

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND
OPEN MINUTES

SEPTEMBER 28, 2017

CAMDEN COUNTY COLLEGE REGIONAL EMERGENCY TRAINING CENTER

1:00 PM

MEETING CALLED TO ORDER AT 10:00 PM BY CHAIRMAN ANGILELLA

OPEN PUBLIC MEETING ACT READ INTO RECORD

PLEDGE OF ALLEGIANCE

ROLL CALL BOARD OF 2017 FUND COMMISSIONERS

Ross Angilella, Chairman	Camden County	Present
John Kelly, Secretary	Ocean County	Absent
Jeannette Kessler, Commissioner	Atlantic County	Present - <i>via teleconference</i>
Kendall Collins, Commissioner	Burlington County	Present - <i>via teleconference</i>
Ken Mecouch, Commissioner	Cumberland County	Present - <i>via teleconference</i>
Gerald White, Commissioner	Gloucester County	Present
Edmund Shea, Commissioner	Hudson County	Present - <i>via teleconference</i>
Andrew Mair, Commissioner	Mercer County	Present - <i>via teleconference</i>
Jessica Foote Bishop, Commissioner	Salem County	Present - <i>via teleconference</i>
Michael Yuska, Commissioner	Union County	Absent

ALTERNATE FUND COMMISSIONERS

Anna Marie Wright	Camden County	Absent
Carl Block	Ocean County	Present - <i>via teleconference</i>
Katie Coleman	Salem County	Absent
Raissa Walker	Mercer County	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	PERMA Risk Management Services Paul Laracy, Joe Hrubash Nancy A. Ghani - <i>via teleconference</i>
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Attorney	Laura Paffenroth, Esq.
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Claims Administrator	AmeriHealth Casualty Services Amanda Metzger, Tracy Ware, Cheryle Little Lee Herzer
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Safety Director	J.A. Montgomery Glenn Prince
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Auditor	Bowman & Company LLP James Miles
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ALSO PRESENT:

Louis DiAngelo, Camden County Insurance Commission
Bonnie Ridolfino, Hardenbergh Insurance Group- *via teleconference*
Robin Racioppi, Acrisure
Gail White, Scirocco Group – *via teleconference*
Tim Sheehan, Gloucester County Risk Manager
Cathy Dodd, PERMA
Brad Stokes, PERMA
Rachel Chwastek, PERMA
Robyn Walcoff, PERMA

Gregory Hunt, Conner Strong & Buckelew
Michele Leighton, Conner Strong & Buckelew
Mary Ann Sander, Conner Strong & Buckelew – *via teleconference*
Christina Violetti, Hardenbergh Insurance Group- *via teleconference*

MINUTES: Open & Closed Minutes of June 22, 2017 and Open & Closed Minutes of August 16, 2017.

MOTION TO APPROVE THE OPEN AND CLOSED MINUTES FROM JUNE 22, 2017 AND AUGUST 16, 2017 AS PRESENTED:

Moved:	Chairman Angilella
Second:	Commissioner White
Vote:	Unanimous

CORRESPONDENCE:

NONE

EXECUTIVE DIRECTOR REPORT:

DECEMBER 31, 2016 AUDIT: Executive Director said the draft audit was previously reviewed at the June meeting and filed with DOBI & DCA on June 23, 2017 along with an extension request to file the final report. The final financial audit was prepared by the Fund Auditor; final copies were distributed at the meeting. Fund Auditor reported there were no changes from the draft and said there were no findings, comments or recommendations.

Enclosed in the agenda was Resolution 28-17 approving the year-end financials; Fund Commissioners will be asked to execute an affidavit indicating they have read the General Comments section of the Audit Report. Executive Director said the Fund office will file the final report and supporting resolution with the State following the meeting.

2018 RENEWAL & 2018 BUDGET:

EXPOSURE DATA & UNDERWRITING APPLICATIONS - Executive Director reported the fund office is following up with members on outstanding information as this information is necessary to present the NJCE and local Commission budgets.

2018 BUDGET DISCUSSION - Executive Director said the 2018 budget presentation will include projections, loss funding, premiums, possible increase to the property self-insured retentions (SIR), as well as, a line item for an underwriting data collection system.

The timeline for the budget process is as follows:

- October 6th – final deadline for submission of underwriting data
- Week of October 16th – Sub-Committee to review budget presentation
- October 26th – Budget Introduction
- November 16th – Budget Adoption

Underwriting Manager reported favorable renewal negotiations with excess carriers and noted there will be alternative options marketed for excess property as the Fund has experienced three consecutive years of high dollar losses. Commissioners White and Mecouch volunteered to serve on the budget sub-committee; the fund office will schedule a meeting based on availability.

