

**SALEM COUNTY INSURANCE FUND COMMISSION
AGENDA AND REPORTS
DECEMBER 12, 2013 – 9 AM**

**COUNTY OLD COURTHOUSE
104 MARKET STREET – 2ND FLOOR
SALEM, NJ 08079**

**To attend the meeting via teleconference please dial 1-866-921-5493
and enter passcode 7269691#**

OPEN PUBLIC MEETINGS ACT - STATEMENT OF COMPLIANCE

In accordance with the Open Public Meetings Act, notice of this meeting was given by:

- I. Advertising the notice in the South Jersey News and the Elmer Times**
- II. Filing advance written notice of this meeting with the Commissioners of the SALEM COUNTY INSURANCE FUND COMMISSION; and**
- III. Posting notice on the Public Bulletin Board in the Salem County Courthouse and the Salem County Administration Building and filing it with the County Clerk**

**SALEM COUNTY INSURANCE FUND COMMISSION
AGENDA -OPEN PUBLIC MEETING
DECEMBER 12, 2013 – 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: October 3, 2013 Open Minutes.....Appendix I
October 3, 2013 Closed Minutes.....To be Distributed**

- CORRESPONDENCE - None**

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

- COMMITTEE REPORTS**
 - Safety Committee Report.....Verbal
 - Claims Committee Report.....Verbal

- TREASURER**
 - Treasurers Report.....None

- CEL SAFETY DIRECTOR – J.A. Montgomery Risk Control**
 - Monthly ReportPage 10

- CLAIMS SERVICE – Inservco Insurance Services**
 - Liability Claim Payments – 9/1/13 to 10/31/13.....No Payments Made

- CLAIMS SERVICE - Conner Strong & Buckelew**
 - Reporting of Claims to Claims Made Policies Prior to 12/31/13 Expiration.....Page 11
 - Limit Schematics.....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**

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

- ❑ **MEETING ADJOURNMENT**
NEXT SCHEDULED MEETING: February 6, 2014

SALEM COUNTY INSURANCE FUND COMMISSION

9 Campus Drive, Suite 16

Parsippany, NJ 07054

Date: December 12, 2013

Memo to: Commissioners of the Salem County Insurance Fund Commission

From: PERMA Risk Management Services

Subject: Executive Director's Report

- ❑ **Certificate of Insurance Issuance Report** – On **page 3** is the monthly Certificate of Insurance Issuance Report from the CEL listing those certificates issued for the period of September 16, 2013 to November 17, 2013. There were 9 certificates in total issued during this period.

❑ Motion to Approve the Certificate Report

- ❑ **2014 Property & Casualty Budget Introduction** – Attached on **page 5** for your review and discussion is the 2014 proposed Property and Casualty Budget in the amount of \$1,405,138. The introductory budget represents a 3.59% increase Commission wide compared to the 2013 budget. The CEL portion of this budget is subject to review and approval of the CEL budget by the CEL Commissioners. The CEL met on November 7th and introduced their 2014 budget and has scheduled a Public Hearing and Budget adoption on 12/12/13. PERMA will advertise the proposed 2014 budget in the applicable newspapers.

❑ Motion to introduce the 2014 Property and Casualty Budget in the amount of \$1,405,138 and schedule a public hearing on February 6, 2014 at 9:00 AM at the County Administration Building.

- ❑ **2014 Property & Casualty Assessments** – Once the Budget is adopted, the Assessment billing schedule for 2014 will be set. The first payment will be 40% of the assessment with the second and third being 30% of the assessments.
- ❑ **BRIT Team Platform** – Mr. Dave McHale from JA Montgomery advises in order to meet a NJ specific compliance needs, the MEL developed an online NJ Right to Know/Hazard Communication with their training vendor. Mr. McHale feels this program would also work well for the CEL member Commissions and advises he can have the MEL branding in the program uploaded to the BRIT TEAM system. The ability to have this program available in DVD/online formats would allow instructor led training for more value added topics. The cost to do this would be a one time fee of \$1,600 shared among all of the other Commissions. If all CEL member Commissions agree to this we will come back next month with the cost per Commission.

- ❑ **NJ Excess Counties Insurance Fund (CELJIF)** – The CEL met on November 7, 2013. A summary report of their meeting is included in the agenda on pages 6-7. At the meeting the Executive Director presented the 2014 Proposed Budget totaling \$13,833,777 representing an increase of \$976,176 or a 7.6% increase.

