

**GLOUCESTER COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – Thursday, October 24, 2019
2 South Broad Street
Woodbury, NJ 9:30 AM**

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
Claims Service	Inservco Insurance Services, Inc. Veronica George Amy Zeiders
	Consolidated Services Group, Inc. Jennifer Goldstein
	PERMA Risk Management Services Robyn Walcoff
NJCE Underwriting Manager	Conner Strong & Buckelew
Underwriting Services Director/RMC	Hardenbergh Insurance Group Christina Violetti
Attorney	Grace Marmero & Associates Doug Long, Esq.
Treasurer	
Safety Director	J.A. Montgomery Risk Control Glenn Prince

ALSO PRESENT

Chris Fay, Esq., Gloucester County
Jonathan Czarnecki, J.A. Montgomery
Prudence Higbee, Esq., Capehart Scatchard
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: Open Minutes and Closed Minutes of September 26, 2019

MOTION TO APPROVE THE OPEN MINUTES AND CLOSED MINUTES OF SEPTEMBER 26, 2019

Motion:	Commissioner Burke
Second:	Commissioner Jones
Vote:	Unanimous

CORRESPONDENCE: None

COMMITTEE REPORTS:

SAFETY COMMITTEE: Mr. Sheehan advised the Safety Committee did not meet.

CLAIMS COMMITTEE: Mr. Sheehan advised the Claims Committee met on October 8, 2019 and discussed the PARS and SARS that would be presented during closed session. Mr. Sheehan referred to a copy of the Claims Reporting Memo that was included in the agenda. Ms. Walcoff reminded the Commission that the policies listed in the memo provide coverage on a “discovery” or “claims made and reported” basis. Ms. Walcoff advised any loss discovered or claim made must be reported during the same policy year within which you discovered the loss or received the claim. Ms. Violetti reported Hardenbergh Insurance Group would send an e-mail to all of the member entities asking for a claim sweep of the policies noted in the memo the last week of November. Mr. Sheehan advised the County sends a letter to all of the department heads.

Ms. Walcoff referred to a copy of the Risk Management Best Practices Workshop Agenda which was included in the agenda. Ms. Walcoff reviewed the list of speakers and topics for the Workshop on October 30, 2019.

EXECUTIVE DIRECTOR REPORT: Executive Director advised his report was included in the agenda.

BUDGET INTRODUCTION: Executive Director reported there was no meeting scheduled for November and the next scheduled meeting was on December 12, 2019. Executive Director advised the Commission needed to decide if they wanted to hold a teleconference meeting in November or hold the budget introduction for the December meeting. Executive Director suggested Tuesday, November 19th at 9:30. Executive Director noted the GCIC Dividend Options would be discussed at the next meeting. Mr. Sheehan suggested scheduling the meeting for November.

**MOTION TO SCHEDULE A MEETING ON TUESDAY,
NOVEMBER 19TH AT 9:30 AM TO INTRODUCE THE
2020 BUDGETS**

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

REVISED PLAN OF RISK MANAGEMENT: Executive Director advised the Plan of Risk Management was revised to include coverage for drones and working animals per the discussion at the September meeting. Executive Director referred to Resolution 80-19 which was included in the agenda and indicated the changes were highlighted.

**MOTION TO APPROVE RESOLUTION 80-19,
REVISED PLAN OF RISK MANAGEMENT**

Motion: Commissioner Burke
Second: Commissioner Jones
Call Vote Unanimous

EMPLOYEE DISHONESTY: Executive Director advised the Employee Dishonesty Coverage policy with Selective Insurance Company was renewing on 11/23/19. Executive Director reported the policy covered the positions of Executive Director, Third Party Administrator and Treasurer. Executive Director stated the annual premium was \$1,095 and there was a slight increase in premium of \$27.00. Executive Director reported the limit per loss was \$1,000,000 with a \$10,000 deductible. Executive Director advised the premium for this coverage would be paid out of the miscellaneous and contingency budget line. Executive Director asked if anyone had any questions and requested a motion to approve the expenditure.

**MOTION TO APPROVE EXPENDITURE FOR
EMPLOYEE DISHONESTY COVERAGE IN THE
AMOUNT OF \$1,095**

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

NJ EXCESS COUNTIES INSURANCE FUND (NJCE): Executive Director advised the NJCE last met on September 26, 2019 and a written summary of the meeting was included in the agenda. Executive Director reported the Board of Commissioners approved a resolution approving the year end financials. Executive Director noted there were no findings or recommendations. Executive Director advised the Property TPA contract was awarded to Qual-Lynx. Executive Director reported the first NJCE Claims Review Committee held their first meeting and another meeting was scheduled for today. Executive Director advised the NJCE was meeting in the afternoon and the 2020 budget would be introduced.

