

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND

OPEN MINUTES

APRIL 25, 2024

VIA TELECONFERENCE

9:30 AM

MEETING OF THE FUND CALLED TO ORDER AT 9:30 A.M. BY ACTING CHAIRMAN SHEEHAN

OPEN PUBLIC MEETING ACT READ INTO RECORD

PLEDGE OF ALLEGIANCE

ROLL CALL BOARD OF FUND COMMISSIONERS

Ross Angilella, Chairman	Camden County	Absent
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	Absent
Teri O'Connor, Commissioner	Monmouth County	Present

ALTERNATE FUND COMMISSIONERS

Anna Marie Wright	Camden County	Absent
Michael Fiure	Ocean County	Absent
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
Actuary	Kyle Mrotek
Attorney	Laura Paffenroth
Safety Director	JA Montgomery Risk Control Glenn Prince
Treasurer	David McPeak
Underwriting Manager	Conner Strong & Buckelew Edward Cooney, Jonathon Tavares
WC Claims Administrator	AmeriHealth Casualty Services Gladys Driggins
Claims Administrator Property Claims Administrator	Qual Lynx Chris Roselli
	Perma Claims Robyn Walcoff, Jennifer Conicella, Zareena Majeed

ALSO PRESENT:

Keith Marcon, Ocean County Utilities Authority
Toni DePaola, Ocean County
Bradford Stokes, PERMA
Cathy Dodd, PERMA
Karen Read, PERMA
Jason Thorpe, 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
Shannon Balken, Scirocco Insurance
Christina Violetti, Hardenbergh Insurance Group
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 February 22, 2024, were included in agenda for review.

MOTION TO APPROVE OPEN MINUTES FROM FEBRUARY 22, 2024, AS PRESENTED:

Moved: Commissioner Kessler
Second: Commissioner Shea
Roll call: 8 Ayes – 0 Nays

CORRESPONDENCE: NONE

NJCE CLAIMS REVIEW COMMITTEE: Executive Director said the Claims Review Committee met Thursday, April 25th at 9:00am and Committee Chairman Sheehan said closed session was not needed it would be appropriate to accept the Committee’s recommendations. The resolution to enter closed session will be acted on to discuss a property claim exceeding \$500,000.

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

Moved: Acting Chair Sheehan
Second: Commissioner Kessler
Roll call: 8 Ayes – 0 Nays

QUALIFIED PURCHASING AGENT: Executive Director said included in the agenda was Resolution 19-24 ratifying the Qualified Purchasing Agent’s services to February 22, 2024, through February 2025 reorganization in the amount of \$6,000.

MOTION TO ACCEPT RESOLUTION 19-24 RATIFYING THE QUALIFIED PURCHASING AGENT’S SERVICES TO FEBRUARY 22, 2024, THROUGH FEBRUARY 2025 REORGANIZATION IN THE AMOUNT OF \$6,000.

Moved: Commissioner Kessler
Second: Commissioner Kelly
Roll call: 8 Ayes – 0 Nays

AMENDING PLAN OF RISK MANAGEMENT: Included in the agenda was Resolution 20-24 amending resolution 13-24 the Plan of Risk Management to reflect the exclusion of the Engineered Materials Arresting Systems (EMAS) Blocks located at Mercer County Airport retroactive to 1/1/24.

MOTION TO ADOPT RESOLUTION 20-24 AMENDING RESOLUTION 13-24 PLAN OF RISK MANAGEMENT TO EXCLUDE ENGINEERED MATERIALS ARRESTING SYSTEMS BLOCKS

Moved: Acting Chair Sheehan
Second: Commissioner Kessler
Vote: Unanimous

MANUSCRIPT POLICIES: The Fund Office and Underwriting Manager are finalizing the policy documents and are nearing completion. Once complete the policies will be distributed and/or posted online for members to access; the manuscript policies will also be made available to local JIF third-party administrators to manage claims within the retained layers of underlying Commission and the NJCE layer.

