

**UNION COUNTY INSURANCE FUND COMMISSION
AGENDA AND REPORTS
FEBRUARY 19, 2020**

**COUNTY OF UNION
ADMINISTRATION BUILDING – 6TH FLOOR
FREEHOLDER CONFERENCE ROOM
10 ELIZABETHTOWN PLAZA
ELIZABETH, NJ
10:00 AM**

OPEN PUBLIC MEETINGS ACT - STATEMENT OF COMPLIANCE

In accordance with the Open Public Meetings Act, notice of this meeting was given by:

- I. Advertising the notice in the Star Ledger and Westfield Leader**
- II. Filing advance written notice of this meeting with the Commissioners of the Union County Insurance Fund Commission; and**
- III. Posting notice on the Public Bulletin Board of the Office of the County Clerk**

UNION COUNTY INSURANCE FUND COMMISSION
AGENDA
OPEN PUBLIC MEETING: February 19, 2020
ADMINISTRATION BUILDING – 6TH FLOOR
FREEHOLDER CONFERENCE ROOM
10 ELIZABETHTOWN PLAZA
ELIZABETH, NJ
10:00 AM

- ☐ **MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ**
- ☐ **ROLL CALL OF COMMISSIONERS**
- ☐ **APPROVAL OF MINUTES: January 16, 2020 Open Minutes.....Appendix I**
January 16, 2020 Closed Minutes.....Handout

- ☐ **CORRESPONDENCE:**

- ☐ **COMMITTEE REPORTS**
 Safety Committee: Verbal
 Claims Committee: Verbal

- ☐ **EXECUTIVE DIRECTOR/ADMINISTRATOR – PERMAPages 3-15**

- ☐ **TREASURER – Bibi Taylor**
 Resolution **15-20** February Bill List – MotionPage 16
 December Treasurer Reports Pages 17-18

- ☐ **ATTORNEY – Bruce H. Bergen, Esq..... Verbal**

- ☐ **CLAIMS SERVICE – D&H Alternate Risk Solutions, Inc. Verbal**

- ☐ **MANAGED CARE – First MCO**
 Monthly Report – January Pages 19-21

- ☐ **NJCE SAFETY DIRECTOR – J.A. Montgomery Risk Control**
 Monthly Report..... Pages 22-25
 BRIT Safety Grant Program.....Page 26

- ☐ **OLD BUSINESS**
- ☐ **NEW BUSINESS**
- ☐ **PUBLIC COMMENT**
- ☐ **EXECUTIVE SESSION – in accordance with the Open Public Meetings Act, N.J.S.A. 10:4-12(B)**
 N.J.S.A 10:4-12 Statement.....Page 27
 Motion to go into Executive Session
- ☐ **APPROVAL OF PARS - Motion**

- ☐ **MEETING ADJOURNMENT**
- ☐ **NEXT SCHEDULED MEETINGS: March 18, 2020 ADMINISTRATION BUILDING, 6TH FLOOR, FREEHOLDER CONFERENCE ROOM, 10 ELIZABETHTOWN PLAZA, ELIZABETH, NJ**

UNION COUNTY INSURANCE FUND COMMISSION

9 Campus Drive, Suite 216

Parsippany, NJ 07054

Telephone (201) 881-7632 Fax (201) 881-7633

Date: February 19, 2020

Memo to: Commissioners of the Union County Insurance Fund Commission

From: PERMA Risk Management Services

Subject: Executive Director's Report

- ☐ **2020 Property & Casualty Budget (Pages 5-6)** – Attached on page 5 is a copy of the proposed 2020 Property & Casualty Budget in the amount of \$5,124,850. At the December 2019 and January 2020 meetings we approved temporary budgets of \$411,174 each month which represented 1/12 of last year's budget.

We are requesting approval of a third temporary budget in the amount of \$411,174 representing 1/12 of last year's budget. The total 2020 temporary budget is \$12,335.22. Included in the agenda on page 6 is Resolution 14-20 to approve and adopt a temporary budget.

- ☐ **Motion to approve Resolution 14-20 adopting a third temporary 2020 Property & Casualty Budget in the amount of \$411,174**

- ☐ **Certificate of Insurance Report (Page 7)** – Attached on page 7 is the certificate of insurance issuance report from the NJCE listing those certificates issued during the month of January. There were 4 certificates issued.

- ☐ **Motion to approve the certificate of insurance report**

- ☐ **NJ Counties Excess Joint Insurance Fund (NJCE)** – The NJCE will hold its Re-Organization Meeting on February 27, 2020 at 1:00 PM at the Camden County College Regional Emergency Training Center.

- ☐ **UCIFC Financial Fast Track (Page 8)** - Included in the agenda on page 8 is a copy of the Financial Fast Track for the month of December. As of **December 31, 2019** there is a statutory surplus of **\$3,911,986**. Line 10 of the report, "Investment in Joint Venture" is the Union County Insurance Commission's share of the equity in the NJCE, **\$2,138,393**. The total cash amount is **\$7,979,477**.

- ☐ **NJCE Property & Casualty Financial Fast Track (Pages 9-10)** – Included in the agenda on pages 9-10 is a copy of the Financial Fast Track for the month of December. As of **December 31, 2019** the Fund has a surplus of **\$15,026,780**. Line 7 of the report, "Dividend" represents the dividend figure released by the NJCE, \$3,607,551. The cash amount is **\$30,611,582**.

- ❑ **Claims Tracking Reports (Pages 11-12)** – Included in the agenda on page 11 is the Claim Activity Report as of December 31, 2019. Also included in the agenda on page 12 is the Claims Management Report Expected Loss Ratio Analysis Report as of December 31, 2019. This report measures how the losses are running compared to the actuary's projections for 2019. Executive Director will review both reports at the meeting.
- ❑ **2020 Excess Insurance Renewal Overview (Pages 13-14)** Included in the agenda on pages 13-14 is a copy of a letter from the Underwriting Manager. The Executive Director and Underwriting Manger will review the letter at the meeting.
- ❑ **2020 MEL MRHIF and NJCE Educational Seminar (Page 15)** - The 10th annual seminar is scheduled for Friday, May 1, 2020 beginning at 9:00 AM at the National Conference Center in East Windsor, NJ. The seminar qualifies for an extensive list of Continuing Educational Credits including CFO/CMFO, Public Works, Clerks, Insurance Producers and Purchasing Agents. Attached on page 15 is a copy of the enrollment form. There is no cost associated with the seminar.
- ❑ **Cyber Incident** – We will ask the Chair to advise if there are any new updates.
- ❑ **Union County Court Annex Building Water Loss-** We will provide an update on the January 29, 2020 water loss claim.

