

**GLOUCESTER COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – Thursday, January 28, 2016
2 S. Broad Street, Conference Room B
Woodbury, NJ 9:30 AM**

Meeting called to order by Gerald A. White, Chairman. Open Public Meetings notice read into record.

ROLL CALL OF COMMISSIONERS:

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

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joe Hrubash
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Claims Service	Inservco Insurance Services, Inc. Veronica George Ashley Nelms Keith Platt Steve Daniels
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	Consolidated Services Group, Inc. Jennifer Goldstein
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	Conner Strong & Buckelew Michelle Leighton
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Underwriting Services Director/RMC	Hardenbergh Insurance Group Bonnie Ridolfino Jenna Quattrone
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Attorney	Long Marmero & Associates Doug Long, Esq.
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Treasurer	Tracey Giordano
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Safety Director	J.A. Montgomery Risk Control Glenn Prince
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ALSO PRESENT:

Dean Sizemore, Gloucester County
Karen Christina, Gloucester County
Matt Lyons, Esq. Gloucester County
Linda Galella, Esq. Parker McKay
Patrick Madden, Esq., Madden & Madden
Timothy Bieg, Esq. Madden& Madden
Matt Weng, Esq., Chance & McCann
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: Open Minutes and Closed Minutes of December 17, 2015

**MOTION TO APPROVE THE OPEN MINUTES & CLOSED MINUTES OF
DECEMBER 17, 2015**

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

CORRESPONDENCE: None

Executive Director advised this was the Reorganization 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 Chairman.

Commission Attorney administered the oath of office to Chairman White, Commissioner Burke Commissioner Jones and Commissioner Christina.

Executive Director noted Ms. Christina was appointed by the Freeholders to serve as an alternate Commissioner.

ELECTION OF CHAIRMAN & VICE CHAIRMAN:

Commissioner Jones advised she 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

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

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

Motion:	Chairman White
Second:	Commissioner Jones
Roll Call Vote:	Unanimous

Chairman White asked the attendees to introduce themselves.

COMMITTEE REPORTS:

SAFETY COMMITTEE: Mr. Sizemore reported the GCIC Safety and Accident Review Committee was scheduled to meet again on February 2, 2016.

CLAIMS COMMITTEE: Mr. Sizemore advised the Claims Committee met and the PARS would be discussed during closed session. Mr. Sizemore reported the 2016 year was off to a good start until the blizzard of January 23, 2016. Mr. Sizemore indicated there were numerous claims, nothing huge, however several slip and falls, and a few motor vehicle accidents. Mr. Sizemore noted there was a property claim at the Board of Elections involving some awnings. Ms. Ridolfino advised there were two other small claims. Ms. Leighton indicated a CAT number was assigned to the storm and all claims should be reported to Zurich.

EXECUTIVE DIRECTOR REPORT: Executive Director advised he had nine action items for his report and would begin with 2016 Reorganization Resolutions. In response to Chairman White's comment, Commission Attorney advised the reorganization resolutions could be approved by consent.

REORGANIZATION RESOLUTIONS: Executive Director referred to copies of the reorganization resolutions which were included in the agenda. Executive Director reviewed the below resolutions with the Commission.

- Resolution 1-16 Certifying the Election of Chairperson and Vice Chairman
- Resolution 2-16 Appointing Agent for Service of Process and Custodian of Records for the Year 2016
- Resolution 3-16 Designating Official Newspapers for the Commission
- Resolution 4-16 Designating Authorized Depositories for Fund Assets and Establishing Cash Management Plan
- Resolution 5-16 Designating Commission Treasurer
- Resolution 6-16 Designating Authorized Signatures for Commission Bank Accounts
- Resolution 7-16 Indemnifying Gloucester County Insurance Fund Commission Officials/Employees
- Resolution 8-16 Appointing A Commissioner to the New Jersey Counties Excess Joint Insurance Fund for Fund Year 2016

- Resolution 9-16 Authorizing Commission Treasurer to Process Contracted Payments and Expenses

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

MOTION TO APPROVE REORGANIZATION RESOLUTIONS 1-16 THROUGH 9-16

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

Executive Director advised he was working with the CEL Underwriting Manager to update the 2016 Risk Management Plan Resolution and should be ready for review at the next meeting.

