

**SALEM COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES MEETING – OCTOBER 5, 2017
104 MARKET STREET
SALEM, NJ 9:00 AM**

Meeting called to order and 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 Bradford Stokes Karen A. Read
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ALSO PRESENT:

Thomas Narolewski, AJM Insurance Management
Michael Mulligan, Salem County
Amy Zieders, Inservco
Keith Platt, Inservco
Nancy Fowlkes, Inservco
Glenn Prince, JA Montgomery
Michelle Leighton, Conner Strong & Buckelew
Edward Cooney, Conner Strong & Buckelew
Jessica Alters, First MCO
James Miles, Bowman & Company
Dennis Skalkowski, Bowman & Company

APPROVAL OF MINUTES: OPEN SESSION OF AUGUST 3, 2017

MOTION TO APPROVE THE OPEN MINUTES OF AUGUST 3, 2017

Moved:	Commissioner Coleman
Second:	Commissioner Bishop
Vote:	Unanimous

CORRESPONDENCE: None

EXECUTIVE DIRECTOR REPORT:

2016 Audit Report – (Pages 3-5) The Auditor’s Report as of December 31, 2016 has been sent under separate cover to Fund Commissioners. Mr. Jim Miles and Dennis Skalkowski from Bowman

& Company will give a report at the meeting and following that, the Board will be asked to formally adopt Resolution 17-17 approving year end financials along with the Group Affidavit. Mr. Skalkowski reviewed the 2016 Audit Report and said it was a clean opinion with no findings or recommendations. The Report on Internal Controls was a clean opinion as well. The total assets increased by \$331,000 to \$735,000. Total Liabilities increased by \$622,000 to \$1.7 million which brought a net deficit of \$966,000 which is roughly \$300,000 over the prior year.

Executive Director said with no questions being heard a motion would be in order to approve the year end financials.

MOTION TO APPROVE YEAR END FINANCIALS AS OF DECEMBER 31, 2016 AS PRESENTED, ADOPT RESOLUTION 17-17 AND EXECUTE THE GROUP AFFIDAVIT.

Moved: Commissioner Bishop
Second: Commissioner Coleman
Vote: Unanimous

Certificate of Insurance Issuance Report: Attached on Pages 6 & & are the Certificate of Insurance Reports from the CEL listing those certificates issued for the period of July 1, 2017 to August 31, 2017. There were 3 certificate of insurance issued for that period.

MOTION TO APPROVE THE CERTIFICATE OF ISSUANCE REPORTS

Moved: Commissioner Bishop
Second: Commissioner Coleman
Vote: Unanimous

NJ Excess Counties Insurance Fund (CELJIF) - The CELJIF met on September 28, 2017. The next meeting of the Fund is scheduled for October 26, 2017. The CEL will introduce the 2018 budget on October 26, 2017 and the Budget Adoption is scheduled for November 16, 2017.

Financial Fast Track – Included on Pages 8 & 9 of the agenda is the Financial Fast Track for the Salem County Insurance Fund Commission as of June 30, 2017 and July 31, 2017. The Commission shows a significant deficit as of July 31st of \$887,441. Executive Director said 2016 has trended well and in the positive at \$428,000 as is 2017. Executive Director said the Commission is up by \$80,000 as opposed to this time last year showing some improvement. Executive Director said we will keep an eye on the prior years and hopefully be able to lower some of the reserves on those year as well.

NJ CEL Property & Casualty Financial Fast Track – Executive Director said included in the agenda on Page 10 is a copy the NJ CEL Financial Fast Track Report as of July 31, 2017. The report indicates the CEL has a surplus of \$7,595,743.

Claims Tracking Report (Page 11) - The claims tracking report is on page 11 of the agenda. The Claims Activity Report tracks open claims; the Executive Director will review the report with the Commission. Executive Director said the net change in claims is down by one claim from 54 to 53.

2018 Renewal Application and Updated Exposure Information– The 2018 property and casualty budget is reliant on a number of factors including updated renewal applications and exposure date. We want to thank everyone involved for their efforts with this project and submitting the information.

NJ CEL Underwriting Manager (Pages 12-18) - Included in the agenda on page 12 is CEL Bulletin 17-02, Contributing to Disaster Relief.

Also including are two Memorandums from the Underwriting Manager regarding the 2018 Property Insurance Renewal and the 2018 Cyber Insurance Renewal.

The Underwriting Manager is requesting a review of property values to ensure accurate and full reporting including COPE (Construction, occupancy, protection and exposure) information on locations over \$20 million.

The Underwriting Manager is requesting the members to re-evaluate their cyber limits. Quotes will be provided for each entity of the CEL at \$1M, \$2M, \$5M and \$10M. It is encouraged that all members bind coverage at the \$5M or \$10M limit level. Currently, the County has limits of \$1M.

Underwriting Manager Edward Cooney reviewed the cyber limits. Cyber issues will be discussed at the next CEL Best Practices Workshop on November 1st so you will have a better understanding of what is truly out there and what your exposures are with that. The other items regarding the property insurance is we are trying to gather good information about your buildings to see if it is a good structure or a poor structure and better modeling throughout the CEL portfolio of properties. This way we can better predict and obtain limits for your and also have a better renewal from the insurance companies. Results are looking positive on the renewal for 2018.

New Jersey Counties Excess Joint Insurance Fund Claims Committee's Best Practices Workshop - The sixth annual Joint Insurance Claims Committee's Best Practices Workshop is scheduled for Wednesday, November 1, 2017 at the Conner Strong & Buckelew office in Marlton, NJ. This year the focus will be Cyber Liability including Coverage, Risk Management and Available Resources. We ask that you hold the date for the Workshop and watch for the e-mail invitation. In response to Commissioner Bishop, Claims Manager said the invitation will be sent shortly and we strongly encourage you to pass the invite along to your IT folks.

SAFETY COMMITTEE REPORT

Glenn Prince reviewed the Safety Committee Report. Mr. Prince said the last Safety Committee Meeting was held on August 16th. Mr. Prince said he was not able to attend but did receive the minutes from the meeting. The BRIT Team online training platform was discussed 97% of the employees that were required to take the Blood Borne Pathogens training were reported to have done so which is a significant improvement. Commissioner Bishop said the Fire Prevention and the Right to Know has gone out to the employees as well. Risk Manager Tom Narolewski said

PEOSHA showed up at the Emergency Management and they were able to print out all of the training lists and that was a huge help.

CLAIM COMMITTEE REPORT

Claims Manager Michelle Leighton said the claims Committee last met on September 19th and there is one claim to discuss in closed session today.

TREASURER

REPORT: Executive Director reviewed the October Bill List totaling \$13,980.27.

MOTION TO APPROVE RESOLUTION 18-17 PAYMENT OF BILLS AS AMENDED IN THE AMOUNT OF \$13,980.27.

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

CEL SAFETY DIRECTOR REPORT

Safety Director reviewed the report included in the agenda. Mr. Prince said three Safety Director's Bulletins were included in the agenda packet on Ticks & Tick-borne Diseases and September is National Preparedness Month.

CLAIMS SERVICE:

Ms. Alters reviewed the First MCO Report for July and August.

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

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

MOTION TO ADJOURN:

Motion:	Commissioner Bishop
Second:	Commissioner Coleman
Vote:	Unanimous

MEETING ADJOURNED: 9:35 AM

NEXT MEETING WILL BE THURSDAY, December 14, 2017 at 9:00 AM

Minutes prepared by: Karen A. Read, Assisting Secretary