

**GLOUCESTER COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – Thursday, April 21, 2016
2 S. Broad Street, Conference Room B
Woodbury, NJ 9:30 AM**

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

ROLL CALL OF COMMISSIONERS:

Gerald White, Chairman	Present
Michael Burke, Vice Chairman	Present
Tamarisk Jones	Absent
Karen Christina	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
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Claims Service	Inservco Insurance Services, Inc. Veronica George Ashley Nelms Keith Platt Nancy Fowlkes Steve Daniels Amy Zeiders (<i>via conference call</i>)
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	Consolidated Services Group, Inc. Jennifer Goldstein
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	Conner Strong & Buckelew Michelle Leighton
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CEL Underwriting Manager	Conner Strong & Buckelew Tim Friel
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Underwriting Services Director/RMC	Hardenbergh Insurance Group Bonnie Ridolfino Jenna Quattrone (<i>via conference call</i>)
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Attorney	Long Marmero & Associates Doug Long, Esq.
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Treasurer	Tracey Giordano
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Safety Director

J.A. Montgomery Risk Control
Glenn Prince

ALSO PRESENT:

Leigh Bary, Gloucester County

Matt Lyons, Esq. Gloucester County

Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: Open Minutes and Closed Minutes of February 25, 2016

**MOTION TO APPROVE THE OPEN MINUTES & CLOSED MINUTES OF
FEBRUARY 25, 2016**

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

CORRESPONDENCE: None

COMMITTEE REPORTS:

SAFETY COMMITTEE: Ms. Bary reported the next Safety Committee was scheduled for June.

CLAIMS COMMITTEE: Chairman White advised he did not have anything to report.

EXECUTIVE DIRECTOR REPORT: Executive Director advised he had three action items for his report.

CEL UNDERWRITING MANAGER TEAM: Executive Director reported Tom Nolan would be retiring on July 1, 2016. Executive Director advised Ed Cooney would replace Mr. Nolan as the CEL Underwriting Manager. Executive Director noted Mr. Cooney's contact information was included in the agenda. Executive Director added the Underwriting Team also included Alex DeLuccia and Tim Friel. Executive Director then introduced Mr. Friel of the Underwriting Team who was attending the meeting.

RFP FOR COMMISSION ATTORNEY: Executive Director reported the Commission Attorney's contract expired on April 25, 2016. Executive Director advised a Request for Price Quotes and Qualifications was issued by the Fund Office and the responses were due on April 11, 2016. Executive Director stated two responses were received from Long Marmero & Associates, LLP and Florio Perrucci Steinhardt & Fader, LLC. Executive Director indicated the responses would be reviewed and evaluated at the meeting. It is noted Mr. Long stepped outside the meeting room while the responses were discussed. Chairman White advised this was a fair and open process and he had reviewed the responses. In response to Chairman White's inquiry, Commissioners Burke and Christina advised they also reviewed the responses. Chairman White requested Commissioner Burke to read off the results of the evaluation sheets. Commissioner Burke advised Chairman White's totals for Long Marmero & Associates, LLP was 87 and Florio Perrucci

Steinhardt and Fader, LLC was 82. Commissioner Burke indicated he scored Long Marmero Associates, LLP with an 83 and Florio Perrucci Steinhardt and Fader, LLC with 81. Commissioner Burke advised based on the scores Long Marmero & Associates, LLP would be appointed as the Commission Attorney. Chairman White requested a motion for the appointment.

MOTION TO THE APPROVE THE APPOINTMENT OF LONG MARMERO & ASSOCIATES, LLP FOR THE PERIOD OF APRIL 25, 2016 TO APRIL 25, 2017

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

Mr. Long re-entered the meeting room. Executive Director congratulated Mr. Long for his re-appointment as the Commission Attorney.

CLAIMS COMMITTEE CHARTER: Executive Director referred to a copy of the proposed revised Claims Committee Charter which was included in the agenda. Executive Director explained the Charter was amended to change the designee for Gloucester County to Gerald A. White. Executive Director requested a motion to adopt the revised Claims Committee Charter.

