

**GLOUCESTER COUNTY INSURANCE COMMISSION  
OPEN MINUTES  
MEETING – Thursday, February 26, 2015  
2 S. Broad Street, Conference Room B  
Woodbury, NJ 9:30 AM**

Meeting called to order by Michael Burke, Vice Chairman. Open Public Meetings notice read into record.

**ROLL CALL OF COMMISSIONERS:**

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

**FUND PROFESSIONALS PRESENT:**

Executive Director	PERMA Risk Management Services <b>Joe Hrubash</b>
Claims Service	Inservco Insurance Services, Inc. <b>Veronica George</b> <b>Terry Sheerin</b> <b>Ashley Nelms</b> <b>Dave McCabe</b>
	Consolidated Services Group, Inc. <b>Jennifer Goldstein</b>
	Conner Strong & Buckelew <b>Michelle Leighton</b>
Underwriting Services Director/RMC	Hardenbergh Insurance Group <b>Bonnie Ridolfino</b>
Attorney	Long Marmero & Associates <b>Doug Long, Esq.</b>
Treasurer	
Safety Director	J.A. Montgomery Risk Control <b>Glenn Prince</b>
Benefits	Conner Strong & Buckelew

**ALSO PRESENT:**

Dean Sizemore, Gloucester County  
Prudence M. Higbee, Esq. Capehart & Scatchard  
Patrick Madden, Esq. Madden & Madden  
Matt Lyons, Esq. Gloucester County Counsel  
Cathy Dodd, PERMA Risk Management Services

**APPROVAL OF MINUTES:** Open Minutes and Closed Minutes of January 22, 2015

**MOTION TO APPROVE THE OPEN MINUTES & CLOSED MINUTES OF JANUARY 22, 2015**

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

**CORRESPONDENCE: None**

Executive Director advised this was the Re-Organization meeting of the Commission and he would act as the Chair. Executive Director advised the first order of business would be to accept nominations for the position of Chairman and Vice Chairmen.

**ELECTION OF CHAIRMAN & VICE CHAIRMAN:**

Commissioner Burke advised he would like to nominate Gerald White as Chairman.

**MOTION TO NOMINATE GERALD WHITE FOR CHAIRMAN OF THE GLOUCESTER COUNTY INSURANCE COMMISSION**

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

Executive Director asked if there were any other nominations, and since there were none, requested a motion to close the nominations.

**MOTION TO CLOSE THE NOMINATIONS FOR THE POSITION OF CHAIRMAN**

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

Commissioner Jones indicated she would like to nominate Michael Burke as Vice Chairman.

**MOTION TO NOMINATE MICHAEL BURKE FOR THE POSITION OF VICE CHAIRMAN OF THE GLOUCESTER COUNTY INSURANCE COMMISSION**

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

Executive Director asked if there were any other nominations, and since there were none, requested a motion to close the nominations.

**MOTION TO CLOSE THE NOMINATIONS FOR THE POSITION OF VICE CHAIRMAN**

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

Commission Attorney administered the oath of office to Commissioner Burke and Commissioner Jones.

**COMMITTEE REPORTS:**

**SAFETY COMMITTEE:** Mr. Sizemore reported the Safety Committee met and their next meeting was scheduled for June.

**CLAIMS COMMITTEE:** Mr. Sizemore advised the Committee met on February 10<sup>th</sup> and reviewed the PARS for closed session. Mr. Sizemore said he had made a mistake in saying 2014 was a good year, as so far in 2015 there have been numerous worker compensation claims which were related to the snow and ice.

**EXECUTIVE DIRECTOR REPORT:** Executive Director advised there were several Reorganization Resolutions to present; however, first he would review the 2015 Risk Management Plan.

