

**NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND
OPEN MINUTES**

NOVEMBER 20, 2014

9 CAMPUS DRIVE – SUITE 16 PARSIPPANY, NJ 07054 & VIA TELECONFERENCE

2:00 PM

MEETING OF THE FUND CALLED TO ORDER AT 2:00 P.M.

OPEN PUBLIC MEETING ACT READ INTO RECORD

PLEDGE OF ALLEGIANCE

ROLL CALL BOARD OF FUND COMMISSIONERS

Michael Smith, Chairman	Burlington County	Present- <i>via teleconference</i>
Ross Angilella, Secretary	Camden County	Present - <i>via teleconference</i>
Gerald White, Commissioner	Gloucester County	Present - <i>via teleconference</i>
Norman Albert, Commissioner	Union County	Present - <i>via teleconference</i>
Robert Vanderslice, Commissioner	Salem County	Absent
Andrew Mair, Commissioner	Mercer County	Absent
Ken Mecouch, Commissioner	Cumberland County	Present - <i>via teleconference</i>
Edmund Shea, Commissioner	Hudson County	Present - <i>via teleconference</i>
John Kelly, Commissioner	Ocean County	Present - <i>via teleconference</i>

SPECIAL FUND COMMISSIONERS

Marc Krassan	Burlington County	Absent
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ALTERNATE FUND COMMISSIONERS

Anna Marie Wright	Camden County	Present - <i>via teleconference</i>
Carl Block	Ocean County	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	PERMA Risk Management Services James Kickham Nancy A. Ghani - <i>via teleconference</i>
Attorney	Laura Paffenroth, Esq. - <i>via teleconference</i>
Safety Director	JA Montgomery Risk Control Glenn Prince, Dave McHale
Underwriting Manager	Conner Strong & Buckelew Tom Nolan - <i>via teleconference</i>
Treasurer	David McPeak - <i>via teleconference</i>
Claims Administrator	AmeriHealth Casualty Services Tom Watkins, Cheryl Little - <i>via teleconference</i>

ALSO PRESENT:

Joseph Hrubash, PERMA
Cathy Dodd, PERMA
Emalee Cronwell, PERMA
Brad Stokes, PERMA - *via teleconference*
Mary Lou Doner, PERMA - *via teleconference*
Douglas Borden, Borden Perlman Salisbury & Kelly - *via teleconference*
Michele Leighton, Conner Strong & Buckelew - *via teleconference*
Mary Ann Sanders, Conner Strong & Buckelew - *via teleconference*
Carol Mack, Conner Strong & Buckelew - *via teleconference*
Joe Porch, Conner Strong & Buckelew - *via teleconference*
Pat Madden, Madden & Madden

MINUTES: Open Minutes of October 23, 2014.

APPROVAL OF MINUTES FROM OCTOBER 23, 2014 AS PRESENTED:

Moved: Commissioner Angilella
Second: Commissioner White
Vote: 7 Ayes – 0 Nays

CORRESPONDENCE:

NONE

EXECUTIVE DIRECTOR'S REPORT:

2015 FUND YEAR BUDGET: Last month, the Fund introduced the proposed 2015 budget, which was advertised in the Fund's designated newspapers. Executive Director said there are no changes since the introduction; enclosed in the agenda was the 2015 budget totaling \$19,964,592, as well as the shares and assessments by member. A copy of the draft proposed assessments by Commission member was distributed for review.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2015 BUDGET:

Moved: Commissioner Kelly
Second: Commissioner White
Vote: 7 Ayes – 0 Nays

DISCUSSION OF BUDGET & ASSESSMENTS:

Executive Director said the Actuary has projected a 6% decrease in the total loss funds based on the NJCE's positive experience to date. The property premium is increasing by 4.8% and is based on reported Total Insurable Values being applied against the property rate. Lastly, excess workers' compensation premiums are increasing and a phase-in allocation method has been developed to level out the increase over a 3-year period. Executive Director said the fund's carrier for workers' compensation in 2010 for the initial four members was underwritten by Meadowbrook. At the time, the premium for workers' compensation was blended with general liability. Executive Director said the phase-in allocation method will transition the premium allocation to a rate as applied against payroll.

MOTION TO CLOSE THE PUBLIC HEARING AND ADOPT BUDGET & CERTIFY THE 2015 ASSESSMENTS:

Moved: Commissioner Angilella
Second: Commissioner White
Vote: 7 Ayes – 0 Nays

2014 RISK MANAGEMENT PLAN: Included in the agenda as part of the Underwriting Manager's report was a revised Risk Management Plan reflecting two revisions: 1) The perils for which underground piping are not covered have been listed and; 2) Non owned watercraft has been amended from 32' to 35'. Both changes have been highlighted in the documents. Also included was Resolution 38-14 to adopt the amended plan as part of the consent agenda.

