

**NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND**

**OPEN MINUTES**

**NOVEMBER 17, 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	Absent
John Kelly, Commissioner	Ocean County	Present
Edmund Shea, Commissioner	Hudson County	Present
Lillian Nazzaro, Commissioner	Mercer County	Present
Laura Scutari, Commissioner	Union County	Absent
Teri O'Connor, Commissioner	Monmouth County	Absent

**ALTERNATE FUND COMMISSIONERS**

Anna Marie Wright	Camden County	Present
Michael Fiure	Ocean County	Present
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>
Attorney	<b>Laura Paffenroth, Esq.</b>
Property Claims Administrator	Qual Lynx <b>Chris Roselli</b>
Safety Director	JA Montgomery Risk Control <b>Glenn Prince</b>
Underwriting Manager	Conner Strong & Buckelew <b>Edward Cooney, Jonathon Tavares</b>
Claims Services	PERMA Claims <b>Robyn Walcoff, Jennifer Conicella, Zareena Majeed</b>
WC Claims Administrator	AmeriHealth Casualty Services <b>Kerin Drumheiser, Gladys Driggins</b>
Property Claims Administrator	Qual Lynx <b>Chris Roselli</b>

**ALSO PRESENT:**

Toni DePaola, Ocean County Risk Manager  
Peter Soriero, Allied Risk Management Services  
Jennifer Beck, Alliant Americas  
Douglas Borden, CBIZ Borden Perlman  
Aricka Simms, CBIZ Borden Perlman  
Diana Pursell, CBIZ Borden Perlman  
Carole Mack, Conner Strong & Buckelew  
Mary Ann Sander, Conner Strong & Buckelew  
Danielle Sanders, J.A. Montgomery Consulting  
Robin Racioppi, North American Insurance Management  
Spiro Molfetas, Polaris Galaxy Group  
Danielle Colaianni, Hardenbergh Insurance Group  
Bradford Stokes, PERMA  
Cathy Dodd, PERMA  
Karen Read, PERMA

**MINUTES:** Open Minutes as of October 26, 2023, were included in agenda for review and Closed Minutes as of October 26,2023, were distributed separately.

**MOTION TO APPROVE OPEN MINUTES AND CLOSED MINUTES FROM OCTOBER 26, 2023, AS PRESENTED:**

Moved: Commissioner Kessler  
Second: Chairman Angilella  
Vote: 7 ayes – 0 Nays (1 *abstention* – Commissioner Nazzaro)

**CORRESPONDENCE:** NONE

**EXECUTIVE DIRECTOR’S REPORT:**

**NJCE CLAIMS REVIEW COMMITTEE:** The Claims Review Committee met Friday, November 17<sup>th</sup> at 9:00am. Committee Chairman Sheehan said the Committee reviewed one PAR and unanimously approved. Committee Chairman received no questions on the report and said closed session was not needed to discuss the PARs. Included in the agenda was a resolution authorizing closed session, but it was not acted on for the claims discussed during the committee meeting. There were no additional questions than it would be appropriate to accept the Committee’s recommendations.

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

Moved: Chairman Angilella  
Second: Commissioner Kelly  
Vote: Unanimous

Executive Director said last month, the Board of Fund Commissioners agreed to the Claims Review Committee proposal that all payment authorization requests greater than \$500,000 be reviewed by the Board of Fund Commissioners in closed session. Included in the agenda was Resolution 47-23 amending the 2023 plan of risk management and the amended Claims Committee charter.

**MOTION TO ADOPT RESOLUTION 47-23 AMEND THE 2023 PLAN OF RISK MANAGEMENT AND ADOPT THE AMENDED CLAIMS COMMITTEE CHARTER REFLECTING THAT PAYMENT AUTHORIZATION REQUESTS GREATER THAN \$500,000 FOR PROPERTY CLAIMS ONLY BE REVIEWED BY FULL BOARD OF COMMISSIONERS IN CLOSED SESSION.**

Moved: Commissioner Kessler  
Second: Commissioner Kelly  
Vote: Unanimous

**FINANCE SUB-COMMITTEE:** The Finance Sub-Committee met on Monday November 13<sup>th</sup> to recommend the 2024 Preliminary Budget for introduction to the Board of Commissioners. Included in the agenda was the Sub Committee agenda, which includes the Proposed Budget for today's main point of discussion. Executive Director said the sub-committee will meet in early December with the Executive Director and Underwriting Manager to provide ongoing 2024 renewal marking update with results no later than December 27<sup>th</sup>. The results will be communicated to the full Board of Commissioners.

