

**CUMBERLAND COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – FEBRUARY 8, 2023
ELECTRONICALLY
11:00 AM**

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

ROLL CALL OF COMMISSIONERS:

Douglas Albrecht	Present
Joseph Sileo	Present
Victoria Lods	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 Bradford Stokes, Joseph Hrubash, Karen Read
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ALSO PRESENT:

Anthony Bontempo, Cumberland County
Paige Desiree, Cumberland County
John Carr, Cumberland County
Kathy Doran, Cumberland County
Christina Violetti, Hardenbergh Insurance Group
Joe Henry, Hardenbergh Insurance Group
Danielle Colaianni, Hardenbergh Insurance Group
Veronica George, Inservco
Amy Zeiders, Inservco
Yvonne Frey, Inservco
Surretha Hobbs, Inservco
Scott Brown, SG Risk
Chris Roselli, Qual-Lynx
Karen Beatty, Qual-Lynx
Robyn Walcoff, PERMA
Jennifer Conicella, PERMA
Jennifer Davis, PERMA
Brandon Tracy, PERMA
Glenn Prince, JA Montgomery
Edward Cooney, Conner Strong & Buckelew

PUBLIC PRESENT:

Nancy Ridgway

APPROVAL OF MINUTES: OPEN SESSION OF DECEMBER 1, 2022

Moved: Commissioner Ridgway
Vote: Unanimous

Executive Director noted the unique situation where Commissioner Ridgway is the only sitting board member that was present at the December 1st meeting and conferred with Solicitor John Carr and he was of the opinion that Commissioner Ridgway’s vote would be acceptable.

CORRESPONDENCE: None

EXECUTIVE DIRECTOR REPORT:

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

Reorganization Resolutions (Pages 3-25): Listed below are the necessary reorganizational Resolutions for the Cumberland County Insurance Commission.

Resolution 1-23 Certifying the Election of Chairperson and Vice Chairperson

Executive Director asked for nominations for the Chairperson. Commissioner Ridgway nominated Director Douglas Albrecht as Chairperson

MOTION TO APPOINT DOUGLAS ALBRECHT AS CHAIRPERSON

Moved: Commissioner Ridgway
Second: Commissioner Sileo
Vote: Unanimous

Executive Director asked for nominations for the Vice Chairperson. Commissioner Ridgway nominated Joseph Sileo as Vice Chairperson.

MOTION TO APPOINT JOSEPH SILEO AS VICE CHAIRPERSON

Moved: Commissioner Ridgway
Second: Commissioner Albrecht
Vote: Unanimous

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

Moved: Commissioner Ridgway
Second: Commissioner Albrecht
Vote: Unanimous

MOTION TO ADOPT RESOLUTION 1-23 APPOINTING DOUGLAS ALBRECHT AS CHAIRPERSON AND JOSEPH SILEO AS VICE CHAIRPERSON

Moved: Commissioner Sileo
Second: Commissioner Ridgway
Vote: Unanimous

Resolution 2-23 Appointing Commissioner to the New Jersey Counties Excess Joint Insurance Fund for Fund Year 2023

MOTION TO HAROLD JOHNSON AS COMMISSIONER TO THE NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND FOR FUND YEAR 2023

Moved: Commissioner Sileo
Second: Commissioner Ridgway

Executive Director said if the Board is in agreement the remaining 2023 Reorganizational Resolutions for the Cumberland County Insurance Commission can be approved by consent together.

