

**UNION COUNTY INSURANCE FUND COMMISSION
AGENDA AND REPORTS
DECEMBER 16, 2020**

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

**To attend the meeting via teleconference
Dial 1-312-626-6799 and enter Meeting ID: 579 506 9590**

OR

**Join Zoom Meeting via Computer Link
<https://zoom.us/j/5795069590>**

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: December 16, 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:** November 4, 2020 Open Minutes.....Appendix I
November 4, 2020 Closed Minutes.....sent via e-mail
 - ☐ **CORRESPONDENCE: None**
 - ☐ **COMMITTEE REPORTS**
 - Safety Committee: Verbal
 - Claims Committee: Verbal
 - ☐ **EXECUTIVE DIRECTOR/ADMINISTRATOR – PERMAPages 3-18**
 - ☐ **TREASURER – Bibi Taylor**
 - Resolution **30-20** December Bill List – MotionPage 19
 - September Treasurer Reports Pages 20-21
 - ☐ **ATTORNEY – Bruce H. Bergen, Esq..... Verbal**
 - ☐ **CLAIMS SERVICE - PERMA**
 - Mandatory Year End Claims Reporting MemorandumPage 22
 - ☐ **CLAIMS SERVICE – D&H Alternate Risk Solutions, Inc. Verbal**
 - ☐ **MANAGED CARE – First MCO**
 - Monthly Report..... Pages 23-25
 - ☐ **NJCE SAFETY DIRECTOR – J.A. Montgomery Consulting**
 - Monthly Report..... Pages 26-31
 - ☐ **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 32
Motion to go into Executive Session

Motion to return to Open Session
 - ☐ **APPROVAL OF PARS - Motion**
-
- ☐ **MEETING ADJOURNMENT**
 - ☒ **NEXT SCHEDULED MEETING: January 20, 2021 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: December 16, 2020

Memo to: Commissioners of the Union County Insurance Fund Commission

From: PERMA Risk Management Services

Subject: Executive Director's Report

- ☐ **2021 Property & Casualty Budget Budget (Pages 6-7)** – Attached on page 6 for your review and discussion is the proposed 2021 Property & Casualty Budget in the amount of **\$4,563,770**. The introductory budget represents an overall reduction of **\$561,080** or **10.95%**. As we did last year, the loss funds of \$4,369,500 represent 90% of the actuarial projected loss funds.

The Treasurer has recommended approving a temporary budget in the amount of \$854,142 which represents 2/12 of the 2020 annual budget, \$5,124,850.

The annual assessment once finalized would be billed in three installments and payable as follows: 40% due on 3/15/21, 30% on 5/15/21 and 30% on 10/15/21.

Attached on page 7 is Resolution 28-20, Adoption of a Temporary 2021 Property & Casualty Budget equal to 2/12 of the 2020 Property & Casualty Budget.

- ☐ **Motion to approve Resolution 28-20 adopting a temporary 2021 Property and Casualty Budget in the amount of \$854,142 equal to 2/12 of the 2020 Property & Casualty Budget in the amount of \$5,124,850**
- ☐ **RFP for Professional Services – Executive Director - (Page 8)** – The County issued an RFP for the Executive Director position. The responses were due on December 10, 2020. Attached on page 8, is Resolution 29-20, Designating Commission Executive Director prepared by the Commission Attorney. The resolution authorizes the UCIFC Chair to execute a contract between the UCIFC and PERMA for a one-year term commencing January 1, 2021 and ending December 31, 2021 with two one-year optional renewals by the UCIFC.
- ☐ **Motion to approve Resolution 29-20, Designating Commission Executive Director**
- ☐ **RFP for Professional Services - Actuary** – The Fund Office issued an RFP for the 2021 Actuary position. The responses were due on October 27, 2020. We received one response from the incumbent, The Actuarial Advantage, Inc. The pricing fee is \$6,261, which represents an increase of 2% over the 2020 fee of \$6,138. A copy of the response was sent to the Commission Attorney for review.
- ☐ **Motion to approve The Actuarial Advantage Inc. as the 2021 Actuary with a fee of \$6,261**

- ❑ **RFP for Professional Services – Auditor** – The Fund Office issued an RFP for the 2020 Auditor position. The responses were due on October 27, 2020. Approval of the auditor will be scheduled for the January meeting.
- ❑ **Union County Membership** – UCIFC is finishing its 3rd year of operation on 12/31/20. Commission Attorney has indicated that the initial membership resolution and Indemnity & Trust Agreement does not specify an end date and are continuous. Therefore, the renewal of these documents are not required.
- ❑ **Certificate of Insurance Report (Page 9)** – Attached on page 9 is the certificate of insurance issuance report from the NJCE listing those certificates issued during the month of October. There were 4 certificate issued during the month of October.

❑ **Motion to approve the certificate of insurance report**

- ❑ **NJ Counties Excess Joint Insurance Fund (NJCE) (Pages 10-13)** – The NJCE met on November 19, 2020. A written summary is included in the agenda on pages 10-13. At that meeting the 2021 NJCE Budget was introduced in the amount of \$27,088,279. The Board of Commissioners also authorized a \$2 million dividend but will determine prior to the December meeting how that will be distributed. Budget Adoption is scheduled for the end of December.
- ❑ **UCIFC Financial Fast Track (Page 14)** - Included in the agenda on page 14 is a copy of the Financial Fast Track for the month of September. As of **September 30, 2020**, there is a statutory surplus of **\$5,018,980**. Line 10 of the report, “Investment in Joint Venture” is the Union County Insurance Fund Commission’s share of the equity in the NJCE, **\$2,426,426**. The total cash amount is **\$11,764,147**.
- ❑ **NJCE Property & Casualty Financial Fast Track (Pages 15-16)** – Included in the agenda on pages 15-16 is a copy of the Financial Fast Track for the month of September. As of **September 30, 2020**, the Fund has a surplus of **\$18,919,992**. Line 7 of the report, “Dividend” represents the dividend figure released by the NJCE, **\$3,607,551**. The cash amount is **\$32,472,743**.
- ❑ **Claims Tracking Reports (Pages 17-18)** – Included in the agenda on pages 17-18 are copies of the Claim Activity Report and the Claims Management Report Expected Loss Ratio Analysis report as of September 30, 2020. The Executive Director will review the reports with the Commission.
- ❑ **2021 Proposed Meeting Schedule** – Below are the proposed meeting dates for 2021. The start time of the meetings will be at 10:00 AM. The 2021 UCIFC Reorganization meeting is scheduled for January 20, 2021. If the dates are acceptable, a resolution will be prepared for approval with the Reorganization Resolutions in January. Additional meetings can be scheduled if needed. Also if a Claims Committee Meeting is necessary, they will be held prior to the start of the Commission Meeting at 9:30 AM

January 20, February 17, March 17, April 21, June 16, July 21, September 15, October 20 and December 15

- ❑ **Moody's Investor Service Report (Appendix II)** – Moody's recently asked to do an article on MEL and NJCE JIF's with primary focus on their respective cyber risk control program. However, after several discussions the article was broadened to touch on other benefits derived from membership in MEL and NJCE. Although the article is heavily weighted towards MEL successes we want to share it with our NJCE membership. Attached in Appendix II is a copy of the article which was just published.

UNION COUNTY INSURANCE COMMISSION				
2021 PROPOSED BUDGET : Loss Fund Confidence at 90%				
			Total	
			Increase/Decrease	
		ANNUALIZED BUDGET FY2020	PROPOSED BUDGET FY2021	
	APPROPRIATIONS		\$	%
	I. Claims and Excess Insurance			
	Claims			
1	Property	355,673	319,500	(36,173) -10.17%
2	Liability	393,364	363,600	(29,764) -7.57%
3	Auto	237,658	203,400	(34,258) -14.41%
4	Workers' Comp.	3,947,400	3,483,000	(464,400) -11.76%
5				
6	Subtotal - Claims*	4,934,095	4,369,500	(564,595) -11.44%
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	159,895	163,093	3,198 2.00%
16	Actuary	6,138	6,261	123 2.00%
17	Auditor	9,722	9,916	195 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	190,755	194,270	3,516 1.84%
25	Risk Managers	0	0	0 0.00%
26				
27				
28	Total FUND Disbursements	5,124,850	4,563,770	(561,080) -10.95%

RESOLUTION NO. 28-20

UNION COUNTY INSURANCE FUND COMMISSION

ADOPTION OF A TEMPORARY 2021 PROPERTY & CASUALTY BUDGET

BE IT RESOLVED by the Union County Insurance Fund Commission that it hereby approves and adopts a Temporary Budget in the amount of \$854,142 equal to 2/12 of the 2020 Property & Casualty Budget

ADOPTED by THE UNION COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on December 16, 2020.

ADOPTED:

BY: _____
CHAIR

DATE

ATTEST:

VICE CHAIR

DATE

RESOLUTION NO. 29-20

**UNION COUNTY INSURANCE FUND COMMISSION
DESIGNATING COMMISSION EXECUTIVE DIRECTOR**

WHEREAS, the UNION COUNTY INSURANCE FUND COMMISSION (hereinafter “UCIFC”) is duly constituted as an Insurance Commission pursuant to N.J.S.A. 40A:10-6 et seq.; and

WHEREAS, the Commissioners of said Commission have deemed it necessary and appropriate to obtain certain professionals and other extraordinary and unspecifiable services; and

WHEREAS, the Commissioners of said Commission resolve to award a professional service agreement in accordance with a fair and open process pursuant to N.J.S.A. 19:44a-20.4 et seq.: and

WHEREAS, the County of Union on behalf of the Union County Insurance Fund Commission previously advertised and published a Request for Proposals, for the position of Executive Director, issued on November 20, 2020 and received on December 10, 2020, and the Commissioners having duly reviewed and considered all responses to said RFP;

NOW THEREFORE BE IT RESOLVED by the Commissioners of the UCIFC that the UCIFC Chairman is hereby authorized to execute a contract between the UCIFC and PERMA RISK MANAGEMENT SERVICES, Parsippany, New Jersey, pursuant to a fair and open process, for a one year term commencing January 1, 2021 and ending December 31, 2021, with two one-year optional renewals by the UCIFC, under the terms and conditions as set forth in the Request for Proposal and as required by the UCIFC, in an amount not to exceed \$163,093.00 for fund year 2021, for the first renewal, if effectuated, a 2% increase in fee for an annual fee amount of not to exceed \$166,355.00 for fund year 2022, and for the second renewal, if effectuated, a 2% increase in fee for an annual fee amount of not to exceed \$169,682 for fund year 2023; and

BE IT FURTHER RESOLVED by the Commissioners of said UCIFC, PERMA RISK MANAGEMENT SERVICES, acting as a “servicing organization” as defined in the UCIFC’s rules and regulations shall execute said contract prepared by the UCIFC and supply any surety bond along with errors and omissions coverage if required by law or deemed necessary in the sole discretion of UCIFC; and

BE IT FURTHER RESOLVED that the not to exceed amounts shall be charged to the Administrative Account of the Union County Insurance Fund Commission.

ADOPTED by THE UNION COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on December 16, 2020.