UNION COUNTY INSURANCE COMMISSION					
2020 PROPOSED BUDGET :					
	90%			Total	
				Increase/Decrease	
		ANNUALIZED BUDGET FY2019	PROPOSED BUDGET FY2020	\$	%
APPROPRIATIONS					
I. Claims and Excess Insurance					
Claims					
1	Property	306,379	355,673	49,294	16.09%
2	Liability	385,651	393,364	7,713	2.00%
3	Auto	232,998	237,658	4,660	2.00%
4	Workers' Comp.	3,870,000	3,947,400	77,400	2.00%
5					
6	Subtotal - Claims*	4,795,028	4,934,095	139,067	2.90%
7					
8					
9					
10	II. Expenses, Fees & Contingency				
11					
12	Claims Adjustment	0	0	0	0.00%
13	Safety Director	0	0	0	0.00%
14	General Expense				
15	Exec. Director	156,760	159,895	3,135	2.00%
16	Actuary	6,018	6,138	120	1.99%
17	Auditor	9,531	9,722	191	2.00%
18	Attorney	4,000	4,000	0	0.00%
19	Treasurer	4,000	4,000	0	0.00%
20					
21					
22	Misc. Expense & Contingency	7,000	7,000	0	0.00%
23					
24	Total Fund Exp & Contingency	187,309	190,755	3,446	1.84%
25	Risk Managers	0	0	0	0.00%
26					
27					
28	Total FUND Disbursements	4,982,337	5,124,850	142,513	2.86%

RESOLUTION NO. 14-20

UNION COUNTY INSURANCE FUND COMMISSION

ADOPTION OF A TEMPORARY 2020 PROPERTY & CASUALTY BUDGET

BE IT RESOLVED by the Union County Insurance Fund Commission that it hereby approves and adopts a third Temporary Budget in the amount of \$411,174 equal to 1/12 of the 2019 Property & Casualty Budget

ADOPTED by THE UNION COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 19, 2020.

ADOPTED:

BY: _____
CHAIR

DATE

ATTEST:

VICE CHAIR

DATE

Union County Insurance Commission

Certificate of Insurance Monthly Report

From 1/1/2020 To 2/1/2020

Holder (H)/ Insured Name (I)	Holder / Insured Address	Description of Operations	Issue Date/ Cert ID	Coverage
H - JCC of Central NJ I - County of Union	1391 Martine Avenue Scotch Plains, NJ 07076	Company D: XS Worker Compensation Policy Limits: Statutory x \$1,000,000, XS Employers Liability \$5,000,000 x \$1,000,000 Policy Term: 01/01/2020 - 01/01/2021 Policy #: SP4059717 RE: JCC Vendor Fair The Certificate Holder is an Additional Insured on the above-referenced Commercial General Liability and Excess Liability Policies if required by written contract as respect to the JCC Vendor Fair.	1/10/2020 #2405018	GL AU EX WC OTH
H - Scotch Plains-Fanwood Board of I - County of Union	Education U.C. Parks & Recreation 512 Cedar St Scotch Plains, NJ 07076	Company D: XS Worker Compensation Policy Limits: Statutory x \$1,000,000, XS Employers Liability \$5,000,000 x \$1,000,000 Policy Term: 01/01/2020 - 01/01/2021 Policy #: SP4059717 Evidence of insurance with respect to Concert Series (NJ Orchestra & Play) Echo - Lake Park (Rain Site) Scotch Plains Fanwood Highschool	1/21/2020 #2410468	GL AU EX WC OTH
H - Union County Paratransit System I - County of Union	79 West Grand Street Elizabeth, NJ 07202	Company D: XS Worker Compensation Policy Limits: Statutory x \$1,000,000, XS Employers Liability \$5,000,000 x \$1,000,000 Policy Term: 01/01/2020 - 01/01/2021 Policy #: SP4059717 RE: All operations usual to County Governmental Entity as respects the Union County Paratransit System.	1/28/2020 #2415187	GL AU EX WC OTH
H - M&T Bank I - County of Union	34 Exchange Place, Plaza 3, Suite 803 Jersey City, NJ 07311	Company D: XS Worker Compensation Policy Limits: Statutory x \$1,000,000, XS Employers Liability \$5,000,000 x \$1,000,000 Policy Term: 01/01/2020 - 01/01/2021 Policy #: SP4059717 RE: County of Union Juvenile Detention Center Facility Project-Financing Lease Agreement The Certificate Holder is an Additional Insured on the above-referenced Commercial General Liability and Excess Liability Policies if required by written contract as respect to County of Union Juvenile Detention Center Facility Project-Financing Lease Agreement	1/29/2020 #2416397	GL AU EX WC OTH
Total # of Holders: 4				

UNION COUNTY INSURANCE COMMISSION						
FINANCIAL FAST TRACK REPORT						
AS OF December 31, 2019						
ALL YEARS COMBINED						
			THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1.	UNDERWRITING INCOME		415,195	4,982,337	5,739,964	10,722,301
2.	CLAIM EXPENSES					
	Paid Claims		166,131	1,207,695	1,350,944	2,558,639
	Case Reserves		(18,068)	1,710,766	734,406	2,445,172
	IBNR		247,964	282,637	3,621,836	3,904,473
	Discounted Claim Value		(28,925)	(39,393)	(101,676)	(141,069)
	TOTAL CLAIMS		367,101	3,161,704	5,605,510	8,767,214
3.	EXPENSES					
	Excess Premiums		0	0	0	0
	Administrative		13,762	180,688	181,152	361,839
	TOTAL EXPENSES		13,762	180,688	181,152	361,839
4.	UNDERWRITING PROFIT (1-2-3)		34,331	1,639,945	(46,698)	1,593,247
5.	INVESTMENT INCOME		10,435	130,438	49,908	180,345
6.	PROFIT (4 + 5)		44,766	1,770,383	3,210	1,773,593
7.	CEL APPROPRIATION CANCELLATION		0	0	0	0
8.	DIVIDEND INCOME		0	0	0	0
9.	DIVIDEND EXPENSE		0	0	0	0
10.	INVESTMENT IN JOINT VENTURE		0	132,390	2,006,003	2,138,393
11.	SURPLUS (6 + 7 + 8 - 9)		44,766	1,902,772	2,009,213	3,911,986
SURPLUS (DEFICITS) BY FUND YEAR						
	2018		6,926	1,602,228	2,009,213	3,611,441
	2019		37,840	300,544		300,544
	TOTAL SURPLUS (DEFICITS)		44,766	1,902,772	2,009,213	3,911,986
TOTAL CASH						7,979,477
FUND YEAR 2018						
	Paid Claims		8,798	293,298	1,350,944	1,644,242
	Case Reserves		24,455	251,857	734,406	986,263
	IBNR		(33,253)	(2,241,472)	3,621,836	1,380,364
	Discounted Claim Value		(77)	49,734	(101,676)	(51,942)
	TOTAL FY 2018 CLAIMS		(77)	(1,646,583)	5,605,510	3,958,927
FUND YEAR 2019						
	Paid Claims		157,333	914,397		914,397
	Case Reserves		(42,523)	1,458,908		1,458,908
	IBNR		281,217	2,524,109		2,524,109
	Discounted Claim Value		(28,848)	(89,127)		(89,127)
	TOTAL FY 2019 CLAIMS		367,179	4,808,287	0	4,808,287
COMBINED TOTAL CLAIMS			367,101	3,161,704	5,605,510	8,767,214
This report is based upon information which has not been audited nor certified by an actuary and as such may not truly represent the condition of the fund.						

