

**OCEAN COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – October 19, 2023
10:00 AM**

Meeting was called to order by Chair Greitz. Chair Greitz read the Open Public Meetings notice into record.

ROLL CALL OF COMMISSIONERS:

Robert A. Greitz	Present
Michael Fiure	Excused
Michelle I. Gunther	Present
John P. Kelly (Alternate)	Excused

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
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Claims Services	Qual-Lynx Claudia Acosta
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	PERMA Risk Management Services Zareena Majeed Shai McLeod Robyn Walcoff
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NJCE Underwriting Manager	Conner Strong & Buckelew
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Risk Management Consultant	Conner Strong & Buckelew Mary Anne Sander Carole Mack
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Treasurer	Julie Tarrant
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Attorney	Berry, Sahradnik, Kotzas & Benson Laura Benson, Esq. Jack Sahradnik, Esq.
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Safety Director	J.A. Montgomery Consulting Glenn Prince Paul Shives
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Auditor	Dennis Skalkowski
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ALSO PRESENT:

Jennifer Doderer, Ocean County Library
William Demand, Ocean Count Utility Authority
Colleen Golin, Esq., Ocean County Board of Social Services
Alyssa Fiore, Ocean County Board of Health
Antoinette DePaola, Ocean County
Cathy Dodd, PERMA Risk Management Services

CORRESPONDENCE: None

APPROVAL OF MINUTES: OPEN MINUTES OF SEPTEMBER 22, 2023

MOTION TO APPROVE THE OPEN MINUTES OF SEPTEMBER 22, 2023

Moved: Commissioner Gunther
Second: Chair Greitz
Vote: 2 Ayes, 0 Nayes

SAFETY AND ACCIDENT REVIEW COMMITTEE: Mr. Prince reported the Safety and Accident Review Committee last met on September 12 and a variety of safety topics were discussed including some of our upcoming training opportunities. Mr. Prince advised the next meeting was scheduled for December 12 via zoom at 1:30 PM. Mr. Prince asked if anyone had any questions and concluded his report.

CLAIMS COMMITTEE: Ms. McLeod reported the Claims Committee met on October 12 and discussed the PARS. Ms. McLeod asked if anyone had any questions on the PARS and requested a motion to accept the Claims Committee’s recommendation to approve the PARS as presented during the Claims Committee Meeting on October 12.

MOTION TO APPROVE THE PARS AS PRESENTED DURING THE CLAIMS COMMITTEE MEETING OF OCTOBER 12, 2023

Moved: Commissioner Gunther
Second: Chair Greitz
Roll Call Vote: 2 Ayes, 0 Nayes

EXECUTIVE DIRECTOR REPORT: Executive Director said his report was included in the agenda and apologized for not being there in person today. Executive Director said he had two action items and the first was the 2022 audit report and the auditor would provide an overview of the results.

2022 AUDIT REPORT: Mr. Skalkowski thanked Executive Director and said he would start with page 3 of the audit. Mr. Skalkowski reported this was the independent auditors report on the financial statements. Mr. Skalkowski said it was a clean, unmodified opinion with no findings or recommendations noted. Mr. Skalkowski skipped to page 6 of the report and advised this was another audit report on the controls and was required by the Yellow Book Standards. Mr. Skalkowski reported it is pretty common not to have any findings or recommendation in this type

of entity due to the way they are managed by the professionals. The professionals do a pretty good job, but it does not preclude us from going through all of our necessary procedures to render our opinion. Mr. Skalkowski reviewed the comparative statements of net positions noting the fixed assets as of December 31, 2022 was \$14,952,328 which included the investment in joint venture which was the Commission's equity ownership interest in the NJCE and did increase this year. Mr. Skalkowski said the total liabilities and reserve were \$19,299,932 which increased over last year due to increases in the case reserves and IBNR reserve. Mr. Skalkowski noted the net position resulted in a net deficit of \$4,347,604. Mr. Skalkowski reviewed the summary of Comparative Statement of Net Position. Executive Director said he would like to make a comment and advised when we look at the operating loss, we all know by looking at the Financial Fast Tracks on a monthly basis that 2021 was the COVID year and the Commission was hit pretty hard and noted this was a big part of the deficit. Executive Director said outside of that year we are beginning to turn things around. Mr. Skalkowski advised there were numerous factors for the deficit and said there was a positive cash increase of \$7.2M dollars and a total cash amount of \$13,951,022. Executive Director said as of July 30 the cash balance was now up to \$16 million. Executive Director noted cash was very important to pay the claims. Mr. Skalkowski continued to review some of the schedules and then expressed his appreciation for the opportunity to serve the Commission. Mr. Skalkowski asked if there were any questions or said he would be happy to review any other schedules. Ms. Tarrant asked Mr. Skalkowski to review the legacy account. Mr. Skalkowski reported in January 2022 the Commission entered into an agreement with Ocean County to review, process and approve all open claims prior to April 1, 2021 on behalf of Ocean County. The County agreed to fund and pay the legacy claims with an initial deposit into a separate checking account in the amount of \$8 million with the intent to add funds as needed. Mr. Skalkowski advised as of December 31, 2022, the Commission had an outstanding legacy claim payable balance of \$3.3M. Ms. Tarrant said the legacy account was funded in September this year with \$6.6 million. In response to Executive Director's comment, Mr. Skalkowski reviewed Note 9, COVID-19, Subsequent Events which was included in the audit.

