

**NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND
OPEN MINUTES
FEBRUARY 25, 2016
CAMDEN COUNTY EMERGENCY TRAINING CENTER, BLACKWOOD, NJ
1:00 PM**

**MEETING OF THE FUND CALLED TO ORDER AT 1:00 P.M.
OPEN PUBLIC MEETING ACT READ INTO RECORD
PLEDGE OF ALLEGIANCE**

ROLL CALL BOARD OF 2015 FUND COMMISSIONERS

Ross Angilella, Chairman	Camden County	Present
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 Bishop	Salem County	Absent
Andrew Mair, Commissioner	Mercer County	Present - <i>via teleconference</i>
Ken Mecouch, Commissioner	Cumberland County	Present - <i>via teleconference</i>
Edmund Shea, Commissioner	Hudson County	Present - <i>via teleconference</i>
Jeannette Kessler	Atlantic County	Present
Kendall Collins	Burlington County	Present

ALTERNATE FUND COMMISSIONERS

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

APPOINTED OFFICIALS PRESENT:

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

ALSO PRESENT:

Michael Yuska, Union County, 2016 NJCE Fund Commissioner - *via teleconference*
Joseph Hrubash, PERMA
Cathy Dodd, PERMA
Brad Stokes, PERMA
Emalee Cronwell, PERMA
Rachel Chwastek, PERMA
Michelle Leighton, Conner Strong & Buckelew

Robin Racioppi, Acrisure
Louis DiAngelo, Camden County
Carol Mack, Conner Strong & Buckelew – *via teleconference*
Bonnie Ridolfino, Hardenbergh Ins Group – *via teleconference*
Christina Violetti, Hardenbergh Insurance Group- *via teleconference*
Jenna Quattrone, Hardenbergh Insurance Group- *via teleconference*
Mary Ann Sander, Conner Strong & Buckelew – *via teleconference*
Karen Read, PERMA – *via teleconference*
Robyn Walcoff, PERMA – *via teleconference*
Gail White, Scirocco Group – *via teleconference*

MINUTES: Open & Closed Minutes of November 19, 2015 and Open & Closed Minutes of January 28, 2016.

MOTION TO APPROVE MINUTES FROM NOVEMBER 19, 2015 AND JANUARY 28, 2016 AS PRESENTED:

Moved: Commissioner Kessler
Second: Chairman Angilella
Vote: Unanimous

Outgoing 2015 Commissioner Norman Albert left the teleconference

CORRESPONDENCE:

NONE

2016 REORGANIZATION: Executive Director said the meeting would be conducted as fund's 2015 reorganization. Executive Director said the NJCE Bylaws require that the fund elect a Chair, Secretary, five-member Executive Committee and up to four Alternate Commissioners and asked for a roll call of the 2016 Fund Commissioners.

ROLL CALL OF 2016 FUND COMMISSIONERS

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

Executive Director asked for nominations of Chairman followed by a nomination for Secretary.

ELECTION OF 2016 CHAIRPERSON AND SECRETARY:

MOTION TO NOMINATE ROSS ANGILELLA, CAMDEN COUNTY, AS CHAIR:

Moved: Commissioner White
Second: Commissioner Kessler

Hearing no other nominations,

MOTION TO CLOSE NOMINATIONS FOR CHAIR AND CAST UNANIMOUS BALLOT FOR ROSS ANGILELLA AS 2016 CHAIR:

Vote: Unanimous

MOTION TO NOMINATE JOHN KELLY, OCEAN COUNTY, AS SECRETARY:

Moved: Commissioner Collins
Second: Commissioner White

Hearing no other nominations,

MOTION TO CLOSE NOMINATIONS FOR SECRETARY AND CAST UNANIMOUS BALLOT FOR JOHN KELLY AS 2016 SECRETARY:

