

**CUMBERLAND COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – FEBRUARY 11, 2021
ELECTRONICALLY
11:00 AM**

Meeting called to order by Chairperson Barber. Open Public Meetings notice read into record. Chairperson Barber said the agenda from the February 4, 2021 meeting is being reviewed due an error in the printing of the advertisement of the call in number for the public.

ROLL CALL OF COMMISSIONERS:

Darlene Barber	Present
Kim Wood	Present
Gerald Seneski	Present

ALTERNATE FUND COMMISSIONER:

Jody Hirata	Present
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FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Bradford Stokes, Karen Read, Rachel Chwastek
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ALSO PRESENT:

Anthony Bontempo, Cumberland County
Paige Desiree, Cumberland County
John Carr, Cumberland County
Melissa Strickland, Cumberland County
Michelle Key, Cumberland County
Christina Violetti, Hardenbergh Insurance Group
Bonnie Ridolfino, Hardenbergh Insurance Group
Veronica George, Inservco
Amy Zeiders, Inservco
Yvonne Frey, Inservco
Surretha Hobbs, Inservco
Karen Beatty, Qual-Lynx
Robyn Walcoff, PERMA
Jennifer Conicella, PERMA
Glenn Prince, JA Montgomery

PUBLIC PRESENT:

Nancy Ridgway

APPROVAL OF MINUTES: OPEN AND CLOSED SESSION OF DECEMBER 3, 2020 AND DECEMBER 29, 2020

Moved: Commissioner Seneski
Second: Commissioner Wood
Vote: Unanimous

CORRESPONDENCE: None

EXECUTIVE DIRECTOR REPORT:

Election of Chairperson & Vice Chairperson: Executive Director asks for nominations and conducts election.

Reorganization Resolutions (Pages 3-27): Listed below are the necessary reorganizational Resolutions for the Cumberland County Insurance Commission.

Resolution 1-21 Certifying the Election of Chairperson and Vice Chairperson

Executive Director asked for nominations for the Chairperson. Commissioner Wood nominated Freeholder Darlene Barber as Chairperson

MOTION TO APPOINT DARLENE BARBER AS CHAIRPERSON

Moved: Commissioner Seneski
Second: Commissioner Wood
Vote: Unanimous

Executive Director asked for nominations for the Vice Chairperson. Commissioner Seneski nominated Kimberly Wood as Vice Chairperson.

MOTION TO APPOINT KIMBERLY WOOD AS VICE CHAIRPERSON

Moved: Commissioner Wood
Second: Commissioner Barber
Vote: Unanimous

MOTION TO CLOSE NOMINATIONS AND TO CONFIRM THE ELECTION FOR CHAIRPERSON AND VICE CHAIRPERSON

Moved: Commissioner Seneski
Second: Commissioner Wood
Vote: 3 Ayes, 0 Nays

MOTION TO ADOPT RESOLUTION 1-21 APPOINTING DARLENE BARBER AS CHAIRPERSON AND KIMBERLY WOOD AS VICE CHAIRPERSON

Moved: Commissioner Seneski
Second: Commissioner Wood
Vote: Unanimous

Resolution 2-21 Appointing Commissioner to the New Jersey Counties Excess Joint Insurance Fund for Fund Year 2021

MOTION TO APPOINT KIMBERLY WOOD AS COMMISSIONER TO THE NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND FOR FUND YEAR 2021

Moved: Commissioner Seneski
Second: Commissioner Wood

Resolution 3-21 Appointing a Commission Treasurer

MOTION TO APPOINT ANTHONY BONTEMPO AS TREASURER FOR THE CUMBERLAND COUNTY INSURANCE COMMISSION

Moved: Commissioner Seneski
Second: Commissioner Wood

Resolution 4-21 Appointing a Commission Attorney

MOTION TO APPOINT JOHN CARR AS ATTORNEY FOR THE CUMBERLAND COUNTY INSURANCE COMMISSION

Moved: Commissioner Seneski
Second: Commissioner Wood

Resolution 5-21 Appointing a Commission Secretary

MOTION TO APPOINT MICHELLE KEY AS SECRETARY FOR THE CUMBERLAND COUNTY INSURANCE COMMISSION

Moved: Commissioner Seneski
Second: Commissioner Wood

Resolution 6-21 Designating Authorized Depositories for Commission Assets and Establishing a Cash Management Plan for Fund Year 2021

