

**GLOUCESTER COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – Thursday, October 26, 2017
2 South Broad Street
Woodbury, NJ 9:30 AM**

Meeting called to order by Gerald 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 |
| 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 |
| | Conner Strong & Buckelew Greg Hunt |
| CEL Underwriting Manager | Conner Strong & Buckelew Ed Cooney |
| Underwriting Services Director/RMC | Hardenbergh Insurance Group Bonnie Ridolfino |
| Attorney | Long Marmero & Associates Doug Long Esq. |
| Treasurer | |
| Safety Director | J.A. Montgomery Risk Control Glenn Prince |
| Auditor | Bowman & Company, LLP Jim Miles |

ALSO PRESENT:

Tim Sheehan, Gloucester County
Tom Campo, Esq., Gloucester County
Christina Violetti, Hardenbergh Insurance Group (*via teleconference*)
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: Open Minutes and Closed Minutes of September 28, 2017

MOTION TO APPROVE THE OPEN MINUTES & CLOSED MINUTES OF SEPTEMBER 28, 2017

Motion: Commissioner Jones
Second: Chairman White
Roll Call Vote: 2 Ayes, 1 Abstained

CORRESPONDENCE: None

COMMITTEE REPORTS:

SAFETY COMMITTEE: Mr. Sheehan reported there were no meetings since the last report.

CLAIMS COMMITTEE: Chairman White advised there was no claim report.

EXECUTIVE DIRECTOR REPORT: Executive Director reported there were three action items and the first item was the approval of the 2016 Audit. Executive Director advised Mr. Jim Miles of Bowman & Company would present the audit.

2016 AUDIT REPORT: Mr. Miles distributed copies of the 2016 Annual Audit Report and advised he had an opportunity to review the audit in detail previously with Chairman White and the Executive Director. Mr. Miles reported the financial statement was fairly stable and indicated as of 12/31/16 the net position was \$3,790,990, \$167,374 was health and \$3,623,616 was property & casualty. Mr. Miles noted there were no findings nor recommendations. Mr. Miles advised that concluded his report unless there were any questions. Mr. Miles also expressed his appreciation and assistance provided to his office during the audit. Executive Director advised if everyone agreed Resolution 50-17 Certification of the Annual Audit Report was included in the agenda for approval.

**MOTION TO APPROVE RESOLUTION 50-17
CERTIFICATION OF ANNUAL AUDIT REPORT FOR
PERIOD ENDING DECEMBER 31, 2016**

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

NOVEMBER MEETING DATE: Executive Director advised the next action item was to schedule a November meeting. Executive Director explained the Commission was not scheduled

to meet in November, however the Chair suggested scheduling a telephonic meeting to introduce the 2018 Budget. Executive Director suggested the meeting be held on November 20th at 10:00 AM. Executive Director requested a motion to approve the meeting date if the Commissioners were available.

**MOTION TO SCHEDULE A MEETING ON
NOVEMBER 20, 2017 AT 10:00 AM**

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

EMPLOYEE DISHONESTY COVERAGE: Executive Director reported the Employee Dishonesty Coverage policy with Selective Insurance Company was renewing on 11/23/17. Executive Director noted the policy covered the positions of Executive Director, Third Party Administrator and the Treasurer. Executive Director advised the annual premium was \$1,052 and the limit per loss was \$1,000,000 with a \$10,000 deductible. Executive Director reported the cost of the coverage would be paid out of the miscellaneous and contingency budget line and requested approval for the expenditure.

**MOTION TO APPROVE EXPENDITURE FOR
EMPLOYEE DISHONESTY COVERAGE IN THE
AMOUNT OF \$1,052**

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

CERTIFICATE OF INSURANCE REPORT: Executive Director reported on the Certificate of Insurance Report for the month of September. Executive Director advised there were 7 certificates issued. Executive Director advised Mr. Cooney was in attendance and asked if anyone had any questions for him regarding the report.

NJ EXCESS COUNTIES INSURANCE FUND (CELJIF): Executive Director reported the CEL last met on September 28, 2017 and a summary report of the meeting was included in the agenda. Executive Director advised the Board of Fund Commissioners adopted a resolution approving the 2016 Audit and also appointed Bowman & Company, LLP for Payroll Auditing services. Executive Director noted the CEL received documentation from Burlington and Atlantic Counties to renew their membership. Cumberland and Salem Counties were also sent documents to renew their membership. Executive Director advised the Counties of Sussex and Essex were being quoted for potential new membership. Executive Director reported the CEL was scheduled to meet again in the afternoon and would introduce the 2018 Budget.

