

**GLOUCESTER COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – Thursday, January, 28, 2021
TELEPHONIC 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
Michael Burke, Vice Chairman	Present
Tamarisk Jones	Present
Karen Christina (Alternate)	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
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Claims Service	Inservco Insurance Services, Inc. Veronica George Richard Crooks Amy Zeiders Yvonne Frey
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Qual-Lynx
Joe Lisciandri

Medlogix
Jennifer Goldstein

PERMA
Jennifer Conicella
Robyn Walcoff

NJCE Underwriting Manager	Conner Strong & Buckelew Ed Cooney
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Underwriting Services Director/RMC	Hardenbergh Insurance Group Christina Violetti Bonnie Ridolfino
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Attorney	Marmero Law, LLC Al Marmero, Esq.
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Treasurer	Tracey Giordano
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Safety Director

J.A. Montgomery Risk Consulting
Glenn Prince

ALSO PRESENT:

Scott Burns Esq., Gloucester County
Leigh VanOyen, Gloucester County
Ralph Bingham, Gloucester County Library
Susan Morris, Conner Strong & Buckelew
Prudence Higbee, Esq., Capehart & Scatchard
Bradford Stokes, PERMA Risk Management Services
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: Open and Closed Minutes of December 10, 2020

**MOTION TO APPROVE THE OPEN AND CLOSED MINUTES OF
DECEMBER 10, 2020**

Motion:	Commissioner Burke
Second:	Commissioner Jones
Vote:	Unanimous

CORRESPONDENCE: None

Chairman Sheehan advised today was the Reorganization Meeting of the Commission and he would turn the meeting over to the Executive Director.

EXECUTIVE DIRECTOR REPORT: Executive Director advised his report was included in the agenda and he had several action items including Reorganization and Budget Adoption.

Executive Director advised the GCIC was required to reorganize at the January Executive Committee meeting per the Commission's by Laws. Executive Director reported he would review Resolutions 1-21 through 11-21 as noted below and then request approval by consent.

- Resolution 1-21 Certifying the Appointment of Chairperson and Vice Chairman
- Resolution 2-21 Appoint Agent for Service of Process and Custodian of Records
For the year 2021
- Resolution 3-21 Designating Official Newspapers for the Commission
- Resolution 4-21 Designating Authorized Depositories for Fund Assets and
Establishing Cash Management Plan
- Resolution 5-21 Designating Commission Treasurer
- Resolution 6-21 Designating Authorized Signatures for Commission
Bank Accounts
- Resolution 7-21 Indemnifying Gloucester County Insurance Fund Commission
Official/Employees
- Resolution 8-21 Appointing A Commissioner to the New Jersey Counties Excess Joint
Insurance Fund for the Fund Year 2021
- Resolution 9-21 Authorizing Commission Treasurer to Process Contracted Payments and
Expenses
- Resolution 10-21 Fixing Public Meeting Dates for Year 2021

Resolution 11-21 Plan of Risk Management for 2021

Executive Director said the 2021 Plan of Risk Management was included in the Appendix II section of the agenda and the changes were highlighted in yellow. Executive Director asked Mr. Cooney to review the changes.

Mr. Cooney reported Gloucester Commission was the first to jump into the Active Assailant Coverage. Mr. Cooney advised there were many marketing efforts this year for the different line of coverages. Mr. Cooney said there were changes in the liability limits. Mr. Cooney said there was now a \$30,000,000 aggregate. Mr. Cooney referred to the Public Officials Liability/School Board Legal/Employment Practices section and noted there were increases in the retention amounts and advised the amounts were highlighted in yellow. Mr. Cooney advised the Equipment Breakdown deductible changed from \$25,000 to \$50,000. Mr. Cooney said the Named Storm Occurrence Aggregate deductible of \$5,000,000 was added. Mr. Cooney reported there were changes in the Cyber coverage and said there were changes in the retention due to the amount of cyber claims throughout the entire country. Mr. Cooney indicated there was now a \$75,000 deductible. Mr. Cooney advised that was the major changes and noted a 2021 Renewal Overview would be included in the NJCE Agenda. Mr. Cooney said if anyone had any questions after reviewing the plan to reach out to him.

