

**CAMDEN COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – October 25, 2012
Camden County College Regional Training Center
Conference Room
Blackwood, NJ 08102
2:00 PM**

Meeting was called to order by Ross Angilella, Chairman. Open Public Meetings notice read into record.

PLEDGE OF ALLEGIANCE

ROLL CALL OF COMMISSIONERS:

Ross G. Angilella	Present
Anna Marie Wright	Present
Steve Williams	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
--------------------	---

Claims Service	Comp Services, Inc. Denise Hall Huguette Atherton Terry Corchado Terry Sheerin
----------------	--

	Conner Strong & Buckelew Michelle Leighton
--	--

Underwriting Manager	Tom Nolan
----------------------	------------------

Attorney	Laura J. Paffenroth, Esq.
----------	----------------------------------

Treasurer	David McPeak
-----------	---------------------

Safety Director	J.A. Montgomery Risk Control Glenn Prince
-----------------	---

Auditor	Bowman & Company LLP
---------	----------------------

Risk Management Consultant (CCIA)	Hardenbergh Insurance Group Bonnie Rick
-----------------------------------	---

ALSO PRESENT:

Lou DiAngelo, Camden County
Howard Goldberg, Camden County
Sunil Marwaha, Camden County Health Services Center
Larry Rosoff, Camden County Municipal Utilities Authority
Patricia Meehan, Camden County College
Brad Stokes, PERMA Risk Management Services
Jim Kickham, PERMA Risk Management Services
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN & CLOSED MINUTES OF SEPTEMBER 27, 2012

MOTION TO APPROVE OPEN MINUTES OF SEPTEMBER 27, 2012

Motion:	Commissioner Williams
Second:	Commissioner Wright
Vote:	3 Ayes, 0 Nays

MOTION TO APPROVE CLOSED MINUTES OF SEPTEMBER 27, 2012

Motion:	Commissioner William
Second:	Commissioner Wright
Vote:	3 Ayes, 0 Nays

CORRESPONDENCE: NONE

COMMITTEE REPORTS:

SAFETY COMMITTEE: Mr. Prince advised the Committee met on October 17th but did not have anything new to report at this time.

CLAIMS COMMITTEE: Ms. Leighton reported the Claims Committee met on October 2nd to discuss and review the PARS that would be presented during closed session. Ms. Leighton advised the CELJIF held its first Best Practices Workshop on October 2, 2012. Ms. Leighton thanked all who participated in the workshop. Ms. Leighton advised the workshop focused on prevention of worker compensation claims and also the mechanism of injuries to determine if the injury actually occurred on the job. Ms. Leighton reported at their next meeting the Claims Committee would discuss the need for a critical claims team to review claims as soon as they occurred. Also, Ms. Leighton indicated she was attempting to co-ordinate a class with Dr. Dwyer to educate some of the treating worker compensation physicians. An overview of the workshop was included in the agenda.

EXECUTIVE DIRECTOR REPORT:

Executive Director advised there were 3 action items for this month.

2013 PROPERTY AND CASUALTY BUDGET INTRODUCTION – Executive Director advised the Camden County Insurance Commission 2013 Budget introduction was delayed until the November meeting. Executive Director explained more time was needed to finalize the premiums with the excess insurers. Executive Director advised since the CEL cancelled their meeting, Mr. Tom Nolan, CEL Underwriting Manager, was attending the CCIC meeting to discuss the insurance marketplace. Mr. Nolan reported the property, excess property, liability, excess liability, professional healthcare, crime, pollution, and employed lawyers coverage were renewing in January 2013. Mr. Nolan indicated his office was just notified by Meadowbrook officials that they had made a corporate wide decision to remove itself from the Public Entity Program sector. Mr. Nolan indicated he was able to negotiate with Meadowbrook to renew the program for the CEL for 2013. In response to Chairman Angilella’s inquiry Mr. Nolan advised this decision was not only for Camden County or Conner Strong & Buckelew but a nationwide decision. Mr. Nolan advised due to Conner Strong & Buckelew’s relationship with Meadowbrook an exception was made to renew the policies in January. Mr. Nolan indicated his office was already thinking of next year and actively discussing the program with other carriers. Mr. Nolan explained the Commission’s successful program and its ancillary services would provide the framework for marketing with other carriers. The renewal policy would include the same terms, coverages, conditions and self-insured retentions as the expiring policy, however currently the premium would increase by 10%. Even though the Meadowbrook premium would increase by 10% the bottom line of the budget would be less than 10%. In response to Chairman Angilella’s inquiry, Mr. Nolan indicated this would not affect the other matter they had been previously discussing. Conner Strong & Buckelew indicated his office was already thinking of next year and actively discussing the program with other carriers. Mr. Nolan advised there could be a possibility that other company proposals would be presented to the Commission mid-term in 2013. Mr. Nolan advised AM Best Company is a company that measures the financial strength of the insurance companies and publish these results. Meadowbrook is a public owned company and AM Best currently has them under review. In response to Chairman Angilella’s inquiry, Mr. Nolan advised if Meadowbrook’s rating did drop he would make sure there was an option to keep them in compliance.

