

**NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND
OPEN MINUTES
APRIL 26, 2018
CAMDEN COUNTY EMERGENCY TRAINING CENTER, BLACKWOOD, NJ
1:00 PM**

MEETING OF THE FUND CALLED TO ORDER AT 1:00 P.M. BY ACTING CHAIRMAN KELLY

OPEN PUBLIC MEETING ACT READ INTO RECORD

PLEDGE OF ALLEGIANCE

ROLL CALL BOARD OF 2018 FUND COMMISSIONERS

Ross Angilella, Chairman	Camden County	Absent
John Kelly, Secretary	Ocean County	Present - <i>via teleconference</i>
Janette Kessler, Commissioner	Atlantic County	Present - <i>via teleconference</i>
Kendall Collins, Commissioner	Burlington County	Present - <i>via teleconference</i>
Ken Mecouch, Commissioner	Cumberland County	Present - <i>via teleconference</i>
Tim Sheehan, Commissioner	Gloucester County	Present
Edmund Shea, Commissioner	Hudson County	Present - <i>via teleconference</i>
Andrew Mair, Commissioner	Mercer County	Present - <i>via teleconference</i>
Michael Yuska, Commissioner	Union County	Present - <i>via teleconference</i>

ALTERNATE FUND COMMISSIONERS

Anna Marie Wright	Camden County	Present
Carl Block	Ocean County	Present - <i>via teleconference</i>
Raissa Walker	Mercer County	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	PERMA Risk Management Services Paul Laracy, Joe Hrubash- <i>via teleconference</i> Nancy A. Ghani - <i>via teleconference</i>
Attorney	Laura Paffenroth, Esq.
Treasurer	Dave McPeak
Safety Director	JA Montgomery Risk Control Glenn Prince
Underwriting Manager	Conner Strong & Buckelew Edward Cooney - <i>via teleconference</i> Alex DeLuccia
Claims Administrator	AmeriHealth Casualty Services Tracy Ware, Cheryl Little Mark Morrone, Dan Magaldi

ALSO PRESENT:

Brad Stokes, PERMA
Cathy Dodd, PERMA– *via teleconference*
Rachel Chwastek, PERMA
Karen Read, PERMA - *via teleconference*
Robyn Walcoff, PERMA – *via teleconference*
Louis DiAngelo, Camden County
Gail White, Scirocco Group – *via teleconference*

Christina Violetti, Hardenbergh Insurance Group
Robin Racioppi, Acrisure
Carol Mack, Conner Strong & Buckelew – *via teleconference*
Kimberly Wood, Cumberland County– *via teleconference*

MINUTES: Open Minutes of February 22, 2018.

MOTION TO APPROVE OPEN MINUTES FROM FEBRUARY 22, 2018 AS PRESENTED:

Moved: Commissioner Kessler
Second: Commissioner Shea
Roll Call Vote: Unanimous – 3 Abstentions by Commissioners Mair, Collins and Mecouch.

CORRESPONDENCE:

FINANCIAL AUDIT AS OF DECEMBER 31, 2017: Submitted for information only was correspondence from the Bowman & Company, Fund Auditor, noting their firm’s engagement to conduct the audit of financial statements as of 12/31/17.

EXECUTIVE DIRECTOR’S REPORT:

FUND COMMISSIONER/AMENDING AUTHORIZED SIGNATORIES: Executive Director reported that as of March 28, 2018 Commissioner Timothy Sheehan is the NJCE Fund Commissioner representing the County of Gloucester.

Executive Director said it would be appropriate to amend Resolution 8-18 Designating Authorized Signatures for Bank Accounts; enclosed in the agenda was Resolution 22-18 noting that action.