**2015 RISK MANAGEMENT PLAN:** Executive Director referred to a copy of the 2015 Plan of Risk Management which was included in the Appendix II section of the agenda. Executive Director advised the changes were highlighted in yellow and he would review the significant changes. Executive Director pointed out most of the changes were due to the renewal of the excess liability program. Executive Director explained the CEL previously replaced coverage mid term which resulted in an eighteen month policy which expired on 1/1/15. Executive Director noted the policy period changed to a twelve month program and the annual aggregate was amended. The Plan was also updated to reflect the College's name change to Rowan College at Gloucester County. Executive Director advised last year the high excess property coverage was a quota share; however,

the CEL Underwriting Manager changed the carriers in 2015. Executive Director also advised the CEL Underwriter Manager purchased Excess Flood and Earthquake coverage and that information was highlighted. Executive Director reported the Plan now reflected the Library and College's purchase of the cyber coverage. Ms. Ridolfino also mentioned the number of Attorneys for Gloucester County was amended to (8). Executive Director asked if anyone had any questions regarding the Plan and advised he would now review the Reorganization Resolutions.

**REORGANIZATION RESOLUTIONS:** Executive Director referred to the Reorganization Resolutions which were included in the agenda and advised he would request a motion to approve the Reorganization Resolutions and the 2015 Plan of Risk Management as a block. Executive Director read and reviewed Resolutions 7-15 through 15-15.

- Resolution 7-15 Certifying the Election of Chairperson and Vice Chairman
- Resolution 8-15 Appointing Agent for Service of Process and Custodian of Records for the Year 2015
- Resolution 9-15 Designating Official Newspapers for the Commission
- Resolution 10-15 Designating Authorized Depositories for Fund Assets and Establishing Cash Management Plan
- Resolution 11-15 Designating Commission Treasurer
- Resolution 12-15 Designating Authorized Signatures for Commission Bank Accounts
- Resolution 13-15 Indemnifying Gloucester County Insurance Fund Commission Officials/Employees
- Resolution 14-15 Authorizing Commission Treasurer to Process Contracted Payments and Expenses
- Resolution 15-15 Plan of Risk Management for 2015

Executive Director asked if anyone had any questions regarding the resolutions and requested a consent motion on Resolutions 7-15 through 15-15.

**MOTION TO APPROVE REORGANIZATION  
RESOLUTIONS NUMBER 7-15 THROUGH 15-15**

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

**RFP FOR COMMISSION ATTORNEY** Executive Director reported the Commission Attorney's contract would expire as of April 25, 2015. Executive Director advised his office issued and advertised a Request for Proposals which were due on March 12, 2015. Executive Director advised since the Commission was not scheduled to meet in March, a special teleconference meeting would be scheduled to review the responses.

**CERTIFICATE OF INSURANCE REPORT:** Executive Director reported on the Certificate of Insurance Report for the period of 1/14/15 to 2/19/15. There were a total of 30 certificates issued for this period.

**GCIC PROPERTY AND CASUALTY FINANCIAL FAST TRACK:** Executive Director advised that the December Property & Casualty Financial Fast Track was included in the agenda. The Commission had a surplus of \$3,220,775 as of December 31, 2014. Executive Director advised that \$1,157,575 on line 8 of the report “Investment in Joint Venture was the GCIC’s share of the CEL JIF equity.

**NJ CEL PROPERTY AND CASUALTY FINANCIAL FAST TRACK:** Executive Director reported the agenda included the December Financial Fast Track for the NJ CEL. As of December 31, 2014 the CEL had a surplus of \$5,322,955.

**HEALTH BENEFITS FINANCIAL FAST TRACK:** Executive Director reported the January Health Benefits Financial Fast Track was not available for the meeting and the report would be included in the next agenda.

**NEW CLAIMS TRACKING REPORTS:** Executive Director reported the agenda included two new claim monitoring reports. Executive Director advised the first report was the “Claim Activity Report” as of December 31, 2014 and included the number of open claims and the corresponding reserve amounts by month and by line of coverage. Executive Director explained the purpose of the report was to look for any inconsistencies in open and closed claims and changes in reserves. Executive Director noted the report indicated there were sixteen new worker compensation claims opened in December 2012. Executive Director thought it was due to the Conrail claims and Ms. George confirmed that was correct. Executive Director reviewed the second report, “Claims Management Report Expected Loss Ratio Analysis” and advised the report compared the actual incurred amount of the losses against the (1) budgeted amounts and (2) Actuary target projections. Executive Director advised the actual incurred amounts as of 12/31/14 (12 months) were 31 % of the budget amount and was less than the Actuary projected target amount of 65 %. Executive Director noted the report also compared each years to the previous years and reviewed the figures. Executive Director advised the new claim reports would be included in the monthly agendas going forward.

