

**CAMDEN COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – February 25, 2021
VIA TELECONFERENCE
10:30 AM**

Meeting was called to order by Chairman Angilella. Open Public Meetings notice read into record.

PLEDGE OF ALLEGIANCE

ROLL CALL OF COMMISSIONERS:

Ross G. Angilella	Present
Anna Marie Wright	Present
Steve Williams	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Bradford C. Stokes
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Claims Service	AmeriHealth Casualty Services Denise Hall Stephen Andrick Linda Page Paulette Kelly
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Qual Lynx
Chris Roselli

PERMA
Jennifer Conicella
Robyn Walcoff

CEL Underwriting Manager	Conner Strong & Buckelew Edward Cooney
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Attorney	Laura Paffenroth
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Treasurer	David McPeak (absent)
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Safety Director	J.A. Montgomery Risk Control Glenn Prince Jon Czarnecki
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Auditor	Bowman & Company LLP
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Risk Management Consultant (CCIA)	Hardenbergh Insurance Group Christina Violetti
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ALSO, PRESENT:

Ceil Murphy, Camden County College
Karl McConnell, Camden County College
Ed Hill, Camden County Board of Social Services
Joseph Hrubash, PERMA Risk Management Services
Cathy Dodd, PERMA Risk Management Services
Nancy Ghani, PERMA Risk Management Services
Rachel Chwastek, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN AND CLOSED MINUTES OF JANUARY 28, 2021

Motion Commissioner Angilella
Second: Commissioner Wright
Vote: 2 Ayes, 0 Nays (1 Abstention – Angilella)

CORRESPONDENCE: None.

Chairman Angilella asked the Executive Director to run the meeting for the Election of Officers.

The Executive Director wished everyone a good morning and advised this was the re-organizational meeting of the Camden County Insurance Commission and accordingly will elect a Chairperson and Vice Chairperson. He asked for nominations.

Commissioner Wright nominated Mr. Angilella for Chairperson. Commissioner Williams seconded the nomination.

The Executive Director then asked for a nomination for Vice Chairperson.

Commissioner Wright nominated Mr. Williams for Vice Chairperson. Commissioner Angilella seconded the nomination.

The Executive Director asked if there were any other nominations. Hearing none, he asked for a motion to close the nominations and certify the election.

MOTION TO CLOSE NOMINATIONS AND CERTIFY ELECTION

Motion Commissioner Angilella
Second: Commissioner Wright
Vote: 3 Ayes, 0 Nays

The Attorney advised they would complete the Oaths of Office after the meeting, since the election was already certified.

SAFETY COMMITTEE: Mr. Prince reported the Safety Committee last met on February 17th, where a variety of safety topics were discussed, including some questions about training, which he will cover in his Safety Director’s Report. The next meeting is scheduled for March 17th. Mr. Prince then concluded his report.

CLAIMS COMMITTEE: Mrs. Conicella advised the claims committee met earlier in the month and reviewed the PARS to be reviewed today in closed session via a breakout room in Zoom for those discussions. Mrs. Conicella then concluded her report.

EXECUTIVE DIRECTOR:

Reorganization Resolutions – The Executive Director advised as the Fund does annually, the CCIC is required to reorganize at the February Executive Committee meeting to be effective March 1st as per the Commission By-Laws. The Executive Director reviewed the following Reorganization Resolutions which were included in the agenda.

Resolution 6-21 Certifying the Election of Chairperson and Vice-Chairperson, Resolution 7-21 Appoint Agent for Service of Process for the Commission for the Term of One Year, Resolution 8-21 Designating Custodian of Commission Records, Resolution 9-21 Designating Official Newspaper for the Commission, Resolution 10-21 Designating Authorized Depositories for Fund Assets and Establishing Cash Management Plan, Resolution 11-21 Designating Commission Treasurer, Resolution 12-21 Designating Commission Attorney, Resolution 13-21 Designating Authorized Signatures for Commission Bank Accounts, Resolution 14-21 Indemnifying Camden County Insurance Fund Commission, Official/Employees, Resolution 15-21 Authorizing Commission Treasurer to Process Contracted Payments and Expenses

The Executive Director asked if there were any questions on the resolutions and then asked for a motion to approve Resolutions 6-21 through 15-21.

