

**GLOUCESTER COUNTY INSURANCE COMMISSION
AGENDA AND REPORTS
MONDAY, NOVEMBER 20, 2017**

**2 S. BROAD STREET
CONFERENCE ROOM B
WOODBURY, NJ
10:00 AM**

**To attend the meeting via teleconference please dial 1- 866-921-5493
and enter passcode 6364276#**

OPEN PUBLIC MEETINGS ACT - STATEMENT OF COMPLIANCE

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

- I. Sending sufficient notice to South Jersey Times and Courier Post, NJ**
- II. Filing advance written notice of this meeting with the Commissioners of the Gloucester County Insurance Commission,**
- III. Posting notice on the Public Bulletin Board of at the office of the County Clerk.**

**GLOUCESTER COUNTY INSURANCE COMMISSION
AGENDA
OPEN PUBLIC MEETING: NOVEMBER 20, 2017
WOODBURY, NJ
10:00 AM**

- MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ**
- ROLL CALL OF COMMISSIONERS**
- APPROVAL OF MINUTES:** September 28, 2017 Open Minutes.....Appendix I
September 28, 2017 Closed Minutes.....Handout

- CORRESPONDENCE:**

- EXECUTIVE DIRECTOR/ADMINISTRATOR - PERMA**
Executive Director's Report..... Pages 2-10

- TREASURER – Tracey Giordano**
Resolution **57-17** October Bill List – Motion Required..... Pages 11-12
Resolution **58-17** October Benefit Bill List – Motion Required..... Page 13

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

- CLOSED SESSION – Payment Authorization Requests (PARS)Pages 14-16**
Resolution 59-17 Executive Session for purpose as permitted by the Open Public Meetings Act, more specifically to discuss PARS related to pending or anticipated litigation as identified in the list of claims prepared by third-party claim administrator Inservco Insurance Services, Inc.

- Motion for Executive Session

MEETING ADJOURNMENT

NEXT SCHEDULED MEETING: December 14, 2017, 9:30 AM, 2 South Broad Street, Woodbury, NJ

GLOUCESTER COUNTY INSURANCE COMMISSION

9 Campus Drive, Suite 216, Parsippany, NJ 07054

Telephone (201) 881-7632

Fax (201) 881-7633

Date: November 20, 2017

Memo to: Commissioners of the Gloucester County Insurance Commission

From: PERMA Risk Management Services

Subject: Executive Director's Report

- 2018 Property and Casualty Budget Introduction (Pages 4-7)** – Attached on page 4 for your review and discussion is the 2018 proposed Property and Casualty Budget in the amount of \$5,973,427. The introductory budget represents a 2.15% increase Commission wide compared to the 2017 budget. The NJCE portion of the budget is scheduled for adoption on November 16th. The NJCE introduced their budget with a new line item for a property premium buffer layer of \$150,000 excess \$100,000 coverage. The excess insurer, Zurich, has provided a renewal quote at an increased deductible from \$100,000 to 250,000. The GCIC budget reflects this program structure change. A copy of the proposed assessments for the member entities are included on page 5. The annual assessment would be billed in three installments and payable as follows: 40% on 3/15/18, 30% on 5/15/18 and 30% on 10/15/18. Also included in the agenda on pages 6-7 is a narrative regarding the 2018 Budget Introduction. The Fund Office will advertise the proposed 2018 budget in the applicable newspapers.

- Motion to introduce the 2018 Property and Casualty Budget in the amount of \$5,973,427 and schedule a public hearing on December 14, 2017 at 9:30 AM at 2 South Broad Street, Woodbury, NJ**

- GCIC Dividend (Pages 8-9)** –The Executive Director has advised there is a dividend option available to the Commission for the 2012, 2013 and 2014 Fund Years in the amount of \$1,000,000. Attached in the agenda on page 8 is Resolution 56-17 authorizing the release of the dividend. Also attached on page 9 is the per member entity share of the dividend. The member entities will receive a credit on their 2018 assessment bill for their portion of the dividend.

- Motion to adopt Resolution 56-17 Authorizing Refund from the 2012 Fund Year Account 2013 Fund Year Account and 2014 Fund Year Account**

- NJ CEL Dividend (Page 9)** – The CEL declared a dividend for the 2010 and 2011 Fund Years. The Gloucester County Insurance Commission's share is \$55,668. Included on page 9 of the agenda is the per member entity share of the dividend. The member entities will receive a credit on their 2018 assessment bill for their portion of the dividend.

- Motion to accept the CEL Dividend for the 2010 and 2011 Fund Years**

- ❑ **2018 Health Dental Budget Introduction (Page 10)** - Attached on page 10 is a copy of the GCIC self-insured 2018 Health Dental Budget for your review and discussion.
- ❑ **Motion to introduce the 2018 Health Dental Budget in the amount of \$591,723 and schedule a public hearing on December 14, 2017 at 9:30 AM at 2 South Broad Street, Woodbury, NJ**