Resolution 3-23 Appointing a Commission Treasurer

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

Moved: Commissioner Ridgway
Second: Commissioner Sileo

Resolution 4-23 Appointing a Commission Attorney

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

Moved: Commissioner Ridgway
Second: Commissioner Sileo

Resolution 5-23 Appointing a Commission Secretary

**MOTION TO APPOINT KATHY DORAN AS SECRETARY
FOR THE CUMBERLAND COUNTY INSURANCE COMMISSION**

Moved: Commissioner Ridgway
Second: Commissioner Sileo

**Resolution 6-23 Designating Authorized Depositories for Commission Assets
and Establishing a Cash Management Plan for Fund Year 2023**

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

Moved: Commissioner Ridgway
Second: Commissioner Sileo

**MOTION TO APPROVE THE 2023 CASH MANAGEMENT AND
INVESTMENT POLICY**

Moved: Commissioner Ridgway
Second: Commissioner Sileo

Resolution 7-23 Designating Authorized Signatures for Commission Bank Accounts

**MOTION TO APPOINT DOUGLAS ALBRECHT, JOSEPH SILEO, JEFFREY
RIDGWAY AND ANTHONY BONTEMPO AS AUTHORIZED SIGNATURES FOR
COMMISSION BANK ACCOUNTS**

Moved: Commissioner Ridgway
Second: Commissioner Sileo

**Resolution 8-23 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 2023 PERFORMED**

AT NO COST TO THE COMMISSION

Moved: Commissioner Ridgway
Second: Commissioner Sileo

Resolution 9-23 Designating Official Newspapers

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

Moved: Commissioner Ridgway
Second: Commissioner Sileo

Resolution 10-23 Establish Public Meeting Procedures

Executive Director Stokes said all of the meetings will continue to meet every other month are listed as zoom conference calls.

MOTION TO APPROVE THE 2023 PUBLIC MEETING PROCEDURES

Moved: Commissioner Ridgway
Second: Commissioner Sileo

Resolution 11-23 2023 Risk Management Plan

The 2023 Risk Management Plan was included in the agenda. Executive Director Stokes asked Underwriting Manager Ed Cooney provided an update of changes made to the Plan. Mr. Cooney said the changes are highlighted within the Plan. Mr. Cooney noted the few areas that were highlighted in the Plan everything is updated to reflect what we need to do from the renewal itself. Pollution liability aggregate limit is updated from \$10 million to \$25 million, which is something we negotiate at the renewal. Executive Director noted on the pollution coverage the NJCE worked hard to get back into the coverage the was sewer overflow which is certainly something the utilities authority would be interested in. Mr. Cooney said they were able to negotiate that coverage in for 2023 so there is a \$1 million dollar supplement for that coverage.

MOTION TO ADOPT THE 2023 RISK MANAGEMENT PLAN

Moved: Commissioner Ridgway
Second: Commissioner Sileo

MOTION TO APPROVE RESOLUTIONS 1-23 THOUGH 11-23

Moved: Commissioner Ridgway
Second: Commissioner Sileo
Roll Call Vote: 3 Ayes, 0 Nays

2023 Property & Casualty Budget – The 2023 Property & Casualty Budget was introduced at the December 1, 2022 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 2023 budget appears on **Page 26**, assessments by member entity are on **Page 27**.

Motion to open the Public Hearing on the 2023 Budget.

Moved: Commissioner Sileo
Second: Commissioner Ridgway
Vote: Unanimous

DISCUSSION: Executive Director said the revised budget displayed on the screen shows the 2022 annualized budget. The purple column shows the budget introduced on December 1st and in blue is the proposed budget for adoption. The 2023 Budget is \$113 more than the budget introduced in December. The primary change is the NJCEL JIF projected at the time of introduction was at 7.26% on December 1st. Executive Director said here have been a lot of changes since then and the 2023 budget is now projected to be at 10.3% which is an increase of \$43,000. The good news is the ancillary coverages had a \$43,000 decrease which was an offset. The savings on pollution liability coverage is 25% and the cyber liability reflects a 7.88% decrease. Overall, the budget is at \$4,012,947. The assessments included in the agenda were very close to those introduced and were adjusted slightly because of the ancillary. Executive Director asked if there were any questions on the 2023 Budget, with no questions being heard a motion to close the Public Hearing, approve Resolution 12-23 adopting the budget and certify the assessments would be in order.

Motion to close the Public Hearing.

