

**GLOUCESTER COUNTY INSURANCE COMMISSION  
OPEN MINUTES  
MEETING – Thursday, December 14, 2022  
ZOOM VIRTUAL MEETING  
2:00 PM**

Meeting called to order by Tim Sheehan, Chairman. Open Public Meetings notice read into record.

**ROLL CALL OF COMMISSIONERS:**

Timothy Sheehan, Chairman	Present
Michael Burke, Vice Chairman	Present
Karen Christina	Present
Scott Burns, Esq. (Alternate)	Present

**FUND PROFESSIONALS PRESENT:**

Executive Director	PERMA Risk Management Services <b>Joseph Hrubash, Bradford Stokes</b>
Claims Service	Inservco Insurance Services, Inc. <b>Veronica George, Yvonne Frey</b>
	Qual-Lynx <b>Chris Roselli</b>
	Medlogix <b>Jennifer Goldstein</b>
	PERMA <b>Jennifer Conicella, Jennifer Davis, Shai Mcleod</b>
Underwriting Services Director/RMC	Hardenbergh Insurance Group <b>Christina Violetti, Danielle Colaianni, Dominique McDuffie</b>
Attorney	Marmero Law, LLC <b>John Carleton, Esq.</b>
Treasurer	<b>Tracey Giordano</b>
Safety Director	J.A. Montgomery Risk Consulting <b>Glenn Prince</b>

**ALSO PRESENT:**

Carolyn Oldt, Gloucester County Library Commission  
Susan Panto, Conner Strong & Buckelew  
Cathy Dodd, PERMA Risk Management Services  
Brandon Tracy, PERMA Risk Management Services

**APPROVAL OF MINUTES:** Open and Closed Minutes of October 27, 2022

**MOTION TO APPROVE THE OPEN AND CLOSED MINUTES OF OCTOBER 27, 2022**

Motion:	Commissioner Christina
Second:	Commissioner Burke
Vote:	Unanimous

**CORRESPONDENCE: NONE**

**EXECUTIVE DIRECTOR REPORT**

**2023 PROPERTY AND CASUALTY BUDGET INTRODUCTION** – Included in the agenda for review and discussion was the proposed 2023 Property & Casualty Budget in the amount of \$8,203,165. The introductory budget represents an overall increase of \$594,096 or 7.81%. The proposed budget and loss funds provided by the actuary were previously discussed with the Chairman, Commission Treasurer and Commission Risk Manager. Executive Director said the mid-range loss funds were selected and are within the range the actuary is willing to certify. The proposed budget reflected the following:

- **Claims (Line 1-5):** Increases in Property (14.87%), Auto (12.39%) and POL/EPL (11%) while Liability came in flat.
- **CEL JIF (Line 10):** This line item represents the Commission’s share of the CEL budget. Executive Director said the Commission takes a higher share of the CEL budget due to some of their exposures.
- **Expenses, Fees & Contingency (Lines 17–27):** These line items represent expenses to run the Insurance Commission and reflect a cost-of-living increase. Executive Director said some fees are subject to change since some positions are currently out for RFP.
- **Excess JIF Ancillary Coverage (Lines 34-45):** These line items represent the coverages that are fully commercially insured and represent an overall increase of 8.8%; Cyber, Crime and Aviation represent the largest increases in this coverage.

A copy of the proposed assessments for the member entities was included in the agenda. The annual assessment would be billed in three installments and payable as follows: 40% due on 3/15/23, 30% on 5/15/23 and 30% on 10/15/23. The Fund Office will advertise the proposed 2023 budget in the applicable newspapers.

**MOTION TO INTRODUCE THE 2023 PROPERTY AND CASUALTY BUDGET IN THE AMOUNT OF \$8,203,165 AND SCHEDULE A PUBLIC HEARING ON JANUARY 26, 2023 AT 1:00 PM**

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

**2023 HEALTH DENTAL BUDGET INTRODUCTION** – Included in the agenda for review and discussion is the proposed 2023 Health Dental Budget in the amount of \$702,304. The introductory budget represents an overall increase of \$2,652 or .38%. Ms. Panto said the budget claim activity is becoming more stable as Covid claims are leveling out and reviewed several lines of the budget. Ms. Panto asked if anyone had any questions and requested a motion to introduce the budget.

