

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND

OPEN MINUTES

JUNE 25, 2020

Via Teleconference

9:30 AM

**MEETING OF THE FUND CALLED TO ORDER AT 9:30 A.M. BY CHAIRMAN
ANGILELLA**

OPEN PUBLIC MEETING ACT READ INTO RECORD

ROLL CALL BOARD OF 2020 FUND COMMISSIONERS – *via teleconference*

| | | |
|--------------------------------|-------------------|---------|
| Ross Angilella, Chair | Camden County | Present |
| Timothy Sheehan, Commissioner | Gloucester County | Present |
| Jannette Kessler, Commissioner | Atlantic County | Present |
| Sander Friedman, Commissioner | Burlington County | Present |
| Kimberly Wood, Commissioner | Cumberland County | Present |
| John Kelly, Commissioner | Ocean County | Absent |
| Edmund Shea, Commissioner | Hudson County | Present |
| Lillian Nazzaro, Commissioner | Mercer County | Present |
| Laura Scutari, Commissioner | Union County | Present |
| Teri O'Connor, Commissioner | Monmouth County | Absent |

ALTERNATE FUND COMMISSIONERS

| | | |
|--------------------|-----------------|---------|
| Anna Marie Wright | Camden County | Present |
| Carl Block | Ocean County | Present |
| Raissa Walker | Mercer County | Absent |
| Christopher Marion | Monmouth County | Present |

APPOINTED OFFICIALS PRESENT:

| | |
|----------------------------------|---|
| Executive Director/Administrator | PERMA Risk Management Services Joseph Hrubash, Nancy A. Ghani Brandon Tracy |
| Safety Director | JA Montgomery Risk Control Paul Shives, Glenn Prince |
| Attorney | Laura Paffenroth |
| Treasurer | David McPeak |
| Underwriting Manager | Conner Strong & Buckelew Ed Cooney |
| Claims Administrator | AmeriHealth Casualty Services Tracy Ware |

ALSO PRESENT – *via teleconference*:

Brad Stokes, PERMA
Cathy Dodd, PERMA
Karen Read, PERMA

Rachel Chwastek, PERMA
Robyn Walcoff, PERMA
Jennifer Conicella, PERMA
Steve Williams, Camden County
Robin Racioppi, North American Insurance Management
Kerin Drumheiser, Comp Services d/b/a AmeriHealth
Chris Roselli, Qual Lynx
Christina Violetti, Hardenbergh Insurance Group
Mary Ann Sander, Conner Strong & Buckelew
Carol Mack, Conner Strong & Buckelew
Christine Baroudi, Conner Strong & Buckelew
Joshua Friedman, Camden County
Gail White, Scirocco Group

MINUTES: Open Minutes as of April 23, 2020 were included in agenda for review.

**MOTION TO APPROVE OPEN AND CLOSED MINUTES FROM APRIL 23, 2020
AS PRESENTED:**

Moved: Commissioner Wood
Second: Commissioner Sheehan
Roll Call vote: 9 ayes – 0 Nays - Chairman Angilella abstained
approval of open and closed minutes from April 23,
2020 as presented.

NJCE CLAIMS REVIEW COMMITTEE: Committee Chairman Sheehan reported the Claims Review Committee met prior to the Fund’s meeting on June 25, 2020 to review claims in detail.

As per discussion held at the Claims Review Committee prior to the NJCE Fund meeting permitted via Resolution 30-20 motion to approve the following:

Property

Payment Authority Request for: Claim # 2020204481 in the amount of \$60,000.00

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

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

Workers Compensation

Settlement Authority Request for: Claim # 640-118-0000199 in the amount of
\$102,309.60

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

Moved: Commissioner Kessler
Second: Commissioner Wood
Roll Call vote: 10 Ayes – 0 Nays

CORRESPONDENCE:

NONE

EXECUTIVE DIRECTOR'S REPORT:

Executive said there are four action items in the agenda, and three actions via resolution. Executive Director recommended to take a consent motion to adopt the three items action items.

DECEMBER 31, 2019 AUDIT: A draft financial audit for the period ending December 31, 2019; was prepared for review at the meeting. Enclosed separately from the agenda was a copy of the draft audit, which was distributed to all commissioners and professionals.

Fund Auditor reviewed the financial highlights of the report and said there were no recommendations or findings to date and does not expect any changes to the final audit. Fund Auditor said there is a note regarding the COVID- 19 Pandemic noting the uncertainty of the Pandemics impact on the Fund.

