

**GLOUCESTER COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – Thursday, October 27, 2016
2 S. Broad Street, Conference Room B
Woodbury, NJ 9:30 AM**

Meeting called to order by Gerald White, Chairman. Open Public Meetings notice read into record.

ROLL CALL OF COMMISSIONERS:

Gerald White, Chairman	Present
Michael Burke, Vice Chairman	Present
Tamarisk Jones	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
Claims Service	Inservco Insurance Services, Inc. Veronica George Ashley Nelms Keith Platt Matthew Baron Amy Zeiders
	Consolidated Services Group, Inc. Jennifer Goldstein
	Conner Strong & Buckelew Michelle Leighton
CEL Underwriting Manager	Conner Strong & Buckelew Ed Cooney
Underwriting Services Director/RMC	Hardenbergh Insurance Group Bonnie Ridolfino
Attorney	Long Marmero & Associates Doug Long, Esq.
Treasurer	Tracey Giordano
Safety Director	J.A. Montgomery Risk Control David McHale (<i>via teleconference</i>)

Auditor

Bowman & Company LLP
Jim Miles (*left at 9:45*)
Dennis Skalkowski (*left at 9:45*)

ALSO PRESENT:

Leigh Bary, Gloucester County
Karen Christina, Gloucester County
Patrick Madden, Esq., Madden & Madden
Cinda Lisa, Hardenbergh Insurance Group
Monica Lester, Conner Strong & Buckelew
Prudence Higbee, Esq., Capehart & Scatchard
Pauline Kontomanolis, PERMA Risk Management Services
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: Open Minutes and Closed Minutes of September 22, 2016

**MOTION TO APPROVE THE OPEN MINUTES & CLOSED MINUTES OF
SEPTEMBER 22, 2016**

Motion:	Commissioner Burke
Second:	Commissioner Jones
Roll Call Vote:	Unanimous

CORRESPONDENCE: None

COMMITTEE REPORTS:

SAFETY COMMITTEE: No report

CLAIMS COMMITTEE: No Report

EXECUTIVE DIRECTOR REPORT: Executive Director advised he did not have any action items for his report but had a few information items.

2015 AUDIT REPORT: Executive Director asked Mr. Miles to review a draft copy of the 2015 Audit. Executive Director reported no action was necessary today and approval of the audit would be listed on the December agenda. Mr. Miles distributed copies of the draft audit and advised the audit was reviewed by the Executive Director and he also met with Chairman White and Ms. Giordano previously to review the audit. Mr. Miles explained it was their responsibility as auditors to review the Commission and after performing the audit testing offer their opinion on the information on the fair presentation with accounting standards. Mr. Miles reviewed the balance sheet with the Commission and referred to the last line under assets, Investment in Joint Venture, and noted this figure represented equity in the CEL. Mr. Miles continued to review the audit with the Commission and asked if anyone had any questions. Mr. Miles advised there were no findings

with the audit. Mr. Miles concluded with his appreciation for the opportunity to provide the Commission with his services. Mr. Miles advised he was always available to answer any questions regarding the audit.

RFP FOR PROFESSIONAL SERVICES: Executive Director reported the Defense Panel Attorney and Benefit Consulting Services RFP's were issued and advertised. Executive Director advised the due date for the responses was Friday, October 28, 2016 at 2:00 PM. Executive Director noted the unopened Benefit Consulting Service responses would be sent directly to Chairman White. Executive Director indicated the responses would be evaluated and recommendations would be made at the December meeting.

CERTIFICATE OF INSURANCE REPORT: Executive Director reported on the Certificate of Insurance Report for the period of 9/17/16 to 10/21/16. There were a total of 11 certificates issued for this period.

NJ EXCESS COUNTIES INSURANCE FUND (CELJIF): Executive Director advised the CELJIF met on September 22, 2016 and a summary report of the meeting was included in the agenda. Executive Director reported the Board adopted a resolution approving the December 31, 2015 audit. Executive Director advised the CEL Finance Committee met on October 17th to review the draft budget. Executive Director noted the CELJIF was meeting in the afternoon and would introduce their 2017 Budget and a Public Hearing with Budget Adoption was scheduled for November 17th.

GCIC PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director advised the August Property & Casualty Financial Fast Track was included in the agenda. The Commission had a surplus of \$4,144,883 as of August 31, 2016. Executive Director advised that \$1,273,894 on line 10 of the report "Investment in Joint Venture was the GCIC's share of the CEL JIF equity. Executive Director noted the cash amount was \$5,075,692.

NJ CEL PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director reported the agenda included the August Financial Fast Track for the NJ CEL. As of August 31, 2016 the CEL had a surplus of \$6,578,709. Executive Director noted the cash amount was \$21,121,034.