RISK MANAGEMENT PLAN – CLASH COVERAGE: On the agenda for consideration was the addition of Clash Coverage, which protects against aggregations of losses from one occurrence that can affect one or more coverages. Deputy Executive Director said the Fund Actuary reviewed the current loss funding and reported there are adequate levels in place so a change to increase funding would not be necessary. The Board of Fund Commissioners agreed to

the recommendation to amend the current Risk Management Plan reflecting this coverage enhancement. Executive Director said a revised copy would be included in the next agenda for information only.

PAYROLL AUDITOR REQUEST FOR PROPOSALS (RFP): Executive Director said as a follow-up to last meeting discussion, an RFP was issued for Payroll Auditing services to conduct audits and employee headcounts for consistent and ratable workers' compensation premiums. Enclosed in Appendix III was the single response received from Bowman & Company for a proposed fee of \$16,100 for 28 locations for information. Enclosed in the agenda was Resolution 29-17 authorizing an agreement between the Fund and Bowman & Company LLP for Payroll Auditing Services.

CLAIMS STATUS SUMMARY: AmeriHealth Casualty Services is in need of a Closed Session to discuss claims status and other matters; enclosed in the agenda was a resolution authorizing closed session. Under separate cover, Fund Commissioners will receive materials from AmeriHealth Casualty Services and/or the Executive Director.

MEMBERSHIP RENEWAL: The Counties of Atlantic, Burlington, Cumberland and Salem are scheduled to renew their membership with the Fund as of January 1, 2018. Renewal documents have been sent to each County; to date the Fund office received documentation from Burlington County renewing membership.

POTENTIAL MEMBERSHIP: The Counties of Sussex, Essex and Cape May are being quoted for potential new membership; more information to follow if available at next meeting.

JOINT INSURANCE CLAIMS COMMITTEES BEST PRACTICES WORKSHOP: The 6th annual Joint Insurance Claims Committees Best Practices Workshop is scheduled for Wednesday, November 1, 2017 and will focus on *Cyber Liability – Coverage, Risk Management and Available Resources*. Enclosed in the agenda was the schedule; interested participants should hold the date for the workshop and watch for the e-mail invitation.

FINANCIAL FAST TRACK: Executive Director reviewed the Financial Fast Track as of July 31, 2017 and said the Fund's statutory surplus is \$7.5 million.

UNDERWRITING MANAGER REPORT:

REPORT: Underwriting Manager submitted a memorandum that accurate and detailed property information is being requested in preparation of the 2018 property insurance renewal; full Construction, Occupancy, Protection and Exposure (COPE) should be reported in full for any locations over \$20 million in value. A second memorandum was submitted requesting members review their expiring cyber limits; quotes will be provided to each entity at varying coverage limits for their consideration.

TREASURER

REPORT: Included in the agenda was the confirmation of July 2017 bills list as Resolution 30-17, confirmation of July 2017 Supplemental bills list as Resolution 31-17, confirmation of August 2017 bills list as Resolution 32-17, confirmation of August 2017 Supplemental bills list as Resolution 33-17, the September 2017 bills list as Resolution 34-17, September 2017 Supplemental bills list as Resolution 35-17 and the Treasurer's reports for May, June and July 2017.

VOUCHER PAYMENTS (BILL LIST) –

Resolution 30-17 July 2017 Bills	\$128,539.54
Resolution 31-17 July 2017 Supplemental Bills	\$834,194.90
Resolution 32-17 August 2017 Bills	\$503,282.88
Resolution 33-17 August 2017 Supplemental Bills	\$293,725.00

Resolution 34-17 September 2017 Bills	\$1,361,984.72
Resolution 35-17 September 2017 Supplemental Bills	\$500,000.00

MOTION TO CONFIRM PAYMENTS OF JULY 2017 BILLS LIST RESOLUTION 30-17:

Moved: Chairman Angilella
 Second: Commissioner Kessler
 Roll Call: Unanimous

MOTION TO CONFIRM PAYMENTS OF JULY 2017 SUPPLEMENTAL BILLS LIST RESOLUTION 31-17:

Moved: Chairman Angilella
 Second: Commissioner Shea
 Roll Call: Unanimous

MOTION TO CONFIRM PAYMENTS OF AUGUST 2017 BILLS LIST RESOLUTION 32-17:

Moved: Chairman Angilella
 Second: Commissioner Kessler
 Roll Call: Unanimous

MOTION TO CONFIRM PAYMENTS OF AUGUST 2017 SUPPLEMENTAL BILLS LIST RESOLUTION 33-17:

Moved: Chairman Angilella
 Second: Commissioner Mecouch
 Roll Call: Unanimous

MOTION TO APPROVE PAYMENTS OF SEPTEMBER 2017 BILLS LIST RESOLUTION 34-17:

Moved: Chairman Angilella
 Second: Commissioner Mecouch
 Roll Call: Unanimous

MOTION TO APPROVE PAYMENTS OF SEPTEMBER 2017 SUPPLEMENTAL BILLS LIST RESOLUTION 35-17:

Moved: Chairman Angilella
 Second: Commissioner Kessler
 Roll Call: Unanimous

Commissioner Mair inquired why Fund Year 2016 in the Certification/Reconciliation of Claims Payments & Recoveries report on pages 23, 29 and 35 of the agenda showed zero payments. Executive Director said he would confirm with the Fund Treasurer and report back.