PROPERTY AND CASUALTY BUDGET: Executive Director reported at the December 17th meeting the 2016 Property and Casualty Budget was introduced. Executive Director advised the budget was amended slightly to reflect responses from the recent RFP's. Executive Director noted changes were made to lines 16 and 22 and the budget was reduced by a total of \$2,014. Executive Director advised the new budget amount was \$5,881,753. Executive Director referred to a copy of the 2016 assessments and advised the payments were due on 3/15/16, 5/15/16 and 10/15/16. Executive Director advised a credit for the 2010 CEL dividend would appear on the assessment bill. Executive Director asked if anyone had any questions on the budget and requested a motion to open the Public Hearing.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2016 PROPERTY & CASUALTY BUDGET

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

MOTION TO CLOSE THE PUBLIC HEARING

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

MOTION TO ADOPT THE PROPERTY & CASUALTY BUDGET FOR GLOUCESTER COUNTY INSURANCE COMMISSION AS PRESENTED FOR THE COMMISSION YEAR 2016 & CERTIFY THE 2016 ASSESSMENTS

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

2016 HEALTH BENEFITS BUDGET: Executive Director reported at the last Commission meeting the 2016 Health Benefit was introduced. Executive Director advised the budget was advertised in the Commission's official newspapers. Executive Director referred to a copy of the budget which was included in the agenda and advised the amount did not change, however the budget included lines for the claims margin and projected trends. Executive Director asked if anyone had any questions and requested a motion to open the public hearing on the 2016 Health Benefits Budget.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2016 HEALTH BENEFIT BUDGET

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

MOTION TO CLOSE THE PUBLIC HEARING

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

MOTION TO ADOPT THE HEALTH BUDGET FOR GLOUCESTER COUNTY INSURANCE COMMISSION AS PRESENTED FOR THE COMMISSION YEAR 2016

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

DELTA DENTAL RENEWAL AMENDMENT: Executive Director referred to a copy of the Delta Dental renewal amendment which was included in the agenda for the period of 1/1/16 to 12/31/16. Executive Director asked if anyone had any questions on the amendment and requested a motion for approval.

MOTION TO APPROVE THE RENEWAL AMENDMENT FROM DELTA DENTAL FOR THE PERIOD OF 1/1/16 TO 12/31/16

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

RULES & REGULATIONS MENDMENT: Executive Director reported at the last meeting the Commissioners approved the first reading of an amendment to the Rules & Regulations. Executive Director advised the public hearing was advertised in the Commission's official newspapers. Executive Director referred to a copy of the amendment which was included in the agenda and noted the changes were in red. Executive Director asked if anyone had any questions and requested a motion to open the public hearing on the Rules and & Regulations amendment.

MOTION TO OPEN THE PUBLIC HEARING ON THE RULES & REGULATION AMENDMENT

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

MOTION TO CLOSE THE PUBLIC HEARING

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

MOTION TO ADOPT THE AMENDMENT

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

MEETING DATES FOR 2016: Executive Director referred to a copy of the 2016 annual meeting notice which was included in the agenda. Executive Director pointed out as in the past there were no meetings scheduled for March, May, July, August and November. Executive Director indicated if the Commissioner's decided any additional meetings were needed the Fund office could schedule with advanced notice. Executive Director advised if the Commissioners agreed with the meeting schedule, Resolution 11-16 was included in the agenda for approval.

MOTION TO ADOPT RESOLUTION 11-16, FIXING PUBLIC MEETING DATES FOR THE YEAR 2016

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

CAIR MOTOR VEHICLE REPORTS: Executive Director reported the renewal invoice from the New Jersey Motor Vehicle Commission was received. The annual administrative fee was \$150. Executive Director advised the Commission would pay for this expense as they did in the past. Executive Director indicated the cost for the expense would be allocated to the miscellaneous and contingency account. Executive Director requested a motion to approve this payment and noted the check was included on the January bill list as payment was due by January 31, 2016.

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

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

2016 PROFESSIONAL SERVICES RESOLUTIONS: Executive Director advised at the last meeting the Commissioners reviewed and evaluated the responses from the recent RFP and appointed several professionals for a three year term effective January 1, 2016. Executive Director referred to the applicable resolutions for the appointments which were included in the agenda. Executive Director noted the Commission Attorney reviewed the resolutions and was in the process of drafting the new contracts. Executive Director read the resolutions, asked if anyone had any questions and requesting a motion to approve Resolutions 12-16 through 18-16.