| GLOUCESTER COUNTY INSURANCE COMMISSION | | | | | |
|---|---|----------------------|------------------------|--------------------------|---------------|
| 2018 PROPOSED BUDGET : | | | | | |
| NJCE Property Option 2: Renew with Property Premium Buffer | | | | Total | |
| | | ANNUALIZED | PROPOSED BUDGET | Increase/Decrease | |
| | | BUDGET FY2017 | FY2018 | \$ | % |
| APPROPRIATIONS | | | | | |
| I. Claims and Excess Insurance | | | | | |
| Claims | | | | | |
| 1 | Property | 178,000 | 183,000 | 5,000 | 2.81% |
| 2 | Liability | 609,000 | 576,000 | (33,000) | -5.42% |
| 3 | Auto | 104,000 | 103,000 | (1,000) | -0.96% |
| 4 | Workers' Comp. | 1,217,000 | 1,232,000 | 15,000 | 1.23% |
| 5 | | | | | |
| 6 | Subtotal - Claims | 2,108,000 | 2,094,000 | (14,000) | -0.66% |
| 7 | | | | | |
| 8 Premiums | | | | | |
| 9 | CEL JIF | 1,806,739 | 1,880,593 | 73,853 | 4.09% |
| 10 | | | | | |
| 11 | SubTotal Premiums | 1,806,739 | 1,880,593 | 73,853 | 4.09% |
| 12 | Total Loss Fund | 3,914,739 | 3,974,593 | 59,853 | 1.53% |
| 13 | | | | | |
| 14 II. Expenses, Fees & Contingency | | | | | |
| 15 | | | | | |
| 16 | Claims Adjustment | 79,800 | 82,200 | 2,400 | 3.01% |
| 17 | Safety Service | 359,863 | 385,193 | 25,330 | 7.04% |
| 18 | General Expense | | | | |
| 19 | Exec. Director | 142,141 | 144,984 | 2,843 | 2.00% |
| 20 | Actuary | 8,118 | 8,281 | 162 | 2.00% |
| 21 | Auditor | 15,810 | 16,126 | 316 | 2.00% |
| 22 | Attorney | 50,000 | 51,000 | 1,000 | 2.00% |
| 23 | Treasurer | 20,022 | 22,278 | 2,256 | 11.27% |
| 24 | Underwriting Manager | 56,160 | 56,160 | 0 | 0.00% |
| 25 | | | | | |
| 26 | Misc. Expense & Contingency | 29,800 | 30,396 | 596 | 2.00% |
| 27 | | | | | |
| 28 | Total Fund Exp & Contingency | 761,714 | 796,618 | 34,903 | 4.58% |
| 29 | Risk Managers | 255,840 | 255,840 | 0 | 0.00% |
| 30 | | | | | |
| 31 | | | | | |
| 32 XS JIF Ancillary Coverage | | | | | |
| 33 | POL/EPL | 222,828 | 227,285 | 4,457 | 2.00% |
| 34 | XS POL/EPL | 51,485 | 52,515 | 1,030 | 2.00% |
| 35 | Excess Liability | 188,359 | 207,195 | 18,836 | 10.00% |
| 36 | Crime Program | 5,694 | 5,694 | 0 | 0.00% |
| 37 | Medical Malpractice | 317,964 | 324,324 | 6,360 | 2.00% |
| 38 | Pollution Liability | 43,057 | 43,057 | 0 | 0.00% |
| 39 | Employed Lawyers Liab | 22,038 | 22,038 | 0 | 0.00% |
| 40 | Cyber Liability/Special Coverages | 60,496 | 60,496 | 0 | 0.00% |
| 41 | Aviation | 3,773 | 3,773 | 0 | 0.00% |
| 42 | | | | | |
| 43 | Total FUND Disbursements | 5,847,988 | 5,973,427 | 125,440 | 2.15% |

| GLOUCESTER COUNTY INSURANCE COMMISSION | | | | | | | | | | | | |
|---|-------------------|----------------|------------------|-------------------|----------------|------------------|-------------------|---------------|----------------|-------------------|--------------|--------------|
| 2018 PROPOSED ASSESSMENTS - | | | | | | | | | | | | |
| Member Name | 2017 | | | 2018 | | | Change \$ | | | Change % | | |
| | NJCE & Commission | Ancillary | Total | NJCE & Commission | Ancillary | Total | NJCE & Commission | Ancillary | Total | NJCE & Commission | Ancillary | Total |
| Gloucester County | 3,033,857 | 429,350 | 3,463,207 | 3,092,142 | 447,648 | 3,539,790 | 58,285 | 18,298 | 76,583 | 1.92% | 4.26% | 2.21% |
| Rowan College at Gloucester County | 272,161 | 95,200 | 367,361 | 277,390 | 96,884 | 374,274 | 5,229 | 1,684 | 6,913 | 1.92% | 1.77% | 1.88% |
| Gloucester County Improvement Authority | 959,371 | 270,076 | 1,229,447 | 977,802 | 277,070 | 1,254,872 | 18,431 | 6,994 | 25,425 | 1.92% | 2.59% | 2.07% |
| Gloucester County Utility Authority | 632,530 | 100,841 | 733,371 | 644,682 | 104,143 | 748,825 | 12,152 | 3,302 | 15,454 | 1.92% | 3.27% | 2.11% |
| Gloucester County Library | 34,375 | 20,227 | 54,602 | 35,035 | 20,632 | 55,667 | 660 | 405 | 1,065 | 1.92% | 2.00% | 1.95% |
| Grand Totals: | 4,932,294 | 915,694 | 5,847,988 | 5,027,051 | 946,377 | 5,973,428 | 94,757 | 30,683 | 125,440 | 1.92% | 3.35% | 2.15% |

**Gloucester County Insurance Commission
2018 Proposed Budget Introduction**

The 2018 Proposed Budget includes the following Commission Members:

- ❖ Gloucester County
- ❖ Rowan College at Gloucester County
- ❖ Gloucester County Improvement Authority
- ❖ Gloucester County Library
- ❖ Gloucester County Utility Authority

Financial Fast Track (FFT): The enclosed report reflects the fund’s overall financial position as of August 31, 2017.