Vote Unanimous

MOTION TO NOMINATE COMMISSIONER JANETTE KESSLER-ATLANTIC COUNTY, COMMISSIONER KENDALL COLLINS-BURLINGTON COUNTY, COMMISSIONER KEN MECOUCH-CUMBERLAND COUNTY, COMMISSIONER GERALD WHITE-GLOUCESTER COUNTY, COMMISSIONER EDMUND SHEA-HUDSON COUNTY AS THE FIVE MEMBER EXECUTIVE COMMITTEE AND; COMMISSIONER MAIR-MERCER COUNTY AS ALTERNATE #1, COMMISSIONER JESSICA FOOTE BISHOP-SALEM COUNTY ALTERNATE #2 AND MICHAEL YUSKA-UNION COUNTY AS ALTERNATE #3:

Moved: Commissioner Angilella
Second: Commissioner Kessler

Hearing no other nominations,

MOTION TO CLOSE NOMINATIONS AND CONFIRM ELECTIONS AS PROPOSED:

Vote Unanimous

Fund Attorney administered oath to Chairman Angilella.

2016 REORGANIZATION

2016 REORGANIZATION RESOLUTIONS: Included in the agenda were the reorganization resolutions for Fund Year 2016. Chairman Angilella read the titles of each for the record.

- Resolution 3-16 Certifying the Election of Chairman & Secretary
- Resolution 4-16 Appointing PERMA as Agent for the Fund for Process of Service
- Resolution 5-16 Designating Custodian of Fund Records
- Resolution 6-16 Designating Official Newspapers for the Fund
- Resolution 7-16 Designating Authorized Depositories for Fund Assets/Cash Management Plan
- Resolution 8-16 Designating Signatures for Fund Bank Accounts
- Resolution 9-16 Indemnifying NJCE Officials/Employees
- Resolution 10-16 Authorizing Fund Treasurer to Process Contracted Payments & Expenses
- Resolution 11-16 Appointing Fund Treasurer
- Resolution 12-16 Appointing Fund Attorney
- Resolution 13-16 Fixing 2016 & 2017 Reorganization Meeting Dates
- Resolution 14-16 2016 Risk Management Plan

Executive Director said there are two typographical corrections to the 2016 Risk Management Plan as follows:

- *Page 98 - should note that Cumberland County Improvement Authority and not the Cumberland County Utilities Authority owns the drone.
- *Page 105 - Cumberland County Utilities Authority does not purchase crime through the Commission.

Executive Director said the corrected 2016 Risk Management Plan will be filed with the state as part of the regulatory annual filings.

Fund Attorney said there was a recommendation to include an interest rate for delinquent assessments on Resolution 7-16 Designating Authorized Depositories for Fund Assets/Cash Management Plan. Fund Treasurer recommended the interest rate of 6% per annum 30 days from the due date for any billed and not paid assessments. Fund Treasurer said this would mirror the percentage rate charged by the County to late payments made by local municipalities.

Chairman Angilella said if there were no other comments or questions then it would be appropriate to make a motion to approve the 2016 reorganization resolutions as amended.

MOTION TO ADOPT RESOLUTIONS 3-16 THROUGH 14-16 WITH AMENDMENTS NOTED FOR RESOLUTIONS 7-16 AND 14-16:

Moved: Commissioner Kessler
Second: Commissioner Mecouch
Roll Call: 8 ayes – 1 Nay (Commissioner Mair)

**EXECUTIVE DIRECTOR'S REPORT:
VENDOR CONTRACTS**

AWARD OF CONTRACTS EXECUTIVE DIRECTOR, UNDERWRITING MANAGER AND SAFETY DIRECTOR: Executive Director deferred to the Fund Attorney to provide a report on this process. Fund Attorney said the requests for proposals were advertised in the fund's official papers on January 11th, as well as, listed on both the Camden County website and the NJCE JIF website. Fund Attorney said each request for proposal only received one response from the current service providers: copies of the responses and a summary of the fees were sent to the Chair and Secretary for their review.