Ms. Violetti pointed out the County did not purchase the Active Assailant Coverage however, the Gloucester County Improvement Authority and the Rowan College of South Jersey did purchase.

MOTION TO APPROVE REORGANIZATION RESOLUTIONS NUMBER 1-21 THROUGH 11-21

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

In response to Ms. Violetti's inquiry regarding the changes in the POL/EPL retentions, Executive Director said he would like to approve the budget first before there were any discussions in the retention changes.

MEETING DATES FOR 2021: Executive Director reported as we did in the past there were no meetings scheduled for March, May, July, August and November. Executive Director noted, the Commissioners could decide with enough advanced notice to schedule additional meetings or cancel any meeting. Executive Director said the meeting date schedule was approved with the Reorganization Resolutions.

2021 PROPERTY AND CASUALTY BUDGET: Executive Director reported at the December 10, 2020 meeting the 2021 Property and Casualty Budget was introduced. Executive Director advised in accordance with the regulations the budget was advertised in the Commission's official newspapers. Executive Director said the Public Hearing for the budget would be held at this meeting. Executive Director referred to a copy of the 2021 Property and Casualty Budget in the amount of \$6,884,021 which was included in the agenda. Executive Director noted there were no changes in the budget since it was introduced. Executive Director also advised a copy of the assessments by member entity were included in the agenda. Executive Director stated the assessments were due on 3/15/21, (40%), 5/15/21 (30%) and 10/15/21 (30%).

MOTION TO OPEN THE PUBLIC HEARING ON THE 2021 PROPERTY & CASUALTY BUDGET

Motion: Commissioner Burke
Second: Commissioner Jones
Vote: Unanimous

Executive Director asked if there were any questions or discussion on the budget.

MOTION TO CLOSE THE PUBLIC HEARING

Motion: Commissioner Burke
Second: Commissioner Christina
Vote: Unanimous

MOTION TO ADOPT THE PROPERTY & CASUALTY BUDGET FOR THE GLOUCESTER COUNTY INSURANCE COMMISSION AS PRESENTED FOR THE COMMISSION YEAR 2021 & CERTIFY THE 2021 ASSESSMENTS

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

Executive Director suggested Ms. Violetti discuss the POL/EPL changes during her report.

NJCE DIVIDEND: Executive Director reported the NJCE Board of Commissioners passed a resolution authorizing a dividend in the amount of \$1,500,000. Executive Director advised Gloucester County Insurance Commission's share of the dividend was \$263,057. Executive Director referred to a copy of the member entity share of the NJCE Dividend which was included in the agenda. Executive Director said the member entities would receive a credit on their 2021 assessment bill for their portion of the NJCE Dividend.

MOTION TO ACCEPT THE NJCE DIVIDEND IN THE AMOUNT OF \$263,057 FOR FUND YEARS 2010, 2011, 2012, 2014 & 2016

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

2021 HEALTH DENTAL BUDGET: Executive Director reported at the December 10, 2020 meeting the 2021 Health Benefits Budget was also introduced and advertised in the Commission's official newspapers. Executive Director advised the Public Hearing for the budget would be held today. Executive Director said a copy of the 2021 Health Benefits Budget in the amount of \$702,438 was included in the agenda. Executive Director noted the budget reflected the self-insured dental program only. Executive Director asked Ms. Morris if she had any additional comments on the budget. Ms. Morris reviewed the plan changes the County requested which was

listed at the bottom of the budget. Ms. Morris reported dependent children would be covered to the end of the year in which they turned 26, an increase in calendar year maximum to \$2,000, and the addition of dentures and other major services. Ms. Morris noted the Consulting Fees and Dental Admin Fees remained the same. Ms. Morris asked if there were any questions regarding the budget. Executive Director requested a motion to open the Public Hearing.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2021 HEALTH BENEFIT BUDGET

Motion: Commissioner Burke
Second: Commissioner Jones
Vote: Unanimous

MOTION TO CLOSE THE PUBLIC HEARING

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

MOTION TO ADOPT THE HEALTH BENEFIT BUDGET FOR THE GLOUCESTER COUNTY INSURANCE COMMISSION AS PRESENTED FOR THE COMMISSION YEAR 2021

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

2021 PROFESSIONAL SERVICES RESOLUTIONS: Executive Director advised at the December Commission meeting the Commissioners discussed the responses to the RFP's and made their recommendations. Executive Director said he would review the resolutions appointing the 2021 Professional Vendors.

