

**UNION COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – December 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 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>) Mary Ann Maitilasso (<i>via teleconference</i>)
	PERMA Risk Management Services Jen Conicella (<i>via teleconference</i>)
Managed Care Services	First MCO Karen Workman (<i>via teleconference</i>)
NJCE Underwriting Manager	Conner Strong & Buckelew
Risk Management Consultant	Acrisure, LLC
Treasurer	
Attorney	Bruce Bergen, Esq.
Safety	J.A. Montgomery Risk Control Glenn Prince (<i>via teleconference</i>) (<i>arrived 10:30</i>)
	T&M Associates

ALSO PRESENT:

Moshood Mufta, Esq., Union County (*via teleconference*)

Terry Pacheco, Union County (*via teleconference*)

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

APPROVAL OF MINUTES: OPEN MINUTES AND CLOSED MINUTES OF NOVEMBER 4, 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 NOVEMBER 4, 2020

Moved:

Chair Wagner

Second:

Commissioner Martins

Vote:

3 Yes, 0 Nays

CORRESPONDENCE: None

SAFETY COMMITTEE: There was no Safety report.

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 were several action items.

2021 PROPERTY & CASUALTY BUDGET: Executive Director referred to a copy of the proposed 2021 Property & Casualty Budget in the amount of \$4,563,770. Executive Director reported the introductory budget represented an overall reduction of \$561,080 or 10.95%. Executive Director advised the Commission was performing well and the actuary reduced the loss funds by 11.44% as noted on lines 1-4. Executive Director noted as we did last year, the loss funds of \$4,369,500 represented 90% of the actuarial projected loss funds.

Executive Director reported the expenses, fees and contingency lines of the budget reflected contractual obligations and responses to RFP's.

Executive Director reported the Treasurer recommended approving a temporary budget in the amount of \$854,142 which represented 2/12 of the 2020 annual budget, \$5,124,850.

Executive Director advised 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.

Executive Director referred to Resolution 28-20, Adoption of a Temporary 2021 Property & Casualty Budget equal to 2/12 of the 2020 Property & Casualty Budget which was included in the agenda. Executive Director asked if anyone had any questions on the budget and requested a motion to approve Resolution 28-20.

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

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

RFP FOR PROFESSIONAL SERVICES – EXECUTIVE DIRECTOR: Executive Director reported the County issued an RFP for the Executive Director position and the responses were due on December 10, 2020. Executive Director referred to Resolution 29-20, Designating Commission Executive Director prepared by the Commission Attorney which was included in the agenda. Executive Director explained the resolution authorized 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. Executive Director asked if anyone had any questions and requested a motion to approve Resolution 29-20.

MOTION TO APPROVE RESOLUTION 29-20 DESIGNATING COMMISSION EXECUTIVE DIRECTOR

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

Executive Director thanked the Commissioners on behalf of PERMA for the re-appointment.

RFP FOR PROFESSIONAL SERVICES – ACTUARY: Executive Director reported the Fund Office issued an RFP for the 2021 Actuary position. Executive Director advised the responses were due on October 27, 2020. Executive Director stated there was one response from the incumbent, The Actuarial Advantage, Inc. Executive Director noted the pricing fee was \$6,261, which represented an increase of 2% over the 2020 fee of \$6,138. Executive Director reported a copy of the response was sent to the Commission Attorney for review. Executive Director asked if anyone had any questions and requested a motion to approve The Actuarial Advantage Inc. as the 2021 Actuary.

MOTION TO APPROVE THE ACTUARIAL ADVANTAGE INC. AS THE 2021 ACTUARY WITH A FEE OF \$6,261

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

RFP FOR PROFESSIONAL SERVICES – AUDITOR: Executive Director reported the Fund Office issued an RFP for the 2020 Auditor position and the responses were due on October 27, 2020. Executive Director advised approval of the auditor would be scheduled for the January meeting.

UNION COUNTY MEMBERSHIP: Executive Director reported the UCIFC was finishing its 3rd year of operation on 12/31/20. Executive Director reported Commission Attorney had indicated that the initial membership resolution and Indemnity & Trust Agreement did not specify an end date and they were continuous. Executive Director advised the renewal of these documents were not required.

CERTIFICATE OF INSURANCE REPORT: Executive Director reported the certificate of issuance report from the NJCE listing the certificates issued for the month of October was included in the agenda. Executive Director advised there was 4 certificates issued during the month of October.

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 November 19, 2020 and a written summary was included in the agenda. Executive Director advised the 2021 NJCE Budget was introduced in the amount of \$27,088,279. Executive Director explained typically the budget was introduced in October, however, due to the hardening of the commercial market, the Finance Committee wanted to give Ed Cooney and his team additional time to market the renewal. Executive Director advised The Board of Commissioners also authorized a \$2 million dividend but would determine prior to the December meeting how the dividend would be distributed. Executive Director noted Budget Adoption was scheduled for the end of December. Executive Director asked if anyone had any questions.