Motion to approve Reorganization Resolutions Number 6-21 through 15-21

Motion	Commissioner Wright
Second:	Commissioner Williams
Vote:	Unanimous

POL/EPL Program Changes – The Executive Director reported there were a number of retention and limit changes evolving around the NJCE Insurance Program Renewal. One of those changes is an increase in the POL/EPL deductibles for the Camden County MUA, Improvement Authority and Board of Social Services. There is a buy-down option for these agencies to pay a loss funding charge to return the deductible to their pre-renewal levels. This would mean the CCIC would cover the difference between the insurer’s deductible and the member’s proposed deductible buy-down level. If the Commissioners agree to cover this layer, a motion to approve this is in order.

The Fund Office will notify each member entity affected by this change with the amount of their buy-down option. Members could opt to go with the higher deductibles instead of paying the by-down cost.

The Underwriting Manager advised across the entire CEL Program and the entire marketplace retentions are going up in the professional lines, most notably the employment practices side, due to the frequency and severity of events. He continued, the CEL Program has performed very well in this area and does not have

a significant loss history, but there is still a change in market demand. The actuary was able to provide loss funding options, so if wanted, the commission could provide lower retentions to the more dramatically affected members.

The Executive Director explained the Commission would cover the difference between the prior retention and the new retention. For example, the MUA's deductible would go from \$25,000 to \$100,000, so the Commissioner would cover any losses between the \$25,000 and \$100,000. This would apply to the other agencies as well, if they chose to buy-down.

The Executive Director advised the Commissioners could make that decision today, if they agreed to cover this layer and a motion would be needed to amend the Risk Management Plan.

The Attorney added there hasn't been very many claims in this area. The CCIA, for example, hasn't had any employment practices or public officials' claims and she believes the MUA may have one, but that would predate this coverage.

The Executive Director advised that is a great point and they did check the loss history prior to the suggestion.

The Attorney advised in the unlikely event of an exposure, those small entities would have to assume that large monetary difference.

Commissioner Wright advised it had been discussed with the Treasurer, Mr. McPeak and he said it was fine as long the Commissioners agreed.

Mr. Hrubash advised some of the other Commissioners have also shown an interest in funding this deductible differential and this gives the opportunity to the claims committee to review some of these claims.

Commissioner Williams asked if they had a claim for \$100,000, how long would it take to recover a claim in that amount over the course of a year, given the difference in premiums.

Mr. Hrubash advised it would add loss funding based on actuarial projections. Loss funding is by line of coverage, but it's all really one big pot of money, so if the fund were to exceed the loss funds for one line, there is additional loss funding from other lines of coverage. He asked Mr. Williams if that answered his question.

Mr. Williams stated it did and that he was just curious of the financial risk.

Mr. Hrubash advised it is a roll of a dice, but as the attorney mentioned the loss experience has been outstanding and the hope is that that trend continues. If it does not, then it would be re-evaluated for the budget next year.

Mr. Cooney added the actuary reviews the Fund, he not only reviews the loss history, but also the surplus and cash the Fund has to make sure if he proposes the next level of funding for retentions, and in the event of a worst case scenario there would be still be sufficient funds for that situation. Similar to others lines the Fund

covers, the loss funding would be adjusted in future years, as necessary, based on the claims history.

Motion to amend the RMP for POL/EPL Program Changes

Motion	Commissioner Angilella
Second:	Commissioner Wright
Vote:	Unanimous

The Executive Director advised after reaching out to the member entities, he would apprise the Commissioners of how they want to move forward.