- ❑ **Financial Fast Track** – Included on **Page 8 & 9** of the agenda are the Financial Fast Tracks for the Cumberland County Insurance Commission for August and September. As of **September 30, 2013** the Commission has a negative balance of \$192,345.

- ❑ **2014 Auto ID Cards/WC Posting Notices/Renewal Certificate of Insurance** – The 2014 auto ID cards and WC Posting Notices will be sent to each member entity representative for distribution the first week of December. The Executive Director’s office will review any certificates which need to be re-issued for the 2014 renewal

Salem County Insurance Commission Certificate Of Insurance Monthly Report

Monday, November 18, 2013

From 9/16/2013 To 11/17/2013

Holder (H) / Insured Name (I) Coverag	Holder / Insured Address	Holder Code	Description of Operations	Issue Date
SCIC				
H- Penns Grove High School AU WC	334 Harding Highway Carneys Points, NJ 08069	645	Evidence of insurance. All operations usual to County	11/6/2013 GL EX
I- Salem County	94 Market Street Salem, NJ 08079		Governmental Entity as respects to K-9 Training - one day only Monday, November 11, 2013. CLD	
H- Pipes & Pics, Elmer Methodist Church AU WC	21 South Main Street Elmer, NJ 08318	690	Evidence of insurance. All operations usual to County	9/20/2013 GL EX
I- Salem County	94 Market Street Salem, NJ 08079		Governmental Entity as respects to the Music Around the County Event to be held on November 16, 2013 at 7:30 PM at Elmer Methodist Church. (SEE PAGE 2)	
H- NJ Dept of Military & Veterns Affairs AU WC	And its Employees 101 Eggerts Crossing Rd PO Box 340 Trenton, NJ 08625	879	Evidence of insurance. All operations usual to County	9/20/2013 GL EX
I- Salem County	94 Market Street Salem, NJ 08079		Governmental Entity as respects to the Emergency Evacuation Agreement with Woodstown Armory. (SEE PAGE 2)	
H- NJ Dept of Military & Veterns Affairs AU WC	And its Employees 101 Eggerts Crossing Rd PO Box 340 Trenton, NJ 08625	879	The NJ Dept. of Military Affairs and its employees are	additional 9/25/2013 GL EX
I- Salem County	94 Market Street Salem, NJ 08079		insured where obligated by virtue of a written contract or written mutual aid agreement or other written agreement with the Named Assured, but only in respect to acts or operations by or on behalf of the Named Assured, and subject to the limitations on coverage contained in any such written contract or written mutual aid agreement (SEE PAGE 2)	
H- NJ Dept of Military & Veterns Affairs AU WC	And its Employees 101 Eggerts Crossing Rd PO Box 340 Trenton, NJ 08625	879	The NJ Dept. of Military & Veterans Affairs and its employees are	10/8/2013 GL EX
I- Salem County	94 Market Street Salem, NJ 08079		additional insured where obligated by virtue of a written contract or written mutual aid agreement or other written agreement with the Named Assured, but only in respect to acts or operations by or on behalf of the Named Assured, and subject to the limitations on coverage contained in any such written contract or written mutual aid agreement (SEE PAGE 2)	
H- Division on Aging Services/NJ Dept. of Human AU WC Services	12B Quaker Bridge Plaza PO Box 715 Mercerville, NJ 08625-0715	885	Evidence of insurance. All operations usual to County	9/25/2013 GL EX
			Governmental Entity as respects to Chronic Disease Self	

I- Salem County	94 Market Street Salem, NJ 08079		Management classes. (SEE PAGE 2) CLD	
H- Division on Aging Services/NJ Dept. of Human AU WC Services	12B Quaker Bridge Plaza PO Box 715 Mercerville, NJ 885 08625-0715		Evidence of insurance. All operations usual to County Governmental Entity as respects to Medicare Special Benefits Outreach and Enrollment.. (SEE PAGE 2) CLD	9/25/2013 GL EX
I- Salem County	94 Market Street Salem, NJ 08079			
H- Department of Human Services AU WC	Division on Aging PO Box 807 Trenton, NJ 08625	899	Evidence of insurance. All operations usual to County Governmental Entity as respects to Grants. CLD	10/25/2013 GL EX
I- Salem County	94 Market Street Salem, NJ 08079			
H- New Jersey State Council on the Arts AU WC	PO Box 306, 225 W. State St. Trenton, NJ 08625	901	Evidence of insurance. All operations usual to County Governmental Entity as respects to 2014 Arts Grant. CLD	10/30/2013 GL EX
I- Salem County	94 Market Street Salem, NJ 08079			