MOTION TO ADOPT THE REVISED CLAIMS COMMITTEE CHARTER

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

PROFESSIONAL SERVICE AGREEMENTS: Executive Director recommended the standard contract language for the GCIC service agreement be updated to track language in the law on Political Contributions, Affirmation Action and Records. Executive Director referred to a copy of Exhibit which was included in Appendix II of the agenda which outlined the changes. Executive Director advised the revisions were reviewed by the Chairman and Commission Attorney. Executive Director noted the Commission Attorney approved the revisions. Executive Director asked if anyone had any questions and requested a motion to approve the amendment.

MOTION TO APPROVE THE AMENDMENT TO THE STANDARD CONTRACT PROVISIONS

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

CERTIFICATE OF INSURANCE REPORT: Executive Director reported on the Certificate of Insurance Report for the period of 2/22/16 to 4/15/16. There were a total of 27 certificates issued for this period.

NJ EXCESS COUNTIES INSURANCE FUND (CELJIF): Executive Director advised the CEL held its Reorganization Meeting on February 25, 2016 and adopted the respective reorganization resolutions. Executive Director reported the Commissioners re-appointed PERMA as Executive Director, J. A. Montgomery as Safety Director and Conner Strong & Buckelew as the Underwriting Manager. Executive Director noted a summary report of the meeting was included in the agenda. Executive Director advised the next CEL meeting was scheduled for Tuesday, April 26, 2016 at 1:00 PM.

GCIC PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director advised the January and February Property & Casualty Financial Fast Tracks were included in the agenda. The Commission had a surplus of \$3,360,511 as of February 29, 2016. Executive Director advised that \$1,236,808 on line 9 of the report "Investment in Joint Venture was the GCIC's share of the CEL JIF equity. Executive Director noted the cash amount was \$3,511,096.

NJ CEL PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director reported the agenda included the January Financial Fast Track for the NJ CEL. As of January 31, 2016 the CEL had a surplus of \$6,222,795. Executive Director noted the cash amount was \$8,592,052.

HEALTH BENEFITS FINANCIAL FAST TRACK: Executive Director reported the agenda included the January Health Benefits Financial Fast Track. As of January 31, 2016 there was a surplus of \$142,673. 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 March 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 March 31, 2016. Executive Director advised it was too early to project the outcome of Fund year 2016. Executive Director pointed out that Fund Year 2015 was slightly higher at 78% than the actuary's projection of 75%. This was also reflected on the Financial Fast Track. Executive Director noted Fund Year 2011 was running better than the actuary projected. Executive Director reviewed the report and asked if anyone had any questions.

2016 PROPERTY & CASUALTY ASSESSMENTS: Executive Director advised the property and casualty assessment bills were mailed to the member entities via certified mail and e-mail. Executive Director noted the first installment was due on March 15, 2016. Executive Director advised the Treasurer's office advised payments were received from all of the member entities. Executive Director noted the next assessment payment was due on May 15, 2016.

2016 EXCESS INSURANCE AND ANCILLARY COVERGE POLICIES: Executive Director reported on April 1, 2016 the CEL Underwriting Manager distributed an e-mail providing the login information and instructions to access the Conner Strong & Buckelew website to view the insurance policies and endorsements.

2015 AUDIT: Executive Director advised Mr. Jim Miles of Bowman & Company was in the process of preparing the 2015 Fund Year Audit. Executive Director noted Mr. Miles would attend the Commission meeting to review the audit when it was completed.

2016 MEETING SCHEDULE: Executive Director reported the Commission was not scheduled to meet in May and the next meeting would be held on June 23, 2016 at 9:30 AM.

Executive Director reviewed the February Gloucester County Health Insurance Commission Client Activity Report which was included in the agenda. Executive Director pointed out there were 65 inquiries for the month of February and the Year To Date Total was 134.

