

UNION COUNTY INSURANCE FUND COMMISSION AGENDA AND REPORTS FEBRUARY 27, 2024

10:00 AM

MEETING BEING HELD TELEPHONICALLY

**To attend the meeting via teleconference
Dial 1-646-558-8656 and enter Meeting ID: 996 7386 5408
Passcode: 332573**

OR

Join Zoom Meeting via Computer Link:
<https://zoom.us/j/99673865408?pwd=TENzVCtmcUpaUlVIT0kweWdpd2RiQT09>

OPEN PUBLIC MEETINGS ACT - STATEMENT OF COMPLIANCE

The Union County Insurance Fund Commission will conduct its February 27, 2024 meeting electronically, in accordance with the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq. Notice of this meeting was given by

(1) Sending sufficient notice herewith to the Star Ledger and Westfield Leader, as well as posting meeting notice on UCIFC website

(2) Filing advance written notice of this meeting with the Commissioners of the Union County Insurance Fund Commission,

(3) Posting this notice on the public bulletin board of all members.

During a remote meeting, participants, including members of the public, may be muted by the host, however there will be an opportunity for them to participate and speak during the public portion of the meeting where participants will be unmuted at their request.

**UNION COUNTY INSURANCE FUND COMMISSION
AGENDA
OPEN PUBLIC MEETING: FEBRUARY 27, 2024
10:00 AM**

☐ **MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ**

☐ **ROLL CALL OF COMMISSIONERS**

APPROVAL OF MINUTES:	January 24, 2024	Open Minutes	Appendix I
	January 24, 2024	Closed Minutes	sent via e-mail

CORRESPONDENCE:

COMMITTEE REPORTS:

Safety Committee Reports	
UCIFC Safety Director - T and M Safety Report	Page 2

☐ **EXECUTIVE DIRECTOR/ADMINISTRATOR – ACRISURE, LLC.** **Pages 3-5**

☐ **TREASURER – Bibi Taylor**
Resolution 12-24 February Bill List – *Motion* **Page 6**

☐ **ATTORNEY – Bruce H. Bergen, Esq.** **Verbal**
Resolution 15-24 Claim Settlement -*to be discussed in closed session*
Resolution 16-24 Resolution to Appoint Counsel **Page 7**

MOTION TO APPROVE RESOLUTION 16-24 APPOINT COUNSEL

☐ **CLAIMS ADMINISTRATOR – Claims Resolution Corporation** **Verbal**

☐ **NJCE SAFETY DIRECTOR – J.A. Montgomery Consulting** **Pages 8-11**
Monthly Report
Safety Grant Report

☐ **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 12**

Motion to go into Executive Session

- ☐ **MOTION TO APPROVE CLAIMS AS DISCUSSED IN EXECUTIVE SESSION**
- ☐ **MOTION TO APPROVE RESOLUTION 15-24 CLAIM SETTLEMENT**

☐ **MEETING ADJOURNMENT**

☐ **NEXT SCHEDULED MEETING: March 26, 2024, 10:00 AM**



Union County Insurance Fund Commission

T&M Activities:

- Conducted Executive Safety Committee Meeting on 01/24/24
- Participated in HVAC – SCBA meeting on 02/02/24
- Conducted Powered Industrial Truck (forklift) training on 02/14/24
- Conducted Labor Safety Meeting on 02/14/24
- Start work on Building Emergency Action Plan Updates 02/20/24

UNION COUNTY INSURANCE FUND COMMISSION

777 Terrace Ave, Suite 309
Hasbrouck Heights, NJ 07604
Telephone (201) 727-1720 Fax (201) 727-0080

Date: February 27, 2024

Memo to: Commissioners of the Union County Insurance Fund Commission

From: Acrisure, LLC

Subject: Executive Director's Report

☐ **UCIFC Dividend**

The Executive Team held a virtual meeting with the Fund Actuary, Actuarial Advantage, who is the most qualified resource to assist in determining whether a 2024 UCIFC Dividend should be allocated to any years with a surplus. We are currently gathering the necessary financial documents to match up with the Actuary's Loss Fund Analysis to establish if it is actuarially sound to announce a dividend this year. We will present a recommendation at the March meeting.