Executive Director said it would be appropriate to authorize the fund office to file the draft audit with Department of Banking & Insurance and request an extension to file the final audit upon receipt; included on **page 5** was Resolution 25-20 authorizing this action.

Commissioner Nazzaro of Mercer County joined the call at 9:48 A.M.

PROFESSIONAL CONTRACTS/SERVICES/COMPETITIVE CONTRACTS:

Learning Management System – Competitive Contract Request For Proposals (CCRFP):

As previously discussed, a dedicated safety institute of instructor-led and online training programs will be provided to members of the NJCE JIF through a Learning Management System. Responses to the CCRFP were due on June 16th; two proposals were received from NEOGOV and Benchmark Analytics.

Fund Attorney reported that NEOGOV requested removal of a termination provision of the standard contract, which is considered a material exception. In addition, Benchmark Analytics submitted a fee proposal, which substantially exceeds the budget for these services. Fund Attorney reported the CCRP procurement process does not permit negotiation of changes to material terms or proposed fees. NEOGOV proposal provided a separate contract, which included a change in the limits of liability, and indemnification provisions that was materially different than the procurement documents. This was contrary to the provisions of the Competitive Contract Request for Proposal. Executive Director made a recommendation to reject the proposals and re-advertise for these services. The Board of Fund Commissioners agreed to the recommendation, and will make a motion to adopt Resolution 26-20, which was included on **page 6** of the Agenda, along with the other action items in the Executive Directors report. Executive Director thanked the members on the Subcommittee for their hard work on this matter.

WORKERS' COMPENSATION CLAIMS ADMINISTRATION REQUEST FOR PROPOSALS (RFP):

Executive Director said the contract for this service with AmeriHealth expires on 7/31/20. AmeriHealth has agreed to extend services based on the same terms and conditions of the existing contract on a month-to-month basis for August and September. The Fund office is working with the Fund Attorney in reviewing the scope of services prior to

issuing a CCRFP for re-procurement of these services in order to take action at the September 24th meeting. Included in **page 7** was Resolution 27-20 authorizing a month-to-month agreement pending re-procurement of services.

MOTION TO ADOPT RESOLUTION 25-20 AUTHORIZING THE FUND OFFICE TO FILE THE DRAFT AUDIT AND REQUEST AN EXTENSION TO FILE THE FINAL AUDIT; MOTION TO ADOPT RESOLUTION 26-20 REJECTING THE PROPOSALS FROM NEOGOV AND BENCHMARK ANALYTICS AS RESPECTS CCRFP #20-22, AND RESOLUTION 27-20 AUTHORIZING THE MONTH-TO-MONTH AGREEMENT BY AND BETWEEN THE FUND AND COMPSERVICES, INC., t/a AMERIHEALTH CASUALTY SERVICES, FOR THE PROVISION OF CLAIMS ADMINISTRATION SERVICES PENDING REPROCUREMENT OF THE SERVICES.

Moved: Commissioner Wood
Second: Commissioner Kessler
Roll Call vote: 10 Ayes – 0 Nays

PAYROLL AUDITOR AND ACTUARY: The contracts for these services have expired and the Fund office has issued a request for quotes for both positions, which were due on June 23rd. Copies of the responses were distributed for review.

Executive Director reported there was one (1) response for Payroll Auditor from Bowman & Company (*Incumbent*) and three (3) responses for Actuary from The Actuarial Advantage (*Incumbent*), Glicksman Consulting, and Pinnacle Actuarial Resources. Executive Director made the following recommendations: 1) Award a one-year contract to Bowman & Company for Payroll Auditor services based on response completeness and annual fee of \$19,900 as noted in proposal and 2) Award a one-year contract to The Actuarial Advantage based on response completeness and annual fee of \$23,431 as noted in proposal.

MOTION TO AUTHORIZE AN AWARD A CONTRACT TO BOWMAN & COMPANY FOR PAYROLL AUDITOR SERVICES, AND ACTUARIAL ADVANTAGE FOR ACTUARIAL SERVICES BASED ON THE SUBMITTED PROPOSAL.

