

**NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND**

**OPEN MINUTES**

**JUNE 22, 2023**

**VIA ZOOM VIDEO/AUDIO**

**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 2023 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
Harold Johnson, Commissioner	Cumberland County	Present
John Kelly, Commissioner	Ocean County	Present
Edmund Shea, Commissioner	Hudson County	Present
Lillian Nazaro, Commissioner	Mercer County	Absent
Laura Scutari, Commissioner	Union County	Present
Teri O'Connor, Commissioner	Monmouth County	Present

**ALTERNATE FUND COMMISSIONERS**

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

**APPOINTED OFFICIALS PRESENT:**

Executive Director/Administrator	PERMA Risk Management Services <b>Joseph Hrubash, Nancy A. Ghani, Brandon Tracy</b>
Actuary	<b>Kyle Mrotek</b>
Attorney	<b>Laura Paffenroth, Esq.</b>
Auditor	Bowman & Company <b>Dennis Skalkowski</b>
Safety Director	JA Montgomery Risk Control <b>Glenn Prince</b>
Treasurer	<b>David McPeak</b>
Underwriting Manager	Conner Strong & Buckelew <b>Edward Cooney, Jonathon Tavares</b>
Claims Services	PERMA Claims <b>Robyn Walcoff, Jennifer Davis, Zareena Majeed,</b>
WC Claims Administrator	AmeriHealth Casualty Services <b>David Bushong, Kerin Drumheiser</b>
Property Claims Administrator	Qual Lynx <b>Chris Roselli</b>

**ALSO PRESENT:**

- Toni Depaola, Ocean County
- Karl McConnell, Ocean County
- William Demand Jr., Ocean County Utility Authority
- Keith Marcoon, Ocean County Utility Authority
- Bradford Stokes, PERMA
- Cathy Dodd, PERMA
- Karen Read, PERMA
- Mary Ann Sander, Conner Strong & Buckelew
- Carole Mack, Conner Strong & Buckelew
- Spiro Molfetas, Polaris Galaxy Group/Acrisure Agency, Hudson County RMC
- Christina Violetti, Hardenbergh Insurance Group
- Peter Soriero, Allied Risk Management Services
- Jennifer Beck, Alliant Americas
- Diana Pursell, CBIZ Borden Perlman
- Aricka Simms, CBIZ Borden Perlman
- Danielle Colaianni, Hardenbergh Insurance Group

**MINUTES:** Open Minutes as of April 27, 2023, were included in agenda for review and Closed Minutes as of April 27, 2023, were distributed separately.

**MOTION TO APPROVE OPEN AND CLOSED MINUTES FROM APRIL 27, 2023, AS PRESENTED:**

- Moved: Commissioner Kelly
- Second: Commissioner Kessler
- Vote: 7 ayes – 0 Nays (2 *abstentions* – *Chairman Angilella and Commissioner Buono*)

**CORRESPONDENCE:** NONE

**EXECUTIVE DIRECTOR’S REPORT:**

**NJCE CLAIMS REVIEW COMMITTEE:** The Claims Review Committee met Thursday, June 22<sup>nd</sup> at 9am. Committee Chairman Sheehan said the Committee reviewed three PARs and unanimously accepted the requests. Committee Chairman received no questions on the report and said closed Session was not needed. Included in the agenda was a resolution authorizing closed session, but it was not acted on.

**MOTION TO ACCEPT THE CLAIMS COMMITTEE’S RECOMMENDATION TO APPROVE THE CLAIMS.**

- Moved: Chairman Angilella
- Second: Commissioner Sheehan
- Vote: Unanimous

**FINANCIAL FAST TRACK: FINANCIAL FAST TRACK:** Included in the agenda was a Financial Fast Track as of March 31, 2023, and April 31, 2023. Executive Director said the April 31<sup>st</sup> Financial Fast Track had a statutory surplus of \$14 million, which reflected large claim activity.

**DECEMBER 31, 2022 AUDIT:** Fund Auditor submitted a draft financial audit for the period ending December 31, 2022 and provided a summary review of the Financial Statements. Fund Auditor reported the financial audit and report on internal control both received unmodified opinions and did not expect any changes to the final financial audit. Fund Auditor concluded the review and noted there were no recommendations or findings.

