

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND

OPEN MINUTES

FEBRUARY 22, 2024

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 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	Absent
John Kelly, Commissioner	Ocean County	Present
Edmund Shea, Commissioner	Hudson County	Present
Chris Marion, Commissioner	Mercer County	Present
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	Present
Eugenio Esquivel	Union County	Present
Joseph Kelly	Monmouth County	Present

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	PERMA Risk Management Services Joseph Hrubash, Nancy A. Ghani, Brandon Tracy
Attorney	Laura Paffenroth
Safety Director	JA Montgomery Risk Control 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, Zareena Majeed

ALSO PRESENT:

Elaine Flacco, Camden County College
Toni DePaola, Ocean County
Cathy Dodd, PERMA
Karen Read, PERMA
Thomas Merchel, Conner Strong & Buckelew
Katherine Walters, Conner Strong & Buckelew
Jaclyn Lindsey, Conner Strong & Buckelew
Carole Mack, Conner Strong & Buckelew
Mary Anne Sander, Conner Strong & Buckelew
Justin Gallo, Scirocco Group
Danielle Colaianni, Hardenbergh Insurance Group
Jennifer Beck, Alliant Americas
Sean O’Beirne, Alliant Americas
Victoria Sjulander, Alliant Americas
Aricka Simms, CBIZ Borden Perlman
Peter Soriero, Allied Risk Management Services
Robin Racioppi, North American Insurance Management

MINUTES: Open Minutes as of January 11, 2024, were included in agenda for review.

MOTION TO APPROVE OPEN MINUTES FROM JANUARY 11, 2024, AS PRESENTED:

Moved: Commissioner Kessler
Second: Commissioner Shea
Roll call: 8 Ayes – 0 Nays (1 abstention – Commissioner Chris Marion)

CORRESPONDENCE: NONE

ELECTION OF CHAIR & SECRETARY: As per the NJCE Bylaws, the total number of members exceeds seven and as such the fund can meet as an Executive Committee with a Chair, Secretary, and a five-member Executive Committee and up to four Alternate Commissioners. Executive Director noted this body historically meets as a Board of Fund Commissioners and that it would be appropriate to conduct nominations for Chair and Secretary as part of the reorganization process. Commissioners Angilella and Sheehan served as the Chair and Secretary respectively for 2023 and have indicated their availability to serve again for this year. Executive Director nominated Commissioner Angilella and Commissioner Sheehan to continue to serve as Chair and Secretary of the NJCE JIF for 2024 through the 2025 reorganization. The Board of Fund Commissioners agreed to the nomination.

EXECUTIVE DIRECTOR’S REPORT:

MCIC REPRESENTATIVE: Executive Director welcomed Commissioner Chris Marion who joined the NJCE JIF Board as Mercer County’s representative as of 1/25/24.

NJCE CLAIMS REVIEW COMMITTEE: The Claims Review Committee met prior to the Fund’s meeting and the Board of Fund Commissioners accepted their recommendation approving the claims and did not require closed session. The resolution to enter closed session for claims review was not needed and there were no questions.

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

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

2024 REORGANIZATION:

2024 CHAIR & SECRETARY NOMINATION: Hearing no other nominations for Chair and Secretary the Board of Commissioner were asked to adopt Resolution 2-24, which was included in the agenda certifying the election.

MOTION TO ELECT ROSS ANGILELLA AS CHAIR AND TIMOTHY SHEEHAN AS SECRETARY AND ADOPT RESOLUTION 2-24.

Moved: Commissioner Buono
Second: Commissioner Kessler
Roll Call Vote: 7 Ayes – 0 Nays (2 abstentions – Chairman Angilella and Commissioner Sheehan)

Fund Attorney will administer a written oath separately to the Chairman and Secretary which will be filed with the minutes.

2024 REORGANIZATION RESOLUTIONS: Included as part of the consent agenda were the 2024 Reorganization Resolutions. Executive Director reviewed the resolutions in detail. Underwriting Manager at the request of the Executive Director, confirmed the changes from the 2023 Plan of Risk Management are accurate and highlighted the following property program changes: NJCE property retention was reduced from \$3m to \$1m, Zurich was replaced by 40 carriers representing a fully layered and shared property program and the carrier for equipment breakdown/boiler inspections is Chubb.

Fund Attorney said the renewal resolution appointing the Qualified Purchasing Agent was inadvertently omitted and will be included in the next agenda for ratification.

