

**NEW JERSEY PUBLIC HOUSING AUTHORITY
JOINT INSURANCE FUND
February 9, 2022
Via Zoom teleconference
10:30 AM**

Meeting Called to Order by Secretary Sherry Sims in the absence of Chairman DiVincent. Open Public Meeting Statement read into the record.

Salute to American Flag

ROLL CALL OF EXECUTIVE COMMITTEE:

Chairperson		
Robert DiVincent	Edgewater Housing Finance Urban Renewal Corp.	Absent
Secretary		
Sherry Sims	Boonton Housing Authority	Present
Board of Commissioners		
John Mahon	Bayonne Housing Authority	Present
Joseph Billy	Freehold Housing Authority	Present
John Clarke	New Brunswick Housing Authority	Present
Douglas Dzema	Perth Amboy Housing Authority	Present
Kathleen DiTomaso	Woodbridge Housing Authority	Present

ALTERNATE EXECUTIVE COMMITTEE MEMBERS:

Larry Stratton	South Amboy Housing Authority	Present
Grace Dekker	Berkeley Housing Authority	Present
Susan Thomas	Middletown Housing Authority	Present
Eric Chubenko	Carteret Housing Authority	Present
Anthony Feorenzo	Hackensack Housing Authority	Present
Pamela Mitchell	Passaic Housing Authority	Present

APPOINTED OFFICIALS PRESENT:

Executive Director /Administrator	Perma Risk Management Services	Steve Sacco	Present
Attorney	DeCotiis, Fitzpatrick Cole & Giblin, LLP	Frank Borin	Present
Underwriting Mgr	Conner Strong & Buckelew	Edward Cooney	Present
Co-Treasurers	Execu-Tech, Inc.	William Snyder Louis Riccio	Present Present
Claims Service	Qual-Lynx	Claudia Acosta	Present
Safety Director	J.A. Montgomery Risk Control	Brian Maitland	Present
Auditor	Homlan Frenia Allison	Robert Allison	Absent
Actuary	Actuarial Advantage	Kyle Mrotek	Absent
Managed Care	Qual-Care	Lisa Gallo	Present
Marketing	Warren Risk Marketing, LLC	Jack Warren	Present

ALSO PRESENT

Joseph Hrubash, Perma
Jennifer Conicella, Perma

Victor Figueroa, Camden HA
Thomas McGuire, Phillipsburg HA
Jack Zisa, RMC
Patti Fahy, RMC
Ellie Moss, J.A. Montgomery
Kim Gober, Glassboro HA
Michael Palsi, J.A. Montgomery
Jasmine Brascom, RMC
Frank Covelli, RMC
Joanne Sbrana, Bridgeton HA
James Howell, Bridgeton HA
Tanya VanOrder, Madison HA
Jennifer Modica, RMC
Tracy Lopez, Perma

Salute to American Flag

APPROVAL OF MINUTES: January 19, 2022 Open Minutes

MOTION TO APPROVE THE OPEN MINUTES AS REFERENCED ABOVE

MOTION:	Commissioner Dzema
SECOND:	Commissioner Clarke
VOTE:	Unanimous

Correspondence

Executive Director referred to the MEL Helpline correspondence which outlined consulting services from three law offices available to assist in employment related issues. This is a service provided by the MEL and its use is encouraged. In response to Secretary Sims, Executive Director has confirmed usage by Fund members that have utilized this service.

Underwriting Manager

Underwriting Manager referred to the listing of certificates of insurance as previously issued in addition to the cyber compliance status report as of January 28, 2022 emphasizing the importance of compliance advising that this will be a critical issue as we look ahead in the 2023 year.

Underwriting Manager said as mentioned during the last meeting, discussions are now underway with the MEL regarding the formation of a committee which will focus on what the future of cyber insurance and risk control will be for the members of the MEL. More information will follow once the feasibility review has taken place.

