

**UNION COUNTY INSURANCE FUND COMMISSION  
OPEN MINUTES  
MEETING – September 18, 2019  
County of Union  
Administration Building – 6<sup>th</sup> Floor  
Freeholder Conference Room  
10 Elizabethtown Plaza  
Elizabeth, NJ  
10:00 AM**

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

**ROLL CALL OF COMMISSIONERS:**

Amy Wagner	Present
Claudia Martins	Present
Laura Scutari	Present

**FUND PROFESSIONALS PRESENT:**

Executive Director	PERMA Risk Management Services <b>Joseph Hrubash</b>
Claims Service	D&H Alternative Risk Solutions, Inc. <b>Kathleen Guze</b> <b>Wayne Ring</b>
	Conner Strong & Buckelew <b>Robyn Walcoff</b>
Managed Care Services	First MCO <b>Alyson Cronk</b> <b>Suzanne Rajsteter</b>
NJCE Underwriting Manager	Conner Strong & Buckelew
Risk Management Consultant	Acrisure, LLC <b>Robin Racioppi</b>
Treasurer	<b>Bibi Taylor</b>
Attorney	<b>Bruce H. Bergen, Esq</b>
Safety	J.A. Montgomery Risk Control <b>Glenn Prince</b>
	T&M Associates <b>Mark Worthington</b>

**ALSO PRESENT:**

Cathy Dodd, PERMA Risk Management Services

**APPROVAL OF MINUTES: OPEN & CLOSED MINUTES OF JULY 17, 2019**

*Ms. Dodd advised she did not bring copies of the closed minutes and asked that the closed minutes be tabled until next month.*

**MOTION TO APPROVE OPEN OF MINUTES OF JULY 17, 2019**

Moved:	Commissioner Martins
Second:	Commissioner Scutari
Vote:	2 Yes, 0 Nays, 1 Abstained

**CORRESPONDENCE: None**

**SAFETY COMMITTEE:** Mr. Worthington reported since the last meeting we've conducted some fork lift training and evaluations for the Department of Public Works as well as Facilities. Mr. Worthington advised they are scheduling through the Labor Committee evacuation drills in the fall for the buildings.

**CLAIM COMMITTEE:** Ms. Walcoff reported the Claim Committee met prior to the meeting and discussed the claims that would be presented during closed session.

**EXECUTIVE DIRECTOR REPORT:** Executive Director advised his report was included in the agenda and he had one action item.

**CERTIFICATE OF INSURANCE REPORT:** Executive Director reported the certificate of issuance report from the NJCE listing the certificates issued for the months of July and August were included in the agenda. Executive Director advised there were 2 certificates issued during the month of July and 6 during August. Executive Director asked if anyone had any questions and requested a motion to approve the report.

**MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT**

Moved:	Chairman Wagner
Second:	Commissioner Martins
Vote:	3 Yes, 0 Nays

**COMMISSIONER AUDITOR CONTRACT:** Executive Director advised the Commission Auditor Contract with Suplee, Clooney & Company expired on September 30, 2019. Executive Director stated the RFP was issued and advertised. Executive Director reported the responses were due on Tuesday, September 24, 2019. Ms. Taylor indicated she reviewed the responses last year along with General Counsel and the Executive Director. Ms. Wagner advised the Committee should remain the same as last year. Ms. Dodd noted so far there was only one respondent.

**NJ COUNTIES EXCESS JOINT INSURANCE FUND (NJCE):** Executive Director reported the NJCE last met on September 26, 2019 and a written summary report of the meeting would appear in the next agenda.

**UCIFC FINANCIAL FAST TRACK:** Executive Director advised the June Financial Fast Track was included in the agenda. The Commission had a surplus of \$2,900,179 as of June 30, 2019. Executive Director referred to Line 10 of the report, “Investment in Joint Venture” and indicated \$2,277,348 of the surplus was the UCIFC’s share of the NJCE equity. Executive Director noted the cash amount was \$7,054,208.

**NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK:** Executive Director reported the June Financial Fast Track was included in the agenda. As of June 30, 2019 the Fund had a surplus of \$18,085,455. 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 June 30, 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. Executive Director noted the reports substantiated the surplus on the UCIFC Financial Fast Track.

**PROPOSED PROPERTY CLAIM PROCEDURES:** Executive Director referred to a copy of proposed changes to the Property Claims Procedures prepared by D&H which was included in the agenda. A Direction of Payment form was also included in the agenda. Executive Director explained D&H would make payment directly to the service provider/vendor under the new procedure with the completion of the Payment Form. Executive Director reported the new procedure was the result of a meeting with the Commission Attorney and Commission Treasurer. Executive Director advised the new procedure would eliminate any checks being issued by the County for any property damage claims. D&H would make the payments direct to the vendors. Executive Director reported he did speak with Mr. Dietz of D&H prior to the meeting and he indicated his office would discuss the new procedure with the Director of Motor Vehicle. In response to Executive Director’s inquiry, Ms. Taylor advised she wanted Motor Vehicle to weigh in so it does not lengthen their timeline to remedy any damages and then it should be fine. Executive Director advised D&H and his office would contact Motor Vehicle. Ms. Wagner asked that Ms. Scutari also be aware of the new procedure.

**PROPERTY INSURANCE COVERAGE OPTIONS:** Executive Director reported the NJCE JIF Coverage Committee met recently and discussed property coverages for Drones and Working Dogs. Executive Director referred to a copy of a memorandum from the NJCE Underwriting Manager issued on the proposed changes. Executive Director advised the coverage could be included in the Commission layer through the Plan of Risk Management. Executive Director stated the actuary advised there was no need to assess any additional monies for this. Executive Director advised we could offer coverage up to the full retention or agree on a sub-limit. Executive Director indicated his recommendation was not to apply a sub-limit and add the coverage to the Plan of Risk Management.

**MOTION TO APPROVE PHYSICAL DAMAGE COVERAGE TO  
DRONES AND REPLACEMENT COST FOR WORKING ANIMALS UP  
TO \$100,000 RETAINED LAYER**

Moved:	Chairman Wagner
Second:	Commissioner Martins
Vote:	3 Yes, 0 Nays

**ACTIVE SHOOTER/ASSAILANT COVERAGE:** Executive Director referred to a copy of a memorandum from the NJCE Underwriting Manager regarding Active Shooter/Assailant coverage. Executive Director advised the NJCE would provide group quotes for Active Shooter/Assailant coverage for the 2020 renewal.

**2020 RENEWAL:** Executive Director reported the new Origami System was launched on August 5<sup>th</sup> as part of the 2020 Exposure Renewal Process. Executive Director advised the deadline to complete the renewal process was September 16, 2019. Executive Director stated if anyone had any questions or needed assistance to reach out to the Fund Office. Executive Director noted the 2020 budget was reliant on the exposure data and updated renewal applications.

**NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND – RISK MANAGEMENT BEST PRACTICES WORKSHOP:** Executive Director reported the eighth annual Joint Insurance Claims Committee Risk Management Workshop was scheduled for Wednesday, October 30, 2019 at the Conner Strong & Buckelew new corporate Headquarters in Camden, NJ. Executive Director noted video capability would be available from the Parsippany and Toms River offices. Executive Director advised the agenda included the topics and advised Mr. Dave Grubb of his office planned to speak on recent legislative changes that affected all public entities.

**OCTOBER MEETING DATE:** Executive Director reminded the Commission the next meeting was scheduled for Thursday, October 17, 2019 at 10:00 AM.

Executive Director advised he planned on attending the Freeholder Meeting on September 26, 2019.

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

Executive Director's Report Made Part of Minutes.