Executive Director advised the CEL cancelled its October meeting and would introduce its budget on November 9th.

2011 AUDIT REPORT AS OF DECEMBER 31, 2011 – Executive Director referred to the Corrective Action Plan for the CCIC 2011 Audit which was included in the agenda. Executive Director explained that although there were no findings the Corrective Action Plan and the Resolution were required by State Law. Executive Director advised Resolution 37-12 was reviewed and approved by the Commission Attorney and requested a motion.

MOTION TO APPROVE RESOLUTION 37-12 AUTHORIZING THE ACCEPTANCE OF THE CORRECTIVE ACTION PLAN FOR THE 2011 CAMDEN COUNTY INSURANCE COMMISSION AUDIT

Motion:	Chairman Angilella
Second:	Commissioner Wright
Vote:	3 Ayes, 0 Nays

CERTIFICATE OF INSURANCE ISSUANCE REPORT – Executive Director reported on the Certificate of Insurance Report for the period of 9/17/12/12 to 10/17/12. There were 8 certificates issued during the two month period.

MOTION TO APPROVE EXECUTIVE DIRECTORS CERTIFICATE OF INSURANCE REPORT

Motion: Commissioner Wright
Second: Commissioner Williams
Vote: 3 Ayes, 0 Nays

NJ EXCESS COUNTIES INSURANCE FUND (CELJIF) – Executive Director reported the CEL JIF met on September 27, 2012. At that meeting the 2011 audit was reviewed by Mr. Jim Miles of Bowman and Company and was approved. Executive Director also advised Cumberland County Insurance Commission was presented with a membership and joined the CELJIF on October 4th. Salem County Insurance Commission also joined as of October 15th. Lastly, Executive Director advised the CEL cancelled their meeting for today and the budget would be introduced at the rescheduled meeting on November 9th. Once the CEL budget was finalized, the CCIC budget could be finalized as well.

CCIC FINANCIAL FAST TRACK - Executive Director advised the August monthly Financial Fast Track was included in the agenda. The Commission had a surplus of \$1,184,091 as of August 31, 2012. Executive Director also referred to line 7 of the August report, “Investment in Joint Venture” and indicated \$791,839 was the CCIC’s share of the CEL JIF equity.

NJ CEL PROPERTY AND CASUALTY FINANCIAL FAST TRACK - Executive Director reported the agenda included the Financial Fast Track for the NJ CEL. As of August 31, 2012 the CEL had a surplus of \$1,522,581.

EMPLOYEE DISHONESTY COVERAGE - Executive Director referred to a copy of the Employee Dishonesty Declaration page from Selective Insurance Company. Executive Director explained this policy covered the positions of Executive Director, Third Party Administrator, and the Treasurer. The policy was effective 11/1/12 with an annual premium of \$867.00 which is the same as the expiring premium. The limit per loss is \$250,000 with a \$25,000 deductible. Executive Director advised the cost of the policy would be paid out of the miscellaneous and contingency budget line and requested a motion to approve the expenditure.

MOTION TO APPROVE EXPENDITURE FOR EMPLOYEE DISHONESTY COVERAGE IN THE AMOUNT OF \$867.00

Motion: Chairman Angilella
Second: Commissioner Wright
Vote: 3 Ayes, 0 Nays

NJ EXCESS COUNTIES JOINT INSURANCE FUND – JOINT COMMISSIONS – CLAIMS COMMITTEES’ BEST PRACTICES WORKSHOP – Executive Director advised Ms. Leighton spoke about the workshop during her report.

NEW PAY EQUALITY POSTER AND NOTICE LAW – Executive Director reported a new law recently signed by the Governor will require many employers to post and distribute to employees a notice of employees' right to be free from gender-based pay discrimination in the workplace and obtain employees' acknowledgment of receipt of the notice. Executive Director advised the new law is effective November 21st and more information on the bill was included in the agenda.

