

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND

OPEN MINUTES

JANUARY 12, 2023

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**

PLEDGE OF ALLEGIANCE

ROLL CALL BOARD OF 2022 FUND COMMISSIONERS

Ross Angilella, Chairman	Camden County	Present
Tim Sheehan, Secretary	Gloucester County	Present
Janette Kessler, Commissioner	Atlantic County	Present
Ashley Buono, Commissioner	Burlington County	Present
Vacancy, Commissioner	Cumberland County	
John Kelly, Commissioner	Ocean County	Present
Edmund Shea, Commissioner	Hudson County	Present
Lillian Nazzaro, Commissioner	Mercer County	Absent
Laura Scutari, Commissioner	Union County	Present
Teri O'Connor, Commissioner	Monmouth County	Absent

ALTERNATE FUND COMMISSIONERS

Anna Marie Wright	Camden County	Absent
Michael Fiure	Ocean County	Present
Raissa Walker	Mercer County	Present
Eugenio Esquivel	Union County	Present
Christopher Marion	Monmouth County	Present

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	PERMA Risk Management Services Joseph Hrubash, Bradford Stokes, Nancy A. Ghani, Brandon Tracy
Attorney	Laura Paffenroth
Safety Director	JA Montgomery Risk Control Paul Shives, Glenn Prince
Underwriting Manager	Conner Strong & Buckelew Edward Cooney, Jonathon Tavares
WC Claims Administrator	AmeriHealth Casualty Services Kerin Drumheiser, David Bushong, Gladys Driggins
Claims Administrator Property Claims Administrator	Qual Lynx Chris Roselli
	Perma Claims Robyn Walcoff, Jennifer Conicella, Jennifer Davis

ALSO PRESENT:

Cathy Dodd, PERMA
Karen Read, PERMA
Jason Thorpe, PERMA
Justin Gallo, Scirocco Group
Spiro Molfetas, Scirocco Group
Christina Violetti, Hardenbergh Insurance Group
Danielle Colaianni, Hardenbergh Insurance Group
Robin Racioppi, North American Insurance Management
Jennifer Beck, Alliant Americas
Douglas Borden, CBIZ Borden Perlman
Aricka Simms, CBIZ Borden Perlman
Peter Soriero, Allied Risk Management Services
Rob Cleary, Scirocco Group
Karl McConnell, Camden County College
Toni DePaola, Ocean County

CORRESPONDENCE: NONE

EXECUTIVE DIRECTOR’S REPORT:

NJCE CLAIMS REVIEW COMMITTEE – COMMISSIONER SHEEHAN: The Claims Review Committee met prior to the Fund’s meeting to review claims in detail and recommended for the full Board to accept the Claims Committee recommendations.

MOTION TO ACCEPT THE CLAIMS COMMITTEE RECOMENDATION

Moved: Chairman Angilella
Second: Commissioner Kessler
Vote: Unanimous

Included in the agenda was a resolution for closed session but it was not acted on.

FINANCE SUB COMMITTEE: The Finance Sub Committee met on Tuesday, January 10th to review and finalize the 2023 NJCE JIF Budget for budget adoption based on the final marketing results and their 2022 dividend recommendation to the board of commissioners; included in the agenda was the Finance Sub Committee agenda.

The Finance Sub Committee was presented with two budget options, Option A was a proposed 2023 budget of \$36,354,049 which is an increase of 10.9% over the 2022 Annualized Assessed Budget and an increase of \$331,384 over the budget introduced on November 18 . Option B was a proposed 2023 budget of \$35,835,927 which represents a budget increase of 9.3%. It represents no change over the budget introduced on November 18th aside from the addition of a Surplus Premium Offset in the amount of \$518,122 (line 19). The reduction of \$186,738 is a direct savings to Monmouth County for choosing a higher property retention.

Executive Director summarized the Finance Sub-Committee discussion as follows:

2023 BUDGET: The Finance Sub Committee recommended the adoption of Budget Option B. Since the Finance Sub Committee meeting, we uncovered a minor error in calculation prompting the need to increase the surplus premium offset to \$560,119. Therefore, the revised Budget Option B is \$35,835,933, which represents a budget increase of \$3,063,925 or 9.3%. The Board of Fund Commissioners agreed to adopt the budget recommended by the Finance Sub Committee. Executive Director added it will have no impact on the member insurance commission budgets introduced in December and the NJCE assessments for the "stand alone" member counties.

Included in the agenda was a copy of the final 2023 amended budget versus the introduced budget and Annualized Assessed 2022 Budget. The 2023 assessments were distributed separately.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2023 BUDGET

Moved: Commissioner Kelly
Second: Chairman Angilella
Vote: Unanimous

DISCUSSION OF BUDGET & ASSESSMENTS: There was no additional discussion on the budget and assessments.