Moved: Commissioner Sileo
Second: Commissioner Ridgway
Vote: Unanimous

Motion to approve Resolution 12-23 (Page 28) adopting the Budget for the Cumberland County Insurance Commission in the amount of \$4,012,947 as presented for the Commission Year 2023 and Certify the Assessments.

Moved: Commissioner Sileo
Second: Commissioner Ridgway
Roll Call Vote: 3 Ayes, 0 Nays

2023 Professional Contract Appointments - At our December 1st meeting, Resolution 21-22 Appointing Fund Professionals was tabled. It is being presented for approval at today's meeting. (Page 29)

Executive Director said at the December 2022 Commission meeting Resolution 21-22 reappointing professional services to the fund was presented. At the request of the sitting board the resolution was tabled. Executive Director said Resolution 21-22 is being brought back for approval. The resolution would reappoint Hardenbergh Insurance Group as Risk Manager, PERMA as Executive Director and Bowman & Company as Auditor and SG Risk as the Actuary. Executive Director asked if there were any question concerning Resolution 21-22. In response to Chairman Albrecht, Executive Director said Hardenbergh Insurance Group has been the Risk Manager since the start in 2012, and Bowman & Company has been the Auditor has since 2015, prior to that Ford Scott who was the auditor but they decided to leave the insurance auditing business.

MOTION TO APPROVE RESOLUTIONS 21-22

Moved: Commissioner Ridgway
Second: Commissioner Sileo
Vote: 3 Ayes, 0 Nays

Proposed Amendment to the Commission's Rules and Regulations – 1st Reading – The County Board of Commissioners have appointed four Insurance Fund Commissioners and one alternate. The make-up of the board will now be five Fund Commissioners and one alternate. There is a need to revise the Fund's Rules & Regulations to accommodate this change. The proposed changes appear on page 31.

Motion to approve the first reading of an Amendment to the Commission's Rules & Regulations and schedule of Public Hearing and adoption at the April 6, 2023 meeting

Moved: Commissioner Sileo
Second: Commissioner Ridgway
Vote: Unanimous

2023 Property & Casualty Assessments – In accordance with the Commission's By Laws, the assessment bills for 2023 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, 2023. The second assessment of 30% is due on June 15, 2023 and the third assessment of 30% is due on September 15, 2023.

NJ Counties Excess Joint Insurance Fund (NJCE) (Pages 32-35) – The NJCE Finance Committee met on January 10th to review and finalize the 2023 NJCE JIF Budget for adoption based on the final marketing results and their 2022 dividend recommendation to the Board of Fund Commissioners. The NJCE met on January 12th and based on the finance committee recommendations adopted the 2023 budget and authorized a 2022 dividend.

A written summary report of the meeting is included in the agenda on pages 17-18. The NJCE is scheduled to meet on Thursday, February 23, 2023 at 9:30 am via Zoom to conduct the 2023 Reorganization Meeting. Some key items discussed include:

- **Property Appraisals:** Considering the issues with property insurers and the need for insurance to value, the NJCE will procure a vendor or vendors to perform property appraisals and collecting Construction, Occupancy, Protection and Exposure Characteristics (COPE) information for the larger county owned properties and establish a threshold. PERMA understands that a couple of our member counties do annual appraisals so we would need to coordinate the scope of the program. The goal is for our membership to determine their own insurable values for their larger locations rather than the insurer and to make sure we capture the necessary COPE information to obtain broader coverage at the best available price.
- **Cyber Security Expert:** The NJCE will procure Cyber Security Expert Services via Extraordinary Unspecifiable Services contract. NJCE Underwriting Manager expects to have a final proposal from the Chertoff Group for consideration and will provide a status update prior at the next NJCE meeting.
- **2023 Renewal Overview Webinar:** NJCE Underwriting Manager will be scheduling a webinar in the coming weeks to provide a high-level overview of the changes in the 2023 renewal. Please hold the tentative date of January 31, 2023 at 11AM via Zoom for this webinar; an invitation will be distributed.
- **NJCE 10th Year Anniversary:** 2020 marked the 10th anniversary of the Fund's inception, which began with two County members and has grown to ten members and 19 affiliated entities. To commemorate the occasion, a luncheon and NJCE JIF meeting will be held on April 27, 2023 at the Forsgate Country Club in Monroe, NJ.

