

**CUMBERLAND COUNTY INSURANCE COMMISSION  
OPEN MINUTES  
MEETING – OCTOBER 3, 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
Kim Codispoti	Present

**ALTERNATE FUND COMMISSIONER:**

Antonio Romero	Absent
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**FUND PROFESSIONALS PRESENT:**

Executive Director	PERMA Risk Management Services <b>Bradford Stokes, 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  
Dennis Skalkowski, Bowman & Company  
Kaleigh Sawers, Bowman & Company  
Christina Violetti, Hardenbergh Insurance Group  
Joseph Henry; Hardenbergh Insurance Group  
Benjamin Newville, SG Risk  
Christine Gallagher, Qual-Lynx  
John Griglack, SG Risk  
Yvonne Frey, Inservco  
Veronica Geroqe, Inservco  
Amy Zeiders, Inservco  
Kelly Guerriero, Inservco  
Sureatha Hobbs, Inservco  
Michelle Naraine, Qual Lynx  
Brandon Tracy, PERMA  
Djamal Kirby, PERMA  
Shai McLeod, PERMA  
Glenn Prince, JA Montgomery  
Jonothan Tavares, Conner Strong & Buckelew

**PUBLIC PRESENT:**

Nancy Ridgway

**APPROVAL OF MINUTES: OPEN AND CLOSED SESSION OF AUGUST 16, 2024**

Moved:	Chairman Sileo
Second:	Commissioner Codispoti
Vote:	Unanimous

**CORRESPONDENCE: None**

**EXECUTIVE DIRECTOR REPORT:**

**2023 Audit Report** – A draft copy of the 2023 Audit was distributed to Fund Commissioners under separate cover. Representatives of the Commission’s auditor, Bowman & Company, will attend the meeting to formally present the audit. Included in the agenda on **pages 3-5** is Resolution 23-24, Certification of Annual Audit Report for the Period ending December 31, 2023 along with the Group Affidavit Form.

Executive Director Stokes called on Dennis Skalkowski of Bowman & Company to give a brief review of the 2023 Audit. Mr. Salkowski said the independent audit report is a report on the financial statements and is a clean and unmodified opinion report. There were no findings noted after all the auditing procedures were completed. The Independent Audit Report beginning on page 6 reflects the internal controls over financial reporting which again shows there were no findings or recommendations and the Commission's controls are in very good order. The Commission is managed by contracted professionals and the TPA does a very good job as well as the Executive Director and the team at Perma. The Statement of Net Position for the year ended December 31, 2023, reflects total assets of \$4,190,258 within that number is the Commission’s Investment in Joint Venture which is the equity ownership share that the Commission holds in the NJCE. Total liabilities are \$12,000,294, total case reserves and IBNR are \$4,880,347 resulting in total liabilities and reserves of \$4,892,641 which resulted in a ending net position a deficit of \$702,383. Despite the decrease in the net position the auditor still believes the Commission is in good financial position. The current assets exceed the current liability. The loss reserves are considered a long-term liability because we really do not know when they will come due and are estimates. There is a positive operating cash flow for the year and the Commission’s cash increased by roughly \$282,000. The Comparative Statements of Revenues, Expenses and Changes in Net Position explains total operating revenues are \$4,012,947 and total operating expenses for the year were \$4,511,760, resulting in operating loss of \$498,813. The total change in the net position was a negative \$626,567 resulting in the ending net position of negative \$702,383. Mr. Skalkowski thanked the Commission for the opportunity to serve and asked if there were any questions. No questions being heard a motion to approve Resolution 23-24 was in order.

**Motion to approve Resolution 23-24, Certification of Annual Audit Report for Period Ending December 31, 2023**

Moved: Commissioner Sileo  
Second: Commissioner Codispoti  
Vote: 4 Ayes, 0 Nays

**2025 Renewal – Underwriting Data Collection** – The 2025 renewal process began the end of June. The ancillary coverage applications may be completed via Broker Buddha. The links for the online platform were sent out on August 5<sup>th</sup>. In addition, the Payroll Auditor conducted payroll audits which are being uploaded in Origami.

Attached on **pages 6-8** is a memorandum from the NJCE Underwriting Team noting some critical items for the renewal. The Fund Office will follow up with members and/or Risk Managers to have the exposure data completed.

Jonathan Tavares Underwriting Manager reviewed the memo included in the agenda which highlights some of the challenges in the insurance market for the 2025 renewals and said we are in the midst of hurricane season and faced with rising costs in the liability and workers compensation space. Despite some of these challenges and others, there is an optimistic outlook for the 2025 renewals and plan to have options and alternatives for the NJCE to consider in the coming months. Last week a webinar was conducted that reviewed in more detail the information in the memo and more. A recording of the webinar should be posted to the NJCE website if anyone was not able to attend.

