

**BURLINGTON COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING –January 12, 2018
County Administration Building
49 Rancocas Road
Mt Holly, NJ 08060
11:00 AM**

Meeting was called to order by Chairman Collins. Ms. Dodd read the Open Public Meetings notice into record.

ROLL CALL OF COMMISSIONERS:

Kendall J. Collins	Present
Eve A. Cullinan	Present
Damon Burke	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
Claims Services	PMA Management Corp. Justin Wilkinson
	Conner Strong & Buckelew Michelle Leighton
Attorney	CraigAnninBaxter Law Robert Baxter, Esq.
Treasurer	Edward Troy
Underwriting Manager	Conner Strong & Buckelew Alex DeLuccia
Safety Director	J.A. Montgomery Risk Control Keith Hummel (<i>via teleconference</i>)
Employee Benefits	PERMA Risk Management Services Paul Laracy
	AJM Insurance Management Greg D’Orazio Innovative Risk Solutions, Inc. Rob Henry
Risk Manager	EJA Capacity Insurance Agency

ALSO PRESENT:

Cathy Dodd, PERMA Risk Management Services
Emily Koval, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN & CLOSED MINUTES OF DECEMBER 7, 2017

**MOTION TO APPROVE THE OPEN & CLOSED MINUTES OF
DECEMBER 7, 2017**

Moved:	Chairman Collins
Second:	Commissioner Cullinan
Vote:	3 Ayes, 0 Nays

CORRESPONDENCE: NONE

COMMITTEE REPORTS:

SAFETY COMMITTEE: Mr. Hummel advised he was reporting on behalf of Mr. Prince. Mr. Hummel reported the Safety Committee last met on December 14th and the minutes were distributed electronically. Mr. Hummel reported the Committee was scheduled to meet on March 8th, June 14th, September 13th and December 3rd in 2018. Mr. Hummel reported the CEL Safety Director’s report was included in the agenda starting on page 49. Mr. Hummel noted a Flagger Work Zone Workshop was scheduled for the Bridge Commission and the Department of Bridges. Mr. Hummel advised that concluded his report unless there were any questions. Mr. Burke reported there was an inspection scheduled for the Jail on January 18th. Mr. Prince was scheduled to meet with the Warden. Executive Director thanked Mr. Hummel for providing the reports and advised there was no need for him to participate in the rest of the meeting.

CLAIMS COMMITTEE: Ms. Leighton reported the Claims Committee did not meet in December and was scheduled to meet again on January 16, 2018. Ms. Leighton advised effective January 1, 2018 the Cyber Liability coverage was rewritten with Chubb Insurance Company. Ms. Leighton reported she distributed copies of the new Claim Reporting Procedures. Ms. Leighton indicated the NJCE Underwriter planned to issue a coverage bulletin shortly. Ms. Leighton reported if there was a cyber incident the breach coach retention drops to “zero” dollars and expressed the importance of contacting the Chubb Cyber Incident Response Coach Hotline. Ms. Leighton noted that engaging the Breach Coach did not constitute a notice of claim. Ms. Leighton advised the handout included all of the pertinent information for contacting the breach coach and also reporting the claim. In response to Chairman Collins’s inquiry Ms. Leighton replied the Coverage Committee with the assistance of the NJCE Underwriter was also creating standard cyber protocols for the Counties. Ms. Leighton advised that concluded her report unless there were any questions.

EXECUTIVE DIRECTOR REPORT: Executive Director advised a copy of his report was included in the agenda and he had four action items.

REORGANIZATION RESOLUTIONS: Executive Director referred to the Reorganization Resolutions which were included and reviewed the following resolutions:

- Resolution 1-18 Certifying the Appointment of Chairperson and Vice Chair
- Resolution 2-18 Appointing A Commissioner to the New Jersey Counties Excess Joint Insurance Fund for Fund Year 2018
- Resolution 3-18 Appointing Agent for Service of Process and Custodian of Records For the Commission For the Year 2018
- Resolution 4-18 Designating Official Newspapers for the Commission
- Resolution 5-18 Designating Authorized Depositories for Fund Assets and Establishing Cash Management Plan
- Resolution 6-18 Designating Commission Treasurer
- Resolution 7-18 Designating Authorized Signatures for Commission Bank Accounts
- Resolution 8-18 Indemnifying Burlington County Insurance Fund Commission Officials/Employees
- Resolution 9-18 Authorizing Commission Treasurer to Process Contracted Payments and Expenses
- Resolution 10-18 Plan of Risk Management for 2018

Executive Director advised the changes in the 2018 Risk Management Plan were highlighted in yellow. Executive Director advised the coverages were the same, however some of the insurance carriers changed. Executive Director asked if there were any questions and if not requested a motion to approve the Reorganization Resolutions. Chairman Collins and the Commissioners advised they reviewed the resolutions and did not have any questions.