The following is a summary of the discussion:

**2024 BUDGET:** The Sub-Committee recommended the introduction of the 2024 proposed Budget in the amount of \$41,363,126 which represents an increase of \$4,988,135 or 13.7% over the 2023 Assessed Budget. Executive Director's office has been asked to review available surplus to potentially provide a Surplus Premium Offset to reduce the overall budget.

Fund Actuary provided loss fund projections based on a 7-year loss ratio; the loss fund projections reflect an overall increase of 14.6% with property and liability as the two largest increases of 33.2% and 29.2% respectively due to loss activity on the NJCE program.

Excess Premiums overall are increasing by 17.9% and are based on projections from the Underwriting Manager as well as reflect changes to total insured values (TIV). In particular, the property increase is based on two factors: (1) a mandate by excess insurers to develop regular property appraisal programs and (2) a 5<sup>th</sup> consecutive year of a "hard" insurance marketplace on a national and global basis, as well as, here in New Jersey. New Jersey has had several major storms since 2011 including tropical storms from Hurricanes Irene (2011), Sandy (2012) and Ida (2021). These catastrophic (CAT) storms continue to impact the market annually and more recently the NJCE program which has also experienced large property losses. Expenses, fees, and contingency are capped at 2% increases and the total ancillary coverages reflect a flat renewal.

Finance sub-committee also reviewed the historical changes to the NJCE JIF's property retention excess of a Commission/County member self-insured retention (SIR): 2019 it was \$150,000, 2020 it was \$750,000, 2021 and 2022 it was \$1,750,000 and for 2023 it is \$2,750,000 which illustrates the fact that NJCE has had to assume a large share of the property losses. The program retentions are being evaluated annually especially this year with the departure of Zurich, NJCE's primary property insurer, from the property market effective January 1<sup>st</sup>. Underwriting Manager is marketing the excess property program to domestic and global markets.

**2024 ASSESSMENTS:** The 2024 assessments will be available for the next Finance Sub-Committee meeting on December 4<sup>th</sup> and will be provided to the full Board of Fund Commissioners.

**FINANCIAL FAST TRACK:** The report as of August 31, 2023 was submitted for review and reflected a surplus of \$13.3 million. The NJCE JIF has a few large losses in the pipeline, which are not currently reflected in the August financials.

**2023 DIVIDEND:** Sub Committee did not act on a dividend recommendation and agreed to hold off on a dividend decision until they meet again on December 4, 2023. The sub-committee will also review the feasibility of a "surplus premium offset" in lieu of a dividend.

Executive Director, following the extensive review and at the recommendation of the Sub Committee, requested a special meeting on January 11, 2023, at 11:00 AM for the Public Hearing and adoption of the 2024 Budget.

**MOTION TO INTRODUCE ON FIRST READING OF THE 2024 BUDGET IN THE AMOUNT OF \$41,363,126 AND TO SCHEDULE A PUBLIC HEARING ON THURSDAY, JANUARY 11, 2023, AT 11:00 AM VIA ZOOM.**

Moved: Chairman Angilella  
Second: Commissioner Kessler  
Roll Call Vote: 8 ayes – 0 Nays

**PROPERTY APPRAISAL STATUS:** Submitted for information was an updated chart as of November 14<sup>th</sup>, which noted each member’s status with respect to property appraisals; some Insurance Commissions are not expected to be completed until mid to late December. The NJCE JIF has reimbursed or will reimburse for physical appraisals that were begun and/or completed in 2023. The 2024 NJCE budget does not contemplate any funding for trending appraisals in the 2024 proposed budget. The local Commissions budgets will be reviewed to see if funds can be budgeted in the coming year.

**NJCE COMMITTEES:**

**CYBER TASK FORCE:** The Committee met with The Chertoff Group and Underwriting Manager on Wednesday, November 1<sup>st</sup> at 2 P.M. via Zoom to review, the Technology Stack Questionnaire, Cyber Risk Management program in addition to other items. Underwriting Manager said the Chertoff Group has completed the review of the Technology Stack Questionnaire to complete the draft framework for the Cyber Risk Management program. Next steps will be for the Cyber Task Force to review the draft framework for feedback and recommendations.

