

**UNION COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – March 15, 2023
ZOOM VIRTUAL MEETING
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	Absent
Laura Scutari	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
Claims Service	D&H Alternative Risk Solutions, Inc. Kathleen Guze Mary Ann Maitilasso
	PERMA Risk Management Services Robyn Walcoff, Esq. Jennifer Davis Shai McLeod
Managed Care Services	First MCO Marie Lamb
NJCE Underwriting Manager	Conner Strong & Buckelew Ed Cooney - <i>Absent</i>
Risk Management Consultant	Acrisure, LLC Robin Racioppi
Treasurer	Bibi Taylor
Attorney	Bruce Bergen, Esq.
Safety	J.A. Montgomery Consulting Glenn Prince
	T&M Associates Mark Worthington

ALSO PRESENT:

Evelio Salermo, Union County
Theresa Pacheco, Union County
Jason Thorpe, PERMA Risk Management Services
Cathy Dodd, PERMA Risk Management Services
Pauline Kontomanolis, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN MINUTES OF JANUARY 18, 2023

Executive Director noted that there was not a closed session during the previous meeting.

MOTION TO APPROVE THE OPEN MINUTES OF JANUARY 18, 2023

Moved:	Chair Wagner
Second:	Commissioner Scutari
Vote:	Unanimous

CORRESPONDENCE: None

SAFETY COMMITTEE: Mr. Worthington reported that since the last Commission meeting the Labor Committee met twice and advised that Toolbox Talks were given out to discuss with employees. Mr. Worthington reported that a Hazard Communication training was conducted, and he has scheduled the Confined Space Entry training as well as the Evolution of Utilizing Equipment for the staff in the spring. With no questions, Mr. Worthington concluded his report.

CLAIMS COMMITTEE: Ms. Davis reported the Claims Committee did not meet prior to the meeting, however PARs will be presented during closed session. With no questions, Ms. Davis concluded her report.

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

2022 UCIFC DIVIDEND – Executive Director reported that the fund office met with the Commission Treasurer to discuss potential dividend options. Executive Director noted that following the meeting, it is being recommended that the Commission distribute excess monies to the County from the 2018 and 2019 Fund Year Accounts. Executive Director asked the Commission Treasurer if she had anything to add. Ms. Taylor advised that she is in agreement with the dividend recommendation in the amount of \$500,000 being distributed from the 2018 and 2019 Fund Year Accounts. Executive Director referred to Resolution 11-23, Authorizing Refund from the 2018 and 2019 Fund Year Accounts enclosed within the agenda, and noted that the distribution of funds will be listed as a credit on the County's 2023 assessment bill. Executive Director asked if there were any further comments or questions. Hearing none, Executive Director asked for a motion to adopt Resolution 11-23.

MOTION TO ADOPT RESOLUTION 11-23, AUTHORIZING REFUND FROM THE 2018 AND 2019 FUND YEAR ACCOUNTS IN THE AMOUNT OF \$500,000.

Moved:	Chair Wagner
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Second: Commissioner Scutari
Roll Call Vote: Unanimous

2023 PROPERTY & CASUALTY BUDGET – Executive Director reported that during the meeting between the fund office and the Commission Treasurer a discussion took place regarding the proposed 2023 Property & Casualty Budget in the amount of \$2,940,054. Executive Director referred to the proposed budget enclosed within the agenda and asked the Commission Treasurer if she had anything to add. Ms. Taylor advised that based upon the credit the Commission received in 2022 for the closure of the jail in 2021, additional time is needed before a recommendation to act on the proposed 2023 budget can be made. Ms. Taylor said she recommends once again approving a temporary budget representing 2/12 of the 2023 annual budget in the amount of \$286,671 per month, exclusive of the dividend credit. Executive Director asked if there were any questions or comments on the recommendation. Hearing none, Executive Director asked for a motion to approve the temporary budget.

MOTION TO APPROVE A TEMPORARY 2023 PROPERTY AND CASUALTY BUDGET, EQUAL TO 2/12 OF THE BUDGET FOR THE MONTHS OF MARCH AND APRIL 2023, IN THE AMOUNT OF \$286,671.16 PER MONTH FOR A TOTAL OF \$573,342.32, EXCLUSIVE OF THE 2022 DIVIDEND

Moved: Chair Wagner
Second: Commissioner Scutari
Roll Call Vote: Unanimous

2023 PLAN OF RISK MANAGEMENT – Executive Director referred to the 2023 Plan of Risk Management enclosed within the agenda. Executive Director reported that the Plan is an overview of the Commission's coverage, risks retained by the Commission, reserving philosophy, method of assessing member contributions, claims payment authority, etc. Executive Director added that the changes are highlighted in yellow and asked if there were any changes. Hearing none, Executive Director asked for a motion to approve the 2023 Plan of Risk Management.