Moved: Commissioner Kessler
Second: Commissioner Wood
Vote: Unanimous

FINANCIAL FAST TRACK: Included in the Agenda was the Financial Fast Tracks as of March 31st (**page 10**) and April 30th (**page 8**). Executive Director reported the April 30th Financial Fast Track reflected a statutory surpluses of \$16.2 million, a profit of \$19.8 million, dividends of \$3.6 million, and surplus of \$16.2 million leaving the Fund in a strong financial position.

NJCE CLAIMS REVIEW COMMITTEE – Commissioner Sheehan: Executive Director said the Claims Review Committee met at 9:00AM prior to the Fund’s meeting to review claims in detail and made recommendations at the beginning of the meeting, which the Board took action on.

Closed Session was not required to discuss the committee's recommendations and to address any questions on a particular claim(s). Included in the agenda was a resolution authorizing closed session. It was not acted on.

ANNUAL BEST PRACTICES SEMINAR: Executive Director said the Annual Best Practices Seminar is usually held in October each year, and with the permission of Chairman Angilella he would like to gather the subcommittee to discuss the feasibility of holding the seminar, how to deliver the seminar and length of presentation this year. Chairman Angilella gave permission to the Executive Director.

Information/Status Update

Deputy Executive Director reported on the following:

2021 RENEWAL – UNDERWRITING DATA COLLECTION: The fund office will begin the data collection process for the 2021 renewal in order to provide relevant information to underwriters. Last year was the initial launch of Origami, the online platform where members' exposure data (property, vehicles, etc.) was uploaded for members to access and edit, as well as, applications to download and complete for ancillary coverages.

Deputy Executive Director reported the Fund office is working with Origami to facilitate an easier process for members to complete applications for ancillary coverages. In addition, audited payrolls as provided by the Payroll Auditor will be uploaded into the platform. The anticipated date to begin the 2021 renewal is mid-July, which will allow members to confirm underwriting data in time to introduce a budget at the October meeting.

SEXUAL ABUSE MOLESTATION LEGISLATION: Deputy Executive Director said, as previously discussed, the Commissioners opted to participate in the MEL training initiative as respects to the legislation adopted in late 2019. The Fund's website – www.njce.org (under Safety) – includes an online video that members may use for training purposes., Paul Shives presented two live webinars via Zoom on July 17th and July 24th from 9:00AM to 11:00AM. Deputy Executive Director said interested participants should contact the Fund office for more information.

MEL-SPONSORED WEBINAR: COMMUNICATION IN A CRISIS: Deputy Executive Director said on June 30, 2020 starting at 10:30 a.m., the MEL presented a free webinar for its members, *Facing and Embracing Crisis For Your Municipality*. When a crisis occurs, leaders will be judged primarily on their response and their communications with the public. Four experienced professionals will share their expertise and experiences on developing a crisis communication plan and addressing the public and media in a crisis. This is a MEL sponsored program and they are inviting the NJCE. Included on **page 12** of the Agenda was the program flyer with noted speakers and a link to access the webinar.

NJCE 10TH YEAR ANNIVERSARY: As previously discussed, this year marks the 10th anniversary of the Fund's inception, which began with two County members and has grown to ten members and 19 affiliated entities. In February, the Board agreed to celebrate the milestone with a luncheon hosted at a Central Jersey venue for all Fund Commissioners, Professionals and staff to attend. Please save the date of October 19, 2020 at noon pending additional directives issued by the Governor's office on reopening.

2020 NEW JERSEY ASSOCIATION OF COUNTIES CONFERENCE: Deputy Executive Director said this annual conference originally scheduled for May has been rescheduled for October 27th - October 29th.

2020 MEL & MRHIF & NJCE EDUCATIONAL SEMINAR: Deputy Executive Director said this annual seminar originally scheduled for May 1st has been cancelled and will be rescheduled for a date later in the year.

MEMBERSHIP RENEWAL: Deputy Executive Director said the Commissions of Atlantic County, Burlington County and Cumberland County are scheduled to renew their 3-year membership with the Fund as of January 1, 2021. Renewal documents have been sent to each County to execute.

2020 FINANCIAL DISCLOSURES: Deputy Executive Director said all Fund Commissioners and Professionals have completed the required filing by the April 30th deadline

TREASURER REPORT:

Included in the agenda was the confirmation of bills lists and the Treasurer's reports for January thru February 2020.