MOTION TO APPROVE RESOLUTIONS 12-16 THROUGH 18-16 APPOINTING CERTAIN PROFESSIONALS FOR A THREE YEAR TERM FOR FUND YEARS 2016, 2017, AND 2018

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

DEFENSE PANEL APPOINTMENTS: Executive Director reported the Commissioner's also reviewed and evaluated the responses for the Defense Panel Firms at the last meeting. Executive Director referred to Resolution 19-16 which was included in the agenda. Executive Director noted the appointment was for one year and the resolution was reviewed the Commission Attorney. Executive Director asked for a motion to approve unless there were any questions.

MOTION TO ADOPT RESOLUTION 19-16 APPOINTING DEFENSE ATTORNEYS FOR THE FUND YEAR 2016

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

NJ EXCESS COUNTIES INSURANCE FUND (CELJIF): Executive Director advised the CEL would hold its Reorganization Meeting on February 25, 2016 at the Camden County College Regional Emergency Training Center at 1:00 PM. Executive Director advised the CEL did schedule a call for today to approve a PAR at 1:45 PM.

CERTIFICATE OF INSURANCE REPORT: Executive Director reported on the Certificate of Insurance Report for the period of 12/14/15 to 1/24/16. There were a total of 20 certificates issued for this period.

GCIC PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director advised the November Property & Casualty Financial Fast Track was included in the agenda. The Commission had a surplus of \$3,178,246 as of November 30, 2015. Executive Director advised that \$1,097,713 on line 9 of the report "Investment in Joint Venture was the GCIC's share of the CEL JIF equity. Executive Director noted the cash amount was \$5,678,476.

NJ CEL PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director reported the agenda included the November Financial Fast Track for the NJ CEL. As of November 30, 2015 the CEL had a surplus of \$5,086,463.

HEALTH BENEFITS FINANCIAL FAST TRACK: Executive Director reported the agenda included the November Health Benefits Financial Fast Tracks. As of November 30, 2015 there was a surplus of \$118,195. 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 December 31, 2015. Executive Director referred to the Claim Activity Report and advised the purpose of the report was to review the number of claims along with changes in reserve. Executive Director advised he reviewed the report and did not find any anomalies with the report. Executive Director also reviewed the Claims Management Report Expected Loss Ratio Analysis" report as of December 31, 2015. Executive Director reported all of the years expect 2011 were running better than the actuary projected. Executive Director reviewed the report and asked if anyone had any questions.

2016 EXCESS INSURANCE AND ANCILLARY COVERAGE POLICIES: Executive Director advised the CEL renewal policies would be available again electronically through the Conner Strong & Buckelew secure website for authorized representative designated by their respective member entity. Executive Director noted the CEL Underwriting Manager was reviewing the policies and would release an e-mail with instructions to access the website when the policies were available.

Executive Director advised on behalf of himself and Cathy Dodd he wanted to thank the Commission for the re-appointment.

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

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Chairman White advised the January Bill Lists were included in the agenda and requested motions to approve.

**MOTION TO APPROVE THE JANUARY BILL LIST,
RESOLUTION 20-16 IN THE AMOUNT OF \$59,246.22**

Motion: Commissioner Jones
Second: Chairman White
Roll Call Vote Unanimous

**MOTION TO APPROVE THE JANUARY HEALTH
BILL LIST, RESOLUTION 21-16 IN THE AMOUNT
OF \$3,350.50**

Motion: Commissioner Jones
Second: Chairman White
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:

Chairman White presented Resolution 22-16 Inservco Liability Check Register for the period of 12/1/15 through 12/31/15.

**MOTION TO APPROVE RESOLUTION 22-16 LIABILITY CHECK
REGISTER FOR THE PERIOD OF 12/1/15 THROUGH 12/31/15**

Motion: Commissioner Jones
Second: Chairman White
Roll Call Vote: Unanimous

MANAGED CARE PROVIDER: Ms. Goldstein thanked the Commission for the re-appointment on behalf of CSG. Ms. Goldstein reviewed the Client Bill Review Summary Report for the month of December which was included in the agenda. Ms. Goldstein advised there were 58 bills received for the month of December. Ms. Goldstein advised the total provider charge was \$216,706.47. The total allowed amount was \$100,907.72. Ms. Goldstein advised the total savings for December was \$115,798.75 or 53% savings. Ms. Goldstein also reviewed the year to date figures which were included in her report. Ms. Goldstein pointed out the total net savings was \$472,286.40 or 44%. Ms. Goldstein advised that concluded her report unless anyone had any questions.