☐ **NJCE Update**

I attended the latest NJCE renewal update and re-organization meeting, and they had good news to report on budgeted guidance vs actual results. The property/casualty insurance marketplace overall is softening on most lines of coverage. Rates and capacity are stabilizing with many of the reinsurers. The property reinsurer, Zurich has non renewed the NJCE, and the program was restructured using Lexington (AIG) with Chubb handling the equipment breakdown coverage. **Chubb will be reaching out to the risk manager and fund commissioner regarding jurisdictional inspections.**

The only other item of significance that relates to the IFC, was the increase in the NJCE Safety Grant offering to \$60k, as previously reported last month, which will be split amongst all NJCE members. The NJCE also approved to contribute an additional \$30k and will match 50% of what is granted to Union County of the \$60k.

☐ **2024 Auditor RFP**

As of this writing, we have not reached the RFP deadline of EOB 2/23/24. David Balken will provide a verbal update at our meeting.

- ☐ **2024 Plan of Risk Management (Appendix A)** – The Plan of Risk Management is attached as Appendix A. The Plan is an overview of the Commission's coverage, risks retained by the Commission, reserving philosophy, claims payment authority, etc. The changes are highlighted in yellow. The changes will be reviewed at the meeting.

☐ **Motion to approve Resolution 13-24, Plan of Risk Management**

- **2024 Property & Casualty Budget** - We previously approved a temporary budget representing 1/12 of the 2024 annual budget. The annual budget represents an overall increase of \$611,440 or 18.30% before dividend credits are applied. Attached on page 5 is Resolution 14-24, Adoption of a Temporary 2024 Property & Casualty Budget equal to 1/12 of the 2024 Property & Casualty Budget. If there are changes the Executive Director will provide a revised budget and resolution and distribute prior to the next meeting.
 - **Motion to approve Resolution 14-24 adopting a temporary 2024 Property and Casualty Budget in the amount of \$329,257.83 equal to 1/12 of the 2024 Property & Casualty Budget in the amount of \$3,952,294.00**
- **Employee Dishonesty Coverage** – The Employee Dishonesty Coverage with Selective Insurance Company renews on April 14, 2024. This policy covers the positions of Executive Director, Third Party Administrator and Treasurer. The limit per loss is \$1,000,000 with a \$10,000 deductible. The annual premium is \$1,493. We have finalized the Broker of Record with Selective and expect to have the bindable quote next week. We will seek approval of the premium expenditure at the March meeting.
- **Cyber Training** – Our offices are exploring all options, discounts, and pricing to implement cyber training. NJEDGE, D2CORE, etc. are some companies we are contacting for the IFC & County. We did not get the response that we were looking for from Coalition and the NJCE, but we will continue our efforts to implement a plan.
- **2024 Meeting Schedule** – The next scheduled meeting is on March 26, 2024 at 10:00 AM and we are not scheduled to meet in April 2024.

RESOLUTION NO. 14-24

UNION COUNTY INSURANCE FUND COMMISSION

**ADOPTION OF A TEMPORARY 2024 PROPERTY & CASUALTY BUDGET
EQUAL TO 1/12 OF THE PROPOSED 2024 PROPERTY & CASUALTY BUDGET**

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

BE IT RESOLVED by the Union County Insurance Fund Commission that it hereby approves and adopts a Temporary Budget in the amount of \$329,257.83 equal to 1/12 of the proposed 2024 Property & Casualty Budget in the amount of \$3,952,294.00 attached hereto as the Calendar Year 2024 Budget. This is the second approval of 1/12 of the proposed 2024 Property & Casualty Budget, totaling \$658,515.66 approved thus far in year 2024.

ADOPTED by THE UNION COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 27th, 2024.