MOTION TO APPROVE RESOLUTION 13-23, PLAN OF RISK MANAGEMENT

Moved: Chair Wagner
Second: Commissioner Scutari
Vote: Unanimous

EMPLOYEE DISHONESTY COVERAGE – Executive Director reported that the Employee Dishonesty Coverage with Selective Insurance Company renews on April 5, 2023. Executive Director advised that the policy covers the positions of Executive Director, Third Party Administrator, and Treasurer. Executive Director further advised that the limit per loss is \$1,000,000 with a \$10,000 deductible, with an annual premium is \$1,659, and noted that the premium is the same as last year. Executive Director reported that the premium for the renewal will be paid out of the Miscellaneous and Expense Account and asked if there were any questions. Hearing none, Executive Director asked for a motion approving the coverage.

MOTION TO APPROVE EXPENDITURE FOR EMPLOYEE DISHONESTY COVERAGE IN THE AMOUNT OF \$1,659.

Moved:	Chair Wagner
Second:	Commissioner Scutari
Roll Call Vote:	Unanimous

CERTIFICATE OF INSURANCE REPORTS – Executive Director referred to a copy of the certificate of insurance issuance reports from the NJCE listing certificates issued during the months of January and February enclosed within the agenda. Executive Director advised there were (5) five certificates of insurance issued during the month January and (4) four certificates of insurance issued during the month February. Executive Director asked if anyone had any questions on the reports. Hearing none, Executive Director asked for a motion to approve the reports.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORTS

Moved:	Chair Wagner
Second:	Commissioner Scutari
Vote:	Unanimous

NJCE 2023 RENEWAL OVERVIEW – Executive Director reported that the NJCE Underwriting Manager and NJCE Executive Director presented a 2023 Renewal Overview Webinar on January 31st. Executive Director advised that the NJCE Underwriting Manager detailed the challenges faced in marketing the program in a hard market and coverage changes to be aware of for 2023. Executive Director referred to a copy of the overview enclosed within the agenda and advised that the recording will be posted to the NJCE website.

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND (NJCE) - Executive Director reported the NJCE conducted the Reorganization Meeting on February 23, 2023. Executive Director referred to a written summary report of the meeting is included in the agenda. Executive Director reported that during the meeting the NJCE authorized the issuance of an RFP for property appraisals. Executive Director advised that since the Union County Commission has already done property appraisals it will not have to participate. Executive Director asked if there were any updates on the property appraisals conducted by AssetWorks for the Commission. Ms. Racioppi reported that there were changes submitted to AssetWorks and they are in the process finalizing the report inclusive of the changes.

UCIFC FINANCIAL FAST TRACK - Executive Director advised the December Financial Fast Track was included in the agenda. Executive Director reported the Commission had a surplus of \$4,924,564 as of December 31, 2022. Executive Director noted the cash amount was \$12,498,526.

NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK - Executive Director reported the December Financial Fast Track was included in the agenda. As of December 31, 2022 the Fund had a surplus of \$14,297,554. Executive Director referred to line 7, “Dividend”, and noted the NJCE released dividends in the amount of \$6,707,551. Executive Director noted the cash amount was \$34,166,053.

CLAIMS TRACKING REPORTS - Executive Director advised the Claim Tracking reports as of December 31, 2022, 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.

INFORMATIONAL ITEMS REPORT: Mr. Thorpe advised that he had three informational items for his report, none of which were action items.

2023 EXCESS INSURANCE AND ANCILLARY COVERAGE POLICIES – Mr. Thorpe reported that the NJCE renewal policies will again be available electronically through the Conner Strong & Buckelew Egnyte Connect for authorized users. Mr. Thorpe added that the Limit Schematics are also posted to the site. Mr. Thorpe advised that if anyone has any difficulty in accessing the website, they should contact the Fund Office.

2023 MEL, MRHIF & NJCE EDUCATIONAL SEMINAR – Mr. Thorpe reminded the Committee that the 12th Annual Educational Seminar will be held virtually again this year. Mr. Thorpe noted that there will be two sessions, Friday, April 21 and Friday, April 28, both from 9:00 AM to 12:00 PM. Mr. Thorpe advised that the link to register was e-mailed on March 9th.