- Resolution 12-21 Appointing Auditor – *Bowman & Company, LLP*
- Resolution 13-21 Appointing Actuary – *Actuarial Advantage, Inc.*
- Resolution 14-21 Appointing Defense Attorney
Madden & Madden, P.A., Parker McCay, P.A., Chance & McCann, LLC, Capehart Scatchard, Brown & Connery, LLP & John A. Alice
- Resolution 15-21 Appointing Nurse Case Manager – *Susan Schaefer, RN CCM.*
- Resolution 16-21 Appointing Alternate Nurse Case Manager – *Medlogix, LLC*
- Resolution 17-21 Appointing Commission Attorney – *Marmero Law, LLC*
- Resolution 18-21 Appointing Managed Care Services – *Medlogix, LLC*

Executive Director asked if anyone had any questions on the resolutions and requested a motion to approve the resolutions.

MOTION TO APPROVE RESOLUTIONS 12-21 THROUGH 18-21

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

CAIR MOTOR VEHICLE REPORTS: Executive Director advised the renewal invoice from the New Jersey Motor Vehicle Commission with the annual administrative fee of \$150 was received. Executive Director said the Commission would pay for this expense as they have done in the past and the cost would be allocated to the miscellaneous and contingency account. Executive Director noted the payment was included on the January Bill List.

**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 Burke
Second: Commissioner Jones
Vote: Unanimous

NJ EXCESS COUNTIES JOINT INSURANCE FUND (NJCE): Executive Director reported the NJCE met on December 29, 2020 and approved the 2021 budget in the amount of \$27,088,278. Executive Director said a summary report of the meeting was included in the agenda along with a copy of the NJCE budget. Executive Director said Mr. Cooney provided an extensive overview of the renewal process. Executive Director reported the Fund was releasing a dividend of \$1.5 million. Executive Director reported due to hard market and despite the great job Mr. Cooney did, the delta for 2021 is north of a \$1 million and follows the \$1 million delta from 2019. Executive Director advised there would be another meeting with the NJCE Finance Committee, the recommendation to the NJCE would be to absorb the delta for now, and address at some point if necessary. Executive Director advised the NJCE would hold its Reorganization Meeting on February 25, 2021 via Zoom audio/video.

CERTIFICATE OF INSURANCE REPORTS: Executive Director advised the certificate of insurance issuance report for the NJCE listing the certificates was not available and would appear in the next agenda.

GCIC PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director advised the November Property & Casualty Financial Fast Track was included in the agenda. Executive Director reported the Commission had a surplus of \$2,431,874 as of November 30, 2020. Executive Director advised that \$2,787,611 line 10 of the report “Investment in Joint Venture was the GCIC’s share of the NJCE equity. Executive Director noted the cash amount was \$4,115,941.

NJCE PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director reported the NJCE Financial Fast Track was not available.

HEALTH BENEFITS FINANCIAL FAST TRACK: Executive Director reported the agenda included the October Health Benefits Financial Fast Track. As of October 31, 2020, there was a surplus of \$241,288. Executive Director noted the cash amount was \$316,377. 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 November 30, 2020.

Executive Director advised that concluded his report unless there were any questions. Executive Director noted as he mentioned there would be a discussion on POL/EPL retentions during the Risk Manager's report.

Mr. Marmero said since the resolution was approved certifying the Commissioners he would administer the Oath of Offices at this time. Mr. Marmero asked the Commissioners to raise their right hand and repeat after him. Mr. Marmero asked that the Oath of Officers be signed and return to him for his signature.

SAFETY COMMITTEE REPORT: Chairman Sheehan advised the Safety Committee had not met so there was no report.

CLAIMS COMMITTEE: Chairman Sheehan reported the Claims Committee met on January 12th and discussed the PARS/SARS that would be presented today.

Executive Director's Report Made Part of Minutes.

EMPLOYEE BENEFITS: Ms. Morris advised her report was included in the Appendix III section of the agenda and reviewed the November report along with the year to date report.