MOTION TO ADOPT RESOLUTION 22-18 AMENDING RESOLUTION 8-18 ADOPTED ON FEBRUARY 22, 2018, DESIGNATING AUTHORIZED SIGNATURES FOR FUND BANK ACCOUNTS:

Moved: Commissioner Collins
Second: Commissioner Kessler
Roll Call: 8 Ayes – 0 Nays

PROFESSIONAL CONTRACTS

LITIGATION MANAGEMENT: Fund Attorney reported a Request for Proposals for Litigation Management was advertised with a deadline to respond by April 24, 2018. A sub-committee met to review the responses. Fund Attorney said the two responding firms were both qualified; committee discussions noted that experience and qualifications were key factors in the review process. Enclosed in the agenda was a memorandum prepared by the Fund Attorney noting the committee’s recommendation to re-appoint the firm Citta, Holzapfel & Zabarsky, P.A. for Litigation Management Services for a one-year term based on the submitted hourly fee proposal, as well as, Resolution 23-18 noting that action.

MOTION TO ADOPT RESOLUTION 23-18 AUTHORIZING AN AGREEMENT, PURSUANT TO A PUBLICLY ADVERTISED REQUEST FOR PROPOSALS, BETWEEN THE NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND AND CITTA, HOLZAPFEL & ZABARSKY, P.A. FOR LITIGATION MANAGEMENT SERVICES:

Moved: Commissioner Mecouch
Second: Commissioner Collins
Roll Call: 8 Ayes – 0 Nays

ACTUARY: Executive Director said the Fund’s contract with The Actuarial Advantage expired November 16, 2017 and as authorized the Fund office issued as solicitation for

quotations. The Actuarial Advantage was the only firm to respond; included in the agenda was Resolution 24-18 authorizing this agreement for services for a term of one year.

MOTION TO ADOPT RESOLUTION 24-18 AUTHORIZING AN AGREEMENT, PURSUANT TO A SOLICITATION OF QUOTATIONS, BETWEEN THE NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND AND THE ACTUARIAL ADVANTAGE:

Moved: Commissioner Kessler
Second: Commissioner Collins
Roll Call: 8 Ayes – 0 Nays

UNDERWRITING DATA VALIDATION: As previously discussed, during the 2017 budget development the Board agreed that the Fund introduce progressive initiatives to obtain consistent and ratable data through payroll audits, property appraisals and an online underwriting data system.

PAYROLL AUDITS: Executive Director said Bowman & Company has begun contacting members to perform a 2017 workers' compensation insurance exposure verification audit as part of the 2019 renewal.

RISK MANAGEMENT INFORMATION SYSTEM (RMIS): Fund Attorney reported the scope of services for the online RMIS is being finalized and once completed then the Competitive Contracting Request for Proposals (CCRFP) for an online RMIS will be issued. Fund Attorney said the RMIS is comprised of two components – underwriting data collection and claims – which will be implemented over a 2-year period. Included in the agenda was Resolution 25-18 submitted by the Fund Attorney authorizing use of competitive contracting; once authorization is provided then an advertisement will be placed in the Fund's official papers announcing the CCRFP for an online RMIS. Fund Attorney said a recommendation for an award could be made at the next NJCE meeting subject to a submitted proposal meeting the requirements of the CCRFP and the corresponding review by a committee.

Commissioner Yuska asked if the term of contract will be addressed in the CCRFP; in response Fund Attorney confirmed the term would be included, as well as, address hosting and maintenance and include one-year renewal options at the discretion of the Fund.

Commissioner Mecouch asked if the CCRFP will include the weighted values assigned to each criteria as part of the evaluation process; in response Fund Attorney said it can be included or announced prior to opening proposals as permitted by the statute. Discussion ensued and consensus among Board was to announce the weighted criteria during the opening of proposals.

Commissioner Kessler inquired if the RMIS would be a server or web-based system and if it would be accessed by the Executive Director/Administrator's office, as well as, the Fund's individual member entities. In response, Fund Attorney confirmed it would be web-based system, the CCRFP will state that each member would be assigned two licenses as well as the Administrator's office.

MOTION TO ADOPT RESOLUTION 25-18 AUTHORIZING USE OF COMPETITIVE CONTRACTING REQUEST FOR PROPOSALS, PURSUANT TO N.J.S.A. 40A:11-4.1(a) FOR THE PROCUREMENT OF A RISK MANAGEMENT INFORMATION SYSTEM:

Moved: Commissioner Mecouch
Second: Commissioner Collins
Roll Call: 8 Ayes – 0 Nays

CLAIMS STATUS SUMMARY: Executive Director said AmeriHealth Casualty Services advised the need of Closed Session to discuss claims status and other matters; enclosed in the

agenda was Resolution 31-18 authorizing closed session. Under separate cover, Fund Commissioners will receive materials from AmeriHealth Casualty Services and/or the Executive Director.