2023 MEETING SCHEDULE – Mr. Thorpe advised that the Commission is not scheduled to meet in April and that the next scheduled meeting is on May 17, 2023 at 10:00 AM. Executive Director asked whether the Commission would like to meet in-person or virtually for the May meeting. Chair Wagner said the virtual meetings seem to work well for everyone as it is more efficient and there has been good attendance.

With no questions, Mr. Thorpe concluded his report.

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Ms. Taylor referred to Resolution 14-23, the March Bill List, enclosed within the agenda and advised that all the bills were routine in nature. Executive Director asked if there were any questions on the bill list. Hearing none, Executive Director asked for a motion to approve the resolution.

MOTION TO APPROVE RESOLUTION 14-23 MARCH BILL LIST

Moved:	Chair Wagner
Second:	Commissioner Scutari
Roll Call Vote:	Unanimous

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

ATTORNEY: Mr. Bergen advised he did not have anything to report.

CLAIMS ADMINISTRATOR: Ms. Guze reported for the period of January 1st through February 28th there were 23 worker compensation claims reported; 8 were report only, 1 was denied, 9 were closed, and 5 remain treating. Ms. Guze reported that she did not see any overt safety problems with any of the injuries and said that to only have 5 claims still open is a good thing for a 2-month period. With no questions, Ms. Guze concluded her report.

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

Month	Total Claims Reported	Medical Only	Loss Time	Total Case Managed	Present Open Claims
February	11	5	3	8	5

Ms. Lamb reviewed the Medical Savings Report for the month of February as noted below.

Month	Provider Bill Amount	Repriced Amount	Savings	Percentage of Savings	Number of Bills	In Network Bills	PPO %
December	\$ 125,219	\$ 29,941	\$ 95,278	76%	143	139	97%

With no questions, Ms. Lamb concluded her report. Executive Director emphasized the PPO penetration percentage for the month commended First MCO on a job well done.

NJCE SAFETY DIRECTOR: Mr. Prince referred to the Safety Director's report for January through March enclosed within the agenda, which included all risk control and safety activities. Mr. Prince then referred to the listing of all training opportunities that are scheduled through May 31st. Mr. Prince advised that any questions regarding trainings should be directed to him. Mr. Prince reported that the new Learning Management System (LMS) is scheduled to be launched May 1st. Mr. Prince advised that the LMS vendor has agreed to provide a variety of tutorials and webinars for named administrators so that they become comfortable with the new system. Mr. Prince added that J.A. Montgomery will also be available to provide in-person training. Mr. Prince referred to a letter advising the provisions of the Munich Re Safety Grant enclosed within the agenda. Mr. Prince advised that the NJCE has taken advantage of the safety grant program in the past as it is a great opportunity to look at some initiatives that may not be covered under the budget. Lastly, Mr. Prince reported that he has been coordinating with the county on the entry-level driver training program mandated by the Federal Motor Carrier Safety Administration (FMCSA). Mr. Prince advised that the mandate affects both private and public entities nationwide. Mr. Prince reported that he and Mr. Worthington have had several conversations regarding the rollout of the program, the curriculum, and the mandatory requirements. Mr. Prince advised that the program is expected to be rolled out during the month of March. With no questions, Mr. Prince concluded his report.

Correspondence Made Part of Minutes

OLD BUSINESS: Executive Director asked if there were any updates regarding the county's cyber security. Chair Wagner advised that the county is doing some final trials with the vendor and there was one last issue that just got resolved. Chair Wagner said the county is closer to making a decision than they have been in the past and anticipates making a final decision in the near future.

NEW BUSINESS: None

PUBLIC COMMENT: Mr. Bergen indicated there was no public comment.

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 numbers 3751, 2199, and 2423. 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 GO INTO TO CLOSED SESSION

Moved:	Chair Wagner
Second:	Commissioner Scutari
Vote:	Unanimous

MOTION TO APPROVE THE PAR AS DISCUSSED IN EXECUTIVE SESSION

Moved:	Chair Wagner
Second:	Commissioner Scutari
Roll Call Vote:	Unanimous

MOTION TO ADJOURN:

Moved:	Chair Wagner
Second:	Commissioner Scutari
Vote:	Unanimous

MEETING ADJOURNED: 10:36AM

Minutes prepared by: Jason Thorpe, Assisting Secretary