MOTION TO APPROVE RESOLUTIONS 3-24 TO 13-24.

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

EXTRAORDINARY UNSPECIFIABLE SERVICES (EUS): The Board previously approved authorization for the Underwriting Manager to bind coverage of the 2024 renewal program. Enclosed, in the agenda as part of the Underwriting Manager’s report is the Extraordinary Unspecifiable Services (EUS) statement binding the coverage, as well as Resolution 14-24 authorizing the purchase of insurances. Fund Attorney said these were procured pursuant to the statute 40A:11-5(1)(a)ii, that governs insurance products.

MOTION TO ADOPT RESOLUTION 14-24 AUTHORIZING PURCHASE OF EXCESS AND ANCILLARY COVERAGES.

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

ORIGAMI: Executive Director reported the NJCE’s contract with Origami includes a predetermined amount of support hours for each year (March to March). This year, the hours were exhausted since PERMA’s Claims team worked extensively with Origami to accurately link primary to excess claims to provide accurate claims information to strengthen our claims data analytics as well as to improve our data for excess insurance marketing. Executive Director said included in the agenda was a change order to add 15 support hours for \$3,375 until the hours are renewed this coming March.

MOTION TO AUTHORIZE THE ADDITIONAL EXPENDITURE.

Moved: Chairman Angilella
Second: Commissioner Kessler
All in favor: Unanimous

PROFESSIONAL CONTRACTS/SERVICES/COMPETITIVE CONTRACTS: The following services were procured and authorized for a one-year term:

Auditor and Litigation Manager will expire on or about April 30, 2024.

Payroll Auditor and Actuary will expire on or about June 30, 2024.

Cyber Security Consulting Services was procured via Extraordinary and Unspecifiable services for a one-year term and expires April 30, 2024. This contract will be reviewed by the Cyber Taskforce and if necessary, the Finance Committee to determine if the full scope of services has been completed as well as identify any potential future projects.

Executive Director said prior to expiration the Fund office will take appropriate procurement action to secure the respective services so that the results will be prepared by the next meeting for the Board to review and to act.

NJ CYBER JIF: On July 27, 2023, Chairman Angilella submitted a memo on behalf of the Fund to the NJ Cyber JIF Chair, requesting consideration for membership in the NJ Cyber JIF effective on January 1, 2024. The NJ Cyber Risk Control Committee met, reviewed the membership request in detail and decided to hold off on accepting new members until 2025. Executive Director said the NJCE JIF will ask the Fund to reconsider a membership submission for January 1, 2025, at the appropriate time.

NJCE COMMITTEES:

FINANCE SUB COMMITTEE: Executive Director said a meeting of this subcommittee is scheduled for March 28th at 2pm to discuss several items.

CYBER TASK FORCE: Executive Director said a meeting of this task force will be scheduled in the coming weeks to review the final draft of the Cyber Risk Management Framework and discuss the need to reappoint The Chertoff Group for Cyber Security Consultant Services. Commissioner Sheehan was the sole Commissioner serving on the task force; Commissioner Kelly of Ocean County Insurance Commission and Commissioner Marion of Mercer County Insurance Commission volunteered to serve.

COVERAGE COMMITTEE: Executive Director said this committee met several times over the course of 2023 to review the revised manuscript insurance policies, submitted feedback which was reviewed and approved by the Underwriting Manager and Technical Writer. The Technical Writer finalized the manuscript policies and were approved by the Board of Fund Commissioners in September of 2023 retroactive to 1/1/2023. Executive Director reported the Underwriting Manager in conjunction with the Fund Office are developing the policies for release and expect to have them finalized shortly.

SAFETY COMMITTEE: A Safety Committee was formed at the NJCE level to compliment the members' safety committees. Included in the agenda, as part of the Safety Director report, was a list of the current members. Members should reach out to J.A. Montgomery for any committee membership changes. Safety Director said the Committee is scheduled to meet in 2024 as follows: *Monday, March 11th, Monday June 10th, Monday September 9th and Monday December 9th via Zoom at 10am.*

2024 SAFETY GRANT PROGRAM: Safety Director provided a recap on the 2023 successes of the grant and highlighted members' submissions of safety barricades, automated external defibrillator (AED) units and body worn cameras. Mr. Prince submitted a memorandum on the 2024 Grant Program which highlighted that Munich Re increased their grant amount from \$50,000 to \$60,000. Given the popularity of the grant and that the excess renewal came in under budget, a suggestion was made to use available monies in the 2024 budget to supplement Munich Re's grant. The Board of Fund Commissioners agreed with a recommendation to authorize up to an additional \$30,000 to supplement Munich Re for a grand total of \$90,000.

