

**CUMBERLAND COUNTY INSURANCE COMMISSION  
OPEN MINUTES  
MEETING – APRIL 4, 2024  
ELECTRONICALLY  
11:00 AM**

Meeting called to order. Open Public Meetings notice read into record.

**ROLL CALL OF COMMISSIONERS:**

Joseph Sileo	Present
Art Marchand	Present
Sandra Taylor	Absent
Harold Johnson	Present
Jeffrey Ridgway	Present

**ALTERNATE FUND COMMISSIONER:**

Antonio Romero	Absent
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**FUND PROFESSIONALS PRESENT:**

Executive Director	PERMA Risk Management Services <b>Joseph Hrubash, Karen Read</b>
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**ALSO PRESENT:**

Anthony Bontempo, Cumberland County  
Paige Desiere, Cumberland County  
John Carr, Cumberland County  
Kathy Doran, Cumberland County  
Christina Violetti, Hardenbergh Insurance Group  
Joseph Henry, Hardenbergh Insurance Group  
Benjamin Newville, SG Risk  
Karen Beatty, Qual-Lynx  
Chris Roselli, Qual-Lynx  
Yvonne Frey, Inservco  
Veronica Geroge, Inservco  
Amy Zeiders, Inservco  
Sureatha Hobbs, Inservco  
Brandon Tracy, PERMA  
Jennifer Conicella, PERMA  
Shai McLeod, PERMA  
Glenn Prince, JA Montgomery

**PUBLIC PRESENT:**

Nancy Ridgway

**APPROVAL OF MINUTES: OPEN AND CLOSED SESSION OF FEBRUARY 1, 2024 and OPEN SESSION OF MARCH 1, 2024.**

Moved: Chairman Sileo  
Second: Commissioner Ridgway  
Vote: Unanimous

**CORRESPONDENCE: None**

**EXECUTIVE DIRECTOR REPORT:**

**2024 Property & Casualty Budget** - The 2024 Property & Casualty Budget was introduced at the March 1<sup>st</sup> meeting. In accordance with State regulations, the budget has been advertised in the Commission’s official newspaper and posted at the Clerk’s office. The Public Hearing for the budget will be held at this meeting. A copy of the proposed 2024 budget appears on **page 3**, assessments by member entity are on **page 4**.

**Motion to open the Public Hearing on the 2024 Budget**

Moved: Commissioner Johnson  
Second: Chairman Sileo  
Vote: Unanimous

**Discussion of Budget:** Executive Director Hrubash said the budget has been reviewed more than once with no changes since introduction. On line 6 of the budget the total loss funds have increased by 8.6 3%. This comes directly from the actuary based on the Commission’s loss experience, and other data. Line 9, which is the higher part of the budget, the 14% increase is from the NJCE. The 14% increase is the average increase amongst all our members in the NJCE. As has been explained over the past few months, everything going on in the marketplace has led to the increase. Executive Director Hrubash said this year was a good renewal and hopefully it is trending in the right direction. The market is starting to settle down. Line 12, reflects a total increase for loss funds and premiums of 11.4%. Line 16-27 show the inflationary increase of 2% except for the actuary which is 8.5% and the auditor at 37.4% which were the result from responses from RFP. Line 34 is the ancillary coverages which includes POL and EPL, these crime coverages are up 5.67%. Line 36 shows the total budget increase of 9.88% over expiring. Executive Director Hrubash said this budget is one of the better budgets across the NJCE system.

**Motion to close the Public Hearing**

Moved: Commissioner Johnson  
Second: Chairman Sileo  
Vote: Unanimous

**Motion to approve Resolution 14-24 (Page 5) adopting the Budget for the Cumberland County Insurance Commission in the amount of \$4,408,592 as presented for Fund Year 2024 and Certify the Assessments.**

Moved: Commissioner Johnson  
 Second: Commissioner Ridgway  
 Roll Call Vote: 4 Ayes, 0 Nays

**2024 Assessment Due Dates** – Since the 2024 budget was just adopted, we will need to adjust the due dates for the assessment bills. The Fund typically gives member entities 45 days to make the first assessment payment; we propose the following payment schedule: first payment of 40%

due on May 15<sup>th</sup>; second assessment of 30% due on August 15<sup>th</sup> ; third assessment due on October 15<sup>th</sup>.