ADOPTED:

BY: _____
CHAIRPERSON **DATE**

ATTEST: _____
VICE CHAIRPERSON **DATE**

RESOLUTION NO. 12-24
UNION COUNTY INSURANCE FUND COMMISSION
BILLS LIST FEBRUARY 2024

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 Fund 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.

<u>Check No.</u>	<u>Vendor Name</u>	<u>Desc.</u>	<u>Check Amount</u>
001227	Acrisure LLC dba Scirocco Group	Executive Director Fee for 2/24	\$12,375.00
001228	The Westfield Leader	Ad & Affidavit for RFP	\$53.15
001229	Claims Resolution Corporation Inc.	Monthly Claims Administration Fee	\$35,562.50
001230	The Actuarial Advantage	Jan. & Feb. Actuary Monthly Fees	\$1,107.32
001231	NJ Advance Media	Ad, Affidavit, and RFP Postings	\$116.96
TOTAL PAYMENTS FY 2024			\$49,214.93

BY: _____

CHAIRPERSON _____ **DATE** _____

ATTEST: _____

DATE

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

TREASURER

RESOLUTION 16-24

**UNION COUNTY INSURANCE FUND COMMISSION
RESOLUTION APPOINTING COUNSEL**

WHEREAS, the Union County Insurance Fund Commission has a need to provide legal representation to the County of Union in the matter of Daphne Cedres v. County of Union, et al., in the Superior Court of New Jersey, County of Union; and

WHEREAS, pursuant to a fair and open process by way of a Request for Qualifications for Litigation Defense Counsel services by the County of Union, the law firm of Rainone, Coughlin Minchello, was authorized to provide legal representation to the Insurance Fund Commission for the year 2024; and

WHEREAS, Rainone, Coughlin, Minchello, 555 U.S. One, South, Iselin, NJ has agreed to provide the necessary services as outlined above in the sum not to exceed \$10,000.00; and

WHEREAS, the Local Public Contracts Law requires that a resolution authorizing the awarding of a contract for professional services “without competitive bidding” must be passed by the governing body and shall be advertised and be available for inspection by members of the public; and

WHEREAS, this contract is awarded without competitive bidding as a “Professional Service” in accordance with N.J.S.A. 40A:11-5(1)(a)(i) of the Local Public Contracts Law because the services to be provided are in the field of law requiring considerable training and specialized study:

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the Union County Insurance Fund Commission that it hereby authorizes the Chairperson to execute a contract with Rainone, Coughlin Minchello, pursuant to a fair and open process, to provide the necessary legal services as outlined above, in the amount not to exceed \$10,000.00; and

BE IT FURTHER RESOLVED that notice of this Resolution be published according to law.

ADOPTED by the UNION COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held February 27, 2024.

ADOPTED:

ATTEST:

Chair
Dated:

Vice-chair
Dated:



UNION COUNTY INSURANCE FUND COMMISSION (UCIFC)

TO: Fund Commissioners

FROM: J.A. Montgomery Consulting, Safety Director

DATE: February 21, 2024

DATE OF MEETING: February 27, 2024

UCIFC SERVICE TEAM

Paul Shives, Vice President, Safety Services pshives@jamontgomery.com Office: 732-736-5213	Glenn Prince, Assistant Public Sector Director gprince@jamontgomery.com Office: 856-552-4744 Cell: 609-238-3949	Natalie Dougherty, Senior Risk Operations Analyst ndougherty@jamontgomery.com Office: 856-552-4738
Mailing Address: TRIAD 1828 CENTRE Cooper Street, 18 th Floor Camden, NJ 08102 P.O. Box 99106 Camden, NJ 08101		

January – February 2024

RISK CONTROL ACTIVITIES

MEETINGS ATTENDED / TRAINING / LOSS CONTROL VISITS CONDUCTED

- **January 24:** Attended the UCIFC meeting.
- **February 2:** Attended a UCIFC Client meeting.
- **February 16:** Conducted a Loss Control Survey at the Board of Social Services (Westminster Avenue).