Total # of Holders = 9

SALEM COUNTY INSURANCE COMMISSION					
2014 PROPOSED BUDGET					
		ANNUALIZED BUDGET FY2013*	PROPOSED BUDGET	Change \$	Change %
APPROPRIATIONS					
I. Claims and Excess Insurance					
Claims					
1	Property	55,202	55,202	0	0.00%
2	Liability	55,601	55,601	0	0.00%
3	Auto	5,560	5,560	0	0.00%
4	Workers' Comp.	389,206	408,666	19,460	5.00%
5					
6	Subtotal - Claims	505,569	525,029	19,460	3.85%
7					
8	Premiums				
9	CEL JIF	597,108	616,552	19,444	3.26%
10					
11	SubTotal Premiums	597,108	616,552	19,444	3.26%
12	Total Loss Fund	1,102,677	1,141,581	38,904	3.53%
13					
14	II. Expenses, Fees & Contingency				
15					
16	Claims Adjustment	22,000	22,440	440	2.00%
17	Safety Director	0	0	0	0.00%
18	General Expense				
19	Exec. Director	33,465	34,134	669	2.00%
20	Actuary	7,500	7,650	150	2.00%
21	Auditor	7,500	7,650	150	2.00%
22	Attorney	0	0	0	0.00%
23	Treasurer	0	0	0	0.00%
24					
25					
26	Misc. Expense & Contingency	17,839	17,839	0	0.00%
27					
28	Total Fund Exp & Contingency	88,304	89,713	1,409	1.60%
29	Risk Managers	0		0	0.00%
30					
31					
32	XS JIF Ancillary Coverage				
33	POL/EPL	85,624	95,899	10,275	12.00%
34	XS POL/EPL	0	0	0	0.00%
35	Excess Liability	38,768	40,707	1,938	5.00%
36	Crime Program	4,037	4,037	0	0.00%
37	Medical Malpractice	33,200	33,200	0	0.00%
38	Pollution Liability	3,840	0	(3,840)	-100.00%
39	Employed Lawyers Liab	0	0	0	0.00%
40					
41	Total FUND Disbursements	1,356,452	1,405,138	48,686	3.59%

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND

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

Date: November 7, 2013
To: Executive Committee
Salem County Insurance Commission
From: PERMA Risk Management Services
Subject: New Jersey Counties Excess Meeting Report

2013 Fund Year Budget Transition: In May, the Board reviewed the remarketing of the excess casualty program from Meadowbrook and approved an 18-month program (7/1/13 to 1/1/15) to bind coverage with Underwriters at Lloyd's (Brit) for Excess Liability coverage and AmTrust and Safety National for the layered Excess Workers' Compensation and Employer's Liability coverage. The transition increased the budget; however, a majority of the increase was offset due to a reduction in Camden's GL/AL loss fund retentions, as well as applying built in contingency amounts against the increased premiums. The balance of the increase may be offset by the fund's surplus.

2014 Fund Year Budget: Executive Director said the budget enclosed in the agenda reflected the annualized 2013 figures as a combination of premiums from Meadowbrook (prior carrier) and Brit, AmTrust and Safety National (transition carriers). In order to accurately reflect the budgeted 2013 commission member premiums; Executive Director prepared and distributed a budget which reflected the annualized 2013 Meadowbrook premiums in comparison to the proposed 2014 budget. Executive Director presented the 2014 Proposed Budget totaling \$13,833,777, representing an increase of \$976,116 or 7.6%.

Also presented were proposed allocation methods based on un-equalized loss funds, equalized loss funds and capped loss funds. The Board reviewed the options and will take formal action on allocation methods at their next meeting. Executive Director distributed a report detailing the available expense, ancillary and excess insurance premiums surplus as of 12/31/12 by Commission member. The Board of Fund Commissioners made a motion to introduce the 2014 Budget in the amount of \$13,833,777 and to schedule the Public Hearing on December 12, 2013, 1:00 p.m. at the Camden County Emergency Regional Training Room 129 Boardroom – Blackwood, NJ.