Executive Director said Ms. Tarrant and Ms. Kontomanolis of his office were monitoring and evaluating COVID-19 claims and did not see a need to do an additional assessment just yet. Executive Director said we will continue to monitor and noted in the most current year we're running a surplus, so we've turned the corner and we're trending in the right direction in terms of claim activity. Executive Director advised we spend a lot of time at the excess county level explaining all of the issues that we're faced with including what continues to be a hard market, reinsurance premiums increased pretty much for 2023 and we'll probably say another increase for 2024 more specifically in the property line as many property carriers are leaving the public entity pool business period.

Executive Director said the NJCE Finance Committee was meeting the end of October to start talking about the 2024 budget. The NJCE would introduce their budget in November and probably would not adopt until early January via a special meeting. Executive Director asked if anyone had any other questions for Mr. Salkowski on the audit.

In response to Mr. Demand's questions regarding the claim reserve and cash balance, Mr. Skalkowski advised he was not overly concerned about the cash balance. Executive Director said there are reserves especially with workers' compensation and explained those monies not like property where they are paid out in the first year tend to be open for a lengthy period of time. Executive Director said the cash balance is fantastic. Executive Director reported most of the claims were for the county and covid related. Executive Director said Ms. Tarrant and Ms.

Kontomanolis had several conversations and are taking a wait and see approach to see how we trend. Going forward at some point we may have to do an additional assessment over a five-to-ten-year period. With no further questions, Executive Director asked for a motion to approve the report of audit.

MOTION TO APPROVE RESOLUTION 32-23 CERTIFICATION OF ANNUAL AUDIT REPORT FOR PERIOD ENDING DECEMBER 31, 2022

Moved:	Commissioner Gunther
Second:	Chair Greitz
Roll Call Vote	2 Ayes 0 Nays

CERTIFICATE OF INSURANCE ISSUANCE REPORT: Executive Director referred to a copy of the certificate of issuance report from the NJCE listing the certificates issued for the month of September. Executive Director said there were (3) three certificates of insurance issued during the month. Executive Director asked if anyone had any questions and requested a motion to approve.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

Moved:	Chair Greitz
Second:	Commissioner Gunther
Vote:	2 Ayes 0 Nays

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND (NJCE): Executive Director reported the NJCE met on September 27 and a summary report of the meeting was included in the agenda. Executive Director reported the Board of Fund Commissioners appointed AmeriHealth for TPA services with a three-year contract. Executive Director said the Finance Committee met and they will continue to meet now through the end of the year. Executive Director advised the NJCE Budget would be introduced in November with adoption in January. Executive Director advised the projected increase was between 10 to 15%. Executive Director advised there should be another update in about 30 days. Executive Director reported the NJCE would meet again on Thursday, October 26, 2023 at 9:30 AM.

2024 OCIFC BUDGET: Executive Director advised we would introduce the 2024 OCIFC Budget at the December 21 meeting and schedule a Public Hearing and budget adoption in January.

OCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the July Financial Fast Track was included in the agenda. Executive Director reported as of July 31, 2023 there was a deficit of \$5,738,959. Executive Director said the cash balance was \$16,310,489. Executive Director asked if anyone had any questions on the Financial Fast Track. Executive Director noted that the Treasurer was transferring more money into the legacy account.

NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the August Financial Fast Track for the NJCE was included in the agenda. As of August 31, 2023 the NJCE had a surplus of \$13,387,082. Executive Director noted the total cash amount was \$26,581,202. Executive Director reported line 7 of the report "Dividend" represented the figure

released by the NJCE of \$6,707,551. Executive Director did caution everyone there were two sizable property claims in the pipeline right now for two of our other counties.

CLAIMS TRACKING REPORTS: Executive Director reviewed the Expected Loss Ratio Analysis Report as of July 31, 2023 with the Commission.