**Motion to extend the assessment due dates for Fund Year 2024**

Moved: Commissioner Johnson  
 Second: Commissioner Ridgway  
 Roll Call Vote: 4 Ayes, 0 Nays

**NJ Counties Excess Joint Insurance Fund (NJCE)** – The NJCE conducted its Reorganization Meeting on February 22, 2024. A summary report of the meeting is included in the agenda on pages 6-9. The NJCE is scheduled to meet again on Thursday, April 25, 2024 at 9:30 AM. Executive Director Hrubash said the NJCE approved their budget, and reorganized as well. The one big item coming out of the marketing of the excess renewal is that Connor Strong was able to reduce our retention on property from \$3 million to \$1 million, which is huge, an explanation as to why this is so important, will be reported later in the agenda.

**Boiler Inspections** - The NJCE’s new equipment breakdown insurer Chubb will be conducting annual boiler inspections. The frequency of inspections is based on a statutory schedule, which Chubb will review, and contact members as needed. Below is the contact information for the account leads. Chubb will generate a post-inspection report that will be distributed to Fund Commissioners and Risk Managers where applicable.

<p><b>Timothy Bebout</b>          Senior Equipment Breakdown Risk Engineer          609-955-6777  <a href="mailto:Timothy.bebout@chubb.com">Timothy.bebout@chubb.com</a></p>	<p><b>Matthew Sanchez, AINS</b>          Team Lead          914-552-0982  <a href="mailto:matthew.sanchez@chubb.com">matthew.sanchez@chubb.com</a></p>
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Executive Director said one of the changes in the excess insurance is there now is a quota share primary excess insurer with several insurers handling that placement. This required an equipment breakdown policy separate from the property. The new insurer is Chubb. Chubb is required to do annual equipment breakdown inspections for statutory reasons, and listed here are the engineers that will be reaching out to our members. Please take note as they will be reaching out shortly if they have not already done so.

**Financial Fast Track** – Included on **pages 10-11** of the agenda is the Financial Fast Track for the Cumberland County Insurance Commission for January. As of **January 31, 2024**, the Commission has a deficit of \$715,230. Total cash on hand is \$3,488,950.

Executive Director said the Commission is running a slight deficit although looking at this month and year to date change the Commission is trending in the right direction. We will keep a close eye on that and study those years leading to the deficit. Those years have been problematic for other commissions as well with a lot of post Covid and there is some liability activity here in this commission which is being monitored.

**NJCE Property and Casualty Financial Fast Track – (Pages 12-14)** – Included in the agenda on pages 12-14 is the NJCE Financial Fast Track Report for the month of December. As of **December 31, 2024** there is a statutory surplus of **\$11,104,935**, Line 7 of the report, “Dividend” represents the dividend figure released by the NJCE of **\$6,707,551**. The total cash amount is **\$33,184,775**.

Executive Director said the NJCE continues to do very well. The NJCE did not issue any dividends for 2023 because the Department of Banking and Insurance is cracking down on JIFs and Commissions in terms of the ability to issue dividends. The NJCE at the end of the year, stands at \$11.1 million in surplus and a cash balance of \$33.1 million. Fund year 2021 has been a problem year for all NJCE commissions with a lot of that being post Covid and in 2023 the NJCE took a big hit on property with six major claims totaling about \$8.5 million none of which were related to hurricanes or CAT storms. There were traditional fire losses, water damage losses and another reason these numbers are so high was due to the retention being at \$3 million. As mentioned a few moments ago retention has been reduced to \$1 million in 2024. Going forward this should help with potential property claim activity not affecting the finances of the County JIF and Commissions.

**Certificate of Insurance Issuance Report** - Included on **pages 15-18** is the Certificate of Insurance Issuance Report from the CEL listing those certificates issued for January & February. There were 16 certificates of insurance issued during this period.

