

**NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND
OPEN MINUTES
NOVEMBER 19, 2015
CAMDEN COUNTY EMERGENCY TRAINING CENTER, BLACKWOOD NJ**

1:00 PM

MEETING OF THE FUND CALLED TO ORDER AT 1:00 P.M. BY ACTING CHAIR ANNA MARIE WRIGHT

OPEN PUBLIC MEETING ACT READ INTO RECORD

PLEDGE OF ALLEGIANCE – Acting Chair Commissioner Wright led Commissioners in the Pledge of Allegiance.

ROLL CALL BOARD OF 2015 FUND COMMISSIONERS

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

ALTERNATE FUND COMMISSIONERS

Anna Marie Wright	Camden County	Present
Carl Block	Ocean County	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	PERMA Risk Management Services James Kickham Joseph Hrubash - <i>via teleconference</i> Nancy A. Ghani - <i>via teleconference</i>
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Attorney	Laura Paffenroth, Esq.
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Safety Director	JA Montgomery Risk Control Glenn Prince – <i>via teleconference</i>
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Underwriting Manager	Conner Strong & Buckelew Tom Nolan
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Claims Administrator	CompServices Tom Watkins
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Litigation Manager	David Millard
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ALSO PRESENT:

Robyn Walcoff, PERMA - *via teleconference*
Brad Stokes, PERMA - *via teleconference*
Tom Narolewski, AJM Insurance- *via teleconference*
Christina Violetti, Hardenbergh Insurance Group- *via teleconference*
Jenna Quattrone, Hardenbergh Insurance Group- *via teleconference*

Bonnie Ridolfino, Hardenbergh Insurance Group- *via teleconference*
Louis DiAngelo, Camden County
Robin Racioppi, Acrisure- *via teleconference*
Mary Anne Sander, Conner Strong & Buckelew - *via teleconference*
Gail White, Scirocco Group- *via teleconference*
Rachel Chwastek, PERMA
Cathy Dodd, PERMA

MINUTES: Included in the agenda were the open minutes of October 22, 2015 for review; the closed minutes were distributed to the board for review.

MOTION TO APPROVE THE OPEN AND CLOSED MINUTES FROM OCTOBER 22, 2015 AS PRESENTED:

Moved: Commissioner White
Second: Commissioner Kessler
Vote: 8 Ayes – 0 Nays

CORRESPONDENCE:

NONE

EXECUTIVE DIRECTOR'S REPORT:

2016 FUND YEAR BUDGET: Last month, the Fund introduced the proposed 2016 budget, which was advertised in the Fund's designated newspapers.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2016 BUDGET:

Moved: Commissioner Collins
Second: Commissioner Wright
Vote: 8 Ayes – 0 Nays

DISCUSSION OF BUDGET & ASSESSMENTS

Enclosed in the agenda was the 2016 budget totaling \$21,509,903, as well as, the assessments by member. Executive Director said a change was made to the Excess Liability ancillary coverage (line 38) and the corresponding allocation; a revised 2016 budget was distributed and reflected a new total of \$21,461,623, as well as, the updated assessments by member. Included in the agenda were the following budget highlights for reference:

Claims Loss Funds – lines 1-4

- Actuary projected flat increases for liability and auto; decrease in the workers' compensation due to higher Self Insured Retentions (SIR) by members
- New workers' compensation layer to reflect Safety National retention of \$1,150,000 for payroll codes 7720 Police and 7710 Fireman; all other payroll codes will be at retention of \$1,000,000 SIR through 1/1/17.

Self Insured Retentions

- **GL/AL** – All members retain the first \$250,000. *Exceptions are Hudson County at \$750,000 and ACIC at \$500,000.*
- **WC** – Increase \$250,000 to \$300,000 for all members. *Exception is Hudson County, Ocean County and ACIC at \$750,000 and SCIC at \$250,000.*

Premiums – lines 8-13

- Property premium is budgeted at an increase of 3.8% based on reported property values. *Atlantic County property re-evaluation is not reflected in the budget.*
- Excess Flood \$15m X \$25m aggregate coverage was initially purchased in 2015; currently budgeted at a 1.1% increase and additional limits will be explored.

Expenses – lines 20-29

- Professional fees are budgeted at a 2% increase and subject to the Board's appointment at the February annual Reorganization meeting.

Ancillary Coverages – lines 36-45

- Pollution – the 4% increase is representative of a 3-year policy renewal
- Excess Flood \$10m x \$40m and Aviation – *New optional coverages reflected as estimates only*

MOTION TO CLOSE THE PUBLIC HEARING ON THE 2016 BUDGET:

Moved: Commissioner Kessler
Second: Commissioner Collins
Vote: 8 Ayes – 0 Nays

MOTION TO ADOPT THE 2016 BUDGET TOTALING \$21,461,623 AND CERTIFY THE 2016 ASSESSMENTS AS PRESENTED:

Moved: Commissioner White
Second: Commissioner Collins
Vote: 8 Ayes – 0 Nays

PROFESSIONAL CONTRACTS:

EXECUTIVE DIRECTOR, UNDERWRITING MANAGER & SAFETY DIRECTOR - The contracts for Executive Director, Underwriting Manager and Safety Director expire on February 26, 2016. Executive Director said it would be appropriate to authorize the release of Requests for Proposals. As in the past, the Fund Attorney will review the boilerplate forms prior to release and appointments will be made by the board at the 2016 Reorganization meeting.

