

**NEW JERSEY PUBLIC HOUSING AUTHORITY
JOINT INSURANCE FUND
November 14, 2023
Tropicana Hotel/Casino – Atlantic City, NJ
Tambora Room – 3:00 PM**

Meeting Called to Order by 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.	Present
Secretary		
Sherry Sims	Boonton Housing Authority	Present
Board of Commissioners		
John Mahon	Bayonne Housing Authority	Present
Joseph Billy	Freehold Housing Authority	Present
John Clarke	Princeton 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	Absent
Susan Thomas	Middletown Housing Authority	Absent
Eric Chubenko	Carteret Housing Authority	Present
Anthony Feorenzo	Hackensack Housing Authority	Present
Joseph Capano	Cliffside Park 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 -Via Telephone
Underwriting Mgr	Conner Strong & Buckelew	Edward Cooney	Present
Co-Treasurers	Execu-Tech, Inc.	William Snyder Louis Riccio	Present Absent
Claims Service	Qual-Lynx	Claudia Acosta	Present
Safety Director	J.A. Montgomery Consulting	Brian Maitland	Absent
Auditor	Holman Frenia Allison	Lauren Holman	Absent
Actuary	Actuarial Advantage	Kyle Mrotek	Absent
Managed Care	Qual-Care	Lisa Gallo	Present
Marketing	Warren Risk Marketing, LLC	Jack Warren	Present

ALSO PRESENT

Ezio Altamura, RMC
Matt McArrow, Jr., RMC
Ken Schulz, JA Montgomery

Tina Zaverence, JA Montgomery
Don Sciolaro, RMC
Deborah Hurley, Edison HA
Darlene Vetter, Weehawken HA
Robert Conner, RMC
Kim Gober, Glassboro/Gloucester Cty HA
James Evans, RMC
Walter McNeil, RMC
Ken Pinnock, Jersey City HA
Tracy Lopez, Perma

Salute to American Flag

APPROVAL OF MINUTES: October 20, 2023 Open/Closed Minutes

**MOTION TO APPROVE THE OPEN AND CLOSED MINUTES AS REFERENCED
ABOVE AS DISTRIBUTED WITH AMENDMENTS**

MOTION:	Commissioner Clarke
SECOND:	Commissioner Billy
VOTE:	Unanimous

Correspondence

None

Underwriting Manager

Underwriting Manager referred to the listing of certificates of insurance previously issued in addition to the cyber compliance status report.

Underwriting Manager said the Cyber JIF approved an updated program, although there are no changes in terms of controls there were some controls that were removed from the last tier of the prior program and added to what is now two tiers which will allow for greater compliance for members and more effective in terms of security, the program is expected to be distributed shortly.

Underwriting Manager updated members on the current status of marketing of the MEL program which has been in process for the past 4-5 months with the property program being the most challenging.

Underwriting Manager said if everyone can recall, prior conversations within the last year or so outlined the hard insurance market for property coverage as insurance companies and their reinsurers have been destroyed over the past 5-6 years due to global events occurring with higher frequency and much higher costs. Underwriting Manager advised that the current property carrier affiliated with the MEL program is leaving the market however there are many additional carriers for the MEL to market; it should be noted that carriers are demanding that all property values be updated and appraised properly which we know that MEL has requested all JIFs that have not had a property appraisal completed within the past five years to have them finished for the renewal. Underwriting Manager said as their department is near the end of the renewal process he is confident of a good property program going into 2024.

Executive Director added that AssetWorks was awarded the contract for completion of property appraisals however the process is taking much longer due to the number of members within the Fund and the number of scattered sites and regions within the state, for this reason, the current property

values were increased utilizing a trending factor for the 2024 budget and assessments. Once the appraisals are finalized, there is a possibility for collection of additional premiums. In response to Commissioner Clarke, Executive Director anticipates completion by first quarter of 2024.

2024 Budget

Executive Director said during the October Executive Committee meeting, the Fund introduced the 2024 proposed budget of \$16,006,118, increased by \$2,135,665 or 15.40%. In accordance with the regulations, the budget has been advertised in the Fund's official newspaper and sent to each member.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2024 BUDGET

MOTION:	Commissioner Clarke
SECOND:	Commissioner Billy
VOTE:	Unanimous

DISCUSSION OF THE 2024 BUDGET & ASSESSMENTS.

