

**GLOUCESTER COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – Thursday, October 24, 2013
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	Excused

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 Dave McHale
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Auditor	Bowman & Company LLP
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Benefits	Conner Strong & Buckelew
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ALSO PRESENT:

Anthony J. Fiola, Assistant Gloucester County Counsel (*arrived 9:40*)
Marjorie Workmen, GCSSSD/GCIT
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: Open Minutes and Closed Minutes of September 26, 2013

MOTION TO APPROVE THE OPEN MINUTES & CLOSED MINUTES OF SEPTEMBER 26, 2013

Ms. Rick noted a correction was needed on page 8 of the open minutes in the Appendix section of the agenda. Ms. Rick advised her office needed authority to bind coverage for the College's Underground Storage Tank with AIG effective 10/22/13 not Clayton. The requested motion was made incorrectly at the last meeting.

MOTION TO AMEND THE OPEN MINUTES OF SEPTEMBER 26, 2013 WITH THE CORRECTION NOTING COVERAGE WAS BOUND FOR THE COLLEGE'S UNDERGROUND STORAGE TANK

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

MOTION TO APPROVE THE OPEN MINUTES AS CORRECTED & CLOSED MINUTES OF SEPTEMBER 26, 2013

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

CORRESPONDENCE: None

COMMITTEE REPORTS:

SAFETY COMMITTEE: Commissioner Sizemore advised the Safety Committee was scheduled to meet again in December.

CLAIMS COMMITTEE: Commissioner Sizemore reported the Claims Committee met via teleconference on October 8, 2013 and discussed the PARS that would be presented during closed session. Commissioner Sizemore also advised the Comp Action Team met via a telephone conference on October 9th to discuss and review a claim. After a lengthy discussion it was determined the claim would be denied.

EXECUTIVE DIRECTOR REPORT: Executive Director advised he did not have any action items for his report today.

CERTIFICATE OF INSURANCE REPORT: Executive Director reported on the Certificate of Insurance Report for the period of 9/16/13 to 10/15/13. There were a total of 12 certificates issued for this period.

GCIC PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director advised the August Property & Casualty Financial Fast Track was included in the agenda. The Commission had a surplus of \$1,913,543 as of August 31, 2013. Executive Director pointed out the figure of \$843,217 on line 7 of the report “Investment in Joint Venture was GCIC’s share of the CEL JIF equity and was part of the GCIC surplus.

NJ CEL PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director reported the August CEL Financial Fast Track was distributed at the beginning of the meeting. As of August 31, 2013 the CEL had a surplus of \$3,325,525.

HEALTH BENEFITS FINANCIAL FAST TRACK: Executive Director advised the August Health Benefit Financial Fast Track was included in the agenda. The Health Benefits has a surplus of \$69,406 as of August 31, 2013.

NJ EXCESS COUNTIES INSURANCE FUND (CELJIF): Executive Director reported the CEL met on September 26, 2013 and a summary report of their meeting was included in the agenda. Executive Director noted the CEL approved the 2012 Audit at that meeting. Executive Director advised the CEL would introduce their 2014 budget at their November 7th meeting and adopt the budget on December 12th. Executive Director also indicated Mercer and Cape May Counties were presented with proposals. Executive Director advised he and Ms. Leighton attended the presentation meetings and noted they went well.

2014 PROPERTY & CASUALTY BUDGET INTRODUCTION: Executive Director advised the 2014 Property & Casualty Budget would be introduced at the November 19th meeting and a public hearing to adopt the budget would be scheduled for December 19th. Ms. Dodd advised the next meeting was scheduled for November 26th and the date of November 19th in the agenda was incorrect. In response to Chairman’s White inquiry Executive Director advised he was hoping to have a budget within the next seven to ten days. Executive Director indicated once he had the budget he would contact Chairman White to review in detail.

2013 PROPERTY & CASUALTY ASSESSMENTS DUE OCTOBER 15, 2013: Executive Director advised the final assessment payment was due on October 15, 2013 and noted the Treasurer’s office advised all of the member entities remitted their payments.

