

ATLANTIC COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – July 14, 2023 at 11:00 A.M.
Atlantic County Board of County Commissioners’ Meeting Room
Stillwater Building, 201 Shore Road, Northfield, New Jersey

Meeting was called to order by Commissioner Woods. Open Public Meetings notice read into record.

PLEDGE OF ALLEGIANCE

ROLL CALL OF COMMISSIONERS:

Jacqueline Woods	Present
Tammi Robbins	Present
Janette Kessler	Present
Timothy Edmunds	Absent
Michael Fedorko	Present

FUND PROFESSIONALS PRESENT:

Executive Director PERMA Risk Management Services	Brad Stokes
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Claims Administrator	<u>Qual-Lynx</u> Karen Beatty Katie Perry
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	<u>PERMA Claims</u> Jennifer Davis
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CEL Underwriting Manager	Conner Strong & Buckelew
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Attorney	James F. Ferguson
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Treasurer	Bonnie Lindaw (Absent)
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Safety Director	J.A. Montgomery Risk Control Glenn Prince
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Risk Management Consultant	Brown & Brown Insurance Bob Gemmell
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ALSO PRESENT:

Karen Read, PERMA Risk Management Services
Chandra Anderson, Atlantic County
Linda Bazemore, ACUA

**APPROVAL OF MINUTES: OPEN MINUTES OF MAY 12, 2023 AND JUNE 5, 2023.
MOTION TO APPROVE OPEN MINUTES OF MAY 12, 2023 AND JUNE 5, 2023.**

**Motion: Commissioner Fedorko
Second: Commissioner Robbins
Vote: 4 Ayes**

CORRESPONDENCE: None.

EXECUTIVE DIRECTOR'S REPORT: Brad Stokes presented the Executive Director's report.

CERTIFICATES OF INSURANCE: There were four certificates issued from May to June of 2023.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT.

**Motion: Commissioner Kessler
Second: Commissioner Robbins
Vote: 4 Ayes**

The three year cycle for professional services is up at the end of the year. PERMA is prepared to advertise the RFP for professional services of the actuary, auditor, and defense panel.

MOTION TO APPROVE THE FUND OFFICE TO ADVERTISE THE RFP FOR ACTUARIAL, AUDITOR, AND DEFENSE PANEL.

**Motion: Commissioner Woods
Second: Commissioner Kessler
Vote: 4 Ayes**

The Commission's membership in the CEL is up for renewal at the end of the year. Sample resolutions and agreements were already sent out to the County. Notices will be sent out to the member entities of the Commission. Mr. Ferguson confirmed that the internal insurance committee of the County has approved the renewal. Steps will be taken to obtain approval by the Atlantic County Board of County Commissioners.

The last CEL meeting approved the draft audit to be sent to the State. While our Commission has been ordering property appraisals since 2016, the CEL is working on contract language to hire an appraisal vendor. Other Commissions are going out on their own to obtain property appraisals while the CEL works on securing a vendor. Our Commission should get some reimbursement once the CEL puts the property appraisal program into place.

Mr. Gemmell asked about the appraisals for the ACUA, and Mr. Stokes advised he expects to hear back from Asset Works within the month.

The first quarter actuarial report came in showing the IBNR increased by \$1 million due to reserving changes.

The financial fast track reports for the Commission shows that for March, the Commission has a deficit of \$2.7 million. There is total cash on hand of \$6 million. The actuary forecast is not trending well. Mr. Stokes included reports of the actuary's first quarter report. Mr. Stokes explained the loss ratio percentages. 100% is break even. Higher than 100% is a deficit. Lower than 100% is a surplus. He reviewed reports of

each of the fund years from 2015 to 2023. The workers' compensation claims are the driving factor of increasing costs. The actuary gives us three options for the loss funds, low, mod and high. We usually take the mod, but perhaps we should look at the high going forward. Unfortunately, trends are increasing costs.

The CEL's financial fast track for March shows the Fund has a surplus of \$14.9 million, which is a loss of \$578,000 due to many reserve changes. There is over \$26 million in cash.