Commissioner Clarke took the opportunity to thank the professionals for meeting with the Finance Committee commending their efforts on producing what is believed to be a realistic good and solid budget.

Executive Director referred to the proposed 2024 assessments as recommended by the Finance Committee advising the prior program in place continues for 2024 which is a review of each members' five-year loss ratio history, members exceeding the loss ratio over 100% is additionally assessed and is identified within the listing of assessments as distributed. Executive Director said as a best practice the fund imposed deductible program was implemented in 2018 for members with large losses by line of coverage, the members added to the listing for 2024 were reviewed as distributed; members will be notified accordingly.

With nothing further, Chairman asked if there were any questions from the Executive Committee or the public regarding the 2024 budgets and assessments. Hearing none;

MOTION TO CLOSE THE PUBLIC HEARING AND CERTIFY THE 2024 BUDGET OF \$16,006,118 (15.40%) AND ASSESSMENTS AS PRESENTED

MOTION:	Chairman DiVincent
SECOND:	Commissioner Clarke
VOTE:	Unanimous

2024 Annual Billing

Executive Director referred to the 2024 revised Annual Assessment billing to be mailed to all members within the coming weeks of December with approval from the Board. As a follow up to brief discussion with some of the board members last month, we have updated the annual assessment bill to list the lines of coverage included within the total amount due in lieu of an assessment by line of coverage, in addition to the emphasis on members paying their assessment in full or in two installments however, any member not meeting the deadline will have the 18% interest penalty applied with no exceptions. There will be a two-week grace period for any payment not made by due dates as there are times for which unforeseen circumstances may apply.

As a reminder, the following policy was adopted by the Board regarding assessment installments:

At the open public meeting of the NJPHA JIF, the Executive Committee decided that any member of the JIF would be permitted to split their assessment billing into two equal installments.

*However, the due dates will be enforced and an 18% interest penalty applied to any member not submitting their assessment on the due dates. **There will be no exceptions to this new policy.***

The due dates are as follows:

First installment: January 31

Second installment: June 30

All members are encouraged to send in their full payment. A two-week grace period will be provided for due dates.

MOTION TO APPROVE THE REVISED ASSESSMENT BILL AND ENFORCE THE POLICY AS STATED ABOVE.

MOTION:	Commissioner Billy
SECOND:	Commissioner Ditomasso
VOTE:	Unanimous

Residual Claims Fund (RCF)

Executive Director said the RCF met on October 18, 2023 and held its public hearing to adopt the 2024 Budget. A copy of Commissioner Sims's report of the meeting inclusive of the adopted budget was reviewed as distributed.

Claim Transfers (RCF)

Executive Director said all members of the RCF are being asked to adopt resolutions at their November/December meetings to transfer their 2019 claim liabilities to the RCF. Assessments to local JIFs will be determined by the valuation as of December 31, 2023. A copy of Resolution # 27-23 was reviewed for consideration.

MOTION TO ADOPT RESOLUTION #27-23 AUTHORIZING THE NJ PUBLIC HOUSING AUTHORITY JIF TO TRANSFER 2019 FUND YEAR CLAIM LIABILITIES TO THE RCF.

MOTION:	Chairman DiVincent
SECOND:	Commissioner Billy
VOTE:	Unanimous

MEL JIF

Executive Director said the MEL's 2024 budget introduction was held on October 18, 2023 at the Forsgate Country Club in Jamesburg NJ. A copy of Commissioner Clarke's report of the meeting was reviewed as distributed. The public hearing of the MEL's 2024 budget is scheduled for tomorrow November 15, 2023 at 12:30 PM and will be held at the Sheraton Hotel, Atlantic City, NJ – Steel Pier Room, lunch will be provided.

Cyber JIF

Executive Director said the Cyber JIF met on October 19, 2023. A copy of Commissioner Clarke's report of the meeting was reviewed as distributed. The public hearing of the Cyber JIFs

2024 budget is scheduled for November 20, 2023 via Zoom. Commissioner Clarke encouraged members to complete their cyber questionnaires and submit them to Underwriting, we understand that this is very challenging and expensive but more importantly the program puts the protections in place for members, and further advised that there is no such thing as a small agency as those are the most vulnerable. Chairman DiVincent further advised that Executive Directors must talk with their staff regarding clicking on emails, links making sure it is not a hacker attempting to breach their systems.