**NJ EXCESS COUNTIES INSURANCE FUND (CELJIF):** Executive Director reported the CEL cancelled their January meeting. Executive Director advised the CEL’s Reorganization meeting was scheduled for the afternoon. Executive Director advised there would be a discussion on new membership with a focus on the Counties of Essex, Monmouth, Bergen, Cape May, and Middlesex for 2015. Executive Director reported the Underwriting Manager would also report on the 2015 Renewal Insurance Program.

**2015 EXCESS INSURANCE AND ANCILLARY COVERAGE POLICIES:** Executive Director advised the CEL renewal policies would again be available electronically through the Conner Strong & Bucklew secure website for authorized representatives. Executive Director noted the CEL Underwriting Manager would send an e-mail when the policies were available with

instructions to access the website. Executive Director indicated the limit/retention schematics and Plan of Risk Management would also be available of the website.

**2015 PROPERTY & CASUALTY ASSESSMENTS:** Executive Director advised in accordance with the Commission's By Law's the property and casualty assessment bills were mailed to the member entities via certified mail and e-mail. Executive Director noted the first installment would be due on March 15, 2015 and future payments were due on May 15<sup>th</sup> and October 15<sup>th</sup>.

**NEW WEBSITE UPDATE:** Executive Director reported Sparks Creative Group was in the process of downloading the content from the existing website and had started programming the new site. Executive Director advised the vendor estimated the work should take about two weeks and then the site would be ready to preview and test. Executive Director noted the Commissioners would be asked to review the site before it went live. In response to Commissioner Burke's inquiry regarding the cost of the website, Executive Director advised the design and layout costs were \$2450 and there was a yearly hosting fee of \$350.

**SHARED SERVICE AGREEMENT:** Executive Director advised he was working with the Commission Attorney on preparing a Shared Service Agreement for the Safety & Treasurer's service.

**2015 MEETING SCHEDULE:** Executive Director reminded the Commission there would be no meeting in March. The next meeting was scheduled for April 23, 2015 at 9:30 AM.

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

Executive Director's Report Made Part of Minutes.

**EMPLOYEE BENEFITS:** Executive Director advised he would review the employee benefits report with the Commission which was included in the agenda. Executive Director advised the Client Activity Summary report for the period of 1/1/15 to 1/31/15 indicated there were 60 inquires during the month of January.

**TREASURER REPORT:** Commissioner Burke presented Resolution 16-15 the February Property & Casualty Bill List in the amount of \$1,737,500.09 and requested a motion to approve.

**MOTION TO APPROVE THE FEBRUARY BILL LIST,  
RESOLUTION 16-15 IN THE AMOUNT OF  
\$1,737,500.09**

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

Commissioner Burke presented Resolution 17-15 the February Health Insurance Fund Bill List in the amount of \$3,350.50 and requested a motion to approve.

**MOTION TO APPROVE THE FEBRUARY BILL LIST,  
RESOLUTION 17-15 IN THE AMOUNT OF \$3,350.50**

Motion:	Commissioner Jones
Second:	Commissioner Burke
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**

**REPORT:**

Executive Director presented Resolution 18-15 Inservco Liability Check Register for the period of 1/1/15 through 1/31/15.

**MOTION TO APPROVE RESOLUTION 18-15 LIABILITY CHECK  
REGISTER FOR THE PERIOD OF 1/1/15 THROUGH 1/31/15**

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 January which was included in the agenda. Ms. Goldstein advised there were 27 bills for January for a total of \$10,356.81. The total allowed amount was \$6,002.97. The total reduction was \$4,353.84 and after fees the net reduction was \$3,749.33. Ms. Goldstein noted that 90% of the charges were in-network. Ms. Goldstein asked if anyone had any questions and if not that concluded her report.

**CEL SAFETY DIRECTOR:**

**REPORT:** Mr. Prince reviewed the January through March 2015 Risk Control Activity Report which was included in the agenda. Mr. Prince also added he would continue to attend the EMS Safety Committee meetings and is working with the group on wellness incentives. Also Mr. Prince noted there was the "Compressed Gas" and "Chain Saw" classes scheduled for tomorrow. Mr. Prince noted he also attended meetings to review the BRIT Online Training program. Mr. Sizemore requested Mr. Prince to confirm the Compressed Gas class was still scheduled due to possible low attendance.