VOUCHER PAYMENTS (BILL LIST) –

| | |
|--|----------------|
| Resolution 28-20 May 2020 Bills Confirmation of Payments | \$174,149.89 |
| Resolution 29-20 June 2020 Bills Approval of Payments | \$4,883,064.78 |

CONFIRMATION OF MARCH 2020 CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS TRANSFERS:

| | |
|-------------|-------------------|
| 2011 | 1,900.00 |
| 2012 | 225.40 |
| 2013 | 24,942.54 |
| 2014 | 672.47 |
| 2015 | 18,310.16 |
| 2016 | 2,067.70 |
| 2017 | 605.00 |
| 2018 | 3.50 |
| 2019 | 165,621.76 |
| 2020 | 131,524.62 |

CONFIRMATION OF APRIL 2020 CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS TRANSFERS:

| | |
|--------------|-------------------|
| 2011 | 1,900 |
| 2012 | 672.37 |
| 2013 | 96,787.07 |
| 2014 | 2,106.03 |
| 2015 | 6,217.50 |
| 2016 | 22.50 |
| 2017 | 0.00 |
| 2018 | 1,469.77 |
| 2019 | 329.74 |
| 2020 | 94,493.75 |
| TOTAL | 203,998.73 |

**MOTION TO CONFIRM PAYMENTS OF MAY 2020 BILLS LIST AS
RESOLUTION 28-20:**

Moved: Chairman Angilella
Second: Commissioner Shea
Vote: Unanimous

**MOTION TO APPROVE PAYMENTS OF JUNE 2020 BILLS LIST AS
RESOLUTION 29-20:**

Moved: Commissioner Wood
Second: Commissioner Kessler
Vote: Unanimous

UNDERWRITING MANAGER:

REPORT: Underwriting Manager provided a brief summary report of the 2021 renewal noting the Property market is hardening, but will continue negotiation efforts to secure stable rates, as well as, explore alternative program structures. Underwriting Manager added the NJCE Cyber Task Force held an initial meeting and will be developing a Cyber Risk Management program for NJCE membership.

More updates and plan will be provided closer to the renewal date. Underwriting Manager said if there are any questions do not hesitate to reach out to the Underwriting Manager's team.

SAFETY DIRECTOR:

REPORT: Safety Director submitted a report reflecting the risk control activities and the Safety Director Bulletins distributed from April 2020 through July 2020. Safety Director reported that since the introduction of the streaming video service in May, there have been 163 views. Safety Director reported that all instructor led courses have been suspended until further notice. The webinar schedule from June through July 30th has been released, and was enclosed in the Agenda. The CEL website has a listing of bulletins and guidance given to the membership that have been released during the pandemic. J.A. Montgomery continues to monitor the directives released by the CDC and the Governor.

Executive Director asked the Safety Director to provide an update regarding the BRIT Safety Grant. Safety Director said there has been a variety of submissions such as automatic chest compression devices, and items that can be used to disinfectant government vehicles. Safety Director said the annual BRIT Safety Grant is available and encouraged members to submit applicable purchases. Executive Director asked if an extension could be added to the deadline due to the ongoing circumstances. Safety Director said it would be appropriate to further discuss a possible extension.

ATTORNEY'S REPORT: The Attorney said she did not have anything additional to report.

RESOLUTIONS:

RESOLUTION 25-20: Resolution Authorizing Fund office to file Draft Audit of 12/31/19

RESOLUTION 26-20: Rejecting proposal for Learning Management System

RESOLUTION 27-20: Authorizing Month to Month Agreement for WC Claims Administration Services

CLAIMS ADMINISTRATOR:

REPORT: NJCE Claims Administrators were not in need of a Closed Session to discuss claims status and other matters; enclosed in the agenda was Resolution 30-20 authorizing closed session, but it was not acted on.

OLD BUSINESS:

NONE

NEW BUSINESS:

NONE

PUBLIC COMMENT:

PUBLIC COMMENT

MOTION TO OPEN MEETING TO PUBLIC

Moved: Commissioner Wood
Second: Commissioner Kessler
Vote: Unanimous

MOTION TO CLOSE MEETING TO PUBLIC

Moved: Commissioner Wood
Second: Commissioner Kessler
Vote: Unanimous

NON- AGENDA ITEMS

NONE

MOTION TO ADJOURN:

Moved: Commissioner Wood
Second: Commissioner Kessler
Vote: Unanimous

MEETING ADJOURNED: 10:07 AM

**NEXT MEETING: September 24, 2020 – 9:30AM
Via Teleconference**

Brandon Tracy, Assisting Secretary