ADOPTED:

BY: _____
CHAIR
ATTEST:

DATE

VICE CHAIR

DATE

Union County Insurance Commission

Certificate of Insurance Monthly Report

From 10/1/2020 To 11/1/2020

Holder (H)/ Insured Name (I)	Holder / Insured Address	Description of Operations	Issue Date/ Cert ID	Coverage
H - Union County Improvement I - County of Union	Authority 10 Elizabethtown Plaza Elizabeth, NJ 07207	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 Company E: Auto Physical Damage; Policy Term: 01/01/2020 - 01/01/2021; Policy #:ERP980616208; Policy Limits: \$15,000,000 Company E: Property; Policy Term: 01/01/2020 - 01/01/2021; Policy #:ERP980616208; Policy Limits: \$110,000,000 RE: utilization of the Park Madison Office Building Plaza Area Certificate Holder is an Additional Insured on the above-referenced Commercial General Liability and Excess Liability Policies and Loss Payee on the Property Policy if required by written contract as respects to utilization of the Park Madison Office Building Plaza Area	10/7/2020 #2636228	GL AU EX WC OTH
H - County of Union I - County of Union	Admin. Bldg, 10 Elizabethtown Plaza 6th fl. Elizabeth, NJ 07207	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	10/7/2020 #2635768	GL AU EX WC OTH
H - Union County Improvement I - County of Union	Authority 10 Elizabethtown Plaza Elizabeth, NJ 07207	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 Company E: Auto Physical Damage; Policy Term: 01/01/2020 - 01/01/2021; Policy #:ERP980616208; Policy Limits: \$15,000,000 Company E: Property; Policy Term: 01/01/2020 - 01/01/2021; Policy #:ERP980616208; Policy Limits: \$110,000,000 RE: Utilization of the Park Madison Office Building Plaza Area Union County Improvement Authority, AST Development Corporation and Nobel Property Management, LLC are an Additional Insured on the above-referenced Commercial General Liability and Excess Liability Policies and Loss Payee on the Property Policy if required by written contract as respects to utilization of the Park Madison Office Building Plaza Area	10/9/2020 #2638736	GL AU EX WC OTH
H - Kean University I - County of Union	1000 Morris Avenue Union, NJ 07083	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: Use of parking lot for drive up concert Kean University and the State of New Jersey are an Additional Insured on the above-referenced Commercial General Liability and Excess Liability Policies if required by written contract as respect to use of parking lot for drive up concert on 11/08/2020	10/28/2020 #2649812	GL AU EX WC OTH
Total # of Holders: 4				



NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND

9 Campus Drive – Suite 216

Parsippany, NJ 07054-4412

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

Date: November 19, 2020
To: Union County Insurance Fund Commission
From: PERMA Risk Management Services
Subject: New Jersey Counties Excess Meeting Report

Burlington County Fund Commissioner: Executive Director introduced Commissioner Dina Rocco, Esq. as the new Burlington County representative to serve on the NJCE Board of Fund Commissioners.

NJCE Claims Review Committee: Committee Chairman Sheehan reported the Claims Review Committee met prior to the Fund's meeting to review claims in detail. The Board of Fund Commissioners accepted the recommendations of the Claims Review Committee to approve payment or settlement authority requests. Closed Session was not required for this action.

Executive Director reported on the following:

Financial Fast Track (FFT): The FFT monitors underwriting income, claim expense, other expense, underwriting profit and statutory surplus. The report includes changes for the month, year to date, the prior year-end and the current fund balance for each item.

Executive Director stated that the fund's overall financial position as of September 30, 2020 shows a surplus of \$18,316,439 with \$3.6 million to its membership since inception. Executive Director noted the Fund is in a very strong financial position.

Finance Committee: At the October meeting, the Board of Fund Commissioners agreed with the recommendation of the Finance Committee to delay the budget introduction to the November meeting to allow more time to improve on the projected increases for the 2021 budget. Following the October meeting, the Underwriting Manager conducted widespread marketing of all excess and ancillary insurance to improve on not-to-exceed premium projections and continues to hold active discussions with all insurers. In addition, Executive Director held discussions with the NJCE Actuary on reevaluation of projected loss funds for 2021.

Executive Director reported the Finance Committee comprised of Commissioners Sheehan, Shea, Wood, and Kelly met on Monday 11/16 to review the proposed 2021 budget and the 2020 dividend options. A copy of the proposed 2021 budget of \$27,088,279 representing an increase of \$2,097,291 or 8.4% increase was submitted for review and is also attached to this report.

Executive Director reported the 8.4% increase is being fully driven by the commercial market and provided a summary review of the budget loss funds, premiums and expenses and highlighted some key items:

- Line 6 (Claims/Loss Funds) - The projected loss funds shown on line 6 are \$4,445,531 which represents a decrease of \$467,103 or -9.5%.
- Line 9 (Property) – The Underwriting Manager continues holding negotiations with the excess markets and combined with the flexibility of a retention increase the projected increase was reduced from 27% to 17%.
- Line 10 (Excess Flood) – There are no changes expected to limits or coverage; however, market indications project an increase of 19%.
- Line 11 (Excess Liability-BRIT) - The Underwriting Manager continues holding negotiations with the excess markets and combined with the flexibility of a retention increase – a 0% is projected.
- Line 12 (WC Buffer) – This layer was purchased during the Fund’s inception when its financials and surplus were not mature enough to self-insure up to the Insurers excess workers compensation attachment point. The recommendation is for the NJCE to self-insure this layer of coverage, which we project to be a savings of -7.8%.
- Line 13 (WC Statutory) – Despite the effects of the pandemic on the excess marketplace, we project an increase of 5.7%.
- Lines 20 – 40 (Expenses) – These reflect a 2% increase, as well, contracted fees for certain professionals for the 2021 Fund Year.
- Lines 42 – 51 (Ancillary Coverages) – Two major items to note are:
 - Line 42 – The projected increase of 177.9% for the upper excess liability layer (\$5 or \$10 million excess \$10 million) is mainly due to the sudden change in market conditions in December 2019 that resulted in this line item going over budget by \$1 million after the 2020 budget adoption. The Board agreed not to amend the 2020 budget and chose to absorb the difference of \$1 million for 2020.
 - Line 43 (Excess Property – \$150 million excess \$110 million) There are currently have 2 buildings valued in this layer of coverage: (1) Camden County Courthouse at \$174 million and (2) Camden County Jail/Courts at \$150 million. Coverage is primarily for fire and wind and will be reevaluated and will determine the feasibility of reducing the size of the layer to cover the highest valued location. With this strategy we project a premium decrease of -9.8%.

Underwriting Manager reported the current market is a hard market not seen since the mid-1980s and reported continued efforts of widespread marketing of all coverages is being done. Underwriting Manager reported the property program will be reviewed to see if increased deductibles, retentions or a quota-share program may improve pricing. Underwriting Manager reported excess liability has been volatile for the past few years; however, it is being marketed to reputable carriers and options are being reviewed for increases in retention or a corridor deductible. Lastly, the workers’ compensation program is being marketed to ensure appropriate coverages are in place.

Executive Director reported the Finance Committee also reviewed dividend options and is recommending the Fund release a \$2 million dividend, as well as, consider a portion of the dividend be applied as a credit to the 2021 budget. For the balance of the dividend distribution, members will have an option of taking their dividend as a check or as an offset to their 2021 assessment. A final decision on a dividend would be subject to committee’s review of budget based on the outcome of the renewal marketing prior to budget adoption. Finance Committee

will meet in early December to review and provide a recommendation for a final budget. The requested action was to authorize a \$2 million dividend to make timely filing with the State.

Executive Director concluded his review of the budget by stating the NJCE JIF is in a strong financial position to handle the marketing results without affecting our budget for 2021. The main reason JIFs retain surplus is to navigate challenging times such as potential claims resulting from sexual molestation, firefighter cancer and COVID essential worker legislation combined with the pandemic and property CAT losses nationwide.

The Board of Fund Commissioners took action to introduce the 2021 Budget and schedule a public hearing on December 18, 2020 at 9:30AM. In addition, the Board of Fund Commissioners adopted a resolution authorizing the release of the \$2 million subject to State approval and will make a recommendation on final distribution at the November meeting.

Training Webinars: J.A. Montgomery reported that the MEL Safety Institute in-classroom training was made available to our member counties this past year. In March, instructor-led training was suspended due to the pandemic and J.A. Montgomery successfully transitioned a majority of these training sessions to interactive webinars. This resulted in a significant increase in attendance by our NJCE County membership.

In September, the Fund authorized the per trainee and administrative costs for these webinars for 169 attendees during June and July. J.A. Montgomery submitted a report reflecting 294 attendees for August, September and October; estimated attendance for November and December were also reflected. Based upon recommendation, the Board of Fund Commissioners authorized payment of webinar training costs to J.A. Montgomery and applicable contract amendment as this resulted from an unforeseen situation.

Safety Director reported the number of training attendees are 7.5% higher as compared to last year due to the convenience of webinars combined with an increase of members' training needs.

Moody's Investor Service Report: Moody's recently asked to do an article on MEL and NJCE JIF's with primary focus on their respective cyber risk control program. However, after several discussions the article was broadened to touch on other benefits derived from membership in MEL and NJCE. A copy of the article was included in the agenda.

Deputy Executive Director reported on the following information items:

9th Annual Best Practices Workshop: The 9th annual Joint Insurance Claims Committees Risk Management Workshop was held on October 29th as a virtual webinar. Topics covered were COVID-19 and its impact on County Workers' Compensation and Liability Claims, as well as, NJCE highlights and future initiatives. The webinar was attended by 98 participants and has been posted the NJCE website www.njce.org for reference.

Due Diligence: Submitted as part of the agenda was a Regulatory Compliance Checklist as of 11/17/2020 to track contracts, compliance and other Fund business.

Underwriting Manager: The NJCE Cyber Task Force was established a year ago to determine County exposure as it relates to cyber security. The Task Force will be meeting in 2021 to review a draft Cyber Security Risk Management Program.

Risk Control: Safety Director submitted a report reflecting the risk control activities from October to December 2020. Training webinars on a variety of risk-control topics were noted in the report and are also available on www.njce.org. Safety Director submitted a supplemental memo on the BRIT Safety Committee, which met to review submissions made by members of applicable safety/loss control purchases seeking up to 50% reimbursement. Memo noted five Counties submitted applicable reimbursements, which will be processed by BRIT.

WC Claims Administration: AmeriHealth submitted a report-showing provider billed amounts, paid amount and net savings as of October 2020.