**SAFETY COMMITTEE:** The Safety Committee is scheduled to meet again on Monday December 11<sup>th</sup> at 10:00am via Zoom. Safety Director said topics on the agenda for discussion are 2024 training requests and the Leadership Academy course.

**CLAIMS UPDATE:**

**HURRICANE IDA:** Robyn Walcoff of Perma Claims reported there are three open claims from Hurricane Ida left to be closed and/or settled.

*Deputy Executive Director Ghani reported on the following items:*

**Informational Items**

**2023 NEW JERSEY STATE LEAGUE OF MUNICIPALITIES (NJSLOM) ANNUAL CONFERENCE:** The 107<sup>th</sup> annual conference was held from November 14<sup>th</sup> through November 16<sup>th</sup> at the Atlantic City Convention Center in Atlantic City. The MEL JIF held two sessions of its annual elected official’s seminar titled “Local Government Risk Management.”

**2024 NEW JERSEY ASSOCIATION OF COUNTIES (NJAC):** The Fund office received notification that this annual conference will be held on May 1 – May 3, 2024, at Caesar’s, Atlantic City.

**JANUARY SPECIAL MEETING:** The Fund is scheduled to meet again on Thursday, January 11, 2024, at 11:00 a.m. via Microsoft Teams to adopt the 2024 budget and discuss any additional matters.

**DUE DILIGENCE:**

Regulatory Compliance Checklist – as of 11/14/2023. Included in the agenda was a checklist that tracks contracts, compliance and other Fund business.

**UNDERWRITING MANAGERS REPORT:**

**REPORT:** Underwriting Manager reported he will continue to market the program and provide additional information at the next meeting.

**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 48-23 Approval of November 2023 Payments \$368,145.45

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

2010	0.00
2011	5,434.21
2012	785.59
2013	11,864.31
2014	477.54
2015	9,414.15
2016	3,678.50
2017	247.00
2018	4,212.14
2019	0.00
2020	0.00
2021	245.00
2022	95,913.27
2023	0.00
<b>TOTAL</b>	<b>\$132,271.71</b>

**MOTION TO APPROVE NOVEMBER 2023 BILLS LIST RESOLUTION 48-23**

Moved: Chairman Angilella  
Second: Commissioner Kelly  
Roll Call Vote: 8 ayes – 0 Nays

**SAFETY DIRECTOR:**

**REPORT:** Safety Director submitted a report reflecting the risk control activities and the Safety Director Bulletins distributed from October 2023 to December 2023 and all training programs through November 30<sup>th</sup> have been placed on njce.org.

**FUND ATTORNEY:**

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

**CLAIMS ADMINISTRATOR-WORKERS COMPENSATION:**

**REPORT:** AmeriHealth submitted a report-showing provider billed amounts of \$39,586 paid amount of \$24,042 and net savings of \$10,330.75 as of October 2023.

**CLAIMS ADMINISTRATOR:**

**REPORT:** Claims Administrator reported there was nothing for open and requested to discuss one property payment authorization requests that exceed \$500,000 in closed session.

**MOTION TO APPROVE RESOLUTION 49-23 TO GO INTO CLOSED SESSION**

Moved: Chairman Angilella  
Second: Commissioner Kelly  
Vote: Unanimous

Fund Attorney said 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 RETURN TO OPEN SESSION**

Moved: Commissioner Kelly  
Second: Commissioner Kessler  
Vote: Unanimous

Chairman Angilella requested the following action.

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #2023302398 IN THE AMOUNT OF \$1,645,000.00;**

Motion: Commissioner Sheehan  
Second: Chairman Angilella  
Roll Call Vote: 8 Ayes, 0 Nays

**OLD BUSINESS:** NONE

**NEW BUSINESS:** Executive Director said we will be moving virtual platforms to Microsoft Teams starting January 1<sup>st</sup>.

**PUBLIC COMMENT:** NONE

**MOTION TO OPEN THE MEETING TO THE PUBLIC:**

Motion: Commissioner Kessler  
Second: Commissioner Shea  
Vote: Unanimous

**MOTION TO CLOSE THE MEETING TO THE PUBLIC:**

Motion: Commissioner Kelly  
Second: Chairman Angilella  
Vote: Unanimous

**NON- AGENDA ITEMS:** NONE

**MOTION TO ADJOURN:**

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

**MEETING ADJOURNED: 10:04 AM**

**NEXT MEETING: *Thursday, January 11, 2024 - 11:00 AM*  
Via Microsoft Teams**

Brandon Tracy, Assisting Secretary