

**GLOUCESTER COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – Thursday, January 23, 2014
115 Budd Blvd.
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
Dean Sizemore, 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 Steve Daveggia
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	Consolidated Services Group, Inc. Jennifer Pard Goldstein Stephen McNamara
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	Conner Strong & Buckelew Michelle Leighton
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Underwriting Services Director/RMC	Hardenbergh Insurance Group Bonnie Rick
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Attorney	Long Marmero & Associates Doug Long, Esq.
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Treasurer

Safety Director	J.A. Montgomery Risk Control Glenn Prince
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Auditor	Bowman & Company LLP
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Benefits	Conner Strong & Buckelew
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ALSO PRESENT:

Linda A. Galella, Esq., Richardson, Galella & Austermuhl
Matt Lyons, Esq. Gloucester County Counsel
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: Open Minutes and Closed Minutes of December 19, 2013

**MOTION TO APPROVE THE OPEN MINUTES & CLOSED MINUTES OF
DECEMBER 19, 2013**

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

CORRESPONDENCE: None

COMMITTEE REPORTS:

SAFETY COMMITTEE: No report.

CLAIMS COMMITTEE: Commissioner Sizemore reported the Claims Committee met via teleconference on January 13th and discussed the PARS that would be presented during closed session. Commissioner Sizemore advised he had two County employees prepare a computation of the 2013 results and the County is improving, however there was one division that needed improvement. Commissioner Sizemore indicated that division generated 26.3% of all worker compensation claims.

EXECUTIVE DIRECTOR REPORT: Executive Director advised he only had one (1) action item for his report today and several informational items.

2014 PROPERTY AND CASUALTY BUDGET: Executive Director advised he wanted to make a clarification with respect to the budget adopted for 2014. Executive Director explained the Commission adopted a budget in the amount of \$5,363,446 which included the credit of \$148,760 from the CEL for certain premium and expense overages. Executive Director indicated that credit would be applied to the member assessment and the correct amount of the budget was \$5,512,207.

HEALTH BENEFITS CONSULTANT RESOLUTION: Executive Director referred to Resolution 1-14, appointing Conner Strong & Buckelew as the Health Benefits Consultant for years 2014, 2015 and 2016. Executive Director reported the Commission approved the appointment at the last meeting. Executive Director advised the resolution was reviewed by the Commission Attorney and requested a motion to approve Resolution 1-14.

MOTION TO APPROVE RESOLUTION NUMBER 1-14 APPOINTING BENEFITS CONSULTING SERVICES TO CONNER STRONG & BUCKELEW FOR FUND YEAR 2014, 2015 AND 2016

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

CERTIFICATE OF INSURANCE REPORT: Executive Director reported on the Certificate of Insurance Report for the period of 11/18/13 to 1/18/14. There were a total of 138 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 \$2,093,636 as of November 30, 2013. Executive Director pointed out the figure of \$726,987 on line 7 of the report “Investment in Joint Venture was GCIC’s share of the CEL JIF equity which is part of the GCIC surplus. Executive Director pointed out that the Fast Track shows that the Commission had a deficit in the month of November for the years 2010, 2011 and 2012 because their “Investment in Joint Venture” asset was reduced due to the CEL’s cancellation of certain administration and ancillary coverage appropriations.

NJ CEL PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director advised the October and November NJ CEL Financial Fast Track Reports were included in the agenda. The CEL had a surplus of \$2,768,593 as of November 30, 2013. Executive Director also explained the Fund’s surplus was decreased by \$607,551 in the month of November due to the cancelled Appropriations due from the Commissions for 2013.

HEALTH BENEFITS FINANCIAL FAST TRACK: Executive Director advised the December Health Benefit Financial Fast Track was included in the agenda. The Health Benefits has a surplus of \$135,039 as of December 31, 2013.

NJ EXCESS COUNTIES INSURANCE FUND (CELJIF): Executive Director reported the CEL cancelled its January meeting and will hold their reorganization meeting on February 27, 2014.