**RISK MANAGEMENT/UNDERWRITING SERVICES DIRECTOR:**

**REPORT:** Ms. Ridolfino distributed a copy of her report dated February 26, 2015. Ms. Ridolfino gave an update on the BRIT online training program and advised they were working on some e-mail issues and would handle on those by a case to case basis. Also, at the Shady Lane Nursing Home a power point presentation would be done since individuals do not have their own computer and use a sign in sheet for attendance. Ms. Ridolfino advised the Improvement Authority requested a seminar on “How to Handle Aggressive People”. Ms. Ridolfino indicated J.A. Montgomery was going to modify one of their existing programs and it was her thought to present the training at least twice a year. Ms. Ridolfino also advised she participated in a conference call and discussed an outline plan to contact each individual County Department to utilize the BRIT Program. The College is already taking online courses and Ms. Ridolfino had received positive feedback. Ms. Ridolfino also noted the EPL classes were not NJ specific so an e-mail was sent out to the administrators advising not to offer this class. Ms. Leighton reminded the Commission that AIG offered resources through the EPL PAK which was rolled out at the Lunch and Learn last year. Ms. Ridolfino advised she had two action items. Ms. Ridolfino advised the County’s Volunteer Accident policy was renewing on 3/1/15. Ms. Ridolfino advised National Union Fire offered a renewal premium of \$3,700 with the same terms and conditions per the expiring policy with the addition of 15 floaters to the volunteer list.

**MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO RENEW THE COUNTY’S VOLUNTEER ACCIDENT POLICY THROUGH NATIONAL UNION FIRE FOR AN ANNUAL COST OF \$3700 EFFECTIVE 3/1/15**

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

Ms. Ridolfino advised the second item was for the Superintendent of Building and Grounds, Mr. Scirrotto. Ms. Ridolfino advised the premium for the bond was \$70.00 and requested a motion to renew the bond.

**MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO RENEW THE SUPERINTENDENT OF BUILDINGS AND GROUNDS SCIRROTTO’S BOND THROUGH C N A FOR AN ANNUAL COST OF \$70.00 EFFECTIVE 4/2/15**

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

Mr. Sizemore recognized and congratulated Ms. Ridolfino for completing her year long study and obtaining her Associate in Risk Management Designation. (ARM)



**ATTORNEY:** Commission Attorney advised he did not have anything to report, however Resolution 19-15, Executive Session, needed to be modified and he would read the revision when the resolution was presented.

**OLD BUSINESS:** None

**NEW BUSINESS:** Mr. Sizemore advised Inservco presented him with a check relating to the Sandberg case representing payment in full and final satisfaction of the Section 40 lien to date. Mr. Sizemore indicated he was delivering the check to the Treasurer office for handling.

**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 Commissioner Burke 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:** Commission Attorney read and requested a motion to approve Resolution 19-15 authorizing a Closed Session to discuss PARS & SARS.

**RESOLUTION 19-15, EXECUTIVE SESSION FOR THE 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. AND ATTACHED TO THIS AGENDA. ALSO THE POSSIBLE SETTLEMENT OF DAWN LILLEY VS COUNTY OF GLOUCESTER, # 2011-29778 & 2012-17793, KATHLEEN LOWRY VS COUNTY OF GLOUCESTER, # 2013-887**

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

**MOTION TO GO INTO CLOSED SESSION**

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

**MOTION TO RETURN TO OPEN SESSION**

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

Commission Attorney advised there were three PARS to approve and requested motions for the following:

**MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM # 3530000457 FROM \$15,000 TO \$36,800 AN INCREASE OF \$21,800**

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

**MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM # 3530000893 TO \$60,000 AN INCREASE OF \$45,000**

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

**MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM # 3530001225 TO \$172,000 AN INCREASE OF \$157,000**

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

**MOTION TO ADJOURN:**

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

**MEETING ADJOURNED: 10:34 AM**

Minutes prepared by: Cathy Dodd, Assisting Secretary