Next Meetings Schedule:

- December 18, 2020 at 9:30AM via Zoom audio/video - *2021 Budget Adoption*
- February 25, 2021 at 9:30AM via Zoom audio/video - *2021 Reorganization Meeting*

UNION COUNTY INSURANCE COMMISSION					
FINANCIAL FAST TRACK REPORT					
AS OF September 30, 2020					
ALL YEARS COMBINED					
		THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1.	UNDERWRITING INCOME	427,071	3,843,637	10,722,301	14,565,938
2.	CLAIM EXPENSES				
	Paid Claims	137,482	1,264,917	2,558,639	3,823,556
	Case Reserves	(71,810)	1,175,649	2,445,172	3,620,820
	IBNR	36,057	726,352	3,904,473	4,630,825
	Excess Insurance Recoverable	(90,183)	(209,091)	0	(209,091)
	Discounted Claim Value	10,428	(16,397)	(141,069)	(157,466)
	TOTAL CLAIMS	21,974	2,941,430	8,767,214	11,708,645
3.	EXPENSES				
	Excess Premiums	0	0	0	0
	Administrative	15,760	140,501	361,839	502,340
	TOTAL EXPENSES	15,760	140,501	361,839	502,340
4.	UNDERWRITING PROFIT (1-2-3)	389,336	761,706	1,593,247	2,354,953
5.	INVESTMENT INCOME	4,941	57,256	180,345	237,601
6.	PROFIT (4 + 5)	394,277	818,962	1,773,593	2,592,554
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	107,221	355,028	2,071,398	2,426,426
11.	SURPLUS (6 + 7 + 8 - 9)	501,498	1,173,990	3,844,990	5,018,980
SURPLUS (DEFICITS) BY FUND YEAR					
	2018	198,209	159,407	3,701,526	3,860,933
	2019	358,895	745,596	143,464	889,060
	2020	(55,606)	268,986		268,986
	TOTAL SURPLUS (DEFICITS)	501,498	1,173,990	3,844,990	5,018,980
TOTAL CASH					11,764,147
FUND YEAR 2018					
	Paid Claims	20,654	194,144	1,644,242	1,838,386
	Case Reserves	(25,446)	286,139	986,263	1,272,403
	IBNR	(133,028)	(580,966)	1,380,364	799,397
	Discounted Claim Value	4,252	8,078	(51,942)	(43,864)
	TOTAL FY 2018 CLAIMS	(133,568)	(92,605)	3,958,927	3,866,322
FUND YEAR 2019					
	Paid Claims	53,815	432,702	914,397	1,347,099
	Case Reserves	(74,689)	278,741	1,458,908	1,737,649
	IBNR	(349,930)	(1,373,310)	2,524,109	1,150,799
	Discounted Claim Value	9,104	24,154	(89,127)	(64,973)
	TOTAL FY 2019 CLAIMS	(361,700)	(637,713)	4,808,287	4,170,574
FUND YEAR 2020					
	Paid Claims	63,013	638,071		638,071
	Case Reserves	28,325	610,768		610,768
	IBNR	519,015	2,680,629		2,680,629
	Excess Insurance Recoverable	(90,183)	(209,091)		(209,091)
	Discounted Claim Value	(2,928)	(48,629)		(48,629)
	TOTAL FY 2020 CLAIMS	517,242	3,671,749	0	3,671,749
COMBINED TOTAL CLAIMS		21,974	2,941,430	8,767,214	11,708,645

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		September 30, 2020			
ALL YEARS COMBINED							
		THIS MONTH		YTD CHANGE		PRIOR YEAR END	FUND BALANCE
1.	UNDERWRITING INCOME		2,082,582	18,743,240	163,505,481	182,248,720	
2.	CLAIM EXPENSES						
		Paid Claims	167,211	1,134,681	4,975,775	6,110,455	
		Case Reserves	(364,600)	2,252,140	5,846,623	8,098,763	
		IBNR	1,763	(158,512)	9,810,443	9,651,931	
		Discounted Claim Value	15,433	(148,859)	(1,471,830)	(1,620,689)	
	TOTAL CLAIMS		(180,193)	3,079,450	19,161,011	22,240,460	
3.	EXPENSES						
		Excess Premiums	1,270,734	11,425,565	113,746,590	125,172,155	
		Administrative	155,879	1,446,583	12,402,903	13,849,487	
	TOTAL EXPENSES		1,426,613	12,872,148	126,149,494	139,021,642	
4.	UNDERWRITING PROFIT (1-2-3)		836,162	2,791,642	18,194,976	20,986,618	
5.	INVESTMENT INCOME		10,413	420,440	1,120,484	1,540,924	
6.	PROFIT (4+5)		846,576	3,212,082	19,315,460	22,527,543	
7.	Dividend		0	0	3,607,551	3,607,551	
8.	SURPLUS (6-7-8)		846,576	3,212,082	15,707,909	18,919,992	
SURPLUS (DEFICITS) BY FUND YEAR							
	2010		222	19,439	543,904	563,342	
	2011		90,931	227,913	836,289	1,064,202	
	2012		646	59,414	1,013,486	1,072,901	
	2013		104,211	(29,152)	1,438,925	1,409,772	
	2014		14,293	(36,922)	2,887,430	2,850,507	
	2015		157,446	145,980	1,229,755	1,375,735	
	2016		110,641	(350,826)	3,388,065	3,037,239	
	2017		(90,976)	(161,993)	1,257,423	1,095,430	
	2018		14,623	281,413	2,119,126	2,400,538	
	2019		(41,433)	756,340	993,507	1,749,848	
	2020		485,972	2,300,477		2,300,477	
TOTAL SURPLUS (DEFICITS)			846,576	3,212,082	15,707,909	18,919,991	
TOTAL CASH						32,472,743	

		NEW JERSEY COUNTIES EXCESS JIF FINANCIAL FAST TRACK REPORT				
		AS OF	September 30, 2020			
		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	(33)	(10,295)	10,466	170	
	Discounted Claim Value	3	970	(983)	(13)	
TOTAL FY 2010 CLAIMS		(30)	(9,325)	181,322	171,997	
FUND YEAR 2011						
	Paid Claims	1,900	18,590	519,228	537,818	
	Case Reserves	(93,579)	(211,806)	214,527	2,721	
	IBNR	500	(45,591)	46,091	500	
	Discounted Claim Value	544	24,653	(24,930)	(277)	
TOTAL FY 2011 CLAIMS		(90,636)	(214,154)	754,916	540,762	
FUND YEAR 2012						
	Paid Claims	71	3,976	1,551,733	1,555,708	
	Case Reserves	(71)	6,023	75,090	81,112	
	IBNR	(475)	(54,036)	64,097	10,061	
	Discounted Claim Value	237	4,508	(12,804)	(8,296)	
TOTAL FY 2012 CLAIMS		(237)	(39,530)	1,678,116	1,638,585	
FUND YEAR 2013						
	Paid Claims	3,161	239,193	646,873	886,066	
	Case Reserves	(103,361)	(173,841)	644,280	470,439	
	IBNR	(18,743)	(30,321)	105,073	74,752	
	Discounted Claim Value	15,296	24,303	(76,642)	(52,338)	
TOTAL FY 2013 CLAIMS		(103,647)	59,335	1,319,585	1,378,919	
FUND YEAR 2014						
	Paid Claims	528	8,731	442,532	451,262	
	Case Reserves	(528)	170,120	332,716	502,837	
	IBNR	(15,685)	(88,516)	178,256	89,740	
	Discounted Claim Value	2,375	(7,734)	(42,871)	(50,604)	
TOTAL FY 2014 CLAIMS		(13,311)	82,601	910,633	993,234	
FUND YEAR 2015						
	Paid Claims	3,616	85,260	763,735	848,996	
	Case Reserves	(6,560)	158,501	1,897,750	2,056,251	
	IBNR	(171,964)	(368,263)	511,194	142,932	
	Discounted Claim Value	18,502	27,866	(172,551)	(144,685)	
TOTAL FY 2015 CLAIMS		(156,406)	(96,635)	3,000,129	2,903,494	
FUND YEAR 2016						
	Paid Claims	337	(37,179)	320,211	283,032	
	Case Reserves	(2,042)	594,599	647,770	1,242,369	
	IBNR	(117,274)	(137,556)	305,258	167,702	
	Discounted Claim Value	9,601	(17,407)	(69,661)	(87,068)	
TOTAL FY 2016 CLAIMS		(109,378)	402,457	1,203,578	1,606,035	
FUND YEAR 2017						
	Paid Claims	88	44	68,152	68,196	
	Case Reserves	52,349	606,555	1,525,070	2,131,626	
	IBNR	34,137	(412,707)	2,088,218	1,675,511	
	Discounted Claim Value	5,745	28,363	(292,128)	(263,765)	
TOTAL FY 2017 CLAIMS		92,320	222,255	3,389,312	3,611,567	
FUND YEAR 2018						
	Paid Claims	884	78,186	243,786	321,972	
	Case Reserves	3,091	210,379	161,698	372,077	
	IBNR	(29,282)	(571,858)	2,419,495	1,847,637	
	Discounted Claim Value	10,575	58,374	(290,608)	(232,234)	
TOTAL FY 2018 CLAIMS		(14,732)	(224,918)	2,534,370	2,309,452	
FUND YEAR 2019						
	Paid Claims	156,624	452,845	247,685	700,529	
	Case Reserves	(213,106)	(175,312)	347,722	172,410	
	IBNR	79,187	(1,108,657)	4,082,295	2,973,638	
	Discounted Claim Value	17,909	136,673	(488,652)	(351,979)	
TOTAL FY 2019 CLAIMS		40,615	(694,452)	4,189,050	3,494,598	
FUND YEAR 2020						
	Paid Claims	0	285,035		285,035	
	Case Reserves	(793)	1,066,921		1,066,921	
	IBNR	241,397	2,669,289		2,669,289	
	Discounted Claim Value	(65,354)	(429,429)		(429,429)	
TOTAL FY 2020 CLAIMS		175,250	3,591,816	0	3,591,816	
COMBINED TOTAL CLAIMS		(180,193)	3,079,450	19,161,011	22,240,460	

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 September 30, 2020				
COVERAGE LINE- PROPERTY				
CLAIM COUNT - OPEN CLAIMS				
Year	2018	2019	2020	TOTAL
August-20	1	1	5	7
September-20	1	1	6	8
NET CHGE	0	0	1	1
Limited Reserves				\$34,684
Year	2018	2019	2020	TOTAL
August-20	\$0	\$0	\$264,926	\$264,926
September-20	\$0	\$0	\$277,471	\$277,471
NET CHGE	\$0	\$0	\$12,545	\$12,545
Ltd Incurred	\$290,449	\$116,593	\$370,656	\$777,698
COVERAGE LINE- GENERAL LIABILITY				
CLAIM COUNT - OPEN CLAIMS				
Year	2018	2019	2020	TOTAL
August-20	17	23	30	70
September-20	13	16	32	61
NET CHGE	-4	-7	2	-9
Limited Reserves				\$6,824
Year	2018	2019	2020	TOTAL
August-20	\$295,982	\$70,655	\$48,784	\$415,421
September-20	\$297,982	\$66,150	\$52,158	\$416,290
NET CHGE	\$2,000	(\$4,505)	\$3,374	\$869
Ltd Incurred	\$405,692	\$91,992	\$52,181	\$549,866
COVERAGE LINE- AUTO LIABILITY				
CLAIM COUNT - OPEN CLAIMS				
Year	2018	2019	2020	TOTAL
August-20	2	4	4	10
September-20	2	2	5	9
NET CHGE	0	-2	1	-1
Limited Reserves				\$22,620
Year	2018	2019	2020	TOTAL
August-20	\$100,000	\$102,077	\$2,000	\$204,077
September-20	\$100,000	\$101,077	\$2,500	\$203,577
NET CHGE	\$0	(\$1,000)	\$500	(\$500)
Ltd Incurred	\$123,110	\$108,816	\$5,182	\$237,108
COVERAGE LINE- WORKERS COMP.				
CLAIM COUNT - OPEN CLAIMS				
Year	2018	2019	2020	TOTAL
August-20	31	45	43	119
September-20	27	41	35	103
NET CHGE	-4	-4	-8	-16
Limited Reserves				\$26,442
Year	2018	2019	2020	TOTAL
August-20	\$901,867	\$1,639,606	\$266,733	\$2,808,206
September-20	\$874,421	\$1,570,422	\$278,639	\$2,723,483
NET CHGE	(\$27,446)	(\$69,184)	\$11,907	(\$84,723)
Ltd Incurred	\$2,291,524	\$2,764,368	\$820,820	\$5,876,712
TOTAL ALL LINES COMBINED				
CLAIM COUNT - OPEN CLAIMS				
Year	2018	2019	2020	TOTAL
August-20	51	73	82	206
September-20	43	60	78	181
NET CHGE	-8	-13	-4	-25
Limited Reserves				\$20,005
Year	2018	2019	2020	TOTAL
August-20	\$1,297,849	\$1,812,338	\$582,443	\$3,692,630
September-20	\$1,272,403	\$1,737,649	\$610,768	\$3,620,820
NET CHGE	(\$25,446)	(\$74,689)	\$28,325	(\$71,810)
Ltd Incurred	\$3,110,775	\$3,081,769	\$1,248,840	\$7,441,383

