

**NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND
OPEN MINUTES
OCTOBER 27, 2016
CAMDEN COUNTY EMERGENCY TRAINING CENTER, BLACKWOOD, NJ
1:00 PM**

MEETING OF THE FUND CALLED TO ORDER AT 1:00 PM BY CHAIRMAN ANGILELLA

OPEN PUBLIC MEETING ACT READ INTO RECORD

PLEDGE OF ALLEGIANCE – Chairman Angilella led Commissioners in the Pledge of Allegiance.

ROLL CALL BOARD OF FUND COMMISSIONERS

Ross Angilella, Commissioner	Camden County	Present
John Kelly, Commissioner	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	Absent
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	Absent
Michael Yuska, Commissioner	Union County	Absent

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, Paul Laracy, Joe Hrubash Nancy A. Ghani - <i>via teleconference</i>
Attorney	Laura Paffenroth, Esq.
Treasurer	David McPeak
Underwriting Manager	Conner Strong & Buckelew Edward Cooney - <i>via teleconference</i>
Claims Administrator	CompServices Tom Watkins
Safety Director	J.A. Montgomery Dave McHale - <i>via teleconference</i>

ALSO PRESENT:

Robin Racioppi, NAIMC– *via teleconference*
Louis DiAngelo, Camden County
Bonnie Riddlefino, Hardenbergh Insurance Group- *via teleconference*
Carole Mack, Conner Strong & Buckelew- *via teleconference*
Michelle Leighton, Conner Strong & Buckelew
Monica Lester, Conner Strong & Buckelew

Robyn Walcoff, PERMA Risk Management Services - *via teleconference*
Brad Stokes, PERMA Risk Management Services
Cathy Dodd, PERMA Risk Management Services
Karen Read, PERMA Risk Management Services- *via teleconference*
Rachel Chwastek, PERMA Risk Management Services

MINUTES: Open & Closed Minutes of September 22, 2016.

MOTION TO APPROVE THE OPEN & CLOSED MINUTES FROM SEPTEMBER 22, 2016 AS PRESENTED:

Moved: Commissioner White
Second: Commissioner Kessler
Roll Call Vote: 7 Ayes – 0 Nays – 1 Abstain (Commissioner Mair)

CORRESPONDENCE:

NONE

EXECUTIVE DIRECTOR'S REPORT:

2017 BUDGET: A sub-committee comprised of Commissioners White, Mecouch and Kelly met on October 17, 2016 to review the preliminary 2017 budget; enclosed in the agenda were the minutes of that meeting. Executive Director said the committee recommends proceeding with the budget introduction for discussion at this meeting.

Executive Director said the proposed budget represented a total of \$20,914,827 or a decrease of 1.7% over last year. Executive Director provided a summary of the budget comparing 2016 annualized against proposed 2017 figures was provided as follows:

- Loss projections – overall 3% increase to projected claims loss funding for Liability, Auto and Workers' Compensation; Salem County Insurance Commission workers' compensation self-insured retention (SIR) will increase from \$250,000 to \$300,000 for 2017.
- Excess Insurance Premiums – overall 3.7% decrease based on submitted underwriting data as applied against expiring 2016 rates; these could change based on final confirmation of payroll and property values. In addition, the budget contemplates a change in the property SIR from \$100,000 to \$250,000 for the underlying Commission and stand-alone County members; Zurich would like to increase the property SIR due to loss experience. Underwriting Manager reported negotiations are still underway and any SIR increase would be at the expiring rate.
- Expenses – overall 2.7% decrease with a 2% increase to professional and contractual fees. An additional line item *Underwriting Data Validation* was built into budget to reflect a progressive initiative to obtain consistent and ratable data through payroll audits, property appraisals and an underwriting data system.
- Ancillary Coverage – no increase to these optional coverages that are elected by members.