MOTION TO APPOINT OCEAN FIRST BANK AS THE DESIGNATED DEPOSITORY FOR FUND ASSETS

Moved: Commissioner Seneski
Second: Commissioner Wood

MOTION TO APPROVE THE 2021 CASH MANAGEMENT AND INVESTMENT POLICY

Moved: Commissioner Seneski
Second: Commissioner Wood

Resolution 7-21 Designating Authorized Signatures for Commission Bank Accounts

MOTION TO APPOINT DARLENE BARBER, KIM WOOD, GERALD SENESKI, AND ANTHONY BONTEMPO AS AUTHORIZED SIGNATURES FOR COMMISSION BANK ACCOUNTS

Moved: Commissioner Seneski
Second: Commissioner Wood

Resolution 8-21 Appointing Agent for Service of Process and Designating Custodian of Commission Records

MOTION TO APPOINT PERMA RISK MANAGEMENT SERVICES AS AGENT OF SERVICE OF PROCESS AND CUSTODIAN OF RECORDS FOR THE COMMISSION FOR THE FUND YEAR 2021 PERFORMED AT NO COST TO THE COMMISSION

Moved: Commissioner Seneski
Second: Commissioner Wood

Resolution 9-21 Designating Official Newspapers

MOTION TO APPOINT THE DAILY JOURNAL AND THE SOUTH JERSEY TIMES AS THE OFFICIAL NEWSPAPERS FOR THE COMMISSION

Moved: Commissioner Seneski
Second: Commissioner Wood

Resolution 10-21 Establish Public Meeting Procedures

Executive Director Stokes said all of the meetings are listed as zoom conference calls until further notice. It is the hope that in August or October the Commissions can return to meeting in person. The dates and times that the Commission will be conducting business are listed in Resolution 8-21.

MOTION TO APPROVE THE 2021 PUBLIC MEETING PROCEDURES

Moved: Commissioner Seneski
Second: Commissioner Wood

Resolution 11-21 2021 Risk Management Plan

The 2021 Risk Management Plan was included in the agenda. Underwriting Manager Ed Cooney provided a memo on the changes and was reviewed by Executive Director Stokes. All changes made to the Plan since 2020 were highlighted in yellow. Due to the very challenging marketplace discussed in our renewal overview, there are some structure changes in the program. One example, the total aggregate limits for liability are \$30 million this year in lieu of \$40 million from previous years. Another area of significant change is in the POL/EPL coverage, where retentions increased across the entire NJCE program. This has effected a couple of our members and will be addressed moving forward. Some POL retentions were very low and required adjustment, but the most notable changes are in the EPL. Executive Director said as mentioned in the memo this has been the most challenging insurance marketplace since the mid-1980s when the JIFs first formed, due to the challenging insurance market of that time. NJCEL Executive Director Joseph Hrubash is already working very hard on the 2021 renewal going into 2022.

MOTION TO ADOPT THE 2021 RISK MANAGEMENT PLAN

Moved: Commissioner Seneski
Second: Commissioner Wood

MOTION TO APPROVE RESOLUTIONS 1-11 THOURGH 11-21

Moved: Commissioner Wood
Second: Commissioner Seneski
Roll Call Vote: 3 Ayes, 0 Nays

2021 Property & Casualty Budget – The 2021 Property & Casualty Budget was introduced at the December 3, 2021 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 2021 budget appears on **Page 28**, assessments by member entity are on **Page 29**.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2021 BUDGET