Union County Insurance Commissions
CLAIMS MANAGEMENT REPORT
EXPECTED LOSS RATIO ANALYSIS

AS OF September 30, 2020

FUND YEAR 2018 -- LOSSES CAPPED AT RETENTION

	Budget	Current		33		MONTH	Last Month		32		MONTH	Last Year		21		MONTH
		Unlimited	Limited	Actual		TARGETED	Unlimited	Limited	Actual		TARGETED	Unlimited	Limited	Actual		TARGETED
		Incurred	Incurred	30-Sep-20			Incurred	Incurred	31-Aug-20			Incurred	Incurred	30-Sep-19		
PROPERTY	320,021	290,449	290,449	90.76%	320,021	100.00%	290,449	290,449	90.76%	320,021	100.00%	290,449	290,449	90.76%	313,746	98.04%
GEN LIABILITY	427,942	405,692	405,692	94.80%	376,710	88.03%	403,692	403,692	94.33%	373,357	87.24%	132,935	132,935	31.06%	323,414	75.57%
AUTO LIABILITY	259,693	123,110	123,110	47.41%	221,411	85.26%	123,110	123,110	47.41%	219,521	84.53%	27,178	27,178	10.47%	186,924	71.98%
WORKER'S COMP	4,546,370	2,291,524	2,291,524	50.40%	4,430,728	97.46%	2,298,316	2,298,316	50.55%	4,418,670	97.19%	2,172,264	2,172,264	47.78%	4,125,563	90.74%
TOTAL ALL LINES	5,554,026	3,110,775	3,110,775	56.01%	5,348,870	96.31%	3,115,567	3,115,567	56.10%	5,331,569	95.99%	2,622,827	2,622,827	47.22%	4,949,647	89.12%
NET PAYOUT %	\$1,838,372					33.10%										

FUND YEAR 2019 -- LOSSES CAPPED AT RETENTION

	Budget	Current		21		MONTH	Last Month		20		MONTH	Last Year		9		MONTH
		Unlimited	Limited	Actual		TARGETED	Unlimited	Limited	Actual		TARGETED	Unlimited	Limited	Actual		TARGETED
		Incurred	Incurred	30-Sep-20			Incurred	Incurred	31-Aug-20			Incurred	Incurred	30-Sep-19		
PROPERTY	340,421	116,593	116,593	34.25%	333,746	98.04%	116,593	116,593	34.25%	332,670	97.72%	142,130	142,130	N/A	N/A	N/A
GEN LIABILITY	428,501	91,992	91,992	21.47%	323,837	75.57%	96,497	96,497	22.52%	317,832	74.17%	42,635	42,635	N/A	N/A	N/A
AUTO LIABILITY	258,887	108,816	108,816	42.03%	186,343	71.98%	109,816	109,816	42.42%	181,892	70.26%	8,812	8,812	N/A	N/A	N/A
WORKER'S COMP	4,637,297	2,764,368	2,764,368	59.61%	4,208,074	90.74%	2,779,736	2,779,736	59.94%	4,150,450	89.50%	1,199,272	1,199,272	N/A	N/A	N/A
TOTAL ALL LINES	5,665,107	3,081,769	3,081,769	54.40%	5,052,001	89.18%	3,102,642	3,102,642	54.77%	4,982,844	87.96%	1,392,849	1,392,849	N/A	N/A	N/A
NET PAYOUT %	\$1,344,119					23.73%										

FUND YEAR 2020 -- LOSSES CAPPED AT RETENTION

	Budget	Current		9		MONTH	Last Month		8		MONTH	Last Year		-3		MONTH
		Unlimited	Limited	Actual		TARGETED	Unlimited	Limited	Actual		TARGETED	Unlimited	Limited	Actual		TARGETED
		Incurred	Incurred	30-Sep-20			Incurred	Incurred	31-Aug-20			Incurred	Incurred	30-Sep-19		
PROPERTY	355,673	370,656	370,656	104.21%	241,858	68.00%	356,085	356,085	100.12%	216,961	61.00%	0	0	N/A	N/A	N/A
GEN LIABILITY	393,364	52,181	52,181	13.27%	141,611	36.00%	48,807	48,807	12.41%	118,009	30.00%	0	0	N/A	N/A	N/A
AUTO LIABILITY	237,658	5,182	5,182	2.18%	83,180	35.00%	3,731	3,731	1.57%	71,297	30.00%	0	0	N/A	N/A	N/A
WORKER'S COMP	3,947,400	820,820	820,820	20.79%	1,302,642	33.00%	748,878	748,878	18.97%	1,026,324	26.00%	0	0	N/A	N/A	N/A
TOTAL ALL LINES	4,934,095	1,248,840	1,248,840	25.31%	1,769,291	35.86%	1,157,501	1,157,501	23.46%	1,432,591	29.03%	0	0	N/A	N/A	N/A
NET PAYOUT %	\$638,071					12.93%										

UNION COUNTY INSURANCE FUND COMMISSION BILLS LIST

Resolution No. 30-20

December 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 2020

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
001111			
001111	PERMA RISK MANAGEMENT SERVICES	POSTAGE AUG & OCT 2020	4.50
001111	PERMA RISK MANAGEMENT SERVICES	EXEC DIRECTOR 12/20	13,324.59
			13,329.09
001112			
001112	THE ACTUARIAL ADVANTAGE	ACTUARY FEE 12/20	511.50
			511.50
		Total Payments FY 2020	13,840.59
		TOTAL PAYMENTS ALL FUND YEARS	\$13,840.59

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	September		
CURRENT FUND YEAR	2020		
Description:		Administrative Account-Investors	Claims Account - Investors
ID Number:			
Maturity (Yrs)			
Purchase Yield:			
TOTAL for All Accts & instruments			
Opening Cash & Investment Balance	\$10,131,109.82	10,057,168.94	73940.88
Opening Interest Accrual Balance	\$0.00	-	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	\$4,941.16	\$4,882.30	\$58.86
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	\$4,941.16	\$4,882.30	\$58.86
9 Deposits - Purchases	\$1,880,267.37	\$1,793,697.50	\$86,569.87
10 (Withdrawals - Sales)	-\$252,171.62	-\$114,689.65	-\$137,481.97
Ending Cash & Investment Balance	\$11,764,146.73	\$11,741,059.09	\$23,087.64
Ending Interest Accrual Balance	\$0.00	\$0.00	\$0.00
Plus Outstanding Checks	\$136,329.90	\$28,827.23	\$107,502.67
(Less Deposits in Transit)	\$0.00	\$0.00	\$0.00
Balance per Bank	\$11,900,476.63	\$11,769,886.32	\$130,590.31

UNION COUNTY INSURANCE COMMISSION							
SUMMARY OF CASH TRANSACTIONS - ALL FUND YEARS COMBINED							
Current Fund Year: 2020 Month Ending: September							
	Property	Liability	Auto	Worker's Comp	NJ CEL	Admin	TOTAL
OPEN BALANCE	488,689.52	1,085,222.65	710,963.03	7,744,551.19	0.00	101,683.45	10,131,109.84
RECEIPTS							
Assessments	0.00	0.00	0.00	1,793,697.50	0.00	0.00	1,793,697.50
Refunds	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Invest Pymnts	238.33	529.29	346.76	3,777.18	0.00	49.59	4,941.15
Invest Adj	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal Invest	238.33	529.29	346.76	3,777.18	0.00	49.59	4,941.15
Other *	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	238.33	529.29	346.76	1,797,474.68	0.00	49.59	1,798,638.65
EXPENSES							
Claims Transfers	2,026.09	0.00	950.88	134,505.00	0.00	0.00	137,481.97
Expenses	0.00	0.00	0.00	0.00	0.00	28,119.78	28,119.78
Other *	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	2,026.09	0.00	950.88	134,505.00	0.00	28,119.78	165,601.75
END BALANCE	486,901.76	1,085,751.94	710,358.91	9,407,520.87	0.00	73,613.26	11,764,146.74

UNION COUNTY INSURANCE COMMISSION
9 Campus Drive, Suite 216
Parsippany, NJ 07054

Date: December 11, 2020

Memo to: Commissioners of the Union County Insurance Commission

From: PERMA Risk Management Services / PERMA Claims

Subject: **MANDATORY YEAR-END CLAIMS REPORTING**

As you are aware, certain policies issued to the Union County Insurance Commission and/or its members apply on a claims made or discovered AND reported basis (e.g., Public Officials / Employment Practices, Employed Lawyers, Cyber, Medical Malpractice, Crime, Pollution.) With these types of policies, any claim made against you or loss discovered during the policy period **MUST** be reported before the end of the policy year. Therefore, it is imperative that any claim, potential claim, or facts and circumstances that may give rise to a claim be reported to the insurance company **prior to policy expiration on 12/31/20.**

Please conduct a review “sweep” of any **Public Officials & Employment Practices Liability, Employed Lawyers Professional Liability, Cyber, Healthcare Professional & General Liability, Crime or Pollution** claims, suits and/or incidents of which you (or anyone else in your organization) may be aware that **have not yet been reported.**

Such claims must be reported to the insurance carrier prior to 12/31/20. Please keep in mind that these types of policies are “claims made and reported” or “discovery” policies, and failure to timely report a discovered loss or claim (or potential claim of which you are aware) may result in a denial of coverage from the insurance carrier.

Please report these claims in the same manner as you have throughout the year. Given the upcoming holidays, we respectfully request that you complete this process as soon as possible so that there are no delays in getting claims reported to the carrier(s).

Please let us know if you have any questions or concerns.



First Managed Care Option, Inc.

Case Management Monthly Activity Report

November 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%	5	165
Jan-20	4	19	13	3	16	0	81.25%	18.75%	0.00%	1	15
Feb-20	2	10	9	0	9	0	100.00%	0.00%	0.00%	0	9
Mar-20	24	42	9	17	26	0	34.62%	65.38%	0.00%	1	25
Apr-20	65	89	7	40	47	0	14.89%	85.11%	0.00%	2	45
May-20	9	18	3	7	10	0	30.00%	70.00%	0.00%	2	8
Jun-20	5	12	6	1	7	0	85.71%	14.29%	0.00%	0	7
Jul-20	8	24	16	3	19	0	84.21%	15.79%	0.00%	1	18
Aug-20	4	22	12	3	15	0	80.00%	20.00%	0.00%	3	12
Sep-20	5	19	14	2	16	0	87.50%	12.50%	0.00%	3	13
Oct-20	1	16	9	1	10	0	90.00%	10.00%	0.00%	2	8
Nov-20	2	16	11	1	12	0	91.67%	8.33%	0.00%	7	5
Total FY2020	129	287	109	78	187	0	58.29%	41.71%	0.00%	22	165

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
14	15	29	0	29	9	6	6	15	8

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 12/01/2020

* 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.

