

**GLOUCESTER COUNTY INSURANCE COMMISSION  
OPEN MINUTES  
MEETING – Thursday, June 25, 2015  
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	Excused

**FUND PROFESSIONALS PRESENT:**

Executive Director	PERMA Risk Management Services <b>Joe Hrubash</b>
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Claims Service	Inservco Insurance Services, Inc. <b>Veronica George</b> <b>Terry Sheerin</b> <b>Ashley Nelms</b> <b>Dave McCabe</b> <b>Keith Platt</b>
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	Consolidated Services Group, Inc. <b>Jennifer Goldstein</b> <b>Steve Armenti</b>
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	Conner Strong & Buckelew <b>Michelle Leighton</b>
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Underwriting Services Director/RMC	Hardenbergh Insurance Group <b>Bonnie Ridolfino</b> <b>Jenna Quattrone (via teleconference)</b>
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Attorney	Long Marmero & Associates <b>Doug Long, Esq.</b>
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Treasurer

Safety Director	J.A. Montgomery Risk Control <b>Glenn Prince</b>
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**ALSO PRESENT:**

Dean Sizemore, Gloucester County  
Linda Galella, Esq., Richardson, Galella & Austermuhl  
Prudence M. Higbee, Esq. Capehart & Scatchard (*via teleconference*)  
Cathy Dodd, PERMA Risk Management Services

**APPROVAL OF MINUTES:** Open Minutes and Closed Minutes of April 23, 2015

**MOTION TO APPROVE THE OPEN MINUTES & CLOSED MINUTES OF  
APRIL 23, 2015**

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

**CORRESPONDENCE:** None

**COMMITTEE REPORTS:**

**SAFETY COMMITTEE:** Mr. Sizemore reported the Safety Committee met on Tuesday, June 2<sup>nd</sup> via a conference call as it was a light agenda and there were no accidents to review. Mr. Sizemore noted there was an improvement with the completion of the Supervisor’s Incident Investigation Reports.

**CLAIMS COMMITTEE:** Mr. Sizemore advised at the last meeting he indicated there was an increase number of claims due to the winter months, however, the claims have now decreased. Mr. Sizemore mentioned there was minimal damage throughout the County from the strong winds and rain, the possible tornado that passed through earlier in the week. Mr. Sizemore reported the Claims Committee met on June 9<sup>th</sup> via teleconference and reviewed the PARS that would be presented during closed session. Mr. Sizemore also advised he wanted to recognize the professional action taken by Veronica George of Inservco on a Saturday while he was away. Mr. Sizemore read a note he had prepared about the incident and commended Ms. George for her efforts and being a valuable member to the team.

**EXECUTIVE DIRECTOR REPORT:** Executive Director advised he had 2 actions items for his report along with some informational items.

**COMMISSION ATTORNEY RESOLUTION:** Executive Director referred to a copy of Resolution 34-15, Awarding a Professional Service Contract to Long Marmero & Associates, LLP. Executive Director advised the Commissioners awarded this contract at the April Commission meeting for the period of April 25, 2015 to April 25, 2016.

**MOTION TO APPROVE RESOLUTION 34-15 AWARDING PROFESSIONAL SERVICE CONTRACT TO LONG MARMERO & ASSOCIATES, LLP**

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

**2016 RFP'S FOR PROFESSIONAL SERVICES – FAIR & OPEN PROCESS:** Executive Director reported the contracts for the Executive Director, Risk Management Consultant, Underwriting Services Director, Third Party Administrator, Managed Care Provider and Defense Panel Attorneys were expiring as of December 31, 2015. Executive Director referred to Resolution 35-15 which was included in the agenda and requested a motion to authorize the preparation and advertising of the proposals for the professional positions which were expiring the end of the year. Executive Director advised the resolution was reviewed and approved by the Commission Attorney.

