

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND

OPEN MINUTES

JANUARY 11, 2024

VIA TELECONFERENCE

11:00 AM

MEETING OF THE FUND CALLED TO ORDER AT 11:00 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	Present
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	Present
Michael Fiure	Ocean County	Absent
Raissa Walker	Mercer County	Absent
Eugenio Esquivel	Union County	Present
Joseph Kelly	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, Zareena Majeed

ALSO PRESENT:

Elaine Flacco, Camden County College
Toni DePaola, Ocean County
Cathy Dodd, PERMA
Pauline Kontomanolis, PERMA
Jason Thorpe, PERMA
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
Spiro Molfetas, Scirocco Group
Shannon Balken, Scirocco Group
Christina Violetti, 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

CORRESPONDENCE: NONE

EXECUTIVE DIRECTOR’S REPORT:

NJCE CLAIMS REVIEW COMMITTEE: The Claims Review Committee did not meet prior to the Fund meeting. However, we will need to discuss one property claim in closed session.

FINANCE SUB-COMMITTEE: Executive Director said the Finance Sub-Committee met three times since the budget introduction on November 17th; twice in December (Monday, December 4th and Wednesday, December 27th) and January 5th to review the Underwriting Manager’s marketing results of the excess insurance program, the Executive Directors update on a surplus premium offset in lieu of a dividend and a revised budget reflecting the final changes. Agendas of all three meetings were included in the agenda for information.

Finance Sub Committee recommended the following items:

INCREASED CYBER LIABILITY LIMITS: Purchase additional excess limits from Great American in the amount of \$5 million excess aggregate shared by all members of the NJCE excess of primary \$5 million per member County Commission/County. This resulted in a premium increase of \$270,000 from the expiring premium and is reflected in the enclosed budget. All member Commissions/Counties, except for Union County which has a policy outside of the NJCE program, will have a primary cyber liability limit of \$5 million per claim/\$5 million aggregate with the incumbent Cowbell.

MOTION TO CONFIRM PURCHASE OF THE ADDITIONAL EXCESS CYBER LIABILITY COVERAGE OF \$5 MILLION EXCESS AGGREGATE SHARED BY ALL MEMBERS OF THE NJCE EXCESS OF PRIMARY \$5 MILLION PER MEMBER COUNTY COMMISSION/COUNTY

Moved: Chairman Angilella
Second: Commissioner Kelly
Vote: Unanimous

AN AGGREGATE LIMIT ON THE 5% NAMED STORM PROPERTY DEDUCTIBLE: Direct the Underwriting Manager continue negotiations on a \$15 million or \$20 million aggregate option on the 5% named storm deductible. Underwriting Manager said a quote for a \$10 million aggregate was \$3.5 million range and would have exceeded our proposed budget. Executive Director reported that he will work on a Resolution for members to share in the Named Storm deductible based their respective loss but would also

allow for each member to file a claim submission to FEMA for reimbursement of their respective deductible. Executive Director said the Fund office will prepare a resolution for members to share in the Named Storm deductible based their respective loss, which would also allow each member to file a claim submission to FEMA for reimbursement of their respective deductible.

Included in the agenda were definitions of a “named storm” defined by Cornell Law, National Oceanic and Atmosphere Administration/National Hurricane Center and sustained winds by the National Weather Service. Also, included in the agenda were examples of how the named storm deductible can impact the NJCE and its membership based the degree of a storm. The Underwriting manager will continue to pursue quotes for a capping mechanism on the 5% named storm deductible.

Underwriting Manager noted the 2024 marketing efforts were challenging, especially with Zurich leaving the property market, however, the final structure of the property program resulted in the reduction of the NJCE property retention from \$3million to \$1million within the budget parameters.

PROPERTY APPRAISAL REIMBURSEMENT CAP: Provide reimbursement to NJCE members for property appraisals in 2024. The requirement for 2024 is to appraise locations between \$500,000 to \$1,000,000 and trending those locations appraised in 2023. Board of Fund Commissioners agreed to the sub-committee’s recommendation to cap reimbursements at \$20,000 per member.

MOTION TO AUTHORIZE THE NJCE TO REIMBURSE MEMBERS FOR 2024 PROPERTY APPRAISAL COSTS FOR LOCATIONS BETWEEN \$500,000 TO \$1,000,000 INCLUDING TRENDING THOSE LOCATIONS APPRAISED IN 2023 CAPPED AT \$20,000 PER MEMBER.

Moved: Chairman Angilella
Second: Commissioner Kelly
Vote: Unanimous

2024 BUDGET: Adopt the Budget as of 12/26/23, which includes the final marketing results and includes a surplus premium offset in the amount of \$560,119, reflecting a reduction of \$306,841 from the introduced budget and totaling \$41,056,285 or a 12.87% increase over the 2023 annualized assessed budget. The 2024 assessments were included as part of the Finance Sub Committee report.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2024 BUDGET.

Moved: Chairman Angilella
Second: Commissioner Kelly
Vote: Unanimous

DISCUSSION OF BUDGET & ASSESSMENTS.

Moved: Chairman Angilella
Second: Commissioner Kelly
Vote: Unanimous

MOTION TO CLOSE THE PUBLIC HEARING.

Moved: Chairman Angilella
Second: Commissioner Kelly
Vote: Unanimous

MOTION TO ADOPT BUDGET & CERTIFY THE 2024 ASSESSMENTS.

Moved: Chairman Angilella
Second: Commissioner Kelly
Vote: Unanimous

Executive Director said once the budget is certified after budget adoption, Fund office will amend the budget to show separate line items for the additional–cyber limits \$5million x \$5 million, property appraisal reimbursement, for the Equipment Breakdown stand-alone policy and for certificates and the final expenses.

Any amounts leftover will be transferred to a contingency line to be utilized for purchase of named storm aggregate limit or become surplus. If we are deficient on assessed premiums, for example from the purchase of named storm deductible aggregate, NJCE will absorb the difference. None of these changes will affect 2024 assessments or require an additional public hearing.

FINANCIAL FAST TRACK: The November Financial Fast Track, which was included in the agenda, reflects the fund's overall financial position as of November 30, 2023. The surplus is \$11.2 million inclusive of a large property claim that occurred in November. The NJCE continues to operate in a strong financial position.

INFORMATIONAL ITEMS

DUE DILIGENCE:

- ❑ Regulatory Compliance Checklist – as of 1/10/2024. Enclosed was a checklist tracking contracts, compliance and other Fund business.

2024 RENEWAL OVERVIEW WEBINAR: The Underwriting Manager will be scheduling a webinar to provide a high-level overview of the changes in the 2024 renewal in the coming weeks.

2024 REORGANIZATION FEBRUARY MEETING: Executive Director said the Fund is scheduled to meet again on Thursday, February 22, 2024, at 9:30am via Microsoft Teams to conduct the 2024 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 22, 2024 - 9:30 AM virtually
Brandon Tracy, Assisting Secretary