New Membership Report: A membership report on the current activities with respect to Cape May, Mercer and Hudson Counties was presented for review. Executive Director reported all underwriting data, coverage and preliminary budgets/premiums are being thoroughly reviewed for January 1st effective dates. In addition, the actuary has provided loss funds based on favorable historical loss information and the Safety Director has been directed to conduct loss control reports for each potential new commission member. New member reviews will be prepared and distributed for the board's review in time for action at the December meeting.

Financials: Executive Director reported that the Fund's surplus as of August 31, 2013 is \$3,325,525.

Claims Summary: CompServices Inc. prepared a summary report of any claims with large open reserves to be reviewed during Closed Session. Enclosed is Resolution 31-13 authorizing the need for closed session.

Underwriting Manager: Underwriting Manager provided the following summary report for the 2014 renewals:

Property - Zurich is modifying their 2014 offering and making changes to the property form, which may include stricter guidelines on unscheduled locations as a result of lessons learned from Sandy. The change in policy form is expected to clarify intentions of coverage.

Excess Liability and POL/EPL – Underwriting Manager said the proposed budget shows a 5% increase for this second layer of excess liability coverage currently provided by CV Starr. Underwriting Manager said the 12% increase in for POL/EPL was built in as a “worst case scenario” and will be adjusted once quotes are finalized. Quotes are being requested from the current carriers, as well as other carriers, but a significant increase is not expected and should have final terms in time for the next meeting.

Risk Control: Safety Consultant reviewed a report reflecting the risk control activities from September to November.

New Jersey Counties Excess Joint Insurance Fund – Joint Insurance Claims Committees Best Practices Workshop: A workshop for the member Insurance Commissions of the NJCE JIF was held in October whose focus was liability and workers' compensation cost containment strategies. Safety Director said Brit, the fund's excess carrier, demonstrated their online risk management system available to member Commissions to access. Webinars will be setup with each Commission on how to access and use the system.

NJCE Website: The fund's website, www.njce.org, continues to be updated on an as-needed basis with fund information.

Next Meeting: The next meeting of the NJCE fund is scheduled for December 12, 2013 at 1:00PM at the Camden County Emergency Training Center.

SALEM COUNTY INSURANCE COMMISSION
FINANCIAL FAST TRACK REPORT
AS OF AUGUST 31, 2013

ALL YEARS COMBINED

	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1. UNDERWRITING INCOME	113,038	904,301	272,235	1,176,536
2. CLAIM EXPENSES				
Paid Claims	37,003	202,124	-	202,124
Case Reserves	74,976	334,437	18,626	353,063
IBNR	(14,578)	(910)	40,474	39,564
Discounted Claim Value	(4,054)	(22,725)	(4,126)	(26,851)
Total Claims	<u>93,347</u>	<u>512,926</u>	<u>54,974</u>	<u>567,900</u>
3. EXPENSES				
Excess Premiums	63,548	508,386	147,426	655,812
Administrative	5,789	48,121	16,301	64,422
Total Expenses	<u>69,337</u>	<u>556,507</u>	<u>163,727</u>	<u>720,234</u>
4. UNDERWRITING PROFIT (1-2-3)	(49,647)	(165,132)	53,534	(111,598)
5. INVESTMENT INCOME	-	-	-	-
6. STATUTORY PROFIT (4+5)	(49,647)	(165,132)	53,534	(111,598)
7. Investment in Joint Venture	-	36,074	12,137	48,211
8. STATUTORY SURPLUS (6+7)	(49,647)	(129,058)	65,671	(63,387)

SURPLUS (DEFICITS) BY FUND YEAR

2012	(62,806)	(75,731)	65,671	(10,060)
2013	13,159	(53,327)	-	(53,327)
TOTAL	(49,647)	(129,058)	65,671	(63,387)

CLAIM ANALYSIS BY FUND YEAR

	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
FUND YEAR 2012				
Paid Claims	2,931	52,481	-	52,481
Case Reserves	57,765	45,703	18,626	64,329
IBNR	6,304	(20,033)	40,474	20,441
Discounted Claim Value	(4,194)	(1,526)	(4,126)	(5,652)
Total Claims	<u>62,806</u>	<u>76,625</u>	<u>54,974</u>	<u>131,599</u>
FUND YEAR 2013				
Paid Claims	34,072	149,643	-	149,643
Case Reserves	17,210	288,734	-	288,734
IBNR	(20,882)	19,123	-	19,123
Discounted Claim Value	141	(21,199)	-	(21,199)
Total Claims	<u>30,541</u>	<u>436,301</u>	<u>-</u>	<u>436,301</u>
COMBINED TOTAL CLAIMS	<u>93,347</u>	<u>512,926</u>	<u>54,974</u>	<u>567,900</u>

