

**GLOUCESTER COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – Thursday, January 25, 2024
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 Joseph Hrubash
Claims Service	Inservco Insurance Services, Inc. Richard Crooks, Veronica George, Sureatha Hobbs, Amy Zeiders
	Qual-Lynx Joe Lisciandri
	Medlogix Jennifer Goldstein
	PERMA Jennifer Concicella Shai McLeod
Underwriting Services Director/RMC	Hardenbergh Insurance Group Christina Violetti, Dominique McDuffie
Attorney	Chance & McCann, LLC Kevin McCann, Esq.
Treasurer	Tracey Giordano
Safety Director	J.A. Montgomery Risk Consulting Glenn Prince

ALSO PRESENT:

Carolyn Oldt, Gloucester County Library Commission
Susan Panto, Conner Strong & Buckelew
Bradford Stokes, 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 7, 2023 and Open Minutes of December 21, 2023.

MOTION TO APPROVE THE OPEN AND CLOSED MINUTES OF DECEMBER 7, 2023, AND OPEN MINUTES OF DECEMBER 21, 2023

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 she had the signed Oath of Office from the Commissioners, and 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 6 at the Improvement Authority.

CLAIMS COMMITTEE: Chairman Sheehan advised the Claims Committee met on January 9th to discuss several PARS and SARS, which will be discussed further in closed session.

EXECUTIVE DIRECTOR REPORT: Executive Director advised his report was included in the agenda and there were several action items.

REORGANIZATION RESOLUTIONS: 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 asked to approve as a consent agenda.

- Resolution 1-24 Certifying the Appointment of Chairperson and Vice Chairman
- Resolution 2-24 Appoint Agent for Service of Process and Custodian of Records For the year 2024
- Resolution 3-24 Designating Official Newspapers for the Commission
- Resolution 4-24 Designating Authorized Depositories for Fund Assets and Establishing Cash Management Plan
- Resolution 5-24 Designating Commission Treasurer
- Resolution 6-24 Designating Authorized Signatures for Commission Bank Accounts
- Resolution 7-24 Indemnifying Gloucester County Insurance Fund Commission Official/Employees
- Resolution 8-24 Appointing A Commissioner to the New Jersey Counties Excess Joint Insurance Fund for the Fund Year 2024
- Resolution 9-24 Authorizing Commission Treasurer to Process Contracted Payments and Expenses
- Resolution 10-24 Fixing Public Meeting Dates for Year 2024

MOTION TO APPROVE REORGANIZATION RESOLUTIONS NUMBER 1-24 THROUGH 10-24

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

MEETING DATES FOR 2024: Included in the agenda were the proposed virtual meeting schedule for 2024. 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.

2024 PROPERTY AND CASUALTY BUDGET: At the December 7, 2023 meeting the 2024 Property and Casualty Budget was introduced. In accordance with the regulations the budget was advertised in the Commission’s official newspapers. Executive Director said the Public Hearing for the budget will be held at this meeting and a copy of the introduced 2024 Property and Casualty Budget in the amount of \$8,804,321 appeared in the agenda. Also included was a copy of the assessments by member entity. The assessments are due on 3/15/24, (40%), 5/15/24 (30%) and 10/15/24 (30%). Included in the agenda was Resolution 11-24 Authorizing and Adopting the Property & Casualty Budget for the Gloucester County Insurance Commission.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2024 PROPERTY & CASUALTY BUDGET

Motion: Commissioner Burns
Second: Commissioner Christina
Vote: Unanimous

DISCUSSION OF BUDGET AND ASSESSMENTS – No additional discussion on the budget and assessment.