Members averaging greater than 2 days to report :

Employer	Total Claims	# of Claims > 2 days to report	% of Claims > 2 days to report
Cornerstone Institutional Attends / 791-616	1	1	100%

Case Management Monthly Activity Report

November 2020

UNION COUNTY INS FUND COMM

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 12/01/2020

* 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%	1,530	1,284	246	84%	0		
Total 2019	\$2,461,211	\$708,325	\$2,447,019	\$1,752,886	71%	1,610	1,539	71	96%	4		
Jan-20	\$99,613	\$32,489	\$97,841	\$67,123	67%	166	159	7	96%	0		
Feb-20	\$850,075	\$100,112	\$627,158	\$749,963	88%	109	105	4	96%	1		
Mar-20	\$116,225	\$41,441	\$120,994	\$74,783	64%	204	196	8	96%	4		
Apr-20	\$441,984	\$57,490	\$371,453	\$384,494	87%	117	105	12	90%	1		
May-20	\$72,185	\$25,438	\$112,505	\$46,746	65%	108	101	7	94%	0		
Jun-20	\$530,445	\$89,945	\$590,141	\$440,500	83%	164	159	5	97%	3		
Jul-20	\$378,802	\$47,960	\$485,591	\$330,715	87%	153	147	6	96%	7		
Aug-20	\$259,970	\$136,821	\$271,048	\$123,149	47%	129	120	9	93%	0		
Sep-20	\$145,844	\$37,511	\$151,452	\$108,334	74%	85	76	9	89%	1		
Oct-20	\$612,895	\$77,130	\$405,238	\$535,765	87%	149	138	11	93%	1		
Nov-20	\$177,271	\$76,473	\$285,486	\$100,799	57%	117	114	3	97%	0		
Total 2020	\$3,685,308	\$722,811	\$3,518,909	\$2,962,371	80%	1,501	1,420	81	95%	18		
Total to Date	\$7,961,415	\$2,168,240	\$10,244,460	\$5,793,049	73%	4,641	4,243	398	91%	22		

Report Run Date: 12/01/2020

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SAFETY DIRECTOR REPORT

UNION COUNTY INSURANCE FUND COMMISSION

TO: Fund Commissioners
FROM: J.A. Montgomery Consulting, Safety Director
DATE: December 9, 2020
DATE OF MEETING: December 16, 2020

UCIFC SERVICE TEAM

Paul Shives, Vice President, Safety Services 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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November - December 2020

RISK CONTROL ACTIVITIES

MEETINGS ATTENDED / TRAINING / LOSS CONTROL VISITS CONDUCTED

- **November 4:** Attended the UCIFC meeting via teleconference.
- **November 4:** Attended the UCIFC Claims Committee meeting via teleconference.
- **November 18:** Attended the UCIFC Executive Safety Committee meeting via teleconference.
- **November 18:** Attended the UCIFC Jail Sub Safety Committee meeting via teleconference.

UPCOMING MEETINGS / TRAINING / LOSS CONTROL VISITS PLANNED

- **December 16:** Plan to attend the UCIFC meeting via teleconference.
- **December 16:** Plan to attend the UCIFC Claims Committee meeting via teleconference.

SAFETY DIRECTOR BULLETINS

Safety Director Bulletins and Messages are distributed by e-mail to Executive Directors, Fund Commissioners, Risk Managers and Training Administrators. They can be viewed at <https://njce.org/covid-19-updates/> or <https://njce.org/safety/safety-bulletins/>.

- NJCE JIF - Law Enforcement Bulletin – NEW Law Enforcement Bulletin – Ambush Attacks on Law Enforcement Officers – October 22.
- NJCE JIF - SD Bulletin - Mandatory COVID-19 Workplace Safety for NJ Employers – November 4.
- NJCE JIF - Live Safety Training Webinars – November - December Registration Now Open! – November 4.
- NJCE JIF - New Fire Service Resource – Seatbelts – December 3.
- NJCE JIF - Live Safety Training Webinars – January Registration Now Open! – December 8.

NJCE TRAINING OVERVIEW – LIVE SAFETY TRAINING WEBINARS

Due to the ongoing COVID-19 crisis in New Jersey, the indefinite suspension of in-person New Jersey Counties Excess Joint Insurance Fund (NJCE) classroom training and with the utmost concern for our public employers and employees NJCE is offering online live safety training webinars.

Instruction is conducted with a live instructor using the Zoom webinar platform. We are excited to offer you the same training content, with the same experienced crew of instructors and with the same continuing education credits as with out in-person classes, but with the flexibility and safety of online delivery.

- The January Live Training Webinar schedule and registration links are attached.

NJCE MEDIA LIBRARY

The NJCE DVD Media Library (856-552-4900) is available for borrowing 560+ safety videos in 45 different categories. To view the full video catalog please visit <https://njce.org/wp-content/uploads/2018/10/2018-NJCE-JIF-Media-Catalog.pdf> or email the video library at melvideolibrary@jamontgomery.com.

UCIFC Usage:

- No Videos were utilized in 2020.

NJCE ONLINE STREAMING VIDEO SERVICE

The NJCE JIF now has a New Video Streaming Service. This is an “on demand” service and has about 180 titles available for streaming right to your workplace! We encourage leaders to view the videos with members of their team and then discuss how the information in the video can best be used specifically in your operations.

To access the streaming “on demand videos”, go to the NJCE website <https://njce.org/safety-training-videos-registration/> Complete the Registration Form, click submit. The following screen will provide the URL and password to access the streaming videos.

Out of the utmost concern for our public employers and employees, MEL Safety Institute (MSI) and New Jersey Counties Excess Joint Insurance Fund (NJCE) is offering online safety training. Instruction will be conducted with a live instructor.

Date	Webinar Topic	Time
1/5/21	Bloodborne Pathogens (BBP)	9:00 - 10:00 am
1/5/21	Hearing Conservation	10:30 - 11:30 pm
1/5/21	Fire Extinguisher	1:00 - 2:00 pm
1/6/21	Fire Safety	8:30 - 9:30 am
1/6/21	HazCom w/GHS	10:00 - 11:30am
1/6/21	Lock Out/Tag Out (LOTO)	1:00 - 3:00 pm
1/7/21	Bloodborne Pathogens Administrator Training	8:30 - 10:30 am
1/7/21	Flagger Skills and Safety Considerations	11:00 - 12:00 pm
1/7/21	Personal Protective Equipment (PPE)	1:00 - 3:00 pm
1/8/21	CDL-Drivers Safety Regulations	8:30 - 10:30 am
1/8/21	Snow Plow/Snow Removal Safety	1:00 - 3:00 pm
1/11/21	Back Safety / Material Handling	8:30 - 9:30 am
1/11/21	Traffic Control in Work Zones	10:00 - 12:00 pm
1/11/21	Implicit Bias in the Workplace	1:00 - 2:30 pm
1/12/21	HazCom w/GHS	8:30 - 10:00 am
1/12/21	Shop & Tool Safety	10:30 - 11:30am
1/12/21	Accident Investigation	1:00 - 3:00 pm
1/13/21	Ladder Safety/Walking Surfaces	8:30 - 10:30 am
1/13/21	Flagger Skills and Safety Considerations	1:00 - 2:00 pm
1/13/21	Bloodborne Pathogens (BBP) - Evening	7:30 - 8:30 pm
1/14/21	Designated Employer Representative Training (DER)*see details below	9:00 - 4:00 pm w/1 hr lunch brk
1/15/21	Hazard Identification: Making Your Observations Count	8:30 - 10:30 am
1/15/21	Shift Briefing Essentials	1:00 - 2:30 pm
1/19/21	Preparing for First Amendment Audits	9:00 - 11:00 am
1/19/21	Fire Safety	8:30 - 9:30 am
1/19/21	Fire Extinguisher	10:00 - 11:00 am
1/19/21	Implicit Bias in the Workplace	1:00 - 2:30 pm
1/20/21	Lock Out/Tag Out (LOTO)	8:30 - 10:30 am
1/20/21	Bloodborne Pathogens (BBP)	11:00 - 12:00 pm
1/20/21	Sanitation/Recycling Safety	1:00 - 3:00 pm
1/21/21	Personal Protective Equipment (PPE)	8:30 - 10:30 am
1/21/21	Driving Safety Awareness	1:00 - 2:30 pm
1/21/21	HazCom w/GHS - Evening	6:30 - 8:00 pm
1/22/21	Shop & Tool Safety	8:30 - 9:30 am
1/22/21	Confined Space for Entrants & Attendants	10:00 - 12:00 pm
1/22/21	HazCom w/GHS	1:00 - 2:30 pm
1/25/21	Sanitation/Recycling Safety	8:30 - 10:30 am
1/25/21	Hearing Conservation	11:00 - 12:00 pm
1/25/21	Protecting Children from Abuse - For Managers/Supervisors/Elected Officials	2:30 - 4:30 pm

Date	Webinar Topic	Time
1/26/21	Bloodborne Pathogens (BBP)	8:30 - 9:30 am
1/26/21	Ethics for NJ Local Government Employees	9:00 - 11:00 am
1/26/21	CDL - Supervisors Reasonable Suspicion	10:00 - 12:00 pm
1/26/21	Safety Committee Best Practices	1:00 - 3:00 pm
1/26/21	Dealing with Difficult People	1:00 - 3:00 pm
1/27/21	Safety Coordinators' Skills Training	8:30 - 12:30 pm
1/27/21	Ladder Safety/Walking Surfaces	9:00 - 11:00 am
1/27/21	Confined Space for Entrants & Attendants	1:00 - 3:00 pm
1/28/21	Fall Protection Awareness	8:30 - 10:30 am
1/28/21	Back Safety / Material Handling	11:00 - 12:00 pm
1/28/21	Traffic Control in Work Zones	1:00 - 3:00 pm
1/29/21	HazMat Awareness w/HazCom GHS	8:30 - 11:30 am
1/29/21	CDL-Drivers Safety Regulations	1:00 - 3:00 pm

***1/14/21 Designated Employee Representative Training (DER) Details:**

- This 6-hour workbook-driven course with 1hr lunch break covers mandatory drug and alcohol testing programs and the responsibilities of the employer, the DER, third-party administrators, the MRO, and the driver. In order to ensure workbooks are received in time for the class, **registrations must be completed before December 31, 2020.**
- Registration suggested - 2 employees per town
- The training will use the Zoom Meeting platform. Students must have access to a computer or device with a working camera and microphone. Students will be 'on-camera' during the class to replicate an in-person classroom.

Live Webinar Guidelines:

To maintain the integrity of the live webinar training and our ability to offer CEUs, J.A Montgomery Consulting must abide by the rules of the State agency who issued the designation. Chief among those rules is the attendee of the class must attend the whole session. Attendees who enter the class more than 5 minutes late or leave early will not be awarded CEUs for the class or receive a certificate of completion.

The Zoom platform is utilized to track the time each attendee logs in and logs out of webinars. Also, we can track participation, to demonstrate to the State agency that the student also participated in polls, quizzes, and question & answer activities during the live, instructor-led webinar. We maintain these records to document our compliance with the State agency.