RFP FOR PROFESSIONAL SERVICES: Executive Director advised the Defense Panel Attorney RFP's were issued and advertised and were due on Friday, November 3, 2017 at 2:00 PM. Executive

Director reported the responses would be evaluated and recommendations would be made at the December meeting.

PROFESSIONAL SERVICE AGREEMENT: Executive Director reported Ms. Dodd distributed Resolution 55-17, Appointing Synergy Joint & Spine to Perform Functional Capacity Evaluations at the beginning of the meeting. Chairman White advised this was discussed previously and requested a motion to adopt the resolution.

**MOTION TO ADOPT RESOLUTION 55-17
APPOINTING SYNERGY JOINT & SPINE TO
PERFORM FUNCTIONAL CAPACITY
EVALUATIONS**

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

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 \$3,163,385 as of August 31, 2017. Executive Director advised that \$1,408,387 on line 10 of the report “Investment in Joint Venture was the GCIC’s share of the CEL JIF equity. Executive Director noted the cash amount was \$4,704,862.

NJ CEL PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director reported the agenda included the August Financial Fast Track for the NJ CEL. As of August 31, 2017 the CEL had a surplus of \$7,698,993. Executive Director noted the cash amount was \$25,581,140. Executive Director advised the CEL would review and recommend available dividend options again this year. Camden, Gloucester and Union Counties would benefit with a release of a dividend.

HEALTH BENEFITS FINANCIAL FAST TRACK: Executive Director reported the agenda included the August Health Benefits Financial Fast Track. As of August 31, 2017 there was a surplus of \$189,479. Executive Director noted the cash amount was \$266,550. 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, 2017. Executive Director referred to the Claim Activity Report and noted he did not find any anomalies. Executive Director advised the Claims Management Report Expected Loss Ratio Analysis report as of August 31, 2017 was also included in the agenda. Executive Director reported this report measured how the losses were running compared to the actuary’s projections for each of the fund years. Executive Director noted the reports correlated with the Financial Fast Track.

2018 AUTO ID CARDS/WC POSTING NOTICES/RENEWAL CERTIFICATE OF INSURANCE: Executive Director advised the 2018 auto ID cards and WC Posting Notices would be sent to each member entity representative for distribution the beginning of December.

Executive Director asked Greg Hunt of Conner Strong & Buckelew to discuss the last two items of his report.

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND – JOINT INSURANCE CLAIMS COMMITTEES BEST PRACTICES WORKSHOP: Mr. Hunt reported the Workshop was scheduled for November 1, 2017 at the Conner Strong & Buckelew office in Marlton. Mr. Hunt advised the focus this year was on Cyber Liability including Coverage, Risk Management and Available Resources. Mr. Hunt referred to a copy of the agenda which was included in the agenda and encouraged the member entities to attend along with their IT department.

REPORT OF CLAIMS TO CLAIMS MADE POLICIES PRIOR TO 12/31/17 EXPIRATION: Mr. Hunt referred to a copy of the letter that was included in the agenda. Mr. Hunt explained the policies listed in the letter provided coverage on a discovery or claims made and reported basis. Mr. Hunt reported it was imperative that any claim, potential claim or facts and circumstances that may give rise to a claim be reported to the insurance company prior to the policy expiration. Mr. Hunt requested that any claims be reported to Hardenbergh Insurance Group no later than Monday, 12/11/17 for reporting to Conner Strong & Buckelew no later than Monday, 12/18/17.

Executive Director advised the Employee Benefit Reports were included in the Appendix II section of the agenda and indicated there were 26 inquiries for the month of September.

Executive Director advised that concluded his report and asked if anyone had any questions.

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Chairman White advised the October Bill Lists were included in the agenda and requested motions for approval.

**MOTION TO APPROVE RESOLUTION 51-17
OCTOBER BILL LIST**

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

**MOTION TO APPROVE RESOLUTION 52-17
OCTOBER HEALTH INSURANCE FUND BILL LIST**

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

Chairman White pointed out the monthly Treasurer's reports showing the cash transactions and investments were included in the agenda.

