

**NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND
OPEN MINUTES
FEBRUARY 28, 2019
CAMDEN COUNTY EMERGENCY TRAINING CENTER, BLACKWOOD, NJ
1:00 PM**

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

PLEDGE OF ALLEGIANCE

ROLL CALL BOARD OF 2018 FUND COMMISSIONERS

Ross Angilella, Chairman	Camden County	Present
John Kelly, Secretary	Ocean County	Absent
Jeannette Kessler, Commissioner	Atlantic County	Present
Kendall Collins, Commissioner	Burlington County	Absent
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	Absent
Michael Yuska, Commissioner	Union County	Absent

ALTERNATE FUND COMMISSIONERS

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

APPOINTED OFFICIALS PRESENT:

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

ALSO PRESENT:

Sander Friedman, Burlington County 2019 Fund Commissioner
Laura Scutari, Union County 2019 Fund Commissioner
Mary Ann Sander, Conner Strong & Buckelew – *via teleconference*
Christina Violetti, Hardenbergh Insurance Group- *via teleconference*
Gail White, Scirocco Group – *via teleconference*
Karen Read, PERMA – *via teleconference*
Michelle Leighton, Conner Strong & Buckelew
Cathy Dodd, PERMA
Brad Stokes, PERMA
Rachel Chwastek, PERMA
Robyn Walcoff, PERMA

Robin Racioppi, IMAC – *via teleconference*
Carol Mack, Conner Strong & Buckelew – *via teleconference*
Jonathan Czarnecki, J.A. Montgomery

MINUTES: Open Minutes as of November 15, 2018 were included in agenda for review; Closed Minutes as of November 15, 2018 were distributed to the Board only.

MOTION TO APPROVE OPEN AND CLOSED MINUTES FROM NOVEMBER 15, 2018 AS PRESENTED:

Moved:	Commissioner Mecouch
Second:	Chairman Angilella
Roll Call Vote:	Unanimous

CORRESPONDENCE:

PERMA 2/8/19 CYBER INCIDENT: Included in the agenda was correspondence on a cyber-attack of PERMA’s email system. Deputy Executive Director said the attack temporarily disabled the company’s email system and contact database, but the company followed breach protocols and procedures and the system was operational within a week or so. Deputy Executive Director said there is no evidence that client data was compromised or damaged due to the cyber-attack.

SPECIAL PRESENTATION: Chairman Angilella acknowledged Commissioner Ken Mecouch of Cumberland County who announced his retirement in March after 42 years of public years. Chairman Angilella wished Commissioner Mecouch congratulations, calling him a “class act” and wished him well with future endeavors. Commissioner Mecouch thanked the Chair and members for the kind words and said it has been a good experience serving on the NJCE Board, as well as, the working relationships among the Counties.

2019 REORGANIZATION: Executive Director said the meeting would be conducted as Fund’s 2019 reorganization. The NJCE Bylaws require that the fund elect a Chair, Secretary, five-member Executive Committee and up to four Alternate Commissioners; Executive Director asked for a roll call of the 2019 Fund Commissioners.

ROLL CALL OF 2019 FUND COMMISSIONERS

Ross Angilella, Commissioner	Camden County	Present
John Kelly, Commissioner	Ocean County	Absent
Jeannette Kessler, Commissioner	Atlantic County	Present
Sander Friedman, Commissioner	Burlington County	Present - <i>via teleconference</i>
Ken Mecouch, Commissioner	Cumberland County	Present
Tim Sheehan, Commissioner	Gloucester County	Present
Edmund Shea, Commissioner	Hudson County	Present - <i>via teleconference</i>
Andrew Mair, Commissioner	Mercer County	Absent
Laura Scutari, 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
Eugenio Esquivel	Union County	Present - <i>via teleconference</i>

Executive Director asked for nominations of Chairman.

ELECTION OF 2019 CHAIRPERSON:

MOTION TO NOMINATE ROSS ANGILELLA, CAMDEN COUNTY, AS CHAIR:

Moved:	Commissioner Kessler
Second:	Commissioner Sheehan

Hearing no other nominations,

MOTION TO CLOSE NOMINATIONS FOR CHAIR AND CAST UNANIMOUS BALLOT FOR ROSS ANGILELLA AS 2019 CHAIR:

Roll Call Vote: 7 Ayes – 0 Nays

Executive Director asked for nominations of Secretary. Commissioners discussed and agreed to table nominations of Secretary until next meeting. Fund Attorney said the oaths would be administered to Chairman - and Secretary once nominated - and would be filed as part of the minutes.

2019 REORGANIZATION RESOLUTIONS: Included in the agenda were the balance of the reorganization resolutions for Fund Year 2019.

