

**NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND
OPEN MINUTES
DECEMBER 13, 2012
CAMDEN COUNTY EMERGENCY TRAINING CENTER, BLACKWOOD, NJ
1:00 PM**

**MEETING OF THE FUND CALLED TO ORDER AT 1:00 P.M.
OPEN PUBLIC MEETING ACT READ INTO RECORD
PLEDGE OF ALLEGIANCE**

ROLL CALL BOARD OF FUND COMMISSIONERS

Matthew DiRado, Chairman	Union County	Present - <i>via teleconference</i>
Micheal Smith, Secretary	Burlington County	Present
Gerald White, Commissioner	Gloucester County	Present
Ross Angilella, Commissioner	Camden County	Present
Ken Mecouch, Commissioner	Cumberland County	Present - <i>via teleconference</i>
Robert Vanderslice, Commissioner	Salem County	Absent

SPECIAL FUND COMMISSIONERS

Marc Krassan	Burlington County	Absent
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ALTERNATE FUND COMMISSIONERS

Ann Marie Wright	Camden County	Present
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APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	PERMA Risk Management Services James Kickham Nancy A. Ghani - <i>via teleconference</i>
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Attorney	Laura Paffenroth, Esq.
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Safety Director	JA Montgomery Risk Control Glenn Prince
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Underwriting Manager	Conner Strong & Buckelew Tom Nolan
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Treasurer	David McPeak
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Claims Administrator	CompServices Lisa Graiff
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ALSO PRESENT:

Lou DiAngelo, Camden County Commissioner
Steve Williams, Camden County Commissioner
Joseph Hrubash, PERMA
Cathy Dodd, PERMA
Michelle Leighton, Conner Strong & Buckelew
Bonnie Rick, Hardenbergh Insurance Group
Brad Stokes, PERMA
Al Marmero, Long Marmero & Associates

MINUTES: Open Minutes of November 9, 2012. Executive Director said there was a typo on page 2 of the minutes and that it should read “2013 budget” and not “2103 budget”.

APPROVAL OF MINUTES FROM NOVEMBER 9, 2012 AS AMENDED:

Moved: Commissioner Smith
Second: Commissioner White
Vote: 5 Ayes – 0 Nays

CORRESPONDENCE:

NONE

EXECUTIVE DIRECTOR’S REPORT:

2012 FUND YEAR BUDGET - AMENDMENT: Last month the fund introduced an amendment to the 2012 budget to include the addition of Salem County (effective 10/15/12) and Cumberland County Insurance Commissions (effective 10/4/12). Enclosed in the agenda was a copy of the amended 2012 Budget for review and discussion.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2012 BUDGET AMENDMENT:

Moved: Commissioner White
Second: Commissioner Smith
Vote: 5 Ayes – 0 Nays

DISCUSSION OF BUDGET & ASSESSMENTS

MOTION TO CLOSE THE PUBLIC HEARING, ADOPT THE 2012 BUDGET AMENDMENT AND CERTIFY THE 2012 ASSESSMENTS FOR SALEM COUNTY INSURANCE COMMISSION AND CUMBERLAND COUNTY INSURANCE COMMISSION:

Moved: Commissioner Smith
Second: Commissioner Mecouch
Vote: 5 Ayes – 0 Nays

2013 FUND YEAR BUDGET: Enclosed in the agenda was the 2013 Budget which reflects a few changes from the budget introduced on 11/9/2012. Executive Director said the budget now reflects changes in the underlying Commission exposures in Burlington, Salem and Cumberland amounting to an increase of \$26,850. In addition, the budget reflected a shift of \$313,021 in excess property premium (line 7) to a new excess premium contingency (line 9). Executive Director said the explanation for this contingency is outlined in the Underwriting Manager’s report concerning possible changes in the casualty excess program.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2013 BUDGET:

Moved: Commissioner Angilella
Second: Commissioner Smith
Vote: 5 Ayes – 0 Nays

DISCUSSION OF BUDGET & ASSESSMENTS –

Executive Director said Hurricane Sandy left a lot of uncertainty on the impact it would have on the property market. Executive Director said as discussed at previous meetings, Meadowbrook indicated they may leave the program in 2013. Executive Director said the agenda included a casualty re-marketing report by the Underwriting Manager. Underwriting Manager reviewed his report and said the change in the budget contingency was a result of possible carrier changes in the casualty excess program. Underwriting Manager said he has been aggressively marketing the NJCE JIF program to other carriers to replace Meadowbrook.