The FFT monitors underwriting income, claim expense, other expense, underwriting profit and statutory surplus. Changes are noted for the month, year to date change, the prior year end and the current fund balance for each item.

| Statutory Surplus (Deficits) by Fund Year | | | | |
|---|---------------------|---------------------|---------------------|-------------|
| | 12/31/2016 | 8/30/2017 | \$ - Change | % - Change |
| 2010 | \$ 556,890 | \$ 500,594 | \$ (56,296) | -10% |
| 2011 | \$ 23,403 | \$ 21,085 | \$ (2,318) | -10% |
| 2012 | \$ 478,750 | \$ 447,972 | \$ (30,778) | -6% |
| 2013 | \$ 646,912 | \$ 637,852 | \$ (9,060) | -1% |
| 2014 | \$ 1,469,284 | \$ 1,426,969 | \$ (42,315) | -3% |
| 2015 | \$ 71,510 | \$ (255,987) | \$ (327,497) | -458% |
| 2016 | \$ 376,875 | \$ 284,744 | \$ (92,131) | -24% |
| 2017 | | \$ 100,155 | | |
| | \$ 3,623,624 | \$ 3,163,384 | \$ (460,240) | -13% |

The budget is divided into the following categories:

- ❖ **Actuarial Loss Projections JIF Retention:** The Actuary reviews Gloucester’s loss experience and applies trend factors for changes in the Commission’s exposures and changes impacting the underlying costs of claims. The 2018 Loss Funds accounts for **35%** of the Commission’s total budget.

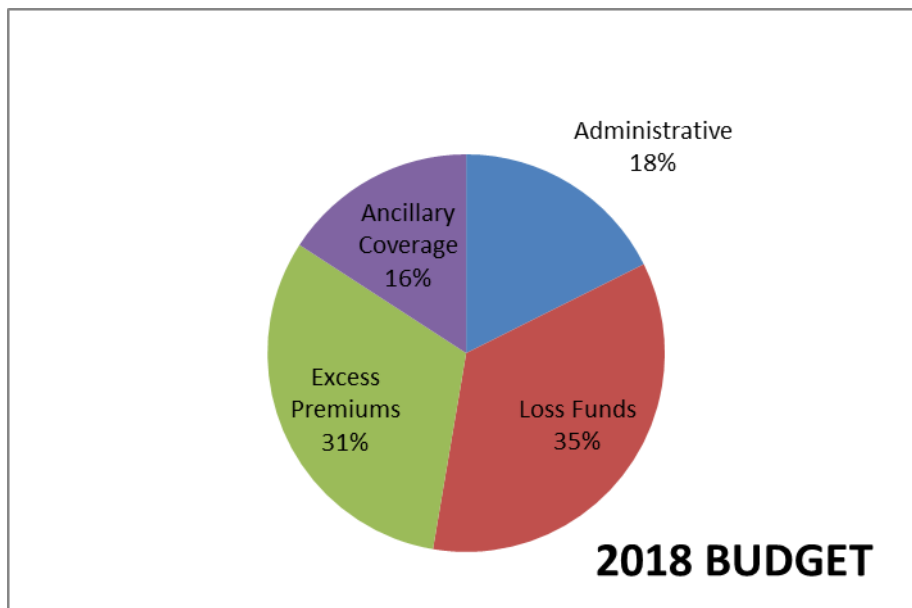
| Loss Funds | Annualized 2017 Loss Funds | Projected 2018 Loss Funds | \$ - Change | % - Change |
|----------------------------|----------------------------|---------------------------|--------------------|---------------|
| Property | \$ 178,000 | \$ 183,000 | \$ 5,000 | 2.81% |
| Liability | \$ 609,000 | \$ 576,000 | \$ (33,000) | -5.42% |
| Auto | \$ 104,000 | \$ 103,000 | \$ (1,000) | -0.96% |
| Worker Compensation | \$ 1,217,000 | \$ 1,232,000 | \$ 15,000 | 1.23% |
| Total | \$ 2,108,000 | \$ 2,094,000 | \$ (14,000) | -0.66% |

- ❖ **Excess Insurance Premiums & Ancillary Coverages:** We are introducing a 2018 budget based upon certain reasonable assumptions given our loss experience and market conditions. The excess insurance premiums account for **31%** of the total budget.

| Premiums | | | | | |
|--------------|--|---------------------|---------------------|-------------|------------|
| | | Annualized 2017 | Projected 2018 | \$ - Change | % - Change |
| XS JIF | | | | | |
| Total | | \$ 1,806,739 | \$ 1,880,593 | \$ 73,854 | 4.09% |
| | | \$ 1,806,739 | \$ 1,880,593 | \$ 73,854 | 4.09% |

| Ancillary Coverages | | | | | |
|---------------------|--|-------------------|-------------------|-------------|------------|
| | | Annualized 2017 | Projected 2018 | \$ - Change | % - Change |
| POL/EPL | | \$ 222,828 | \$ 227,285 | \$ 4,457 | 2.00% |
| XS POL/EPL | | \$ 51,485 | \$ 52,515 | \$ 1,030 | 2.00% |
| Excess Liability | | \$ 188,359 | \$ 207,195 | \$ 18,836 | 10.00% |
| Crime | | \$ 5,694 | \$ 5,694 | \$ - | 0.00% |
| Medical Malpractice | | \$ 317,964 | \$ 324,324 | \$ 6,360 | 2.00% |
| Pollution | | \$ 43,057 | \$ 43,057 | \$ - | 0.00% |
| Employed Lawyers | | \$ 22,038 | \$ 22,038 | \$ - | 0.00% |
| Cyber Liability | | \$ 60,496 | \$ 60,496 | \$ - | 0.00% |
| Aviation | | \$ 3,773 | \$ 3,773 | \$ - | 0.00% |
| Total | | \$ 915,694 | \$ 946,377 | \$ 30,683 | 3.35% |

- ❖ **Administrative Expenses:** The expenses to operate the Joint Insurance Fund accounts for **18%** of the budget and include professional fees, general fund expenses and miscellaneous contingency.