Executive Director advised that concluded his report unless anyone had questions.

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Chairman White advised the March and April Bill Lists were included in the agenda and requested motions to approve both months.

**MOTION TO APPROVE THE MARCH BILL LIST,
RESOLUTION 29-16 IN THE AMOUNT OF \$78,785.39**

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

**MOTION TO APPROVE THE MARCH HEALTH BILL
LIST, RESOLUTION 30-16 IN THE AMOUNT OF
\$3,350.50**

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

**MOTION TO APPROVE THE APRIL BILL LIST,
RESOLUTION 31-16 IN THE AMOUNT OF \$64,295.97**

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

MOTION TO APPROVE THE APRIL HEALTH BILL LIST, RESOLUTION 32-16 IN THE AMOUNT OF \$3,350.50

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

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

CLAIMS REPORT:

Chairman White presented Resolution 33-16 Inservco Liability Check Register for the period of 2/1/16 through 2/29/16 and 3/1/16 to 3/31/16.

MOTION TO APPROVE RESOLUTION 33-16 LIABILITY CHECK REGISTER FOR THE PERIOD OF 2/1/16 THROUGH 2/29/16 AND 3/1/16 TO 3/31/16

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

MANAGED CARE PROVIDER: Ms. Goldstein reviewed the Client Bill Review Summary Report for the months of February and March which were included in the agenda. Ms. Goldstein pointed out the net savings for February was \$85,155.14, 59% and for March \$6,302.10, 32%. Ms. Goldstein asked if anyone had any questions and concluded her report.

CEL SAFETY DIRECTOR:

REPORT: Mr. Prince reviewed the February through April 2016 Risk Control Activity Report which was included in the agenda. Mr. Prince also reviewed the Loss Control Report for the Gloucester County Justice Complex which was included in the agenda. Mr. Prince advised Gloucester County was approved under the BRIT Safety Grant for \$10,000 for the purchase of body cameras. Mr. Prince explained the County would pay for the cameras and then would receive a \$10,000 reimbursement.

RISK MANAGEMENT/UNDERWRITING SERVICES DIRECTOR:

REPORT: Ms. Ridolfino advised she would review her report which was included in the agenda.

Ms. Ridolfino recommended two changes to the Safety and Accident Review Committee which was included in the agenda and were indicated in red. Ms. Ridolfino advised the recommendations

included removing the requirement that the Chairperson must be a Commissioner and the Chairperson duties were added.

MOTION TO APPROVE THE REVISIONS TO THE SAFETY AND ACCIDENT REVIEW COMMITTEE CHARTER

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

Ms. Ridolfino reported the supervisors were continuing to assign the BRIT On Line Training courses, however there was a high percentage of courses that were not completed. Ms. Ridolfino advised she was contacting the supervisors to determine why the employees were not completing the assigned training. Chairman White requested Ms. Ridolfino send him a “report card” of her findings.

Ms. Ridolfino referred to a copy of a memorandum which was included in the agenda summarizing a meeting that took place discussing AIG’s Cyber Liability and their CyberEdgeResources. This included two of her team members, Mr. Saeed of AIG, along with IT representatives from Cumberland and Gloucester Counties. Ms. Ridolfino advised a spreadsheet of AIG Services was also included in the agenda outlining the services with a brief description, cost and the value of each service. Ms. Ridolfino noted she was going to use the cyber topic as one of her “Making It Personal” themes. Executive Director advised the MEL through their contract with Rutgers has produces a cyber liability awareness video and postcard. Executive Director indicated he would make the postcard available to the Commission.

Ms. Ridolfino advised the next few items of her report pertained to coverages that could not be placed through the GCIC/NJCEJIF for its master programs.