MOTION TO AUTHORIZE THE NJCE JIF TO CONTRIBUTE UP TO \$30,000 IN ADDITION TO THE \$60,000 PROVIDED BY MUNICH RE FOR A TOTAL OF \$90,000.

Moved: Chairman Angilella
Second: Commissioner Kessler
All in favor: Unanimous

CLAIMS UPDATE:

2024 NJCE CLAIMS REPORTING REQUIREMENTS: Perma claims will be distributing the 2024 claims reporting requirements to Third-Party Administrators (TPAs) along with supplemental information regarding property. A copy of the reporting requirements was included in the agenda.

HURRICANE IDA: Zareena Majeed of PERMA Claims reported there are three remaining property claims to be settled from the September 1, 2021, event. Other joint insurance funds are experiencing similar challenges in settling these claims as well as keeping the Federal Emergency Management Agency (FEMA) involved.

NJCE FINANCIAL FAST TRACK: The Financial Fast Track as of December 31, 2023, which reflected a statutory surplus of \$11.1 million was distributed separately. Executive Director said the Fund continues to operate in a strong position despite the large property claims that occurred in 2023 and there may be additional reserve increases on property that will affect the NJCE surplus.

INFORMATIONAL ITEMS

BOILER INSPECTIONS: Chubb, the NJCE's Equipment Breakdown insurer, will be conducting the annual boiler inspections. The frequency of inspections is based on a statutory schedule, which Chubb will review, and contact members as needed. Chubb will generate a post-inspection report that will be distributed to Fund Commissioners and Risk Managers where applicable. Ms. Ghani requested members to notify the Fund office if additional contacts should be added. In response to Commissioner Shea, Ms. Ghani said the Fund Office will send out the point of contacts for Chubb. Mr. Tavares, in response to Commissioner Kessler said Chubb identifies and follows a schedule per State Guidelines when certain items come due, so certain items might be on a 2-year or 3-year schedule. Chubb identified a few overdue items so the Underwriting Manager's team will work on cleaning that up going forward.

2024 FINANCIAL DISCLOSURES: Board members and certain professionals should anticipate the online filing of the Financial Disclosure forms as both a NJCE Commissioner, as well as any County-related positions that require filing. Based on last year, it is expected the Division of Local Government Services will distribute a notice in March.

2024 RENEWAL OVERVIEW WEBINAR: The NJCE Underwriting Manager held a webinar on Tuesday, February 13th at 2pm. It was well attended with over 45 participants. The renewal presentation was included in the agenda and a recording of the webinar has been posted to njce.org. For any questions, please contact the Fund office.

2024 MEL, MRHIF & NJCE EDUCATIONAL SEMINAR: The 14th Annual Educational Seminar will be held virtually again this year. There will be two sessions, Friday, April 19th and April 26th, 9:00 AM to 12:00PM. Ms. Ghani said the seminar is expected to qualify for Continuing Education Credits including CFO/CMFO, Public Works, Clerks, Insurance Producers and Purchasing Agents. Included in the agenda was more information on the seminar.

2024 NEW JERSEY ASSOCIATION OF COUNTIES CONFERENCE: The 73rd Annual Conference is scheduled to be held from May 1st to May 3rd at Caesar’s in Atlantic City. The New Jersey Counties Excess Joint Insurance Fund will be exhibiting at the conference.

BEST PRACTICES SEMINAR: PERMA held a virtual interactive webinar on October 5, 2023, from 1pm – 4:30pm and covered several topics. Ms. Ghani reported the next best practice seminar is tentatively scheduled for Spring of 2025.

MEMBERSHIP CHART: Included in the agenda was the NJCE JIF membership chart.

DUE DILIGENCE:

Regulatory Compliance Checklist – as of 2/20/2024. Included in the checklist was a checklist that tracks contracts, compliance and other Fund business.

TREASURER REPORT:

Included in the agenda was the confirmation of bills lists, approval of payments and the Treasurer’s reports for November and December 2023.