**MOTION TO APPROVE RESOLUTION 35-15 AUTHORIZING THE PREPARATION AND ADVERTISING THE REQUEST FOR PROPOSALS FOR THE POSITION OF EXECUTIVE DIRECTOR, RISK MANAGEMENT CONSULTANT, UNDERWRITING SERVICES DIRECTOR, THIRD PARTY CLAIMS ADMINISTRATOR, MANAGED CARE PROVIDER AND DEFENSE PANEL ATTORNEYS**

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

**GCIC WEBSITE:** Executive Director advised the new website for the GCIC was live and the URL address for the site was: [www.gcicinsurance.org](http://www.gcicinsurance.org). Executive Director asked everyone to view the site and if there were any questions or comments to contact his office. Executive Director noted the site would be updated on an on going basis with the monthly open minutes, agendas and resolutions. Executive Director reported the previous website vendor was notified and advised to discontinue their services. Commissioner Burke noted he reviewed the site and it was very user friendly.

**CERTIFICATE OF INSURANCE REPORT:** Executive Director reported on the Certificate of Insurance Report for the period of 4/16/15 to 6/18/15. There were a total of 7 certificates issued for this period.

**GCIC PROPERTY AND CASUALTY FINANCIAL FAST TRACK:** Executive Director advised that the March and April Property & Casualty Financial Fast Tracks were included in the

agenda. The Commission had a surplus of \$3,071,589 as of April 30 2015. Executive Director advised that \$1,232,335 on line 8 of the report “Investment in Joint Venture was the GCIC’s share of the CEL JIF equity. Executive Director noted the total cash amount was \$5,357,643. Executive Director asked if anyone had any questions.

**NJ CEL PROPERTY AND CASUALTY FINANCIAL FAST TRACK:** Executive Director reported the agenda included the March and April Financial Fast Tracks for the NJ CEL. As of April 30, 2015 the CEL had a surplus of \$5,676,248. Executive Director advised the CEL was meeting in the afternoon and during closed session they would discuss some claims that have matured.

**HEALTH BENEFITS FINANCIAL FAST TRACK:** Executive Director reported the agenda included the February and March Health Benefits Financial Fast Tracks. As of March 31, 2015 there was a surplus of \$91,748. Executive Director asked if anyone had any questions on the Financial Fast Tracks.

**NEW CLAIMS TRACKING REPORTS:** Executive Director reported the agenda included the claim monitoring reports however an updated version of the reports as of May 31, 2015 were distributed at the beginning of the meeting. Executive Director referred to the Claim Activity Report and advised the purpose of the report was to look for any inconsistencies in open and closed claims along with changes in reserve. Executive Director advised he did not note anything unusual about the report and pointed out there were 15 new claims opened during the month of May. Executive Director also reviewed the Claims Management Report Expected Loss Ratio Analysis” report as of May 31<sup>st</sup>. Executive Director explained this report compared the actual incurred amount of losses against the budget amount and the Actuary target projections. Executive Director explained the 2015 Fund Year was running higher than the Actuary projected; however this could be due to the winter months. Executive Director reviewed the other Fund Years with the Commission and indicated all of the years were doing exceptionally well except for 2011.

**NJ EXCESS COUNTIES INSURANCE FUND (CELJIF):** Executive Director reported the CEL was scheduled to meet in the afternoon and a draft copy of the 2014 audit would be presented at the meeting. Executive Director noted a summary report of the meeting would appear in the next agenda. Executive Director advised the next CEL meeting was scheduled for September 24, 2015 at 1:00 PM.

**2015 PROPERTY & CASUALTY ASSESSMENTS:** Executive Director reported the second assessment was due on May 15, 2015 and the Treasurer’s office advised payment was received from all of the member entities.

**2016 RENEWAL APPLICATIONS:** Executive Director reported the CEL Fund office was implementing a new data collection procedure for the 2016 renewal. Executive Director advised he would work with the Ms. Ridolfino to roll out the new process. Ms. Leighton advised the Conner Strong & Buckelew Claim’s Department would work with the CEL Underwriting Manager to collect the loss information and noted Hardenbergh Insurance Group was very helpful in obtaining this information.