**MOTION TO INTRODUCE THE 2023 HEALTH DENTAL BUDGET IN THE AMOUNT OF \$702,304 AND SCHEDULE A PUBLIC HEARING ON JANUARY 26, 2023 AT 1:00 PM**

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

**RFP'S FOR PROFESSIONAL SERVICES** – Executive Director said the Fund Office prepared the Request for Proposals for the positions of Actuary, Auditor, Defense Panel, Nurse Case Manager, Commission Attorney, and Benefits Consulting Services. The responses are being reviewed and evaluated. We would like to schedule a special meeting of the Commissioners on Thursday, December 22, 2022 at 9:30 AM to discuss further.

**MOTION TO SCHEDULE A SPECIAL MEETING ON THURSDAY, DECEMBER 22, 2022, AT 9:30 AM**

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

**NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND (NJCE)** – The NJCE met on October 27, 2022. Included in the agenda was a written summary report. The Finance Sub Committee met on October 17, 2022; included in the agenda was a written summary report. The NJCE also met on November 18, 2022 and introduced the 2023 budget in the amount of \$36,022,934. Executive Director said since introduction the NJCE Finance Sub Committee met to review the Underwriting Manager's updates and recommended to reschedule the Public Hearing and adoption of the 2023 budget for Thursday, December 15, 2022, at 2:00 PM to a date to be determined in January. Another meeting of the NJCE Finance Sub-Committee will be scheduled prior to the January Fund meeting. A written summary of the meeting was included in the agenda along with a copy of the 2023 NJCE Budget.

**CERTIFICATE OF INSURANCE REPORTS** – Included in agenda was the certificate of issuance reports from the NJCE which lists the certificates issued in the months of October and November. There were (6) six certificates of insurance issued in October and (7) in November.

**GCIC PROPERTY AND CASUALTY FINANCIAL FAST TRACK** - Included in the agenda was a copy of the Property & Casualty Financial Fast Track Report for the month of September. Executive Director said as of September 30, 2022 there was a statutory surplus of \$3,202,679 on Line 10 of the report, "Investment in Joint Venture" is the Gloucester County Insurance Commission's share of the equity in the NJCE \$2,288,121. The total cash amount was \$4,651,282.

**NJCE PROPERTY AND CASUALTY FINANCIAL FAST TRACK** - Included in the agenda was a copy of the NJCE Financial Fast Track Report for the month of September. Executive Director said as of September 30, 2022 there was a statutory surplus of \$15,307,417 Line 7 of the report, "Dividend" represents the dividend figure released by the NJCE of \$5,857,551. The total cash amount is \$25,935,351.

**GCIC HEALTH BENEFITS FINANCIAL FAST TRACK** – Included in the agenda was a copy of Health Benefits Financial Fast Track for the month of September. Ms. Panto said as of September 30, 2022 there was a statutory surplus of \$362,612. The total cash amount was \$506,039.

**CLAIM TRACKING REPORTS** - Included in the agenda were copies of the Claim Activity Report and the Claims Management Report Expected Loss Ratio Analysis report as of September 30, 2022. The Executive Director reviewed the Claims Management report with the Commission and said the Commission is trending in the right direction and all Commissions struggled in 2020.

**MANDATORY YEAR-END CLAIMS REPORTING MEMORANDUM** – Included in the agenda was a copy of the Mandatory Year-End Claims Reporting Memorandum. Ms. Conicella, of the PERMA Claims Team, reviewed the letter included in the agenda during the meeting and asked for the Commission to review any claims for POL/EPL, Employed Lawyers Professional Liability, Cyber, Healthcare, Professional & General Liability, Crime or Pollution claims, suits and/or incidents the organization is aware of but has not yet been reported and report them to the insurance carrier prior to 12/31/22. Chairman Sheehan said the memo was distributed to all department heads.

**2023 PROPOSED MEETING SCHEDULE** – Below are the proposed meeting dates for 2023. The start time of the meetings will be 1:00 PM. The 2023 GCIC Reorganization meeting is scheduled for January 28, 2023. If the dates are acceptable a resolution will be prepared for approval with the Reorganization Resolutions in January. Additional meetings can be scheduled if needed: *January 28, February 24, April 28, June 23, September 22, October 27, and December 8<sup>th</sup>.*

Executive Director's Report Made Part of Minutes.

**EMPLOYEE BENEFITS:** Ms. Panto advised her report was included in the Appendix IV section of the agenda and reviewed the September report with the Commission and noted the year-to-date total issues were 213.