HEALTH BENEFITS FINANCIAL FAST TRACKS: Executive Director reported the agenda included the July and August Health Benefits Financial Fast Tracks. As of August 31, 2016 there was a surplus of \$131,054. Executive Director noted the cash amount was \$254,500. Executive Director asked if anyone had any questions on the Financial Fast Tracks.

CLAIMS TRACKING REPORTS: Executive Director reported the agenda included the claim monitoring reports as of August 31, 2016. Executive Director referred to the Claim Activity Report and advised the purpose of the report was to review the number of claims along with changes in reserve. Executive Director advised he reviewed the report and did not find any anomalies with the report. Executive Director also reviewed the Claims Management Report Expected Loss Ratio Analysis" report as of August 31, 2016. Executive Director advised the report indicated all of the

years were running good, however Fund Years 2015 and 2016 were running a little high. Executive Director asked if anyone had any questions.

2016 PROPERTY & CASUALTY ASSESSMENTS: Executive Director advised the third and final assessment payment for 2016 was due on October 15, 2016. Executive Director reported the Treasurer's office advised payment was received from all of the member entities.

2017 PROPERTY & CASUALTY BUDGET INTRODUCTION: Executive Director advised the 2017 GCIC Budget would be reviewed with the Chairman and Treasurer prior to being introduced at the December 15th meeting. Executive Director noted the 2017 budget adoption and public hearing would be scheduled for the January 2017 meeting.

REPORTING OF CLAIMS TO CLAIMS MADE POLICIES PRIOR TO 12/31/16 EXPIRATION: Ms. Leighton referred to a copy of the letter that was included in the agenda and advised the Public Offices & Employment Practices, Employed Lawyers, Professional Liability, Cyber, Healthcare and Crime policies were expiring as of 12/31/16. Ms. Leighton explained the policies provided coverage on a discovery or claims made and reported basis. Ms. Leighton reported it was imperative that any claim, potential claim, or facts and circumstances that may give rise to a claim be reported to the insurance company prior to the policy expiration. Ms. Leighton advised any claims be reported to the Hardenbergh Insurance Group no later than December 12th for reporting to Conner Strong & Buckelew no later than December 19th.

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND – JOINT INSURANCE CLAIMS COMMITTEES BEST PRACTICE WORKSHOP: Ms. Leighton reminded the group the 5th Annual Best Practice Workshop was scheduled for November 2nd at the Conner Strong & Buckelew office in Marlton. Ms. Leighton advised there was still some time to make a reservation. Ms. Leighton noted the agenda included an outline of the presentations scheduled for the workshop.

2017 AUTO ID CARDS/WC POSTING NOTICES/RENEWAL CERTIFICATE OF INSURANCE: Executive Director advised the 2017 auto ID cards and WC Posting Notices would be sent to each member entity representative for distribution the beginning of December. Executive Director advised the CEL Underwriting Manager's team would review any certificates which need to be re-issued for the 2017 renewal.

2017 CEL EXCESS INSURANCE RENEWAL: Mr. Cooney advised the renewal process was well under way and had been favorable. Mr. Cooney noted he would have more detailed information and results next month. Mr. Cooney thanked everyone for submitting their underwriting information.

2016 MEETING SCHEDULE: Executive Director reminded the Commission there was no meeting scheduled for November. Executive Director noted the next meeting was scheduled for December 15, 2016 at 9:30 AM.

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Chairman White advised the October Bill Lists, Resolutions 54-16 and 55-16 were included in the agenda and requested a motion to approve all.

**MOTION TO APPROVE RESOLUTION 54-16
OCTOBER BILL LIST**

Motion: Commissioner Burke
Second: Commissioner Jones
Roll Call Vote Unanimous

**MOTION TO APPROVE RESOLUTION 55-16
OCTOBER HEALTH INSURANCE FUND BILL LIST**

Motion: Commissioner Burke
Second: Commissioner Jones
Roll Call Vote Unanimous

Executive Director pointed out the monthly Treasurer's reports showing the cash transactions and investments were included in the agenda.

CLAIMS REPORT:

Chairman White presented Resolution 56-16 Inservco Liability Check Register for the period of 9/1/16 through 9/30/16.

**MOTION TO APPROVE RESOLUTION 56-16 LIABILITY CHECK
REGISTER FOR THE PERIOD OF 9/1/16 THROUGH 9/30/16**

Motion: Commissioner Jones
Second: Commissioner Burke
Roll Call Vote: Unanimous

MANAGED CARE PROVIDER: Ms. Goldstein reviewed the Client Bill Review Summary Report for the month of September which was included in the agenda. Ms. Goldstein reported for September there were 75 bills for a total of \$98,890.25, recommended allowance was \$27,201.29 and the overall savings was \$71,688.96 and the net savings was \$65,512.57, 66%. Ms. Goldstein asked if anyone had any questions and concluded her report.

