

**NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND**

**OPEN MINUTES**

**OCTOBER 26, 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>
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>
Treasurer	<b>David McPeak</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>David Bushong, Kerin Drumheiser, Gladys Driggins</b>

**ALSO PRESENT:**

Cecilia Murphy, Camden County College  
Peter Soriero, Allied Risk Management Services  
Jennifer Beck, Alliant Americas  
Victoria Sjulander, Alliant Americas  
Douglas Borden, CBIZ Borden Perlman  
Aricka Simms, CBIZ Borden Perlman  
Diana Pursell, CBIZ Borden Perlman  
Jaclyn Lindsey, Conner Strong & Buckelew  
Katie Walters, Conner Strong & Buckelew  
Robin Racioppi, North American Insurance Management  
Justin Gallo, Polaris Galaxy Group  
Spiro Molfetas, Polaris Galaxy Group  
Christina Violetti, Hardenbergh Insurance Group  
Danielle Colaianni, Hardenbergh Insurance Group  
Bradford Stokes, PERMA  
Cathy Dodd, PERMA  
Jason Thorpe, PERMA

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

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

Moved: Commissioner Johnson  
Second: Commissioner Shea  
Vote: 7 ayes – 0 Nays (2 *abstentions* – *Chairman Angilella and Commissioner Kelly*)

**CORRESPONDENCE:** NONE

**EXECUTIVE DIRECTOR'S REPORT:**

**NJCE CLAIMS REVIEW COMMITTEE:** The Claims Review Committee met Thursday, October 27<sup>th</sup> at 9:00am. Committee Chairman Sheehan said the Committee reviewed two PARs and unanimously accepted the requests. 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.

If there are 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: Commissioner Kelly  
Second: Commissioner Johnson  
Vote: Unanimous

Executive Director said in response to the current state of the property marketplace and recent uptick in catastrophic and serious claims the committee is proposing with respect to property claims only, that all payment authorization requests greater than \$500,000 be reviewed by the Board of Fund Commissioners in closed session instead of by the Claims Review Committee. Committee Chairman Sheehan said this

was discussed and agreed to during the Claims Review meeting. The Board of Fund Commissioners agreed to the recommendation and Executive Director said an amendment to the Plan of Risk Management and Claims Committee Charter will be needed, and a Resolution to this effect will be presented at the next NJCE meeting.

**MOTION TO AUTHORIZE THAT PAYMENT AUTHORIZATION REQUESTS GREATER THAN \$500,000 FOR PROPERTY CLAIMS ONLY BE REVIEWED BY FULL BOARD OF COMMISSIONERS IN CLOSED SESSION.**

Moved: Chairman Angilella  
Second: Commissioner Kessler  
Vote: Unanimous

**2024 BUDGET:** Last month, due to the uncertainty of the market, the Board of Fund Commissioners agreed to take the same approach as last year, which would be to introduce the budget at the November 17<sup>th</sup> meeting, provide a Marketing Update on bound coverages by December 31<sup>st</sup> and adopt the budget on January 11<sup>th</sup> at 11am via a “special” meeting”. The Finance Sub Committee will be meeting on November 9<sup>th</sup> at 3pm via Zoom to discuss the preliminary 2024 Budget, potential 2023 Dividends (based on 12/31/22 financials), property appraisal status and any additional matters. During this period, the Underwriting Manager will provide a Marketing Update as the renewal negotiations progress; the Board of Fund Commissioners will be apprised of any program or retention changes prior to coverages being bound on December 31, 2023. In response to Commissioner Kessler, Executive Director said it is expected that this committee will meet on an as needed basis leading up to 12/31 so that membership is fully apprised of factors affecting the 2024 budget as we move through the process.

**2023 DIVIDEND:** Executive Director said the Finance Sub Committee will also be reviewing the available dividend calculation at its upcoming meeting. Based on other JIF filings made, it is unlikely the DOBI will approve the release of a dividend given the various factors impacting past and current claims in the pipeline not currently reflected in the financials.

**DEPARTMENT OF BANKING & INSURANCE (DOBI):** Executive Director said pertinent to the budget discussion and included in the agenda was a copy of correspondence from the MEL JIF Executive Director to the newly appointed Commissioner of DOBI outlining various matters impacting Joint Insurance Funds and their member entities and the Commissioner has agreed to a meeting with the MEL. Executive Director said many of the topics are specific to the MEL JIF but highlighted a few items that are also affecting the NJCE such as reopened cases that have caused costs to escalate because New Jersey judges are now reopening cases up to four and five times while in the past they rarely reopened a case more than once and is driving up the cost on old claims.

This change has resulted in the need to substantially increase IBNR reserves for fund years going back as long as two decades. Recent changes in the law creating a presumption that came into effect with Covid-19 and property premiums are increasing rapidly because the world-wide frequency of large natural disasters has almost tripled since 2000. Here in New Jersey, the state was hit with Irene in 2011, Sandy in 2012 and Ida in 2021. Property insurance premiums are also indexed to replacement values that have jumped because of supply chain issues and the labor shortage.