UCIFC FINANCIAL FAST TRACK: Executive Director advised the September Financial Fast Track was included in the agenda. Executive Director reported the Commission had a surplus of \$5,018,980 as of September 30, 2020. Executive Director referred to Line 10 of the report, "Investment in Joint Venture" and indicated \$2,426,426 of the surplus was the UCIFC's share of the NJCE equity. Executive Director noted the cash amount was \$11,764,147. Executive Director noted the Commission was performing very well and at some point in the future dividend options would be available to the County.

NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the September Financial Fast Track was included in the agenda. As of September 30, 2020, the Fund had a surplus of \$18,919,992. 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 \$32,472,743. 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 September 30, 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.

2021 PROPOSED MEETING SCHEDULE: Executive Director reported the agenda included the proposed meeting dates for 2021 and read off the dates of January 20, February 17, March 17, April 21, June 16, July 21, September 15, October 20 and December 15. Executive Director noted

the start time of the meetings was 10:00 AM. Executive Director advised the 2021 UCIFC Reorganization meeting was scheduled for January 20, 2021. Executive Director stated if the dates were acceptable, a resolution would be prepared for approval with the Reorganization Resolutions in January. Executive Director advised additional meetings could be scheduled if needed. Executive Director reported if a Claims Committee Meeting was necessary, they would be held prior to the start of the Commission Meeting at 9:30 AM. Executive Director asked if they were any questions with the meeting dates. Chair Wagner advised they would check to see if there any conflicts with the meeting dates.

MOODY’S INVESTOR SERVICE REPORT: Executive Director reported Moody’s recently asked to do an article on MEL and NJCE JIF’s with primary focus on their respective cyber risk control program. Executive Director advised after several discussions the article was broadened to touch on other benefits derived from membership in MEL and NJCE. Executive Director noted although the article is heavily weighted towards MEL successes we want to share it with our NJCE membership. Executive Director stated a copy of the article which was just published was included in the appendix section of the agenda. Chair Wagner thanked Executive Director for sharing the article.

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 was unable to join however, she did say she recommended payment of the December Bill List, Resolution 30-20. Executive Director requested a motion to approve Resolution 30-20.

MOTION TO APPROVE RESOLUTION 30-20 DECEMBER 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. Executive Director thanked Mr. Bergen for his help with the RFP’s and resolutions.

CLAIMS SERVICE: Ms. Conicella referred to a copy of a memorandum, which was included in the agenda regarding the “Mandatory Year-End Claims Reporting”. Ms. Conicella reported certain policies issued to the Commission / Commission members apply on a claims made, or discovered and reported basis (e.g., Public Officials / Employment Practices, Employed Lawyers, Cyber, Medical Malpractice, Crime, Pollution.) Ms. Conicella advised 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. Ms. Conicella advised it was imperative that any claim, potential claim, or facts and circumstances that may give rise to a claim be reported to your insurance company prior to policy expiration on 12/31/20. Ms. Conicella asked that a “sweep” of claims, suits and or incidents that have not yet been reported and do so by 12/31/20.

CLAIMS SERVICE: Ms. Guze reported for the period of November 1st through November 30th there were 14 worker compensation claims reported, 8 were closed, 2 were report only, 1 was denied, and 5 were closed. Ms. Guze advised 5 remained open for treatment. Ms. Guze provided a COVID update and indicated they were not included in the November numbers and were all reported in December. There were 19 positive COVID claims reported and for the most part were all the result of a mandatory testing Union County was conducting in Corrections. Ms. Guze advised 3 of those claims were denied, 5 were currently closed and back at work. The remaining claims were waiting for results. Ms. Guze advised that concluded her report unless there were any questions.

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

Month	Total Claims Reported	Medical Only	Loss Time	Total Case Managed	% Total Case Managed
November	16	11	1	12	92%

Ms. Workman reviewed the Medical Savings Report for the month of November as noted below.

Month	Provider Bill Amount	Repriced Amount	Savings	Percentage of Savings	Number of Bills	In Network Bills	PPO %
November	\$ 177,271	\$ 76,473	\$ 100,799	57%	117	114	97%

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

Correspondence Made Part of Minutes

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: Mr. Bergen advised he would check to see if anyone was there. Mr. Bergen indicated there was no one there from the public.

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 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.

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

Executive Director advised Mr. Prince is now participating in the meeting and asked that he give his NJCE Safety Director report.

NJCE SAFETY DIRECTOR: Mr. Prince reported the Safety Director's report for November – December was included in the agenda. Mr. Prince referred to the listing of all webinar training through January which was also included in the agenda. Mr. Prince encourage all of the departments to review all of the training that was posted on the NJCE website, <https://njce.org>. Mr. Prince asked if there anyone had any special training requests to reach out to his office. Mr. Prince advised on December 11th his office sent out a Safety Director Bulletin "Reporting & Recording COVID- Related Illness Guidance" relating to OSHA's recordkeeping requirements. Mr. Prince asked that if anyone had any questions or need clarification on the bulletin to contact his office. Mr. Prince concluded his report unless there were any questions.

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 10:40 AM

Minutes prepared by: Cathy Dodd, Assisting Secretary