CEL SAFETY DIRECTOR:

REPORT: Mr. Prince reviewed the December through February 2016 Risk Control Activity Report which was included in the agenda. Mr. Prince noted on February 26th a training session was scheduled “Conflict Resolution Dealing with Difficult People” at the College. Mr. Prince indicated Ms. Ridolfino volunteered to play the role of a hostile student.

RISK MANAGEMENT/UNDERWRITING SERVICES DIRECTOR:

REPORT: Ms. Ridolfino advised on behalf of Chris Powell and the Hardenbergh Insurance Group they appreciated the reappointment. Ms. Ridolfino advised the 2016 Safety Kick Off Meeting was held on January 13, 2016 and there was approximately 95 people in attendance. Ms. Ridolfino advised one of the topics discussed was the On-Line Supervisor Incident Investigating Report Review Form. Ms. Ridolfino reported another topic discussed was the Cyber Liability threat. Ms. Ridolfino indicated AIG does have some free services and she was meeting with an AIG representative and the County’s IT department to discuss further to see what other controls could be put in place to secure the County’s systems.

Ms. Ridolfino advised she was going to review the Claims Committee and Safety Committee Charters to see if any changes were needed.

Ms. Ridolfino reported the On-Line Supervisor Incident Investigating Report Review Form would be discussed at the next Safety Committee meeting and then rolled out to the Department Heads.

Ms. Ridolfino distributed a report outlining a few items her office could not place through the GCIC/NJCEJIF and advised she would need motions to renew the policies.

Ms. Ridolfino reviewed the items in her document and requested the following motions for approval.

MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO BIND THE AUTHORITY’S VOLUNTEER ACCIDENT POLICY FOR DREAM PARK THROUGH QBE EFFECTIVE 1/28/16 FOR AN ANNUAL PREMIUM OF \$400

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

MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO RENEW PROSECUTOR DALTON’S BOND THROUGH C NA FOR AN ANNUAL COST OF \$70.00 EFFECTIVE 3/9/16

Motion: Commissioner Jones
Second: Chairman White

Roll Call Vote: Unanimous

MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO RENEW SUPERINTENDENT OF BUILDINGS AND GROUNDS SCIRROTTO'S BOND THROUGH C N A FOR AN ANNUAL COST OF \$70.00 EFFECTIVE 4/2/16

Motion: Commissioner Jones
Second: Chairman White
Roll Call Vote: Unanimous

Ms. Ridolfino advised that concluded her report unless anyone had any questions.

ATTORNEY: Commission Attorney did not have anything to discuss.

OLD BUSINESS: None

NEW BUSINESS: None

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 Chairman White 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: Chairman White read and requested a motion to approve Resolution 23-16 authorizing a Closed Session to discuss PARS & SARS relating to pending or anticipated litigation as listed.

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

MOTION TO GO INTO CLOSED SESSION

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

MOTION TO RETURN TO OPEN SESSION

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

Commission Attorney advised he would read the applicable motions to approve the PARS discussed during closed session.

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM # 3530000836 FROM \$20,000 TO \$21,500 AN INCREASE OF \$1,500

Motion: Commissioner Burke
Second: Chairman White
Roll Call Vote: Unanimous
(Commissioner Jones abstained as she is a Commissioner on the DRPA)

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM # 3530000807 FROM \$178,399.64 TO \$198,333 AN INCREASE OF \$19,933.64

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

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM # 3530001441 FROM \$89,260 TO \$250,000 AN INCREASE OF \$160,740

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

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530000588 FROM \$115,499.24 TO \$159,000 AN INCREASE OF \$43,500.76

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

**RESOLUTION TO AUTHORIZE A RELEASE OF SETTLEMENT IN THE
MATTER OF 3530000807 IN THE AMOUNT OF \$113,333**

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

MOTION TO ADJOURN:

Motion: Commissioner Jones
Second: Chairman White
Roll Call Vote: Unanimous

Mr. Platt thanked for the Commission for the reappointment and advised Inservco looked forward to working with the Commission again in 2016.

MEETING ADJOURNED: 11:09 AM

Minutes prepared by: Cathy Dodd, Assisting Secretary