Executive Director asked that Resolution 6-19 Designating Authorized Depositories for Fund Assets, Establishing an Interest Rate for Delinquent Assessments and Establishing a Cash Management Plan be held for action in order for additional discussion and review.

Chairman Angilella asked for a motion to approve the following resolutions as part of the consent agenda:

- Resolution 1-19 Certifying Election of Chair
- Resolution 2-19, Appointing PERMA as Agent for the Fund for Process of Service
- Resolution 3-19, Designating Custodian of Fund Records
- Resolution 4-19, Designating Official Newspapers for the Fund
- Resolution 5-19, Fixing 2019 & 2020 Reorganization Meeting Dates
- Resolution 7-19, Designating Signatures for Fund Bank Accounts
- Resolution 8-19, Indemnifying NJCE Officials/Employees
- Resolution 9-19, Fund Treasurer to Process Contracted Payments/Expenses
- Resolution 10-19, Appointing Fund Treasurer
- Resolution 11-19, Appointing Fund Attorney
- Resolution 12-19, 2019 Risk Management Plan

MOTION TO ADOPT RESOLUTIONS 1-19 THROUGH 12-19, BUT NOT INCLUDING RESOLUTION 6-19:

Moved: Chairman Angilella
Second: Commissioner Kelly
Vote: 7 Ayes – 0 Nays

Executive Director said Colonial Bank is the Fund's main depository and requested the Treasurer obtain three signatures when money is transferred between the Fund's accounts known as a wire transfer. Subsequent to that they agreed that these transfers would be solely on the authorization of the Treasurer. Executive Director said the Fund Attorney will work with the Fund Treasurer to draft a clause to include in Resolution 6-19 and request it be approved as amended.

MOTION TO ADOPT RESOLUTION 6-19 AS AMENDED DESIGNATING AUTHORIZED DEPOSITORIES FOR FUND ASSETS, ESTABLISHING AN INTEREST RATE FOR DELINQUENT ASSESSMENTS AND ESTABLISHING A CASH MANAGEMENT PLAN:

Moved: Chairman Angilella
Second: Commissioner Kelly
Vote: 7 Ayes – 0 Nays

EXECUTIVE DIRECTOR'S REPORT:

COMMISSION MEMBERSHIP – STATUS UPDATE: Executive Director said the County of Monmouth will be reviewing the membership applications at their March 14th Freeholder meeting to become a stand-alone County member effective April 1, 2019. Deputy Executive Director said if passed then Monmouth County will be the Fund's 10th members.

PROFESSIONAL CONTRACTS/SERVICES:

EXECUTIVE DIRECTOR, UNDERWRITING MANAGER AND SAFETY DIRECTOR: Executive Director said the Fund released and advertised Request for Proposals (RFP) for these professional services for a three-year period commencing February 28, 2019 through February 2022. Fund Attorney said single responses were received for each position by the incumbent vendors. Fund Attorney said a sub-committee reviewed the responses and found them to be in compliance with the RFP requirements. Fund Attorney said the sub-committee recommends awarding those contracts as noted in Resolution 13-19 for a 3-year period as permitted by the statute.

MOTION TO ADOPT RESOLUTION 13-19 AUTHORIZING AWARD OF CONTRACTS PURSUANT TO A PUBLICLY ADVERTISED REQUEST FOR PROPOSALS BY AND BETWEEN THE FUND AND PERMA RISK MANAGEMENT FOR EXECUTIVE DIRECTOR/ADMINISTRATOR, CONNER STRONG & BUCKELEW AS UNDERWRITING MANAGER AND J.A. MONTGOMERY AS SAFETY DIRECTOR:

Moved: Chairman Angilella
Second: Commissioner Mecouch
Vote: 8 Ayes – 0 Nays

AUDITOR: Executive Director said the Fund’s one-year contract with Bowman & Company will expire in April. The Fund office will conduct an RFP for auditing services; results will be prepared for the board to review and award a contract so services can begin on the audit ending December 31, 2018.

ACTUARY: Executive Director said the Fund’s one-year contract with The Actuarial Advantage expired in November. The Fund office will conduct an RFP for actuarial services; results will be prepared for the board to review and award a contract.

EXCESS PROPERTY THIRD PARTY ADMINISTRATOR (TPA): As previously discussed, for 2019 the Excess Property SIR increased from \$100,000 to \$250,000 - funded at the NJCE level - and will be managed by a TPA to adjust Excess Property claims from 1st dollar. Executive Director said an initial RFP was issued; all responses were rejected because a clarification of services was needed and a 2nd RFP will be released. Fund Attorney said a meeting would be held with Ms. Walcoff to discuss the scope of services.