OPTIONAL NETWORK PRIVACY & SECURITY QUOTES: Executive Director reported the CEL Underwriting Manager sent optional cyber liability quotes to Ms. Rick for the County, Gloucester County Library Commission and Gloucester County Improvement. Ms. Rick advised there was a question for the Utility Authority as they utilize the IT services of County. Ms. Rick indicated she heard from the CEL Underwriting Manager’s office and was told the Utility Authority would most likely be covered under the County’s policy and wanted to confirm with the Underwriter. Chairman White mentioned the County also provided some IT services for the Improvement Authority. Ms. Rick thought the nursing home was not included and thought they would need their own coverage. Ms. Rick indicated the Library wanted to purchase the coverage

but was concerned about the premium. Executive Director noted he would talk to Mr. Kickham to see if the CEL was going to pay for the cyber premiums.

2014 PROPERTY & CASUALTY ASSESSMENTS: Executive Director advised in accordance with the Commission's By Laws, the property and casualty assessment bills would be mailed to the member entities via certified mail and by e-mail the week of January 27, 2014.

APPOINTMENT OF COMMISSIONERS TO THE GLOUCESTER COUNTY INSURANCE COMMISSION: Executive Director advised Chairman White's office was providing copies of all of the signed insurance related County Resolutions to the Executive Director's office regarding the appointment of Commissioners.

GENDER EQUITY NOTICE: Executive Director referred to a copy of the "Right to be Free of Gender Inequity or Bias in Pay, Compensation, Benefits or Other Terms and Conditions of Employment" published by the NJ Department of Labor which was included in the agenda.

REORGANIZATION FOR 2014-2015: Executive Director advised the Reorganization of the Gloucester County Insurance Commission would be held at the February 27, 2014 Commission Meeting.

2014 MEETING SCHEDULE: Executive Director advised a copy of the final 2014 Meeting schedule was included in the agenda. Executive Director noted as previously agreed too there will be no meetings in March, May, August & November.

Executive Director's Report Made Part of Minutes.

EMPLOYEE BENEFITS: Executive Director reported he would review the employee benefits report with the Commission which was included in the agenda. Executive Director advised the Client Activity Summary Report for the period of 12/1/13 to 12/31/13 indicated there were 69 inquiries during December and the year to date total was 1,334.

TREASURER REPORT: Chairman White presented Resolution 2-14 the January Property & Casualty Bill List in the amount of \$72,656.03 and requested a motion to approve.

**MOTION TO APPROVE RESOLUTION 2-14
JANUARY PROPERTY & CASUALTY BILL LIST IN
THE AMOUNT OF \$72,656.03**

Motion:	Commissioner Sizemore
Second:	Commissioner Jones
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 3-14 **Inservco** Liability Check Register for the period of 12/1/13 to 12/31/13.

MOTION TO APPROVE RESOLUTION 3-14 LIABILITY CHECK REGISTER FOR THE PERIOD OF 12/1/13 THROUGH 12/31/13

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

MANAGED CARE PROVIDER: Ms. Goldstein referred to the Bill Review/PPO Savings Report which was included in the agenda. Ms. Goldstein advised there were 40 bills received in December for a total of \$88,610.89. The total allowed amount was \$44,087.10. The total reduction was \$44,523.79 and after fees the net reduction was \$38,560.59. Ms. Goldstein also referred to the Year to Date Summary and advised the total percent of net savings was 48%.

CEL SAFETY DIRECTOR:

REPORT: Mr. Prince reviewed the December through January 2014 Risk Control Activity Report which was included in the agenda along with the training calendar for December. Mr. Prince added in response to Commissioner Sizemore comments regarding the EMS, Mr. Prince noted a training class titled "Safe Lifting for Everyone Presentation" was scheduled for February 20th in Clayton. Mr. Prince also noted he was planning a class for the EMS. Chairman White was concerned about attendance of the classes due to the nature of the work. In response, Commissioner Sizemore felt two or three classes should be scheduled. Mr. Prince also noted he was going to include the EMS in his loss control visits for 2014 to assess their operations and claims.