CLAIMS – PAYMENT AUTHORITY REQUEST: AmeriHealth Casualty Services prepared a Payment Authority Request (PAR) to be reviewed during Closed Session. Enclosed in the agenda was Resolution 40-14 authorizing the need for closed session.

FINANCIALS: Executive Director reviewed the Financial Fast Track as of September 30, 2014 and said the Fund's current surplus is \$5.1 million.

NEXT MEETING: The next meeting is scheduled for Thursday December 11, 2014; Commissioners may wish to cancel this meeting in that there is no pressing business at this time. The next meeting would be the 2015 Reorganization meeting scheduled for February 26, 2015 at 1:00PM in the Camden County Regional Emergency Training Center.

MOTION TO CANCEL THE REGULARLY SCHEDULED DECEMBER 11, 2014 MEETING:

Moved: Commissioner Angilella
Second: Commissioner White
Vote: 7 Ayes – 0 Nays

2015 EXCESS RENEWAL: Executive Director said with the cancellation of the December meeting it would be appropriate to authorize the Underwriting Manager to bind the 2015 renewal and purchase of ancillary and excess insurances for 2015. Executive Director said Resolution 41-14 was distributed separately to be adopted during the consent agenda.

UNDERWRITING MANAGER:

REPORT: Underwriting Manager said the fund's flood annual aggregate is being reviewed to determine if the current limits are adequate, which is shared among all NJCE members in the property program. Underwriting Manager said the presented budget included a line-item of \$250,000 to increase the flood aggregate limits and would report back to the board at the February meeting on any quotes received.

TREASURER REPORT:

Included in the agenda was Resolution 39-14 bills list for November 2014. In addition, there were financial reports for the month of September.

VOUCHER PAYMENTS (BILL LIST) –
November Resolution 39-14 \$119,050.63

MOTION TO APPROVE THE NOVEMBER 2014 BILLS LIST RESOLUTION 39-14 AS PRESENTED:

Moved: Commissioner Kelly
Second: Commissioner Angilella
Vote: 7 Ayes – 0 Nays

SAFETY DIRECTOR'S REPORT:

REPORT: Safety Consultant provided a verbal report; Safety Consultant said an email will be sent regarding OSHA regulations. In addition, Safety Consultant said the MEL Media Library is being updated and training requests for 2015 are currently being requested.

FUND ATTORNEY:

REPORT: Fund Attorney said there was nothing to report for the month.

CLAIMS ADMINISTRATOR:

REPORT: AmeriHealth Casualty Services prepared a Payment Authority Request (PAR) to be reviewed during Closed Session. Enclosed in the agenda was Resolution 40-14 authorizing the need for closed session.

CLOSED SESSION:

MOTION TO ADOPT RESOLUTION 40-14 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 AND PAYMENT AUTHORITY REQUEST FOR CLAIM NUMBER 353000576:

Moved: Commissioner White
Second: Commissioner Kelly
Vote: 7 Ayes – 0 Nays

All individuals in the room and on the teleconference left the meeting with the exception of the Fund Commissioners and Fund Professionals.

MOTION TO RETURN TO OPEN SESSION:

Moved: Commissioner White
Second: Commissioner Kelly
Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION:

Moved: Commissioner White
Second: Commissioner Kelly
Vote: Unanimous

RESOLUTIONS:

RESOLUTION 38-14: Resolution to adopt the amended 2014 Risk Management Plan

RESOLUTION 40-14: Resolution authorizing the Payment Authority Request of claim number 353000576.

RESOLUTION 41-14: Resolution authorizing renewal and purchase of ancillary and excess insurances for the period January 1, 2015 to January 1, 2016.

MOTION TO ADOPT RESOLUTIONS 38-14, 40-14 AND 41-14 AS PRESENTED:

Moved: Commissioner White
Second: Commissioner Albert
Vote: 7 Ayes – 0 Nays

OLD BUSINESS:

NONE

NEW BUSINESS:

NONE

PUBLIC COMMENT

MOTION TO OPEN MEETING TO PUBLIC

Moved: Commissioner Angilella
Second: Commissioner White
Vote: Unanimous

MOTION TO CLOSE MEETING TO PUBLIC

Moved: Commissioner Angilella
Second: Commissioner White

Vote:

Unanimous

NON- AGENDA ITEMS

NONE

MOTION TO ADJOURN:

Moved:

Commissioner Angilella

Second:

Commissioner White

Vote:

Unanimous

MEETING ADJOURNED: 2:22PM

NEXT MEETING: February 26, 2015 – 1:00PM

Nancy A. Ghani, Assisting Secretary

for

ROSS ANGILELLA, SECRETARY