

**UNION COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – June 19, 2019
County of Union
Administration Building – 6th Floor
Freeholder Conference Room
10 Elizabethtown Plaza
Elizabeth, NJ
10:00 AM**

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

ROLL CALL OF COMMISSIONERS:

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| Amy Wagner | Present |
| Claudia Martins | Excused |
| Laura Scutari | Present |

FUND PROFESSIONALS PRESENT:

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| Executive Director | PERMA Risk Management Services Joseph Hrubush |
| Claims Service | D&H Alternative Risk Solutions, Inc. Kathleen Guze Wayne Ring Richard Hazard |
| | Conner Strong & Buckelew Michael Cusack |
| Managed Care Services | First MCO Alyson Cronk |
| NJCE Underwriting Manager | Conner Strong & Buckelew |
| Risk Management Consultant | Acrisure, LLC Robin Racioppi |
| Treasurer | |
| Attorney | Robert Barry, Esq. Bruce H. Bergen, Esq. |
| Safety | J.A. Montgomery Risk Control Glenn Prince T&M Associates Mark Worthington |

ALSO PRESENT:

Terry Pacheco, Union County

Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN MINUTES AND CLOSED MINUTES OF APRIL 17, 2019

Executive Director advised Ms. Wagner was not present at the last meeting. Ms. Wagner noted the minutes incorrectly stated she called the meeting to order. Ms. Dodd reported Mr. Barry suggested tabling the minutes until the next meeting since Ms. Martins was not present and she would correct the minutes based on Ms. Wagner's comment.

CORRESPONDENCE: Executive Director advised there was correspondence and a copy of a letter to Ms. Wagner from Mr. Barry was included in the agenda. Executive Director reported Mr. Barry advised he was resigning as the Commission Attorney of the Commission. Mr. Barry said it was a pleasure working with the Commission and introduced Bruce Bergen. Mr. Barry advised Mr. Bergen joined the County Counsel Office about a month ago as an Executive Deputy County Counsel for the County. Mr. Barry noted Mr. Bergen was a former Freeholder and would replace Mr. Barry as the Commission Attorney effective July 1, 2019.

SAFETY COMMITTEE: Mr. Worthington reported since the last meeting there was fork lift training conducted at the DPW and Motor Pool along with respiratory training for the Prosecutor's Lab as well as for some summer interns. Mr. Worthington noted there were some make up classes scheduled during the next month. Mr. Worthington advised that concluded his report unless anyone had any questions.

CLAIM COMMITTEE: Mr. Cusack advised the Claims Committee met immediately prior to the meeting and reviewed the PARS that would be presented during closed session. Mr. Cusack advised that concluded his report unless anyone had any questions.

EXECUTIVE DIRECTOR REPORT: Executive Director advised his report was included in the agenda.

COMMISSION ATTORNEY: Executive Director referred to a copy of Resolution 20-19, Designating Commission Attorney, which was included in the agenda. Executive Director asked if anyone had questions and requested a motion to adopt Resolution 20-19.

MOTION TO ADOPT RESOLUTION 20-19, DESIGNATING COMMISSION ATTORNEY

Moved:

Chair Wagner

Second:

Commissioner Scutari

Vote:

2 Yes, 0 Nays

CERTIFICATE OF INSURANCE REPORT: Executive Director reported the certificate of issuance report from the NJCE listing the certificates issued for the months of April and May were included in the agenda. Executive Director advised there were 6 certificates issued during the month

of April and 10 in May. Executive Director asked if anyone had any questions and requested a motion to approve the report.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

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| Moved: | Chair Wagner |
| Second: | Commissioner Scutari |
| Vote: | 2 Yes, 0 Nays |