**SALEM COUNTY INSURANCE COMMISSION
FINANCIAL FAST TRACK REPORT**

AS OF SEPTEMBER 30, 2013

ALL YEARS COMBINED

	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1. UNDERWRITING INCOME	113,038	1,017,339	272,235	1,289,574
2. CLAIM EXPENSES				
Paid Claims	25,625	227,749	-	227,749
Case Reserves	134,023	468,460	18,626	487,086
IBNR	45,652	44,742	40,474	85,216
Discounted Claim Value	(12,197)	(34,922)	(4,126)	(39,048)
Total Claims	193,103	706,029	54,974	761,003
3. EXPENSES				
Excess Premiums	63,548	571,935	147,426	719,361
Administrative	5,884	54,004	16,301	70,305
Total Expenses	69,432	625,939	163,727	789,666
4. UNDERWRITING PROFIT (1-2-3)	(149,497)	(314,629)	53,534	(261,095)
5. INVESTMENT INCOME	-	-	-	-
6. STATUTORY PROFIT (4+5)	(149,497)	(314,629)	53,534	(261,095)
7. Investment in Joint Venture	20,539	56,613	12,137	68,750
8. STATUTORY SURPLUS (6+7)	(128,958)	(258,016)	65,671	(192,345)

SURPLUS (DEFICITS) BY FUND YEAR

2012	(174)	(75,905)	65,671	(10,234)
2013	(128,784)	(182,111)	-	(182,111)
TOTAL	(128,958)	(258,016)	65,671	(192,345)

CLAIM ANALYSIS BY FUND YEAR

	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
FUND YEAR 2012				
Paid Claims	1,624	54,105	-	54,105
Case Reserves	(1,602)	44,101	18,626	62,727
IBNR	(22)	(20,055)	40,474	20,419
Discounted Claim Value	126	(1,400)	(4,126)	(5,526)
Total Claims	126	76,751	54,974	131,725
FUND YEAR 2013				
Paid Claims	24,001	173,644	-	173,644
Case Reserves	135,625	424,359	-	424,359
IBNR	45,674	64,797	-	64,797
Discounted Claim Value	(12,323)	(33,522)	-	(33,522)
Total Claims	192,977	629,278	-	629,278
COMBINED TOTAL CLAIMS	193,103	706,029	54,974	761,003

**SALEM COUNTY INSURANCE COMMISSION
SAFETY DIRECTOR'S REPORT**

TO: Fund Commissioners
FROM: J.A. Montgomery Risk Control, Safety Director
DATE: November 18, 2013

**October - December 2013
RISK CONTROL ACTIVITIES**

JIF MEETINGS ATTENDED / TRAINING PRESENTED

- **October 3:** Attended the SCIC meeting in Salem.
- **October 25:** Attended a meeting with the Training Coordinator to discuss BRIT update and future training opportunities.
- **November 8:** Conducted a Snow Plow safety class for the Salem County DPW.

UPCOMING JIF MEETINGS / TRAINING PLANNED

- **December 12:** Plan to attend the SCIC meeting in Salem.

CEL VIDEO LIBRARY

No videos were utilized by SCIC during 2012 and 2013.

SALEM COUNTY INSURANCE FUND COMMISSION

To: Fund Commissioners

From: Robyn D.H. Walcoff, Esq.

Date: December 12, 2013

Re: VERY IMPORTANT - Reporting of Claims to Claims Made Policies Prior to 12/31/13 Expiration Date

As a reminder, the **Public Officials / Employment Practices Policy, Medical Professional Policy and Crime Policy** (see attached schematic for policy information), as well as the **Underground Storage Tank Policy** (Policy #002921819) are set to expire on **12/31/13**. These policies are written on Claims-Made and Reported policy forms. ***With this type of coverage, any claims made against you that would be covered by these policies MUST be reported during the same policy year within which the claim was received by you.*** Therefore, it is required that any “claim”, potential “claim” or facts and circumstances that may give rise to a claim be reported to your insurance company prior to the policy expiration.

You should refer to the terms and conditions your complete policies for the specific reporting requirements and coverage triggers for these policies. Generally, the claims involve allegations of a **wrongful act** committed by you, or in the case of the Underground Storage Tank Policy, **claims related to underground storage tanks**, including but not limited to, cleanup costs and/or allegations of bodily injury or property damage.

