

**NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND
OPEN MINUTES
SEPTEMBER 26, 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 2019 FUND COMMISSIONERS

Ross Angilella, Chair	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>
Kimberly Wood, 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>
Laura Scutari, Commissioner	Union County	Present - <i>via teleconference</i>
Teri O'Connor, Commissioner	Monmouth 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	Absent
Christopher Marion	Monmouth County	Present - <i>via teleconference</i>

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	PERMA Risk Management Services Paul Laracy, Joe Hrubash Nancy A. Ghani
Fund Attorney	Laura Paffenroth, Esq.
Fund Treasurer	David McPeak
Safety Director	JA Montgomery Risk Control Glenn Prince
Underwriting Manager	Conner Strong & Buckelew Edward Cooney
Auditor	Bowman & Company Dennis Skalkowski
WC Claims Administrator	AmeriHealth Casualty Services Tracy Ware, Kerin Drumheiser, Cheryle Little
Property Claims Administrator	Qual-Lynx Chris Roselli, Kathy Kissane

ALSO PRESENT:

Joshua Friedman, Camden County
Gail White, Scirocco Group - *via teleconference*

Robin Racioppi, Acrisure- *via teleconference*
Brad Stokes, PERMA
Karen Read, PERMA – *via teleconference*
Rachel Chwastek, PERMA
Cathy Dodd, PERMA
Jackie Cardenosa, PERMA – *via teleconference*
Carol Mack, Conner Strong & Buckelew – *via teleconference*

MINUTES: Open Minutes as of June 27, 2019 were included in agenda for review; Closed Minutes as of June 27, 2019 were distributed to the Board only.

MOTION TO APPROVE OPEN AND CLOSED MINUTES FROM JUNE 27, 2019 AS PRESENTED:

Moved: Chairman Angilella
Second: Commissioner Sheehan
Roll Call Vote: Unanimous – 2 Abstentions (Commissioners Mair & Kessler)

CORRESPONDENCE:

NONE

EXECUTIVE DIRECTOR'S REPORT:

FINANCIAL FAST TRACK: Executive Director referred to the Financial Fast Track as of July 31, 2019 reflecting a statutory surplus of \$18.9 million.

DECEMBER 31, 2018 AUDIT: Executive Director said the draft audit was previously reviewed at the June meeting and filed with DOBI & DCA on 6/28/19 along with an extension request to file the final report. Fund Auditor submitted copies of a final audit for the period ending December 31, 2018 and reported there were no changes from the draft and no recommendations or findings.

Enclosed in the agenda was Resolution 33-19 approving the year-end financials; Executive Director said Fund Commissioners will be asked to execute an affidavit indicating they have read the General Comments section of the Audit Report. The Fund office will file the final report and supporting resolution with the State following the meeting.

MOTION TO ADOPT RESOLUTION 33-19 CERTIFYING THE ANNUAL AUDIT FOR THE PERIOD ENDING DECEMBER 31, 2018:

Moved: Chairman Angilella
Second: Commissioner Wood
Roll Call: 10 Ayes – 0 Nays

2020 RENEWAL & 2020 BUDGET:

ONLINE UNDERWRITING DATA COLLECTION & CLAIMS SYSTEM: As previously discussed, PERMA entered into a contract with Origami to develop an online underwriting and claims data platform for members to access as a resource.

UNDERWRITING DATA: Executive Director said the online underwriting data portion was launched on August 8th and members were asked to complete their renewal schedules by September 16th. The office is following up with members on any outstanding schedules. As a reminder, on the NJCE website (www.njce.org) is a training webinar on how to complete the renewal schedules.

CLAIMS: Executive Director said the process of mapping and uploading claims information from the various TPA claims systems utilized by underlying Insurance Commissions and Counties to a new NJCE claims system is underway.

2020 BUDGET DISCUSSION: Last year, a sub-committee of Commissioners met via teleconference to review the preliminary budget. Executive Director requested any interested Commissioners to volunteer for review of the 2020 budget, which is expected to be scheduled the week of October 14th. Commissioner Sheehan, Shea and Block indicated they would volunteer.

Executive Director said in addition to budget projections, loss funding and premiums the 2020 budget discussion will include options on increasing self-insured retentions (SIR), as well as, surplus retention and dividend strategy.

The timeline for the budget process is as follows:

- October 7th – final deadline for submission of underwriting data
- Week of October 14th – Sub-Committee to review budget presentation
- October 24th – Budget Introduction at JIF meeting
- November 21th – Budget Adoption at JIF meeting

PROPERTY TPA FOR PROPERTY DAMAGE CLAIMS AND AUTO PHYSICAL DAMAGE IN EXCESS OF \$50,000: Ms. Walcoff reported that at the June 27, 2019 meeting of the NJCE JIF, a contract to serve as third-party administrator for property claims was awarded to Qual-Lynx. Qual-Lynx was selected after an RFP process and evaluation by Fund Commissioners and JIF Professionals. Effective August 1, 2019 Qual-Lynx became the third-party administrator for all property damage claims (not including equipment breakdown claims nor and auto-physical damage claims less than \$50K.) Executive Director said this was being submitted for information only and further action was not required.

NJCE CLAIMS REVIEW COMMITTEE: Ms. Walcoff reported that in April, the Fund approved the formation and charter of a Claims Review Committee. Ms. Walcoff said the advisory committee is tasked to review claims in detail prior to the regular Fund meeting and recommend approval/denial on presented claims. Deputy Executive Director said a recommendation was made to have a commissioner serve as Chair of the Claims Review; Commissioner Sheehan volunteered to serve as Chair.

Ms. Walcoff said the Claims Review Committee met via teleconference on September 25, 2019; Executive Director said it would be appropriate to enter into Closed Session to discuss the committee's recommendations and other matters. Enclosed in the agenda was a resolution authorizing closed session.