SAFETY DIRECTOR:

REPORT: Safety Director submitted a report reflecting the risk control activities from June through October 2018 and several Safety Director Bulletins that were distributed. Safety Director reminded members to present any applicable proposals in order to be considered for the annual BRIT Safety Grant.

FUND ATTORNEY:

REPORT: Fund Attorney said there was nothing additional to report.

CLAIMS ADMINISTRATOR:

REPORT: AmeriHealth Casualty Services is in need of a Closed Session to discuss claims status and other matters; enclosed in the agenda was a resolution authorizing closed session. Under separate cover, Fund Commissioners may receive materials from AmeriHealth Casualty Services and/or the Executive Director. Ms. Metzger introduced Tracy Ware, Lead Adjustor, Cheryle Little, Senior Liability Claims Adjustor and Lee Herzer, VP Operations.

RESOLUTIONS:

RESOLUTION 28-17: Resolution of Certification of the Annual Audit Report for Period Ending December 31, 2016.

MOTION TO ADOPT RESOLUTION 28-17 AS PRESENTED:

Moved: Chairman Angilella
Second: Commissioner Block
Roll Call Vote: Unanimous

RESOLUTION 29-17: Resolution authorizing an agreement, pursuant to a publicly advertised request for proposal, by and between the New Jersey Counties Joint Insurance Fund and Bowman and Company LLP for the provision of Payroll Auditor Services.

MOTION TO ADOPT RESOLUTION 28-17 AS PRESENTED:

Moved: Chairman Angilella
Second: Commissioner White
Roll Call Vote: Unanimous

RESOLUTION 36-17: Resolution authorizing the need to enter into Closed Session for the purpose as permitted by the open public meetings act, more specifically to discuss potential litigation on claim numbers Claims #640-113-0000057, {Cl# 640-117-159, 640-117-158, 640-117-162} and 640-117-0000152

MOTION TO ADOPT RESOLUTION 36-17 AUTHORIZING THE NEED TO ENTER INTO CLOSED SESSION FOR THE PURPOSE AS PERMITTED BY THE OPEN PUBLIC MEETINGS ACT, MORE SPECIFICALLY TO DISCUSS POTENTIAL LITIGATION ON CLAIM NUMBERS CLAIMS #640-113-0000057, {CL# 640-117-159, 640-117-158, 640-117-162}, 640-117-0000152 AND #64GL005636:

Moved: Chairman Angilella
Second: Commissioner White
Roll Call: Unanimous

All others vacated the room and left the teleconference with the exception of Fund Commissioners, Fund Attorney and Professionals.

MOTION TO RETURN TO OPEN SESSION:

Moved: Chairman Angilella
Second: Commissioner White
Roll Call: Unanimous

As per discussion held during Closed Session permitted via Resolution 36-17, motion to approve the following:

Workers Compensation

Payment Authority Request for:

Claim #640-113-0000057 in the amount of \$30,000
Claim #640-117-159, 640-117-158, 640-117-162 in the amount of \$10,000
Claim #640-117-0000152 in the amount of \$4,000

Liability

Payment Authority Request for:
Claim #64GL005636 in the amount of \$30,000

**MOTION TO APPROVE THE SETTLEMENT AND PAYMENT AUTHORITY
REQUESTS AS PRESENTED:**

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

OLD BUSINESS:

NONE

NEW BUSINESS:

NONE

PUBLIC COMMENT

MOTION TO OPEN MEETING TO PUBLIC

Moved: Chairman Angilella
Second: Commissioner Shea
Roll Call: Unanimous

MOTION TO CLOSE MEETING TO PUBLIC

Moved: Chairman Angilella
Second: Commissioner Kessler
Roll Call: Unanimous

NON- AGENDA ITEMS

NONE

MOTION TO ADJOURN:

Moved: Commissioner White
Second: Commissioner Kessler
Vote: Unanimous

MEETING ADJOURNED: 1:34PM

**NEXT MEETING: October 26, 2017 - 1:00 PM
Camden County College Regional
Emergency Training Center
420 Woodbury-Turnersville Road
Blackwood, NJ**

Nancy A. Ghani, Assisting Secretary

for

JOHN KELLY, SECRETARY