

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND

OPEN MINUTES

SEPTEMBER 24, 2020

Via Teleconference

9:30 AM

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

OPEN PUBLIC MEETING ACT READ INTO RECORD

PLEDGE OF ALLEGIANCE

ROLL CALL BOARD OF 2020 FUND COMMISSIONERS

Ross Angilella, Chair	Camden County	Absent
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	Absent
Raissa Walker	Mercer County	Absent
Christopher Marion	Monmouth County	Present

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator PERMA Risk Management Services
Joe Hrubash, Nancy A. Ghani
Brandon Tracy

Safety Director JA Montgomery Risk Control
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
Robin Racioppi, North American Insurance Management
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
Jennifer Stowe, Scirocco Group
Jack Zisa, Scirocco Group
Cecelia Murphy, Camden County College

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

MOTION TO APPROVE OPEN MINUTES FROM SEPTEMBER 23, 2020 AS PRESENTED:

Moved: Commissioner Shea
Second: Commissioner Wood
Roll Call vote: 9 Ayes – 0 Nays

CORRESPONDENCE:

NONE

EXECUTIVE DIRECTOR'S REPORT:

Executive said there are eight action items in the agenda, and three actions to be done via resolution. Executive Director recommended to take a consent motion to adopt the eight items action items at the end of the report.

DECEMBER 31, 2019 AUDIT: Executive Director said the draft audit was previously reviewed at the June meeting and filed with DOBI & DCA on 7/2/20 along with an extension request to file the final report. The Fund Auditor prepared the final financial audit, and copies for review were distributed separately from the agenda. The Fund Auditor said there was a return in surplus of \$2 million, leaving the Fund in a net position of \$15.7 Million. There were no additional findings or recommendations in the final report.

Included in the agenda was Resolution 31-20 (**page 5**) approving the year-end financials. Fund Commissioners were asked to execute an affidavit indicating they have read the General Comments section of the Audit Report. The Fund office filed the final report and supporting resolution with the State following the meeting.

MOTION TO APPROVE YEAR-END FINANCIALS, ADOPT RESOLUTION 31-20 AND EXECUTE AN AFFIDAVIT INDICATING THAT FUND COMMISSIONERS HAVE READ THE GENERAL COMMENTS SECTION OF THE AUDIT REPORT.

COMPETITIVE CONTRACTS, SERVICES AND TRAINING:

LEARNING MANAGEMENT SYSTEM COMPETITIVE CONTRACT REQUEST FOR PROPOSALS (CCRFP): Executive Director said in February the Board adopted a resolution to initiate procurement of a Learning Management System, which is an online platform to track instructor-led and online training programs dedicated for NJCE JIF members.

Responses to the initial CCRFP were due on April 2nd, but was cancelled due to the pandemic. A second CCRFP was set for June 16th; responses were rejected due to material terms and the Board agreed with the recommendation to re-advertise. A third CCRFP #20-28 was issued with a response date of August 20th; the Sub-Committee comprised of Commissioners Kessler, Sheehan and Shea met and reviewed submissions from three (3) vendors. Sub-Committee noted the proposal amounts of each vendor exceeded the allocated budget for this service. Executive Director said the recommendation is to reject all proposals on that basis and included in the agenda was Resolution 32-20 (**page 7**) noting this action.

Sub-Committee recommended that this service be arranged and contracted directly by J.A. Montgomery on behalf of the Fund. Executive Director said this approach would be similar to the one previously authorized by the Board for PERMA to contract directly with Origami for RMIS platform.

MOTION TO ADOPT RESOLUTION 32-20 REJECTING CCRFP #20-28 AS THE PROPOSALS RECEIVED SUBSTANTIALLY EXCEEDED THE BUDGET FOR THIS PURPOSE.

MOTION TO AUTHORIZE J.A. MONTGOMERY TO PURSUE A 3RD PARTY ARRANGEMENT DIRECTLY WITH A VENDOR TO PROVIDE A LEARNING MANAGEMENT SYSTEM DEDICATED TO NJCE JIF MEMBERS.