**WELCOME ROBYN WALCOFF:** Executive Director reported Mary Lou Doner, Vice President of Claims for the NJ Counties Excess JIF was retiring on July 1<sup>st</sup> and announced Robyn Walcoff of Conner Strong & Buckelew would succeed Ms. Doner.

**NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND – JOINT INSURANCE CLAIMS COMMITTEES BEST PRACTICES WORKSHOP:** Ms. Leighton reported she was coordinating the annual joint meeting of the Member Insurance Commissions of the CELJIF. Ms. Leighton noted the tentative date was scheduled for October 6<sup>th</sup>. Ms. Leighton advised she would reach out to last years committee members to participate in a conference call to discuss the topics and agendas.

**ZURICH ENVIRONMENTAL EMERGENCY RESPONSE:** Ms. Leighton advised Zurich had made Environmental Emergency Response available at no additional cost to the member entities that purchased Pollution Liability Insurance through the NJCEL's ancillary insurance program. Ms. Leighton referred to the brochure which was included in the agenda and reviewed the steps to follow in the event of a spill. Ms. Leighton also expressed the importance of reporting the claim to Zurich immediately.

**2015 MEETING SCHEDULE:** Executive Director noted the Commission was not scheduled to meet in July or August. The next meeting was scheduled for September 24, 2015.

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

Executive Director's Report Made Part of Minutes.

**EMPLOYEE BENEFITS:** Executive Director reported the April and May Client Activity Reports were included in the agenda. Executive Director advised the April report indicated there were 37 inquires and for the month of May there were 23 inquiries.

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

**MOTION TO APPROVE THE MAY BILL LIST,  
RESOLUTION 36-15 IN THE AMOUNT OF \$85,772.94**

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

**MOTION TO APPROVE THE MAY HEALTH BILL  
LIST, RESOLUTION 37-15 IN THE AMOUNT OF  
\$3,350.50**

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

**MOTION TO APPROVE THE JUNE BILL LIST,  
RESOLUTION 38-15 IN THE AMOUNT OF \$58,509.88**

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

**MOTION TO APPROVE THE JUNE HEALTH BILL  
LIST, RESOLUTION 39-15 IN THE AMOUNT OF  
\$3,350.50**

Motion: Commissioner Burke  
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**

**REPORT:**

Chairman White presented Resolution 40-15 Inservco Liability Check Register for the period of 4/1/15 through 4/30/15 and 5/1/15 and 5/31/15.

**MOTION TO APPROVE RESOLUTION 40-15 LIABILITY CHECK  
REGISTER FOR THE PERIOD OF 4/1/15 THROUGH 4/30/15 AND 5/1/15  
THROUGH 5/31/15**

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

**MANAGED CARE PROVIDER:** Ms. Goldstein reviewed the Client Bill Review Summary Report for the months of April and May which were included in the agenda. Ms. Goldstein advised there were 60 bills received for the month of April. Ms. Goldstein advised the total provider charge for April was \$127,736.73. The total allowed amount for was \$50,889.87. The total reduction was \$76,846.86. Ms. Goldstein advised after fees the net reduction for April was \$66,865.33 or 52%. Ms. Goldstein also reviewed the figures for May advising there were 49 bills received. Ms. Goldstein advised the total provider charge for May was \$86,705.77 and the total allowed amount was \$56,780.07. The total reduction was \$29,925.70 and after fees the net reduction for May was

\$25,940.07. Ms. Goldstein noted that 96% of the charges were in-network for April and 82% during May. Ms. Goldstein pointed out the net reductions for the year was \$183,536.03 for a 42% savings. Ms. Goldstein advised that concluded her report unless anyone had questions.