NEW JERSEY COUNTIES EXCESS JIF						
FINANCIAL FAST TRACK REPORT						
			AS OF	December 31, 2019		
ALL YEARS COMBINED						
			THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1.	UNDERWRITING INCOME		1,971,737	23,667,188	139,838,292	163,505,481
2.	CLAIM EXPENSES					
		Paid Claims	237,582	1,373,230	3,794,828	5,168,058
		Case Reserves	(367,229)	393,412	5,641,230	6,034,642
		IBNR	858,917	2,209,445	8,032,894	10,242,339
		Discounted Claim Value	(38,036)	(330,484)	(1,272,066)	(1,602,549)
	TOTAL CLAIMS		691,234	3,645,603	16,196,887	19,842,490
3.	EXPENSES					
		Excess Premiums	2,885,242	16,616,900	97,129,691	113,746,590
		Administrative	114,768	1,920,082	10,482,471	12,402,553
	TOTAL EXPENSES		3,000,011	18,536,982	107,612,162	126,149,144
4.	UNDERWRITING PROFIT (1-2-3)		(1,719,508)	1,484,603	16,029,244	17,513,847
5.	INVESTMENT INCOME		48,620	622,954	497,530	1,120,484
6.	PROFIT (4+5)		(1,670,888)	2,107,558	16,526,774	18,634,331
7.	Dividend		0	2,000,000	1,607,551	3,607,551
8.	SURPLUS (6-7-8)		(1,670,888)	107,558	14,919,223	15,026,780
SURPLUS (DEFICITS) BY FUND YEAR						
	2010		1,342	(233,959)	777,092	543,133
	2011		1,959	(495,341)	878,879	383,538
	2012		2,449	(186,654)	1,184,534	997,880
	2013		4,062	(603,159)	2,027,740	1,424,581
	2014		5,365	386,780	2,492,972	2,879,752
	2015		(235,504)	(620,447)	1,162,564	542,117
	2016		6,068	303,790	3,256,376	3,560,166
	2017		6,814	(183,494)	2,011,827	1,828,333
	2018		7,420	835,249	1,127,237	1,962,486
	2019		(1,470,862)	904,793		904,793
TOTAL SURPLUS (DEFICITS)			(1,670,888)	107,558	14,919,222	15,026,779
TOTAL CASH						30,611,582

NEW JERSEY COUNTIES EXCESS JIF FINANCIAL FAST TRACK REPORT					
AS OF		December 31, 2019			
ALL YEARS COMBINED					
THIS MONTH		YTD CHANGE		PRIOR YEAR END	FUND BALANCE
CLAIM ANALYSIS BY FUND YEAR					
FUND YEAR 2010					
	Paid Claims	0	0	171,840	171,840
	Case Reserves	0	0	(0)	(0)
	IBNR	0	1,650	9,666	11,316
	Discounted Claim Value	0	(58)	(1,005)	(1,063)
TOTAL FY 2010 CLAIMS		0	1,592	180,501	182,093
FUND YEAR 2011					
	Paid Claims	2,423	30,246	488,982	519,228
	Case Reserves	(292,118)	(246,930)	461,457	214,527
	IBNR	289,695	490,121	39,375	529,496
	Discounted Claim Value	0	(2,496)	(53,088)	(55,583)
TOTAL FY 2011 CLAIMS		0	270,941	936,726	1,207,667
FUND YEAR 2012					
	Paid Claims	1,363	18,226	1,533,507	1,551,733
	Case Reserves	(1,363)	(12,448)	87,538	75,090
	IBNR	0	(44,820)	126,579	81,759
	Discounted Claim Value	0	8,051	(22,910)	(14,859)
TOTAL FY 2012 CLAIMS		0	(30,992)	1,724,714	1,693,722
FUND YEAR 2013					
	Paid Claims	72,088	126,575	520,298	646,873
	Case Reserves	(86,566)	136,974	507,306	644,280
	IBNR	14,478	(96,154)	226,103	129,949
	Discounted Claim Value	0	(9,631)	(77,544)	(87,175)
TOTAL FY 2013 CLAIMS		(0)	157,764	1,176,165	1,333,928
FUND YEAR 2014					
	Paid Claims	578	(4,706)	447,238	442,532
	Case Reserves	(579)	(322,939)	655,655	332,716
	IBNR	1	(285,245)	472,893	187,648
	Discounted Claim Value	0	47,197	(91,782)	(44,585)
TOTAL FY 2014 CLAIMS		0	(565,693)	1,484,004	918,311
FUND YEAR 2015					
	Paid Claims	2,310	367,775	395,960	763,735
	Case Reserves	(313,699)	(564,510)	2,462,260	1,897,750
	IBNR	552,659	640,170	603,828	1,243,998
	Discounted Claim Value	0	5,499	(223,216)	(217,716)
TOTAL FY 2015 CLAIMS		241,270	448,934	3,238,832	3,687,767
FUND YEAR 2016					
	Paid Claims	5,713	320,211	0	320,211
	Case Reserves	(714)	117,457	530,313	647,770
	IBNR	(5,141)	(996,450)	1,132,357	135,907
	Discounted Claim Value	0	97,994	(170,405)	(72,411)
TOTAL FY 2016 CLAIMS		(142)	(460,788)	1,492,266	1,031,477
FUND YEAR 2017					
	Paid Claims	1,819	42,505	25,647	68,152
	Case Reserves	452,183	884,987	640,084	1,525,070
	IBNR	(454,001)	(616,707)	2,126,369	1,509,662
	Discounted Claim Value	0	(37,058)	(247,426)	(284,483)
TOTAL FY 2017 CLAIMS		0	273,727	2,544,674	2,818,401
FUND YEAR 2018					
	Paid Claims	5,321	32,430	211,356	243,786
	Case Reserves	(5,521)	(134,919)	296,617	161,699
	IBNR	200	(688,281)	3,295,723	2,607,443
	Discounted Claim Value	0	62,774	(384,692)	(321,917)
TOTAL FY 2018 CLAIMS		0	(727,995)	3,419,005	2,691,010
FUND YEAR 2019					
	Paid Claims	145,968	439,968		439,968
	Case Reserves	(118,851)	535,740		535,740
	IBNR	461,025	3,805,162		3,805,162
	Discounted Claim Value	(38,036)	(502,757)		(502,757)
TOTAL FY 2019 CLAIMS		450,106	4,278,114	0	4,278,114
COMBINED TOTAL CLAIMS		691,234	3,645,603	16,196,887	19,842,490
This report is based upon information which has not been audited nor certified by an actuary and as such may not truly represent the condition of the fund.					

Union County Insurance Commissions			
CLAIM ACTIVITY REPORT			
AS OF December 31, 2019			
COVERAGE LINE - PROPERTY			
CLAIM COUNT - OPEN CLAIMS			
Year	2018	2019	TOTAL
November-19	1	20	21
December-19	1	16	17
NET CHGE	0	-4	-4
Limited Reserves			\$1,333
Year	2018	2019	TOTAL
November-19	\$0	\$23,323	\$23,323
December-19	\$0	\$22,659	\$22,659
NET CHGE	\$0	(\$664)	(\$664)
Ltd Incurred	\$290,449	\$175,501	\$465,951
COVERAGE LINE - GENERAL LIABILITY			
CLAIM COUNT - OPEN CLAIMS			
Year	2018	2019	TOTAL
November-19	27	74	101
December-19	22	49	71
NET CHGE	-5	-25	-30
Limited Reserves			\$1,763
Year	2018	2019	TOTAL
November-19	\$65,345	\$56,447	\$121,792
December-19	\$85,345	\$39,831	\$125,176
NET CHGE	\$20,000	(\$16,616)	\$3,384
Ltd Incurred	\$187,940	\$48,607	\$236,548
COVERAGE LINE - AUTO LIABILITY			
CLAIM COUNT - OPEN CLAIMS			
Year	2018	2019	TOTAL
November-19	2	8	10
December-19	2	8	10
NET CHGE	0	0	0
Limited Reserves			\$1,069
Year	2018	2019	TOTAL
November-19	\$4,092	\$6,000	\$10,092
December-19	\$4,092	\$6,600	\$10,692
NET CHGE	\$0	\$600	\$600
Ltd Incurred	\$27,178	\$12,578	\$39,757
COVERAGE LINE - WORKERS COMP.			
CLAIM COUNT - OPEN CLAIMS			
Year	2018	2019	TOTAL
November-19	36	44	80
December-19	37	46	83
NET CHGE	1	2	3
Limited Reserves			\$27,550
Year	2018	2019	TOTAL
November-19	\$892,372	\$1,415,662	\$2,308,033
December-19	\$896,827	\$1,389,818	\$2,286,645
NET CHGE	\$4,455	(\$25,843)	(\$21,388)
Ltd Incurred	\$2,124,938	\$2,136,618	\$4,261,556
TOTAL ALL LINES COMBINED			
CLAIM COUNT - OPEN CLAIMS			
Year	2018	2019	TOTAL
November-19	66	146	212
December-19	62	119	181
NET CHGE	-4	-27	-31
Limited Reserves			\$13,509
Year	2018	2019	TOTAL
November-19	\$961,809	\$1,501,431	\$2,463,240
December-19	\$986,263	\$1,458,908	\$2,445,172
NET CHGE	\$24,455	(\$42,523)	(\$18,068)
Ltd Incurred	\$2,630,506	\$2,373,305	\$5,003,811