ACTUARY SERVICES – PAYMENT IN EQUITY: Executive Director said the Actuarial Advantage provided services in Fund Year 2019; however, inadvertently a contract was not in place. Included in the agenda was Resolution 33-20 (**page 8**) authorizing “payment in equity” for services provided.

MOTION TO ADOPT RESOLUTION 33-20 AUTHORIZING “PAYMENT IN EQUITY” TO THE ACTUARIAL ADVANTAGE IN THE AMOUNT OF \$22,522.00 FOR SERVICES PROVIDED IN FUND YEAR 2019.

BRIT SAFETY GRANT: Executive Director said the current deadline to submit reimbursement of applicable safety-related items reimbursed at 50% of the cost is September 30th. Glenn Prince of J.A. Montgomery and the BRIT Grant sub-committee submitted a deadline extension request of October 31st to allow additional applicable reimbursements.

MOTION TO APPROVE SUB-COMMITTEE RECOMMENDATION TO EXTEND THE BRIT SAFETY GRANT DEADLINE FROM SEPTEMBER 30TH TO OCTOBER 31ST.

TRAINING WEBINARS: Executive Director said the MEL Safety Institute in-classroom training was made available to our member counties this past year. In March, instructor-led training was suspended due to the pandemic and J.A. Montgomery successfully transitioned a majority of these training sessions to interactive webinars. This resulted in a significant increase in attendance by our NJCE County membership.

County membership accounted for 169 webinar attendees during the months of June, July and August. Executive Director said there is a cost associated with this. Included in the Agenda was a report (**page 9**) from JAM summarizing the number of attendees and the associated per trainee cost and administrative cost. Since these costs resulted from an unforeseen situation and has provided a tremendous benefit to our membership, the Executive Director recommended that the Fund pay JAM for this valuable service and amend their contract accordingly. Executive Director has discussed this with the Fund Attorney and the Fund Treasurer and they concur with this recommendation.

Commissioner Kessler asked if there will be additional costs associated with the extension of webinar training for the foreseeable future, and if the Safety contract should be amended to a greater amount so the contract would not have to be amended again. The Fund Attorney said a motion is needed to authorize what J.A. Montgomery has already provided. The Fund Attorney added the Fund would request a proposal from J.A. Montgomery on a cost basis or per course basis, and amend the contract accordingly. The additional costs have been accounted, and budgeted for. Therefore no additional costs will be incurred by the members.

MOTION TO AUTHORIZE PAYMENT OF TRAINING COSTS OF 169 NJCE ATTENDEES TOTALING \$4,666 AND AN ADMINISTRATIVE FEE OF \$60 PER COURSE FOR 23 COURSES TOTALING \$1,380 FOR A

GRAND TOTAL OF \$6,046 APPLIED AGAINST THE SAFETY INSTITUTE FUNDING LINE IN THE 2020 BUDGET.

MOTION TO AMEND THE JAM SAFETY SERVICES CONTRACT FOR THE BALANCE OF THE CONTRACT TERM TO REFLECT THIS ADDED SERVICE AND THE ASSOCIATED COST.

WORKERS' COMPENSATION CLAIMS ADMINISTRATION RFP: Executive Director said the contract for this service with AmeriHealth expired on 7/31/20. AmeriHealth 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.

Executive Director said an RFP was issued for re-procurement of these services and responses were due on August 25th. Four (4) responses were received, reviewed, scored and were discussed by the subcommittee. The Fund Attorney reported the sub-committee recommended to continue Claims Administrator services with AmeriHealth based on the evaluation criteria in the RFP; copies of Resolution 34-20 were distributed prior to the meeting.

MOTION TO ADOPT RESOLUTION 34-20 AUTHORIZING AWARD THE CONTRACT FOR CLAIMS ADMINISTRATOR SERVICES TO AMERIHEALTH.

Executive Director said that is the end of the consent agenda, and the Fund Attorney added if any Fund Commissioners need to abstain from an action item their vote would be removed from the consent agenda.

MOTION TO ADOPT THE CONSENT AGENDA

Motion:	Commissioner Nazzaro
Second:	Commissioner Shea
Roll Call Vote:	9 Ayes – 0 Nays

FINANCIAL FAST TRACK: Included in the Agenda was the Financial Fast Tracks as of July 31st and June 30th (**pages 10-13**) reflecting statutory surplus of \$16.6 and \$16.5 million respectively. Executive Director reported a surplus, on line 8, of \$170,000, and the issuance of \$3.6 Million in Dividends, on line 7, leaving the Fund with a total profit, on line 5, of \$20.3 Million.

