

**NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND
OPEN MINUTES
OCTOBER 24, 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	Present - <i>via teleconference</i>
Jeannette Kessler, Commissioner	Atlantic County	Present
Sander Friedman, Commissioner	Burlington County	Present - <i>via teleconference</i>
Kimberly Wood, Commissioner	Cumberland County	Absent
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	Absent
Raissa Walker	Mercer County	Absent
Eugenio Esquivel	Union County	Absent
Christopher Marion	Monmouth County	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	PERMA Risk Management Services Paul Laracy- <i>via teleconference</i> 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
WC Claims Administrator	AmeriHealth Casualty Services Tracy Ware, Kerin Drumheiser, Cheryle Little
Property Claims Administrator	Qual-Lynx Kathy Kissane

ALSO PRESENT:

Joshua Friedman, Camden County
Gail White, Scirocco Group - *via teleconference*
Robin Racioppi, Acrisure- *via teleconference*
Christina Violetti – *via teleconference*
Carol Mack, Conner Strong & Buckelew – *via teleconference*

Brad Stokes, PERMA
Cathy Dodd, PERMA
Rachel Chwastek, PERMA
Karen Read, PERMA – *via teleconference*

MINUTES: Open Minutes as of September 26, 2019 were included in agenda for review; Closed Minutes as of September 26, 2019 were distributed to the Board only.

MOTION TO APPROVE OPEN AND CLOSED MINUTES FROM SEPTEMBER 26, 2019 AS PRESENTED:

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

CORRESPONDENCE:

NONE

EXECUTIVE DIRECTOR'S REPORT:

2020 BUDGET: Executive Director reported a sub-committee comprised of Commissioners Kelly, Block, Shea and Sheehan met via teleconference on October 22nd to review the preliminary 2020 budget totaling \$24,930,466 or a 3.1% increase over last year. Included in the agenda was the preliminary budget comparing 2018 annualized against proposed 2019 figures. Executive director provided the following summary of the budget:

Claims Loss Funds (lines 1-5) – Executive Director said property claims experience has not been favorable for the past 5 years and progressive steps are being recommended to address the loss ratio. The expiring 2019 Property Self-Insured Retention (SIR) is \$150,000 x \$100,000, which is currently fully funded at the NJCE level. The proposed budget represents an increase to *Line #1 Property 750K x 250K* from \$150,000 x \$100,000 to \$750,000 x \$250,000. Executive Director said with this change in retention, the Fund Actuary is projecting an overall flat increase to the loss funds.

Excess Premiums (lines 9-14) – Property and Excess Property premiums are increasing based on both the high loss ratio and hardening property market. Underwriting Manager reported Zurich, the Fund's Property and Excess Property carrier, supports a long-term relationship with the Fund and noted the current 1% rate increase may come in lower for budget adoption. Underwriting Manager reported the renewal negotiations for Casualty and Workers' Compensation indicate flat renewal rates; Underwriting Manager will continue to actively negotiate rates on all lines of coverage to ensure long-term stability.

Expenses, Fees & Contingency (lines 22-35) – Executive Director said the overall 2% increase on professional fees are budgeted to reflect cost of living wage; however, as a reminder, the Board confirms appointments and compensation at the annual February Reorganization meeting.

Executive Director noted line items *#33 Underwriting Data Consolidation* and *#34 Payroll Audit* were introduced during the 2017 budget process reflect a progressive initiative to obtain consistent and ratable data through payroll audits and an underwriting data system.

Executive Director said the sub-committee also discussed the addition of funding for instructor-led and online training programs for NJCE members through a Learning Management System (LMS), an online platform used to track and record learning events. Deputy Executive Director reported a similar program exists for municipal members in the MEL; if implemented NJCE and MEL members would be able to attend training programs at each other's respective facilities. Line #35 reflects the addition of this funding to cover training events for approximately 14,000 users. Fund Commissioners expressed their support of an additional training resource and requested a training demonstration of system when available.