Union County Insurance Commissions
CLAIMS MANAGEMENT REPORT
EXPECTED LOSS RATIO ANALYSIS

AS OF December 31, 2019

FUND YEAR 2018 -- LOSSES CAPPED AT RETENTION

	Budget	Current		24			Last Month		23			Last Year		12		
		Unlimited	Limited	Actual		MONTH	Unlimited	Limited	Actual		MONTH	Unlimited	Limited	Actual		MONTH
		Incurred	Incurred	31-Dec-19		TARGETED	Incurred	Incurred	30-Nov-19		TARGETED	Incurred	Incurred	30-Dec-18		TARGETED
PROPERTY	320,021	290,449	290,449	90.76%	320,021	100.00%	290,449	290,449	90.76%	317,891	99.33%	335,053	335,053	104.70%	304,782	95.24%
GEN LIABILITY	427,942	187,940	187,940	43.92%	339,744	79.39%	167,940	167,940	39.24%	334,565	78.18%	138,412	138,412	32.34%	257,533	60.18%
AUTO LIABILITY	259,693	27,178	27,178	10.47%	198,512	76.44%	27,178	27,178	10.47%	194,921	75.06%	20,925	20,925	8.06%	132,876	51.17%
WORKER'S COMP	4,546,370	2,124,938	2,124,938	46.74%	4,251,328	93.51%	2,111,685	2,111,685	46.45%	4,215,066	92.71%	1,589,952	1,589,952	34.97%	2,913,033	64.07%
TOTAL ALL LINES	5,554,026	2,630,506	2,630,506	47.36%	5,109,605	92.00%	2,597,253	2,597,253	46.76%	5,062,443	91.15%	2,084,342	2,084,342	37.53%	3,608,223	64.97%
NET PAYOUT %	\$1,644,242				29.60%											

FUND YEAR 2019 -- LOSSES CAPPED AT RETENTION

	Budget	Current		12			Last Month		11			Last Year		0		
		Unlimited	Limited	Actual		MONTH	Unlimited	Limited	Actual		MONTH	Unlimited	Limited	Actual		MONTH
		Incurred	Incurred	31-Dec-19		TARGETED	Incurred	Incurred	30-Nov-19		TARGETED	Incurred	Incurred	30-Dec-18		TARGETED
PROPERTY	340,421	175,501	175,501	51.55%	324,211	95.24%	181,208	181,208	53.23%	292,762	86.00%	0	0	N/A	N/A	N/A
GEN LIABILITY	428,501	48,607	48,607	11.34%	257,869	60.18%	57,243	57,243	13.36%	209,965	49.00%	0	0	N/A	N/A	N/A
AUTO LIABILITY	258,887	12,578	12,578	4.86%	132,464	51.17%	11,228	11,228	4.34%	116,499	45.00%	0	0	N/A	N/A	N/A
WORKER'S COMP	4,637,297	2,136,618	2,136,618	46.07%	2,971,293	64.07%	1,997,266	1,997,266	43.07%	2,411,395	52.00%	0	0	N/A	N/A	N/A
TOTAL ALL LINES	5,665,107	2,373,305	2,373,305	41.89%	3,685,837	65.06%	2,246,946	2,246,946	39.66%	3,030,622	53.50%	0	0	N/A	N/A	N/A

MEMORANDUM
New Jersey Counties Excess Joint Insurance Fund

TO: New Jersey Counties Excess Joint Insurance Fund Commissioners

FROM: Underwriting Manager

DATE: January 14, 2020

SUBJECT: 2020 Excess Insurance Renewal Overview

In the Property segment, the past three years brought about very significant and numerous natural disasters around the globe. Underwriting profits were significantly affected, and the market saw many adjustments to underwriting guidelines. In addition, capacity has shrunk, terms and conditions tightened and pricing has increased. Overall, underwriters need more premium and need to more appropriately underwrite risks, and they are looking for the best accounts possible.

In addition to the tough insurance market, the NJCE has experienced a high frequency of property losses over the last several years generating significant losses and the need for increased retentions and premium rate. The NJCE loss ratio in the past three years alone is 118%, with two of those years over 140%. Our incumbent market has worked very well with the NJCE through these rough years, but the increases still have not caught up to the losses. As such, the NJCE saw a retention increase for 2020 from \$250,000 to \$1,000,000, in addition to a slight rate increase. Our Excess Property and Flood programs have also been increasing in the past few years, similar to the rest of the marketplace. We heavily market the program annually to ensure we are receiving the most favorable results.

As noted above, the insurance marketplace has been hardening over the past few years, but has been doing it in segments. While we have seen Automobile Liability increase for many years (although the NJCE was not affected), we had not seen any hardening in the Excess Casualty market for public entities. Virtually unannounced, we saw sudden hardening just in December of 2019.

Brit, along with basically all other Excess Casualty insurers, cut back its limits from \$15,000,000/\$20,000,000 to \$10,000,000/\$20,000,000. Brit appropriately returned the premium charged to us for those limits (\$240,000); however, this amount is far below this new market's premium for that layer of insurance (\$1,000,000). In addition to the pricing issue, we also experienced a very limited amount of participants in the market. Old Republic provided the only quotation for this full layer at the \$1,000,000 premium mark, and Old Republic will also be replacing Argonaut's current layer. Although we saw drastic and unexpected premium increases in this line of coverage, we were able to obtain some better coverage with Old Republic, including larger Aggregates for most members and full drop-down coverage.

It is important to note that the year-over-year increase we saw this year is only a one-time adjustment due to filling the gap created by Brit and paying the normal market price for the gap layer. There may be increases in the future, but no anticipated large adjustments like this renewal. Despite unfortunate results from the Casualty market, we achieved better than expected results in nearly all of our other lines of coverage. For instance, POL/EPL came in at about a net 4% increase versus the expected 7%. One of the benefits of the JIF is the insulation from significant increases that standalone clients have experienced in this market.

We will continue to closely monitor the marketplace and provide timely updates to the NJCE. We can expect the market to continue its hardening pattern, so we will continue to adjust our marketing to ensure the NJCE is positioned as best as possible into the future.

Following is a general comparison of the budgeted not-to-exceed premiums versus the actual premiums, which reflects what is noted above.

“Budget Initial” are the originally budgeted premiums based on expiring exposures.

“Budget Adjusted” are the budgeted adjusted for exposure changes.

“Actual” are the premiums as ultimately negotiated.