Executive Director commented on a cybersecurity incident reviewed during the claims committee meeting wherein a member encountered fraudulent instructions from a vendor to change their ACH banking information which was realized when the actual vendor reached out advising them that they owed a large balance. Ransomware has increased significantly on the municipal side of our Funds and they are becoming more and more expensive. Employees must be trained to carefully look at emails and the content of emails to see if the emails make sense prior to clicking on a link or taking action from a requester that is not familiar.

Underwriting Manager reminded members and risk management consultants of prior discussions detailing flood zones, flood deductibles and reference to the MEL bulletin. The Bulletin outlines key items such as properties in high hazard flood zones as defined by FEMA, advising maximum

limits should be purchased within the designated flood zones. The review of flood zones as determined by FEMA must be reviewed on an annual basis to ensure the necessary limits of insurance are put in place.

Executive Director also commented on the flood zone determinations, emphasizing that this is a process that must be completed annually, if members do not have a risk management consultant now is the time to consider appointing one to assist in this area as well as other insurance needs. We are finding that members are not adequately purchasing flood coverage from NFIP and have found themselves with a delta (or gap) of insurance coverage after a claim has occurred.

In response to Commissioner Chubenko, Underwriting Manager said the maximum limit available from NFIP should be purchased for flood coverage, if a building or designated property is worth \$250,000 the recommendation is purchase no more than the property is worth, however for properties values exceeding \$250,000 the maximum available limit is recommended. Executive Director said if there are any executive directors that have additional questions regarding flood coverage we ask that the Underwriting Manager be contacted.

In response to Commissioner Ditomasso, in regards to the cyber compliance status report, any member that has no information regarding status indicates that that member has not submitted any information with regards to version two of the cyber compliance program.

In response to Executive Director, Mr. Hrubash said the MEL is very excited about the big initiative regarding the Cyber JIF as the committee is now reviewing as we are looking forward to distributing information once the process is underway. Executive Director said that although this is in its infancy stage the MEL exploratory committee was formed as a result of the current market place for cyber coverage as well as the current cyber claims and will assist members for this line of coverage.

Pro Forma Financial Reports

Executive Director reviewed financial reports which included the December Financial Fast-Track, Expected Loss Ratio Analysis, Claim Activity Report, Lost Time Accident Frequency Report, All JIFs Lost Time Accident Frequency. The status listing of the EPL/POL program compliance and Regulatory Check List was also reviewed. Executive Director referred to the financial fast track which outlined an increased in surplus for the month in the amount of \$288,440, \$2,068,600 year to date resulting in a statutory surplus of \$5,183,444. The 2017 and 2018 years outline deficits however there is surplus within the closed year to extinguish those deficits and we continue to be in a positive position. As reported in prior months, the programs put in place to addressing members with high loss ratios has been effective as shown by the positive trends we are now seeing. Executive Director referred to the loss ratio analysis report which outlines a slight increase in the 2021 of 56% compared to the 2020 year 49%.

2022 MEL/RCF/EJIF March 25th Meeting & Retreat

Executive Director said the MEL, RCF and EJIF will be holding their March meetings in conjunction with the MEL Annual Retreat. This year's retreat will be held on March 25th at the Princeton Marriott. The purpose of the retreat is to provide the sub-committees of the MEL an expanded opportunity to report directly to the Boards of the MEL, RCF and EJIF. Note: The NJPHA JIF is not a member of the EJIF.

2022 MEL, Municipal Reinsurance Health Insurance Fund and NJ Counties Excess JIF Educational Seminar

Executive Director said the 11th annual seminar will be conducted virtually on 2 half day sessions: Friday, April 29th and Friday, May 6th from 9 am to 12 noon. There is no fee for employees

and insurance producers associated with MEL and Municipal Reinsurance Health Insurance Fund (MR HIF) members as well as personnel who work for service companies that are engaged by MEL member JIFs and MR HIF member HIFs. A copy of the ad which will appear in the League of Municipalities “Power of Collaboration” was reviewed as distributed. The seminar qualifies for Continuing Educational Credits for designated positions as outlined within the ad. Registration information will be provided once available and will also be posted on the MEL website at www.njmel.org.

