

**CUMBERLAND COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – OCTOBER 5, 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, Karen Read
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ALSO PRESENT:

Anthony Bontempo, Cumberland County
Paige Desiere, Cumberland County
John Carr, Cumberland County
Kathy Doran, Cumberland County
Bob Carlson, Cumberland County Utility Authority
Dennis Skalkowski, Bowman & Company
Christina Violetti, Hardenbergh Insurance Group
Danielle Colaianni, Hardenbergh Insurance Group
Veronica George, Inservco
Yvonne Frey, Inservco
Surretha Hobbs, Inservco
Ben Newville, SG Risk
Chris Roselli, Qual-Lynx
Karen Beatty, Qual-Lynx
Jennifer Conicella, PERMA
Shai McLeod, PERMA
Glenn Prince, JA Montgomery

PUBLIC PRESENT:

Nancy Ridgway

APPROVAL OF MINUTES: OPEN AND CLOSED SESSION OF AUGUST 3, 2023

Moved:	Commissioner Johnson
Second:	Commissioner Ridgway
Vote:	Unanimous

CORRESPONDENCE: None

EXECUTIVE DIRECTOR REPORT:

2022 Audit Report – A draft copy of the 2022 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 17-23, Certification of Annual Audit Report for the Period ending December 31, 2022 along with the Group Affidavit Form.

Executive Director said Dennis Skalkowski of Bowman & Company will review the 2022 Audit report. Mr. Skalkowski reported this was a clean unmodified opinion with no findings or recommendations noted. The report on the internal controls which is a Yellow Book report was also a clean unmodified opinion with no findings or recommendations noted. The auditor reviewed the Comparative Statement of Net Position and said total of assets are listed in the amount of \$4,180,215 and within that number is the investment in joint venture which represents the Commission's equity ownership in the NJCE in the amount of \$784,462. Since the Commission is a member of the NJCE it actually owns a portion of the NJCE net position as of December 31, 2022. Total liabilities and reserves totaled \$4,256,031 which is comprised of regular administrative liabilities and also claims reserves. This resulted in an ending net position deficit of \$75,816.

Mr. Skalkowski reviewed the Comparative Statement of Revenues, Expenses, and the change in acquisitions summarizes how the auditor arrived at the ending deficit number. Operating revenues of \$3,722,522 subtracted from that is all operating expenses which comprise of claims expenses, re insurance and administrative expenses, which resulted in operating loss of \$432,651. This loss is basically driven by larger claims payments during the year and the general liability and workers compensation lines for some of the prior years. The auditor said there were some larger settlements this year compared to last year and there was a return of surplus from the NJCE in the amount of \$31,691. The Statement of Cash Flows summarizes the operating cash flows, investing cash flows and also noncapital financing activities which resulted in a decrease in case of \$1.2 million. The driver of that number was the cash claims payments of \$2.5 million in 2022 and \$1.7 million last year which drove the deficit and the decrease of cash over 2022. The ending cash balance is \$3.3 million.

Mr. Skalkowski reviewed the claims development information and supplemental schedules. In response to Chairman Albrecht, Mr. Skalkowski said the Cumberland Commission is comparable to a lot of the other commissions he audits, the number of claims and the activity as well. Fund year 2022 was tough for a lot of the commissions regarding claims. There was nothing off the wall

coming out of Covid. Executive Director said some of the other counties are being affected by reopeners and the Cumberland Commission has not seen that here.

Motion to approve Resolution 17-23, Certification of Annual Audit Report for Period Ending December 31, 2022

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

Cumberland County 2024 NJCE Membership Renewal – Cumberland County’s three-year membership with the New Jersey Counties Excess Joint Fund (NJCE) renews on January 1, 2024. The Fund Office has received renewal documentation from the County.

2024 Renewal – Underwriting Data Collection – The 2024 renewal process began the end of June. The Fund also issued a link for members to respond to a cybersecurity technology stack questionnaire developed by The Chertoff Group. The ancillary coverage applications may be completed via Broker Buddha. The links for the online platform were sent out on August 3. 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.