**TREASURER REPORT** - Chairman Sheehan reported the agenda included the November Property, Casualty Bills, and benefits list, December Property Casualty Bills and benefits list which were Resolution 81-22, Resolution 82-22, Resolution 83-22, Resolution 84-22 respectively. Chairman Sheehan requested a motion to approve.

**MOTION TO APPROVE RESOLUTION 81-22, RESOLUTION 82-22, RESOLUTION 83-22, RESOLUTION 84-22, RESPECTIVELY**

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

Chairman Sheehan noted the monthly Treasurer’s reports were included in the agenda and asked if anyone had questions on the reports. There were no questions.

**CLAIMS ADMINISTRATOR:** Chairman Sheehan presented Resolution 85-22 Inservco Liability Check Register for the period of 10/1/22 to 10/31/22.

**MOTION TO APPROVE RESOLUTION 85-22 LIABILITY CHECK REGISTER FOR THE PERIOD OF 10/1/22 TO 10/31/22**

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

**MANAGED CARE PROVIDER:** Ms. Goldstein reviewed the Client Bill Review Summary Report for the month of October as noted below.

Month	Number of Bills	Total Provider Charges	Total Allowed	Total Reductions	Net Reductions	Percent of Net Savings	PPO Penetration
October	79	\$106,677.78	\$59,007.57	\$46,995.81	\$40,614.06	94%	59%

Ms. Goldstein added effective November 1<sup>st</sup> Rehab Excellence, a PT Facility that works with some of our claimants, merged with Twin Borough Physical Therapy and will remain in-network. Effective December 12<sup>th</sup> Worknet locations became a part of Concentra and will also remain in-network. Ms. Goldstein asked if there were any questions and concluded her report.

**NJCE SAFETY DIRECTOR REPORT:**

Included in the agenda was the report noting Risk Control Activities for October through December. Mr. Prince reminded members tomorrow; December 15<sup>th</sup>, is the final chance to attend virtual training for the year. Training for January through February 2023 has been posted to njce.org and the Safety Director and his team are working on rolling out the CDL program in January 2023. Mr. Prince concluded his report unless there were any questions. Chairman Sheehan asked if the current training program will be carried over to the new system; Mr. Prince said he will have to report back.

**RISK MANAGEMENT/UNDERWRITING SERVICES DIRECTOR REPORT:**

Ms. Violetti reported on the following items:

**2023 MEETING SCHEDULES – SAFETY AND ACCIDENT REVIEW COMMITTEE AND CLAIMS COMMITTEE:** Included in the Risk Manager report were the meeting schedules for each Committee. The schedule for Safety & Accident Committee is as follows: February 1, 2023, June 7, 2023, September 6, 2023, and December 6, 2023 via Zoom. The schedule for the Claims Committee is as follows: January 10, 2023, February 14, 2023, March 14, 2023, April 11, 2023, May 9, 2023, June 13, 2023, July 11, 2023, August 8, 2023, September 12, 2023, October 10, 2023, November 14, 2023, December 12, 2023.

The Claims Committee meetings will be held in Conference Room B, 2<sup>nd</sup> Floor, 2 South Broad Street, Woodbury NJ on the 2<sup>nd</sup> Tuesday of each month at 9:00 AM unless other arrangements are made for a phone conference. For meetings convened ZOOM Video Conference or Telephonically, the Conference information will be provided in the Agenda Packet.

**MOTION TO APPROVE BOTH SCHEDULES AS PRESENTED**

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

**WELLNESS INCENTIVE GRANT PROGRAM:** As this program has continuously received positive feedback from the entities that have participated, we respectfully request continued funding for the Wellness Incentive Grant for 2023. There are no changes to the program. Included in the agenda was the program documentation.

The Safety and Accident Review Committee respectfully requested the Commission approve an amount not to exceed \$10,000 (\$1,000 per grant – total of 10 grants) for this program.

**MOTION TO AUTHORIZE \$10,000 FOR THE WELLNESS INCENTIVE PROGRAM.**

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

**2022 CLAIMS SWEEP ON CLAIMS MADE POLICIES:** Hardenburgh contacted all the members and reminded them to advise our office if they have any knowledge of an incident which may give rise to a claim under the “claims made” policies: Public Officials/Employment Practices, Medical Malpractice, Employed Lawyers, Crime, Pollution, and Cyber Liability. These policies have strict definitions of what constitutes “knowledge of a claim” and the time period in which it must be reported to the carrier for coverage to be afforded. As these policies expire on 1/1/2023, we need to report any potential claims that may have been throughout 2022 to the carriers prior to 1/1/2023.