TREASURER REPORT: Chairman Sheehan advised the agenda included the January Bill List, Resolution 19-21 and the January Benefit Bill List, Resolution 20-21 and requested a motion to approve both.

**MOTION TO APPROVE RESOLUTION 19-21,
JANUARY BILL LIST AND RESOLUTION 20-21,
JANUARY BENEFIT BILL LIST**

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

Chairman Sheehan pointed out the monthly Treasurer's reports showing the cash transactions and investments were included in the agenda. Chairman Sheehan asked if anyone had any questions on the reports.

CLAIMS SERVICE: Ms. Conicella reported they were still seeing a surge in COVID claims as seen around the state. Ms. Conicella encouraged everyone to report the claims so they could be reported to the excess carrier.

CLAIMS REPORT:

Chairman Sheehan presented Resolution 21-21 Inservco Liability Check Register for the period of 12/1/20 through 12/31/20.

MOTION TO APPROVE RESOLUTION 21-21 LIABILITY CHECK REGISTER FOR THE PERIOD OF 12/1/20 THROUGH 12/31/20

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

MANAGED CARE PROVIDER: Ms. Goldstein reviewed the Client Bill Review Summary Report for the month of December and the year to date figures as noted below:

Month	Number of Bills	Total Provider Charges	Total Allowed	Total Reductions	Net Reductions	Percent of Net Savings	PPO Penetration
December	40	\$34,252.28	\$21,923.96	\$ 12,328.32	\$ 10,605.41	68%	92%
Year to Date	467	\$617,783.26			\$ 305,115.69	49%	81%

Ms. Goldstein noted she was looking into the PPO penetration rate for December. Ms. Goldstein advised there were a number of Premier bills that came in, however they had different tax ID numbers but they did receive discounts.

Ms. Goldstein advised she wanted to mentioned in December there were 57 injuries reported and 25 of those were COVID related. Ms. Goldstein said unless there were question she wanted to thank the Commission for the reappointment and she appreciated the opportunity.

NJCE SAFETY DIRECTOR:

REPORT: Mr. Prince advised the Safety Director’s report was included in the agenda and referred to the Risk Control Activities for December and January. Mr. Prince stated they were continuing their instruction led online safety programs and the February webinars were listed in the agenda. Mr. Prince advised Mr. Cooney was successful in negotiating with Munich RE, the new excess carrier, a Safety Grant Program for 2021. Mr. Prince noted there was a \$5,000 increase in the amount of the grant, so the new amount for 2021 was \$50,000. Mr. Prince said he would distribute a memo to the members describing the provisions of the program and noted there would be a few changes. Mr. Prince advised previously there was a committee that reviewed the submissions; however the carrier wanted to see the submissions. Mr. Prince reported he could assist the member entities with their submissions. Mr. Prince advised that concluded his report unless there were any questions. In response to Executive Director’s inquiry about the Munich RE Grant, Mr. Cooney advised he did have conversations with the carrier and he provided them with an overview of the previous program. In response to Executive Director’s inquiry regarding the BRIT training, Mr. Prince advised he had a call with First Net to provide them with training information to be uploaded

and was hoping for a March 1st kickoff date. Mr. Prince said as further information was available he would update everyone.

RISK MANAGEMENT/UNDERWRITING SERVICES DIRECTOR:

REPORT: Ms. Violetti advised a copy of their report was included in the agenda. Ms. Violetti reported her first item was the Munch RE Safety Grant which Mr. Prince just discussed. Ms. Violetti advised the Grant was \$50,000 to be divided between the 10 New Jersey Counties Excess Liability members. Ms. Violetti said her office would be available to assist with any submissions.

Ms. Violetti spoke about the Active Assailant coverage which Mr. Cooney mentioned earlier. Ms. Violetti noted the coverage was optional for all Commission members and written on a master policy. Ms. Violetti said the coverage was effective 1/1/21. Ms. Violetti said in the event an individual or individuals threatens and / or inflicted harm to an employee or other individuals at a covered location, this policy would pay for the costs incurred for crisis management public relations, additional security measures and employee relocation, training, and recruitment. Ms. Violetti reported the Gloucester County Insurance Commission nor the NJCEL assumed any risk for this new line of coverage.

