

**MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – January 27, 2025
Mercer County
McDade Administration Building
640 South Broad Street
Trenton, NJ 08650-0068
1:00 PM**

Meeting was called to order by Chairman Marion. Mr. Thorpe read the Open Public Meetings notice into the record.

Pledge of Allegiance

ROLL CALL OF COMMISSIONERS:

Christopher R. Marion	Present
Ana Montero	Present
Alejandra M. Silva	Present
Isamar Maldonado	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
Claims Service	Inservco Insurance Services, Inc. Nancy Fowlkes Qual Lynx Chris Roselli - Absent PERMA Kerin Drumheiser
Managed Care Services	First MCO Nicole Hydock
NJCE Underwriting Manager	Conner Strong & Buckelew Ed Cooney - Absent
Risk Management Consultant	Acrisure Amy Pieroni
Treasurer	Nicola Trasente - Absent
Attorney	Paul Adezio, Esq.
Safety Director	J.A. Montgomery Consulting Liam Callahan

ALSO PRESENT:

Jason Thorpe, PERMA Risk Management Services
Jackie Tolbert, Mercer County Improvement Authority
Asa Paris, Mercer County Corrections
Ana-Eliza Bauersachs, Esq., Capehart Scatchard
Patti Fahy, Acrisure
Paul Shives, J.A. Montgomery
Brian Maitland, J.A. Montgomery
Richard Crooks, Inservco
Amy Zeiders, Inservco
Kelly Guerriero, Inservco
Kelly Royce, First MCO

APPROVAL OF MINUTES: OPEN AND CLOSED MINUTES OF DECEMBER 16, 2024

MOTION TO APPROVE THE OPEN AND CLOSED MINUTES OF DECEMBER 16, 2024

Moved:	Commissioner Silva
Second:	Commissioner Montero
Vote:	Unanimous

CORRESPONDENCE: Executive Director introduced Kerin Drumheiser and noted that she is the newest member of the PERMA Claims team.

EXECUTIVE DIRECTOR REPORT: Executive Director advised his report was included in the agenda and there were several action items.

REORGANIZATION RESOLUTIONS – Executive Director referred to the Reorganization Resolutions which were included in the agenda. Executive Director said with the Chairman’s permission, he would review the Resolutions and then ask to approve the resolutions as a consent. Executive Director proceeded to review the Reorganization Resolution.

Resolution 1-25	Appointing MCIFC Commissioners – <i>Amended resolution distributed</i>
Resolution 2-25	Appointing NJCE Commissioner & Alternate – <i>Amended resolution distributed</i>
Resolution 3-25	Appointing Treasurer
Resolution 4-25	Appointing Commission Attorney
Resolution 5-25	Designating Authorized Depositories for Fund Assets
Resolution 6-25	Designating Authorized Signatures for Commission Bank Account
Resolution 7-25	Designating Custodian of Records
Resolution 8-25	Designating Official Newspapers
Resolution 9-25	Establishing Cash Management Plan
Resolution 10-25	Authorizing Commission Treasurer to Process Payments & Expenses
Resolution 11-25	Utilizing Mercer County Approved Counsel – <i>Amended resolution distributed</i>

Executive Director asked if there are any questions on the resolutions. Hearing none, Executive Director asked for a motion approve the resolutions as a consent.

MOTION TO APPROVE REORGANIZATION RESOLUTION NUMBERS 1-25 THROUGH 11-25

Moved:	Commissioner Silva
Second:	Vice-Chair Montero
Roll Call Vote:	Unanimous

2025 MCIFC MEETING DATES - Executive Director referred to a copy of the 2025 Annual Meeting Schedule which was included in the agenda. Executive Director advised the Insurance Commission is scheduled to meet every month except for June, August, and November. Executive Director said if the Commissioners agreed with the meeting schedule, Resolution 12-25, adopting the meeting dates for 2025 was included in the agenda and requested a motion.

MOTION TO ADOPT RESOLUTION #12-25, APPROVING PUBLIC MEETING DATES FOR THE YEAR 2025

Moved:	Commissioner Silva
Second:	Vice-Chair Montero
Vote:	Unanimous

2025 PROPERTY AND CASUALTY BUDGET INTRODUCTION – Executive Director reported that during the December 16, 2024 Commission meeting, the 2025 Property & Casualty Budget was introduced in the amount of \$8,405,632. Executive Director noted that per the Commission Treasurer’s recommendation, a temporary budget in the amount of \$1,400,939, representing 2/12 of the proposed 2025 Property & Casualty Budget was approved. Executive Director reported that the Public Hearing for the budget will be held at the February Insurance Commission meeting. Executive Director added that a resolution authorizing the 2024 dividend will be prepared for the February meeting as well.