VOUCHER PAYMENTS (BILL LIST) –

Resolution 15-24 Confirmation of January 2024 Payments	\$174,368.07
Resolution 16-24 February 2024 Payments	\$24,110,049.86
Resolution 17-24 February 2024 Supplemental Payments	\$246,813.62

CONFIRMATION OF NOVEMBER 2023 CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS TRANSFERS:

2010	0.00
2011	6,188.83
2012	21.38
2013	5,636.42
2014	140,332.56
2015	21,534.24
2016	6,218.24
2017	17,072.48
2018	5,788.91
2019	2,456.00
2020	306.00
2021	1,472.50
2022	25,620.96
2023	1,729,928.00
TOTAL	\$1,962,576.52

CONFIRMATION OF DECEMBER 2023 CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS TRANSFERS:

2010	0.00
2011	136,558.85
2012	785.59
2013	4,794.66
2014	4,469.58
2015	180,786.60
2016	28,712.22

2017	1,090.40
2018	4,144.91
2019	179,671.50
2020	0.00
2021	2,282.75
2022	41,745.52
2023	(597,736.87)
TOTAL	\$(12,694.29)

MOTION TO CONFIRM PAYMENTS OF JANUARY 2024, FEBRUARY 2024, FEBRUARY SUPPLEMENTAL BILLS LIST, AS RESOLUTION 15-24, RESOLUTION 16-24, AND RESOLUTION 17-24

Moved: Chairman Angilella
 Second: Commissioner Kelly
 All in favor: Unanimous

UNDERWRITING MANAGERS REPORT:

REPORT:

2024 NJCE EXCESS RENEWAL OVERVIEW AND CHANGES: The Underwriting Manager completed the 2024 Renewal marketing and there were several changes which were summarized in the renewal overview and included in the appendices of the agenda. The Underwriting Manager encouraged members to reach out for any questions regarding the renewal.

SAFETY DIRECTOR:

REPORT: Safety Director submitted a report reflecting the risk control activities and the Safety Director Bulletins distributed from December 2023 to February 2024. Also included was the 2024 Expo schedule noting available classes. Safety Director reported several members participated in the 2023 Safety Grant, which provided a total of \$50,000 reimbursement of safety items or services used to assist in controlling the frequency and severity of general liability claims and highlighted the memo for 2024.

FUND ATTORNEY:

REPORT: Fund Attorney had nothing additional to report.

CLAIMS ADMINISTRATOR-WORKERS COMPENSATION:

REPORT: AmeriHealth submitted a report-showing provider billed amounts of \$249,265.00, paid amount of \$100,273.00 and net savings of \$115,468.80 as of January 2024. There was an 75% network utilization rate as of January 2024.

CLAIMS ADMINISTRATOR:

REPORT: AmeriHealth Casualty Services had nothing further to report in open and requested closed session to discuss one claims status and other matters; included in the agenda was Resolution 18-24 authorizing closed session.

CLOSED SESSION

Executive Director requested closed session to discuss pending litigation and a coverage matter in closed session; the Board of Fund Commissioners, Fund Attorney and Executive Director entered a breakout room while all others remained in the main room for the duration of closed session.

MOTION TO APPROVE RESOLUTION 18-24 TO GO INTO CLOSED SESSION

Moved: Chairman Angilella
 Second: Commissioner Shea
 All in favor: Unanimous

Chairman Angilella requested the following action.

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #2024315588 IN THE AMOUNT OF \$2,000,000.

Motion: Chairman Angilella
Second: Commissioner Kessler
Roll Call Vote: 9 Ayes, 0 Nays

MOTION TO AUTHORIZE THE EXCLUSION OF ENGINEERED MATERIALS ARRESTING SYSTEM (EMAS) BLOCKS LOCATED AT THE MERCER COUNTY AIRPORT AND TO AMEND THE 2024 PLAN OF RISK MANAGEMENT PLAN, WHICH SHALL BE RATIFIED AT THE NEXT MEETING.

Motion: Chairman Angilella
Second: Commissioner Kessler
Roll Call Vote: 9 Ayes, 0 Nays

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

NEXT MEETING: Thursday, April 25, 2024 - 9:30 AM virtually

MOTION TO ADJOURN:

Moved: Chairman Angilella
Second: Commissioner Kelly
All in favor: Unanimous

MEETING ADJOURNED: 10:51 AM

Brandon Tracy, Assisting Secretary