**2025 Pre-Renewal Webinar** - The NJCE Underwriting Manager held a webinar on the 2025 pre-renewal and the marketplace on September 27<sup>th</sup>. A copy the presentation and recording of the webinar will be uploaded to the NJCE website.

**Membership Renewal** – Cumberland County and the Cumberland County Improvement Authority are scheduled to renew their membership in the Insurance Commission as of January 1, 2025. Membership documents were sent to both entities on September 9<sup>th</sup>. The Improvement Authority has since notified the fund office that it is reserving its rights to withdraw from the Fund as it is seeking alternate quotes for coverage.

**NJ Counties Excess Joint Insurance Fund (NJCE)** – The NJCE held special meetings on Thursday, August 8, 2024, and Friday, September 20, 2024. At the August 8<sup>th</sup> special meeting, the board adopted a resolution authorizing an assignment of Claims Administration Services from AmeriHealth to Claims Resolution Corporation Inc., (CRC).

At the September 20<sup>th</sup> meeting, the board reviewed and approved an emergent settlement authority.

The board held its regularly scheduled meeting on September 26<sup>th</sup>. The NJCE Report is enclosed on **pages 9-12**.

**Commission Financial Fast Track** – Included on **pages 13-15** of the agenda are the Financial Fast Track Reports for the Cumberland County Insurance Commission for June. As of **June 30, 2024**, the Commission has a deficit of \$1,124,375. Total cash on hand is \$3,189,435. Executive

Director said this is the June report. The second quarter IBNR is reflected in here and went down \$625,000 but unfortunately the reserves went up \$875,000 so the net effect of that was the reserve change of negative \$269,000 which puts our deficit at \$1.1 million. However, the Commission has \$3.1 million in cash, and the Executive Director will continue to monitor and report back.

**NJCE Property and Casualty Financial Fast Track – (Pages 16-18)** – Included in the agenda is the NJCE Financial Fast Track Report for the month of May. As of **July 31, 2024** there is a statutory surplus of **\$8,912,010**, Line 7 of the report, “Dividend” represents the dividend figure released by the NJCE of **\$6,707,551**. The total cash amount is **\$37,146,127**. The NJCE financial fast track for July, showing a \$8.9 million dollars surplus, a slight gain in reserves of 34,000 with over \$37 million in cash.

**Certificate of Insurance Issuance Report** - Included on **pages 19-21** is the Certificate of Insurance Issuance Report from the CEL listing those certificates issued for July 1, 2024 through August 31, 2024. There were nine certificates of insurance issued during this period.

**Motion to approve the certificate of insurance report.**

Moved:	Commissioner Codispoti
Second:	Commissioner Johnson
Vote:	Unanimous

**Claims Tracking Report (Pages 22-23)** – Included in the agenda are the Claims Activity Reports for July & August that tracks open claims. Executive Director said for July there were 11 more open claims and another spike in August of 18 more open claims. Executive Director will continue to monitor these claims. Five of those claims were due to Covid.

**Request for Proposals** – The County Purchasing Division is preparing Request for Proposals for Claims Administration and Managed Care services. Both contracts expire at the end of the year. Executive Director said Mr. DeWoody did forward the managed care for our review and the claims administration is forthcoming, so they will be out on the streets shortly.

**2024 Meeting Schedule** – The next Commission meeting is scheduled for December 5, 2024 at 11:00 AM.

**SAFETY COMMITTEE REPORT:** Paige Desiere reported on the workers compensation claims from the month of June 1<sup>st</sup> and July 1<sup>st</sup> for that period of time there were 21 claims for the period 16 of them were deemed non-preventable and five were preventable. Training was assigned to those five employees. Of the new claims five were report only with no time loss, 13 received medical treatment but with no time loss, and there were three claims with time loss for a total of seven days. Ms. Desiere said they will continue to focus on the incidents which make up the bulk of our claims.

**CLAIMS COMMITTEE:** NONE

**TREASURER:**

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

**MOTION TO APPROVE RESOLUTION 24-24 OCTOBER BILLS LIST IN THE AMOUNT OF \$98,443.88**

Motion:	Chairman Sileo
Second:	Commissioner Codispoti
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 training has been provided for the Department of Corrections including fast track training with 4 topics. The training was conducted on September 12<sup>th</sup>, 17<sup>th</sup>, 19<sup>th</sup> and the last training is scheduled for October 20<sup>th</sup>. Sergeant Fazzolari from the Department of Corrections to make sure that those employees receive the appropriate training as well. On September 26<sup>th</sup> the Commissioners met for the NJCE JIF and was pleased to report that Cumberland County had three submissions for the safety grant from Munich RE. Once the departments make the purchases, they can submit the proof of purchase and documentation to Mr. Prince to initiate the reimbursement process. Mr. Prince congratulated commission members and is looking forward to the 2025 grant.