	Budget Initial	Budget Adjusted	Actual	Delta
Property	\$ 6,671,371	\$ 6,671,371	\$ 6,689,129	\$ 17,758
XS Flood	\$ 500,691	\$ 554,845	\$ 481,050	\$ (73,795)
Liability	\$ 3,924,402	\$ 3,924,402	\$ 3,698,836	\$ (225,566)
Excess Liability	\$ 611,653	\$ 611,653	\$ 1,664,679	\$ 1,053,026
WC Buffer	\$ 1,045,289	\$ 1,129,713	\$ 1,186,199	\$ 56,486
WC	\$ 2,080,846	\$ 2,089,930	\$ 2,088,942	\$ (988)
POL/EPL	\$ 1,211,835	\$ 1,265,334	\$ 1,177,780	\$ (87,554)
Crime	\$ 167,469	\$ 173,833	\$ 163,805	\$ (10,028)
Med/Mal	\$ 775,608	\$ 896,023	\$ 855,364	\$ (40,659)
Law yers	\$ 165,360	\$ 161,982	\$ 154,198	\$ (7,784)
NOA	\$ 67,198	\$ 67,200	\$ 36,960	\$ (30,240)
Cyber	\$ 390,672	\$ 390,747	\$ 416,509	\$ 25,762
Fee	\$ 435,096	\$ 435,096	\$ 435,096	\$ -
	\$ 18,047,490	\$ 18,372,129	\$ 19,048,547	\$ 676,418

2020 MEL, MRHIF & NJCE Educational Seminar

Friday, May 1, 9:00 to 4:00

National Conference Center at the East Windsor Holiday Inn
399 Monmouth Street, East Windsor, N.J. 08520, Turnpike Exit 8

The MEL (Municipal Excess Liability Joint Insurance Fund), MRHIF (Municipal Reinsurance Health Fund) and the NJCE (NJ Counties Excess Liability Fund) are sponsoring the 10th annual educational seminar for commissioners, municipal, county and authority personnel, risk managers and other professionals. This seminar is eligible for the following continuing educational credits:

- CFO/CMFO, Public Works and Clerks:
- Insurance Producers and Purchasing Agents:
- Accountants (CPA's) and Lawyers (CLE):
- TCH Water Supply & Wastewater Licensed Operator Training:
- RPPO and QPA

Topics

- Local Government's Role in Addressing the Opioid Crisis (Sheriff James Gannon)
- The Local Officials Ethics Act (Director Melanie Walter and Nick Bennett)
- Protecting Child Abuse and S-477 (Fred Semrau Esq and Joe Hrubash)
- Fire Fighter Cancer Presumption in Workers Compensation (John Geaney Esq.)
- Controlling Health Care Costs (Sean Critchley)
- Ethics in Employment Practices for Governmental Entities (Heather Steinmiller Esq.)

REGISTRATION: RSVP by Friday, April 24 **Space Limited**

Name: _____ Title: _____ Organization: _____

Address: _____

Credits being applied for: _____

Seven digit P/C Insurance Producer License # (if applicable) _____

Phone: _____ cell: _____ e-mail: _____

E-mail registrations to: cdodd@permainc.com



UNION COUNTY INSURANCE FUND COMMISSION BILLS LIST

Resolution No. 15-20

FEBRUARY 2020

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

BE IT RESOLVED that the Union County Insurance Fund Commission, hereby authorizes the Commission 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 Commission

FUND YEAR 2019

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
001081			
001081	PERMA RISK MANAGEMENT SERVICES	1099 AATRIX 2019	14.95
			14.95
		Total Payments FY 2019	14.95

FUND YEAR 2020

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
001082			
001082	PERMA RISK MANAGEMENT SERVICES	POSTAGE 1/20	2.45
001082	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 2/20	13,324.59
			13,327.04
001083			
001083	THE ACTUARIAL ADVANTAGE	ACTUARY 2/20	511.50
			511.50
001084			
001084	NJ ADVANCE MEDIA	ACCT#1188859 - ADV - 1.4.20	71.35
			71.35
		Total Payments FY 2020	13,909.89
		TOTAL PAYMENTS ALL FUND YEARS	\$13,924.84

Chairperson

Attest:

_____ Dated: _____

I hereby certify the availability of sufficient unencumbered funds in the proper accounts to fully pay the above claims.

Treasurer

SUMMARY OF CASH AND INVESTMENT INSTRUMENTS			
UNION COUNTY INSURANCE COMMISSION			
ALL FUND YEARS COMBINED			
CURRENT MONTH	December		
CURRENT FUND YEAR	2019		
Description:		Administrative Account- Investors	Claims Account - Investors
ID Number:			
Maturity (Yrs)			
Purchase Yield:			
TOTAL for All Accts & instruments			
Opening Cash & Investment Balance	\$8,174,929.70	8179830.58	-4900.88
Opening Interest Accrual Balance	\$0.00	0	0
1 Interest Accrued and/or Interest Cost	\$0.00	\$0.00	\$0.00
2 Interest Accrued - discounted Instr.s	\$0.00	\$0.00	\$0.00
3 (Amortization and/or Interest Cost)	\$0.00	\$0.00	\$0.00
4 Accretion	\$0.00	\$0.00	\$0.00
5 Interest Paid - Cash Instr.s	\$10,435.21	\$10,213.32	\$221.89
6 Interest Paid - Term Instr.s	\$0.00	\$0.00	\$0.00
7 Realized Gain (Loss)	\$0.00	\$0.00	\$0.00
8 Net Investment Income	\$10,435.21	\$10,213.32	\$221.89
9 Deposits - Purchases	\$337,186.25	\$7,598.00	\$329,588.25
10 (Withdrawals - Sales)	-\$543,073.76	-\$357,204.21	-\$185,869.55
Ending Cash & Investment Balance	\$7,979,477.40	\$7,840,437.69	\$139,039.71
Ending Interest Accrual Balance	\$0.00	\$0.00	\$0.00
Plus Outstanding Checks	\$69,552.81	\$1,193.10	\$68,359.71
(Less Deposits in Transit)	\$0.00	\$0.00	\$0.00
Balance per Bank	\$8,049,030.21	\$7,841,630.79	\$207,399.42

UNION COUNTY INSURANCE COMMISSION									
SUMMARY OF CASH TRANSACTIONS - ALL FUND YEARS COMBINED									
Current Fund Year: 2019									
Month Ending: December									
	Property	Liability	Auto	Worker's Comp	NJ CEL	Admin			TOTAL
OPEN BALANCE	173,662.20	724,050.08	473,600.08	6,748,931.27	0.00	54,685.68	0.00	0.00	8,174,929.31
RECEIPTS									
Assessments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Refunds	7,284.14	0.00	0.00	313.86	0.00	0.00	0.00	0.00	7,598.00
Invest Pymnts	221.68	924.24	604.55	8,614.94	0.00	69.81	0.00	0.00	10,435.22
Invest Adj	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal Invest	221.68	924.24	604.55	8,614.94	0.00	69.81	0.00	0.00	10,435.22
Other *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	7,505.82	924.24	604.55	8,928.80	0.00	69.81	0.00	0.00	18,033.22
EXPENSES									
Claims Transfers	2,241.43	7,980.00	750.00	174,898.12	0.00	0.00	0.00	0.00	185,869.55
Expenses	0.00	0.00	0.00	0.00	0.00	27,615.96	0.00	0.00	27,615.96
Other *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	2,241.43	7,980.00	750.00	174,898.12	0.00	27,615.96	0.00	0.00	213,485.51
END BALANCE	178,926.59	716,994.32	473,454.63	6,582,961.95	0.00	27,139.53	0.00	0.00	7,979,477.02



First Managed Care Option, Inc.