MOTION TO CLOSE THE PUBLIC HEARING

Motion: Commissioner Burns
Second: Commissioner Christina
Vote: Unanimous

MOTION TO APPROVE RESOLUTION 11-24 AUTHORIZING AND ADOPTING THE PROPERTY & CASUALTY BUDGET FOR THE GLOUCESTER COUNTY INSURANCE COMMISSION AS PRESENTED FOR THE COMMISSION YEAR 2024 & CERTIFY THE 2024 ASSESSMENTS

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

2024 HEALTH BENEFITS BUDGET: At the December 7, 2023, meeting the 2024 Health Benefits Budget was also introduced. In accordance with regulations, the budget was advertised in the Commission’s official newspapers. Executive Director said the Public Hearing for the budget will be held at this meeting and a copy of the 2024 Health Benefits Budget appeared in the budget. The budget amount for 2024 is \$704,021 and did not change since introduction. Ms. Panto said the budget reflects the self-insured dental program only. Included in the agenda was Resolution 12-24 Authorizing and Adopting the Self Insurance Dental Program.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2024 HEALTH BENEFIT BUDGET

Motion: Commissioner Burns
Second: Commissioner Christina
Vote: Unanimous

DISCUSSION OF BUDGET AND ASSESSMENTS: No additional discussion on the budget and assessments.

MOTION TO CLOSE THE PUBLIC HEARING

Motion: Commissioner Burns
Second: Commissioner Christina
Vote: Unanimous

MOTION TO APPROVE RESOLUTION 12-24 AUTHORIZING AND ADOPTING THE SELF INSURANCE DENTAL PROGRAM FOR THE GLOUCESTER COUNTY INSURANCE COMMISSION AS PRESENTED FOR THE COMMISSION YEAR 2024

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

2024 PROFESSIONAL SERVICES RESOLUTIONS: Executive Director said at the December 21st 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, 2024 to December 31, 2024.

Resolution 13-24 Appointing Professionals

Bowman & Company, LLP, The Actuarial Advantage, Inc., Chance & McCann, Susan Schaefer, LLC & Medlogix, LLC

Resolution 14-24 Appointing Defense Attorney

Madden & Madden, P.A., Capehart Scatchard, Brown & Connery, LLP & Law Firm of John A. Alice

MOTION TO APPROVE RESOLUTION 13-24 AND 14-24 FOR A PERIOD OF JANUARY 1, 2024 TO DECEMBER 31, 2024

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

RESOLUTION AUTHORIZING AN AMENDMENT TO HARDENBERGH INSURANCE GROUP'S SERVICE AGREEMENT: At our last meeting we approved an amendment to Hardenbergh Insurance Group's Service Agreement. Executive Director said the amendment extends the contract for specified risk control services. Included in the agenda was Resolution 15-24, Authorizing Execution of an Amendment to the Service Agreement between the Gloucester County Insurance Commission and Hardenbergh Insurance Group.

MOTION TO APPROVE RESOLUTION 15-24 AUTHORIZING EXECUTION OF AN AMENDMENT TO THE SERVICE AGREEMENT BETWEEN THE GLOUCESTER COUNTY INSURANCE COMMISSION AND HARDENBERGH INSURANCE GROUP

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

CAIR MOTOR VEHICLE REPORTS: We have received the renewal invoice from the New Jersey Motor Vehicle Commission for the annual administrative fee of \$150. Executive Director said 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): The NJCE Finance Sub-Committee met several times since the budget introduction, December 4, December 27 and January 5 to stay on top of the Underwriting Manager’s reports. The NJCE held a special meeting on January 11 to adopt the 2024 Budget. Executive Director provided a verbal update noting Underwriting Manager was able to negotiate a buy down in the property retention from \$3 million to \$1 million. Chairman Sheehan complimented the NJCE Team and Underwriting Manager for their hard work in navigating the challenging market. The NJCE is scheduled to meet again on Thursday, February 22, 2024, at 9:30 AM via Microsoft Teams to conduct the 2024 Reorganization.

CERTIFICATE OF INSURANCE REPORTS: Included in the agenda was the certificate of issuance report from the NJCE which lists the certificates issued in the month of December. Executive Director said there was (1) one certificate 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 that as of October 31, 2023, there was a statutory surplus of \$2,576,348. Line 10 of the report, “Investment in Joint Venture” is the Gloucester County Insurance Commission’s share of the equity in the NJCE \$1,796,177. The total cash amount is \$5,823,097.

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, 2023 the Fund had a surplus of \$11,246,188. Line 7 of the report, “Dividend” represents the dividend figure released by the NJCE, \$6,707,551 and the cash amount is \$32,396,522.