2021 Auditor Request for Price Quotes – The Fund Office solicited quotations for the services of an Auditor for 2021. There was only one response received from the current vendor Bowman & Company, LLP. The proposed quote for audit services is \$14,857 for the year ending December 31, 2021 which is within the budget amount. A copy of the response is available at the Fund Office.

2021 Actuary Request for Price Quotes – The Fund Office solicited quotations for the services of an Actuary for 2021. There was only one response from the current vendor, The Actuarial Advantage, Inc. The proposed quote for the actuary services is \$9,020 which is within the budget amount. A copy of the response is available at the Fund Office.

Motion to approve the fee quote from The Bowman & Company, LLP for auditor services for 2021 in the amount of \$14,857 and approve the fee quote from The Actuarial Advantage, Inc. for actuarial services for 2021 in the amount of \$9,020

Motion	Commissioner Wright
Second:	Commissioner Williams
Vote:	Unanimous

NJ Excess Counties Joint Insurance Fund (NJCE) – The NJCE 2021 Reorganization Meeting was held prior to the Commission Meeting. Mr. Hrubash congratulated Commissioner Angilella, as he would once again be the Chairman of the NJCE. He reported they summarized the excess renewal results and what the effect that would have on the budget. The finance committee will be meeting to discuss it. The reinsurance was renewed and they reviewed the financials of the NJCE, which are doing well. He added JA Montgomery is transitioning from Brit to Munich RE, which he advised Mr. Prince is sure to cover in his report. He advised he's very excited about the MEL Educational Seminar and hopes all the Commissioners and professionals plan to attend. It was skipped last year due to the pandemic and this year will be held virtually, more information on that will be available shortly. Mr. Hrubash also reported the NJCE also discussed some new workers compensation legislation that could have very negative effects on the JIFs and insurers in the state. It was suggested at the NJCE meeting that NJAC be involved in the task force that has been set up. He reminded the Commissioners the task force was successful with previous legislation. The NJCE will meet again on April 22, 2021 at 9:30 AM.

Certificate of Insurance Issuance Reports – Included in the agenda was a copy of the certificate of issuance report from the NJCE listing the certificates issued for the month of January. There were 632 certificate of insurances issued. The report includes the 2021 renewal certificates.

Motion to approve the Certificates of Insurance Report

Motion	Commissioner Wright
Second:	Commissioner Williams
Vote:	Unanimous

CCIC Financial Fast Track – Included in the agenda was a copy of the Financial Fast Track Report as of December 31, 2020. The report indicates the Commission has a surplus of \$30,700,520, a nice gain of \$540,000 over the prior month with a year to date change of \$3.1 million, which is very good news and all years are trending in the positive. Line 10 of the report, “Investment in Joint Venture” is the Camden County Insurance Commission’s surplus of share of the equity in the NJCE. CCIC’s current equity in the NJCE is \$4,795,005. The total cash amount is \$33,574,788.

NJCE Property and Casualty Financial Fast Track – The NJCE Financial Fast Track was not available when this agenda was distributed, but was provided at the NJCE meeting.

2021 Property & Casualty Assessments – In accordance with the Commission’s By Law’s, the property and casualty assessment bills were e-mailed to the member entities on February 4, 2021. The first installment is due on March 15, 2021. Future assessment bills will be due on May 15, 2021 and September 15, 2021.

2021 MEL, MRHIF & NJCE Educational Seminar – The Executive Director reported as Mr. Hrubash had mentioned, the 10th Annual Educational Seminar will be held virtually this year. This year there will be two sessions, Friday, May 14th and Friday, May 21st, 9:00 AM to Noon. The seminar qualifies for Continuing Education Credits including CFO/CMFO, Public Works, Clerks, Insurance Producers and Purchasing Agents. Included in the agenda was information and instructions on how to register. He advised this information would also be emailed out in the next few days.

The Executive Director then asked if there were any questions and concluded his report.