NJ COUNTIES EXCESS JOINT INSURANCE FUND (NJCE): Executive Director reported the NJCE last met on April 25, 2019 and a written summary report of the meeting was included in the agenda. Executive Director advised the County of Monmouth joined the NJCE as of April 1, 2019. Executive Director reported the NJCE became a member of the NJAC and was an exhibitor at the recent 2019 NJAC Annual Conference in Atlantic City. Executive Director said the Board was reviewing options for a logo for the NJCE and he would share the logo when it was finalized. Executive Director advised there were 3 finalists for the Excess Property Third Party Administrator and interviews were scheduled for next week. Executive Director provided a Legislation update on Senate Bill no. S.477 (Statute of Limitations) as well as, amending Bills S3739 and A5392 which extended the statute of limitations in civil actions for sexual abuse claims from two years to virtually unlimited. Executive Director noted a joint effort with the MEL, LOM, NJAC and NJSIG and with help from other parties, the sponsor agreed to amend the Bill to bring back “common law” immunities and “case law” immunities for public entities. Executive Director reported that while Title 59 immunities were not reinstated this was a better result than having public entities in a “strict liability” situation. Executive Director said the MEL was working on a training and education program as well as a formulating a specialized claims handling and defense program. Executive Director said this topic would be discussed at the next NJCE meeting to see if the Board of Commissioners wanted to participate.

NJCE COVERAGE COMMITTEE: Executive Director advised the NJCE Coverage Committee was scheduled to meet on July 9, 2019 at 11:00 AM at the new Conner Strong & Buckelew Camden Office.

NEW JERSEY ASSOCIATE OF COUNTIES (NJAC): Executive Director noted he already mentioned the NJAC Conference.

2019 MEL, MRHIF AND NJCE EDUCATIONAL SEMINAR: Executive Director advised the 2019 MEL, MRHIF and NJCE Educational Seminar was held on Friday, May 3, 2019. Executive Director reported over 200 people attended the event and he has received positive feedback on the seminar. Ms. Scutari advised she attended the seminar and found it to be educational.

UCIFC FINANCIAL FAST TRACK: Executive Director advised the March Financial Fast Track was included in the agenda. The Commission had a surplus of \$2,582,630 as of March 31, 2019. Executive Director referred to Line 10 of the report, “Investment in Joint Venture” and indicated \$2,054,466 of the surplus was the UCIFC’s share of the NJCE equity. Executive Director noted the cash amount was \$4,043,344.

NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the March Financial Fast Track was included in the agenda. As of March 31, 2019 the Fund had a

surplus of \$15,632,182. Executive Director asked if anyone had any questions regarding the Financial Fast Tracks.

CLAIM TRACKING REPORTS: Executive Director advised the Claim Tracking reports as of March 31, 2019 were included in the agenda. Executive Director referred to a copy of the Claims Management Report and reviewed the actuary's projections compared to the actual losses.

POL/EPL RETENTION: Executive Director reported the County has a \$250,000 retention on the POL/EPL coverage. Executive Director advised when the Commission was formed there were discussions on self-funding the retention, however it was decided not proceed that way at the time. Executive Director said he spoke to the Commission Attorney last week and he suggested the topic be added to the agenda for discussion for the 2020 Fund Year. Executive Director indicated a decision was not necessary right away, however he wanted to ask if there was an interest. If so, Executive Director advised he would collect some data and ask the actuary how much he thought the Commission should fund. Commission Attorney reported he thought this was a good option. After a brief discussion it was decided Ms. Wagner would have a discussion with Ms. Taylor and then have a conversation with the County Manager.

ORIGAMI'S RISK MANAGEMENT INFORMATION SYSTEMS, (RMIS): Executive Director advised PERMA representatives met with representatives from Origami to start the implementation of the online system to collect the underwriting information for the 2020 renewal. Executive Director advised more information would follow regarding training of the users and collection of the underwriting data for the 2020 renewal.

Executive Director advised that concluded is report unless anyone had any questions.

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Executive Director advised there were two bill lists to approve, Resolution 21-19, May List and 22-19 June Bill List. Executive Director noted Ms. Taylor was not present and asked if anyone had any questions. Ms. Dodd advised she had previously sent copies of both bill lists to Ms. Taylor by e-mail. Ms. Wagner noted she did review the bill lists and they included the normal monthly checks. Ms. Dodd advised Mr. Barry had given her the signed checks and bill lists from Ms. Taylor at the start of the meeting.

MOTION TO APPROVE RESOLUTION 21-19 MAY BILL LIST AND 22-19 JUNE BILL LIST

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| Moved: | Chair Wagner |
| Second: | Commissioner Scutari |
| Vote: | 2 Yes, 0 Nays |

Executive Director advised the monthly Treasurer reports were included in the agenda.