2021/2022 Elected Officials Training

Ms. Lopez said the MEL’s Annual Elected Officials Training will become available on the MEL Safety Institute (MSI). As a reminder, the all lines members can earn a credit of \$100 (maximum per authority - \$500) per Executive Director/Commissioner attendance for training completed by May 1, 2022. Registration information will be distributed within the coming weeks.

Workers Compensation Payroll Audit

Ms. Lopez recommended that the Board consider obtaining quotes to perform the 2021 payroll audit for all workers compensation members as authorized in past years. This will assist to accurately report payroll dollars as well as full-time and part-time workers for the 2023 Fund Year budget.

**MOTION TO AUTHORIZE THE EXECUTIVE DIRECTOR TO OBTAIN PAYROLL
AUDIT QUOTATIONS FOR THE 2021 YEAR.**

MOTION:	Commissioner Clarke
SECOND:	Commissioner Chubenko
VOTE:	Unanimous

NJPHA JIF/Booth

Ms. Lopez said in anticipation of the NJNAHRO/MARC NAHRO annual conference scheduled for May 1, 2022 – May 4, 2022 the Fund is requesting authorization to purchase giveaway items as part of the NJPHA JIF booth.

**MOTION TO AUTHORIZE EXECUTIVE DIRECTORS OFFICE TO REVIEW
OPTIONS FOR MARKETING MATERIALS FOR 2022 CONFERENCES AT AN
AMOUNT NOT TO EXCEED \$3,000.**

MOTION:	Commissioner Clarke
SECOND:	Commissioner Billy
VOTE:	Unanimous

Risk Management Consultant Agreements

Ms. Lopez said all appointed Risk Management Consultants must submit a copy of the executed Risk Management Consultant Agreement to the Fund office for the 2022 Fund year. Once the agreement is received, the risk manager may submit the signed voucher to the Fund office for processing. All risk management consultant appointments will be filed with the State.

EPL/POL Compliance Status

Ms. Lopez referred to the current Employment Practices/Public Officials Liability coverage compliance report reminding members that have not submitted their check list still have the opportunity to do so however, the deductibles and co-insurance will not be retroactive to January 1, 2022 but upon receipt of their check list.

Treasurers Report

Mr. Snyder reviewed the December reports as distributed inclusive of the Summary of Cash Transactions, Summary of Cash and Investments Instruments and the Certification and Reconciliation of Claims Payments.

Mr. Riccio said our the annual assessment total is just a little of \$12M of which to date we have received \$6.1M approximately 50% of the total however there are thirteen member authorities which include rather large authorities that have not paid their first installment. The Fund office will follow with members that have not paid to date.

In closing, Mr. Snyder presented Resolution 16-21 February Bill List.

February 2022– Bill List Resolution #16-22

FUND YEAR	AMOUNT
2022 Year	\$ 448,711.86
Total	\$ 448,711.86

MOTION TO APPROVE RESOLUTION #16-22 FEBRUARY 2022 BILL LIST AND THE TREASURERS REPORT AS DISTRIBUTED.

MOTION:	Commissioner Clarke
SECOND:	Commissioner Billy
VOTE:	Unanimous

Marketing

Marketing Director said the Fund was contacted by Gloucester County Housing Authority to review underwriting information for their insurance program. A Zoom teleconference call had taken place to discuss their program which resulted in further review of their non-profit entities, some of which included a for-profit partnership. Underwriting information is being reviewed for consideration.

Attorney

Fund Attorney reviewed the agenda report as distributed and further commented on the status of Gloucester County Housing Authority advising them of the legal standards that they will need to meet for admission in the Fund. Mr. Katchen and Fund Attorney will review the information once submitted.

Safety Director

Safety Director referred to the agenda report as distributed outlining the loss control and security loss control surveys completed during the month of January. Safety Director also reviewed the listing of Safety Director Bulletins and Messages distributed to members of the Fund through the MSI App in addition to the usage listing of MSI Now & MSI DVD. Safety Director also noted that the MSI Live courses through April 2022 are posted for registration.