Please save the date and an invitation will be sent to all Fund Commissioners, Professionals, and staff to attend.

NJCE Executive Director Joseph Hrubash said the Board of Commissioners gave the opportunity to delay the Budget adoption until Underwriting Manager Edward Cooney team finished the marketing and did that at a special meeting on January 12th which allowed the NJCE to adopt the budget that was finite and final. Considering the market conditions and there was no effect on the local budgets. The carriers have been hard on insurance to value and the Board of Commissioners feel they should budget some money in for our counties to bring their values up to 100%. Mr. Hrubash said hat initiative will begin this year and more information will be forthcoming. The cyber renewal was very successful but, the feeling is there is a need to have an advisor expert on board, and the Chertoff Group will be contracted on that shortly.

NJCE 2022 Dividend – (Page 36) The NJCE Finance Committee recommended the JIF authorize a \$850,000 dividend from various years. The Fund Commissioners accepted the recommendation and adopted a resolution on January 12th authorizing the release of a dividend in the amount of \$850,000 from various fund years, subject to State approval. The Insurance Commission’s share of the dividend is \$31,691. On page 36 is a breakdown by member entity.

Certificate of Insurance Issuance Report: Certificate of Insurance Issuance Report:

Attached on **Page 37** is the Certificate of Insurance Issuance Report from the CEL listing those certificates issued for the period of November 1, 2022 to January 31, 2023. There were 19 certificates of insurance issued during this period.

Motion to approve the certificate of insurance report

Moved:	Commissioner Ridgway
Second:	Commissioner Sileo
Vote:	Unanimous

Financial Fast Track – Included on **Pages 42-47** of the agenda are the Financial Fast Tracks for the Cumberland County Insurance Commission for October & November. As of **November 30, 2022**, the Commission has a deficit of **\$69,594**. Total cash on hand is \$3,453,742.

Executive Director said the October 31st first financial fast track shows a deficit of about \$65,000. Reserve changes are \$34,000 in various years. The November 30th report shows a slight decrease of \$4,000 some reserve changes in 2022 and a deficit of \$69,000. Executive Director pointed out that last November the deficit was \$630,000, so there has been improvement through 2022 and hopes the trend continues.

NJ CEL Property and Casualty Financial Fast Track (Page 48) – Included in the agenda is the NJ CEL Financial Fast Track Report for November. As of November 30, 2022, the CEL has a surplus of **\$15,299,522**. Executive Director said this is an increase of \$115,000 over the prior month and the Fund has over \$32 million in cash. Despite the tough renewal the CEL was still able to give a dividend of \$850,000.

Claims Tracking Report (Page 51-52) – Included in the agenda are the Claims Activity Reports November & December that tracks open claims.

New Chairperson for the Safety and Accident Review Committee - Executive Director said there is a desire to appoint a new chairperson for the Safety and Accident Review Committee. Executive Director said it is the Chairman’s appointment and Dr. Cindy Hickman has now been appointed the Chair of that Committee. In response to Executive Director, Chairman Albrecht said that is the desire.

SAFETY COMMITTEE REPORT: Paige Desiere reported the Safety and Accident Committee last met on December 14, 2022. The Commission experienced 14 new claims during the period of October 1st through November 30, 2022. Three claims were report with no costs incurred. There were 10 that incurred, but with no time loss. One of those claims was deemed non-preventable it

was a motor vehicle accident where the employee was rear ended and 13 claims were deemed preventable. Slips trips and falls were the number one cause of claims with six and there were three claims with strains. The Committee discussed ways to prevent these similar injuries in the future. There will be trainings throughout 2023 on some of the top issues to try and prevent them moving forward.