ADMINISTRATION

Elected Officials Training

Ms. Lopez said this year's elected officials training program will focus on Local Government Risk Management.

Two sessions are scheduled as part the League of Municipalities Conference on Tuesday, November 14, 2023 at 3:45PM in Caesars (Empire Room A) (*in session during this meeting*) and Wednesday, November 15, 2023 at 2:00PM at the Convention Center (Room 303). For 2024, the MEL will provide a credit of \$100 per attendee (maximum of \$500 per authority) against each member's assessment for each Executive Director and authority commissioner who completes the course by May 2024.

An additional training session has been added – “Local Government Ethics” of which the presenters are Mr. David Grubb, Executive Director and Paul Tamasko, Mayor of Alpine. The session is scheduled for Tuesday, November 14, 2023 at 10:45 AM – 12:00 PM at the Atlantic City Convention Center; please note, **premium credits are not available for this session.**

Power of Collaboration

Ms. Lopez referred to the latest in a series of Power of Collaboration advertisement to be published in the League of Municipalities magazine. The ad highlights the importance and priority the MEL has placed on risk control and safety training. Supported by a dedicated staff of experienced professionals, the MEL Safety Institute (MSI) – **now in its 21st year** – provides MEL JIF members with essential training, onsite risk management and more.

December Meeting

Ms. Lopez said the December meeting is scheduled for Friday, December 8, 2023 at 10:00 AM in conjunction with the NJAHRA Holiday luncheon at the Perth Amboy Armory, Perth Amboy, NJ. New Jersey Cybersecurity and Communications Integration Cell (NJCCIC) will provide a training session addressing “Current Cyber Threats & Best Practices” which will begin at 11:00 AM.

Fund Commissioner Appointment / Resolutions

Ms. Lopez said the Fund has issued a notice to all members requesting that they appoint a Fund Commissioner to the Fund for the 2024 Fund year prior to the January 10, 2024 reorganization meeting of the Fund.

Treasurers Report

Fund Treasurer referred to the September Summary of cash transactions, certification and reconciliation of claim payments and summary of cash and investment instruments.

Fund Treasurer also reviewed the bill list;

November Bill List – Resolution #28-23

FUND YEAR	AMOUNT
2023 Year	\$ 105,207.82
Total	\$ 105,207.82

MOTION TO APPROVE RESOLUTION #28-23 NOVEMBER 2023 BILL LIST AND THE TREASURERS REPORT AS DISTRIBUTED.

MOTION: Commissioner Ditomasso
SECOND: Commissioner Clarke
VOTE: Unanimous

Marketing

Marketing Director said the Fund continues to work on submissions for Asbury Park and Jersey City Housing Authorities for all lines coverage; Jersey City HA is currently a workers compensation only member. Membership renewal documents have been issued and are being received by the Fund office, we will advise of the completion of the process once all documents are submitted.

Attorney

Fund Attorney referred to the agenda report as distributed and advised that his office is currently reviewing the RFQ defense panel responses submitted and will make a recommendation for the January reorganization meeting. In addition, the Operations Committee will meet on December 8th for review and scoring of multiple responses to the RFPs for Auditor, Managed Care Provider and Claims Administration for consideration at the January reorganization meeting.

Safety Director

Safety Director referred to the agenda report as distributed noting the loss control and security loss control surveys completed during the month of October, meeting attended, Safety Director Bulletins and Messages as distributed to members via the MSI Newsletter in addition to the number of videos streamed by members through MSI Live.

Managed Care

Managed Care provider referred to the monthly report for October which outlined a total of 175 bills received with charges of \$222,408.08 repriced for \$83,630.92 delivering a total savings of \$138,777.16 or 62%. The claims pierced the network at a rate of 95%.

Managed Care provider referred to additional information which outlined the top ten claimants by charges advising of case with lumbar spine injury originally charged \$429,020, however once managed care rates were applied, the total charge was reduced by \$398,087 or 89% to \$46,183.

Claims Administration

Claims Administrator noted that the Claims Committee met November 8th via Zoom reviewing a total of two claims. If there are no questions relating to the claims, on behalf of the Claims Committee recommendation, we respectfully ask for payment authority of claims presented.