RESOLUTION NO. 56-17

**GLOUCESTER COUNTY INSURANCE COMMISSON
RESOLUTION AUTHORIZING REFUND FROM THE 2012 FUND YEAR ACCOUNT
2013 FUND YEAR ACCOUNT AND 2014 FUND YEAR ACCOUNT**

WHEREAS, the Gloucester County Insurance Commission (hereinafter “the COMMISSION”) is duly constituted an insurance fund commission; and

WHEREAS, Article VIII of the COMMISSION’s Rules & Regulations provides that the COMMISSION may refund to its member entities excess monies from any fund year upon compliance with certain requirements; and

WHEREAS, the COMMISSION has obtained a calculation from its Actuary and Executive Director as to the amount of excess monies from its 2012, 2013 and 2014 Fund Year Accounts which are available for distribution, to wit: \$200,00 from Fund Year 2012 Account, \$200,000 from Fund Year 2013 Account and \$600,000 from Fund Year 2014; and

WHEREAS, distribution of the excess monies from the 2012, 2013 and 2014 Fund Year Accounts is consistent with maintaining the financial integrity of the COMMISSION; and

WHEREAS, the Board of Fund Commissioners have determined that it would be in its best interest to make the distribution of excess monies from the 2012, 2013 and 2014 Fund Year Accounts; now, therefore,

BE IT RESOLVED by the Gloucester County Insurance Commission that the Executive Director for the COMMISSION be and is hereby authorized to process a refund in the amount of \$200,000 from Fund Year 2012 Account, \$200,000 from Fund Year 2013 Account and \$600,000 from Fund Year 2014.

BE IT FURTHER RESOLVED the Commission Treasurer is hereby authorized to apply for the pro-rated amount of the aforementioned refunds due to each member entity 2018 assessment bill for the year in question, provided, however, the Commission Treasurer shall deduct any outstanding balances without regard for Fund year. Said refunds shall be made to the entities which were members of the COMMISSION for the year in question in the same ratio as said entities were assessed for the year in question.

ADOPTED: November 20, 2017

GERALD A. WHITE, CHAIRMAN

ATTEST:

MICHAEL BURKE, VICE CHAIRMAN

DIVIDENDS

GCIC

| | | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------|
| Option 4 - \$1,000,000 | | | | |
| Fund Year 2014 | \$ 600,000 | | | |
| Fund Year 2013 | \$ 200,000 | | | |
| Fund Year 2012 | \$ 200,000 | | | |
| Total | <u>\$ 1,000,000</u> | | | |
| | Fund Year 2014 | Fund Year 2013 | Fund Year 2012 | Total |
| Member Name | Amount | Amount | Amount | Amount |
| Gloucester County | \$ 369,526.15 | \$ 130,710.85 | \$ 131,140.89 | \$ 631,377.89 |
| Gloucester County College | \$ 28,795.29 | \$ 8,437.95 | \$ 8,360.36 | \$ 45,593.59 |
| Gloucester County Improvement Authority | \$ 120,200.43 | \$ 36,500.91 | \$ 36,426.21 | \$ 193,127.55 |
| Gloucester County Utility Authority | \$ 76,479.72 | \$ 22,907.55 | \$ 22,635.00 | \$ 122,022.28 |
| Gloucester County Library | \$ 4,998.40 | \$ 1,442.74 | \$ 1,437.54 | \$ 7,878.68 |
| Grand Totals: | \$ 600,000.00 | \$ 200,000.00 | \$ 200,000.00 | \$ 1,000,000.00 |

NJ CEL

| | | | | |
|---|----------------|------------------|-------------|--------------|
| NJ CEL DIVIDEND | | | | |
| | | FUND YEAR | | |
| Member Name | Fund_ID | 2010 | 2011 | Total |
| Gloucester County | GCIC | 22,505 | 15,681 | 38,186 |
| Gloucester County College | GCIC | 1,438 | 1,143 | 2,581 |
| Gloucester County Improvement Authority | GCIC | 3,554 | 2,442 | 5,996 |
| Gloucester County Utility Authority | GCIC | 4,909 | 3,608 | 8,517 |
| Gloucester County Library | GCIC | 230 | 158 | 388 |
| Subtotal | GCIC | 34,646 | 25,043 | 55,668 |

GLOUCESTER COUNTY INSURANCE COMMISSION HEALTH INSURANCE FUND
2017/2018 Budget Comparison based on claims through August 2017