MOTION TO CLOSE THE PUBLIC HEARING

Moved: Commissioner Kelly
Second: Chairman Angilella
Vote: Unanimous

MOTION TO ADOPT BUDGET & CERTIFY THE 2023 ASSESSMENTS

Moved: Chairman Angilella
Second: Commissioner Kessler
Roll Call: 9 Ayes – 0 Nays

2022 DIVIDEND: Despite the use of surplus as a premium offset in the amount of \$560,000, the Fund is still in a strong financial position to consider three (3) of the four (4) dividend options that were displayed on the agenda. The Finance Sub Committee reviewed the three (3) available options of \$1,150,000, \$850,000, and \$550,000 and recommended the release of a dividend in the amount of \$850,000. Included in the agenda was Resolution 1 -23 Authorizing the Release of a \$850,000 Dividend from various fund years subject to State approval.

MOTION TO ADOPT RESOLUTION 1-23 AUTHORIZING THE RELEASE OF A DIVIDEND IN THE AMOUNT OF \$850,000 FROM VARIOUS FUND YEARS; SUBJECT TO STATE APPROVAL

Moved: Chairman Angilella
Second: Commissioner Sheehan
Roll Call: 9 Ayes – 0 Nays

PROPERTY APPRAISALS: Considering the issues with property insurers and the need for insurance to value, the Finance Sub Committee also recommended that the NJCE look at procuring a vendor or vendors to perform property appraisals and collecting Construction, Occupancy, Protection and Exposure Characteristics (COPE) information for the larger county owned properties and establish a threshold. PERMA understands that a couple of our member counties do annual appraisals so we would need to coordinate the scope of the program. The goal is for our membership to determine their own insurable values for their larger locations rather than the insurer and to make sure we capture the necessary COPE information to obtain broader coverage at the best available price as the insurers were arbitrarily increasing certain location of values that the insurer felt were less than 80% of value by 3% , resulting in a 4-5% increase overall. Chairman Angilella was in favor of this pursuit.

MOTION TO REQUEST AUTHORITY TO PURSUE QUOTES FOR A VENDOR TO PERFORM PROPERTY APPRAISALS AND COLLECT CONSTRUCTION, OCCUPANCY, PROTECTION AND EXPOSURE CHARACTERISTICS (COPE) INFORMATION FOR THE LARGER COUNTY OWNED PROPERTIES

Moved: Chairman Angilella
Second: Commissioner Kelly
Vote: Unanimous

CYBER SECURITY EXPERT: In October, the Board authorized the Underwriting Manager, in conjunction with the Fund Attorney, to procure Cyber Security Expert Services via Extraordinary Unspecifiable Services contract. Underwriting Manager expects to have a final proposal from the Chertoff Group for consideration and will provide a status update at the next Fund meeting.

FINANCIAL FAST TRACK: As stated above, the fund has a surplus of \$15,299,523 as of November 30th, 2022. The Fund continues to operate in a strong financial position.

Informational Items

Due Diligence (Page 8):

Regulatory Compliance Checklist – as of 1/11/2023. Enclosed is a checklist that tracks contracts, compliance, and other Fund business.

2023 RENEWAL OVERVIEW WEBINAR: Deputy Executive Director reported the Underwriting Manager scheduled a webinar for Tuesday, January 31st at 11am to provide a high-level overview of the changes in the 2023 renewal.

NJCE 10th YEAR ANNIVERSARY: 2020 marked the 10th anniversary of the Fund’s inception, which began with two County members and has grown to ten members and 19 affiliated entities. To commemorate the occasion, a luncheon and NJCE JIF meeting will be held on April 27, 2023 at the Forsgate Country Club in Monroe, NJ. Please save the date and an invitation will be sent to all Fund Commissioners, Professionals, and staff to attend.

2023 REORGANIZATION FEBRUARY MEETING: The Fund is scheduled to meet again on Thursday, February 23, 2023 at 9:30am via Zoom to conduct the 2023 Reorganization.

OLD BUSINESS: NONE

NEW BUSINESS: NONE

PUBLIC COMMENT: NONE

MOTION TO OPEN MEETING TO PUBLIC

Moved: Commissioner Kessler
Second: Commissioner Shea
All in favor: Unanimous

MOTION TO CLOSE MEETING TO PUBLIC

Moved: Commissioner Kessler
Second: Commissioner Shea
All in favor: Unanimous

NON- AGENDA ITEMS: NONE

MOTION TO ADJOURN:

Moved: Commissioner Kelly
Second: Commissioner Shea
All in favor: Unanimous

MEETING ADJOURNED: 10:03 AM

NEXT MEETING: **Thursday, February 23, 2023 - 9:30 AM via Zoom**
Brandon Tracy, Assisting Secretary