Please conduct a review “sweep” of any Public Officials / Employment Practices Liability / Medical Professional / Crime / Underground Storage Tank claims, suits and/or incidents that you may be aware of (or anyone else in your organization) that need to be reported to the carrier prior to the expiration date of 12/31/13. Any claim, potential “claim” or facts and circumstances that may give rise to a claim must to be reported prior to that date.

Please keep in mind that these policies are Claims Made and Reported policies, and failure to timely report a claim (or potential claim, that you are aware of) is likely to result in a denial of coverage from the insurance carrier. Claims made policies contain reporting provisions that require an insured to place the carrier on notice within the policy period when an Insured first becomes aware of any potential claim matter. The policy period for the referenced policies is 1/1/13 to 12/31/13.

Given that the expiration of the policies fall during a holiday time period, please follow your usual claim reporting procedures, and provide notice to **Cettei & Connell no later than 12/16/13**, for reporting to **Conner Strong & Buckelew no later than 12/20/13**, to ensure that any claims or notices of potential claim are reported in a timely manner, prior to expiration of the policy period.

Claims should be reported to **Cettei & Connell Insurance – Dave Strout** – dave@cetteiandconnell.com, with a copy to Conner Strong & Buckelew at claimsteamc@connerstrong.com.

Please contact Robyn Walcoff at Conner Strong & Buckelew if you have any questions or concerns. Robyn can be reached by email rwalcoff@connerstrong.com or phone at 267-702-2187.

APPENDIX I – MEETING MINUTES

**SALEM COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES MEETING – OCTOBER 3, 2013
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
Evern Ford	Present
Katie Coleman	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Bradford Stokes Karen A. Read
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Treasurer	Katie Coleman
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Attorney	Michael Mulligan
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CEL Underwriting Manager	Conner Strong & Buckelew Joseph Hrubash
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Claims Service	Inservco Sue Irvine Veronica George
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	Conner Strong & Buckelew Robyn Walcoff
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Risk Management Consultant	Cettei & Connell Insurance Dave Strout
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Safety Director	JA Montgomery Risk Control Glenn Prince
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ALSO PRESENT:

Jessica Foote, Salem County

APPROVAL OF MINUTES: OPEN AND CLOSED SESSION OF AUGUST 1, 2013

**MOTION TO APPROVE THE OPEN AND CLOSED MINUTES OF AUGUST 1,
2013**

Moved: Commissioner Ford
Second: Commissioner Coleman
Vote: 2 Ayes, 0 Nays, 1 Abstain (Robert Vanderslice)

CORRESPONDENCE: None

EXECUTIVE DIRECTOR REPORT:

Certificate of Insurance Issuance Report: Executive Director reported the monthly Certificate of Insurance Issuance Report from the CEL was included on page 3 of the agenda. There were 9 certificates of insurance issued during the period of July 22, 2013 through September 15, 2013.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

Moved: Commissioner Ford
Second: Commissioner Coleman
Vote: Unanimous

Budget Amendment: Executive Director reported included in the agenda on page 5 was the amended budget to reflect the changes in the CEL budget as a result of the change in the CEL insurance program effective 7/1. The 2013 budget change for the Commission is an increase of \$39,015. The new 2013 budget amount is \$1,356,452. The CEL Executive Director has indicated that the additional assessment will not be billed until January 2014. Executive Director said there a possibility that the CEL will pick up this increase and we may not be billed the increase. Executive Director said he would keep the Commission advised.

MOTION TO AMEND THE 2013 BUDGET BY \$39,015 FOR A TOTAL OF \$1,356,452 AND CERTIFY THE ADDITIONAL ASSESSMENTS DUE ON JANUARY 15, 2014

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

2014 Property & Casualty Budget – Executive Director reported the Budget is reliant on a number of factors including updated renewal applications and exposure data. As of today, there is still some renewal applications and updated exposure information needed. 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. Executive Director said it looks as though we are close to receiving all of the information needed. Executive Director said he will follow up with risk managers to see where we stand.

2014 Property & Casualty Budget Process – The 2014 property and casualty budget is scheduled to be introduced at the December Meeting. The following components are being processed to create the budget. Executive Director said we are looking to introduce at the December meeting.

- **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 and developing these renewals.
- **Expenses:** Budgeted expenses can be based upon current contracts or upon some other basis determined by the Commission.