Enrollment: As of August 2017

Delta Dental Premier - 834 covered Employees

County, Library, Division of Social Services

| | LINE ITEMS | Proposed Budget FY 2017 | Proposed Budget FY 2018 | Change \$ | Change % |
|----|------------------------------|----------------------------|----------------------------|------------|----------|
| 1 | Self Insured Claims | | | | |
| 2 | Dental Claims | \$488,378 | \$462,620 | (\$25,758) | -5.27% |
| 3 | Subtotal | \$488,378 | \$462,620 | (\$25,758) | -5.27% |
| 4 | Change in Reserves | | \$4,626 | | |
| 5 | Projected Trend | \$17,151 | \$31,773 | \$14,622 | 85.25% |
| 6 | | | | | |
| 7 | | | | | |
| 8 | Subtotal Premiums | \$505,529 | \$499,019 | (\$6,510) | -1.29% |
| 9 | | | | | |
| 10 | Reinsurance | | | | |
| 11 | Dental | \$0 | \$0 | \$0 | 0.00% |
| 12 | Subtotal Reinsurance | \$0 | \$0 | \$0 | 0.00% |
| 13 | | | | | |
| 14 | Claims Margin | \$15,166 | \$15,000 | (\$166) | -1.09% |
| 15 | Benefit Adjustment | \$10,414 | \$3,471 | (\$6,943) | N/A |
| 16 | | | | | |
| 17 | Total Loss Fund | \$531,109 | \$517,490 | (\$13,619) | -2.56% |
| 18 | | | | | |
| 19 | General Expenses | | | | |
| 20 | Legal | \$0 | \$0 | \$0 | 0.00% |
| 21 | Treasurer | \$0 | \$0 | \$0 | 0.00% |
| 22 | Benefits Consultant | \$40,206 | \$40,206 | \$0 | 0.00% |
| 23 | Dental TPA admin fees | \$32,669 | \$34,027 | \$1,358 | 4.16% |
| 24 | Misc/Cont | \$0 | \$0 | \$0 | 0.00% |
| 25 | Plan Documents | \$0 | \$0 | \$0 | 0.00% |
| 26 | Total Expenses | \$72,875 | \$74,233 | \$1,358 | 1.86% |
| 27 | | | | | |
| 28 | Total Employee Contributions | \$0 | \$0 | \$0 | 0.00% |
| 29 | Total Budget | \$603,984 | \$591,723 | (\$12,261) | -2.03% |

**GLOUCESTER COUNTY INSURANCE COMMISSION
BILLS LIST**

Resolution No. 57-17

November 2017

WHEREAS, the Treasurer has certified that funding is available to pay the following bills:

BE IT RESOLVED that the Gloucester County Insurance Commission's hereby authorizes the Commission Treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Commission.

FUND YEAR 2016

| <u>CheckNumber</u> | <u>VendorName</u> | <u>Comment</u> | <u>InvoiceAmount</u> |
|------------------------|-----------------------|----------------------------------|----------------------|
| 000774 | | | |
| 000774 | BOWMAN & COMPANY, LLP | AUDITOR FEE 10/16/2017 - FY 2016 | 11,000.00 |
| | | | 11,000.00 |
| TOTAL PAYMENTS FY 2016 | | | 11,000.00 |

FUND YEAR 2017

| <u>CheckNumber</u> | <u>VendorName</u> | <u>Comment</u> | <u>InvoiceAmount</u> |
|--------------------|--------------------------------|--|----------------------|
| 000775 | | | |
| 000775 | INSERVCO INSURANCE SERVICES | CLAIMS ADMIN - 11/2017 | 6,650.00 |
| | | | 6,650.00 |
| 000776 | | | |
| 000776 | PERMA RISK MANAGEMENT SERVICES | POSTAGE FEE 10/2017 | 6.65 |
| 000776 | PERMA RISK MANAGEMENT SERVICES | EXECUTIVE DIRECTOR FEE 11/2017 | 11,845.10 |
| | | | 11,851.75 |
| 000777 | | | |
| 000777 | HARDENBERGH INSURANCE GROUP | UNDERWRITING MANAGER FEE 11/2017 | 4,680.00 |
| | | | 4,680.00 |
| 000778 | | | |
| 000778 | THE ACTUARIAL ADVANTAGE | ACTUARIAL SERVICES FEE 11/2017 | 676.50 |
| | | | 676.50 |
| 000779 | | | |
| 000779 | COURIER-POST | ACCT: CHL-091699 - 11/8/17 - MTG 11/20 | 7.04 |
| 000779 | COURIER-POST | ACCT: CHL-091699 - 10/19/17 - RFP DEFENS | 68.72 |
| | | | 75.76 |
| 000780 | | | |
| 000780 | BROWN & CONNERY, LLP | LEGAL SERV FOR ANCILLARY COV - 10/31/201 | 6,456.42 |
| 000780 | BROWN & CONNERY, LLP | LEGAL SERV FOR ANCILLARY COV - 10/31/201 | 321.79 |
| | | | 6,778.21 |
| 000781 | | | |
| 000781 | GRACE MARMERO LLP | ATTORNEY FEE 11/6/17 - SUBROGATION | 551.30 |
| 000781 | GRACE MARMERO LLP | ATTORNEY FEE 11/13/2017 | 2,235.00 |
| 000781 | GRACE MARMERO LLP | ATTORNEY FEE 10/30/17 - SUBROGATION | 9,525.00 |
| | | | 12,311.30 |
| 000782 | | | |
| 000782 | ROBERT SCOLPINO | REIMBURSE MEDICAL,PREScription 10/2017 | 629.68 |
| | | | 629.68 |
| 000783 | | | |
| 000783 | VIOLA YEAGER | REIMBURSE MEDICAL,PREScription 10/2017 | 629.68 |
| | | | 629.68 |

| | | | |
|---------------|-----------------------------|--|------------------|
| 000784 | | | |
| 000784 | JUNE ATKINSON | REIMBURSE MEDICAL,PREScription 10/2017 | 629.68 |
| | | | 629.68 |
| 000785 | | | |
| 000785 | HARDENBERGH INSURANCE GROUP | RMC FEE 11/2017 | 21,320.00 |
| | | | 21,320.00 |
| | TOTAL PAYMENTS FY 2017 | | 66,232.56 |

TOTAL PAYMENTS ALL FUND YEARS \$ 77,232.56

Chairperson

Attest: _____ Dated: _____

I hereby certify the availability of sufficient unencumbered funds in the proper accounts to fully pay the above claims.