MOTION TO CLOSE THE PUBLIC HEARING, ADOPT THE 2013 BUDGET IN THE AMOUNT OF \$12,620,611 AND CERTIFY THE 2013 ASSESSMENTS:

Moved: Commissioner Angilella
Second: Commissioner Mecouch
Vote: 5 Ayes – 0 Nays

2013 MEETING SCHEDULE: The board reviewed proposed meeting dates for 2013, which fall on the 4th Thursday of the month unless otherwise noted. The Fund Attorney advised that the Fund will not act on this until after until the January meeting which will be after the County Freeholder's approve their meeting schedule for 2013 so that potential meeting conflicts are minimized. The board discussed and agreed not to schedule the 2013 meeting dates and authorized the fund office to advertise the January 24, 2013 meeting. Fund Attorney said the Fund's normal reorganization would fall on February 28, 2013.

MOTION TO AUTHORIZE THE FUND OFFICE TO ADVERTISE THE JANUARY MEETING IN THE FUND'S OFFICIAL NEWSPAPERS:

Moved: Chairman DiRado
Second: Commissioner White
Vote: 5 Ayes – 0 Nays

REQUEST FOR PROPOSALS PROFESSIONAL SERVICES: The NJCE has advertised and released Request for Proposals for Executive Director, Underwriting Manager and Safety Director for term of February 2013 reorganization through February 2016 reorganization. No action is required as this is for information only.

UNDERWRITING MANAGER REPORT: Underwriting Manager referred to the EUS statements in the agenda for the 2013 renewal program and distributed a revised pollution legal liability EUS statement. Underwriting Manager said Resolution 31-12 authorizing purchase of the insurances should be amended to reflect a 3-year policy term for pollution.

TREASURER REPORT:

Included in the agenda was the December bills list, Resolution 30-12.

VOUCHER PAYMENTS (BILL LIST) –

December Bills \$132,570.64

MOTION TO APPROVE THE DECEMBER BILLS LIST RESOLUTION 30-12:

Moved: Commissioner Smith
Second: Commissioner Vanderslice
Vote: 5 Ayes – 0 Nays

SAFETY DIRECTOR:

REPORT: Safety Director reviewed his report, which was a summary of meetings/training conducted in November through December 2012.

FUND ATTORNEY:

REPORT: Fund Attorney said the fund released RFP proposals for Executive Director, Loss Control Consultant and Underwriting Manager, which are due back on January 23, 2013 at 2PM. Fund Attorney said a follow-up report would be provided next month on the responses.

CLAIMS ADMINISTRATOR:

REPORT: Ms. Graiff said she her report would be presented during Closed Session.

RESOLUTIONS: Included in the agenda was Resolution 31-12 authorizing renewal and purchase of ancillary and excess insurances. Executive Director said the resolution should be amended to reflect a 3-year term for pollution.

MOTION TO ADOPT RESOLUTION 28-12 AUTHORIZING PURCHASE OF THE INSURANCES FOR CUMBERLAND COUNTY INSURANCE COMMISSION AND RESOLUTION 29-12 AUTHORIZING PURCHASE OF INSURANCES FOR SALEM COUNTY INSURANCE COMMISSION:

Moved: Commissioner Smith
Second: Commissioner White
Vote: 5 Ayes – 0 Nays

CLOSED SESSION:

MOTION TO ENTER INTO CLOSED SESSION FOR THE PURPOSE OF DISCUSSING CLAIMS AND/OR PENDING LITIGATION:

Moved: Commissioner Smith
Second: Commissioner White
Vote: 5 Ayes – 0 Nays

MOTION TO RETURN TO OPEN SESSION:

Moved: Commissioner Smith
Second: Commissioner White
Roll Call Vote: 5 Ayes – 0 Nays

OLD BUSINESS:

NONE

NEW BUSINESS:

NONE

PUBLIC COMMENT

MOTION TO OPEN MEETING TO PUBLIC

Moved: Commissioner White
Second: Commissioner Smith
Vote: Unanimous

MOTION TO CLOSE MEETING TO PUBLIC

Moved: Commissioner White
Second: Commissioner Smith
Vote: Unanimous

NON- AGENDA ITEMS

NONE

MOTION TO ADJOURN:

Moved: Commissioner Smith
Second: Commissioner White
Vote: 5 Ayes – 0 Nays

MEETING ADJOURNED: 1:34PM

NEXT MEETING: January 24, 2013

Camden County Emergency Training Center 1:00 PM

Nancy A. Ghani, Assisting Secretary
for

MICHEAL SMITH, SECRETARY

RESOLUTIONS

**NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND
BILLS LIST**

Resolution No. 30-12

DECEMBER 2012

WHEREAS, the Treasurer has certified that funding is available to pay the following bills:

BE IT RESOLVED that the New Jersey Counties Excess Joint Insurance Fund's Executive Board, hereby authorizes the Fund treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Fund.