CLAIMS COMMITTEE: Jennifer Davis said the PARs and SARs that were reviewed at the claims meetings on January 17th will be discussed in Executive Session.

TREASURER:

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

MOTION TO APPROVE RESOLUTION 13-23 FEBRUARY BILLS LIST IN THE AMOUNT OF \$1,245,764.68

Motion:	Commissioner Sileo
Second:	Chairman Ridgway
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 the website has been updated on njce.org and all virtual training opportunities have been added to the website through March 30th. A report for the 2022 training numbers reflected out of all of the NJCE members Cumberland County was leading with 2041 training opportunities completed, which is a very impressive number. Mr. Prince applauded the Safety and Accident Review Committee for their efforts and to advocate for a safe work environment. Executive Director said there is a line in the budget for training in the amount of \$15,000 allocated and is looking to target perhaps the Correction Department and some of the Public Safety Offices for direct training and will report back to the Committee on the training opportunities.

RISK MANAGER: Risk Manager Christina Violetti reviewed the Risk Managers Report and said at the December 1, 2022 insurance commission meeting the 2022 wellness incentive grants were discussed and a concern has been raised regarding departments that received approval for the grants but were encountering challenges when trying to fulfill their wellness activity and in those cases did not receive the grant funding. There has been a discussion with the Safety and Accident Review Committee and it was determined that amending the program deadlines was not the best way to assist the departments but instead action will be taken to insure the grants are discussed at every meeting each month. Ms. Violetti said in conjunction with Dr. Hickman she can assist, to ensure all departments complete their wellness activity by the deadline in November.

Ms. Violetti said back in the October 2022 Commission meeting additional training for the County Department of Corrections was requested and authorized for 2 sessions for a program called Wellness and Suicide Prevention for Corrections. The Warden has advised that two additional

sessions would be needed. Ms. Violetti requested additional funding not to exceed an additional \$1,000 - \$2,000 in total for the 2023 fund year.

MOTION TO AUTHORIZE ADDITIONAL FUND UP TO \$2,000 FOR TRAINING FOR CORRECTIONS DEPARTMENT

Motion: Commissioner Sileo
Second: Chairman Ridgway
Vote: Unanimous

MANAGED CARE: Karen Beatty reviewed the Cumulative Savings report for 2022 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 Sileo
Second: Commissioner Ridgway
Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION

Motion: Commissioner Sileo
Second: Commissioner Ridgway
Vote: Unanimous

General Liability PARs/SARs

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770001512 IN THE AMOUNT OF \$39,200.00

Motion: Commissioner Sileo
Second: Commissioner Johnson

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770001524 IN THE AMOUNT OF \$55,000.00

Motion: Commissioner Sileo
Second: Commissioner Johnson

MOTION TO APPROVE SETTLEMENT AUTHORIZATION REQUEST FOR CLAIM #3770001317 IN THE AMOUNT OF \$7,500.00

Motion: Commissioner Sileo
Second: Commissioner Johnson

MOTION TO APPROVE SETTLEMENT AUTHORIZATION REQUEST FOR CLAIM #3770001147 IN THE AMOUNT OF \$65,000.00

Motion: Commissioner Sileo
Second: Commissioner Johnson

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUESTS IN THE AMOUNT OF \$94,200.00 AND SETTLEMENT AUTHORIZATION REQUESTS IN THE AMOUNT OF \$72,500.00

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

OLD BUSINESS: None.

NEW BUSINESS: None

PUBLIC COMMENT: None

MOTION TO ADJOURN:

Motion: Commissioner Seneski
Second: Chairman Hirata
Vote: Unanimous

MEETING ADJOURNED: 12:15 PM

NEXT MEETING: WILL BE HELD ON APRIL 6, 2023 AT 11:00 AM

Minutes prepared by: Karen A. Read, Assisting Secretary