PROPERTY APPRAISALS: Executive Director asked Ms. Benson to provide an update on the property appraisals. Ms. Benson said as of yesterday all of the appraisals were in.

RFQ'S: Executive Director advised Ms. Benson also reviewed the RFQ's and made a change to the document checklist. Executive Director reported we were in the process of making the change and the RFQ's should be issued and advertised within the next week. In response to Executive Director's inquiry Mr. Dodd said she did make the change that Mrs. Benson recommended and she would be advertising the RFQ's in the newspaper and notifying all of the incumbents.

11TH ANNUAL BEST PRACTICES SEMINAR OCTOBER 5, 2023, VIRTUAL EDITION: Executive Director reported this year's Best Practices Workshop took place virtually on October 5 and asked Ms. Walcoff to comment. Ms. Walcoff reported the COVID presentation was very well liked along with the information on the OPRA public records act. Ms. Walcoff advised a survey was sent out and the presentation was posted on the NJCE website. Ms. Walcoff thanked everyone for attending. Executive Director said there was a good turn out with 60 to 70 attendees.

2024 AUTO ID CARDS/WC POSTING NOTICES/RENEWAL CERTIFICATE OF INSURANCES – Executive Director advised the 2024 auto ID cards and WC Posting Notices would be sent to each member entity representative for distribution the beginning of December. Executive Director advised the NJCE Underwriting Manager's Team would review any certificates which needed to be re-issued for the 2024 renewal.

Executive Director asked if anyone had any questions and concluded his report.

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Ms. Tarrant advised she was requesting approval of the October Bills List in the amount of \$48,042.51, Resolution 33-23. Ms. Tarrant referred to copies of the Treasurer's reports which were included in the agenda and noted the balance of the legacy account, \$1.1 million and said in September there would be an increase of \$6.6 million. Ms. Tarrant advised the County added funds to the legacy account. Ms. Tarrant reported all of the assessment payments were received.

MOTION TO APPROVE RESOLUTION 33-23 OCTOBER BILLS LIST

Moved:	Commissioner Gunther
Second:	Chair Greitz
Roll Call Vote:	2 Ayes, 0 Nays

Ms. Tarrant noted the Treasurer Reports were included in the agenda.

CLAIMS ADMINISTRATOR: Ms. Acosta advised Ms. Beatty had a conflict and she would cover her report. Ms. Acosta advised the agenda included the 2023 Cumulative Savings Summary for the

Commission and the Legacy Claims for Ocean County. Ms. Acosta referred to copies of the top 10 Providers and workers' compensation claims reported by claim type year to date Covid claims reported. Ms. Acosta asked if there were any questions and concluded her report.

NJCE SAFETY DIRECTOR: Mr. Prince referred to a copy of the Safety Director's Report which was included in the agenda. Mr. Prince advised the report included Risk Control Activities and all training opportunities through December. Mr. Prince noted the training opportunities were also added to the NJC website. Mr. Prince said there was a submission for (4) four AED units to the Munich Safety Grant Committee and advised the submission was approved. Mr. Prince reported the funds would be disseminated shortly. Mr. Prince noted the 2024 Grant would reopen in 70 days. Mr. Prince concluded his report unless there were any questions.

RISK MANAGERS REPORT: Ms. Sander reported she had been working with the various divisions on the renewal applications and she would be in touch with the Board of Health to upload some of their property values into Origami. Ms. Sander advised she met with Ms. Walcoff and her team regarding some claim data and more information would follow.

ATTORNEY: Mr. Sahradnik advised he did not have anything to report except he had the pleasure of being on vacation while Ms. Benson was doing all of the work. Ms. Benson thanked Ms. Dodd for keeping her on top of the reviews for the RFQ's. Ms. Dodd thanked Ms. Benson and said she appreciated her assistance.

Correspondence Made Part of Minutes

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT:

MOTION TO OPEN MEETING TO PUBLIC

Motion	Chair Greitz
Second:	Commissioner Gunther
Vote:	2 Ayes, 0 Nays

Seeing no members of the public wishing to speak, Chair Greitz moved a motion to close the public comment portion of the meeting.

MOTION TO CLOSE MEETING TO PUBLIC

Motion	Chair Greitz
Second:	Commissioner Gunther
Vote:	2 Ayes, 0 Nays

There was no need for a closed session. Chair Greitz said the next meeting was scheduled for November 17, 2023 at 1:30 PM asked for a motion to adjourn.

MOTION TO ADJOURN:

Moved:
Second:
Vote:

Chair Greitz
Commissioner Gunther
2 Ayes, 0 Nays

MEETING ADJOURNED: 10:41AM

Minutes prepared by: Cathy Dodd, Assisting Secretary