NJCE CLAIMS REVIEW COMMITTEE – COMMISSIONER SHEEHAN: Executive Director said the Claims Review Committee met at 8:45AM prior to the Fund's meeting to review claims in detail and recommended to the full Board to approve the PARs and SARs.

Acting Chairman Sheehan said it was not necessary to enter Closed Session to further discuss the committee's recommendations or address any questions on a particular claim(s). Included later in the agenda was a resolution authorizing closed session, but it was not acted on.

2021 RENEWAL – UNDERWRITING DATA COLLECTION: Executive Director said 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. The Fund Office is currently following up with members to complete the renewal worksheets. Executive Director said a meeting of the sub-committee to review the 2021 budget will be scheduled prior to the October meeting and the 2021 Budget introduction.

Information/Status Update

Deputy Executive Director reported on the following:

MEMBERSHIP RENEWAL: The Atlantic, Burlington and Cumberland County Insurance Commissions are scheduled to renew their 3-year membership with the Fund as of January 1, 2021.

Renewal documents were sent to each County to execute; Burlington and Cumberland have adopted resolutions to renew and Atlantic has a resolution on their October 6th agenda for consideration.

9TH ANNUAL BEST PRACTICES WORKSHOP – OCTOBER 29, 2020 VIRTUAL EDITION: This year’s Best Practices Workshop will be taking place virtually via an interactive webinar on October 29, 2020.

Deputy Executive Director said the sub-committee met and agreed to include topics such as the NJCE Renewal Overview and 2021 Objectives, BRIT Safety Grant update and topics evolving around the implications of COVID-19 to make for a more engaging event. The length of the workshop is scheduled for 2.5 to 3 hours with adequate breaks and CEU credits available; please save the date and more information will follow. Deputy Executive Director added the Fund is seeking panelists to discuss the aforementioned topics.

2020 NEW JERSEY ASSOCIATION OF COUNTIES CONFERENCE: This annual conference rescheduled for October has been replaced with a series of educational virtual workshops on COVID-19 matters to be held between September 30th and November 11th. NJAC has published details of the workshops on their website www.njac.org.

2020 MEL & MRHIF & NJCE Educational Seminar: This annual seminar originally scheduled for May 1st has been cancelled indefinitely.

NJCE 10TH YEAR ANNIVERSARY: 2020 marks the 10th anniversary since the Fund’s inception. The Fund hopes to schedule a luncheon meeting honoring this milestone in early 2021.

DUE DILIGENCE (Page 16):

- Regulatory Compliance Checklist – as of 9/18/2020. Included in the agenda was a new report that tracks contracts, compliance and other Fund business.

TREASURER REPORT:

Included in the agenda was the confirmation of bills lists and the Treasurer’s reports for May thru July 2020.

VOUCHER PAYMENTS (BILL LIST) –

- Resolution 35-20 Confirmation of July 2020 Payments
- Resolution 36-20 Confirmation of August 2020 Payments
- Resolution 37-20 Approval of September 2020 Payments

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

2011	2,850.00
2012	332.17
2013	18,342.15
2014	1,901.95
2015	6,313.39
2016	62.00
2017	600.50

2018	64,610.39
2019	162.33
2020	0.00
TOTAL	\$95,174.88

CONFIRMATION OF JULY 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	\$84,179.37

Acting Chairman Sheehan made a motion for Resolution 35-20, Resolution 36-20, and Resolution 37-20.

MOTION TO CONFIRM PAYMENTS OF JULY 2020 BILLS LIST AS RESOLUTION 35-20, PAYMENTS OF AUGUST 2020 BILLS LIST AS RESOLUTION 36-20, AND APPROVE PAYMENTS OF SEPTEMBER 2020 BILLS LIST AS RESOLUTION 37-20:

Moved: Commissioner Kessler
 Second: Commissioner Shea
 Roll Cal Vote: 9 Ayes – 0 Nays

Commissioner Freidman noted he was muted, but voted yes on all motions.