ACTUARY - As previously reported, the fund's contract with The Actuarial Advantage expired. The fund office issued a Request for Price Quotes was advertised and was sent to three firms to provide a response; the Actuarial Advantage was the only firm to respond. Enclosed in the agenda was Resolution 33-15 awarding a contract to The Actuarial Advantage as Fund Actuary based on their submitted quote for a one-year term.

CLAIMS STATUS: 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 the need for closed session. Under separate cover, Fund Commissioners may receive materials from AmeriHealth Casualty Services and/or the Executive Director.

NEXT MEETING: The next meeting is the 2016 Reorganization meeting scheduled for February 25, 2016 at 1:00PM in the Camden County Regional Emergency Training Center.

UNDERWRITING MANAGER:

REPORT: Underwriting Manager said the 2016 renewal program of the excess and ancillary coverages is confirmed for the upcoming year. Executive Director said it would be appropriate to authorize the Underwriting Manager to bind and enter into the required agreements for the 2016 excess and ancillary coverage and said a resolution formalizing the action will be included in the 2016 Reorganization agenda.

MOTION TO AUTHORIZE THE UNDERWRITING MANAGER TO BIND AND ENTER INTO THE REQUIRED AGREEMENTS FOR THE 2016 EXCESS AND ANCILLARY COVERAGES:

Moved: Commissioner White
Second: Commissioner Wright
Vote: 8 Ayes – 0 Nays

TREASURER REPORT:

Included in the agenda was the November bills list as Resolution 34-15 and the Treasurer’s reports for September 2015.

VOUCHER PAYMENTS (BILLS LIST) –
November 2015 – Resolution 34-15 \$125,664.20

**MOTION TO APPROVE RESOLUTION 34-15 NOVEMBER 2015 BILLS LIST
CONFIRMATION OF PAYMENTS AS PRESENTED:**

Moved: Commissioner White
Second: Commissioner Collins
Roll Call Vote: 8 Ayes – 0 Nays

SAFETY DIRECTOR:

REPORT: Safety Director provided a verbal report on the safety and loss control activities and requested members contact J.A. Montgomery for any requested safety trainings.

FUND ATTORNEY:

REPORT: Fund Attorney said she will provide the fund office with the advertisement language with respect to the Requests for Proposals for Executive Director, Underwriting Manager and Safety Director. Fund Attorney said the responses will be due in time to be reviewed, provide a report and make the necessary contract awards at the February reorganization meeting.

RESOLUTIONS:

RESOLUTION 33-15: Resolution authorizing a professional services agreement, pursuant to a solicitation of quotations, by and between the NJCE JIF and The Actuarial Advantage.

MOTION TO APPROVE RESOLUTION 33-15 AS PRESENTED:

Moved: Commissioner White
Second: Commissioner Collins
Vote: Unanimous

CLAIMS ADMINISTRATOR:

REPORT: AmeriHealth Casualty Services indicated the need for Closed Session to review any claims with large open reserves.

Enclosed in the agenda was Resolution 35-15 authorizing the need to enter into Closed Session for the purpose as permitted by the Open Public Meetings Act, more specifically to discuss contract negotiations, discuss potential litigation and review claim status.

**MOTION TO APPROVE RESOLUTION 35-15 AND ENTER INTO CLOSED
SESSION:**

Moved: Commissioner Collins
Second Commissioner Kessler
Vote: 8 Ayes – 0 Nays

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

MOTION TO RETURN INTO OPEN SESSION:

Moved: Commissioner Collins
Second Commissioner Kessler
Vote: Unanimous

PAYMENT AUTHORITY REQUESTS: As per discussion held during Closed Session permitted via Resolution 35-15 motion to approve the following Payment Authority Requests:

Claim #64GL010042 for \$475,000
Claim #640-114-45 for \$59,464.80
Claim #640-112-0000040 for \$6,000

MOTION TO APPROVE THE PAYMENT AUTHORITY REQUESTS AS DISCUSSED DURING CLOSED SESSION:

Moved: Commissioner White
Second Commissioner Wright
Roll Call Vote: 8 Ayes – 0 Nays

OLD BUSINESS:

NONE

NEW BUSINESS:

NONE

PUBLIC COMMENT

MOTION TO OPEN MEETING TO PUBLIC

Moved: Commissioner Wright
Second Commissioner White
Vote: Unanimous

MOTION TO CLOSE MEETING TO PUBLIC

Moved: Commissioner Wright
Second Commissioner Kessler
Vote: Unanimous

NON- AGENDA ITEMS

NONE

MOTION TO ADJOURN:

Moved: Commissioner White
Second: Commissioner Kessler
Vote: Unanimous

MEETING ADJOURNED: 1:21PM

**NEXT MEETING: February 25, 2016
Camden County Emergency Training Center 1:00 PM**

Nancy A. Ghani, Assisting Secretary
for

JOHN KELLY, SECRETARY