**2022 NJCEL REINSURER MUNICH RE SAFETY GRANT:** This year two submissions for the 2022 NJCE reinsurer safety grant was provided to J.A. Montgomery. The first submission was from the County Sheriff’s department for five in car Motorola Camera Systems including all the hardware and warranties. The total cost was \$36,156.25. The second submission was from the Gloucester County Library System to upgrade existing video surveillance system for the Greenwich Branch. The total cost for the equipment was \$4,039.

The County was awarded \$4,813.05 and the Gloucester County Library Commission was awarded the full submission amount of \$4,039. Our office will work closely with both entities to ensure that the documentation is provided to J.A. Montgomery.

**ANCILLARY COVERAGES**

The following coverages for members could not be placed through the GCIC/NJCELJIF for its master programs at this time and it has been determined the following bond/policies need to be renewed.

Member	Coverage	Carrier	Exp. Date	Expiring Premium	Renewal Premium
Improvement Authority	Builders’ Risk – Fossil Park Project	Selective Insurance Company	12/24/2022	\$88,352.20	\$59,536.00
College	Volunteer Accident	Starr Indemnity	12/31/2022	\$3,027.00	\$2,878.00
County	Bond – Chila	CNA	1/1/2023	\$70.00	\$70.00
County	Bond – McKenna	CNA	1/1/2023	\$70.00	\$70.00
Improvement Authority	Dream Park Volunteer Accident	QBE	1/28/2023	\$400.00	\$400.00

The 5% decrease on the College's Volunteer Accident is due to a decrease in the number of volunteers from 220 to 171. The 33% decrease in premium is due to a change in the policy term. The expiring policy term is 18 months, and the renewal policy term is 12 months. All other terms and conditions are per expiring.

**MOTION TO AUTHORIZE THE UNDERWRITING SERVICES  
DIRECTOR TO RENEW ALL POLICIES AS OUTLINED ABOVE**

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

The following renewals are in process and have been finalized.

Member	Coverage	Carrier	Exp. Date	Expiring Premium	Renewal Premium
County	Pollution Liability – Underground Storage Tanks	Liberty Surplus Insurance Companies	10/30/2022	\$4,081.89	\$4,413.64

**MOTION TO AUTHORIZE THE UNDERWRITING SERVICES  
DIRECTOR TO RENEW THE ABOVE POLICY CONTINGENT UPON  
THE RENEWAL PREMIUM NOT INCREASING MORE THAN 10% AND  
NO SIGNIFICANT REDUCTION IN THE TERMS AND CONDITIONS**

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

Ms. Violetti concluded her report.

**ATTORNEY:** Mr. Carleton advised the PARS and SARS would be reviewed in closed session and did not have anything to report for open.

**OLD BUSINESS:** None

**NEW BUSINESS:** None

**PUBLIC COMMENT:**

**MOTION TO OPEN MEETING TO THE PUBLIC**

Moved: Commissioner Burke  
 Second: Commissioner Christina  
 Vote: Unanimous

Hearing no members of the public wishing to speak Chairman Sheehan 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  
 Vote: Unanimous

**CLOSED SESSION:** Chairman Sheehan read and requested a motion to approve Resolution 86-22 authorizing a Closed Session to discuss PARS & SARS relating to pending or anticipated litigation as listed. Chairman Sheehan advised Closed Session would be held using a Zoom breakout room.

**MOTION TO GO INTO CLOSED SESSION**

Motion: Commissioner Burke  
Second: Commissioner Christina  
Vote: Unanimous

**MOTION TO RETURN TO OPEN SESSION**

Motion: Commissioner Burke  
Second: Commissioner Christina  
Vote: Unanimous

Chairman Sheehan asked Mr. Carleton to present the motion approving the PARS and SARS as presented.

**MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530003176 FROM \$25,000.00 TO \$252,500 AN INCREASE OF \$227,500**

**MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #2023282688 FROM \$10,000 TO \$16,000 AN INCREASE OF \$6,000**

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

**MOTION TO ADJOURN:**

Motion: Commissioner Burke  
Second: Commissioner Christina  
Vote: Unanimous

Chairman Sheehan advised the next meeting would be on December 22, 2022 at 9:30 am.

**MEETING ADJOURNED: 1:50 PM**

Minutes prepared by: Brandon Tracy, Assisting Secretary