A final audit report will be submitted at the September meeting. 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 in the agenda was Resolution 32-23 authorizing this action.

**MOTION TO ADOPT RESOLUTION 32-23 AUTHORIZING THE FUND OFFICE TO FILE THE DRAFT AUDIT AND REQUEST AN EXTENSION TO FILE THE FINAL AUDIT.**

Moved: Chairman Angilella  
Second: Commissioner Kelly  
Vote: Unanimous

**FINANCE SUB COMMITTEE:** At the NJCE JIF April meeting, the Board of Fund Commissioners adopted a resolution rejecting the (2) two responses to the Property Appraisal CCRFP. Executive Director said the proposals were rejected based on substantial revisions to the specifications. The matter was referred to the NJCE JIF Finance Sub Committee who met on Thursday, May 25<sup>th</sup> was empowered to determine next steps and guidance from the Fund Attorney agreed property appraisal services would be best if procured by the individual member Insurance Commissions and Counties. Executive Director said the NJCE will provide the scope/parameters of work for the procurement. If members have done a recent appraisal or doing ongoing appraisals it will not be necessary for them to do an additional appraisal. Included in the agenda were minutes from the Finance Sub Committee meeting.

Executive Director said a memo outlining the process was distributed to Fund Commissioners and Risk Manager's on June 13<sup>th</sup> and was included in the agenda. Please note that updated appraisals are a requirement of NJCE JIF property insurers. The Sub Committee is recommending to the NJCE JIF Board of Commissioners adopt Resolution 33-23 ratifying and authorizing reimbursement to member entities for the cost of property appraisal services reimbursement program for expenses our members incur for this procurement.

**MOTION TO ADOPT RESOLUTION 33-23 RATIFYING AND AUTHORIZING REIMBURSEMENT TO MEMBER ENTITIES FOR THE COST OF PROPERTY APPRAISAL SERVICES.**

Moved: Commissioner Kessler  
Second: Commissioner Sheehan  
Vote: Unanimous

The Sub Committee also discussed the Workers' Compensation Claims Administrator contract, which is set to expire 9/30/2023. The Fund office will work with the Fund Attorney and QPA to procure these services.

Executive Director and the Underwriting Manager traveled to London to meet with Lloyds of London and the incumbent markets currently providing property coverage in addition to generating new property markets for the 2024 renewal. Executive Director said the meetings were productive, but the pricing, limits and structure of the program is still being negotiated. Underwriting manager emphasized the importance of meeting in person especially when the market is viewing hundreds of renewals each year.

**SEPTEMBER FUND MEETING:** The Fund is expected to meet again on September 28<sup>th</sup> at 9:30am via Zoom; Executive Director said however, there is a conflict, requested to change the meeting to Wednesday, September 27<sup>th</sup> at 9:30am. Board of Fund Commissioners granted this request.

**MOTION TO RESCHEDULE THE THURSDAY SEPTEMBER 28<sup>th</sup>. AT 9:30AM MEETING VIA ZOOM TO WEDNESDAY, SEPTEMBER 27<sup>th</sup> AT 9:30AM VIA ZOOM.**

Moved: Chairman Angilella  
Second: Commissioner Shea  
Vote: Unanimous

**NJCE COMMITTEES:**

**COVERAGE COMMITTEE:** The committee met on Thursday, May 25<sup>th</sup> to review the final draft policies specifically the Liability policy. Included in the agenda were the minutes. Following the meeting the Committee received the final draft policies and were asked to provide feedback or suggested changes by June 15<sup>th</sup>. Underwriting Manager said feedback on the draft policies from committee members was addressed and submitted to the Technical Writer. Executive Director added a long-term goal with these policies is to be able to access the reinsurance markets.

**CYBER TASK FORCE:** Underwriting Manager reported the task force met on Thursday June 8<sup>th</sup> at

3:30pm to introduce The Chertoff Group, who was appointed to assist the Fund in constructing a cyber security framework. Underwriting Manager said The Chertoff Group will draft a *Technology Stack Questionnaire*, which will be distributed to members to understand their current technology systems and vulnerabilities. In addition, Executive Director reported the committee agreed that the Fund should explore membership with the Cyber JIF as part of the Fund's 2024 marketing effort for cyber liability coverage.