Claims tracking for April has one more open claim and May has 34 more open claims with most of them being workers' compensation claims. Mr. Stokes requested Jennifer Davis and Kathy Kissane to review the increased claims. Ms. Kissane commented she is hopeful that May was just a busy month and claims will settle down over the remainder of the year.

Commissioner Kessler asked whether the March and April financial fast track changes were due to the IBNR and reserve changes. Mr. Stokes confirmed that was the case. The actuary provides quarterly reports.

Conner Strong is releasing a new file sharing program in August. We currently use the Egnyte platform which will transition to Microsoft OneDrive as of August 15, 2023. Commissioner Kessler asked whether member entities would be able to view past year policies as they are very large and she relies on the platform to view them when needed. Mr. Stokes was sure the prior years would migrate over and be available.

The next Best Practices meeting will be held on October 5, 2023. If anyone wants to volunteer to please contact Jennifer Davis.

CLAIMS SERVICES: Jennifer Davis had nothing new to report.

TREASURER: Bonnie Lindaw was not present and Commissioner Robbins provided the Treasurer's report. Resolution 18-23 is the July Bills List for a total of \$1,440,507.88 and includes payments from fund year 2023 for the third quarter payment to all the professionals. The payments are in line with the budgeted figures and Ms. Lindaw recommended approval of the list.

The bank reconciliations show the workers' compensation account has outstanding checks in the amount of \$195,759.91. The general liability account has outstanding checks in the amount of \$25,898.54. The admin account balance is \$4,831,684.19 and year to date interest earned is \$89,253.99.

MOTION TO APPROVE RESOLUTION 18-23 THE JULY BILLS LIST.

Motion: Commissioner Kessler
Second: Commissioner Robbins
Vote: 4 Ayes

CEL SAFETY DIRECTOR – JA MONTGOMERY RISK CONTROL: Glenn Prince of JA Montgomery presented the safety report for May through July 2023. All training through August 31, 2023 have been listed on the website NJCE.org under the safety tab. The media library and online streaming services were converted to the new Learning Management System. If there are any named administrators that should be added, please contact Natalie Dougherty to have them set up and go through a tutorial. There is a training on the site which will walk named administrators through how to use the platform.

Mr. Prince has also been in contact with Commissioner Kessler to arrange for toolbox talks to address claims relating to motor vehicle operation.

Mr. Stokes commented that on the municipal side of the JIF, there is a monthly training available for managers and supervisors. A flyer will be sent out.

MANAGED CARE – QUAL-LYNX: Karen Beatty presented the claims services report. The cumulative savings report shows so far this year we have had a total savings of 70% (\$1,957,183.72). There was 92% network penetration rate. The intake reporting shows there are 172 claims through June with still only one COVID-19 claim.

CLAIMS SERVICES – QUAL-LYNX: Kathy Kissane reported the Claims Committee met prior to the Commission meeting, reviewed 26 PARS, and answered questions that were presented. Unless there are any other questions which would require a closed session, she requested a motion for approval of the PARS as reviewed and recommended by the Claims Committee.

MOTION TO APPROVE THE 26 PARS AS REVIEWED AND APPROVED DURING THE CLAIMS COMMITTEE MEETING OF JULY 14, 2023.

Motion: Commissioner Woods
Second: Commissioner Robbins
Vote: 4 Ayes

RISK MANAGER’S REPORT: Bob Gemmell presented the Risk Management report. The report covers all risk management activities for April and May. The renewal process has begun and he has received a lot of information from Chandra Anderson for the County. His goal is to eliminate any duplicate listings which can hopefully help with the assessment. Mr. Gemmell also offered Commissioner Kessler assistance with the renewal.

OLD BUSINESS: None.
NEW BUSINESS: None.
PUBLIC COMMENT: None.

Commissioner Woods opened the meeting to public comment. Having heard no public comment, the public session is closed. The next meeting is scheduled for September 8, 2023 at 11:00 A.M.

MOTION TO ADJOURN THE MEETING.

Motion: Commissioner Fedorko
Second: Commissioner Robbins
Vote: 4 Ayes

MEETING ADJOURNED: 11:18 A.M.
Minutes prepared by: Chandra Anderson, Secretary