Treasurer

**GLOUCESTER COUNTY INSURANCE COMMISSION HEALTH INSURANCE FUND
BILLS LIST**

Resolution No. 58-17

NOVEMBER 2017

WHEREAS, the Treasurer has certified that funding is available to pay the following bills.

BE IT RESOLVED that the Gloucester County Insurance Commission Health Insurance Fund's hereby authorizes the Commission Treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Commission.

FUND YEAR 2017

| <u>CheckNumber</u> | <u>VendorName</u> | <u>Comment</u> | <u>InvoiceAmount</u> |
|--------------------|--------------------------|------------------------------|----------------------|
| W1117 | | | |
| W1117 | CONNER STRONG & BUCKELEW | CSB CONSULTING FEE 11/2017 | 530.50 |
| W1117 | CONNER STRONG & BUCKELEW | PERMA CONSULTING FEE 11/2017 | 2,820.00 |
| | | | 3,350.50 |
| | | TOTAL PAYMENTS FY 2017 | 3,350.50 |

TOTAL PAYMENTS ALL FUND YEARS \$ 3,350.50

Chairperson

Attest:

Dated: _____

I hereby certify the availability of sufficient unencumbered funds in the proper accounts to fully pay the above claims.

Treasurer

RESOLUTION NO. 59-17

**GLOUCESTER COUNTY INSURANCE COMMISSION
AUTHORIZING A CLOSED SESSION TO DISCUSS
PAYMENT AUTHORIZATION REQUESTS (PARS) & SETTLEMENT (SARS)
RELATED TO PENDING OR ANTICIPATED LITIGATION**

WHEREAS, the GLOUCESTER COUNTY INSURANCE COMMISSION (hereinafter “GCIC”) is duly constituted as an Insurance Commission pursuant to N.J.S.A. 40A:10-6 et seq.; and

WHEREAS, the GCIC is subject to the requirements of the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq.; and

WHEREAS, the Open Public Meetings Act requires all meetings of public bodies be open to the public; and

WHEREAS, the Open Public Meetings Act further provides a public body may permissibly exclude the public from a portion of a meeting at which the public body discusses items per the Open Public Meetings Act at N.J.S.A. 10:4-12.b.(1) thru (9) recognized as requiring confidentiality; and

WHEREAS, it is necessary and appropriate for the GCIC to discuss certain matters in a meeting not open to the public consistent with N.J.S.A. 10:4-12.b.(7); and

NOW THEREFORE BE IT RESOLVED by the Commissioners of said Gloucester County Insurance Commission pursuant to the Open Public Meetings Act as follows:

The GCIC shall hold a closed session from which the public shall be excluded on November 20, 2017

The general nature of the items to be discussed at said closed session shall include the following: the appropriateness of payment of statutorily required workers’ compensation benefits, settlement authority if any or continuing defense of pending or anticipated litigation, discussion of litigation strategy, position the GCIC will take in said litigation, strengths and weaknesses of GCIC’s position in said litigation.

The specific litigation is identified by the claim number assigned by Inservco in its capacity as the third-party claims administrator, name of the claimant, date of loss, workers’ compensation petition number and/or court assigned docket number which is set forth in the attached list which list is also appended to the GCIC monthly meeting agenda for November 20, 2017 which agenda has been timely posted per the Open Public Meetings Act.

The minutes of said closed session shall be made available for disclosure to the public consistent with N.J.S.A. 10:4-13 when the items which are the subject of the closed session discussions are resolved and the reasons for confidentiality as to both the GCIC and the claimant no longer exist.

ADOPTED by THE GLOUCESTER COUNTY INSURANCE COMMISSION at a properly noticed meeting held on November 20, 2017.

ADOPTED:

GERALD A. WHITE, CHAIRMAN

ATTEST:

MICHAEL BURKE, VICE CHAIRMAN

GCIC PARS - Worker Compensation, Liability & Property

CLOSED SESSION

11/20/17

| <u>Claim #</u> | <u>Claimant</u> | <u>Type of Claim</u> | <u>PAR/SAR</u> |
|-----------------------|------------------------|-----------------------------|-----------------------|
| 35300011795 | Jaymie Noe | Worker Compensation | PAR |

**APPENDIX I
MINUTES**

**GLOUCESTER COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – Thursday, September 28, 2017
2 South Broad Street
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 |
| Karen Christina (Alternate) | Present |

FUND PROFESSIONALS PRESENT:

| | |
|------------------------------------|---|
| Executive Director | PERMA Risk Management Services Joseph Hrubash |
| Claims Service | Inservco Insurance Services, Inc. Veronica George Amy Zeiders |
| | Consolidated Services Group, Inc. Jennifer Goldstein |
| | Conner Strong & Buckelew Greg Hunt |
| 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 | |
| Safety Director | J.A. Montgomery Risk Control Glenn Prince |
| Auditor | Bowman & Company, LLP Jim Miles |

ALSO PRESENT:

Tim Sheehan, Gloucester County
Tom Campo, Esq., Gloucester County
Christina Violetti, Hardenbergh Insurance Group (*via teleconference*)
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: Open Minutes and Closed Minutes of September 28, 2017

MOTION TO APPROVE THE OPEN MINUTES & CLOSED MINUTES OF SEPTEMBER 28, 2017

Motion: Commissioner Jones
Second: Chairman White
Roll Call Vote: 2 Ayes, 1 Abstained

CORRESPONDENCE: None

COMMITTEE REPORTS:

SAFETY COMMITTEE: Mr. Sheehan reported there were no meetings since the last report.