**SAFETY COMMITTEE:** The Safety Committee met on Monday June 12<sup>th</sup> at 10:00am via Zoom. Included in the agenda were the materials from the meeting. Safety Director said several topics were discussed including all of J.A. Montgomery's training through August 30<sup>th</sup> and recommended to reference the PEOSH most cited citations as a guide for members to self-assess their compliance. Safety Director said the next committee meeting is scheduled for September 11<sup>th</sup> at 10AM via Zoom.

#### **CLAIMS UPDATE:**

**HURRICANE IDA:** Zareena Majeed of PERMA Claims reported to date that approximately \$3.3 million has been paid with a total estimated event value of \$6 million. Ms. Majeed reported there are 3 open claims with reserves of \$2.7 million and anticipates these remaining claims to be settled by year-end. The NJCE deductible is \$2 million, which will be shared among the three county members with Hurricane Ida claims on a pro-rata basis.

**SAFETY NATIONAL:** Executive Director reported that at the April meeting the Board of Commissioners authorized Fred Semrau, Esq. to assist with the settlement agreement with Safety National on 2020 COVID Claims. Executive Director reported PERMA Claims is working with Safety National on finalizing the documentation for certain claims included in the settlement as a prerequisite to executing the agreement.

**LEARNING MANAGEMENT SYSTEM:** Safety Director said the new LMS (BIS) launched May 1<sup>st</sup> and the designated LMS training administrators should have received an activation email for the new NJCE LMS System from 'Bis trainer'; [mailer@Bistrainer.com](mailto:mailer@Bistrainer.com), the week of May 1<sup>st</sup>. J.A. Montgomery has uploaded LMS FAQ's and a webinar recording of the new LMS Training to <https://njce.org/safety/>. The Safety Director will provide an update. If you have any questions or need further assistance, please contact Natalie Dougherty; [ndougherty@jamontgomery.com](mailto:ndougherty@jamontgomery.com).

**CERTIFICIAL:** Certifical is an online platform that uses real-time data to streamline certificate issuance requests. Underwriting Manager reported the platform is being tested internally first and expects it to be launched for member use in the coming months. Underwriting Manager said there will be no interruption to the current certificate request process for members while Certifical is being set up.

#### **Informational Items**

**NJCE JIF RENEWAL TIMELINE:** The Professionals met to finalize the timeline for 2024. Included on in the agenda was a timeline for the NJCE which assumes an earlier start to the renewal process with specific target dates. The Fund office is beginning the data collection process for the 2024 renewal to provide relevant information to underwriters. Members and/or risk managers will manage the renewal via Origami, the online platform where members' exposure data (property, vehicles, etc.) may be accessed and edited, as well as applications to download and complete for ancillary coverages.

In addition, the Payroll Auditor is conducting payroll audits which will be uploaded by the Fund office into Origami and all members have or will do a revised property appraisal procurement. The 2024 renewal process is mid-July through mid-September, which will allow members to confirm underwriting data in time to introduce a budget at the October meeting.

**2023 BEST PRACTICES SEMINAR:** Deputy Executive Director reported the planning committee met on June 20<sup>th</sup> and are working on a robust presentation for the fall summit. The Seminar is expected to be held on October

5<sup>th</sup> from 1pm - 4pm as a webinar. Please save the date and time and an official invite will be distributed.

**DUE DILIGENCE:**

Regulatory Compliance Checklist – as of 6/20/2023. Included in the agenda was a checklist that tracks contracts, compliance and other Fund business.

**MEMBERSHIP RENEWAL:** The Counties of Burlington, Cumberland and Atlantic are scheduled to renew their three-year membership with the Fund as of January 1, 2024. Deputy Executive Director said renewal documents were sent to each respective County on June 20<sup>th</sup>.