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND – RISK MANAGEMENT BEST PRACTICES WORKSHOP: The eighth annual Joint Insurance Claims Committees Risk Management Workshop is scheduled for Wednesday, October 30, 2019 at the Conner Strong & Buckelew new corporate National Headquarters in Camden, NJ. This year's topics will include Workers' Compensation key decisions and the challenges of psychiatric claims, Litigation Management Strategies, and Property Risk Engineering. Interested participants should hold the date for the Workshop and watch for the email invitation.

UNDERWRITING MANAGER:

2020 RENEWAL: Underwriting Manager submitted copies of a 2020 pre-renewal report and provided a summary on the marketplace overview. Underwriting Manager reviewed the Fund's historical rate performance vs. the market for Property, Casualty, Workers' Compensation and POL/EPL for the 2017-2020 period; report noted the Fund has

consistently applied lower rates on all lines of coverage. Underwriting Manager said based on the Fund's property losses alternative options for retentions will be explored for renewal. Overall, Underwriting Manager reported the program is performing extremely well and negotiations are underway with carriers, as well as, an evaluation of alternative markets.

NJCE COVERAGE COMMITTEE: A Coverage Committee met on July 9, 2019 and discussed property coverage for Drones and Working Dogs. Enclosed in the agenda as part of the Underwriting Manager's report was a memorandum on the proposed coverages.

In addition, Underwriting Manager reported the Coverage Committee discussed the formation of a Cyber Task Force to address this growing exposure. Volunteers interested in serving – either Commissioners, Staff or IT Personnel – are encouraged to contact the Fund office.

ANCILLARY COVERAGE OPTION - ACTIVE SHOOTER/ASSAILANT COVERAGE: Enclosed in the agenda was a memorandum regarding Active Shooter/Assailant Coverage. Underwriting Manager will be providing group quotes for Active Shooter Assailant coverage for the 2020 renewal.

TREASURER REPORT:

Included in the agenda was the confirmation of bills lists, approval of payments and the Treasurer's reports for May through July 2019.

VOUCHER PAYMENTS (BILL LIST) –

Resolution 34-19 July 2019 Bills Confirmation of Payments	\$262,355.85
Resolution 35-19 August 2019 Confirmation of Payments	\$539,307.20
Resolution 36-19 September 2019 Bills Approval of Payments	\$1,655,281.73

CONFIRMATION OF MAY 2019 CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS TRANSFERS:

2010	0.00
2011	61,061.59
2012	725.47
2013	1,499.32
2014	2,767.95
2015	6,062.70
2016	0.00
2017	0.00
2018	8,454.24
2019	0.00
TOTAL	\$80,571.27

CONFIRMATION OF JUNE 2019 CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS TRANSFERS:

2010	0.00
2011	62,736.23
2012	547.66
2013	1,499.32
2014	3,375.96
2015	38,920.31
2016	0.00
2017	165.72

2018	1,265.54
2019	0.00
TOTAL	\$108,510.74

MOTION TO CONFIRM PAYMENTS OF JULY 2019 BILLS LIST AS RESOLUTION 34-19:

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

MOTION TO CONFIRM PAYMENTS OF AUGUST 2019 BILLS LIST AS RESOLUTION 35-19:

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

MOTION TO APPROVE SEPTEMBER 2019 BILLS LIST AS RESOLUTION 36-19 AND THE TREASURER'S REPORTS AS PRESENTED:

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

SAFETY DIRECTOR:

REPORT: Safety Director submitted a report reflecting the risk control activities, meetings attended and the Safety Director Bulletins that were distributed from June to October 2019. Safety Director reminded members to submit 2019 BRIT Safety Grant reimbursement requests by September 30th.

RESOLUTIONS:

RESOLUTION 33-19: Certification of the Annual Audit Report as of December 31, 2018.

CLAIMS REVIEW COMMITTEE:

REPORT: Executive Director reported the need of a Closed Session to discuss claims status as reviewed by the Claims Review Committee. Enclosed in the agenda was Resolution 37-19 authorizing closed session. Under separate cover, Fund Commissioners received materials from the Fund office.

MOTION TO ADOPT RESOLUTION 37-19 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 NUMBERS CLAIM #2020180833, #640-113-0000049, #640-113-0000034, #64GL16936 AND #64CA018323:

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

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

Commissioner Mair excused himself at 1:29PM during Closed Session.

MOTION TO RETURN TO OPEN SESSION:

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

As per discussion held during Closed Session permitted via Resolution 37-19 motion to approve the following as recommended by the Claims Review Committee:

Property

- o Payment Authority Request for: Claim #2020180833 in the amount of \$93,500.

Workers Compensation

- o Payment Authority Request for: Claim #640-113-0000049 in the amount of \$131,423.
- o Settlement Authority Request for Claim #640-113-0000034 in the amount of \$245,117.

General Liability

- o Settlement Authority Request for: Claim #64GL16936 in the amount of \$250,000.
- o Settlement Authority Request for: Claim #64CA018323 in the amount of \$250,000.

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

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

OLD BUSINESS:

NONE

NEW BUSINESS:

NONE

PUBLIC COMMENT

MOTION TO OPEN MEETING TO PUBLIC

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

MOTION TO CLOSE MEETING TO PUBLIC

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

NON- AGENDA ITEMS

NONE

MOTION TO ADJOURN:

Moved: Chairman Angilella
Second: Commissioner Kessler
Vote: Unanimous

MEETING ADJOURNED: 1:54PM

NEXT MEETING:

**October 24, 2019 - 1:00 PM
Camden County College Regional
Emergency Training Center
420 Woodbury-Turnersville Road
Blackwood, NJ**

Nancy A. Ghani, Assisting Secretary