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND – JOINT INSURANCE CLAIMS COMMITTEES BEST PRACTICES WORKSHOP: Executive Director advised the second Best Practice Workshop was held on Tuesday, October 1, 2013 and a summary of the workshop was included in the agenda. Ms. Leighton advised the event was well attended and the

overview feedback was overwhelming and very positive. Ms. Leighton noted Mr. Hrubash provided the group with the key accomplishments of the NJCEL and its member Insurance Commissions. Ms. Leighton advised there were two guest speakers. Mr. Nardi, Esq. provided an overview of Tort Liability as respects to Title 59 and Mr. Saracino, Esq. spoke about the “Top Ten” available Defenses to Workers’ Compensation claims in New Jersey. Ms. Leighton also advised Ms. Hall and Mr. McHale of J.A. Montgomery reviewed the BRIT Insurance Team Platform which would be rolled out shortly.

Mr. McHale reported his office was with working the coding department at BRIT and would be ready to pilot one of the Commissions in a few weeks for the new training program. In response to Executive Director’s inquiry, Mr. McHale advised Salem County Insurance Commission would be first to test the program.

2014 AUTO ID CARDS/WC POSTING NOTICES/RENEWAL CERTIFICATE OF INSURANCE: Executive Director advised the 2014 Auto ID Cards and WC Posting Notices would be sent to each member entities’ representatives the first week of December. Executive Director also noted Ms. Dodd would work with Ms. Rick on the renewal certificates needed for 2014.

JOINT INSURANCE FUNDS VS COMMERCIAL INSURERS: Executive Director referred to a copy of a positive article which appeared in the Asbury Park Press suggesting the private sector should consider insurance similar to the joint insurance funds due to disputed claims from Super Storm Sandy.

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 9/1/13 to 9/30/13 was included in the agenda. Executive Director indicated there were 87 inquiries during September and the year to date totaled 930. Chairman White advised the benefit contract was expiring on 12/31/13 and the County would issue the applicable RFP.

TREASURER REPORT: Chairman White presented Resolution 65-13 the September Property & Casualty Bill List in the amount of \$57,490.08 and requested a motion to approve.

**MOTION TO APPROVE RESOLUTION 65-13
CONFIRMATION OF THE SEPTEMBER PROPERTY
& CASUALTY BILL LIST IN THE AMOUNT OF
\$57,490.08**

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

Chairman White presented Resolution 66-13 the October Health Insurance Fund Bill List in the amount of \$7,290 and requested a motion to approve.

MOTION TO APPROVE THE OCTOBER HEALTH INSURANCE FUND BILL LIST, RESOLUTION 66-13 IN THE AMOUNT OF \$7,290

Motion:	Commissioner Sizemore
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 67-13 Inservco Liability Check Register for the period of 9/1/13 to 9/30/13.

MOTION TO APPROVE RESOLUTION 67-13 LIABILITY CHECK REGISTER FOR THE PERIOD OF 9/1/13 THROUGH 9/30/13

Motion:	Commissioner Sizemore
Second:	Chairman White
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 60 bills received in September for a total of \$35,942.40. The total allowed amount was \$25,481.29. The total reduction was \$10,461.11 and after fees the net reduction was \$9,352.60. Ms. Goldstein also advised the year to date total was \$277,358.00. In response to Chairman White's inquiry, Ms. Goldstein advised there has been no activity regarding the jail.

CEL SAFETY DIRECTOR:

REPORT: Mr. Prince reviewed the September through October 2013 Risk Control Activity Report which was included in the agenda along with the training calendar. Mr. Prince added that training was continuing for the Correction Officers who provide landscape services and supervision of inmate service work. Mr. Prince also noted he was attending a meeting with Ms. Rick and Mr. McHale to discuss the BRIT TEAM platform. In response to Commissioner Sizemore's inquiry Ms. Rick advised there were evaluation forms/sign in sheets for each training class. Ms. Rick advised she would send the training calendar to Commissioner Sizemore for review to see which forms they were missing.