ONLINE UNDERWRITING & CLAIMS RISK MANAGEMENT INFORMATION SYSTEM: Based on prior authorization from the Board, Executive Director said PERMA will meet with representatives from Origami in early March to begin development of the Fund’s online underwriting and claims data platform for members’ to access as a resource.

2019 MEL, MRHIF AND NJCE EDUCATIONAL SEMINAR: Executive Director said the 9th annual seminar is scheduled for Friday, May 3, 2019, beginning at 9:00 AM at the National Conference Center in East Windsor, NJ. Executive Director said is being co-sponsored for the first time by this Fund and is a beneficial forum for both government officials and insurance professionals.

The seminar qualifies for an extensive list of Continuing Educational Credits including CFO/CMFO, Public Works, Clerks, Insurance Producers and Purchasing Agents. There is no fee for employees and insurance producers associated with MEL, Municipal Reinsurance Health Insurance Fund (MRHIF) or NJCE members, as well as, personnel who work for service companies that are engaged by these entities. Enclosed in the agenda was the enrollment form; an electronic fillable form will be distributed via email.

UNDERWRITING DATA VALIDATION: Executive Director said 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 underwriting data system. Executive Director said members should anticipate receiving requests for payroll information from Bowman & Company in the coming weeks; enclosed in the agenda was a copy of the correspondence sent to members.

2019 EXCESS & ANCILLARY RENEWALS: Executive Director said the Board previously approved authorization for the Underwriting Manager to bind coverage of the 2019 renewal program. The Extraordinary Unspecifiable Services (EUS) statement binding the coverage is kept on file in the office; enclosed in the agenda was Resolution 14-19 authorizing the purchase of insurances to memorialize the action taken in November.

MOTION TO ADOPT RESOLUTION 14-19 AUTHORIZING RENEWAL AND PURCHASE OF ANCILLARY AND EXCESS INSURANCES:

Moved:	Chairman Angilella
Second:	Commissioner Sheehan
Vote:	8 Ayes – 0 Nays

CLAIMS STATUS SUMMARY: AmeriHealth Casualty Services was in need of a Closed Session to discuss claims status and other matters; enclosed in the agenda was a resolution authorizing closed session. Under separate cover, Fund Commissioners received materials from AmeriHealth Casualty Services and/or the Executive Director.

NJCE CLAIMS REVIEW COMMITTEE: As previously discussed, a working draft of the Claims Review Committee charter has been developed and requires final review by the Fund Attorney and adoption by the Board. Once finalized, Fund Commissioners that have expressed interest to serve will be contacted.

2019 FINANCIAL DISCLOSURES: Executive Director said Board members should anticipate the online filing of the Financial Disclosure forms as both a NJCE Commissioner, as well as, any County-related positions that require filing. Based on last year, it is expected the Division of Local Government Services will distribute a notice in March and forms will need to be filed by April 30th.

FINANCIAL FAST TRACK – AS OF DECEMBER 31, 2018: Executive Director referred to the Financial Fast Track as of December 31, 2018 and said the statutory surplus is \$14.9 million. Executive Director highlighted the Discounted Claim Value in which the Fund Actuary reviews reserves and applies a discount based on anticipated future investment earnings from invested member assessments. Executive Director reported interest earnings will increase because of strategic steps taken by the Fund Treasurer in the current improved interest rate environment.

Executive Director concluded his report and thanked the Board for the reappointment as Administrator of the Fund.

Commissioner Kessler inquired if NJCE members will be able to access the MEL Safety Institute, which offers both instructor-led and online training. In response, Deputy Executive Director said discussions have progressed with respects to County clients accessing the MEL Safety Institute. Deputy Executive Director said a pricing structure needs to be developed and would provide additional information once it becomes available.

UNDERWRITING MANAGER REPORT:

2019 EXCESS & ANCILLARY RENEWALS: Underwriting Manager submitted a summary report of the 2019 renewal, which was included in the agenda. Underwriting Manager said the renewal process was successful and the Fund’s carriers are very happy with the program structure.

Underwriting Manager said a Coverage Committee meeting would be scheduled to address county-related coverage issues, which will include trending issues such as cyber liability.

TREASURER REPORT:

Included in the agenda was the confirmation of bills lists and the Treasurer’s reports for October, November and December 2018.