MOTION TO APPROVE REORGANIZATION RESOLUTIONS NUMBER 1-18 THROUGH 10-18

Moved:	Chairman Collins
Second:	Commissioner Cullinan
Vote:	3 Ayes, 0 Nays

2018 PROPERTY AND CASUALTY BUDGET: Executive Director reported at the December meeting the 2018 Property and Casualty Budget was introduced. Executive Director advised in accordance with regulations the budget was advertised in the Commission’s official newspaper. Executive Director referred to a copy of the budget in the amount of \$4,818,311 which was included in the agenda. Executive Director noted there were some discussions with PMA and their fee was reduced slightly. Executive Director indicated since the amount was small there was no need to change the budget. Executive Director stated this was the Public Hearing for the budget and asked if there were any questions. Executive Director then asked for a motion to open the Public Hearing.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2018 PROPERTY & CASUALTY BUDGET

Moved:	Chairman Collins
Second:	Commissioner Burke
Vote:	3 Ayes, 0 Nays

MOTION TO CLOSE THE PUBLIC HEARING

Moved: Chairman Collins
Second: Commissioner Cullinan
Vote: 3 Ayes, 0 Nays

MOTION TO ADOPT THE PROPERTY & CASUALTY BUDGET FOR THE BURLINGTON COUNTY INSURANCE COMMISSION FOR THE YEAR 2018 AND CERTIFY THE 2018 ASSESSMENTS

Moved: Chairman Collins
Second: Commissioner Cullinan
Vote: 3 Ayes, 0 Nays

2018 MEETING SCHEDULE: Executive Director referred to a copy of the 2018 Meeting Schedule which was included in the agenda. Executive Director advised the meeting dates were presented at the last meeting. In response to Chairman Collin’s inquiry, the Commissioner indicated the dates were acceptable.

MOTION TO APPROVE RESOLUTION 11-18, 2018 MEETING SCHEDULE

Moved: Chairman Collins
Second: Commissioner Cullinan
Vote: 3 Ayes, 0 Nays

PROFESSIONAL SERVICE AGREEMENTS: Executive Director reported RFP’s and RFQ’s were issued for the positions of Executive Director, Actuary, Auditor, Commission Attorney, Third Party Administrator and General Liability and Worker’s Compensation Defense Counsel. The responses were due on December 18, 2017 and a list of the responses received were included in the agenda. Executive Director advised copies of the Resolutions were distributed at the start of the meeting. Chairman Collins advised he and Mr. Baxter had an opportunity to review all of the submissions in response to the professional services. Chairman Collins reported the recommendations were the same as in the past, the current vendors. Mr. Baxter noted he did not review his response for the Commission Attorney position. Mr. Baxter advised there were fewer law firms that responded this year for the Defense Panel. Mr. Baxter advised he prepared a memo of the recommendations and Ms. Dodd indicated she distributed that memo to the Commissioners. In response to Chairman Collin’s inquiry, the Commissioners indicated they agreed with the recommendations.

MOTION TO APPROVE RESOLUTIONS 16-18 THROUGH 21-18

Moved: Chairman Collins
Second: Commissioner Cullinan
Vote: 3 Ayes, 0 Nays

ESAFETY PACKAGE TRAINING: Executive Director advised the Board of Social Services had requested assistance in eSafety’s online training program. Executive Director referred to a copy of the proposals which were included in the agenda. Executive Director noted the three course

package was \$2,690 and the one course package was \$2,130. Executive Director reported the Commission recently approved a training program for the County with eSafety.

MOTION TO AUTHORIZE THE COST OF \$2,690 FOR A THREE COURSE PACKAGE TRAINING PROGRAM THROUGH E-SAFETY FOR THE BOARD OF SOCIAL SERVICES

Moved:	Chairman Collins
Second:	Commissioner Cullinan
Vote:	3 Ayes, 0 Nays

CERTIFICATE OF INSURANCE ISSUANCE REPORT: Executive Director reported there were no certificate requests for the month of November.

NJ EXCESS COUNTIES INSURANCE FUND (NJCE): Executive Director advised the NJCE would hold its Re-Organization Meeting on February 22, 2018 at 1:00 at the Camden County College Regional Emergency Training Center.

BCIC PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the October Financial Fast Track was included in the agenda.

NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the October Financial Fast Track for the NJCE was included in the agenda. As of October 31, 2017 the NJCE had a surplus of \$8,562,766. Executive Director noted the total cash amount was \$24,047,702.