2018 FINANCIAL DISCLOSURES: The Local Finance Board has issued the annual notice regarding filing of the Financial Disclosure forms. Fund Commissioners and Professionals have until April 30th to complete the filing.

FINANCIAL FAST TRACK: Executive Director referred to the Financial Fast Track as of March 31, 2018 and noted the statutory surplus was \$10.7 million.

UNDERWRITING MANAGER REPORT:

2019 PROPERTY RENEWAL: Underwriting Manager submitted a report noting that Zurich will be increasing the property deductible from \$100,000 to \$250,000, as well as, a rate increase for the 2019 renewal based on significant loss activity from 2015-2017. Underwriting Manager said losses were primarily driven by non-natural/catastrophic events. Deputy Executive Director said the NJCE can consider options to self-fund a property layer during the 2019 budget development process – an option which may include contracting with a third party claims administrator.

MEMBERSHIP: Marketing efforts have been underway to offer membership to the County of Monmouth and the County of Essex. Enclosed in the agenda as part of the Underwriting Manager report were exposure summaries on each County for information. Mr. DeLuccia said Monmouth County may not take action on NJCE membership in the immediate future, but their information is still being presented. In response to Commissioner Shea’s inquiry, Mr. DeLuccia confirmed Monmouth County’s current self-insured retention for workers’ compensation is \$5 million (page 12 of agenda).

Executive Director said the Fund last adopted a Resolution offering membership to the County of Monmouth in 2017; enclosed in the agenda was an amended Resolution 26-18 reaffirming the Fund’s offer of membership as the County will likely pass its own resolution to join the Fund on/before December 31, 2018. Also enclosed was a Resolution 27-18 to offer membership to the County of Essex.

MOTION TO ADOPT RESOLUTION 26-18 AMENDING RESOLUTION #17 ADOPTED FEBRUARY 23, 2017 OFFERING MEMBERSHIP TO THE COUNTY OF MONMOUTH:

Moved: Commissioner Mecouch
Second: Commissioner Kessler
Roll Call: 8 Ayes – 0 Nays

MOTION TO ADOPT RESOLUTION 27-18 OFFERING MEMBERSHIP TO THE COUNTY OF ESSEX:

Moved: Commissioner Yuska
Second: Commissioner Mecouch
Roll Call: 8 Ayes – 0 Nays

TREASURER REPORT:

Included in the agenda were the confirmation of bills lists, approval of current month bills and the Treasurer’s reports for January through March 2018.

VOUCHER PAYMENTS (BILL LIST) –

Resolution 28-18 March 2018 Bills Confirmation of Payments	\$1,677,757.56
Resolution 29-18 March 2018 Bills Supplemental Confirmation of Payments	\$272,898.50
Resolution 30-18 April 2018 Bills Approval of Payments	\$137,782.40

CONFIRMATION OF JANUARY 2018 CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS TRANSFERS:

2010	350.00
2011	4,440.00
2012	3,323.32
2013	5,884.98
2014	7,758.00
2015	569.62
2016	0.00
2017	13.39
2018	0.00
TOTAL	\$22,339.31

CONFIRMATION OF FEBRUARY 2018 CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS TRANSFERS:

2010	640.00
2011	2,960.00
2012	4,482.86
2013	19,446.22
2014	8,272.00
2015	1,043.10
2016	0.00
2017	0.00
2018	0.00
TOTAL	\$36,844.18

CONFIRMATION OF MARCH 2018 CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS TRANSFERS:

2010	0.00
2011	3,660.00
2012	3,032.37
2013	3,577.03
2014	6,442.00
2015	11,245.96
2016	0.00
2017	0.00
2018	0.00
TOTAL	\$27,957.36