Executive Director's Report Made Part of Minutes.

TREASURER: Mr. Angilella advised the February Bills Lists and the Treasurer’s Reports were included in agenda.

MOTION TO APPROVE RESOLUTION 16-21 FEBRUARY BILLS LIST IN THE AMOUNT OF \$141,772.63 AND RESOLUTION 17-21 FEBRUARY SUPPLEMENTAL LIST IN THE AMOUNT OF \$2,821,025.81

Motion Commissioner Angilella
Second: Commissioner Wright
Vote: Unanimous

ATTORNEY: Nothing to report.

CLAIM SERVICE - PERMA: Mrs. Conicella reported they are finalizing their 2021 claim reporting requirements and they will be provided to the TPA shortly. They continue to monitor Covid-19 claims, they have yet to see a reduction on claims, but hope with the increase in vaccination, they will in the near future. Mrs. Conicella then concluded her report.

CLAIM SERVICE - Ameri-Health: Ms. Hall reviewed the Medical Savings Report for January was included in the agenda. Ms. Hall advised the total billed for January was \$125,203.00 and the total paid was \$59,077.00 with a savings of \$59,855.00 or 50.30%. Ms. Hall advised the net savings was \$47,884.00 and network utilization was 97.3%. Ms. Hall asked if there were any questions and then concluded her report.

SAFETY DIRECTOR: Mr. Prince advised the January – February Risk Control Activity Report was included in the agenda. Mr. Prince advised training through March 31st is available through the njmel.org website and they've been coordinating with public works to set up dates for work zone and flagger training. Mr. Prince reminded the Commission, the Munich RE Grant is available and included in the agenda were the provisions of the grant and a letter instructing what is required for submissions. Mr. Prince encouraged any department to bring those submissions to himself or Mr. Friedman for review and submission. They are also working on a new learning management system, and anticipate it will be available April 1st, and will notify the members at that time. Mr. Prince asked if there were any questions and then concluded his report.

Correspondence Made Part of Minutes.

OLD BUSINESS: None

NEW BUSINESS: None

MOTION TO OPEN MEETING TO PUBLIC

Motion Commissioner Angilella
Second: Commissioner Wright
Vote: Unanimous

Seeing no members of the public wishing to speak Commissioner Angilella moved a motion to close the public comment portion of the meeting.

MOTION TO CLOSE MEETING TO PUBLIC

Motion Commissioner Angilella
Second: Commissioner Wright
Vote: Unanimous

CLOSED SESSION: Commissioner Angilella read Resolution 18-21, Resolution for Closed Session, and requested a Motion for Executive Session (in accordance with the Open Public Meetings Act, N.J.S.A. 10:4-12) to discuss payment authority requests.

MOTION TO APPROVE RESOLUTION 18-21 FOR CLOSED SESSION

Motion Commissioner Angilella
Second: Commissioner Wright
Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION

Motion Commissioner Angilella
Second: Commissioner Wright
Vote: Unanimous

Commissioner Angilella made a motion to approve the PARS/SARS discussed during closed session.

MOTION TO APPROVE THE FOLLOWING PARS/SARS

<u>CLAIM #</u>	<u>AMOUNT</u>	<u>SAR/PAR</u>
2633	\$ 118,719.98	PAR
2373	\$ 34,585.00	PAR/SAR
1947	\$ 121,204.00	PAR
2537	\$ 93,772.60	PAR
0738	\$ 52,884.80	PAR/SAR

Motion Commissioner Angilella
Second: Commissioner Wright
Vote: Unanimous

Commissioner Angilella advised the next meeting is scheduled for March 25, 2021, 10:30 AM, via Zoom.

MOTION TO ADJOURN:

Motion Commissioner Angilella
Second: Commissioner Wright
Vote: Unanimous

MEETING ADJOURNED: 11:14 AM

Minutes prepared by: Rachel Chwastek, Assisting Secretary