2013 Property & Casualty Assessments – Executive Director reported the third and final assessment payments were due on September 15, 2013. Commissioner Coleman reported the payment was transferred over as well as the balance for 2012.

NJ Excess Counties Insurance Fund Report (CELJIF) - Executive Director reported the CEL met on September 26, 2013. A summary report of their meeting is included in the agenda on pages 6 & 7. The Executive Director reported that it is anticipated that the CEL budget will come in at a 2% to 4% increase. The CEL expects to introduce the budget in November with adoption in December. Executive Director said Mercer and Cape May Counties are being pursued. It looks as though Mercer will most likely be joining the CEL. We are still working on the numbers with Cape May and Hudson Counties.

Financial Fast Track – Executive Director said included on pages 8 & 9 of the agenda are the Financial Fast Tracks for June & July for the Salem county Insurance Fund Commission. As of July 31, 2013 the Commission has a statutory surplus of -\$13,740.00. Executive Director said we are continuing to monitor some of the works comp cases which is what is driving this. We have a handful of cases that we will keep an eye on, and a check the reserves to see if we can hopefully settle these cases a little lower and work this number out.

MOTION TO APPROVE THE FINANCIAL FAST TRACK REPORTS FOR JUNE AND JULY 2013

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

December Meeting – Executive Director made note that the December meeting will be held on the second Thursday, December 12, 2013.

SAFETY COMMITTEE REPORT:

Safety Director reported the Safety Committee last met on September 25, 2013 and they are waiting to finalize the next meeting date in December. Mr. Prince said he will discuss some of the other items and initiatives in the Safety Director’s report.

CLAIMS COMMITTEE REPORT

Claims Manager reported on Tuesday a Best Practices Workshop was held with members of the Commissions in the CEL JIF attending. There were over 62 attendees and a great session focusing on

liability, title 59, and best practices we can put into play with respect to responding to liability claims and also a session on workers compensation. We will also be working on a model tort claims form procedure and notice and will be reporting back on that to the Claims Committee and the Commission in the future. Claims Manger reported the Claims Committee met on August 21st and September 18th and the minutes were included with agenda packet. There will be three PARs for discussion in Executive Session. Claims Manager reported Megan Callahan from Inservco has left to take another position and the next Claims Committee meeting will be held in person and we hope to have the new representatives from Inservco present to meet the Committee.

Veronica George from Inservco said Sue Irvine has called into today's meeting and Ms. Irvine will attend the next Claims Committee meeting so she can meet everyone. Sue Irvine said she is looking forward to meeting everyone in the Commission.

TREASURER:

REPORT: Executive Director reported the October Bills List.

MOTION TO APPROVE RESOLUTION 20-13 OCTOBER 2013 BILLS LIST IN THE AMOUNT OF \$14,722.32 AS AMENDED

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

CEL SAFETY DIRECTOR REPORT

Safety Director reported we are very excited about the new online training program that is provided by BRIT the new excess liability carrier. Some of the benefits of the excess carriers' new training program includes the online portion, which historically you would lose your employees for a full day of training now a lot of the new training can be accomplished online so the employees would not have to leave their desk to accomplish the training. Mr. Prince said we anticipate rolling this out in the very near future. Claims Manager said the BRIT training platform was also introduced at the Best Practices Workshop and JA Montgomery will be assisting in implementing this training at the County.

Commissioner Ford said that part of this initiative is a mind set change where people look at training as something in addition to their job. Commissioner Ford said he has articulated to everyone that training is a part of their job. So if there is required training that is needed he will let the department heads know they need to schedule and reinforce that their employees are required to complete the course and this should help drive compliance in safety.

CLAIMS SERVICE

Executive Director said a new resolution we are installing in a few of the commissions is Authorizing Disclosure of Liability Claims Check Register. Since public funds are involved, it should be approved by the governing body. The report is for informational purposes only.