Of note, the Safety Director said he had previously worked with Executive Director and Underwriting Manager to assist with the issuance of a bulletin addressing flood coverage as discussed earlier which will be released. Lastly, training reminder notices were issued for the upcoming safety awareness trainings for the 14th and 15th of this month in addition to another notice issued for best practices focusing on snow and salt removal inclusive of the salt log should anyone need that resource.

Managed Care

Managed Care provider referred to the monthly report for January outlining 80 bills processed. Total charges of \$105,171.36 repriced for \$15,585.42 resulting in a total savings of \$89,585.94 or 85%. The claims pierced the network at a rate of 99%.

Claims Administration

Claims Administrator said the Claims Committee met February 8, 2022 and reviewed a total of (8) claims (1) of which was informational; on behalf of the Claims Committee they respectfully asked for payment authority of claims presented.

MOTION TO ACCEPT THE RECOMMENDATION OF THE CLAIMS COMMITTEE AND APPROVE THE PARS AS PRESENTED BY THE CLAIMS ADMINISTRATOR

FILE	COVG
2021234673	WC
2022254911	WC
2018130365	GL
2019164665	GL
2020194486	AL
2022252923	Prop
2022257555	Prop
2017104903	GL

MOTION: Commissioner Billy
SECOND: Commissioner Clarke
VOTE: Unanimous

Old Business

None

New Business

None

Public Comment

None

Executive Session

None.

MOTION TO ADJOURN THE MEETING

MOTION: Commissioner Clarke
SECOND: Commissioner Mahon
ALL IN FAVOR: Unanimous

Meeting adjourned at: 10:53AM

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
BILLS LIST**

Resolution No. 16-22

FEBRUARY 2022

WHEREAS, the Treasurer has certified that funding is available to pay the following bills:

BE IT RESOLVED that the New Jersey Public Housing Auth. Joint Insurance Fund's Executive Board, hereby authorizes the Fund treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Fund.

FUND YEAR 2021

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
WST20			
WST20	MUNICIPAL EXCESS LIABILITY RCF	VOID	-154,773.00
WTR16			
WTR16	MUNICIPAL EXCESS LIABILITY RCF	VOID	-605,158.43
009637			
009637	MUNICIPAL EXCESS LIABILITY RCF	RCF PREMIUM DUE FOR TRANSFER OF FY 2016	605,158.43
			605,158.43
009638			
009638	MUNICIPAL EXCESS LIABILITY RCF	RCF SURPLUS TRIGGER 2020	154,773.00
			154,773.00
		Total Payments FY Closed	0.00

FUND YEAR 2022

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
009639			
009639	QUAL-LYNX	MANAGED CARE 2/22	6,617.08
			6,617.08
009640			
009640	APEX INSURANCE SVS c/o QBE INSURANCE	POL & EPL 2022	362,452.00
			362,452.00
009641			
009641	QUAL-LYNX	CLAIM ADJ SERVICES 2/22	18,128.75
			18,128.75
009642			
009642	PERMA	EXEC DIRECTOR FEE 2/22	28,857.00
			28,857.00
009643			
009643	CONNER STRONG & BUCKELEW	UNDERWRITING FEE 2/22	1,601.00
			1,601.00
009644			
009644	THE ACTUARIAL ADVANTAGE	ACTUARY FEE 2/22	3,272.25
009644	THE ACTUARIAL ADVANTAGE	ACTUARY FEE 1/22	3,272.25
			6,544.50
009645			
009645	NJ ASSOC OF HOUSING & REDEVELO	SPONSOR FEE - 1ST QTR 2022	10,046.36
			10,046.36
009646			
009646	ASBURY PARK PRESS	ACCT: ASB-028930 - AD - 1.11.22	50.84
			50.84
009647			
009647	WARREN RISK MARKETING, LLC	MARKETING FEE 2/22	3,094.00
			3,094.00
009648			
009648	J.A. MONTGOMERY RISK CONTROL	SAFETY TRAINING 2/22	3,034.50
009648	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL 2/22	8,285.83
			11,320.33
		Total Payments FY 2022	448,711.86
		TOTAL PAYMENTS ALL FUND YEARS	\$448,711.86