About Zoom Training:

- A Zoom account is not needed to attend a class. Attendees can login and view the presentations from a laptop, smartphone, or tablet.
- Registration is required. Once registered you will receive the webinar link for your class, be sure to save the link on your calendar to access the day of training.
- Students must be present in the webinar within 5 minutes of the start time for their attendance to be recorded.
- Please [click here](#) for informative Zoom operation details.
- Group Training procedures:
 - Please have one person register for the safety training webinar.

- Please complete the Group sign in sheet and send it to ndougherty@jamontgomery.com within 24 hours of training completion.
<https://njce.org/wp-content/uploads/2020/06/Webinar-Group-Sign-in-Sheet.pdf>

Questions? NJCE members call Natalie Dougherty 856-552-4738.

CEU's for Certified Publics Works Managers			
MSI Course	CEU's/Cat.	MSI Course	CEU's/Cat.
Accident Investigation	2 / M	HazCom with Globally Harmonized System	1 / T,G
Advanced Safety Leadership	10 / M	Hazardous Materials Awareness w/ HazCom & GHS	3 / T
Asbestos, Lead & Silica Industrial Health Overview	1 / T,G	Hazard Identification - Making Your Observations Count	1 / T,M
Back Safety / Material Handling	1 / T	Hearing Conservation	1 / T,G
Bloodborne Pathogens Training	1 / G	Heavy Equipment Safety	1 / G - 2 / T
Bloodborne Pathogens Administrator Training	1 / T,M	Hoists, Cranes and Rigging	2 / T
BOE Safety Awareness	3 / T	Housing Authority Safety Awareness	3 / T
CDL – Supervisors Reasonable Suspicion	2 / M	Jetter Safety	2 / T
CDL - Drivers' Safety Regulations	2 / G	Landscape Safety	2 / T
Coaching the Maintenance Vehicle Operator	2 / T,M	Leaf Collection Safety Awareness	2 / T
Confined Space Entry – Permit Required	3.5 / T	Lockout Tagout	2 / T
Confined Space Awareness	1 / T,G	Personal Protective Equipment (PPE)	2 / T
Dealing With Difficult People	1 / M	Playground Safety Inspections	2 / T
Defensive Driving-6-Hour	6 / M	Protecting Children from Abuse - For Managers/Supervisors/Elected Officials	2 / M
Driving Safety Awareness	1.5 / T	Sanitation and Recycling Safety	2 / T
Employee Conduct and Violence in the Work Place	1.5 / E	Safety Committee Best Practices	1.5 / M
Excavation Trenching & Shoring	2 / T,M	Safety Coordinator's Skills Training	2 / M,G
Fall Protection Awareness	2 / T,M	Shop and Tool Safety	1 / T
Fast Track to Safety	4 / T	Seasonal Public Works Operations	3 / T
Fire Extinguisher	1 / T	Snow Plow Safety	2 / T
Fire Safety	.5/ T - .5/ G	Special Events Management	2 / M
Flagger / Workzone Safety	2 / T,M	Shift Briefing Essentials	1 / M
CEU's for Registered Municipal Clerks			
MSI Course	CEU's/Cat.	MSI Course	CEU's/Cat.
Asbestos, Lead & Silica Industrial Health Overview	1 / P	Hazard Identification - Making your Observations Count	2 / P
Bloodborne Pathogens Training	1 / P	Protecting Children from Abuse - For Managers/Supervisors/Elected Officials	2 / P
Dealing With Difficult People	1 / P	Safety Committee Best Practices	1.5 / P
Employee Conduct and Violence in the Work Place	1.5 / E	Safety Coordinator's Skills Training	4 / P
		Special Event Management	2 / P
TCH's For Water/ Wastewater			
MSI Course	TCH's/Cat.	MSI Course	TCH's/Cat.
Accident Investigation	1.5 / S	HazCom with Globally Harmonized System	1.5 / S
Advanced Safety Leadership	10 / S	Hazardous Materials Awareness w/ HazCom & GHS	3 / S
Asbestos, Lead & Silica Industrial Health Overview	1 / S	Heavy Equipment Safety	3 / S
Back Safety / Material Handling	1 / S	Housing Authority Safety Awareness	3 / S
Bloodborne Pathogens Training	1 / S	Hazard Identification - Making your Observations Count	1.5 / S
Bloodborne Pathogens Administrator Training	2 / Non S	Hearing Conservation	1 / S
BOE Safety Awareness	3 / S	Hoists, Cranes and Rigging	2 / S
CDL – Supervisors Reasonable Suspicion	1.5 / S	Jetter Safety	2 / S
CDL - Drivers' Safety Regulations	2 / S	Ladder Safety/Walking Working Surfaces	2 / S
Confined Space Awareness	1 / S	Landscape Safety	2 / S
Confined Space Entry - Permit Required	3.5 / S	Leaf Collection Safety Awareness	2 / S
Dealing With Difficult People	1 / S	Lockout Tagout	2 / S
Defensive Driving-6-Hour	5.5 / S	Shop and Tool Safety	1 / S
Driving Safety Awareness	1.5 / S	Office Safety	2 / S
Employee Conduct and Violence in the Work Place	1.5 / Non S	Personal Protective Equipment (PPE)	2 / S
Excavation Trenching & Shoring	4 / S	Safety Committee Best Practices	1.5 / S
Fall Protection Awareness	2 / S	Safety Coordinator's Skills Training	4 / S
Fast Track to Safety	4 / S	Seasonal Public Works Operations	3 / S
Fire Extinguisher	1 / S	Shift Briefing Essentials	1.5 / S
Fire Safety	1 / S	Snow Plow Safety	2 / S
Flagger / Workzone Safety	2 / S	Special Event Management	2 / S
CEU's for Tax Collectors		CEU's for County/Municipal Finance Officers	
MSI Course	CEU's/Cat.	MSI Course	CEU's/Cat.
Employee Conduct and Violence in the Work Place	1.5 / E	Employee Conduct and Violence in the Work Place	1.5 / E
Dealing With Difficult People	1 / E, Gen	Dealing With Difficult People	1 / E, M
Protecting Children from Abuse - For Managers/Supervisors/Elected Officials	2 / Gen	Protecting Children from Abuse - For Managers/Supervisors/Elected Officials	2 / OFM
CEU's for Certified Recycling Professionals		CEU's for Qualified Purchasing Agents	
MSI Course	CEU's/Cat.	MSI Course	CEU's/Cat.
Fire Extinguisher Safety	1 / CRP	Employee Conduct and Violence in the Work Place	1.5 / E
Hazard Recognition- Making your Observations Count	2 / CRP	Dealing With Difficult People	1 / OFF
Heavy Equipment	3 / CRP	Protecting Children from Abuse - For Managers/Supervisors/Elected Officials	2 / OFF
Sanitation and Recycling Safety	2 / CRP		
CEU's for Park and Rec Professionals			
MSI Course	CEU's/Cat.		
Playground Safety Inspections (CEUs for all Park and Rec Professionals)	.2		
***Categories		***Categories(cont.)	
E - Ethics		Non S - Non Safety (Management)	
T - Technical		P - Professional Development	
G - Governmental		M - Management	
S - Safety / Non S - Non Safety		CRP - Certified Recycling Professional Classroom CEU	
GEN - General Secondary Duties		OFF - Office Admin/General Duties	
● OFM - Office Mgmt. and Ancillary subjects			

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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: **1815, 0093, 8991 & 8465**. 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 – November 4, 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 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 Joseph Hrubash <i>(via teleconference)</i>
Claims Service	D&H Alternative Risk Solutions, Inc. Kathleen Guze <i>(via teleconference)</i> Wayne Ring <i>(via teleconference)</i> Theresa Laoudis <i>(via teleconference)</i> Mary Ann Maitilasso <i>(via teleconference)</i> PERMA Risk Management Services Jen Conicella <i>(via teleconference)</i>
Managed Care Services	First MCO Suzanne Rajsteter <i>(via teleconference)</i>
Risk Management Consultant	Acrisure, LLC
Treasurer	
Attorney	Bruce Bergen, Esq.
Safety	J.A. Montgomery Risk Control Jonathan Czarniecki <i>(via teleconference)</i> T&M Associates Mark Worthington <i>(via teleconference)</i>

ALSO PRESENT:

Terry Pacheco, Union County (*via teleconference*)

Cathy Dodd, PERMA Risk Management Services (*via teleconference*)

Chair Wagner reported Ms. Taylor could not participate in the meeting today so she would communicate for her during the Treasurer's report.

APPROVAL OF MINUTES: OPEN MINUTES AND CLOSED MINUTES OF SEPTEMBER 23, 2020

Executive Director noted the closed minutes were e-mailed to the Commissioners prior to the meeting for review.

MOTION TO APPROVE THE OPEN MINUTES AND CLOSED MINUTES OF SEPTEMBER 23, 2020

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

CORRESPONDENCE: None

SAFETY COMMITTEE: Mr. Worthington reported since the last meeting they held a Labor Subcommittee Meeting as well as Jail and Executive Safety Meetings. Mr. Worthington said in addition he arranged for the annual training of the prosecutor's lab via zoom. Mr. Worthington advised he sent Mr. Prince an e-mail that the print shop at the County was very interested in using the online platform and asked him to reach out to Eric Zigman. Mr. Worthington concluded his report and asked if there were any questions.

CLAIMS COMMITTEE: Ms. Conicella advised the Claims Committee did not meet prior to the Commission Meeting and the claims would be discussed during closed session.

EXECUTIVE DIRECTOR REPORT: Executive Director advised his report was included in the agenda and there was one action items.

PROFESSIONAL CONTRACTS: Executive Director reported the Fund Office issued and advertised the RFP's for the Commission Auditor and Commission Actuary positions. Executive Director noted the responses were due on October 27, 2020. Executive Director said the responses would be reviewed and recommendations discussed at the December meeting. Executive Director indicated the Executive Director's contract expired on December 31, 2020 and his Office would work with the Commission Attorney on issuing the RFP for the Executive Director's position.

UNION COUNTY MEMBERSHIP: Executive Director advised Union County's membership in the Union County Insurance Fund Commission renewed on January 1, 2021. Executive Director reported the Fund Office sent a copy of an Indemnity & Trust Agreement along with a sample resolution authorizing the renewal membership in the Commission to the Commission Attorney

and Chairperson. Executive Director advised he spoke with Mr. Bergen yesterday and noted Mr. Bergen was working on the documents. Mr. Bergen said there was plenty of time to get it done before the end of the year.

CERTIFICATE OF INSURANCE REPORT: Executive Director reported the certificate of issuance report from the NJCE listing the certificates issued for the month of September was included in the agenda. Executive Director advised there was 1 certificate issued during the month of September.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

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

NJ COUNTIES EXCESS JOINT INSURANCE FUND (NJCE): Executive Director reported the NJCE met on September 24, 2020 and a summary report of the meeting was included in the agenda. Executive Director advised the NJCE also met on October 22, 2020 and a summary report was included in the agenda. Executive Director advised the Finance Committee met to discuss the 2021 Budget and recommended a delay to the budget process by one month to move budget introduction to November and budget adoption to December. Executive Director reported this would allow the NJCE Underwriting Manager to conduct a widespread marketing of all excess and ancillary insurances. Executive Director noted the premium projections were very high due to current market conditions. Executive Director said the CEL was doing very well and they might be able to retain more risk in an effort to reduce costs. Executive Director advised the Finance Committee was presented with four options for dividends with the high amount at \$2 million. Executive Director said the Finance Committee would make a recommendation on the amount and distribution after the marketing was completed. Executive Director asked if anyone had any questions on the reports.

