

GLOUCESTER COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – Thursday, January 23, 2025
VIRTUAL MEETING
1:00 PM

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

ROLL CALL OF COMMISSIONERS:

Timothy Sheehan, Chairman	Present
Scott Burns, Esq., Vice Chairman	Present
Karen Christina	Present
George Hayes (Alternate)	Absent

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Bradford Stokes
Claims Service	Inservco Insurance Services, Inc. Amy Zeiders, Richard Crooks, Veronica George, Kelly Guerriero, Sureatha Hobbs Qual-Lynx Michelle Naraine Medlogix Jennifer Goldstein PERMA Jennifer Conicella, Kerin Drumheiser, Shai McLeod
Underwriting Services Director/RMC	Hardenbergh Insurance Group Christina Violetti, Joe Henry
Attorney	Chance & McCann, LLC Kevin McCann, Esq.
Safety Director	J.A. Montgomery Risk Consulting Glenn Prince

ALSO PRESENT:

Susan Panto, Conner Strong & Buckelew
Joseph Hrubash, PERMA Risk Management Services
Cathy Dodd, PERMA Risk Management Services
Brandon Tracy, PERMA Risk Management Services

APPROVAL OF MINUTES: Open and Closed Minutes of December 12, 2024.

**MOTION TO APPROVE THE OPEN AND CLOSED MINUTES OF
DECEMBER 12, 2024**

Motion:	Commissioner Burns
Second:	Commissioner Christina

Vote:

Unanimous

Executive Director asked Mr. McCann to make a statement regarding the Oath of Office. Mr. McCann administered the Oath of Office and said the secretary will e-mail the documents out for signature and then they will be returned once signed. Ms. Dodd advised once the signed Oath of Office from the Commissioners is received she would forward to Mr. McCann for his signature.

CORRESPONDENCE: NONE

SAFETY & ACCIDENT REVIEW COMMITTEE REPORT: Ms. Violetti reported the next meeting was scheduled for March 6th at the Improvement Authority.

CLAIMS COMMITTEE: Chairman Sheehan advised the Claims Committee met on January 14th to discuss several PARS and SARS, which will be discussed further in closed session. Ms. Conicella introduced Kerin Drumheiser who recently joined PERMA as a Claims Consultant from Claims Resolution Corporation and will be working on the NJCE account.

EXECUTIVE DIRECTOR REPORT:

REORGANIZATION RESOLUTIONS – Executive Director stated the GCIC is required to reorganize at the January Executive Committee meeting as per the Commission’s Rules & Regulations. Listed below are the necessary Reorganization Resolutions, which were included in the agenda. With the Chair’s permission, Executive Director reviewed the Resolutions and ask to approve as a consent agenda.

Resolution 1-25 Certifying the Appointment of Chairperson and Vice Chairman

Resolution 2-25 Appoint Agent for Service of Process and Custodian of Records For the year 2025

Resolution 3-25 Designating Official Newspapers for the Commission

Resolution 4-25 Designating Authorized Depositories for Fund Assets & Establishing Cash Management Plan

Resolution 5-25 Designating Commission Treasurer

Resolution 6-25 Designating Authorized Signatures for Commission Bank Accounts

Resolution 7-25 Indemnifying Gloucester County Insurance Fund Commission Official/Employees

Resolution 8-25 Appointing A Commissioner to the New Jersey Counties Excess Joint Insurance Fund for the Fund Year 2025

Resolution 9-25 Authorizing Commission Treasurer to Process Contracted Payments and Expenses

Resolution 10-25 Fixing Public Meeting Dates for Year 2025

MOTION TO APPROVE REORGANIZATION RESOLUTIONS NUMBER 1-25 THROUGH 10-25

Motion:

Chairman Sheehan

Second:

Commissioner Burns

Roll Call Vote:

3 Ayes – 0 Nays

MEETING DATES FOR 2025 – Included in the agenda was the proposed meeting schedule for 2025. Executive Director said as we have done in the past there are no meetings scheduled for March, May, July, August and November. However, the Commissioners can decide with enough advanced notice to schedule additional meetings, switch to in-person meetings or cancel any meeting. The Meeting Dates were approved with the Reorganization Resolutions.

2025 PROPERTY AND CASUALTY BUDGET – Executive Director stated at the December 12, 2024 meeting the 2025 Property and Casualty Budget was introduced. In accordance with the regulations the budget was advertised in the Commission’s official newspapers. The Public Hearing for the budget was held at this meeting. Executive Director reported the proposed budget has been reduced by \$295,157 as the successful marketing efforts for the NJCE’s 2025 renewal came in lower

than expected. Also, there was a revision in the expense section of the budget. A copy of the revised 2025 Property and Casualty Budget in the amount of \$9,241,435 appears in the agenda.