Paige Desiere expressed gratitude to Mr. Glenn Prince and J. Montgomery for the dedication and the commitment providing hands-on training with our all of our departments, but in particular law enforcement agencies to make sure our employees receive the assistance and the information they need to their best job.

**RISK MANAGER:** Risk Manager Christina Violetti reported the Safety and Action Review Committee meeting minutes for the June 12, 2024, meeting and the minutes from the August meeting will be provided upon their approval. Ms. Violetti reported she will help the departments in ensuring that they get all the documentation over so that they can get the reimbursement. Since 2015 the county has received \$72,747.26 in safety grant money from the NJCE JIF liability reinsurers. Ms. Violetti said all of the renewal information has been inputted in both Origami and Broker Buddha for the 2025 Insurance Commission renewal for all the members.

**MANAGED CARE:** Christine Gallagher reviewed the Cumulative Savings report for the period ending August 31, 2024 along with the PPO Savings Report and Top 10 Providers.

**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 Codispoti  
Second: Chairman Sileo  
Vote: Unanimous

**MOTION TO RETURN TO OPEN SESSION**

Motion: Commissioner Johnson  
Second: Commissioner Marchand  
Vote: Unanimous

Workers Comp PARs/SARs

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770002067 IN THE AMOUNT OF \$183,500.00**

Motion: Commissioner Codispoti  
Second: Chairman Sileo

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770000732 IN THE AMOUNT OF \$21,000.00, SETTLEMENT AUTHORIZATION REQUEST IN THE AMOUNT OF \$10,000.00**

Motion: Commissioner Codispoti  
Second: Chairman Sileo

**MOTION TO APPROVE PAUMENT AUTHORIZATION REQUEST FOR CLAIM #3770001780 IN THE AMOUNT OF \$19,000.00, SETTLEMENT AUTHORIZATION REQUEST IN THE AMOUNT OF \$8,000.00**

Motion: Commissioner Codispoti  
Second: Chairman Sileo

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770001999 IN THE AMOUNT OF \$26,047.51; SETTLEMENT AUTHORIZATION REQUEST IN THE AMOUNT OF \$10,000.00**

Motion: Commissioner Codispoti  
Second: Chairman Sileo

General Liability PARs/SARs

**MOTION TO APPROVE SETTLEMENT AUTHORIZATION REQUEST FOR CLAIM #3770001564 IN THE AMOUNT OF \$9,333.00**

Motion: Commissioner Codispoti  
Second: Chairman Sileo

**MOTION TO APPROVE SETTLEMENT AUTHORIZATION REQUEST FOR CLAIM #3770001512 IN THE AMOUNT OF \$15,000.00**

Motion: Commissioner Codispoti  
Second: Chairman Sileo

**MOTION TO APPROVE SETTLEMENT AUTHORIZATION REQUEST FOR CLAIM #3770001284 IN THE AMOUNT OF \$60,000.00**

Motion: Commissioner Codispoti  
Second: Chairman Sileo

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770001655 IN THE AMOUNT OF \$105,500.00**

Motion: Commissioner Codispoti  
Second: Chairman Sileo

**MOTION TO APPROVE SETTLEMENT AUTHORIZATION REQUEST FOR CLAIM #3770001622 IN THE AMOUNT OF \$225,000.00**

Motion: Commissioner Codispoti  
Second: Chairman Sileo

Property PAR

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #2024327106 IN THE AMOUNT OF \$18,100.00**

Motion: Commissioner Codispoti  
Second: Chairman Sileo

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUESTS IN THE AMOUNT OF \$373,147.51 AND SETTLEMENT AUTHORIZATION REQUESTS IN THE AMOUNT OF \$337,333.00**

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

**OLD BUSINESS: None.**

**NEW BUSINESS: None**

**PUBLIC COMMENT: None**

**MOTION TO ADJOURN:**

Motion:	Commissioner Codispoti
Second:	Commissioner Marchand
Vote:	Unanimous

**MEETING ADJOURNED: 11:53 AM**

**NEXT MEETING: WILL BE HELD ON DECEMBER 5, 2024 AT 11:00 AM**

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Minutes prepared by: Karen A. Read, Assisting Secretary