UCIFC FINANCIAL FAST TRACK: Executive Director advised the July Financial Fast Track was included in the agenda. Executive Director reported the Commission had a surplus of \$4,321,965 as of July 31, 2020. Executive Director referred to Line 10 of the report, "Investment in Joint Venture" and indicated \$2,145,301 of the surplus was the UCIFC's share of the NJCE equity. Executive Director noted the cash amount was \$10,315,240. Executive Director noted the Commission was performing very well and at some point in the future dividend options would be available.

NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the July Financial Fast Track was included in the agenda. As of July 31, 2020, the Fund had a surplus of \$16,608,019. Executive Director referred to line 7, "Dividend" and noted the NJCE released dividends in the amount of \$3,607,551. Executive Director noted the cash amount was \$32,002,009. Executive Director asked if anyone had any questions regarding the Financial Fast Tracks.

CLAIMS TRACKING REPORTS: Executive Director advised the Claim Tracking reports as of July 31, 2020 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 reviewed the Fund Years with the Commission.

NJCE BEST PRACTICES WORKSHOP, 2020 VIRTUAL EDITION: Executive Director reported the Workshop was held via a Zoom Webinar on October 29, 2020. Ms. Scutari and Ms. Paecho noted they participated in the webinar. Ms. Conicella thought the presentations on the COVID-19 were very informational and interesting as well as the return to work presentation. Ms. Conicella advised there was a recording of the webinar and if anyone wanted a copy to reach out to her. Chair Wagner asked that the recording be sent to the three Commissioners.

2021 AUTO ID CARDS/WC POSTING NOTICES/RENEWAL CERTIFICATE OF INSURANCE – Executive Director reported the 2021 auto ID cards and WC Posting Notices would be sent out for distribution the beginning of December. Executive Director advised the NJCE Underwriting Manager's Team would review the certificates which need to be re-issued for the 2021 renewal.

Executive Director asked if anyone had any questions on his report.

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Chair Wagner reported Ms. Taylor could not participate in the meeting; however, she did send an e-mail advising she recommended payment of Resolution 27-20, November Bill List.

MOTION TO APPROVE RESOLUTION 27-20 NOVEMBER BILL LIST

Moved:	Chair Wagner
Second:	Commissioner Martins
Roll Call 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.

CLAIMS SERVICE: Ms. Conicella advised she did not have anything further to report.

CLAIMS SERVICE: Ms. Guze advised she also participated in the Best Practices Workshop and she thought it was excellent and very informative from a TPA's standpoint. Ms. Guze reported for the two month period of September through October there were 36 worker compensation claims reported, 24 were closed, 6 were report only, 3 were denied, and 12 remained treating. Ms. Guze advised that concluded her report unless there were any questions. In response to Executive Director's inquiry, Ms. Guze indicated a few were COVID-19 related and she was going to prepare a new report for Amerihealth as they were started to see a little uptick, mainly in corrections.

MANAGED CARE: Ms. Rajsteter referred to First MCO's reports, which were included in the agenda. Ms. Rajsteter reviewed the Case Management Monthly Activity Report for the month of October as noted below.

Month	Total Claims Reported	Medical Only	Loss Time	Total Case Managed	% Total Case Managed
October	16	9	2	11	82%

Ms. Rajsteter reviewed the Medical Savings Report for the month of October as noted below.

Month	Provider Bill Amount	Repriced Amount	Savings	Percentage of Savings	Number of Bills	In Network Bills	PPO %
October	\$ 612,895	\$ 77,130	\$ 535,765	87%	149	138	93%

Ms. Rajsteter advised that concluded her report unless there were any questions.

NJCE SAFETY DIRECTOR: Mr. Czarnecki reported the Safety Director's report for September through November was included in the agenda. Mr. Czarnecki referred to a list of the Safety Director Bulletins, which were issued and could be viewed on the NJCE website. Mr. Czarnecki advised the Live Safety Training Webinars were continuing and the agenda included a schedule of sessions. Mr. Czarnecki asked if anyone had any questions and concluded his report. Executive Director advised J. A. Montgomery was successful in arranging a proposal with a vendor to provide a Learning Management System dedicated to NJCE JIF members. Executive Director noted more training would be available with a tracking system.

Correspondence Made Part of Minutes

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: Mr. Bergen advised he check and there was no one from the public interested in this meeting.

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 claim number 2360, 2274 & 2913.

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 Martins
Vote:	3 Yes, 0 Nays

MOTION TO APPROVE THE PARS AS DISCUSSED IN EXECUTIVE SESSION

Moved:	Chair Wagner
Second:	Commissioner Martins
Roll Call Vote:	3 Yes, 0 Nays

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 10:36 AM

Minutes prepared by: Cathy Dodd, Assisting Secretary

APPENDIX II

Moody's Investors Service Report

SECTOR COMMENT

17 November 2020



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Local government – New Jersey

Joint insurance funds help smaller municipalities lower cyber, social risks

The [New Jersey](#) (A3 negative) joint insurance funds (JIFs) provide participating local governments with services that strengthen their ability to deal with issues such as cybersecurity, police training and market access, bolstering municipalities' credit quality by reducing their financial risks as well as social and governance risks. While these services are valuable to all members, they are particularly important to smaller governments, which might otherwise have difficulty obtaining them. The JIFs and the Municipal Excess Liability JIF (MEL) and New Jersey Counties Excess JIF (NJCE) work by pooling talent and expertise from their constituents, so the weakness of one municipality is covered by sharing resources with another.

- » **Shared services and expertise help smaller local governments bolster their cyberattack defenses.** As ransomware attacks grow more sophisticated and the frequency of all kinds of cyberattacks increase, smaller municipalities benefit from the ability to borrow the technical expertise of the larger members of the JIFs. The MEL and NJCE's programs place a greater emphasis on prevention than treatment, and it incentivizes municipalities to improve their defenses by offering lower insurance rates to municipalities, authorities and counties that adopt stricter cybersecurity standards.
- » **Extensive training services help governments keep a cap on costs and reduce social risks.** Local governments need resources to improve training in the many different services they provide, from police and first responders to street repair crews and park personnel. Even for a large government, training new hires is financially demanding, and all the more so for smaller governments with limited resources. Covering municipalities', authorities' and counties' gaps in these areas also reduces their social and governance risks.
- » **MEL's ability to purchase municipal notes provides source of emergency liquidity.** The JIFs provided one of several sources of extra liquidity in the Bond Anticipation Note market when liquidity dried up in March and April because of the coronavirus pandemic. While municipalities which had their notes bought benefited directly, the purchases also helped to reestablish a more normal market, benefiting all local governments, particularly smaller ones.

How New Jersey's joint insurance funds work

The New Jersey JIFs provide property and casualty insurance and risk management services to most local units of government including municipalities, counties and local authorities. The MEL and NJCE are specialized JIFs which provide excess liability coverage and services to member JIFs, each of which has a variable number of local governments as owners.

Since 1985, the JIFs along with the MEL and the NJCE have saved the taxpayers an estimated \$3.4 billion and have reduced member accident rates by over 65%¹. These self-insurance pools are owned by their member local governments, which purchase from the pools insurance and services that strengthen their ability to deal with issues such as employee accidents, liability claims, cybersecurity and police training.

The MEL member JIFs, the MEL and NJCE are not insurance companies but governmental entities run by municipal leaders who hire outside professionals. As such, the JIFs are not run for profit. They charge their membership for the risk management services they offer, including claims management, loss control programs and insurance, but they do not include a profit component. Over time, based on performance results, they may generate a surplus and return dividends to their membership.

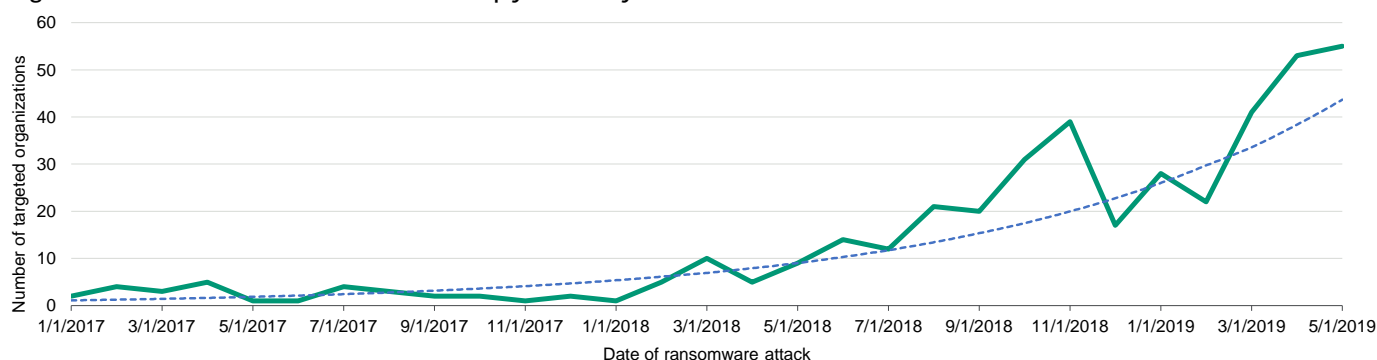
While insurance remains critical, the JIFs' remit has led them to go beyond the purview of insurance by providing a safety program and extensive training. Participation is optional; membership in the MEL or NJCE requires a request for a proposal with the understanding that if accepted it will require a three-year membership. The MEL covers in excess of the 65% of the municipalities and authorities organized into 19 member JIFs of varying sizes and the NJCE covers 10 of the 21 NJ counties and certain affiliated entities via several underlying county insurance commissions.

Shared services and expertise help smaller local governments bolster their cyberattack defenses

As [ransomware attacks grow more sophisticated](#) and the frequency of all kinds of cyberattacks on local governments increases, smaller municipalities benefit from the ability to borrow the technical expertise of the larger JIF members, especially in the area of attack prevention. Even with help from the most sophisticated professionals, it is better to prevent an attack than to successfully deal with one: it avoids wasted time and additional costs. As shown in Exhibit 1, targeted ransomware attacks across all organizations and sectors increased markedly starting in early 2018.