Also included in the agenda was a copy of the assessments by member entity. The assessments are due on 3/14/25, (40%), 5/13/25 (30%) and 10/14/25 (30%). Included in the agenda was Resolution 11-25 Authorizing and Adopting the Property & Casualty Budget for the Gloucester County Insurance Commission.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2025 PROPERTY & CASUALTY BUDGET

Motion:	Commissioner Burns
Second:	Commissioner Christina
Vote:	Unanimous

DISCUSSION OF BUDGET AND ASSESSMENTS

Executive Director reviewed the budget noting lines 1-4 represent the loss funds which are provided by the actuary in a range from low to high. The Commission is utilizing the middle range of the loss funds. Executive Director said the most notable change was the zeroing out of the Offset surplus from 2024. Executive Director reviewed professional expenses, which reflect the submissions from the RFPs issued in 2024. Executive Director said Hardenbergh's Safety Consultant has been removed along with the \$125,000 fee. Ancillary coverages have decreased .5% since introduction. Executive Director said assessments vary because of the property appraisals being conducted. Chairman Sheehan commended Executive Director and Underwriting Manager on the great results.

MOTION TO CLOSE THE PUBLIC HEARING

Motion:	Commissioner Burns
Second:	Commissioner Christina
Roll Call Vote:	3 Ayes – 0 Nays

MOTION TO APPROVE RESOLUTION 11-25 ADOPTING THE PROPERTY & CASUALTY BUDGET FOR THE GLOUCESTER COUNTY INSURANCE COMMISSION AS PRESENTED FOR THE FUND YEAR 2025 & CERTIFY THE ASSESSMENTS

Motion:	Commissioner Burns
Second:	Commissioner Christina
Roll Call Vote:	3 Ayes – 0 Nays

2025 HEALTH BENEFITS BUDGET – Ms. Panto said at the December 12, 2024 meeting the 2025 Health Benefits Budget was also introduced and in accordance with regulations, the budget was advertised in the Commission's official newspapers. The Public Hearing for the budget was held at this meeting. A copy of the 2025 Health Benefits Budget appears in the agenda. Ms. Panto reported the budget amount for 2025 was \$694,874 and did not change since introduction. The budget reflects the self-insured dental program only. Included in the agenda was Resolution 12-25 Authorizing and Adopting the Self Insurance Dental Program.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2025 HEALTH BENEFIT BUDGET

Motion:	Commissioner Burns
Second:	Commissioner Christina
Roll Call Vote:	3 Ayes – 0 Nays

DISCUSSION OF BUDGET AND ASSESSMENTS: There was no additional discussion on the budget.

MOTION TO CLOSE THE PUBLIC HEARING

Motion:	Commissioner Christina
Second:	Commissioner Burns
Roll Call Vote:	3 Ayes – 0 Nays

MOTION TO APPROVE RESOLUTION 12-25 AUTHORIZING AND ADOPTING THE SELF INSURANCE DENTAL PROGRAM FOR THE GLOUCESTER COUNTY INSURANCE COMMISSION AS PRESENTED FOR THE COMMISSION YEAR 2025

Motion:	Commissioner Burns
Second:	Commissioner Christina
Roll Call Vote:	3 Ayes – 0 Nays

2025 PROFESSIONAL SERVICES RESOLUTIONS – Executive Director stated at the December 12, 2024 Commission Meeting the Commissioners discussed the responses to the RFP's and made their recommendations. Included in the agenda were the resolutions appointing the Professionals and the Defense Attorneys for a period of January 1, 2025, to December 31, 2025.

Resolution 13-25 Appointing Professionals: Bowman & Company, LLP, The Actuarial Advantage, Inc., Chance & McCann, Susan Schaefer, LLC & Medlogix, LLC and Resolution 14-25 Appointing Defense Attorney: Madden & Madden, P.A., Capehart Scatchard, Brown & Connery, LLP, Law Firm of John A. Alice and Marmero Law, LLC

MOTION TO APPROVE RESOLUTION 13-25 AND 14-25 FOR A PERIOD OF JANUARY 1, 2025 TO DECEMBER 31, 2025

Motion:	Commissioner Burns
Second:	Commissioner Christina
Roll Call Vote:	3 Ayes – 0 Nays

Also included in the agenda was the resolution appointing the below Professional Vendors for a period of January 1, 2025 to December 31, 2027. Executive Director, with the Chair's permission, reviewed Resolution 15-25 Appointing Certain Professionals for a three-year term reading the professionals into record.