MOTION TO CONFIRM PAYMENTS OF MARCH 2018 BILLS LIST AS RESOLUTION 28-18 AS PRESENTED:

Moved: Commissioner Collins
Second: Commissioner Kessler
Roll Call: 8 Ayes – 0 Nays

MOTION TO CONFIRM PAYMENTS OF MARCH 2018 BILLS LIST SUPPLEMENTAL AS RESOLUTION 29-18 AS PRESENTED:

Moved: Commissioner Mecouch
Second: Commissioner Shea
Roll Call: 8 Ayes – 0 Nays

MOTION TO APPROVE PAYMENTS OF APRIL 2018 BILLS LIST AS RESOLUTION 30-18 AS PRESENTED:

Moved: Commissioner Collins
Second: Commissioner Shea
Roll Call: 8 Ayes – 0 Nays

MOTION TO APPROVE THE TREASURER'S REPORTS AS PRESENTED:

Moved: Commissioner Collins
Second: Commissioner Mecouch
Roll Call: 8 Ayes – 0 Nays

SAFETY DIRECTOR:

REPORT: Safety Director submitted a report reflecting the risk control activities from February through May 2018 and Safety Director Bulletins distributed during that time.

FUND ATTORNEY:

REPORT: Fund Attorney said there was nothing additional to report.

CLAIMS ADMINISTRATOR:

REPORT: AmeriHealth Casualty Services is in need of a Closed Session to discuss claims status and other matters; enclosed in the agenda was Resolution 31-18 authorizing closed session. Under separate cover, Fund Commissioners received materials from AmeriHealth Casualty Services and/or the Executive Director.

MOTION TO ADOPT RESOLUTION 31-18 AUTHORIZING THE NEED TO ENTER INTO CLOSED SESSION FOR THE PURPOSE AS PERMITTED BY THE OPEN PUBLIC MEETINGS ACT, MORE SPECIFICALLY TO DISCUSS POTENTIAL LITIGATION ON CLAIM NUMBERS #640-110-2, #640-112-16, #64GL016455, #64GL09194 and #64GL01698:

Moved: Commissioner Collins
Second: Commissioner Kessler
Roll Call: Unanimous

All others vacated the room and/or left the teleconference with the exception of Fund Commissioners, Fund Attorney and Professionals.

MOTION TO RETURN TO OPEN SESSION:

Moved: Commissioner Mecouch
Second: Commissioner Sheehan
Roll Call: Unanimous

As per discussion held during Closed Session permitted via Resolution 31-18, motion to approve the following:

Workers Compensation

Settlement Authority Request for:

Claim #640-110-2 in the amount of \$4,000

Payment Authority Request for:

Claim #640-112-16 in the amount of \$31,500

Liability

Payment Authority Request for:

Claim #64GL016455 in the amount of \$250,000

Claim #64GL01698 in the amount of \$150,000

Settlement Authority Request for:

Claim #64GL09194 in the amount of \$250,000

MOTION TO APPROVE THE SETTLEMENT AND PAYMENT AUTHORITY REQUESTS AS PRESENTED:

Moved: Commissioner Collins

Second: Commissioner Sheehan

Roll Call: 8 Ayes – 0 Nays

OLD BUSINESS:

NONE

NEW BUSINESS:

NONE

PUBLIC COMMENT

MOTION TO OPEN MEETING TO PUBLIC

Moved: Commissioner Collins

Second: Commissioner Kessler

Roll Call: Unanimous

MOTION TO CLOSE MEETING TO PUBLIC

Moved: Commissioner Sheehan

Second: Commissioner Kessler

Roll Call: Unanimous

NON- AGENDA ITEMS

NONE

MOTION TO ADJOURN:

Moved: Commissioner Collins

Second: Commissioner Sheehan

Vote: Unanimous

MEETING ADJOURNED: 1:50PM

**NEXT MEETING: June 28, 2018 - 1:00 PM
Camden County College Regional
Emergency Training Center
420 Woodbury-Turnersville Road
Blackwood, NJ**

Nancy A. Ghani, Assisting Secretary

for

JOHN KELLY, SECRETARY