Case Management Monthly Activity Report

January 2020

UNION COUNTY INS FUND COMM
NJ

Reported Claims											
Year/Month	# of Claims > 2 days to report	Total Reported*	Medical Only**	Lost Time**	Total Case Managed	Field Case Managed	% Case MO	% Case LT	% Case Field	Active Files	Closed Files
Total FY2018	35	266	171	37	208	0	82.21%	17.79%	0.00%	2	206
Total FY2019	42	236	133	37	170	0	78.24%	21.76%	0.00%	15	155
Jan-20	4	19	13	3	16	0	81.25%	18.75%	0.00%	9	7
Total FY2020	4	19	13	3	16	0	81.25%	18.75%	0.00%	9	7

Present Open Claims									
Medical Only	Lost Time	Telephonic Case Mgmt	Field Case Mgmt	Total Case Managed	Lost Time Returned to Work	Lost Time Out of Work	Total Working Restricted Duty	Total Working Full Duty	Total Out Of Work
11	15	26	0	26	8	7	6	13	7

Claim keys	
Medical Only Claim:	Case Managed File, out of work 7 days or less
Lost Time Claim:	Case Managed File, out of work 8 or more days
Lost Time Return to Work:	File is a lost time claim and the injured worker has returned to work
Telephonic Case Mgmt:	Number of new referrals for case management
Active Files:	Number of all open files currently case managed

Report run on 02/03/2020

* Total Reported includes all Medical Only, Lost Time, Investigation, and Report Only Claims

** Any Change in MO or LT will be reflected in the original reported month.



Page 1 of 2



First Managed Care Option, Inc.

Case Management Monthly Activity Report

January 2020

UNION COUNTY INS FUND COMM

Members averaging greater than 2 days to report :

Employer	Total Claims	# of Claims > 2 days to report	% of Claims > 2 days to report
SS Medical Assistance / 789-123	1	1	100%
P&R Park Maintenance / 375-591	3	1	33%

Claim keys	
Medical Only Claim:	Case Managed File, out of work 7 days or less
Lost Time Claim:	Case Managed File, out of work 8 or more days
Lost Time Return to Work:	File is a lost time claim and the injured worker has returned to work
Telephonic Case Mgmt:	Number of new referrals for case management
Active Files:	Number of all open files currently case managed

Report run on 02/03/2020

* Total Reported includes all Medical Only, Lost Time, Investigation, and Report Only Claims

** Any Change in MO or LT will be reflected in the original reported month.



Page 2 of 2



First Managed Care Option, Inc.

**First MCO Bill Review Services
UNION COUNTY INS FUND COMM**

Medical Savings by Month

NJ

Month of Reprice Service	Provider Billed Amount	First MCO Repriced	U & C / Fee Schedule	Savings	% of Savings	# of Bills	In Network	Out Of Network	% PPO Penetration	# of Appeals		
Total 2018	\$1,814,896	\$737,104	\$4,278,532	\$1,077,792	59%	1,532	1,285	247	84%	0		
Total 2019	\$2,461,211	\$708,458	\$2,446,769	\$1,752,753	71%	1,621	1,546	75	95%	4		
Jan-20	\$99,613	\$32,489	\$97,841	\$67,123	67%	170	163	7	96%	0		
Total 2020	\$99,613	\$32,489	\$97,841	\$67,123	67%	170	163	7	96%	0		
Total to Date	\$4,375,719	\$1,478,051	\$6,823,142	\$2,897,668	66%	3,323	2,994	329	90%	4		

Report Run Date:02/03/2020

UCI



**UNION COUNTY INSURANCE FUND COMMISSION
SAFETY DIRECTOR'S REPORT**

TO: Fund Commissioners
FROM: J.A. Montgomery Risk Control, Safety Director
DATE: February 12, 2020

UCIFC SERVICE TEAM

Paul Shives, Vice President Public Sector Director pshives@jamontgomery.com Office: 732-736-5213	Glenn Prince, Associate Public Sector Director gprince@jamontgomery.com Office: 856-552-4744 Cell: 609-238-3949	Natalie Dougherty, Senior Administrative Coordinator ndougherty@jamontgomery.com Office: 856-552-4738
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**January - February 2020
RISK CONTROL ACTIVITIES**

MEETINGS ATTENDED / TRAINING / LOSS CONTROL VISITS CONDUCTED

- **January 16:** Attended the UCIFC meeting in Elizabeth.
- **January 16:** Attended the UCIFC Claims Committee meeting in Elizabeth.
- **January 16:** Attended the UCIFC Executive Safety Committee meeting in Elizabeth.
- **January 24:** Conducted an accident review at Warinanco Park

UPCOMING MEETINGS / TRAINING / LOSS CONTROL VISITS PLANNED

- **February 19:** Plan to attend the UCIFC meeting in Elizabeth.
- **February 19:** Plan to attend the UCIFC Claims Committee meeting in Elizabeth.
- **February 19:** Plan to attend the UCIFC Executive Safety Committee meeting in Elizabeth.
- **February 19:** *Plan to attend the UCIFC Jail Sub Committee meeting in Elizabeth*

CEL MEDIA LIBRARY

No Videos were utilized in 2020.

SAFETY DIRECTOR BULLETINS

- 2 New Safety Briefings – February 6.

February 2020

Properly Securing Loads

ASK:

- What types of debris has anyone seen flying out of a nearby truck?
- Has anyone's vehicle ever been struck by debris coming out of a truck?

New Jersey Title 39:4-77 states,

- No person shall permit a vehicle to be loaded or operated that the contents or any part of the contents may be scattered in any street.
- Whenever the load of any vehicle extends above the height of the sides or tail gate or rear of the body of the vehicle, such load shall be securely covered by a tarpaulin or other cover.

In addition, 25% of highway incidents were caused by cargo not being properly secured on trucks or vehicles. Let's commit to not having one of our trucks cause an accident or damage to another vehicle.

We have several ways to prevent objects on trucks from moving or falling out: **[list your equipment]**

- Bungee cords, rope,
- Ratchet straps
- Load material so that none can move
- Tarps on **[list your vehicles that have integral tarps]**

ASK: Do we have what we need?

Some thoughts on securing loads in the pick-up trucks, dump trucks, and roll-over containers:

1. When using nylon strap ratchets, watch out for sharp edges and make sure you select a good anchor point for the two hooks. If you have to go over a sharp edge, make sure to pad it.
2. When using rope, use proper knots. **[consider showing workers some cinching knots]**
3. When using tarps, wrap the tarp tightly over and around the objects and then use MANY points on the tarp to keep it from flapping. This WILL move the tarp over time and you can imagine the consequences of a tarp flying off and onto a following car's windshield.
4. Check tarps and straps and loads frequently in your rear-view mirror. If you can't see them, stop in a safe place and check. I suggest you should check after about the first mile.
5. Be careful with securing your load, especially if you are working on top of a truck or container.
6. Be care when un-securing your load.
 - Bungee cords have snapped and hit people in the face.
 - Loads may have shifted against the straps and when you release the strap the load may fall onto someone on onto the ground.
 - Make sure you have good footing when you are releasing a ratchet strap or chain. The sudden release of the ratchet can knock you off balance. Especially if you are on top of a container.

What thoughts or questions do you have?

This lesson plan is intended for general information purposes only. It should not be construed as legal advice or legal opinion regarding any specific or factual situation. Always follow your organization's policies and procedures as presented by your manager or supervisor. For further information regarding this bulletin, please contact your Safety Director at 877.398.3046.