**TREASURER REPORT:** Ms. Taylor reported she wanted to advise members of the Commission she did receive a draft audit report for 2018 and there were no recommendations or comments outlined therein. Ms. Taylor advised after final review by the Executive Director and her office the audit would be submitted for approval at next month's meeting. Ms. Taylor advised she reviewed the September bill list and she recommended its approval.

**MOTION TO APPROVE RESOLUTION 25-19 SEPTEMBER BILL LIST**

Moved:	Chairman Wagner
Second:	Commissioner Martins
Vote:	3 Yes, 0 Nays

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

**ATTORNEY:** Mr. Bergen advised he did not have anything to report, however wanted to mention that at a recent meeting there was a discussion amending the Risk Management Plan to increase the amount of the auto physical damage and property claims. Executive Director advised it was suggested at the meeting the auto physical damage authority be increased from \$5,000 to \$15,000 and if there was need a need to make any payment between meetings. In response to Executive Director's inquiry, Mr. Bergen advised if there was no urgency the subject could be addressed next month. Ms. Taylor advised the change in process for Motor Vehicles also go in tandem with the Risk Management Plan

so if there was no urgency the current process should be in place. Executive Director advised the items would be addressed at the next meeting.

**CLAIMS SERVICE:** Ms. Guze advised for the month ending August 31<sup>st</sup> there were 44 worker compensation claims, 3 claims were denied, 3 claims were report only, 24 claims were closed and 14 remain treating. Ms. Guze noted of those 44 claims, 7 claims were poison ivy and bug bites, typical claims for July and August. Ms. Guze advised there were no glaring safety problems.

**MANAGED CARE:** Ms. Cronk introduced Ms. Suzanne Rajsteter. Ms. Cronk advised Ms. Rajsteter would be stepping in as the account manager as she transitioned to a new position with First MCO. Ms. Cronk advised First MCO's reports were included in the agenda. Ms. Cronk advised for the month of August there were 22 reported claims, 17 were medical only, 2 were lost time for a total case management of 19. Ms. Cronk also provided the below information for August.

Month	Provider Bill Amount	Repriced Amount	Savings	Percentage of Savings	Number of Bills	In Network Bills	PPO %
August	\$ 143,134	\$ 47,303	\$ 95,830	67%	186	183	98%

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

**NJCE SAFETY DIRECTOR:** Mr. Prince reviewed the July – September Risk Control Activities Report which was included in the agenda. Mr. Prince reported the agenda also included two Safety Director Bulletins, “Office Safety” and “New School Year – Driver Awareness”. Mr. Prince advised the deadline for the BRIT Safety Grant was fast approaching on September 30<sup>th</sup>. In response to Executive Director's inquiry, Mr. Prince advised he was in touch with the Sheriff's office. After a brief discussion Ms. Martins suggested discussing further at the Safety Meeting today. In response to Executive Director's request, Mr. Prince advised he could extend the deadline. 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 8917, 7773, 2624, 7692, 7563, 6521, 7828, 4467, 6210, 7469, 8657-01, 8636 & 8540. 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.

*Mr. Bergen asked that anyone not involved with the worker compensation claims to leave the room.*

#### **MOTION TO GO INTO CLOSED SESSION**

Moved:	Chairman Wagner
Second:	Commissioner Martins
Vote:	3 Yes, 0 Nays

#### **MOTION TO RETURN TO OPEN SESSION**

Moved:	Chairman Wagner
Second:	Commissioner Martins
Vote:	3 Yes, 0 Nays

#### **MOTION TO APPROVE THE PARS AS DISCUSSED IN EXECUTIVE SESSION**

Moved:	Chairman Wagner
Second:	Commissioner Martins
Vote:	3 Yes, 0 Nays

#### **MOTION TO ADJOURN:**

Moved:	Chairman Wagner
Second:	Commissioner Martins
Vote:	3 Yes, 0 Nays

#### **MEETING ADJOURNED: 10:35 AM**

Minutes prepared by: Cathy Dodd, Assisting Secretary