Fund Attorney said based on last year's fees, the submitted fees by each service providers was competitive and made a recommendation that the commissioners award these services and prepared a resolution for consideration. Chairman Angilella said the fee increase over last year is 2%; Fund Attorney said the each service provider requested a 2% increase for fund years 2017 and 2018.

Chairman Angilella read the resolution heading for the record as follows: Resolution authorizing award of contracts, pursuant to a publicly advertised request for proposal by and between the fund, by and between the fund and PERMA Risk Management Services as Executive Director, Conner Strong & Buckelew as Underwriting Manager and J.A. Montgomery as Safety Director.

Chairman Angilella asked if there were any comments or questions. Commissioner Kessler asked if the fee increase from last year to this year was 2% and it was confirmed.

MOTION TO ADOPT RESOLUTIONS 21-16 AUTHORIZING AWARD OF CONTRACTS, PURSUANT TO A PUBLICLY ADVERTISED REQUEST FOR PROPOSAL, BY AND BETWEEN THE FUND AND PERMA RISK MANAGEMENT SERVICES AS EXECUTIVE DIRECTOR, CONNER STRONG AND BUCKELEW AS UNDERWRITING MANAGER AND J.A. MONTGOMERY AS SAFETY DIRECTOR/LOSS CONTROL COMMENCING ON FEBRUARY 25, 2016 THROUGH REORGANIZATION OF THE FUND IN FEBRUARY 2019:

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

SOLICITATION OF QUOTATIONS AUDITOR: Executive Director said the fund's one-year contract with Bowman & Company will expire in April. Executive Director said it would be appropriate to authorize the Fund office to solicit quotations for auditing services; results will be prepared by the next meeting for the board to review and award a contract so services can begin on the audit ending December 31, 2015.

ACTUARY: Executive Director said the fund awarded a contract to The Actuarial Advantage for a one-year period on 11/19/15 and their previous contract term expired on 6/30/15. In the interim, the firm provided actuarial services and submitted a request to approve payment for services rendered. Executive Director requested the board adopt the resolution enclosed in the agenda to authorize payment in equity to The Actuarial Advantage.

2013 STATE EXAMINATION: Executive Director said the State of New Jersey Department of Banking & Insurance (DOBI) performed an examination of the Fund as of December 31, 2013; enclosed in Appendix III of the agenda was a copy of the report. Executive Director said the examination does not have any negative comments or finding on the Fund or its operations.

Executive Director said the DOBI is requesting a signed affidavit from each commissioner certifying that the report has been reviewed, which will be filed with their office. Executive Director said a form to execute will be emailed to each commissioner and we kindly request it be returned promptly for the filing.

MOTION TO APPROVE STATE OF NEW JERSEY DEPARTMENT OF BANKING & INSURANCE EXAMINATION REPORT FOR THE 2013 FUND YEAR AND EXECUTE AN AFFIDAVIT CERTIFYING THAT THE FUND'S EXECUTIVE COMMITTEE HAS READ THE REPORT:

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

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 may receive materials from AmeriHealth Casualty Services and/or the Executive Director.

Informational Items

NJCE WEBSITE: Included in the agenda was a copy of correspondence from the Department of Banking and Insurance regarding the fund's compliance with respect to its website and required documentation, as well as, the fund's response which directed where the documentation could be found online

2016 BUDGET: In accordance with the regulations, the budget adopted by the Fund has been advertised in the Fund's official newspapers and filed with the State.

2016 FINANCIAL DISCLOSURES: Board members should anticipate the online filing of the Financial Disclosure forms as both a NJCE Commissioner, as well as, any County-related positions that require filing. It is expected the Division of Local Government Services will distribute a notice in March and forms will need to be filed by April 30th.

FINANCIAL FAST TRACK: The Financial Fast Track as of December 31, 2015 showed the fund's statutory surplus of \$5.9 million.