#### **CEL SAFETY DIRECTOR:**

**REPORT:** Mr. Prince reviewed the April through May 2015 Risk Control Activity Report which was included in the agenda. Mr. Prince also advised last month he was requested to obtain information on body cameras and microphone dash cams. Mr. Prince advised he attended the Police Security Expo in Atlantic City and spoke to a vendor, however they could not provide a cost until they knew what type of operating system would be used and the number of items being purchased. Chairman White advised they had an understanding of the cost. A discussion ensued on the different types of cameras and suppliers. Mr. Prince advised there was a \$10,000 grant through the BRIT program; however that amount was for the entire CEL program. Mr. Prince indicated he could discuss the amount of the grant with the CEL Underwriting Manager to see if an additional amount would be granted due to the growth of the program. Mr. Prince also indicated he would introduce the camera concept at the CEL meeting in the afternoon. Ms. Ridolfino inquired if there were any funds in surplus that could be used for the cameras. Chairman White noted the County budget time was approaching in October and would need an answer as soon as possible.

Mr. Prince pointed out a safety presentation was conducted for the GCIA kitchen staff on June 11<sup>th</sup> and also covered some loss prevention safety initiatives such as employee theft of food products.

Mr. Prince advised that concluded his report unless anyone had any questions.

#### **RISK MANAGEMENT/UNDERWRITING SERVICES DIRECTOR:**

**REPORT:** Ms. Ridolfino advised her report was included in the agenda. Ms. Ridolfino reported all of the departments were utilizing the BRIT On Line Training program. Ms. Ridolfino advised the top three training programs were, Haz Com, Bloodborne Pathogens and Defensive Driving.

Ms. Ridolfino reported both the Gloucester County Special Services School District and the Gloucester County Institute of Technology membership through the New Jersey Schools Insurance Group were expiring on 7/1/15. Ms. Ridolfino advised submissions were made to the GCIC/NJCEL, however the pricing was not competitive and the districts remained with the School Boards.

Ms. Ridolfino advised she had several action items for policies that could not be placed through the GCIC/NJCEJIF or its master programs.

Ms. Ridolfino advised the Underground Storage Tank policy for the Improvement Authority's Dream Park policy was renewing on 7/7/15 with an annual premium of \$867.74 per the expiring policy with Commerce and Industry.

**MOTION TO AUTHORIZE TO RENEW THE IMPROVEMENT AUTHORITY, DREAM PARK UNDERGROUND STORAGE TANK POLICY THROUGH COMMERCE AND INDUSTRY FOR AN ANNUAL COST OF \$867.74 EFFECTIVE 7/7/15**

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

Ms. Ridolfino indicated she was waiting for the renewal terms for the Rowan College at Gloucester County's Directors and Officers Liability policy through Markel which was renewing on 7/9/15. Mr. Ridolfino requested a motion to authorize the renewal for an annual cost not to exceed \$1,200.

**MOTION TO AUTHORIZE TO RENEW THE ROWAN COLLEGE AT GLOUCESTER COUNTY, DIRECTORS AND OFFICERS LIABILITY POLICY THROUGH MARKEL FOR AN ANNUAL COST NOT TO EXCEED \$1,200 EFFECTIVE 7/9/15**

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

Ms. Ridolfino advised the next item was also for the College. Ms. Ridolfino indicated the Catastrophic Sports policy with Summit was renewing on 8/1/15 with an annual premium of \$10,864 and all terms and conditions were per the expiring.

**MOTION TO AUTHORIZE TO RENEW THE CATASTROPHIC SPORTS ACCIDENT POLICY THROUGH SUMMIT FOR AN ANNUAL COST OF \$10,864 EFFECTIVE 8/1/15**

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

Ms. Ridolfino advised her office submitted a renewal application to AIG and was waiting for the renewal proposal for the College's Base Sports Accident policy which was renewing on 8/1/15. Ms. Ridolfino did not anticipate an increase of more than 10% and requested a motion to renew the policy through AIG at an annual total cost not to exceed \$90,200.

**MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO RENEW THE COLLEGE' BASE SPORTS ACCIDENT POLICY THROUGH AIG AT AN ANNUAL TOTAL COST NOT TO EXCEED \$90,200**

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

Ms. Ridolfino reported the Patient Trust Bond for the Shady Lane Nursing Home was renewing on 8/3/15. The annual renewal premium with C N A was \$490 and all terms and conditions were per the expiring policy. Ms. Ridolfino noted this bond was required by law.