RISK MANAGEMENT/UNDERWRITING SERVICES DIRECTOR:

REPORT: Ms. Rick advised the Safety Kick Off meeting held on January 9, 2014 was very successful with over 60 attendees. Ms. Rick referred to a copy of the course evaluation which was included in the agenda. Ms. Rick noted she was working on a "fast track training day" where 5 or 6 topics are presented in one day. Ms. Rick reported she had one action item and advised the Dream Park's Volunteer Accident policy was expiring on January 28, 2014. Ms. Rick indicated AIG's renewal premium was higher due to a new minimum premium and she was able to obtain a quote from Star Indemnity for \$400 with the same terms and conditions.

MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO NON-RENEW THE VOLUNTEER ACCIDENT POLICY FOR THE DREAM PARK WITH AIG AND BIND COVERAGE WITH

**STAR INDEMNITY AT AN ANNUAL PREMIUM OF \$400 EFFECTIVE
1/28/14**

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

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

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT:

MOTION TO OPEN MEETING TO PUBLIC

Moved: Commissioner Jones
Second: Commissioner Sizemore
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 MEETING TO PUBLIC

Moved: Commissioner Jones
Second: Commissioner Sizemore
Roll Call Vote : Unanimous

CLOSED SESSION: Chairman White read and requested a motion to approve Resolution 4-14 authorizing a Closed Session.

RESOLUTION 4-14, EXECUTIVE SESSION FOR THE PURPOSE AS PERMITTED BY THE OPEN PUBLIC MEETINGS ACT, MORE SPECIFICALLY TO DISCUSS PARS RELATED TO PENDING OR ANTICIPATED LITIGATION AS IDENTIFIED IN THE LIST OF CLAIMS PREPARED BY THIRD PARTY CLAIM ADMINISTRATOR INSERVCO INSURANCE SERVICES, INC. AND ATTACHED TO THIS AGENDA. ALSO THE POSSIBLE SETTLEMENT LARRY WEIL V. GLOUCESTER COUNTY #2011-16819, DONNA GENTILE V. GLOUCESTER COUNTY, # 2011-34217 AND JAMES FARE V. GLOUCESTER COUNTY #2013-1685

Motion: Commissioner Jones

Second: Commissioner Sizemore
Roll Call Vote: Unanimous

MOTION TO GO INTO CLOSED SESSION

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

MOTION TO RETURN TO OPEN SESSION

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

Mr. Long made the following motions:

MOTION TO APPROVE AN INCREASE ON # 3530000588 FROM \$106,797.79 TO \$115,364.24

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

MOTION TO APPROVE AN INCREASE ON CLAIM # 3530000046 FROM 78,251.54 TO \$110,870.06

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

MOTION TO APPROVE AN INCREASE ON CLAIM # 3530000951 FROM \$15,000 TO \$132,387.24

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

MOTION TO APPROVE AN INCREASE ON CLAIM # 3530000494 FROM \$75,000 TO \$89,299.95

Motion: Commissioner Jones
Second: Commissioner Sizemore

Roll Call Vote: Unanimous

MOTION TO AUTHORIZE DEFENSE COUNSEL TO SETTLE CLAIM # 3530000430 FOR AN AMOUNT NOT TO EXCEED \$15,090

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

MOTION TO AUTHORIZE DEFENSE COUNSEL TO SETTLE CLAIM # 3530000588 FOR AN AMOUNT NOT TO EXCEED \$62,951.38

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

MOTION TO AUTHORIZE DEFENSE COUNSEL TO SETTLE CLAIM # 3530000360 FOR AN AMOUNT NOT TO EXCEED \$2590

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

Commission Attorney noted there was no action taken for Settlement Request on claim #3530000046.

MOTION TO WAIVE THE THIRD PARTY SMALL CLAIM PROCEDURE FOR CLAIM # 3530000989

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

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 10:57AM

Minutes prepared by: Cathy Dodd, Assisting Secretary