Winter Driving Tips

Driving under any weather conditions always presents a variety of perils, however, snow, sleet and ice in the winter months deliver hazards that require extra care and attention. I want to remind you of some safety tips to help you this winter driving season.

#1 - Make sure you are able to see and be seen.

- Clean all the snow and ice off of your windshield and other windows, outside mirrors, lights and reflectors.
- New Jersey also requires snow be removed from all surfaces of vehicles when the snow fall has stopped.
- If moisture or ice builds up on the inside or outside of your windshield, stop, clean it off and make sure your defroster is on.
- Turn on your headlights. Never drive with parking lights instead of headlights in winter's early dusk and poor visibility. Parking lights can cause an on-coming driver to think you are farther away than you are. Keep headlights clean; dirty ones can greatly reduce your seeing distance at night.

#2 - Maintain your vehicle

- Tires with good deep treads are essential for successful cornering and handling on slippery roads.
- Check the air pressure frequently to maintain the manufacturer's recommended pressure.
- Make sure your vehicle is equipped with good wiper blades, and that wiper arms are exerting enough pressure on the blades to ensure a clean sweep. Keep your wiper fluid reservoir full.

#3 - Remember these winter driving tips

- Drive at a speed that is safe for weather conditions. Snow and ice covered roads, or under conditions where black ice could be present, require slowing down.
- Extend your 'following' distance', and don't tailgate. Knowing that winter surfaces can increase stopping distance three to 12 times, smart drivers increase their following distance by an additional 2 or 3 seconds. Heavy trucks require an even longer stopping distance on slippery roads than passenger cars.
- Brake before curves. All vehicles are particularly sensitive to over-powering, over-steering, and over-braking on curves. Unseen hazards around the bend may require an evasive action; be ready. Keep a constant speed in the turn, and tap your brakes carefully if you need to slow down or stop to avoid locking your tires and losing steering. Remember, tires must be rolling in order to turn the vehicle.
- Know whether your vehicle has an antilock brake system and learn how to use it properly. Antilock brake systems prevent your wheels from locking up during braking. If you have antilock brakes, apply firm, continuous pressure to the brake pedal. If you don't have antilock brakes, you may need to pump your brakes if you feel your wheels starting to lock up.

Use 3 points of contact when entering or exiting your vehicle. Many injuries occur during these times.

This lesson plan is intended for general information purposes only. It should not be construed as legal advice or legal opinion regarding any specific or factual situation. Always follow your organization's policies and procedures as presented by your manager or supervisor. For further information regarding this bulletin, please contact your Safety Director at 877.398.3046.

From: Glenn Prince, Public Sector Associate Director
To: New Jersey Counties Excess Liability Joint Insurance Fund Commissioners
Date: February 1, 2020
Subject: BRIT Safety Grant Program

Commissioners,

The New Jersey Counties Excess Liability Joint Insurance Fund is pleased to announce the availability of safety program funding through the BRIT Safety Grant Program. Member Counties may receive reimbursement for up to 50% of the cost of a “non-typical” safety item or service to assist in controlling the frequency and severity of general liability claims.

Program Overview:

- The BRIT Safety Grant Program is a cost sharing program where counties can receive reimbursement for up to 50% of the cost of a safety item or service.
- The total amount of Grant funding available to members of the New Jersey Counties Excess Liability Joint Insurance Fund for this policy period is \$45,000.00
- The safety item or service can not be “typical”. For example; training on bloodborne pathogens, back injury prevention and other regulatory issues should already be part of a members overall safety program. Items such as patient lifting boards for EMS or police liability training are specialized and are examples of items that may qualify.
- Safety Grant funding requests for 2020 must be submitted to Glenn Prince gprince@jamontgomery.com no later than September 30, 2020.
- All submissions, will be forwarded to the BRIT Safety Grant Committee, for review and approval. The BRIT Safety Grant Committee consists of one member from each member County.
- If approved, the funding will be paid only after the approved items or services have been purchased and proof of payment has been received.

Please feel free to contact me with any questions.

Glenn Prince
Public Sector Associate Director
JA Montgomery Risk Control
856- 552-4744 office

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: **0093, 0070, 0692 and 6175**. 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.

APPENDIX I

OPEN MINUTES

**UNION COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – January 16, 2020
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:

Amy Wagner	Present
Claudia Martins	Absent
Laura Scutari	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
Claims Service	D&H Alternative Risk Solutions, Inc. Kathleen Guze
	PERMA Risk Management Services
Managed Care Services	First MCO Suzanne Rajsteter
NJCE Underwriting Manager	Conner Strong & Buckelew Ed Cooney
Risk Management Consultant	Acrisure, LLC Robin Racioppi
Treasurer	
Attorney	Bruce Bergen, Esq.
Safety	J.A. Montgomery Risk Control Ken Schultz T&M Associates Mark Worthington (<i>arrived at 10:30</i>)

ALSO PRESENT:

Terry Pacheco, Union County
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN MINUTES AND CLOSED MINUTES OF DECEMBER 19, 2019

MOTION TO APPROVE THE OPEN MINUTES AND CLOSED MINUTES OF DECEMBER 19, 2019

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

CORRESPONDENCE: None

CLAIM COMMITTEE: Executive Director advised the PARS were reviewed prior to the meeting and the PARS would be presented during closed session with the Commissioners.

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

REORGANIZATION RESOLUTIONS: Executive Director recommended to the Chair that he review the reorganization resolutions and then approve by consent. Chair Wagner agreed to Executive Director's recommendation. Executive Director noted the resolutions were reviewed by the Commission Attorney. Executive Director reviewed the following resolutions which were included in the agenda.

- Resolution 1-20 .Certifying the Appointment Chair and Vice Chair
- Resolution 2-20 .Designating Authorized Signatures for Commission Bank Accounts
- Resolution 3-20 .Appointing Agent for Services of Process and Custodian of Records
- Resolution 4-20 .Designating Official Newspapers
- Resolution 5-20 .Designating Authorized Depositories for Commission Assets and Establishing Cash Management Plan
- Resolution 6-20 .Utilizing Union County Approved Counsel for the County
- Insurance Commission
- Resolution 7-20 .Designating Commission Treasurer
- Resolution 8-20 .Designating Commission Attorney
- Resolution 9-20 .Authorizing Commission Treasurer to Process Contracted Payments Expenses

Executive Director advised the Cash Management Plan, Resolution 5-20 had been amended to reference the NJ Statues that list the permissible investments as opposed to actually listing each permissible investment. This will reduce human error factor.

Chair Wagner confirmed with the Commission Attorney that a second RFQ for Litigation and Defense Counsel Services was issued. Commission Attorney advised if there were additional names to add another resolution would be prepared.

Executive Director asked if there were any questions on the resolutions and requested a motion to approve Resolutions 1-20 through 9-20.

**MOTION TO APPROVE REORGANIZATION RESOLUTIONS 1-20
THROUGH 9-20**

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

2020 PLAN OF RISK MANAGEMENT: Executive Director advised the 2020 Risk Management Plan was included in the Appendix II section of the agenda. Executive Director reported the Plan was an overview of the Commission's coverages, risks retained by the Commissions, reserving, philosophy, claims payment authority, etc. Executive Director noted the changes were highlighted yellow. Executive Director advised as was discussed previously the 2020 Property Self-Insurance Retention (SIR) for UCIFC would increase to \$250,000 from \$150,000. Executive Director also advised the payment authority for worker compensation claims increased to \$25,000 from \$15,000.