PROFESSIONAL SERVICES: Executive Director said the Fund Office in conjunction with the Qualified Purchasing Agent and Fund Attorney re-procured the services of Actuary, Auditor, Payroll Auditor and Litigation Manager via non-fair and open contracts with the incumbent professionals in the following amounts:

ACTUARY – Award Actuarial Advantage for a 1-year contract in the amount of \$25,364.

AUDITOR – Award Bowman & Company for a 1-year contract in the amount of \$19,278.

LITIGATION MANAGER - Award Judge E. David Millard of Citta, Holzapfel & Zabarsky a 1-year contract in the amount of \$295 per hour.

PAYROLL AUDITOR - Award Bowman & Company for a 1-year contract in the amount of \$23,276.

CYBERSECURITY SERVICES – A proposal was received from the Chertoff Group in the amount of \$40,000, which is below the QPA threshold. The vendor submitted the required pay2play documents this afternoon; as confirmed by the Fund Attorney and QPA, this vendor was re-procured via non-fair and open contract.

FINANCIAL FAST TRACK: Submitted for information was the revised December 31, 2023, Financial Fast Track and Financial Fast Track as of February 29, 2024, were included in the agenda. Executive Director said the statutory surplus as of December 31st reflected a statutory surplus of \$10.6 million while the February 29th statutory surplus was \$9 million. The reduction in surplus was primarily due to increased reserves on several large property claims that occurred in late 2023 within the NJCE's \$3 million property retention before attaching to the excess carrier. For 2024, the Underwriting Manager successfully renewed the property program with a \$1million NJCE property retention limit.

CLAIMS UPDATE:

HURRICANE IDA: Zareena Majeed of PERMA Claims reported weekly meetings are held with the excess property adjuster to finalize payments related to one remaining property claim to be settled from the September 1, 2021 event.

COVID-19 CLAIMS: Jennifer Conicella of PERMA Claims reported the Fund office is working with the excess workers' compensation carrier on quarterly post-claim settlements and recoveries. The first quarter recoveries were received in January. PERMA Claims continues to work closely with the adjuster.

NJCE COMMITTEES:

CYBER TASK FORCE: A meeting of this task force was held on March 26th to review cyber documents - finalized by the Underwriting Manager and The Chertoff Group - outlining the Cybersecurity Framework. Commissioners Sheehan, Commissioner Marion and Commissioner Jack Kelly serve on the Task Force. The documents will be circulated to the Task Force for final comments prior to presentation at the June 27, 2024 NJCE meeting.

SAFETY COMMITTEE: The Safety Committee met on March 11th included in the agenda were the minutes for the meeting. Safety Director said the committee is scheduled to meet next on Monday June 10th at 10am via Zoom.

FINANCE COMMITTEE: Executive Director said the March 28th meeting will be rescheduled around the May timeframe to discuss the Named Storm Deductible options. As previously reported the Underwriter Manager pursued a quote for a \$10 million maximum per occurrence for an estimated premium of \$3.5 million in the beginning of the year. The Finance Sub Committee agreed that since the estimated excess premium exceeds our budget, the Underwriting Manager would continue negotiations for a \$15 million or \$20 million aggregate.

MEMBERSHIP RENEWAL: The Counties of Camden, Gloucester and Monmouth are scheduled to renew their three-year membership with the Fund as of January 1, 2025. Executive Director reported renewal documents will be sent to each respective County following the meeting in the coming month.

UNDERGROUND STORAGE TANKS (UST): As a reminder, Underground Storage Tanks (UST) are not included for coverage in the NJCE JIF and are never covered automatically in Pollution Policies. If needed, Underwriting Manager’s team can assist in placement of UST policies and can potentially provide excess policies. Above Ground Storage Tanks (AST) that are considered a part of a covered location are afforded coverage without needing to be scheduled.

BANKING BEST PRACTICE: In response to increased wire fraud activity and whitewashing of checks with our membership in the Municipal Excess Liability Joint Insurance Fund the Underwriting Manager and The Chertoff developed the “Best Banking Practices – Wire Transfers, Automatic Clearing House (ACH) and Check Issuance” and have since tailored it for the NJCE. Copies will be distributed to members following the June meeting.