Moved: Commissioner Wood
Second: Commissioner Barber
Vote: Unanimous

DISCUSSION – Executive Director Stokes said the Budget did have a slight decrease of \$498 from the original budget and that will be discussed further in his report. Executive Director reviewed the budget starting with the loss funds, which are down 3.63%. Moving forward to the CEL JIF - line 9 there is a decrease of 2.69%, which is significant with this renewal. Most of the Commissions saw an increase ranging from 4% to 5%. The Cumberland Commission went down, as one of the few commissions that had a decrease. On the fees and expenses - these are contractual increases and there wa an increase for the Auditor as their bid came in higher than last year. There was also an adjustment to the Risk Managers fee as the last original budget had the cost high. Those two professional fees combined account for the \$498 difference. On to the ancillary coverages, it was discussed that the excess liability has a carryover from last year’s NJCEL budget. The NJCEL decided to absorb that cost into their budget, so the local commissions did not have to amend their budget last year. It is now catching up and that is why there is a significant increase, as well as some of the other ancillary lines going up and down.

Executive Director said Cyber is up a fair amount, but compared to the JIF world where they saw 100% increase, the commissions did not fare as bad. The overall budget is at \$3,361,250. Executive Director asked if there were any questions from the Commissioners or the public. Nancy Ridgeway from Upper Deerfield Township thanked the Commission for the review of the 2021 Budget. Executive Director said with no other questions or comments a motion to close the public hearing is in order.

MOTION TO CLOSE THE PUBLIC HEARING ON THE 2021 BUDGET

Moved: Commissioner Wood
Second: Commissioner Barber
Vote: Unanimous

MOTION TO ADOPT RESOLUTION 12-21 ADOPTING THE BUDGET FOR CUMBERLAND COUNTY INSURANCE COMMISSION IN THE AMOUNT OF \$3,361,250 AS PRESENTED FOR COMMISSIONER YEAR 2021 AND CERTIFY THE ASSESSMENTS

Moved: Commissioner Wood
Second: Commissioner Barber
Roll Call Vote: 3 Ayes, 0 Nays

2021 Property & Casualty Assessments – In accordance with the Commission’s By Laws, the assessment bills for 2021 for property and casualty will be mailed to member entities now that

the budget has been adopted. Assessments will be due as follows: The first payment of 40% will be due on March 15, 2021. The second assessment of 30% is due on June 15, 2021 and the third assessment of 30% is due on September 15, 2021.

NJ Excess Counties Insurance Fund (CELJIF) – The NJCE met on December 29, 2020 and approved the 2021 budget in the amount of \$27,088,278. A summary report of the meeting is included in the agenda on **Pages 31-32** and a copy of the NJCE budget is on **Page 33**. The NJCE will hold its Reorganization Meeting on February 25, 2021 via Zoom audio/video.

Certificate of Insurance Issuance Report: Certificate of Insurance Issuance Report: Attached on **Pages 34 - 40** is the Certificate of Insurance Issuance Report from the CEL listing those certificates issued for the period of November 1, 2020 to February 1, 2021. There were 36 certificates of insurance issued during this period.

MOTION TO APPROVE CERTIFICATE OF INSURANCE REPORT

Moved:	Commissioner Barber
Second:	Commissioner Wood
Vote:	Unanimous

Financial Fast Track – Included on **Page 41** of the agenda is the Financial Fast Track for the Cumberland County Insurance Commission for November. As of **November 30, 2020**, the Commission has a statutory surplus of **\$227,968**.

NJ CEL Property and Casualty Financial Fast Track (Page 43) – Included in the agenda is the NJ CEL Financial Fast Track Report for November. As of November 30, 2020, the CEL has a surplus of **\$17,552,341**.

SAFETY COMMITTEE REPORT: Safety Director Glenn Prince of JA Montgomery Consulting said the Safety Committee met and discussed a variety of safety topics including previous injuries, which were discussed to determine preventability, training, future loss control visits and the Munich Reinsurance Safety Grant. The safety grant was authorized for \$50,000 to be split between all 10 county members in the NJCEL Fund. Safety Director Prince said he was happy to announce that it also addresses the three lines of coverage - general liability, auto liability, and law enforcement liability. Mr. Prince will be working with the Risk Managers, as in the past, to encourage all departments to apply for the grant and to get them approved through the actual carrier. The next committee meeting will be held on April 14 at 10 AM with no questions Mr. Prince concluded the safety committee report.