Third Party Administrators – Inservco Ins Services, Managed Care Provider – Medlogix, LLC, Executive Director – PERMA, Risk Management Consultant - Hardenbergh Insurance Group, Underwriting Service Director - Hardenbergh Insurance Group

MOTION TO APPROVE RESOLUTION 15-25 FOR A PERIOD OF JANUARY 1, 2025 TO DECEMBER 31, 2027

Motion:	Commissioner Burns
Second:	Commissioner Christina
Roll Call Vote:	3 Ayes – 0 Nays

CAIR MOTOR VEHICLE REPORTS – Executive Director reported we have received the renewal invoice from the New Jersey Motor Vehicle Commission for the annual administrative fee of \$150. As we did in the past the Commission paid for this expense and will be allocated to the miscellaneous and contingency account.

MOTION TO APPROVE PAYMENT TO THE NEW JERSEY MOTOR VEHICLE COMMISSION IN THE AMOUNT OF \$150 FOR THE ANNUAL ADMINISTRATIVE FEE FOR ONLINE MOTOR VEHICLE REPORTS

Motion:	Commissioner Burns
Second:	Commissioner Christina
Roll Call Vote:	3 Ayes – 0 Nays

NJ COUNTIES EXCESS JOINT INSURANCE FUND (NJCE) – Executive Director reported the NJCE Finance Sub-Committee met several times since the budget introduction, December 17th and December 30th and the NJCE held a special meeting on January 7th to adopt the 2025 Budget. Executive Director provided a verbal update, and a written summary will appear in the next agenda. The NJCE is scheduled to meet again on Thursday, February 27, 2025, at 9:30 AM via Zoom to conduct the 2025 Reorganization.

CERTIFICATE OF INSURANCE REPORT – Included in the agenda was the certificate of issuance report from the NJCE which lists those certificates issued in the month of December. Executive Director stated there were (17) seventeen certificates of insurance issued in December.

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 October. Executive Director reported as of October 31, 2024, there was a statutory surplus of \$2,487,994. Executive Director said the drop in surplus was a result of two workers' compensation claims in 2023. Line 11 of the report, "Investment in Joint Venture" is the Gloucester County Insurance Commission's share of the equity in the NJCE \$1,486,226 and the total cash amount is \$4,941,621.

NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK - Included in the agenda was a copy of the Financial Fast Track for the month of November. Executive Director reported as of November 30, 2024, the Fund had a surplus of \$9,491,565. Line 7 of the report, "Dividend" represents the dividend figure released by the NJCE, \$6,707,551. The cash amount is \$34,165,619.

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, 2024, there was a statutory surplus of \$443,978. The total cash amount was \$532,689.

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 October 31, 2024. Executive Director reviewed the reports with the Commission noting the claim activity report showed one less open claim in October and the Claims Management Report showed the Commission at 72% compared to the actuarial target of 42%. This was largely a result of Property and Workers' Compensation losses.

EMPLOYEE BENEFITS: Ms. Panto said her report was included in the agenda and reviewed the December report with the Commission noting the year-to-date total issues were 252.

TREASURER REPORT: Chairman Sheehan reported the agenda included two December Supplemental Property & Casualty Bills list and January Property & Casualty bills and January benefits list, which were

Resolutions 16-25, Resolution 17-25, Resolution 18-25, and Resolution 19-25 respectively. Chairman Sheehan requested a motion to approve.

MOTION TO APPROVE RESOLUTION 16-24, RESOLUTION 17-24, RESOLUTION 18-25 AND RESOLUTION 19-25 RESPECTIVELY

Motion: Commissioner Burns
Second: Commissioner Christina
Roll Call Vote 3 Ayes – 0 Nays

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 20-25 Inservco Liability Check Register for the period of 12/1/24 to 12/31/24.

MOTION TO APPROVE RESOLUTION 20-25 LIABILITY CHECK REGISTER FOR THE PERIOD OF 12/1/24 TO 12/31/24

Motion: Commissioner Burns
Second: Commissioner Christina
Roll Call Vote: 3 Ayes – 0 Nays

MANAGED CARE PROVIDER: Ms. Goldstein reviewed the Client Bill Review Summary Report for the month of December as noted below and thanked the Commission for reappointment.