UNDERWRITING MANAGER:

REPORT: Underwriting Manager provided a follow up report from the prior meeting on the 2021 renewal process noting the Property market is hardening, but his team will continue negotiation efforts to secure stable rates, as well as, explore alternative program structures using the economies of scale provided by the Joint Insurance Fund. Underwriting Manager added the NJCE Cyber Task Force held an initial meeting and will be developing a Cyber Risk Management program for the NJCE membership. Underwriting Manager said if there are any questions do not hesitate to reach out to the Underwriting Manager's office.

SAFETY DIRECTOR:

REPORT: Safety Director submitted a report reflecting the risk control activities and the Safety Director Bulletins distributed from June 2020 through October 2020. Safety Director said the webinar schedule from September through October 30th has been released, and was enclosed in the Agenda. J.A. Montgomery is working to convert their entire training catalog to a virtual webinar format. Also included in the Agenda was a listing of webinars and instructions to access the webinars on the CEL website.

Safety Director introduced Designated Employer (DER) Training Program, to be held on October 15th with a registration deadline of October 1st. Safety Director added if more than two representatives from a respective town would like to participate reach out and he will work to accommodate the request. Acting Chairman Sheehan asked if there will be additional DER Training. Safety Director said there are plans for future trainings, but no dates have been set.

Executive Director asked the Safety Director for the number of submissions for the BRIT Safety Grant. Safety Director said to date there have been six submissions. Safety Director encouraged members to submit applicable purchases.

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

RESOLUTIONS:

- Resolution 31-20** Authorizing Fund Office to file Draft Audit of 12/31/19
- Resolution 32-20** Rejecting CCRP #20-28, Learning Management System
- Resolution 33-20** Authorizing a payment in equity by the Fund to TAA Inc.
- Resolution 34-20** Authorizing award contract for Claims Admin

CLAIMS ADMINISTRATOR-WORKERS COMPENSATION:

REPORT: NJCE Claims Administrator reported on the savings report included in the agenda. Ms. Ware noted there was a 30.8% savings and a 53.3% network utilization rate for the month of August. It was also noted the Claims Administrators were not in need of a Closed Session to discuss claims status and other matters; enclosed in the agenda was Resolution 38-20 authorizing closed session, but it was not acted on.

CLAIMS ADMINISTRATOR-WORKERS COMPENSATION:

REPORT: The Property Claims Administrator said there was nothing to report for the month.

NJCE CLAIMS REVIEW COMMITTEE: Committee Chairman Sheehan reported the Claims Review Committee met prior to the Fund's meeting on September 24, 2020 to review claims in detail.

As per discussion held at the Claims Review Committee prior to the NJCE Fund meeting permitted via Resolution 38-20 motion to approve the following:

Property

Payment Authority Request for: Claim # 20200187876 in the amount of \$150,000.00

Workers Compensation

Settlement Authority Request for: Claim # 640-117-188 in the amount of \$87,078.00

General Liability

Settlement Authority Request for: Claim #64GL017090 in the amount of \$75,000

Settlement Authority Request for: Claim #64GL018154 in the amount of \$85,000

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

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

OLD BUSINESS:

NONE

NEW BUSINESS:

SENATE BILL 23-80: Commissioner Kessler asked Jennifer Conicella of PERMA Claims to expand on the Covid-19 law as it relates to Workers Compensation and Essential workers, and the impact on it will have on the counties. Ms. Conicella said Senate Bill 23-80 was passed on September 14, 2020 covering essential workers who contracted COVID-19 starting on March 9, 2020. The Senate Bill expanded the definition of an essential worker to anyone who performed functions in physical proximity to members of the public such as food service workers or transportation workers. Ms. Conicella said COVID-19 claims reported earlier in the year by the TPAs will have to be reviewed to see if the cases will fall under the new definition of essential workers. Ms. Conicella said PERMA is working closely with all TPAs, in addition to special counsel, to follow any updates on COVID-19 as it relates to claims, and how it will affect the JIFs.

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: October 22, 2020 – 9:30AM

Via Teleconference

Brandon Tracy, Assisting Secretary