ATTORNEY: Mr. Barry advised as he said before it was his pleasure to serve and he certainly appreciated the Commission's confidence and the help and assistance from Mr. Hrubash and Ms. Dodd. Mr. Hrubash and Ms. Wagner thanked Mr. Barry for his services and welcomed Mr. Bergen.

CLAIMS SERVICE: Ms. Guze introduced herself along with Mr. Ring and advised Mr. Richard Hazard of her office was attending for the first time. Ms. Guze advised she had two months to report on. There were 41 reported claims, 6 were report only, 2 were denied, 18 claims were closed, however 2 remain open due to possible subrogation recoveries and 15 claims remain open. Ms. Guze advised the claims did not highlight anything out of the ordinary with regard to concerns for safety issues.

MANAGED CARE: Ms. Cronk introduced herself and advised First MCO's reports were included in the agenda. Ms. Cronk reported on the months of April and May as noted below.

| Month | Provider Bill Amount | Repriced Amount | Savings | Percentage of Savings | Number of Bills | In Network Bills | PPO % |
|-------|----------------------|-----------------|------------|-----------------------|-----------------|------------------|-------|
| April | \$ 171,377 | \$ 42,745 | \$ 128,633 | 75% | 101 | 100 | 99% |
| May | \$ 84,357 | \$ 27,989 | \$ 84,782 | 67% | 107 | 106 | 99% |

Ms. Cronk advised that concluded her report unless anyone had any questions.

NJCE SAFETY DIRECTOR: Mr. Prince reviewed the April – June Risk Control Activities Report which was included in the agenda. Mr. Prince advised the agenda also included a Safety Director Bulletin, "Preparing for the 2019 Hurricane Season". Mr. Prince reported during the month of May a Loss Control visit was conducted at the Board of Social Services Building, 342 Westminster Avenue. The report was submitted and there were a few minor recommendations. In addition Mr. Prince advised a Loss Control visit was contacted on June 5, 2019 at the John Russell Wheeler Spray Park. Mr. Prince advised the report was submitted and there were a few recommendations which were already being addressed. Mr. Prince advised that concluded his report unless there were any questions.

Correspondence Made Part of Minutes

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

CLOSED SESSION: Executive Director advised there was a need for a closed session. Commission Attorney stated that pursuant to the provisions of the Open Public Meetings Act, a public body may enter into Executive Session for the purpose of discussing certain enumerated subjects. Commission Attorney then read the below statement which was included in the agenda.

N.J.S.A. 10:4-12(B)

Pursuant to provisions of the Open Public Meetings Act a public body may enter into Executive Session for the purpose of discussing certain enumerated subjects. This Commission now wishes to enter Executive Session for the purpose of discussing claims 6147, 3789, 2745, 7563, 6462, 6596, 4893, 7211, & 7829. In addition the Board will enter into the session to have an attorney-client privileged communication relative to ongoing negotiations with forensics investigators relative to a potential computer network breach.

The minutes of the Executive Session shall be separated from the minutes of the Open Public Session. The minutes of the Executive Session, redacted as appropriate and necessary, shall be available in approximately 30 days. The Commission Secretary shall retain the original minutes until such time as the confidential limitations have been removed, at which time they shall be available.

Upon the affirmative vote of a majority of the members present, the Commission may retire to Executive Session.

Upon the Commission's return it may or may not take formal action on the matters discussed.

Commission Attorney asked that in terms of the Executive Session once the claims are presented that everyone except the Commissioners and staff of the Commission vacate the room for the second half of the session.

MOTION TO RETURN TO OPEN SESSION

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| Moved: | Chair Wagner |
| Second: | Commissioner Scutari |
| Vote: | 2 Yes, 0 Nays |

MOTION TO APPROVE THE PARS AS DISCUSSED IN EXECUTIVE SESSION

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| Moved: | Chair Wagner |
| Second: | Commissioner Scutari |
| Vote: | 2 Yes, 0 Nays |

Executive Director reminded everyone the next meeting was scheduled for July 17th.

MOTION TO ADJOURN:

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| Moved: | Chair Wagner |
| Second: | Commissioner Scutari |
| Vote: | 2 Yes, 0 Nays |

MEETING ADJOURNED: 10:31 AM

Minutes prepared by: Cathy Dodd, Assisting Secretary