**NJAC CONFERENCE:** Representatives from PERMA Risk Management Services and J.A. Montgomery attended and exhibited the NJAC 2023 May 3-5 conference in Atlantic City at Caesar’s. Underwriting Manager also presented on the State of Cybersecurity for Public Entities and Effective Cyber Risk Management Approaches.

**UNDERWRITING MANAGERS REPORT:**

**REPORT:** Underwriting Manager reported discussions on the 2024 pre-renewal discussions have already started and he expects to hold a pre-renewal meeting/webinar in August for Fund Commissioners and Risk Managers. Chairman Angilella complemented Mr. Cooney on his Cyber Security presentation at the Rutgers Purchasing Seminar.

**TREASURER REPORT:**

Treasurer said included in the agenda was the confirmation of bills lists, approval of payments and the Treasurer’s reports for March and April 2023.

**VOUCHER PAYMENTS (BILL LIST) –**

Resolution 34-23 Confirmation of May 2023 Payments	\$211,189.90
Resolution 35-23 Confirmation of May 2023 Suppl Payments	\$865,918.00
Resolution 36-23 Approval of June 2023 Payments	\$3,041,960.72

**CONFIRMATION OF MARCH 2023 CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS TRANSFERS:**

<b>2010</b>	0.00
<b>2011</b>	0.00
<b>2012</b>	524.40
<b>2013</b>	6,697.88
<b>2014</b>	785.68
<b>2015</b>	81,785.47
<b>2016</b>	(162.00)
<b>2017</b>	78,754.50
<b>2018</b>	3,934.79
<b>2019</b>	252,845.44
<b>2020</b>	382.50
<b>2021</b>	52,688.89
<b>2022</b>	8,825.26
<b>2023</b>	0.00
<b>TOTAL</b>	<b>\$487,062.81</b>

**CONFIRMATION OF APRIL 2023 CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS TRANSFERS:**

2010	0.00
2011	0.00
2012	496.13
2013	19,135.61
2014	1,517.53
2015	902.82
2016	1,534.50
2017	0.00
2018	6,774.60
2019	1,877.82
2020	22,491.14
2021	65,825.63
2022	4,397.24
2023	0.00
<b>TOTAL</b>	<b>\$124,953.02</b>

**MOTION TO CONFIRM CONFIRMATION OF MAY 2023 PAYMENTS, CONFIRMATION OF MAY 2023 SUPPLEMENTAL PAYMENS AND APPROVE JUNE 2023 BILLS LIST RESOLUTION 34-23, RESOLUTION 35-23 AND RESOLUTION 36-23 APPROVAL OF JUNE 2023 PAYMENTS**

Moved: Commissioner Buono  
 Second: Chairman Angilella  
 Vote: Unanimous

**SAFETY DIRECTOR:**

**REPORT:** Safety Director submitted a report reflecting the risk control activities and the Safety Director Bulletins distributed from April 2023 to June 2023. Also included was the 2023 Expo schedule noting available classes. Safety Director added to today, June 22<sup>nd</sup>, was the last day to register for the New Jersey Leadership Academy for the July 1<sup>st</sup> cycle. The next registration period will begin in December 2023 for the January 1, 2024 cycle.

**FUND ATTORNEY:**

**REPORT:** Fund Attorney had nothing additional to report.

**CLAIMS ADMINISTRATOR-WORKERS COMPENSATION:**

**REPORT:** AmeriHealth submitted a report-showing provider billed amounts of \$12,298 paid amount of \$9,090.00 and net savings of \$2,486.20 as of May 2023. There was an 50% network utilization rate as of May 2023.

**CLAIMS ADMINISTRATOR:**

**REPORT:** Claims Administrator reported there was nothing for open and closed session was not needed.  
*Commissioner Johnson joined the meeting at 10:00am.*

**OLD BUSINESS:** NONE  
**NEW BUSINESS:** NONE  
**PUBLIC COMMENT:** NONE  
**NON- AGENDA ITEMS:** NONE

**MOTION TO ADJOURN:**

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

**MEETING ADJOURNED: 10:09 AM**

**NEXT MEETING: September 27, 2023 - 9:30 AM  
 Via Zoom Video/Audio**

Brandon Tracy, Assisting Secretary