**MOTION TO APPROVE RESOLUTION 10-20, PLAN OF RISK
MANAGEMENT**

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

2020 MEETING SCHEDULE: Executive Director referred to a copy of the 2020 Meeting Schedule which was included in the agenda. Executive Director advised the schedule was presented at the last meeting. Executive Director reported there were no meetings scheduled for May, August or November. Additional meetings could be scheduled with proper notice or cancelled if there were no action items. Executive Director asked for a motion to approve Resolution 11-20 if the schedule was acceptable to the Commissioners. Chair Wagner noted she did have a conflict with one of the meeting dates, however did not think it be an issue. Executive Director indicated as long as there was a quorum there should be no problems.

**MOTION TO APPROVE RESOLUTION 11-20, 2020 MEETING
SCHEDULE**

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

2020 PROPERTY & CASUALTY BUDGET INTRODUCTION: Executive Director reported at the last meeting we approved a temporary budget in the amount of \$411,174 which represented 1/12 of last year's budget. Executive Director advised he was requesting approval of a second temporary

budget in the amount of \$411,174. Executive Director noted the total of the 2020 temporary budget was \$822,348. Executive Director referred to Resolution 12-20 which was included in the agenda. Executive Director asked if anyone had any questions and requested a motion for approval.

MOTION TO APPROVE RESOLUTION 12-20, ADOPTING A SECOND TEMPORARY 2020 PROPERTY & CASUALTY BUDGET IN THE AMOUNT OF \$411,174

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 month of December was included in the agenda. Executive Director advised there was 1 certificate issued during the month of December.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

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

NJ COUNTIES EXCESS JOINT INSURANCE FUND (NJCE): Executive Director reported the NJCE would hold it Reorganization Meeting on February 27, 2020 at 1:00 PM at the Camden County College Regional Emergency Training Center.

UCIFC FINANCIAL FAST TRACK: Executive Director advised the October Financial Fast Track was included in the agenda. The Commission had a surplus of \$3,628,135 as of October 31, 2019. Executive Director referred to Line 10 of the report, "Investment in Joint Venture" and indicated \$2,125,811 of the surplus was the UCIFC's share of the NJCE equity. Executive Director noted the cash amount was \$8,358,666.

NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the October Financial Fast Track was included in the agenda. As of October 31, 2019 the Fund had a surplus of \$16,597,044. Executive Director reported the cash amount was \$32,149,785. Executive Director referred to line 7, "Dividend" and noted the NJCE released dividends in the amount of \$3,607,551. Executive Director asked if anyone had any questions regarding the Financial Fast Track.

CLAIMS TRACKING REPORTS: Executive Director advised the Claim Tracking reports as of October 31, 2019 were included in the agenda. Executive Director referred to a copy of the Claims Management Report Expected Loss Ratio Analysis Report. Executive Director advised this report measured how the losses were running compared to the actuary's projections. Executive Director referred to columns 4 and 6 and explained column 4 represented the Commission's performance and column 6 was the actuary's projection. Executive Director advised 2018 was a good year and 2019 was off to a good start. Executive Director asked if anyone had any questions on the claims reports.

CYBER INCIDENT: Executive Director asked Chair Wagner to provide an update of the recent cyber incident. Chair Wagner advised they engaged an attorney, Mullin Coughlin LLC, who they used last time. Chair Wagner reported they used CRA to do a forensics look and it was determined the incident came through the mobile CATS System at Public Safety. Chair Wagner advised there was no evidence of any information going out. Chair Wagner reported a tripa virus was found on 6 machines but when it was found it was eradicated. Chair Wagner advised they were waiting for a quote from Carbon Black, a company that provides cyber security. Chair Wagner noted Carbon Black has not been removed yet and makes the machines run slowly.

Chair Wagner advised she did receive backup from SpinCube relating to the \$35,000 billing she mentioned previously. Chair Wagner explained this was the company they purchased bitfender through. Chair Wagner advised they paid the ransom and dealt with hostage takers. After a brief discussion it was agreed the Commission Attorney would review the contract.

Chair Wagner reported the FBI and State Police are involved. Chair Wagner advised there was a program MSI through Homeland Security and she would like them to review what they are doing. Chair Wagner advised they were in the process of isolating Public Safety.

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

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Executive Director advised the January Bill List was included in the agenda and requested a motion for approval. Chair Wagner reported Ms. Taylor was not present.

MOTION TO APPROVE RESOLUTION 13-20 JANUARY BILL LIST

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. Bergen advised he did not have anything to report.

CLAIMS SERVICE: Ms. Guze reported for the period of December 1, 2019 to December 31, 2019 there were 17 claims, 6 of those claims were report only, 5 were closed, 4 remained open for treatment and 2 were under investigation. Ms. Guze advised one was for mechanism of injury and the other was a medical issue not related to a work injury. Ms. Guze advised that concluded her report unless there were any issues.

MANAGED CARE: Ms. Rajsteter advised First MCO's reports were included in the agenda. Ms. Rajsteter reviewed the Case Management Monthly Activity Report for December and the Year to Date figures as noted below.

Month	Total Claims Reported	Medical Only	Loss Time	Total Case Managed	% Total Case Managed
December	19	6	3	9	66.67%
Year to Date	236	133	37	170	78%

Ms. Rajsteter reviewed the Medical Savings Report for the month of December and the Year to Date figures as noted below.

Month	Provider Bill Amount	Repriced Amount	Savings	Percentage of Savings	Number of Bills	In Network Bills	PPO %
December	\$ 437,663	\$ 147,480	\$ 290,183	66%	149	141	95%
Year to Date	\$ 2,461,211	\$ 708,458	\$ 1,752,753	71%	1,621	1,546	95%

Executive Director pointed out the PPO penetration percentage for 2018 was 84% and for 2019 the percentage increased to 95%. Ms. Rajsteter explained this was due to the new contract for Urgent Care.

Ms. Rajsteter reported First MCO wanted to roll out an employee card. When an employee is injured her office will e-mail or text the employee or supervisor a pharmacy card to ensure the bills are submitted correctly. Ms. Rajsteter advised they wanted to do the same thing with an insurance card. Ms. Rajsteter reported when an employee is injured First MCO would e-mail or text them or the supervisor a card with their name, employer, case number and where the bill should be submitted. Ms. Rajsteter advised the card would include the Union County Logo. Chair Wagner suggested that the card be reviewed with Ms. Martins. After a brief discussion it was agreed Ms. Rajsteter would schedule a teleconference call to discuss the procedure further with all parties involved. Ms. Rajsteter advised the procedure was rolled out to some of the JIF entities.

SAFETY COMMITTEE: Executive Director noted Mr. Worthington was now in attendance and asked him to provide his report. Mr. Worthington reported Labor met last week and they started to review the County's annual plans. A meeting was scheduled with Parks as an issue came up with an employee who had concerns with turf field management. Mr. Worthington advised the first quarter safety alerts went out to DPW so they could start their Tool Box Talks.

NJCE SAFETY DIRECTOR: Executive Director advised Mr. Schulz was filling in for Mr. Prince. Mr. Schultz advised the Safety Director's report for December - January was included in the agenda. Mr. Schultz advised the BRIT Safety Grant would be available again for 2020 and all members were encouraged to contact Mr. Prince if they had any submission for consideration. Mr. Schultz advised that concluded his report unless anyone had 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 8776, 8072, 8464 and 9177. 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.

MOTION TO RETURN TO OPEN SESSION

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

MOTION TO APPROVE THE PARS AS DISCUSSED IN EXECUTIVE SESSION

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

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 10:44 AM

Minutes prepared by: Cathy Dodd, Assisting Secretary