GCIC HEALTH BENEFITS FINANCIAL FAST TRACK: Included in the agenda was a copy of Health Benefits Financial Fast Track for the month of October. Ms. Panto reported that as of October 31, 2023 there was a statutory surplus of \$418,997. The total cash amount is \$509,583.

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, 2023. Executive Director reviewed the reports noting the Commission is trending ahead in 2023 especially compared to 2022 year, which may be a breakeven year. This is an improvement in 2021 and strongly correlates to the Financial Fast Track and ability to generate surplus.

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 260.

TREASURER REPORT: Chairman Sheehan reported the agenda included the January Property, Casualty Bills, and benefits list, which were Resolutions 16-24, Resolution 17-24, respectively. Chairman Sheehan requested a motion to approve.

MOTION TO APPROVE RESOLUTION 16-24, RESOLUTION 17-24, 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 18-24 Inservco Liability Check Register for the period of 11/1/23 to 11/30/23 and 12/1/23 to 12/31/23.

MOTION TO APPROVE RESOLUTION 18-24 LIABILITY CHECK REGISTER FOR THE PERIOD OF 11/1/23 to 11/30/23 and 12/1/23 TO 12/31/23

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	54	\$70,924.79	\$50,524.74	\$20,400.05	\$17,630.55	97%	89%
December	39	\$22,399.22	\$12,061.78	\$10,337.44	\$8,890.20	80%	92%

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 2023 through January 2024. The training opportunities through March 23rd and numerous video briefings have been added to njce.org. The Leadership Academy registration period will open June 1st to June 22nd. Mr. Prince advised the Munich RE safety grant is available again for 2024 and has increased from last year to \$60,000 split between ten members. A letter will be distributed separately outlining the program.

RISK MANAGEMENT/UNDERWRITING SERVICES DIRECTOR:

REPORT:

RISK MANAGEMENT SERVICES

2024 GLOUCESTER COUNTY INSURANCE COMMISSION SAFETY KICK OFF MEETING:

Enclosed was a summary of the evaluations to continue to enhance the training conducted in the safety meetings.

PROPERTY DAMAGE PAYMENTS TO COUNTY: Ms. Violetti said last year there were three incidents in which property damage was sustained due to the fault of a third party. The amount of such damage sustained were below the County’s deductible or were vehicles which did not have collision coverage. In 2023, the total amount of damages incurred was \$15,521.94 to which \$3,409.31 have been recovered. To date, there are two incidents which are still open to which Hardenburgh continues to follow up for payment.

2024 CLAIMS CHARTER: Included in the agenda was the 2024 Claims Charter. Ms. Violetti said there have been no revisions to the contents.

MOTION TO ADOPT THE 2024 CLAIMS CHARTER

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

UNDERWRITING SERVICES DIRECTOR: The following renewals are in process. Ms. Violetti 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	3/1/2024	\$1,209.00

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

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 19-24 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 #3530002966 FROM \$49,630.07 TO \$75,000 AN INCREASE OF \$25,369.93

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530002497 FROM \$30,000 TO \$69,423.22 AN INCREASE OF \$39,423.22

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530003607 FROM \$0.00 TO \$500 AN INCREASE OF \$500.00

MOTION FOR THE COMMISSION TO EXTEND COVERAGE NOT TO EXCEED ROWAN COLLEGE OF SOUTH JERSEY'S \$50,000 LAYER TO COVER THE COLLEGE FOR CLAIM EXPENSES (DEFENSE AND POTENTIAL SETTLEMENT, IF APPLICABLE) FOR THE APPLICABLE CLAIM WITH THE ADDITION OF THE FUND ATTORNEY'S LETTER EXPRESSING THE COMMISSION'S STANCE.

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

Chairman Sheehan advised the next meeting would be on February 22, 2024 at 1:00 PM

MOTION TO ADJOURN:

Motion: Commissioner Burns
Second: Commissioner Christina
Vote: Unanimous

MEETING ADJOURNED: 1:43 PM

Minutes prepared by: Brandon Tracy, Assisting Secretary