FUND YEAR 2012

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
000256			
000256	CONNER STRONG & BUCKELEW CO.	POL/EPL - 2ND 12 ADDIT'N SALEM COUNTY IC	20,433.00
000256	CONNER STRONG & BUCKELEW CO.	POL/EPL 2ND 12 - ADDIT'N CUMBERLAND CIC	21,908.00
			42,341.00
000257			
000257	J.A. MONTGOMERY RISK CONTROL	VOIDED	
000258			
000258	COMP SERVICES, INC.	CLAIMS ADMIN - 11/2012	1,000.00
			1,000.00
000259			
000259	PERMA	VOIDED	
000260			
000260	DAVID MC PEAK	TREASURER FEE 12/2012	1,250.00
			1,250.00
000261			
000261	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING FEE 11/2012	1,666.67
			1,666.67
000262			
000262	CONNER STRONG & BUCKELEW CO.	VOIDED	
000263			
000263	LAURA J. PAFFENROTH	FUND ATTORNEY - 12/2012	1,250.00
			1,250.00
000264			
000264	COURIER-POST	ACCT NO. 91697CP - 11/21/2012	37.29
000264	COURIER-POST	ACCT NO. 91697CP - 11/05/2012	33.33
000264	COURIER-POST	ACCT NO. 91697CP - 11/07/12	35.31
			105.93
000265			
000265	SOUTH JERSEY TIMES	CANCEL 11/20 MTG, BUDGET 12/13	33.65
000265	SOUTH JERSEY TIMES	SPECIAL MTG NOV 9	29.33
000265	SOUTH JERSEY TIMES	SPECIAL & REG MTG 11/9/12	30.05
			93.03
000266			
000266	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES - 12/2012	25,705.55
			25,705.55
000267			
000267	PERMA	POSTAGE FEE 11/2012	2.10
000267	PERMA	EXECUTIVE DIRECTOR FEE 12/2012	34,220.22

000268

000268

CONNER STRONG & BUCKELEW CO.

UNDERWRITING MANAGER FEE 12/2012

34,222.32

24,937.14

24,937.14

Total Payments FY 2012

132,570.64

TOTAL PAYMENTS ALL FUND YEARS \$ 132,570.64

RESOLUTION NO. 31-12

**NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND
RESOLUTION AUTHORIZING RENEWAL AND PURCHASE OF
ANCILLARY AND EXCESS INSURANCES**

WHEREAS, the New Jersey Counties Excess Joint Insurance Fund (hereinafter “the Fund”) is duly constituted as a joint insurance fund and is subject to certain requirements of the Local Public Contracts Law; and;

WHEREAS, the Board of Fund Commissioners has deemed it necessary and appropriate to obtain certain extraordinary and unspecifiable services; and

WHEREAS, the Board of Fund Commissioners of the Fund resolves to award an extraordinary unspecifiable agreement for certain insurance coverages in accordance with N.J.S.A 40A:11-5 (l) (m) and has received a certification from the Fund Underwriting Manager on the nature of such services and the due diligence efforts that were made to obtain the quotes; and

NOW THEREFORE BE IT RESOLVED, that the following contract be awarded for the period of January 1, 2013 through January 1, 2014.

Purpose	Name of Firm	Term
Primary & Excess Property	Zurich American (Primary)	
Excess GL, Auto, WC	RSUI Indemnity (Excess)	1/1/13-1/1/14
Excess Liability	Star Insurance Company	1/1/13-1/1/14
Crime	Star Indemnity Company	1/1/13-1/1/14
Employed Lawyers	Westchester Fire Insurance	1/1/13-1/1/14
Primary & Excess Medical	ACE American Insurance	1/1/13-1/1/14
Primary & Excess POL/EPL	Lexington Insurance Company	1/1/13-1/1/14
Pollution	Lexington Insurance Company	1/1/13-1/1/14
	Zurich American	1/1/13-1/1/16

BE IT FURTHER RESOLVED that the Fund Underwriting Manager will place this coverage with the above firms for the New Jersey Counties Excess Joint Insurance Fund.

BE IT FURTHER RESOLVED that policy providing the specific terms of such coverage will be on file in the Fund’s office, located at 9 Campus Drive –Suite 16 Parsippany, NJ 07054; and

BE IT FURTHER RESOLVED that notice of this action shall be advertised in the Fund’s official newspapers in accordance with law and notice of this action along with completed contracts shall be filed with the New Jersey Department of Banking and Insurance and the New Jersey Department of Community Affairs.

ADOPTED: DECEMBER 13, 2012