Ancillary Coverages (lines 43-49) - The NJCE acts as a pass through for optional Ancillary coverages, which are purchased individually by each County and their autonomous agencies. Underwriting Manager reported these lines are also actively being negotiated for renewal.

MOTION TO INTRODUCE ON FIRST READING THE 2020 BUDGET AND TO SCHEDULE A PUBLIC HEARING ON NOVEMBER 21, 2019 AT 1:00PM AT THE CAMDEN COUNTY EMERGENCY TRAINING CENTER, BLACKWOOD, NJ.

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

DIVIDEND: Executive Director reported in addition to the budget, the sub-committee reviewed available dividend options. Sub-committee agreed with a recommendation to issue a \$2 million dividend out of Closed Year Accounts, which allowed all members to benefit from its issuance. Enclosed in the agenda was Resolution 38-19 authorizing the release of a dividend in the amount of \$2,000,000 from Closed Years Accounts subject to State approval.

MOTION TO ADOPT RESOLUTUION 38-19 AUTHORIZING THE RELEASE OF A DIVIDEND IN THE AMOUNT OF \$2,000,000 FROM CLOSED YEARS SUBJECT TO STATE APPROVAL:

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

FINANCIAL FAST TRACK: Executive Director reviewed the Financial Fast Track as of August 31, 2019, which reflected a statutory surplus of \$19.1 million.

NJCE CLAIMS REVIEW COMMITTEE: The Claims Review Committee met prior to this meeting and will present their recommendations during Closed Session.

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND – RISK MANAGEMENT BEST PRACTICES WORKSHOP: As a reminder the 8th 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, the challenges of Psychiatric Claims and Litigation Management Strategies.

UNDERWRITING MANAGER:

REPORT: Underwriting Manager said there was nothing further to report.

TREASURER REPORT:

Included in the agenda was the confirmation of bills lists, approval of payments and the Treasurer’s reports for August 2019.

VOUCHER PAYMENTS (BILL LIST) –

Resolution 39-19 October 2019 Bills Approval of Payments \$146,287.90

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

2010	0.00
2011	97,973.00
2012	2501.12

2013	7252.45
2014	1407.01
2015	3363.46
2016	0.00
2017	384.00
2018	700.00
2019	0.00
TOTAL	\$113,581.04

MOTION TO APPROVE OCTOBER 2019 BILLS LIST AS RESOLUTION 39-19 AND THE TREASURER'S REPORTS AS PRESENTED:

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

SAFETY DIRECTOR:

REPORT: Safety Director submitted a report reflecting the risk control activities, meetings attended and the Safety Director Bulletins. Safety Director reported that for the 2019 BRIT Safety Grant, 5 out of 10 members submitted requests for reimbursements; details on the 2020 BRIT Safety Grant would be distributed at a later date.

RESOLUTIONS:

RESOLUTION 38-19: Authorizing the Release of a dividend from the 2010, 2011, 2012, 2013, 2014, 2015 and 2016 Closed Years Accounts.

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 40-19 authorizing closed session. Under separate cover, Fund Commissioners received materials from the Fund office.

MOTION TO ADOPT RESOLUTION 40-19 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 #64GLO12210

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 Kelly
 Roll Call: Unanimous

As per discussion held during Closed Session permitted via Resolution 40-19 motion to approve the following as recommended by the Claims Review Committee:

General Liability

- o Settlement Authority Request for: Claim #64GLO12210 in the amount of \$250,000.

MOTION TO APPROVE THE SETTLEMENT AUTHORITY REQUEST 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 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 Sheehan
Vote: Unanimous

MEETING ADJOURNED: 1:31PM

**NEXT MEETING: November 21, 2019 - 1:00 PM
Camden County College Regional
Emergency Training Center
420 Woodbury-Turnersville Road
Blackwood, NJ**

Nancy A. Ghani, Assisting Secretary