CLAIMS COMMITTEE: Chairman White advised there was no claim report.

EXECUTIVE DIRECTOR REPORT: Executive Director reported there were three action items and the first item was the approval of the 2016 Audit. Executive Director advised Mr. Jim Miles of Bowman & Company would present the audit.

2016 AUDIT REPORT: Mr. Miles distributed copies of the 2016 Annual Audit Report and advised he had an opportunity to review the audit in detail previously with Chairman White and the Executive Director. Mr. Miles reported the financial statement was fairly stable and indicated as of 12/31/16 the net position was \$3,790,990, \$167,374 was health and \$3,623,616 was property & casualty. Mr. Miles noted there were no findings nor recommendations. Mr. Miles advised that concluded his report unless there were any questions. Mr. Miles also expressed his appreciation and assistance provided to his office during the audit. Executive Director advised if everyone agreed Resolution 50-17 Certification of the Annual Audit Report was included in the agenda for approval.

MOTION TO APPROVE RESOLUTION 50-17 CERTIFICATION OF ANNUAL AUDIT REPORT FOR PERIOD ENDING DECEMBER 31, 2016

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

NOVEMBER MEETING DATE: Executive Director advised the next action item was to schedule a November meeting. Executive Director explained the Commission was not scheduled to meet in November, however the Chair suggested scheduling a telephonic meeting to introduce the 2018 Budget. Executive Director suggested the meeting be held on November 20th at 10:00 AM. Executive Director requested a motion to approve the meeting date if the Commissioners were available.

**MOTION TO SCHEDULE A MEETING ON
NOVEMBER 20, 2017 AT 10:00 AM**

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

EMPLOYEE DISHONESTY COVERAGE: Executive Director reported the Employee Dishonesty Coverage policy with Selective Insurance Company was renewing on 11/23/17. Executive Director noted the policy covered the positions of Executive Director, Third Party Administrator and the Treasurer. Executive Director advised the annual premium was \$1,052 and the limit per loss was \$1,000,000 with a \$10,000 deductible. Executive Director reported the cost of the coverage would be paid out of the miscellaneous and contingency budget line and requested approval for the expenditure.

**MOTION TO APPROVE EXPENDITURE FOR
EMPLOYEE DISHONESTY COVERAGE IN
THE AMOUNT OF \$1,052**

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

CERTIFICATE OF INSURANCE REPORT: Executive Director reported on the Certificate of Insurance Report for the month of September. Executive Director advised there were 7 certificates issued. Executive Director advised Mr. Cooney was in attendance and asked if anyone had any questions for him regarding the report.

NJ EXCESS COUNTIES INSURANCE FUND (CELJIF): Executive Director reported the CEL last met on September 28, 2017 and a summary report of the meeting was included in the agenda. Executive Director advised the Board of Fund Commissioners adopted a resolution approving the 2016 Audit and also appointed Bowman & Company, LLP for Payroll Auditing services. Executive Director noted the CEL received documentation from Burlington and Atlantic Counties to renew their membership. Cumberland and Salem Counties were also sent documents to renew their membership. Executive Director advised the Counties of Sussex and Essex were being quoted for potential new membership. Executive Director reported the CEL was scheduled to meet again in the afternoon and would introduce the 2018 Budget.

RFP FOR PROFESSIONAL SERVICES: Executive Director advised the Defense Panel Attorney RFP's were issued and advertised and were due on Friday, November 3, 2017 at 2:00 PM. Executive Director reported the responses would be evaluated and recommendations would be made at the December meeting.

PROFESSIONAL SERVICE AGREEMENT: Executive Director reported Ms. Dodd distributed Resolution 55-17, Appointing Synergy Joint & Spine to Perform Functional Capacity Evaluations at the beginning of the meeting. Chairman White advised this was discussed previously and requested a motion to adopt the resolution.

**MOTION TO ADOPT RESOLUTION 55-17
APPOINTING SYNERGY JOINT & SPINE TO
PERFORM FUNCTIONAL CAPACITY
EVALUATIONS**

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

GCIC PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director advised the August Property & Casualty Financial Fast Track was included in the agenda. Executive Director reported the Commission had a surplus of \$3,163,385 as of August 31, 2017. Executive Director advised that \$1,408,387 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 \$4,704,862.

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, 2017 the CEL had a surplus of \$7,698,993. Executive Director noted the cash amount was \$25,581,140. Executive Director advised the CEL would review and recommend available dividend options again this year. Camden, Gloucester and Union Counties would benefit with a release of a dividend.

HEALTH BENEFITS FINANCIAL FAST TRACK: Executive Director reported the agenda included the August Health Benefits Financial Fast Track. As of August 31, 2017 there was a surplus of \$189,479. Executive Director noted the cash amount was \$266,550. 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, 2017. Executive Director referred to the Claim Activity Report and noted he did not find any anomalies. Executive Director advised the Claims Management Report Expected Loss Ratio Analysis report as of August 31, 2017 was also included in the agenda. Executive Director reported this report measured how the losses were running compared to the actuary's projections for each of the fund years. Executive Director noted the reports correlated with the Financial Fast Track.

2018 AUTO ID CARDS/WC POSTING NOTICES/RENEWAL CERTIFICATE OF INSURANCE: Executive Director advised the 2018 auto ID cards and WC Posting Notices would be sent to each member entity representative for distribution the beginning of December.

Executive Director asked Greg Hunt of Conner Strong & Buckelew to discuss the last two items of his report.