Executive Director said this process is winding down and thanked all the department heads who are involved in that process, and certainly along with Christina Violetti from Hardenbergh it was a seamless process, and all the applications were in on a timely matter. Executive Director said the Commission approved a contract with Asset Works for property appraisals. They are very busy this fall finishing up some JIF work and the counties are right around the corner so the start date should be in the next couple of weeks, and we will notify the points of contact fairly shortly.

2024 Pre-Renewal Webinar - The NJCE Underwriting Manager held a webinar on the 2024 pre-renewal and the marketplace on August 23rd. A recording of the webinar has been uploaded to the NJCE website.

NJ Counties Excess Joint Insurance Fund (NJCE) – The NJCE met on September 27, 2023. Attached in the agenda on **pages 9-12** is a written summary report. The NJCE will meet again on October 26th at 9:30 AM via Zoom.

Financial Fast Track – Included on **pages 13-16** of the agenda are the Financial Fast Tracks for the Cumberland County Insurance Commission for June and July. As of **July 31, 2023**, the Commission has a deficit of \$101,022. Total cash on hand is \$3,904,763.

NJCE Property and Casualty Financial Fast Track – (Pages 17-19) – Included in the agenda on pages 13-15 is a copy of the NJCE Financial Fast Track Report for the month of July. As of **July 31, 2023** there is a statutory surplus of **\$13,468,292**, Line 7 of the report, “Dividend”

represents the dividend figure released by the NJCE of **\$6,707,551**. The total cash amount is **\$26,581,202**.

Certificate of Insurance Issuance Report - Included on **pages 20-21** is the Certificate of Insurance Issuance Report from the CEL listing those certificates issued for the period of July 1, 2023 to September 1, 2023. There were 8 certificates of insurance issued during this period.

Motion to approve the certificate of insurance report.

Moved:	Commissioner Johnson
Second:	Commissioner Sileo
Vote:	Unanimous

Claims Tracking Report (Pages 22-23) – Included in the agenda is the Claims Activity Reports for July & August that tracks open claims. Executive Director said the report shows open claims from one month to another. The July report indicates 8 less claims open for the month of July. However, there was an increase of 15 claims during August with most of those being work comp there was 11 more open workers comp claims.

11th Annual Best Practices Seminar – October 5, 2023, Virtual Edition – This year’s Best Practices Workshop will be taking place virtually via an interactive webinar on October 5, 2023, from 1:00 pm to 4:30 pm.

Topics include the State of NJCE, Long Haul Neuro-Covid, Property Panel – How to prepare for large losses and weather events; property appraisals, Overview of Daniel’s Law/1st Amendment Audits and Changes to the Open Public Records Act (OPRA). The length of the workshop is scheduled for 3.5 hours with adequate breaks. An e-mail invite was sent on September 14, 2023 to register for the seminar. If anyone needs assistance in registering, please contact the Fund Office.

2023 New Jersey State League of Municipalities (NJLOM) Annual Conference - The 108th annual conference is scheduled for November 14th through November 16th at the Atlantic City Convention Center in Atlantic City. The MEL JIF holds its annual elected official’s seminar on November 15th. We encourage our commissioners to attend.

SAFETY COMMITTEE REPORT: Paige Desiere reported the Commission experienced 10 work related injuries during the period of June 1st through July 31, 2023. Of those claims two were determined as non-compensable and one claim was report only. There were five claims with no time lost of the 2 claims that resulted in time lost the total days lost was on five days. It was determined that four of the claims were preventable and four were not preventable. Ms. Desiere said as discussed at the last meeting training through the JA Montgomery website has been assigned to try and teach our employees to slow down.

CLAIMS COMMITTEE: Jennifer Conicella said the PARs and SARs will be reviewed today in Executive Session. Ms. Conicella said the Jennifer Davis is no longer with Perma so if anyone has any questions they can reach out to her or Robyn Walcoff until a replacement is found.