INFORMATIONAL ITEMS

2024 MEL, MRHIF & NJCE Educational Seminar: Deputy Executive Director Ghani reported the 14th Annual Educational Seminar first session took place Friday, April 19th with over 200 participants and the second session is set to take place Friday, April 26th from 9:00 AM to 12:00 PM. The seminar qualifies for Continuing Education Credits including CFO/CMFO, Public Works, Clerks, Insurance Producers and Purchasing Agents.

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. Deputy Executive Director said J.A. Montgomery will present on First Amendment Audits on Thursday May 2nd at 1:30pm.

DUE DILIGENCE:

Regulatory Compliance Checklist – as of 4/23/2024. Included in the agenda was a checklist that tracks contracts, compliance and other Fund business.

2024 FINANCIAL DISCLOSURES: The Local Finance Board has since issued notification, 2024-08, that the online system is open for Financial Disclosure filings. Commissioners should file as a JIF Commissioner, as well as any County and/or Municipal related positions that require filing. Deputy Executive reported the filing deadline is April 30th and the Local Finance Board has issued fines in the past. To date, all Commissioners have filed.

TREASURER REPORT:

Included in the agenda was the confirmation of bills lists, approval of payments and the Treasurer’s reports for January and February 2024.

VOUCHER PAYMENTS (BILL LIST) –

Resolution 21-24 Confirmation of March 2024 Payments	\$1,392,869.20
Resolution 22-24 April 2024 Payments	\$170,760.52

CONFIRMATION OF JANUARY 2024 CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS TRANSFERS:

2010	0.00
2011	16,412.05
2012	759.22
2013	787.12
2014	3,912.67
2015	37,024.77
2016	6,361.64
2017	1,483.40
2018	272,162.93
2019	2,456.00
2020	698.32
2021	0.00
2022	72,612.52
2023	2,561,315.83
2024	0.00
TOTAL	\$2,975,986.47

CONFIRMATION OF FEBRUARY 2024 CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS TRANSFERS:

2010	0.00
2011	0.00
2012	863.17
2013	4,669.50
2014	3,728.00
2015	7,936.46
2016	3,484.00
2017	1,378.90
2018	14,810.80
2019	46,325.29
2020	20.00
2021	420.00
2022	10,831.63
2023	1,296,758.85
2024	0.00
TOTAL	\$1,391,226.6

MOTION TO RESOLUTION XX-24 CONFIRM PAYMENTS OF MARCH 2024, AND RESOLUTION 22-24 APPROVING PAYMENTS OF APRIL 2024

Moved: Commissioner Buono
 Second: Commissioner Kessler
 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 February 2024 to May 2024. Also, included was a list of training topics and opportunities. Safety Director reported open enrollment for the Leadership Academy is open from June 1st to June 22nd with an expected start date of July 1st.

FUND ATTORNEY:

REPORT: Fund Attorney had nothing additional to report.

CLAIMS ADMINISTRATOR-WORKERS COMPENSATION:

REPORT: AmeriHealth submitted a report-showing provider billed amounts of \$13,980.00, paid amount of \$12,246.00 and net savings of \$7,431.00 as of March 2024. There was an 67.9% network utilization rate as of March 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 23-24 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 select professionals 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 23-24 TO GO INTO CLOSED SESSION

Moved:	Commissioner O'Connor
Second:	Commissioner Buono
All in favor:	Unanimous

Chairman Angilella requested the following action.

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #2024323554 IN THE AMOUNT OF \$975,000.

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

OLD BUSINESS: NONE

NEW BUSINESS: Executive Director inquired about the Board of Fund Commissioners interest in holding some of the Fund meetings in-person at a Central location. The time of the meeting would change as follows - Claims meeting typically held at 9am would be held at 10:30am and Fund meeting typically held at 9:30am would be held at 11am. It was determined that there would be need more time to discuss availability in-person meetings.

PUBLIC COMMENT: NONE

NON- AGENDA ITEMS: NONE

NEXT MEETING: Thursday, June 27, 2024 - 9:30 AM virtually

MOTION TO ADJOURN:

Moved:	Commissioner Kelly
Second:	Commissioner O'Connor
All in favor:	Unanimous

MEETING ADJOURNED: 10:51 AM