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND – JOINT INSURANCE CLAIMS COMMITTEES BEST PRACTICES WORKSHOP: Mr. Hunt reported the Workshop was scheduled for November 1, 2017 at the Conner Strong & Buckelew office in Marlton. Mr. Hunt advised the focus this year was on Cyber Liability including Coverage, Risk Management and Available Resources. Mr. Hunt referred to a copy of the agenda which was included in the agenda and encouraged the member entities to attend along with their IT department.

REPORT OF CLAIMS TO CLAIMS MADE POLICIES PRIOR TO 12/31/17 EXPIRATION: Mr. Hunt referred to a copy of the letter that was included in the agenda. Mr. Hunt explained the policies listed in the letter provided coverage on a discovery or claims made and reported basis. Mr. Hunt 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. Mr. Hunt requested that any claims be reported to Hardenbergh Insurance Group no later than Monday, 12/11/17 for reporting to Conner Strong & Buckelew no later than Monday, 12/18/17.

Executive Director advised the Employee Benefit Reports were included in the Appendix II section of the agenda and indicated there were 26 inquiries for the month of September.

Executive Director advised that concluded his report and asked if anyone had any questions.

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Chairman White advised the October Bill Lists were included in the agenda and requested motions for approval.

**MOTION TO APPROVE RESOLUTION 51-17
OCTOBER BILL LIST**

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

**MOTION TO APPROVE RESOLUTION 52-17
OCTOBER HEALTH INSURANCE FUND BILL
LIST**

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

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

CLAIMS REPORT:

Chairman White presented Resolution 53-17 Inservco Liability Check Register for the period of 9/1/17 through 9/30/17.

MOTION TO APPROVE RESOLUTION 53-17 LIABILITY CHECK REGISTER FOR THE PERIOD OF 9/1/17 THROUGH 9/30/17

Motion: Commissioner Burke
Second: Commissioner Jones
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 advised for the month of September there were 82 bills received for a total of \$121,848.51 which included the medevac bill which was discussed last month. Ms. Goldstein stated the total recommended allowance was \$65,613.26 and the total reductions were \$56,235.25 and the net reductions after fees was \$48,365.08 or 40%. The total year to date savings was \$409,268.18 and a net savings of 52%.

CEL SAFETY DIRECTOR:

REPORT: Mr. Prince reviewed the September - October 2017 Risk Control Activity Report which was included in the agenda. Mr. Prince advised October is Fire Prevention Month and the agenda also included a Safety Director Bulletin on Fire Prevention. Mr. Prince indicated the bulletin could be used for your place of employment as well as at home. Mr. Prince advised last month he spoke about the Fast Track to Safety and advised Gloucester County was the first County in the CELJIF program to participate. Mr. Prince stated this was a successful training course and the last session was scheduled for November 13th. Mr. Prince indicated going forward the course would be offered to all of the Counties in the program. Mr. Prince thanked Ms. Ridolfino and Mr. Sheehan for their efforts in starting the program in Gloucester County.

RISK MANAGEMENT/UNDERWRITING SERVICES DIRECTOR:

REPORT: Ms. Ridolfino reported a copy of their report was included in the agenda. Ms. Ridolfino advised the date of the Safety Kick-Off Meeting was confirmed and was

scheduled for January 10, 2018 at the Rowan College at Gloucester County. Ms. Ridolfino noted the theme for the meeting was A Second Can Change Your Life and there would be a guest speaker, the Boro Administrator of Palmyra. Also a survey for the Fast Track Courses would be distributed at the meeting so it can be customized for 2018.

As respect to Mr. Hunt’s report regarding the claims made policies, Ms. Ridolfino advised she would send Chairman White an e-mail condensing what needs to be done so he could forward to the department heads and she would reach out to the individual members.

Lastly Ms. Ridolfino advised she was condensing her request for approval of the ancillary coverages and referred to the information which was included in the agenda and noted below.

| Member | Coverage | Carrier | Exp. Date | Expiring Premium | Renewal Premium |
|---------|--|----------------|-----------|------------------|-----------------|
| County | Underground Storage Tank Pollution Liability | Crum & Forster | 10/30/17 | \$2,215 | \$2,345 |
| Library | Volunteer Accident | QBE | 11/23/17 | \$350 | \$350 |
| County | Bond – Undersheriff (Knestaut) | CNA | 12/28/17 | \$175 | \$175 |
| County | Bond – Undersheriff (Bay) | CNA | 12/28/17 | \$175 | \$175 |
| County | Bond – Sheriff (Morina) | CNA | 12/31/17 | \$350 | \$350 |
| County | Bond – Surrogate (Reed) | CNA | 12/31/17 | \$70 | \$70 |

MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO RENEW THE POLICIES AS LISTED

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

Ms. Ridolfino advised that concluded her report unless there were any questions.

ATTORNEY: Mr. Long advised they received approval from AIG to utilize John Connell of Archer & Greiner for an EPL claim and thanked Ms. Ridolfino for all of her efforts along with Mr. Cooney. Mr. Long reported they were not successful in the Butch subrogation matter.

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 54-17 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 Jones
Second: Commissioner Burke
Roll Call Vote: Unanimous

Chairman White requested Mr. Long to make the motion approving the PARS. Mr. Long advised he would request the motion and approval could be done by consent.

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530001819 FROM \$15,000 TO \$89,200.30 AN INCREASE OF \$74,200.30

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530001803 FROM \$15,000 TO \$112,075.00 AN INCREASE OF \$97,075.00

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530001696 FROM \$27,593.19, TO \$78,265.48 AN INCREASE OF \$50,672.29

MOTION TO APPROVE THE PARS:

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

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 10:27AM

Minutes prepared by: Cathy Dodd, Assisting Secretary