**Claims Tracking Report (Pages 19-20)** – Included in the agenda are the Claims Activity Reports for January & February that tracks open claims.

**2024 MEL, MR HIF & NJCE JIF Educational Seminar:** The 14<sup>th</sup> annual seminar will be conducted virtually on two half-day sessions: Friday, April 19<sup>th</sup> and Friday, April 26<sup>th</sup> from 9AM to 12PM. The seminar is expected to qualify for Continuing Educational Credits including CFO/CMFO, Public Works, Clerks, Insurance Producers and Purchasing Agents.

Enclosed on **page 21** is the Power of Collaboration advertisement published in the League of Municipalities magazine that highlights the educational seminar.

Executive Director Hrubash said the keynote speaker on April 19<sup>th</sup> is the Acting Insurance Commissioner for the State of New Jersey, and the keynote speaker on Friday April 26<sup>th</sup> is the Deputy Commissioner for the Department of Banking Insurance. There are some good courses

lined up covering ethics, safety, other topics that should interest everyone. Hopefully, members of the Commission can attend one or both sessions.

**2024 New Jersey Association of Counties Conference** - The 73<sup>rd</sup> Annual NJAC Conference is scheduled to be held from May 1<sup>st</sup> to May 3<sup>rd</sup> at Caesar's in Atlantic City. The Counties Excess Joint Insurance Fund will have an exhibit at the conference.

**SAFETY COMMITTEE REPORT:** Paige Desiere reported on the workers compensation claims from the period of December 1st through January 31, 2024 for that period of time there were 10 claims reported seven of them were out of the department of corrections and six were deemed non-preventable. Four of the claims that were deemed preventable were assigned safety training through the LMS. The next meeting is scheduled for April 10<sup>th</sup>.

**CLAIMS COMMITTEE:** None

**TREASURER:**

**REPORT:** Treasurer reported the April bills list was included in the agenda.

**MOTION TO APPROVE RESOLUTION 19-24 APRIL BILLS LIST IN THE AMOUNT OF \$1,397,152.35**

Motion:	Commissioner Ridgway
Second:	Chairman Sileo
Roll Call Vote:	4 Ayes, 0 Nays

**CEL SAFETY DIRECTOR:** Safety Director Glenn Prince reviewed the Safety Director's report as well as future training opportunities offered by JA Montgomery Risk Control. Mr. Prince said he spoke to Dr. Hickman and Sergeant John Fossilari from the Department of Corrections to discuss training opportunities and some of the methods they can use to train their employees with the resources that are available. Mr. Prince will be working with Sergeant Fossilari to try and deliver those courses in a cost-effective manner. Some will be recorded learning, some will be in person, and some will be in a fast-track form. Fast-track is a group of programs that are delivered quickly, 3, 4, 5 at a time, so that they can accommodate their staff with the regulatory compliance training that is required by PEOSH. Mr. Prince said they also covered the Leadership Academy and Leadership Skills for Supervisors, which is a program that was developed in the event members identify any up-and-coming potential leaders that could use some additional skills. These programs are available and most of it is in an online webinar capacity. Executive Director Hrubash said the NJCE is contributing to the Munich Grant, in response to that Mr. Prince said he discussed with Sergeant Fossilari there are some general guidelines and training that they are required to do and it might be another method to capitalize on some of the equipment and training they may be required to participate in. Mr. Prince said he will wait on those submissions and report back accordingly. Executive Director said the Munich Grant is now up to \$90,000.

**RISK MANAGER:** Risk Manager Christina Violetti reported the Safety and Action Review Committee meeting minutes for the December 13, 2023, meeting were included and the minutes from the February 14<sup>th</sup> meeting will be provided upon their approval. Ms. Violetti reported a submission from the county Department of Public Works was made for bucket training and chipper safety training. The cost for five employees to receive bucket training and 30 employees to receive chipper training totaled together is \$4,250.00. We provided some information specifically on the training as well as why it would be beneficial for this to be approved, as it would reduce general liability claims, as there would be safe handling of the equipment and less opportunity for motorists or pedestrians to be injured when the employees are working. Ms. Violetti said they are waiting on the carriers decision. There are two additional requests for submissions for the reinsurer grant and those will be sent to Mr. Prince by the end of the week.