Month	Number of Bills	Total Provider Charges	Total Allowed	Total Reductions	Net Reductions	Percent of Net Savings	PPO Penetration
November	38	\$31,471.60	\$15,705.07	\$15,766.53	\$13,559.22	86%	97%
December	47	\$141,046.36	\$25,489.87	\$115,556.49	\$106,363.66	92%	89%

NJCE SAFETY DIRECTOR:

REPORT: The Safety Director's report was included in the agenda and Safety Director referred to the Risk Control Activities for December 2024 through January 2025. The training opportunities through March 23rd and numerous video briefings have been added to njce.org. Mr. Prince advised the safety grant is available again for 2025 and has increased from \$60,000 to \$90,000 split between ten members, \$75,000 is being provided by Safety National and \$15,000 is being provided by Munich RE. Safety Director distributed the memo separately outlining the program. Chairman Sheehan said he distributed the memo to department heads.

RISK MANAGEMENT/UNDERWRITING SERVICES DIRECTOR:

REPORT:

RISK MANAGEMENT SERVICES

2025 GLOUCESTER COUNTY INSURANCE COMMISSION SAFETY KICK OFF MEETING: Ms. Violetti reported, enclosed was a summary of the evaluations to continue to enhance the training conducted in the safety meetings.

2025 CLAIMS CHARTER: Attached is the 2025 Claims Charter. Ms. Violetti said there has been one revision to the charter which was the replacement of Rocco Ficara with John Vinci Sr. as the Gloucester County Utilities Authority representative.

MOTION TO ADOPT THE REVISED 2025 CLAIMS CHARTER.

Motion: Commissioner Burns
Second: Commissioner Christina
Roll Call Vote 3 Ayes – 0 Nays

UNDERWRITING SERVICES DIRECTOR: Ms. Violetti reported the following renewals are in process and requested authority to renew the policies contingent upon the premium not increasing more than 10% and no significant reduction in the terms and conditions. If there is, Hardenbergh will seek direction from the member and then advise the Commissioners accordingly.

Member	Coverage	Carrier	Exp. Date	Expiring Premium
County	Volunteer Accident	Berkley Life and Health Insurance Company	3/1/2025	\$1,590.00

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 Burns
 Second: Commissioner Christina
 Roll Call Vote 3 Ayes – 0 Nays

Ms. Violetti provided an update that the new County Sheriff and one new County Undersheriff have been bonded.

County Sheriff - Morina		County Undersheriff - Johnson	
Effective Date:	1/1/2025 – 1/1/2026	Effective Date:	1/1/2025 – 1/1/2026
Carrier:	CNA Surety	Carrier:	CNA Surety
Limit:	\$100,000	Limit:	\$50,000
Premium:	\$350.00	Premium:	\$175.00

ATTORNEY: NONE

OLD BUSINESS: NONE

NEW BUSINESS: NONE

PUBLIC COMMENT:

MOTION TO OPEN MEETING TO THE PUBLIC

Moved: Commissioner Burns
 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 Burns
 Second: Commissioner Christina
 Vote: Unanimous

CLOSED SESSION: Chairman Sheehan read and requested a motion to approve Resolution 21-25 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 breakout room.

MOTION TO GO INTO CLOSED SESSION

Motion: Commissioner Burns
 Second: Commissioner Christina
 Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION

Motion: Commissioner Burns
Second: Commissioner Christina
Vote: Unanimous

Chairman Sheehan asked Mr. McCann to present the motion approving the PARs & SARs.

**MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM
#3530002748 FROM \$103,198.60 TO \$150,000.00 AN INCREASE OF \$46,801.40**

**MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM
#3530003856 FROM \$25,541.31 TO \$140,000.00 AN INCREASE OF \$114,458.69**

**MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM
#3530003866 FROM \$25,000.00 TO \$225,000.00 AN INCREASE OF \$200,000.00**

**MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM
#3530003866 FROM \$25,000.00 TO \$225,000.00 AN INCREASE OF \$200,000.00**

**MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM
#3530003957 IN THE AMOUNT OF \$25,000.00 TO \$300,000.00 AN INCREASE
OF \$275,000.0**

**MOTION TO AUTHORIZE AN SETTLEMENT AUTHORITY FOR CLAIM
#3530003251 IN THE AMOUNT OF \$12,900**

Chairman Sheehan advised the next meeting would be on February 27, 2025 at 1:00 PM

MOTION TO ADJOURN:

Motion: Commissioner Burns
Second: Commissioner Christina
Vote: Unanimous

MEETING ADJOURNED: 1:46 PM

Minutes prepared by: Brandon Tracy, Assisting Secretary