MOTION TO APPROVE RESOLUTION 21-13 AUTHORIZING DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTER

Motion: Commissioner Ford
Second: Commissioner Coleman
Vote: Unanimous

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

Motion: Commissioner Ford
Second: Commissioner Coleman
Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION

Motion: Commissioner Coleman
Second: Commissioner Ford
Vote: Unanimous

MOTION TO AUTHORIZE PAYMENT AUTHORITY OF \$98,836.88 FOR CLAIM #378000007

Motion: Commissioner Ford
Second: Commissioner Coleman
Vote: 3 Ayes, 0 Nays

MOTION TO AUTHORIZE PAYMENT AUTHORITY OF \$61,000.00 FOR CLAIM #378000072

Motion: Commissioner Ford
Second: Commissioner Coleman
Vote: 3 Ayes, 0 Nays

MOTION TO AUTHORIZE PAYMENT AUTHORITY OF \$64,976.04 FOR CLAIM #378000055

Motion: Commissioner Ford
Second: Commissioner Coleman
Vote: 3 Ayes, 0 Nays

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

MOTION TO ADJOURN:

Motion:	Commissioner Ford
Second:	Commissioner Coleman
Vote:	Unanimous

MEETING ADJOURNED: 9:24 AM

NEXT MEETING WILL BE THURSDAY, December 12, 2013 at 9:00 AM

Minutes prepared by: Karen A. Read, Assisting Secretary

APPENDIX II - Limit Schematics

**New Jersey Counties Excess Joint Insurance Fund
Salem County Insurance Commission
Public Officials / Employment Practices
Limit Schematic**

\$10,000,000	Lexington Insurance Company \$10,000,000 each claim/\$10,000,000 aggregate excess of Member Entity Self Insured Retention Policy #013314097
Various	Member Entity Self Insured Retention Various - See Below
	Public Officials Liability & Employment Practices Liability

NOTE: The Lexington Insurance Company policy's limits are shared by each member entity of the Salem County Insurance Commission.

Member Entities & Self Insured Retentions:

#	Entity	SIR Each Claim - All Other	SIR Each Claim - EPLI
1	Salem County	\$50,000	\$75,000

**New Jersey Counties Excess Joint Insurance Fund
Medical Professional & General Liability / Excess Medical Professional & General Liability
Limit Schematic**

\$21,000,000	Lexington Insurance Company \$20,000,000 per claim/\$20,000,000 aggregate ^(a) Excess Medical Professional & General Liability				
\$1,000,000	Lexington Insurance Company Camden County Insurance Commission \$1,000,000 per claim/\$3,000,000 aggregate ^(a) Medical Professional & General Liability Policy #6796617	Lexington Insurance Company Gloucester County Insurance Commission \$1,000,000 per claim/\$3,000,000 aggregate ^(a) Medical Professional & General Liability Policy #6796617	Lexington Insurance Company Burlington County Insurance Commission \$1,000,000 per claim/\$3,000,000 aggregate ^(a) Medical Professional & General Liability Policy #6796617	Lexington Insurance Company Cumberland County Insurance Commission \$1,000,000 per claim/\$3,000,000 aggregate ^(a) Medical Professional & General Liability Policy #6796617	Lexington Insurance Company Salem County Insurance Commission \$1,000,000 per claim/\$3,000,000 aggregate ^(a) Medical Professional & General Liability Policy #6796617
Various	Member Entity Self Insured Retention Various - See Below	Member Entity Self Insured Retention Various - See Below	Member Entity Self Insured Retention Various - See Below	Member Entity Self Insured Retention Various - See Below	Member Entity Self Insured Retention Various - See Below
Medical Professional & General Liability					

NOTES:

- (a) All Primary policy aggregate limits are shared by each member entity of each Commission.
- (b) The Excess policy aggregate limit is shared by all Commissions and their member entities.

Member Entities & Self Insured Retentions:

#	Entity	SIR Each Claim
1	Camden County (Clinic)	\$5,000
2	Camden County College (Nursing Program and Dental Clinic Operations)	\$5,000
3	Camden County Health Services Center	\$50,000 PL / \$25,000 GL
4	Gloucester County (Department of Corrections - Infirmary, Division of Education & Disability, Division of Senior Services, Department of Health Services)	\$25,000
5	Gloucester County College (Nursing Program)	\$5,000
6	Gloucester County Improvement Authority dba Shady Lane Nursing Home	\$10,000
7	Gloucester County Prosecutor's Office (SANE)	\$5,000
8	Gloucester County Emergency Response Center	\$10,000
9	Burlington County (Department of Health)	\$5,000
10	Burlington County (Buttonwood Hospital - Divested Operation)	\$5,000
11	Cumberland County (Department of Health Outpatient Clinic and Department of Corrections)	\$50,000
12	Cumberland County - Sexual Assault Nurse Examiners (eff 10/22/13)	\$50,000
13	Salem County (Department of Health Clinic and Department of Corrections)	\$5,000

**New Jersey Counties Excess Joint Insurance Fund
Crime
Limit Schematic**