Ms. Violetti advised there was a change to the Safety and Accident Review Committee Meeting Schedule from the first Tuesday, once a quarter at 9:30 am to the first Wednesday, once a quarter at 9:00 am. Ms. Violetti advised a copy of the updated schedule was included in the agenda and requested a motion to approve the change.

MOTION TO APPROVE THE UPDATED SCHEDULE AS PRESENTED

Motion:	Commissioner Burke
Second:	Commissioner Jones
Vote:	Unanimous

Ms. Violetti referred to a copy of an updated 2021 Claims Charter, which was included in the agenda. Ms. Violetti noted the name of Rowan College was revised and Mr. Marmero was added.

MOTION TO ADOPT THE 2021 CLAIMS CHARTER

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

Ms. Violetti provided an update on the Telephonic Case Management Service. Ms. Violetti indicated there were bi-weekly meetings to ensure a smooth transition for all members. Ms. Violetti noted the process was moving well and if any member had any issues or concerns they were instructed to contact her office.

Ms. Violetti reported on the status of the Property Damage Payments to the County.

Ms. Violetti reported the following renewals were in process and requested authority to renew the policies contingent upon the premium not increasing more than 10% and no significant reduction in

the term and conditions. Ms. Violetti advised if there were, she would seek direction from the member and advise the Commissioners accordingly. Ms. Violetti requested a motion regarding the County's Volunteer Accident Policy.

MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO RENEW THE ABOVE POLICY CONTINGENT UPON THE RENEWAL PREMIUM NOT INCREASING MORE THAN 10% AND NOT SIGNIFICANT REDUCTION IN THE TERMS AND CONDITIONS

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

Executive Director advised Mr. Cooney reported the retention both on the POL/EPL and cyber increased as well as the equipment breakdown. Executive Director advised they were going to add the cyber retention differential to the NJCE delta, however he could not answer right now without going before the finance committee if whether the budget would be amended and charged in 2021 or if it would be added to the delta. Executive Director advised he asked Mr. Cooney to amend the Risk Management Plan to reflect the cyber differential. Executive Director advised with respect to the POL/EPL he knew there would be questions and he reached out to the actuary to obtain the costs to fund in the Commission. Executive Director indicated the cost for all of the entities was just under \$100,000. Executive Director reviewed the costs from the actuary. Ms. Ridolfino advised Hardenbergh would like to digest the numbers and asked if the Commission were to vote on this would it be retroactive? Executive Director said since it was in the Commission layer it could be retroactive. Ms. Ridolfino indicated she would like to have discussions with her clients and then make a recommendation. Executive Director advised the figures he just stated were for EPL and there were separate figures for POL. Executive Director said he would forward the figures to Hardenbergh.

Ms. Violetti asked if anyone had any questions and concluded her report.

ATTORNEY: Mr. Marmero reported he did not have anything to report, however thanked the Commission for their continued confidence and he looked forward to working with everyone in 2021.

OLD BUSINESS:

NEW BUSINESS:

PUBLIC COMMENT:

MOTION TO OPEN MEETING TO PUBLIC

Moved: Commissioner Burke
Second: Commissioner Jones
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 Jones
Second: Commissioner Burke
Vote: Unanimous

CLOSED SESSION: Chairman Sheehan read and requested a motion to approve Resolution 22-21 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: Commissioner Burke
Second: Commissioner Jones
Vote: Unanimous

MOTION TO GO INTO CLOSED SESSION

Motion: Commissioner Burke
Second: Commissioner Jones
Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION

Motion: Commissioner Burke
Second: Commissioner Jones
Vote: Unanimous

Chairman Sheehan asked Mr. Marmero to present the motion approving the PARS.

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530001906 FROM \$15,000 TO \$40,000 AN INCREASE OF \$25,000

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530002216 FROM \$15,268.91 TO \$39,370.41 AN INCREASE OF \$24,101.50

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530002110 FROM \$15,000 TO \$28,520.54 AN INCREASE OF \$13,520.54

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530002565 FROM 0 TO \$314,54 AN INCREASE OF \$314.54

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

MOTION TO ADJOURN:

Motion: Commissioner Burke
Second: Commissioner Jones
Vote: Unanimous

MEETING ADJOURNED: 1:59 PM

Minutes prepared by: Cathy Dodd, Assisting Secretary