**MOTION TO AUTHORIZE TO RENEW THE SHADY LANE NURSING HOME PATIENT TRUST BOND THROUGH C N A FOR AN ANNUAL COST OF \$490 EFFECTIVE 8/3/15**

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

Ms. Ridolfino advised she did not need any action on the next item but wanted to explain that the insurance carrier would be issuing non renewing notice effective 8/25/15 on the County Underground Storage Tank policy due to the age of the tanks. Ms. Ridolfino reported the coverage would be replaced by Crum & Forster who is providing coverage for the other County tanks. The coverage would be endorsed onto this policy and Ms. Ridolfino noted she would advise the premium once it was finalized.

Ms. Ridolfino reported she would ask for one motion to renew the County's 911 Errors and Omissions policy effective 8/13/15 and the Improvement Authority Child Development Center effective 9/7/15. Ms. Ridolfino explained the renewals were in the process stage; however the next Commission meeting was not until after the effective dates of each of the policies. Ms. Ridolfino requested authority to renew coverage at premiums not to exceed 10% of the expiring. Ms. Ridolfino noted if the renewal premiums exceeded 10% she would advise the Commissioners prior to binding.

**MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO RENEW THE COUNTY'S 911 ERRORS AND OMISSIONS POLICY EFFECTIVE 8/13/15 AND THE IMPROVEMENT AUTHORITY CHILD DEVELOPMENT CENTER PACKAGE AND UMBRELLA POLICIES EFFECTIVE 9/7/15 WITH AN ANNUAL TOTAL COST NOT TO EXCEED 10% OF THE EXPIRING PREMIUM**

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

Ms. Ridolfino advised she needed one more motion to renew the Warden Bond with C N A which was renewing on 7/1/15 with an annual premium of \$122.50. All terms and conditions were per expiring.

**MOTION TO AUTHORIZE TO RENEW THE WARDEN'S BOND THROUGH C N A FOR AN ANNUAL COST OF \$122.50 EFFECTIVE 7/1/15.**

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

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

**ATTORNEY:** Commission Attorney stated he did not have anything to report but wanted to thank the Commission for renewing his agreement.

**OLD BUSINESS:** None

**NEW BUSINESS:** None

**PUBLIC COMMENT:**

**MOTION TO OPEN MEETING TO PUBLIC**

Moved: Commissioner Burke  
Second: Chairman White  
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 Burke  
Second: Chairman White  
Roll Call Vote : Unanimous

**CLOSED SESSION:** Chairman White read and requested a motion to approve Resolution 41-15 authorizing a Closed Session to discuss PARS & SARS relating to pending or anticipated litigation as listed.

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

**MOTION TO GO INTO CLOSED SESSION**

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

**MOTION TO RETURN TO OPEN SESSION**

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

Commission Attorney advised there was one resolution and then he would read the applicable motions to approve the PARS/SARS discussed during closed session.

**MOTION TO AUTHORIZE SETTLEMENT BY THE COMMISSION FOR CLAIM # 3530000694 IN THE AMOUNT OF \$125,000**

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

**MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM # 3530001341 FROM \$15,000 TO \$71,850**

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

**MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM # 3530001132 FROM \$25,945.30 TO \$40,477.34**

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

**MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM # 3530001254 FROM \$35,248 TO \$52,130**

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

**MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM # 3530001230 FROM \$15,000 TO \$119,837**

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

**MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM  
# 3530001255 FROM \$15,000 TO \$51,995.97**

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

**MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM  
# 3530000857 FROM \$43,757.70 TO \$123,533.70**

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

**MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM  
# 3530000355 FROM \$80,461 TO \$95,965**

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

**MOTION TO ADJOURN:**

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

**MEETING ADJOURNED: 10:52AM**

Minutes prepared by: Cathy Dodd, Assisting Secretary