CERTIFICATE OF INSURANCE REPORT: Executive Director advised the September Certificate of Insurance Report was included in Appendix II of the agenda. Executive Director reported there were 34 certificates issued the month of September.

GCIC PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director advised the August Property & Casualty Financial Fast Track was included in the agenda. Executive Director reported the Commission had a surplus of \$3,535,950 as of August 31, 2019. Executive Director advised that \$3,084,768 on 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 \$2,561,614.

NJCE PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director reported the agenda included the August Financial Fast Track for the NJCE. As of August 31, 2019, the NJCE had a surplus of \$19,197,828. Executive Director noted the cash amount was \$32,071,912. Executive Director added the Finance Committee did discuss dividend options and there was a possibility that the dividend this year would be in the amount of \$2 million.

HEALTH BENEFITS FINANCIAL FAST TRACK: Executive Director reported the agenda included the August Health Benefits Financial Fast Track. As of August 31, 2019 there was a surplus of \$226,570 and the cash amount was \$264,692. 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 August 31, 2019. Executive Director referred to a copy of the Claims Management Report Expected Loss Ratio Analysis Report and reviewed the actuary’s projections compared to the actual losses. Executive Director advised all years were performing well except Fund Year 2015. Executive Director explained the actual losses were higher than the actuary projections, however, most of Commissions and Municipal JIF’s were having issues in 2015 and most likely was due to the bad winter.

2019 PROPERTY & CASUALTY ASSESSMENTS: Executive Director advised the third and final assessment payment for 2019 was due on October 15, 2019. Executive Director noted the Treasurer’s office advised payment was received from all of the member entities.

2019 RFP’S FOR PROFESSIONAL SERVICES: Executive Director reported the RFP’s were issued and advertised for the positions for the Actuary, Auditor, Defense Panel Attorneys, Commission Attorney, Field Nurse Case Manager, Functional Capacity Evaluation Services and Benefits Consulting Services positions. Executive Director advised the responses were due on October 18, 2019. Executive Director noted the responses would be reviewed and recommendations made at the December meeting.

2020 AUTO ID CARDS/WC POSTING NOTICES/RENEWAL CERTIFICATE OF INSURANCE: Executive Director advised the 2020 auto ID cards and WC Posting Notices would be sent to each member entity representative for distribution the beginning of December. Executive Director reported the NJCE Underwriting Manager’s Team would review any certificates which need to be re-issued for the 2020 renewal. In response to Executive Director’s inquiry, Ms. Violetti advised the cards were sent directly to the members.

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

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Chairman Sheehan advised the agenda included the October Bill Lists. Chairman Sheehan requested a motion to approve the bill lists.

MOTION TO APPROVE RESOLUTION 81-19

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

MOTION TO APPROVE RESOLUTION 82-19

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 advised Ms. Giordano was not present but if anyone had any questions, he would let her know.

CLAIMS REPORT:

Chairman Sheehan presented Resolution 83-19 Inservco Liability Check Register for the period of 9/1/19 through 9/30/19.

MOTION TO APPROVE RESOLUTION 83-19 LIABILITY CHECK REGISTER FOR THE PERIOD OF 9/1/19 THROUGH 9/30/19

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

MANAGED CARE PROVIDER: Ms. Goldstein reviewed the Client Bill Review Summary Report for the month of September.

Month	Number of Bills	Total Provider Charges	Total Allowed	Total Reductions	Net Reductions	Percent of Net Savings
September	51	\$ 30,841.36	\$ 17,417.46	\$ 13,423.90	\$ 11,558.27	37%

Ms. Goldstein advised the year to date net savings were \$257,365.03 or 47%. Ms. Goldstein asked if anyone had any questions and concluded her report.

NJCE SAFETY DIRECTOR:

REPORT: Mr. Prince reviewed the September – November Risk Control Activity Report which was included in the agenda. Mr. Prince advised on a positive note the BRIT Safety Grant Committee met on October 16th. Mr. Prince reported each County could submit bills for a reimbursement of \$5,000. The Gloucester County Sheriff’s Department submitted a bill for cameras in the amount of \$28,435 and after the Committee reviewed the submissions they determined Gloucester County could be reimbursed for \$12,749.65. Mr. Prince noted only 5 Counties made a submission. Mr. Prince advised after he received the amount for the 2020 BRIT Safety Grant and the provisions a letter would go out in January. Mr. Prince advised that concluded his report unless anyone had any questions.