CEL SAFETY DIRECTOR:

REPORT: Mr. McHale reviewed the September through November 2016 Risk Control Activity Report which was included in the agenda. Mr. McHale also noted the agenda included a Safety Director Bulletin as October was Fire Prevention Month. Mr. McHale advised J.A.

Montgomery would be attending the 2017 Training Planning Meeting with Hardenbergh Insurance Group and Danielle LaPorta on November 10th to discuss the training needs for the upcoming year. Mr. McHale reported he received the remaining documentation from the Department of Corrections for the camera purchase. Mr. McHale advised that concluded his report unless anyone had any questions.

RISK MANAGEMENT/UNDERWRITING SERVICES DIRECTOR:

REPORT: Ms. Ridolfino reported there was a revision to her report which was distributed at the meeting. Ms. Ridolfino advised the 2017 Safety Kick-Off Meeting date was confirmed for Thursday, January 12, 2017 at the Rowan College at Gloucester County. In response to Ms. Ridolfino’s inquiry, it was agreed the Commission would provide the refreshments from Bagelious for the meeting. Ms. Ridolfino noted that Ms. Bary would be joining the Planning Committee this year.

Ms. Ridolfino reviewed the below policies which were renewing and requested a motion to authorize the renewals.

Member	Coverage	Carrier	Exp. Date	Expiring Premium
County	Storage Tank Liability	Crum & Forster	10/30/2016	\$ 1,925.00
Library	Volunteer Accident	QBE	11/23/2016	\$ 350.00
County	Bond - Undersheriff (Knestaut)	C N A	12/28/2016	\$ 175.00
County	Bond - Undersheriff (Bay)	C N A	12/28/2016	\$ 175.00
County	Bond - Sheriff (Morina)	C N A	12/31/2016	\$ 350.00
County	Bond - Surrogate (Reed)	C N A	12/31/2016	\$ 70.00

MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO BIND COVERAGE ON THE LISTED BONDS/POLICIES

Motion: Commissioner Jones
 Second: Commissioner Burke
 Roll Call Vote: Unanimous

Ms. Ridolfino advised her last item was informational. Ms. Ridolfino advised the College’s Underground Storage Tank policy with Commerce and Industry was non-renewed effective 10/22/16 due to the age of the tank. Ms. Ridolfino indicated they were unable to secure a proposal as the College had open releases. Ms. Ridolfino advised the College would be removing the tanks but the timeframe had not been determined yet. Ms. Ridolfino recommended and the College agreed to purchase the extended reporting period endorsement. The policy which expired on 10/22/16 has been extended to expire on 2/22/20 for a total cost of \$2,258. Ms. Ridolfino advised that concluded her report unless anyone had any questions.

ATTORNEY: Commission Attorney advised he did not have anything to discuss.

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT:

MOTION TO OPEN MEETING TO PUBLIC

Moved: Commissioner Jones
Second: Commissioner Burke
Roll Call Vote: Unanimous

Seeing no members of the public wishing to speak Chairman White asked for a motion to close the public comment portion of the meeting.

MOTION TO CLOSE THE MEETING TO THE PUBLIC

Moved: Commissioner Jones
Second: Commissioner Burke
Roll Call Vote : Unanimous

CLOSED SESSION: Chairman White read and requested a motion to approve Resolution 57-16 authorizing a Closed Session to discuss PARS & SARS relating to pending or anticipated litigation as listed.

Motion: Commissioner Jones
Second: Commissioner Burke
Roll Call Vote: Unanimous

MOTION TO GO INTO CLOSED SESSION

Motion: Commissioner Jones
Second: Commissioner Burke
Roll Call Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION

Motion: Commissioner Burke
Second: Commissioner Jones
Roll Call Vote: Unanimous

Commission Attorney advised he would read the applicable motions to approve the PARS discussed during closed session.

**MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM
3530000588 FROM \$159,000 TO \$250,000 AN INCREASE OF \$91,000**

Motion: Commissioner Burke
Second: Commissioner Jones
Roll Call Vote: Unanimous

**MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM
3530001505 FROM \$15,000 TO \$65,350 AN INCREASE OF \$50,350**

Motion: Commissioner Burke
Second: Commissioner Jones
Roll Call Vote: Unanimous

**MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM
3530001241 FROM \$98,500 TO \$144,131 AN INCREASE OF \$45,631**

Motion: Commissioner Burke
Second: Commissioner Jones
Roll Call Vote: Unanimous

MOTION TO ADJOURN:

Motion: Commissioner Jones
Second: Commissioner Burke
Roll Call Vote: Unanimous

MEETING ADJOURNED: 10:26 AM

Minutes prepared by: Cathy Dodd, Assisting Secretary