VOUCHER PAYMENTS (BILL LIST) –

Resolution 15-19 December 2018 Bills Confirmation of Payments \$132,494.54
 Resolution 16-19 January 2019 Bills Confirmation of Payments \$8,021,352.31
 Resolution 17-19 February 2018 Bills Approval of Payments \$408,413.90

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

2010	1,230.56
2011	4,675.00
2012	3,834.78
2013	106,677.29
2014	1,572.00
2015	1,143.00
2016	0.00
2017	7,985.64
2018	0.00
TOTAL	\$127,118.27

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

2010	2,694.72
2011	3,596.00
2012	2,126.56
2013	1,901.42
2014	1,572.00
2015	682.50
2016	0.00
2017	7,795.62
2018	0.00
TOTAL	\$20,368.82

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

2010	680.00
2011	13,855.03
2012	1,670.13
2013	2,248.98
2014	2,344.84
2015	54,111.70
2016	0.00
2017	3,641.41
2018	491,932.93
TOTAL	\$570,485.02

MOTION TO CONFIRM PAYMENTS OF DECEMBER 2018 BILLS LIST AS RESOLUTION 15-19:

Moved: Chairman Angilella
Second: Commissioner Kessler
Roll Call: Unanimous

MOTION TO CONFIRM PAYMENTS OF JANUARY 2019 BILLS LIST AS RESOLUTION 16-19:

Moved: Chairman Angilella
Second: Commissioner Sheehan
Roll Call: Unanimous

MOTION TO APPROVE FEBRUARY 2019 BILLS LIST AS RESOLUTION 17-19 AND THE TREASURER'S REPORTS AS PRESENTED:

Moved: Chairman Angilella
Second: Commissioner Kessler
Roll Call: Unanimous

SAFETY DIRECTOR:

REPORT: Safety Director reviewed the report included in the agenda, which included the risk control activities from November 2018 thru March 2019 and Safety Director Bulletins.

Safety Director submitted a memorandum on the 2019 BRIT Safety Grant Program in which Counties may receive reimbursement up to 50% of the cost of a "non-typical" safety item or service to assist in controlling the frequency and severity of general liability claims. Safety Director said the annual grant available to all members is \$45,000. Safety Director suggested the formation of a sub-committee to review applicable grant submissions to meet on an as-needed basis; Safety Director will send out the memorandum and solicit interested volunteers.

FUND ATTORNEY:

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

RESOLUTIONS:

2019 REORGANIZATION RESOLUTIONS 1-19 TO 12-19

- Resolution 1-19 Certifying Election of Chair
- Resolution 2-19, Appointing PERMA as Agent for the Fund for Process of Service
- Resolution 3-19, Designating Custodian of Fund Records
- Resolution 4-19, Designating Official Newspapers for the Fund
- Resolution 5-19, Fixing 2019 & 2020 Reorganization Meeting Dates
- Resolution 6-19 Designating Authorized Depositories for Fund Assets, Establishing an Interest Rate for Delinquent Assessments and Establishing a Cash Management Plan as amended
- Resolution 7-19, Designating Signatures for Fund Bank Accounts
- Resolution 8-19, Indemnifying NJCE Officials/Employees
- Resolution 9-19, Fund Treasurer to Process Contracted Payments/Expenses
- Resolution 10-19, Appointing Fund Treasurer
- Resolution 11-19, Appointing Fund Attorney
- Resolution 12-19, 2019 Risk Management Plan

RESOLUTION 13-19: Resolution Authorizing Award of Contract for Executive Director, Safety Director and Underwriting Manager.

RESOLUTION 14-19: Resolution Authorizing Purchase of Excess and Ancillary Insurances.

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 18-19 authorizing closed session. Under separate cover, Fund Commissioners received materials from AmeriHealth Casualty Services and/or the Executive Director.

MOTION TO ADOPT RESOLUTION 18-19 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 NUMBER #CL#640-113-33, CL#640-117-150 and CL#640-118-199:

Moved: Chairman Angilella
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: Chairman Angilella
Second: Commissioner Sheehan
Roll Call: Unanimous

As per discussion held during Closed Session permitted via Resolution 18-19 motion to approve the following:

Workers' Compensation

Settlement Authority Request for: Claim 640-113-33 in the amount of \$31,240.00

Payment Authority Request for Claim 640-117-150 in the amount of \$116,004.00

Payment Authority Request for Claim 640-118-199 in the amount of \$279,623.62

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

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

OLD BUSINESS:

NONE

NEW BUSINESS:

NONE

PUBLIC COMMENT

MOTION TO OPEN MEETING TO PUBLIC

Moved: Chairman Angilella
Second: Commissioner Sheehan
Roll Call: Unanimous

MOTION TO CLOSE MEETING TO PUBLIC

Moved: Chairman Angilella
Second: Commissioner Kessler
Roll Call: Unanimous

NON- AGENDA ITEMS

NONE

MOTION TO ADJOURN:

Moved: Chairman Angilella
Second: Commissioner Kessler
Vote: Unanimous

MEETING ADJOURNED: 1:42PM

NEXT MEETING:

**April 25, 2019 - 1:00 PM
Camden County College Regional
Emergency Training Center
420 Woodbury-Turnersville Road
Blackwood, NJ**

Nancy A. Ghani, Assisting Secretary