**PROPERTY APPRAISAL STATUS:** Executive Director provided an update on the Commission/County’s property appraisals, which was implemented to acquire the necessary COPE information being requested by property insurers. Included in the agenda was the updated chart as of October 24<sup>th</sup> of member activity and the June 9<sup>th</sup> memo on this initiative included in the agenda was for informational purposes.

**FINANCIAL FAST TRACK:** Included in the agenda was the Financial Fast Track as of August 31<sup>st</sup> and reflecting a statutory surplus of \$13.38 million. As previously stated, there are a number of new

property claims in the pipeline that will impact the JIF Financials.

**NJCE COMMITTEES:**

**CYBER TASK FORCE:** Executive Director said the Committee is scheduled to meet 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.

**SAFETY COMMITTEE:** The Safety Committee is scheduled to meet again on Monday December 11<sup>th</sup> at 10:00am via Zoom. Safety Director reported increased PEOSH activity and reminded all members to ensure that they have submitted their Right to Know surveys, which were due on July 15<sup>th</sup>. Members may reach out to J.A. Montgomery to assist with this as well as any customized training requests for 2024.

**CLAIMS UPDATE:**

**HURRICANE IDA:** Zareena Majeed of Perma Claims reported there are three open claims from Hurricane Ida left to be closed and/or settled. Ms. Majeed reported claims cannot be closed due to ongoing construction and several other factors but are coming to end in handling payments.

**Informational Items**

Deputy Executive Nancy Ghani reported on the following items:

**2023 NJSLOM ANNUAL CONFERENCE:** The 107<sup>th</sup> annual conference is scheduled for November 14<sup>th</sup> through November 16<sup>th</sup> at the Atlantic City Convention Center in Atlantic City. The MEL JIF holds its annual elected official’s seminar on November 15<sup>th</sup>. This year’s program will be “Local Government Risk Management” and we encourage our commissioners to attend. Included in the agenda was an invitation to NJCE/Commission Fund Commissioners, Risk Managers and Professionals for the Annual Reception on Wednesday November 15<sup>th</sup> at the VIP Lounge in Bally’s Casino & Hotel (1900 Boardwalk, Atlantic City).

**AUDIT FILING:** Executive Director said the final 2022 Year End Audit has been filed with both Departments of Insurance and Community Affairs and the Synopsis of Audit was published in the Fund’s official newspaper.

**DUE DILIGENCE:**

Regulatory Compliance Checklist – as of 10/21/2023. Enclosed 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 45-23 Approval of October 2023 Payments \$1,208,303.61

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

2010	0.00
2011	5,133.29

<b>2012</b>	0.00
<b>2013</b>	12,932.93
<b>2014</b>	568.32
<b>2015</b>	3,303.65
<b>2016</b>	4,222.28
<b>2017</b>	746.50
<b>2018</b>	7,090.38
<b>2019</b>	1,704.51
<b>2020</b>	11,943.51
<b>2021</b>	210.00
<b>2022</b>	39,055.83
<b>2023</b>	200,450.00
<b>TOTAL</b>	<b>\$287,361.27</b>

**MOTION TO APPROVE OCTOBER 2023 BILLS LIST RESOLUTION 45-23**

Moved: Chairman Angilella  
 Second: Commissioner Kessler  
 Roll Call Vote: 9 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 November 2023 and all training programs through December 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 \$17,273 paid amount of \$10,218 and net savings of \$5,478.20 as of September 2023.

**CLAIMS ADMINISTRATOR:**

**REPORT:** Claims Administrator reported there was nothing for open and closed session was not needed.

Executive Director requested closed session to discuss a payment authorization request 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 46-23 TO GO INTO CLOSED SESSION**

Moved: Commissioner Kelly  
 Second: Commissioner Kessler  
 Roll Call Vote: 9 ayes – 0 Nays

**MOTION TO RETURN TO OPEN SESSION**

Moved: Commissioner Johson  
 Second: Commissioner Kessler  
 Vote: Unanimous

Chairman Angilella requested the following action.

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #2024315588 IN THE AMOUNT OF \$1,020,000.00;**

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

**OLD BUSINESS:** NONE

**NEW BUSINESS:** Executive Director reported we will be moving our virtual meeting platform from Zoom to Microsoft Teams as of 1/1/24 and can provide instructions, if needed.

**PUBLIC COMMENT:** NONE

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

Motion: Commissioner Kessler  
Second: Chairman Shea  
Vote: Unanimous

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

Motion: Commissioner Kessler  
Second: Chairman Shea  
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:** *Friday, November 17, 2023 - 9:30 AM*  
**Via Zoom Video/Audio**

Brandon Tracy, Assisting Secretary