CLAIMS REPORT:

Chairman White presented Resolution 53-17 Inservco Liability Check Register for the period of 9/1/17 through 9/30/17.

MOTION TO APPROVE RESOLUTION 53-17 LIABILITY CHECK REGISTER FOR THE PERIOD OF 9/1/17 THROUGH 9/30/17

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

MANAGED CARE PROVIDER: Ms. Goldstein reviewed the Client Bill Review Summary Report for the month of September which was included in the agenda. Ms. Goldstein advised for the month of September there were 82 bills received for a total of \$121,848.51 which included the medevac bill which was discussed last month. Ms. Goldstein stated the total recommended allowance was \$65,613.26 and the total reductions were \$56,235.25 and the net reductions after fees was \$48,365.08 or 40%. The total year to date savings was \$409,268.18 and a net savings of 52%.

CEL SAFETY DIRECTOR:

REPORT: Mr. Prince reviewed the September - October 2017 Risk Control Activity Report which was included in the agenda. Mr. Prince advised October is Fire Prevention Month and the agenda also included a Safety Director Bulletin on Fire Prevention. Mr. Prince indicated the bulletin could be used for your place of employment as well as at home. Mr. Prince advised last month he spoke about the Fast Track to Safety and advised Gloucester County was the first County in the CELJIF program to participate. Mr. Prince stated this was a successful training course and the last session was scheduled for November 13th. Mr. Prince indicated going forward the course would be offered to all of the Counties in the program. Mr. Prince thanked Ms. Ridolfino and Mr. Sheehan for their efforts in starting the program in Gloucester County.

RISK MANAGEMENT/UNDERWRITING SERVICES DIRECTOR:

REPORT: Ms. Ridolfino reported a copy of their report was included in the agenda. Ms. Ridolfino advised the date of the Safety Kick-Off Meeting was confirmed and was scheduled for January 10, 2018 at the Rowan College at Gloucester County. Ms. Ridolfino noted the theme for the meeting was A Second Can Change Your Life and there would be a guest speaker, the Boro Administrator of Palmyra. Also a survey for the Fast Track Courses would be distributed at the meeting so it can be customized for 2018.

As respect to Mr. Hunt’s report regarding the claims made policies, Ms. Ridolfino advised she would send Chairman White an e-mail condensing what needs to be done so he could forward to the department heads and she would reach out to the individual members.

Lastly Ms. Ridolfino advised she was condensing her request for approval of the ancillary coverages and referred to the information which was included in the agenda and noted below.

| Member | Coverage | Carrier | Exp. Date | Expiring Premium | Renewal Premium |
|---------------|--|----------------|------------------|-------------------------|------------------------|
| County | Underground Storage Tank Pollution Liability | Crum & Forster | 10/30/17 | \$2,215 | \$2,345 |
| Library | Volunteer Accident | QBE | 11/23/17 | \$350 | \$350 |
| County | Bond – Undersheriff (Knestaut) | CNA | 12/28/17 | \$175 | \$175 |
| County | Bond – Undersheriff (Bay) | CNA | 12/28/17 | \$175 | \$175 |
| County | Bond – Sheriff (Morina) | CNA | 12/31/17 | \$350 | \$350 |
| County | Bond – Surrogate (Reed) | CNA | 12/31/17 | \$70 | \$70 |

MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO RENEW THE POLICIES AS LISTED

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

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

ATTORNEY: Mr. Long advised they received approval from AIG to utilize John Connell of Archer & Greiner for an EPL claim and thanked Ms. Ridolfino for all of her efforts along with Mr. Cooney. Mr. Long reported they were not successful in the Butch subrogation matter.

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 54-17 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

Chairman White requested Mr. Long to make the motion approving the PARS. Mr. Long advised he would request the motion and approval could be done by consent.

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530001819 FROM \$15,000 TO \$89,200.30 AN INCREASE OF \$74,200.30

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530001803 FROM \$15,000 TO \$112,075.00 AN INCREASE OF \$97,075.00

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530001696 FROM \$27,593.19, TO \$78,265.48 AN INCREASE OF \$50,672.29

MOTION TO APPROVE THE PARS:

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

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 10:27AM
Minutes prepared by: Cathy Dodd, Assisting Secretary