MOTION TO ACCEPT THE RECOMMENDATION OF THE CLAIMS COMMITTEE AND APPROVE PAYMENT OF THE PARS AS PRESENTED BY THE CLAIMS ADMINISTRATOR FOR THE MONTH OF NOVEMBER.

FILE	COVG
2024309294	WC
2024311022	Prop

MOTION: Commissioner Billy
SECOND: Commissioner Mahon
VOTE: Unanimous

Old Business

None

New Business

None

Public Comment

None

Executive Session

None

MOTION TO ADJOURN

MOTION: Commissioner Billy
SECOND: Chairman Ditomasso
VOTE: Unanimous

Meeting adjourned at: 3:25 PM

RESOLUTION NO. 27-23
OF THE
NJ PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
TO TRANSFER TO
MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND

WHEREAS, the Municipal Excess Liability Residual Claims Fund was organized pursuant to N.J.S.A. 40A:10-36, et seq., to provide residual risk coverage to its member joint insurance funds; and,

WHEREAS, the Board of Fund Commissioners of the NJ Public Housing Authority Joint Insurance Fund determined that membership in the Residual Claims Fund is in the best interest of the member local units and joined the Residual Claims Fund.

NOW, THEREFORE, BE IT RESOLVED that the Board of Fund Commissioners of the NJ Public Housing Authority Joint Insurance Fund does hereby resolve and agree to transfer the following residual risks.

<u>Fund Year</u>	<u>Lines of Coverage</u>	<u>Member Fund S.I.R.</u>
2019	WC/GL/AL & PROPERTY	Varies

BE IT FURTHER RESOLVED that the actual transfer of claim liabilities to the Municipal Excess Liability Residual Claims Fund shall be based upon the following formula:

Case Reserves and IBNR as of 12/31/23

NJ PUBLIC HOUSING AUTHORITY
JOINT INSURANCE FUND

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND BILLS LIST

Resolution No. 28-23

NOVEMBER 2023

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 2023

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
009960			
009960	NEW JERSEY ASSOC. OF HOUSING & REDEVELOPMENT AUTH.	VOID AND REISSUE	-10,046.36
			-10,046.36
010019			
010019	QUAL-LYNX	MANAGED CARE 11/23 INV 69870	6,749.42
			6,749.42
010020			
010020	DECOTIIS, FITZPATRICK, COLE & GIBLIN, LLP	ATTORNEY FEES FOR 10/23 FILE 01-009	4,063.00
			4,063.00
010021			
010021	QUAL-LYNX	CLAIM ADJ. SERVICES 11/23	19,361.50
			19,361.50
010022			
010022	PERMA	POSTAGE 10/23	132.58
010022	PERMA	EXECUTIVE DIRECTOR FEE 11/23	30,895.50
			31,028.08
010023			
010023	CONNER STRONG & BUCKELEW	UNDERWRITING MGMT FEE 11/23	1,633.00
			1,633.00
010024			
010024	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES 11/23	3,337.66
			3,337.66
010025			
010025	NEW JERSEY ASSOC. OF HOUSING & REDEVELOPMENT AUTH.	SPONSOR FEE - 3RD QTR 2023	10,046.36
			10,046.36
010026			
010026	EXECU-TECH, INC.	WEBSITE MAINTENANCE 11/23	200.00
			200.00
010027			
010027	WARREN RISK MARKETING, LLC	MARKETING DIRECTOR FEE 11/23	3,155.33
			3,155.33
010028			
010028	J.A. MONTGOMERY CONSULTING	SAFETY TRAINING 11/23	3,144.33
010028	J.A. MONTGOMERY CONSULTING	SAFETY DIRECTOR/ LOSS CONTROL 11/23	8,839.25
010028	J.A. MONTGOMERY CONSULTING	RIGHT TO KNOW 11/23	10,603.75
			22,587.33
010029			
010029	NEIS, INC.	NJHAJIF PAYROLL AUDIT 5/19/23-8/3/2	11,874.50
010029	NEIS, INC.	NJHAJIF PAYROLL AUDIT8/3/23-9/15/23	1,218.00
			13,092.50
		Total Payments FY 2023	105,207.82
		TOTAL PAYMENTS ALL FUND YEARS	105,207.82