NJ COUNTIES EXCESS JOINT INSURANCE FUND (NJCE) – Executive Director reported the NJCE held a special meeting on January 7th to adopt the 2025 budget. Executive Director referred to a summary report of the meeting enclosed within the agenda and noted that the following key items were discussed during the meeting:

Excess Cyber Carrier: Ratified the action of the Underwriting Manager to move the Excess Cyber coverage to Cowbell from the incumbent Great American. The key advantage of the Cowbell quote was a premium savings and a drop-down provision for coverage over the primary policy sub-limits. This resulted in a premium decrease of \$108,143 from the Great American 2025 premium quote and is reflected in the ancillary budget.

Excess Liability Structure: Safety National provide the \$5m x \$2m layer for \$2.8 million replacing Munich Re and Munich Re to reduce its participation and will provide a \$5m x \$7m layer for \$1.2 million for a total premium of \$4 million. The third layer is restructured to a \$10m x \$12m layer.

2025 Budget: Amended the “introduced budget” by reducing the property premium line by \$750,000 and to reflect changes in certain ancillary premiums since introduction. The amended budget resulted in a modest reduction in the underlying commission budgets and stand-alone county budgets ranging from .5% to 1.5%. The amended budget reflects a reduction of \$1,015,394 from the introduced budget. The amended budget totals \$43,632,226 and represents a 4.37% increase over the 2024 annualized assessed budget. Submitted for information were the 2025 assessments.

Executive Director advised that the NJCE is scheduled to meet again on Thursday, February 27, 2025 at 9:30 A.M. virtually to conduct the 2025 Reorganization.

MCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACK – Executive Director referred to the Financial Fast Track for the month of October enclosed within the agenda. Executive Director reported that as of October 31, 2024 the Commission has a surplus of \$6,696,887. Executive Director advised that line 10 of the report “Investment in Joint Venture” is Mercer County Insurance Fund Commission’s share of equity in the NJCE. Executive Director noted that MCIFC’s equity in the NJCE as of October 31, 2024 is \$944,724 and advised that the total cash balance is \$15,749,420.

NJCE PROPERTY AND CASUALTY FINANCIAL FAST TRACK – Executive Director referred to the NJCE Financial Fast Track for the month of November. Executive Director reported that as of November 30, 2024 the NJCE has a surplus of \$9,491,565. Executive Director advised that Line 7 of the report, “Dividend” represents the dividend figure released by the NJCE of \$6,707,551 and noted that the NJCE cash balance is \$34,165,619.

CLAIMS TRACKING REPORTS – Executive Director advised the Claim Tracking reports as of November 30, 2024, were included in the agenda. Executive Director referred to a copy of the Claims Management Expected Loss Ratio Analysis Report. Executive Director advised this report measured how the losses were running compared to the actuary’s projections. Executive Director reviewed the Fund Years with the Commission.

With no questions, Executive Director concluded his report.

INFORMATIONAL ITEMS REPORT: Mr. Thorpe advised that he had three informational items for his report, one of which was an action item.

PROPERTY APPRAISALS – Mr. Thorpe reported that the County will re-issue the RFP for Property Appraisal. Mr. Thorpe noted that during the first year, the Property Appraiser will be responsible for physically appraising only properties with building values over \$1 million and those under \$1 million with content values over \$1 million. Chairman Marion commented that the County is re-issuing the RFP due to a lack of similar experience of appraising governmental entities by the respondents of the original RFP. Commissioner Maldonado added that the language within the RFP specs have been updated to included stricter experience requirements and will be released on January 30th.

CERTIFICATE OF INSURANCE REPORTS – Mr. Thorpe referred to the certificate of insurance report from the NJCE which lists those certificates issued in the month of December. Mr. Thorpe reported that there were (4) four certificates of insurance issued during the month.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORTS

Moved:	Commissioner Silva
Second:	Commissioner Maldonado
Vote:	Unanimous

2025 MEETING SCHEDULE – Mr. Thorpe advised that the next Commission meeting is scheduled for Monday, February 24, 2025 at 1:30 PM

With no questions, Mr. Thorpe concluded his report.