Ms. Ridolfino reported the County’s Parks & Recreation Accident policy was renewing on 5/17/16. Ms. Ridolfino advised she was waiting for clarification on one of the sports program before finalizing the renewal quote with the carrier. Ms. Ridolfino noted she did not anticipate the renewal premium to increase more than 10% and if it did, she would contact the Commissioners prior to the expiration date.

MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO RENEW THE ACCIDENT POLICY THROUGH NATIONAL UNION FIRE FOR AN ANNUAL COST NOT TO EXCEED \$1882.30 EFFECTIVE 5/17/16

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

Ms. Ridolfino advised the County's Summer Camp Sports General Liability policy was renewing on 5/21/16. Ms. Ridolfino noted she was waiting for the renewal quote from the carrier and did not anticipate the renewal premium to increase more than 10%. If there was a higher increase Ms. Ridolfino advised she would notify the Commissioners.

MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO RENEW THE GENERAL LIABILITY THROUGH AIG FOR AN ANNUAL COST NOT TO EXCEED \$961 EFFECTIVE 5/21/16

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

Ms. Ridolfino reported the next coverage was for the Improvement Authority, Dream Park Package Care, Custody Control and Umbrella. Ms. Ridolfino noted the applications were submitted to the carriers and pointed out that the NJ CEL did not want to write this exposure. Ms. Ridolfino advised she did not anticipate the renewal premium to increase more than 10% and would notify the Commissioners if it did. In response to Chairman White's inquiry, Ms. Ridolfino advised the policy premium was based on receipts and the receipts were higher this year.

MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO RENEW THE GCIA'S PACKAGE, CARE, CUSTODY, & CONTROL AND UMBRELLA POLICIES THROUGH GREAT AMERICAN AT AN ANNUAL TOTAL COST NOT TO EXCEED \$86,508 EFFECTIVE 5/21/16

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

Ms. Ridolfino advised the last item was for the County and applicable to the Freeholders. Ms. Ridolfino explained it was a death benefit if they were killed outside of the County while travelling on business. The per person limit was \$250,000. The policy is a three year term. The renewal premium was increased to \$850 per year, however since the County is a current insured the carrier agreed to offer an annual premium of \$850 for the 3 year term.

MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO RENEW THE TRAVEL ACCIDENT COVERAGE FOR THE FREEHOLDERS THROUGH MUTUAL OF OMAHA FOR A THREE YEAR PERIOD FOR A TOTAL PREMIUM OF \$2,550 EFFECTIVE 6/1/16

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

Executive Director advised after an internal meeting with the CEL Underwriting Team he wanted to obtain a copy of a spreadsheet of the policies that were written outside of the Commission.

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

OLD BUSINESS: None

NEW BUSINESS: Executive Director reported he did have one more item to discuss regarding a Conner Strong & Buckelew announcement. Executive Director advised Ms. Dodd distributed a copy of the announcement. Executive Director advised the Holding Company for Conner Strong & Buckelew entered into a strategic alliance with Century Equity Partners to accelerate the firm's expansion strategy in the Northeast region. Executive Director noted there would be no change in the management of the company.

PUBLIC COMMENT:

MOTION TO OPEN MEETING TO PUBLIC

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

CLOSED SESSION: Chairman White read and requested a motion to approve Resolution 34-16 authorizing a Closed Session to discuss PARS & SARS relating to pending or anticipated litigation as listed.

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

MOTION TO GO INTO CLOSED SESSION

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

MOTION TO RETURN TO OPEN SESSION

Motion: Commissioner Burke
Second: Commissioner Christina
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 # 3530001492 FROM \$15,000 TO \$37,552.36 INCREASE OF \$22,552.36

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

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM # 3530001502 FROM \$15,000 TO \$99,000 AN INCREASE OF \$84,000

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

MOTION TO APPROVE GLOUCESTER COUNTY TO ENTER AN AGREEMENT WITH THE ATTORNEY GENERAL'S OFFICE FOR THE MCCLOSKEY CASE

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

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 10:45 AM

Minutes prepared by: Cathy Dodd, Assisting Secretary