MOTION TO APPROVE SAFETY COMMITTEE REPORT

Moved:	Commissioner Seneski
Second:	Commissioner Wood
Vote:	Unanimous

CLAIMS COMMITTEE: Jennifer Conicella said the PARs and SARs that were reviewed at the claims meetings will be discussed in Executive Session.

TREASURER:

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

MOTION TO APPROVE RESOLUTION 13-21 FEBRUARY BILLS LIST IN THE AMOUNT OF \$952,218.28

Motion:	Commissioner Seneski
Second:	Chairman Wood
Roll Call Vote:	3 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 as always, any member or department that desires to participate in training can do so by going to the website and register by clicking on the link.

RISK MANAGER:

Risk Manager Christina Violetti reviewed the Risk Managers Report and said there was a change with the excess carrier from BRIT to Munich Re and as Glenn Prince mentioned in his report we are excited about the offering of the Safety Grant which is similar to the BRIT Safety Grant. Ms. Violetti said as she receives more information regarding the specific eligibility requirements she will keep everyone informed. Ms. Violetti said the NJCEL has been able to secure active assailant coverage for its Members effective January 1, 2021. This is coverage in the event an individual or individuals threatens and or inflict harm to an employee or other individuals at a covered location, this policy would pay for costs related to crisis management, public relations, security measures, employment relocation, training and recruitment. This coverage is optional for all Commission members and is written on a master policy for all. The Cumberland County Insurance Commission nor the NJCEL assume any risk for this new line of coverage. Currently two Cumberland County Insurance Commission members have elected the coverage. Ms. Violetti discussed the one amendment to the Claims Charter, which was to remove Craig Atkinson as a committee member and add Paige Desiere as a committee member. Ms. Christina Violetti requested a motion to adopt the revised Claims Charter.

In response to Commissioner Wood, Ms. Violetti said Cumberland County and the Utilities Authority are the two members participating in the active assailant coverage.

MOTION TO ADOPT THE REVISED CLAIMS CHARTER

Motion:	Commissioner Wood
Second:	Chairman Seneski
Roll Call Vote:	3 Ayes, 0 Nays

MANAGED CARE: Karen Beatty reviewed the Cumulative Savings report for 2020 and the PPO Penetration Report.

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 ACCORDANCE WITH THE OPEN PUBLIC MEETINGS ACT - PAYMENT AUTHORIZATION REQUESTS

Motion: Commissioner Seneski
Second: Commissioner Wood
Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION

Motion: Commissioner Seneski
Second: Commissioner Wood
Roll Call Vote: 3 Ayes, 0 Nays

Workers Compensation PAR/SAR

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770001353 IN THE AMOUNT OF \$125,000.00

Motion: Commissioner Wood
Second: Commissioner Seneski

MOTION TO APPROVE SETTLEMENT AUTHORIZATION REQUEST FOR CLAIM #3770000779 IN THE AMOUNT OF \$37,500.00

Motion: Commissioner Wood
Second: Commissioner Seneski

General Liability PAR/SAR

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770001357 IN THE AMOUNT OF \$243.53

Motion: Commissioner Wood
Second: Commissioner Seneski

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770001062 IN THE AMOUNT OF \$170,000.00; AND SETTLEMENT AUTHORIZATION IN THE AMOUNT OF \$100,000.00

Motion: Commissioner Wood
Second: Commissioner Seneski
Roll Call Vote: 3 Ayes, 0 Nays

OLD BUSINESS: None.

NEW BUSINESS: None

PUBLIC COMMENT: None

MOTION TO ADJOURN:

Motion: Commissioner Seneski
Second: Chairman Wood
Vote: Unanimous

MEETING ADJOURNED: 11:41 AM

NEXT MEETING: WILL BE HELD ON APRIL 1, 2020 AT 11:00 AM

Minutes prepared by: Karen A. Read, Assisting Secretary