MOTION TO INTRODUCE ON FIRST READING THE 2017 BUDGET AND TO SCHEDULE A PUBLIC HEARING ON NOVEMBER 17, 2016 AT 1:00PM AT THE CAMDEN COUNTY EMERGENCY TRAINING CENTER, BLACKWOOD, NJ:

Moved: Chairman Angilella
Second: Commissioner Kessler
Roll Call Vote: 7 Ayes – 0 Nays

DIVIDEND: Executive Director said the sub-committee also reviewed available dividend options and the recommendation is to release a total dividend of \$150,000 from Fund Years 2010 and 2011. Enclosed in the agenda was a worksheet on the allowable dividends per State Regulations at the last audit of 12/31/15, as well as, resolution 37-16 authorizing the release of a dividend.

MOTION TO ADOPT RESOLUTION 37-16 AUTHORIZING A REFUND FROM THE 2010 YEAR FUND ACCOUNT AND THE 2011 YEAR ACCOUNT:

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

PROFESSIONAL CONTRACTS – ACTUARY: Executive Director said the Fund’s contract with The Actuarial Advantage will expire on November 19, 2016. It would be appropriate to authorize the fund office to issue a Request for Price Quotes and report the responses received at the next meeting. Enclosed in the agenda was a copy of the request for quotes to be released. The Board of Fund Commissioners provided verbal authorization to proceed.

MEMBERSHIP RENEWAL: The Counties of Union, Hudson, Ocean and Mercer County Insurance Fund Commission are scheduled to renew their membership with the Fund as of January 1, 2017; all members have confirmed membership renewal for another 3-year period.

JOINT INSURANCE CLAIMS COMMITTEES BEST PRACTICES WORKSHOP: The fifth annual Joint Insurance Claims Committees Best Practices Workshop is scheduled for Wednesday, November 2, 2016 at the Conner Strong & Buckelew office in Marlton, NJ. Interested participants may also attend the workshop at our Parsippany and Toms River offices.

UNDERWRITING MANAGER REPORT:

REPORT: Underwriting Manager reported the renewal has proceeded favorably, thanked members for their assistance and said premiums should be within budget.

As a follow up to the last meeting, Ms. Walcoff said BRIT, the fund’s excess liability carrier, commissioned an independent auditor to review a selection of AmeriHealth claim files as well as process and operations. The audit was recently completed and resulted in an overall favorable review with some items that could be improved to meet best claim handling practices. Ms. Walcoff said the auditor noted strong oversight at multiple levels and the experience of those managing these claims.

Underwriting Manager said Safety expects to schedule an audit for workers’ compensation in the coming year.

TREASURER REPORT:

Included in the agenda was the approval of October 2016 bills list as Resolution 38-16. Also included were the Treasurer’s reports for August 2016.

VOUCHER PAYMENTS (BILL LIST) –

Resolution 38-16 September 2016 Bills Approval of Payments \$127,992.52

MOTION TO CONFIRM PAYMENTS OF SEPTEMBER 2016 BILLS LIST RESOLUTION 38-16 AS PRESENTED:

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

SAFETY DIRECTOR:

REPORT: Safety Director’s report was included in the agenda and reflected the risk control activities from September to November 2016. Included in the report was a bulletin that September is National Preparedness Month and October is Fire Prevention Month.

FUND ATTORNEY:

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

CLAIMS ADMINISTRATOR:

REPORT: AmeriHealth Casualty Services said there was no need for Closed Session to review any claims with large open reserves. Enclosed in the agenda was Resolution 36-16 authorizing the need to enter into Closed Session; however, the resolution was tabled given there was no need to enter into closed session.

RESOLUTIONS:

RESOLUTION 37-16: Authorizing a refund from the 2010 Year Fund Account and the 2011 Year Fund Account.

CLOSED SESSION:

NONE

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 Collins
Vote: Unanimous

MEETING ADJOURNED: 1:24PM

**NEXT MEETING: November 17, 2016
Camden County Emergency Training Center 1:00 PM**

Nancy A. Ghani, Assisting Secretary

for

JOHN KELLY, SECRETARY