance Claims Committee's Best Practices Workshop (Page 10) - Executive Director said as a reminder the third annual Joint Insurance Claims Committee's Best Practices Workshop will be held on Tuesday, October 7, 2014. The Workshop will be held at the Conner Strong & Buckelew office in Marlton, NJ. A copy of the invitation is included in the agenda. Lunch will be served at a fair market price per person for those attendees who which to pay for their lunch. The price for lunch per person will be made available in advance of the workshop. A discussion ensued regarding cyber liability and the out sourcing of IT personnel. Executive Director said our old friend from DCA Mark Pfeiffer has moved on to better things working with Rutgers and has an interesting program on Cyber Liability and we will be looking forward to that at the Best Practices Workshop.

December Meeting - Executive Director reminded everyone that the next Salem County Fund Commission meeting will be held on December 11, 2014.

SAFETY COMMITTEE REPORT

Glenn Prince reported the Safety Committee met on September 18, 2014, and the date of the next meeting was changed due to active shooter training that the County is actively participating. We are waiting for a fourth quarter date to be announced. Dave Strout said the County will be attending an active shooter training on October 24th.

CLAIM COMMITTEE REPORT

Claims Manager Robyn Walcoff said the last Claims Committee met in August and there will be one payment authorization request to be discussed in closed session. There were no PARs for discussion in September and the next Claims Committee meeting is scheduled for October 21, 2014 which will be a claim review session to review the open workers' compensation claims. A discussion ensued regarding the first report of injury report and how it would affect compensability.

TREASURER

REPORT: Katie Coleman said the bills list appears on page 12 of the agenda. A motion would be in order to approve the bills list.

MOTION TO APPROVE RESOLUTION 23-14 PAYMENT OF BILLS IN THE AMOUNT OF \$10,410.32.

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

CEL SAFETY DIRECTOR REPORT

The Safety Director reported Keith Hummel, a retired police officer from the Voorhees Township police department in Camden County is going to instruct the Command Staff Training and has been in contact with Bob Bradley from the Prosecutor's office and the Sherriff's office and the training will be scheduled in the very near future. Mr. Prince said the classes have been well received by other Counties and as more and more counties participate it is becoming more and more popular. We are hoping it will reach all nine members of the CEL program.

CLAIMS SERVICE

Veronica George reviewed the First MCO report that was included in the agenda.

Executive Director said the monthly report appears on page 14 and of the agenda that is the liability claims payment that we release and authorize for submission and approval of 5 claims payments totaling \$21,267.63. Resolution 24-14 Authorizing the Disclosure of Claim Check Register.

MOTION TO APPROVE RESOLUTION 24-14 AUTHORIZING DISCLOSURE OF CLAIM CHECK REGISTER

Moved: Commissioner Crouch
Second: Commissioner Coleman
Vote: Unanimous

MOTION TO GO INTO EXECUTIVE SESSION FOR CERTAIN SPECIFIED PURPOSES – PERSONNEL – SAFETY – PUBLIC PROPERTY – LITIGATION

Moved: Commissioner Crouch
Second: Commissioner Coleman
Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION

Moved: Commissioner Crouch
Second: Commissioner Coleman
Vote: Unanimous

MOTION TO AUTHORIZE PAYMENT AUTHORITY OF \$83,366.00 FOR CLAIM #3780000147

Moved: Commissioner Coleman
Second: Commissioner Vanderslice
Vote: 2 Ayes, 0 Nays, 1 Abstain – Commissioner Crouch

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

MOTION TO ADJOURN:

Motion: Commissioner Crouch
Second: Commissioner Coleman
Vote: Unanimous

MEETING ADJOURNED: 10:04 AM

NEXT MEETING WILL BE THURSDAY, DECEMBER 11, 2014 at 9:00 AM

Minutes prepared by: Karen A. Read, Assisting Secretary