RISK MANAGEMENT/UNDERWRITING SERVICES DIRECTOR:

REPORT: Ms. Violetti reported a copy of her report was included in the agenda. Ms. Violetti advised Mr. Prince already mentioned Gloucester County was awarded \$12,749.65 through the 2019 BRIT Safety Grant for the purchase of cameras by the Sheriff’s Department.

Ms. Violetti advised the following coverages for members could not be placed through the GCIC/NJCEJIF for its master programs at this time and it was determined the following bond/policies needed to be renewed:

Member	Coverage	Carrier	Exp. Date	Expiring Premium	Renewal Premium
County	Bond – Prosecutor (Fiore)	CNA	11/22/19	\$70.00	\$70.00
County	Bond – Undersheriff (Knestaut)	CNA	12/28/19	\$175.00	\$175.00
County	Bond – Undersheriff (Bay)	CNA	12/28/19	\$175.00	\$175.00
County	Bond – Sheriff (Morina)	CNA	12/31/19	\$350.00	\$350.00

MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO RENEW ALL BONDS AS OUTLINED ABOVE

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

Ms. Violetti advised the following renewals were in process. Ms. Violetti requested authority to renew the policies contingent upon the premium not increasing more that 10% and with no significant reduction in the terms and conditions. Ms. Violetti advised if there was, she would seek direction from the member and then advised the Commission accordingly.

Member	Coverage	Carrier	Exp. Date	Expiring Premium
Library	Notary Bond	CNA	11/17/19	\$113.75
Library	Volunteer Accident	QBE	11/23/19	\$350.00

MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO RENEW THE ABOVE POLICIES CONTINGENT UPON THE RENEWAL PREMIUM NOT INCREASING MORE THAT 10% AND NO SIGNIFICANT REDUCTION IN THE TERMS AND CONDITIONS

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

Ms. Violetti advised the below renewal was in process and had been finalized. No action was needed. Mr. Sheehan complimented Ms. Violetti on learning the Origami System and guiding the member entities through the renewal process. Executive Director also noted Ms. Violetti did an excellent job and was the first to submit all of the required information.

Member	Coverage	Carrier	Exp. Date	Expiring Premium	Renewal Premium
Improvement Authority	Volunteer Accident	QBE	10/9/19	\$350.00	\$350.00

Ms. Violetti advised that concluded her report unless there were any questions.

ATTORNEY: Mr. Long advised he did not have anything to report.

OLD BUSINESS: None

NEW BUSINESS: Ms. Walcoff reported PERMA had a new hire, Jennifer Conicella, formally of AmTrust. Ms. Walcoff advised PERMA was expanding their Claims Team and would be very active in the Origami Program and working with the Commissions and the NJCE. Executive Director indicated he wanted to give more support to Ms. Leighton’s team.

PUBLIC COMMENT:

MOTION TO OPEN MEETING TO PUBLIC

Moved: Commissioner Burke
 Second: Commissioner Jones
 Vote: Unanimous

Seeing 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 Burke
 Second: Commissioner Jones
 Vote: Unanimous

CLOSED SESSION: Chairman Sheehan read and requested a motion to approve Resolution 84-19 authorizing a Closed Session to discuss PARS & SARS relating to pending or anticipated litigation as listed.

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 requested Mr. Long to make the motion approving the PARS.

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530002179 FROM \$15,000 TO \$31,000 AN INCREASE OF \$16,000

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530002227 FROM \$15,000 TO \$86,000 AN INCREASE OF \$71,305

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530001132 FROM \$43,729.52 TO \$61,857.52 AN INCREASE OF \$18,128

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530001778 FROM \$15,000 TO \$26,000 AN INCREASE OF \$11,000

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #353001827 FROM \$15,000 TO \$112,000 AN INCREASE OF \$97,000

Motion: Commissioner Burke
Second: Commissioner Jones
Vote: Unanimous

MOTION TO ADJOURN:

Motion: Commissioner Jones
Second: Commissioner Burke
Vote: Unanimous

MEETING ADJOURNED: 10:22 AM

Minutes prepared by: Cathy Dodd, Assisting Secretary