Exhibit 1

Targeted ransomware attacks have increased sharply in recent years



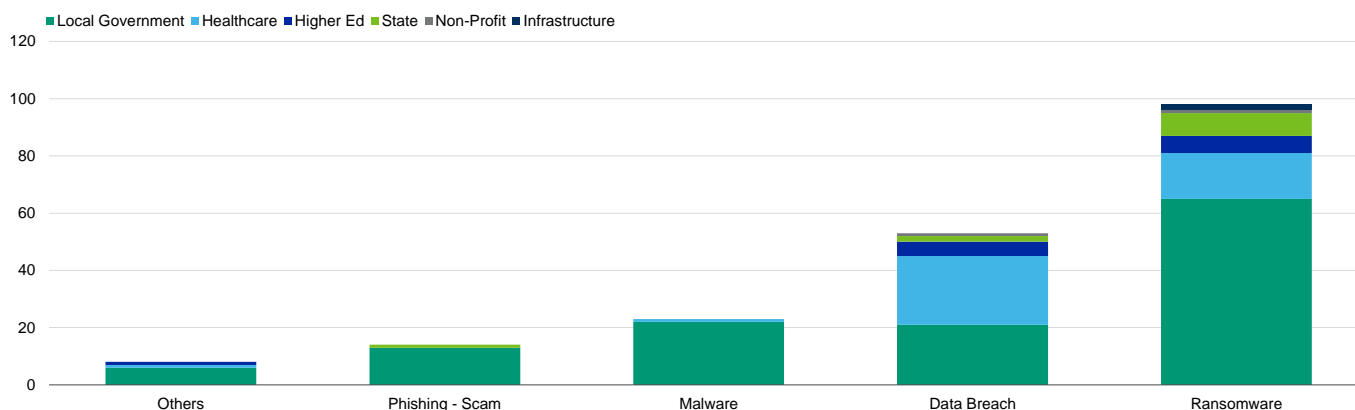
Organizations include all entities including public, private, academic, nonprofit etc.

Sources: Symantec; Moody's Investors Service

Ransomware is not the only form of cyberattack to target local governments. As seen in Exhibit 2, local governments have also suffered phishing attacks, non-ransomware malware infections and data breaches, among other incidents.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moody.com for the most updated credit rating action information and rating history.

Exhibit 2

Distribution of cyberattacks by sector and type of attack, 2017 to present

Statistics are based on incidents reported to or observed by Moody's. This does not purport to be a complete tabulation of incidents.

Source: Moody's Investors Service

The MEL, in collaboration with the Bloustein Local Government Research Center of Rutgers University, has implemented a program to help its members improve their cyber risk preparedness. The program, which has existed for some years, has been expanded as the nature of the risk has become better understood, and the NJCE-JIF is adopting a similar program for its member counties. While the MEL-JIF program is at the forefront of cyber preparedness, it is not unique. Statewide cyber defenses or teams are becoming increasingly popular, as seen [Ohio's Cyber Reserve](#) program. The MEL's program is different, however, in that it places a greater emphasis on prevention than treatment. In addition, the MEL incentivizes municipalities to improve their defenses by offering lower rates for insurance to municipalities which adopt stricter cybersecurity standards.

The MEL-JIF program consists of several different modules, each addressing a core area of concern. On the technology side, it includes "Minimum Technological Proficiency Standards," which cover such things as backup practices, defensive software (including antivirus and malware detection software), server security and training. The standards also call for policies, leadership expertise and an incident response plan. The MEL provides draft cyber policies,² which members are encouraged to modify to meet local needs, as well as a list of vendors that can supply cybersecurity training. The list is provided free, though individual municipalities must still pay vendors for their services.

The issue of vendor choice highlights an advantage of the MEL-JIF system. Smaller municipalities frequently lack the IT expertise to choose between vendors. Larger ones, however, tend to be better-staffed and are more likely to have gone through the process of selecting appropriate vendors because they have more money (at least in nominal dollars if not relative to budget) and present a more attractive target for cyberattack. As a result, they have a greater incentive to develop their own cybersecurity. Members of the JIF share their experience and expertise with each other, allowing the smaller ones to punch above their weight.

In the event of an attack, even larger municipalities will need assistance. While they may have stronger IT departments, they will still need specialty lawyers and forensic experts. In consultation with members, the state and various federal, state and local law enforcement agencies, the JIFs have developed an incident response program that can guide local governments. The MEL covers any initial expenses, including the potential payment of a ransom, and sorts out deductibles later. This marks another difference from the Ohio program, which only offers technical and not financial support.

Lastly, the MEL JIFs provide insurance to cover any losses on the cyber front. While the details of coverage are confidential, the deductibles decrease as governments enact tougher security standards, and the amount of coverage has increased over time. This incentivizes better security and provides greater protection when things go wrong – all credit positives.

Extensive training and up-to-date information help municipalities keep a cap on costs and lower their social risks

MEL JIFs help municipalities address another difficulty common among smaller local governments: having access to dozens of skill sets while maintaining financial stability. A typical local government needs everything from computer experts, lawyers and accountants to

crane operators, street repair crews, police and park personnel. Even for a large government, training new hires is a formidable task, and doubly so for smaller governments with limited resources. Covering municipalities' gaps in these areas also reduces their social and governance risks.

The MEL has an extensive list of webinars and, before the coronavirus pandemic, in-person training modules. For example, the MEL has a scheduled two-hour webinar³ on which types of personal protective equipment (PPE) are required for various jobs. Modules such as these, as well as the associated guidance provided, offer important guidance to municipalities during the pandemic. The MEL has publicly posted state guidance on reopening procedures and other pandemic-related tasks.

Training is a valuable tool in preventing social risk. Improperly trained officials or employees are more likely to make mistakes that could lead to anything from a loss of reputation to lawsuits to, in extreme cases, civil unrest. The MEL provides training for police departments, including officers newly promoted to supervisory functions. Such assistance is particularly important because the potential social risks associated with police action are [considerable](#). The MEL began rolling out police training following incidents in [Ferguson, MO](#) (Ba1 positive) in August 2014, and has been coordinating updates to its implicit bias and use-of-force trainings. The MEL works closely with the state Attorney General's office, with many of its training offerings eligible for continuing education credits. It also maintains an extensive record of recent court cases and decisions that have a bearing on police activity in any fashion.

The NJCE rolled out its initial police training program to its county members in 2012 for correction facility operations and the [Camden County, NJ](#) (Aa2 stable) police department, which is responsible for the City of Camden. The county has expressed a great deal of satisfaction with the way the department handled the recent peaceful protests in the city.

Proper training helps ensure officials follow the law and appropriate procedures in many other areas of local government activity, which, if badly handled, can lead to physical, financial or emotional trauma. For example, the reputational and potentially financial implications of first responders aggravating an injured driver's injuries are potentially significant. Consequently, the MEL offers a training course on "Safe Patient Lifting for Emergency Responders." Given that a municipality which failed to offer services would be useless, the JIFs attempt to offer training sessions covering the maximum number of services.

MEL's ability to purchase local government notes provides a source of emergency liquidity

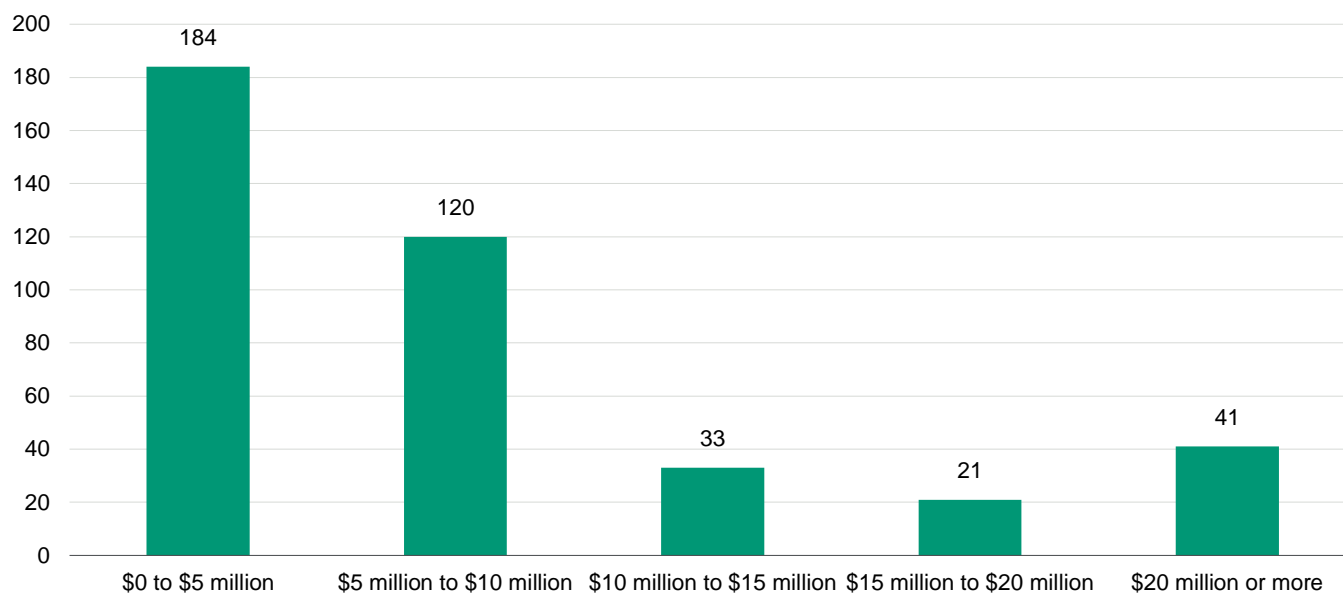
The MEL JIFs provided one of several sources of extra liquidity for municipalities when the pandemic shook the New Jersey local government note market in March and April. The market upheaval prompted the state to allow the MEL and its member JIFs to invest in Bond Anticipation Notes (BANs) issued by its own membership. The move had a significant impact: while the municipalities which had their notes purchased benefited directly, the MEL and JIF investments also helped reestablish a more normal market, to the benefit of all local governments. In all, the MEL and its member JIFS have bought approximately \$135 million in notes to date. It is, however, difficult to parse the impact of the JIFs in isolation since the state's decision, coupled with other state actions, came close in time to strong federal action.

The JIF action particularly benefited smaller municipalities. The total amount of MEL borrowing was smaller than some individual transactions by counties. In December 2019, for example, [Hudson County](#) (Aa2 stable) sold \$182 million in BANs maturing in December 2020, but the overwhelming majority of New Jersey issuances are on the smaller side and are therefore less attractive to some types of investor despite their strong credit quality. Of the 399 New Jersey notes maturing in 2020, 184 had a par amount under \$5 million (see Exhibit 3). These smaller issuances benefited from the restoration of a normal market.

Exhibit 3

Nearly half of New Jersey local government BANs are under \$5 million par

Number of NJ notes maturing in 2020, by par amount



Includes notes maturing in 2020 with the word "anticipation" in the description and with an ascertainable par amount. This is not the entire universe of NJ notes.

Source: Municipal Securities Rulemaking Board's Electronic Municipal Market Access service

Because of the vagaries of state law and the conventions of the market, New Jersey municipalities are among the heaviest users of BANs in the country. Under normal conditions, the market is extremely robust and rates are typically quite low, which is one of the primary attractions of this form of issuance. In March and April of 2020, however, the pandemic roiled markets and liquidity dried up. The state took a number of steps to address this, one of which included the JIFs.

Before the outbreak, the MEL's cash management plan was highly restrictive: excess funds could only be invested in Treasuries, CDs and comparable instruments, sacrificing return for the highest possible levels of safety. While municipal short-term debt is generally viewed as less secure than Treasuries, it is nonetheless a highly rated sector, and the state believed the market issues were a liquidity issue and not a credit issue. That said, the state, the NJ Infrastructure Bank and counties took the opportunity to strengthen their credit analysis of potential borrowers anyway so as to ensure they invested wisely.

Moody's related publications

Endnotes

- [1](#) Figures based on MEL's own calculations.
- [2](#) The MEL actually provides draft policies for a wide variety of topics, not just cyber defense.
- [3](#) ["Required upon initial assignment and retraining as needed for supervisors and employees who use or specify PPE"](#)

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