RISK MANAGEMENT/UNDERWRITING SERVICES DIRECTOR:

REPORT: Ms. Rick advised her report was included in the agenda and she had several action items. Ms. Rick reported the GCUA requested a supply of Class 3 break-a-way vests for their employees. Ms. Rick explained the Commission still had a few vests in stock; however they were not the sizes the GCUA needed. Ms. Rick requested approval to purchase 44 vests for a total of \$1051.85. Ms. Rick advised the Executive Director reported there was enough money to pay for the vests from the miscellaneous and contingency account in the budget.

MOTION TO APPROVE THE PURCHASE OF CLASS 3 BREAK-A-WAY SAFETY VESTS FOR A TOTAL OF \$1,051.85

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

Ms. Rick advised the Nursing Home recently implemented a volunteer program and her office suggested the GCUA purchase a volunteer accident policy. If a volunteer was injured at the Nursing Home, they would not be entitled to worker compensation benefits. Ms. Rick advised the Authority accepted the proposal through Starr Indemnity for an annual premium of \$350.00 with a medical benefit limit of \$250,000 per accident effective 10/9/13. Ms. Rick requested a motion to ratify the Authority's decision to bind the volunteer accident coverage.

MOTION RATIFYING THE AUTHORITY'S DESIRE TO BIND VOLUNTEER ACCIDENT COVERAGE FOR THE SHADY LANE NURSING HOME THROUGH STARR INDEMNITY EFFECTIVE 10/9/13 AT THE ANNUAL PREMIUM OF \$350.00

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

Ms. Rick reported Gloucester County Library's Notary Bond with Western Surety was expiring on 11/17/13. Ms. Rick advised the company offered a renewal premium of \$147.87 per the expiring policy and requested a motion to renew the policy.

MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO BIND COVERAGE FOR THE GCLC'S NOTARY BOND THROUGH WESTERN SURETY EFFECTIVE 11/17/13 AT THE PREMIUM OF \$147.87

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

Ms. Rick also advised the Library's Volunteer Accident policy was renewing with AIG on 11/23/13. Ms. Rick reported AIG increased its minimum premium to \$500 so her office was able to market the coverage and able to obtain the same terms and conditions through Starr Indemnity at a premium of \$350. Ms. Rick requested a motion to non-renew the AIG policy and bind coverage with Starr Indemnity effective 11/23/13.

**MOTION TO AUTHORIZE THE UNDERWRITING SERVICES
DIRECTOR TO NON-RENEW THE AIG POLICY EFFECTIVE 11/23/13
AND REPLACE COVERAGE VOLUNTEER ACCIDENT COVERAGE
THROUGH STARR INDEMNITY EFFECTIVE 11/23/13 AT THE
ANNUAL PREMIUM OF \$350.00**

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

Ms. Rick advised it was discovered that the waste oil tank at Clayton was not removed. Chairman White requested Commissioner Sizemore to check on the status of the tank removal. Ms. Rick advised she could bind coverage on the Clayton tank for \$1,247.

**MOTION TO AUTHORIZE THE UNDERWRITING SERVICES
DIRECTOR TO BIND COVERAGE FOR THE TANK AT CLAYTON
WITH A PREMIUM OF \$1,247**

Motion: Commissioner Sizemore
Second: Chairman White
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 Sizemore
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 MEETING TO PUBLIC

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

CLOSED SESSION: Chairman White read and requested a motion to approve Resolution 68-13 authorizing a Closed Session.

RESOLUTION 68-13, 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

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

MOTION TO GO INTO CLOSED SESSION

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

MOTION TO RETURN TO OPEN SESSION

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

Mr. Long requested a motion to approve an increase on Claim # 3530000295 to \$38, 343.60

MOTION TO APPROVE AN INCREASE ON CLAIM # 3530000295 TO \$38,343.60

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

Mr. Long requested a motion to approve an increase on Claim # 3530000234 to \$41,679

MOTION TO APPROVE AN INCREASE ON CLAIM # 3530000234 TO \$41,679

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

Mr. Long requested a motion to approve an increase on Claim # 3530000915 to \$ 67,500 an increase of \$52,500

MOTION TO APPROVE AN INCREASE ON CLAIM # 3530000915 TO \$67,500 AN INCREASE OF \$52,500

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

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 10:00AM

Minutes prepared by: Cathy Dodd, Assisting Secretary