UNDERWRITING MANAGER REPORT:

2016 EXCESS & ANCILLARY RENEWALS: The Board previously approved authorization for the Underwriting Manager to bind coverage of the 2016 renewal program. Mr. Nolan referred to the 2016 Renewal program report and thanked the commissioners and professionals for their efforts as the annual renewal is a large undertaking with 10 counties and 20 individual entities. Mr. Nolan said most members have elected to purchase Network Privacy and Security Liability (Cyber Liability) and some have increased limits when it was offered last year. Mr. Nolan said AIG offers members a product called CyberEdge a risk control mechanism to strengthen internal controls. The Extraordinary Unspecifiable Services (EUS) statements were included in the agenda as well as resolution memorializing the authorization of the purchase of insurances.

TREASURER REPORT:

Included in the agenda was the confirmation of December 2015 bills list as Resolution 17-16, confirmation of January 2016 bills list as Resolution 18-16, the February 2016 bills list as Resolution 19-16 and the Treasurer's reports for October thru December 2015.

VOUCHER PAYMENTS (BILL LIST) –

Resolution 17-16 December 2015 Bills Confirmation of Payments	\$148,111.27
Resolution 18-16 January 2016 Bills Confirmation of Payments	\$8,351,028.06
Resolution 19-16 February 2016 Bills	\$565,508.65

MOTION TO CONFIRM PAYMENTS OF DECEMBER 2015 RESOLUTION 17-16, CONFIRM PAYMENTS OF JANUARY 2016 RESOLUTION 18-16 AND FEBRUARY 2016 PAYMENTS RESOLUTION 19-16:

Moved: Chairman Angilella
Second: Commissioner Kessler
Vote: Unanimous

SAFETY DIRECTOR:

REPORT: Safety Director reviewed the report included in the agenda, which included a summary of activities for November 2015 – February 2016. Safety Director said the annual Brit grant increased from \$10,000 to \$30,000 and said members should forward their requested safety related items to J.A. Montgomery for submission to Brit.

FUND ATTORNEY:

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

CLAIMS ADMINISTRATOR:

REPORT: AmeriHealth Casualty Services indicated the need to review any claims with large open reserves during Closed Session. Enclosed in the agenda was a 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 and settlement authority requests.

RESOLUTIONS:

RESOLUTION 15-16: Resolution memorializing the authorization of the renewal and purchase of ancillary and excess insurances.

RESOLUTION 16-16: Resolution authorizing payment as a matter of equity to The Actuarial Advantage.

MOTION TO ADOPT RESOLUTION 15-16 AND RESOLUTION 16-16 AS PRESENTED:

Moved: Chairman Angilella
Second: Commissioner Kessler
Vote: Unanimous

MOTION TO ADOPT RESOLUTION 20-16 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 NUMBER 640-112-0000016 AND CLAIM NUMBER 640-115-86

Moved: Chairman Angilella
Second: Commissioner Kessler
Vote: 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 Kessler
Vote: Unanimous

As per discussion held during Closed Session permitted via Resolution 20-16, motion to approve the following Settlement Authority Requests:

\$25,000 for Claim #640-115-86
\$57,175.20 for Claim #640-112-0000016

MOTION TO APPROVE THE SETTLEMENT AUTHORITY REQUESTS AS PRESENTED:

Moved: Chairman Angilella
Second: Commissioner Kessler
Vote: Unanimous

OLD BUSINESS:

NONE

NEW BUSINESS:

NONE

PUBLIC COMMENT

MOTION TO OPEN MEETING TO PUBLIC

Moved: Chairman Angilella
Second: Commissioner Kessler
Vote: Unanimous

MOTION TO CLOSE MEETING TO PUBLIC

Moved: Chairman Angilella
Second: Commissioner White
Vote: Unanimous

NON- AGENDA ITEMS

NONE

MOTION TO ADJOURN:

Moved:	Chairman Angilella
Second:	Commissioner Kessler
Vote:	Unanimous

MEETING ADJOURNED: 1:40PM

NEXT MEETING: April 26, 2016

Camden County Emergency Training Center 1:00 PM

Nancy A. Ghani, Assisting Secretary

for

JOHN KELLY, SECRETARY