CLAIMS TRACKING REPORTS: Executive Director reported the agenda included two claim monitoring reports as of October 31, 2017. Executive Director advised he reviewed the Claims Activity Report and did not see any anomalies. Executive Director noted this report corresponds to the Financial Fast Track. Executive Director pointed out an amendment was made to the 2018 in an effort to reverse the trend.

Executive Director advised that concluded his report unless there were any questions. Executive Director asked Mr. Laracy to present the Health Benefits Report.

Executive Director's Report Made Part of Minutes

FINANCIAL PROCEDURES

- **Financial Fast Track** – Mr. Laracy reviewed the Financial Fast Track through November which showed a small loss for that month. Although, he said year to date, the Commission had made over \$1.1 million, so the financials are doing better than expected.

2018 Risk Management Plan – Mr. Laracy advised the agenda included the 2018 Risk Management Plan for the Health program that had been updated with the new stop loss arrangement and the separate financial arrangement for the members. Mr. Laracy said that he originally wanted to have separate bank accounts and separate ID numbers for the members running on a cash basis, but it was not mandatory. He said he would like to review this with the County before approving. This resolution was tabled.

In response to Commissioner Burke, Mr. D’Orazio reviewed the lasers that were listed in the Stop Loss policy which he said the members were listed last year for the same deductible due to high claims experience. He said each year, the company would review the claims and if they did not laser these particular members, the cost to the Commission would have increased. Mr. D’Orazio clarified that the deductible was total, not in addition to the current specific deductible.

2018 RFQs – Mr. Laracy said that, although their contracts run through 6/30/2018, the Actuary and Program Manager RFQs were good through 2017. To stay in line with the rest of the Commission contracts, he asked for permission to RFQ.

MOTION TO RELEASE A REQUEST FOR QUALIFICATIONS FOR HEALTH BENEFITS ACTUARY AND PROGRAM MANAGER

Moved:	Chairman Collins
Second:	Commissioner Cullinan
Vote:	3 Ayes, 0 Nays

TREASURER REPORT: Mr. Troy advised he reviewed the Bill Lists and recommended their payment. Chairman Collins asked the Commissioners if they had any questions on the Bill Lists.

MOTION TO APPROVE RESOLUTION 13-18 JANUARY BILL LIST, RESOLUTION 14-18 JANUARY HEALTH BILL LIST

Moved:	Chairman Collins
Second:	Commissioner Cullinan
Vote:	3 Ayes, 0 Nays

Executive Director advised the Treasurer’s monthly reports were included in the agenda.

ATTORNEY: Mr. Baxter advised he did not have any additional items to report on.

CLAIMS SERVICE. Mr. Wilkinson advised PMA’s monthly reports were included in the agenda section of the agenda. Mr. Wilkinson referred to the WC Claims by Quarter Report valued as of 12/1/17. Mr. Wilkinson advised they were projecting 147 worker compensation claims for the County which was a 10% reduction from last year. Mr. Wilkinson advised the Board of Social Services was trending slightly higher, however the majority of the uptick was in record only. Mr. Wilkinson advised the Bridge Commission also had fewer claims in 2017 than 2016. Mr. Wilkinson referred to the Year to Date Containment Savings Report which was included in the agenda for the period of 1/1/17 to 12/1/17 and advised PMA billed charges were in the amount of \$1,482,258. Mr. Wilkinson indicated the total net savings was \$630,137. Mr. Wilkinson noted the network penetration was 97% which was absolutely outstanding. Mr. Wilkinson also reviewed the Accident Cause Group Report and WC Claims Frequency and Severity by Location, Top 5 Locations by Claim Frequency and Top 5 Cause Group by Claims Frequency reports which were included in the agenda. Mr. Wilkinson advised that concluded his report unless anyone had any questions.

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT:

MOTION TO OPEN MEETING TO THE PUBLIC

Moved:	Chairman Collins
Second:	Commissioner Burke
Vote:	3 Ayes, 0 Nays

Seeing no members of the public wishing to speak, Chairman Collins asked for a motion to close the public comment portion of the meeting.

MOTION TO CLOSE MEETING TO THE PUBLIC

Moved:	Chairman Collins
Second:	Commissioner Burke
Vote:	3 Ayes, 0 Nays

CLOSED SESSION: Ms. Dodd advised there was no need for a Closed Session. There were no PARS to present.

MOTION TO ADJOURN:

Moved:	Commissioner Cullinan
Second:	Commissioner Burke
Vote:	3 Ayes, 0 Nays

Chairman Collins advised the next Commission meeting was scheduled for February 1, 2018 at 2:00 PM.

MEETING ADJOURNED: 11:27AM

Minutes prepared by:
Cathy Dodd, Assisting Secretary