**MANAGED CARE:** Karen Beatty reviewed the Cumulative Savings report for the period ending February 29, 2024 along with the PPO Savings Report and Top 10 Providers. Ms. Beatty said she will be retiring the end of May and will continue to work part time to help with the transition. Ms. Beatty said it was a pleasure to work with the Commission. The Commission members congratulated Ms. Beatty on her retirement and wished her well.

**CLAIMS SERVICE:** Claims Manager Veronica George reported there was no report for Open Session.

**MOTION TO GO INTO EXECUTIVE SESSION FOR CERTAIN SPECIFIED PURPOSES FOR PERSONNEL, SAFETY, PUBLIC PROPERTY OR LITIGATION IN ACCOURDANCE WITH THE OPEN PUBLIC MEETINGS ACT - PAYMENT AUTHORIZATION REQUESTS**

Motion: Commissioner Johnson  
Second: Commissioner Ridgway  
Vote: Unanimous

**MOTION TO RETURN TO OPEN SESSION**

Motion: Commissioner Johnson  
Second: Commissioner Ridgway  
Vote: Unanimous

*Workers Comp PARs/SARs*

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770002008 IN THE AMOUNT OF \$100,000.00**

Motion: Commissioner Johnson  
Second: Commissioner Ridgway

**MOTION TO APPROVE SETTLEMENT AUTHORIZATION REQUEST FOR CLAIM #3770001310 IN THE AMOUNT OF \$3,000.00**

Motion: Commissioner Johnson  
Second: Commissioner Ridgway

**MOTION TO APPROVE PAUMENT AUTHORIZATION REQUEST FOR CLAIM #3770001350 IN THE AMOUNT OF \$16,000.00; AND SETTLEMENT AUTHORIZATION REQUEST IN THE AMOUNT OF \$1,000.00**

Motion: Commissioner Johnson  
Second: Commissioner Ridgway

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770002055 IN THE AMOUNT OF \$115,000.00**

Motion: Commissioner Johnson  
Second: Commissioner Ridgway

General Liability PARs/SARs

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770001229 IN THE AMOUNT OF \$156,482.40**

Motion: Commissioner Johnson  
Second: Commissioner Ridgway

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770001245 IN THE AMOUNT OF \$31,000.00**

Motion: Commissioner Johnson  
Second: Commissioner Ridgway

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770000947 IN THE AMOUNT OF \$97,500.00 AND SETTLEMENT AUTHORIZATION REQUEST IN THE AMOUNT OF \$60,000.00**

Motion: Commissioner Johnson  
Second: Commissioner Ridgway

**MOTION TO APPROVE SETTLEMENT AUTHORIZATION REQUEST FOR CLAIM #3770001499 IN THE AMOUNT OF \$65,000.00 AND SETTLEMENT AUTHORIZATION REQUEST IN THE AMOUNT OF \$8,000.00**

Motion: Commissioner Johnson  
Second: Commissioner Ridgway

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUESTS IN THE AMOUNT OF \$694,482.40 AND SETTLEMENT AUTHORIZATION REQUESTS IN THE AMOUNT OF \$108,500.00**

Motion: Commissioner Johnson  
Second: Commissioner Ridgway  
Roll Call Vote: 4 Ayes, 0 Nays

**OLD BUSINESS: None.**

**NEW BUSINESS: None**

**PUBLIC COMMENT:** Mrs. Ridgway from Upper Deerfield said she was sorry to hear the budget had to go up. Mrs. Ridgway wished Karen Beatty of Qual-Care all the best in her retirement.

**MOTION TO ADJOURN:**

Motion: Commissioner Johnson  
Second: Chairman Sileo  
Vote: Unanimous

**MEETING ADJOURNED: 12:07 PM**

**NEXT MEETING: WILL BE HELD ON JUNE 6, 2024 AT 11:00 AM**

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Minutes prepared by: Karen A. Read, Assisting Secretary