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Chairman Marion advised the January Bill List, Resolution 13-25 were included in the agenda. Chairman Marion said a motion was needed to approve the bills list.

MOTION TO APPROVE RESOLUTION 13-25: THE JANUARY BILL LIST

Moved:	Commissioner Silva
Second:	Commissioner Maldonado
Roll Call Vote:	Unanimous

ATTORNEY: Mr. Adezio thanked Mr. Tavares from the Underwriting Team for his assistance in having the Insurance Commission’s defense attorney approved list as well as the Chubb approved list updated. Mr. Adezio also thanked the Inservco team for their continued hard work on the claims. Mr. Adezio noted that said law firm is currently on the

CLAIMS SERVICE: CLAIMS ADMINISTRATOR – Mr. Thorpe advised Resolution 14-25, Disclosure of Liability Claims Check Registers, was included in the agenda along with a copy of the check register for December 1, 2024 to December 31, 2024.

MOTION TO APPROVE RESOLUTION 14-25 AUTHORIZING DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTER

Moved: Commissioner Silva
Second: Vice-Chair Montero
Roll Call Vote: Unanimous

MANAGED CARE: Ms. Royce reported that Mr. Liggett is no longer with First MCO and introduced Ms. Hydock as his replacement. Ms. Royce advised she would review First MCO's report, which was included in the agenda for the 2024 year-end. Ms. Royce provided the below information:

Year	Provider Bill Amount	Repriced Amount	Savings	Percentage of Savings	Number of Bills	In Network Bills	Net Savings	PPO %
Total 2024	\$ 2,151,189	\$ 761,514	\$ 1,389,675	65%	889	865	\$ 1,111,740	97%

With no questions, Ms. Royce concluded her report.

RISK/LOSS CONTROL SERVICES: Mr. Callahan referred to the Safety Director's report for December and January enclosed within the agenda, which included all risk control and safety activities. Mr. Callahan then referred to the listing of all training opportunities that are scheduled through the end of March. Mr. Callhan reported that as of January 1, 2025, there is a new streamlined process for submitting NJCE LIVE Group Sign-in Sheets following the completion of a course via Zoom. Mr. Callahan noted that the group sign in sheet only needs to be completed and submitted if the training was done in a group setting and should not be completed if the user logged in on their own and viewed the training. Lastly, Mr. Callhan advised that he will be on leave as he is expecting his second child. Mr. Callahan said Mr. Maitland, Mr. Shives, and/or other J.A. Montgomery staff will be covering the meetings while he is on leave. Mr. Callahan asked if there were any questions. Vice-Chair Montero asked if J.A. Montgomery can provide information on the extent to which county employees are taking advantage of training opportunities. Mr. Shives said J.A. Montgomery can generate that type of report. Vice-Chair Montero asked for a copy of the 2024 training records for county employees. Executive Director asked how often Vice-Chair would like the training reports. Vice-Chair Montero said that once the 2024 training records are reviewed, the Commissioners will determine whether they would like the reports on a bi-annual or quarterly basis. With no further questions, Mr. Callahan concluded his report.

Correspondence Made Part of Minutes.

RISK MANAGEMENT CONSULTANT: Ms. Pieroni reported that her team has continued to meet with the various department heads to discuss expanding the role and responsibilities of the Safety Committee. Ms. Pieroni advised that once all the meetings have concluded, her team will generate a report for the Commissioners.

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

CLOSED SESSION: Executive Director requested a motion to approve Resolution 15-25 authorizing a Closed Session to discuss PARs and SARs.

Deputy Warden Paris exited the meeting prior to Closed Session

MOTION TO APPROVE RESOLUTION 15-25 FOR EXECUTIVE SESSION

Moved: Commissioner Silva
Second: Commissioner Maldonado
Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION

Moved: Commissioner Silva
Second: Commissioner Maldonado
Vote: Unanimous

MOTION TO APPROVE THE PARS/SARS AS REVIEWED DURING CLOSED SESSION

Moved: Commissioner Silva
Second: Commissioner Maldonado
Roll Call Vote: Unanimous

MOTION TO ADJOURN:

Moved: Vice-Chair Montero
Second: Commissioner Silva
Vote: Unanimous

MEETING ADJOURNED: 1:40 PM

Minutes prepared by:

Jason Thorpe, Assisting Secretary