TREASURER:

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

MOTION TO APPROVE RESOLUTION 18-23 OCTOBER BILLS LIST IN THE AMOUNT OF \$97,587.27

Motion:	Commissioner Ridgway
Second:	Commissioner Johnson
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 on September 26th the Grant Committee met for the NJCE all of the proposals have been presented to the committee and we are happy to announce the Committee approved \$5,279 for the County of Cumberland for GPS tracking devices for the Department of Corrections. The purchase invoice and paperwork should be sent to Mr. Prince as soon as the county makes the purchase so the reimbursement process can be expedited.

RISK MANAGER: Risk Manager Christina Violetti was excited to hear that the submission for the Department of Corrections was approved and said since 2015 the County has received \$64,654 in safety grant money through the NJCE liability insurers and will work with Glenn Prince to make sure he receives the documentation needed. Ms. Violetti also reported all the renewal information has been input into Origami and Broker Buddha for all the members of Cumberland County Insurance Commission.

MANAGED CARE: Karen Beatty reviewed the Cumulative Savings report for the period ending August 31, 2023 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 Johnson
Second:	Commissioner Albrecht
Vote:	Unanimous

MOTION TO RETURN TO OPEN SESSION

Motion: Commissioner Sileo
Second: Commissioner Johnson
Vote: Unanimous

Workers Comp PARs/SARs

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770000940 IN THE AMOUNT OF \$172,812.37; AND SETTLEMENT AUTHORIZATION IN THE AMOUNT OF \$5,000.00

Motion: Commissioner Ridgway
Second: Commissioner Sileo

MOTION TO APPROVE SETTLEMENT AUTHORIZATION REQUEST FOR CLAIM #3770001471 IN THE AMOUNT OF \$21,285.00

Motion: Commissioner Ridgway
Second: Commissioner Sileo

General Liability PARs/SARs

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770001401 IN THE AMOUNT OF \$60,000.00

Motion: Commissioner Ridgway
Second: Commissioner Sileo

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770001516 IN THE AMOUNT OF \$60,500.00

Motion: Commissioner Ridgway
Second: Commissioner Sileo

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770001622 IN THE AMOUNT OF \$250,000.00

Motion: Commissioner Ridgway
Second: Commissioner Sileo

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770001655 IN THE AMOUNT OF \$60,500.00

Motion: Commissioner Ridgway
Second: Commissioner Sileo

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770001691 IN THE AMOUNT OF \$56,500.00

Motion: Commissioner Ridgway
Second: Commissioner Sileo

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770001558 IN THE AMOUNT OF \$35,500.00; AND SETTLEMENT AUTHORIZATION IN THE AMOUNT OF \$10,000.00

Motion: Commissioner Ridgway
Second: Commissioner Sileo

MOTION TO APPROVE SETTLEMENT AUTHORIZATION REQUEST FOR CLAIM #3770001640 IN THE AMOUNT OF \$7,500.00

Motion: Commissioner Ridgway
Second: Commissioner Sileo

MOTION TO APPROVE SETTLEMENT AUTHORIZATION REQUEST FOR CLAIM #3770001919 IN THE AMOUNT OF \$100.00

Motion: Commissioner Ridgway
Second: Commissioner Sileo

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUESTS IN THE AMOUNT OF \$696,312.37 AND SETTLEMENT AUTHORIZATION REQUESTS IN THE AMOUNT OF \$43,885.00

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

OLD BUSINESS: None.

NEW BUSINESS: None

PUBLIC COMMENT: Mrs. Ridgway for Upper Deerfield and said thank you for a clean audit and wished everyone a Happy Thanksgiving.

MOTION TO ADJOURN:

Motion:	Commissioner Johnson
Second:	Commissioner Sileo
Vote:	Unanimous

MEETING ADJOURNED: 12:08 PM

NEXT MEETING: WILL BE HELD ON DECEMBER 7, 2023 AT 11:00 AM

Minutes prepared by: Karen A. Read, Assisting Secretary