ENTITY MEMBERSHIP IN THE INSURANCE COMMISSION – Executive Director reported the entity's three year membership in the Camden County Insurance Commission was expiring at the end of the year. Executive Director advised his office would send the applicable Indemnity and Trust agreement to the members for execution. Executive Director also stated each member should pass a resolution authorizing its participation in the Camden County Insurance Commission.

Executive Director's Report Made Part of Minutes.

TREASURER:

REPORT: Mr. McPeak reported the October Bill List was included in the agenda and recommended its approval. Mr. McPeak advised the August Treasurer's reports were also included in the agenda.

MOTION TO APPROVE RESOLUTION 38-12 OCTOBER BILL LIST IN THE AMOUNT OF \$52,300.65

Motion:	Chairman Angilella
Second:	Commissioner Williams
Vote:	3 Ayes, 0 Nays

ATTORNEY: Commission Attorney advised the Resolution for membership which Executive Director referred to would appear on this month agenda for the Freeholders meeting.

CLAIM SERVICE: Ms. Hall advised they did not have anything to report.

SAFETY DIRECTOR: Mr. Prince reviewed the September 2012 – November 2012 Risk Control Activity Report which was included in the agenda. Mr. Prince also advised some snow plowing classes were scheduled and also in response to some of the back injury claims there were three back safety classes for the Camden County Health Services Center in December.

Correspondence Made Part of Minutes.

OLD BUSINESS: None

NEW BUSINESS: Mr. Rosoff wanted to thank and extend his appreciation to Conner Strong & Buckelew and Ms. Leighton for hosting the CELJIF workshop. Mr. Rosoff commended Ms. Leighton and Mr. Hrubash for their outstanding presentations along with the other presenters.

PUBLIC COMMENT:

MOTION TO OPEN MEETING TO PUBLIC

Moved: Chairman Angilella
Second: Commissioner Wright
Vote: 3 Ayes, 0 Nays

MOTION TO CLOSE MEETING TO PUBLIC

Moved: Chairman Angilella
Second: Commissioner Wright
Vote: 3 Ayes, 0 Nays

CLOSED SESSION:

MOTION FOR EXECUTIVE SESSION (in accordance with the Open Public Meetings Act, N.J.S.A. 10:4-12) to discuss payment authority requests.

Motion: Chairman Angilella
Second: Commissioner Wright
Vote: 3 Ayes, 0 Nays

ROLL CALL OF COMMISSIONERS:

Ross G. Angilella Present
Steve Williams Present
Anna Marie Wright Present

MOTION TO RETURN TO OPEN SESSION

Motion Chairman Angilella
Second: Commissioner Wright
Vote: 3 Ayes, 0 Nays

Chairman Angilella made a motion to approve the payment authority requests that were discussed during closed session for Dianna Alston, Thomas Lentz, and Michael Swain with a caveat that Thomas Lentz be further reviewed by the Commission Attorney.

MOTION TO APPROVE PAYMENT AUTHORIZATION FOR PARS DISCUSSED DURING CLOSED SESSION FOR DIANNA ALSTON, THOMAS LENTZ, AND MICHAEL SWAIN

Motion Chairman Angilella
Second: Commissioner Williams
Vote: 3 Ayes, 0 Nays

MOTION TO APPROVE SETTLEMEN AUTHORIZATION FOR GLADYS BERRIO TORRESS

Motion Chairman Angilella
Second: Commissioner Wright
Vote: 3 Ayes, 0 Nays

MOTION TO APPROVE SETTLEMENT AUTHORIZATION INCLUSIVE OF ATTORNEY FEES FOR \$125,000 FOR JERRY DEJESUS, GEGXAN CORIANO, ELVIN FELIZ, JOSE FLORES, AND JONATHAN GONZALEZ

Motion Chairman Angilella
Second: Commissioner Wright
Vote: 3 Ayes, 0 Nays

Chairman Angilella advised the next meeting was scheduled for Tuesday, November 20, 2012 at 2:00 PM

MOTION TO ADJOURN:

Motion: Chairman Angilella
Second: Commissioner Williams
Vote: 3 Ayes, 0 Nays

MEETING ADJOURNED: 2:53 PM

Minutes prepared by: Cathy Dodd, Assisting Secretary