UPCOMING MEETINGS / TRAINING / LOSS CONTROL VISITS PLANNED

- **February 23:** Plan to conduct a Loss Control Survey at the Board of Social Services (Parker Avenue).
- **February 24:** Plan to attend the UCIFC meeting.
- **February 24:** Plan to attend the UCIFC Executive Safety Committee meeting.



UNION COUNTY INSURANCE FUND COMMISSION (UCIFC)

TO: Fund Commissioners
FROM: J.A. Montgomery Consulting, Safety Director
DATE: February 21, 2024
DATE OF MEETING: February 27, 2024

UCIFC SERVICE TEAM

Paul Shives, Vice President, Safety Services pshives@jamontgomery.com Office: 732-736-5213	Glenn Prince, Assistant Public Sector Director gprince@jamontgomery.com Office: 856-552-4744 Cell: 609-238-3949	Natalie Dougherty, Senior Risk Operations Analyst ndougherty@jamontgomery.com Office: 856-552-4738
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Please Note: If a class link is not present on the Monthly Training Schedules or a class date/location is not showing on the NJCE LMS the class may not be offered/available yet so please check back.

The Safety Leadership Plaques will be distributed once a year starting in 2023. More details to follow, thank you. For more information and details on the Program please visit the NJCE Leadership Academy webpage: [NJCE Leadership Academy](#).



New NJCE Learning Management System (LMS)

The New NJCE LMS (BIS) launched on May 1st. J.A. Montgomery has uploaded LMS FAQ's, video tutorials to <https://njce.org/safety/>. If you have any questions or need further assistance, please contact Natalie Dougherty ndougherty@jamontgomery.com.

From: Glenn Prince, Public Sector Assistant Director
To: New Jersey Counties Excess Joint Insurance Fund Commissioners
Date: February 1, 2024
Subject: Munich Re., Safety Grant Program

Commissioners,

The New Jersey Counties Excess Joint Insurance Fund continues to provide Safety Grant funding through the Munich Re., Safety Grant Program. Member Counties may receive reimbursement for the cost of a "non-typical" safety item or service to assist in controlling the frequency and severity of their general liability, auto liability, and law enforcement liability claims. This memo will clarify the grant requirements.

Program Overview:

- The Munich Re Safety Grant Program is a cost-sharing program where counties can receive reimbursement for the cost of a safety item or service
- The total amount of grant funding available to members of the New Jersey Counties Excess Joint Insurance Fund for this policy period is \$60,000.00
- The safety item or service cannot be "typical". For example; training on bloodborne pathogens, back injury prevention, and other regulatory issues should already be part of a member's overall safety program. Items such as patient lifting boards for EMS, body-worn cameras, AED units or police liability training are specialized and are examples of items that may qualify
- Safety Grant funding requests for 2024 must be submitted to Glenn Prince gprince@jamontgomery.com no later than August 1, 2024
- All submissions will be forwarded to the NJCE JIF Grant Committee for review. After Grant Committee review, all submissions will be forwarded to Munich Re, for review. If the submission is approved by Munich Re., they may pay the vendor directly
- All approved purchases must be made in fund year 2024

Please feel free to contact me with any questions.

Glenn Prince
Public Sector Assistant Director
JA Montgomery Consulting
(856) 552-4744

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: **0684, 0362, 2858, 2855 & 0737**. 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

**UNION COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
REORGANIZATIONAL MEETING – January 24, 2024
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:

Chairperson Wagner	Present
Commissioner Martins	Present
Commissioner Scutari	Present

FUND PROFESSIONALS PRESENT:

Executive Director	Acrisure Agency Partners Shannon Balken Justin Gallo
Claims Service	Claims Resolution Corporation, CRC Rachel Ruiz
Underwriting Manager	Acrisure Agency Partner David Balken
Risk Management Consultant	Acrisure, LLC Robin Racioppi
Fund Actuary	Actuarial Advantage Kyle Mrotek, Jamie Shooks
Treasurer	Bibi Taylor
Attorney	Bruce Bergen, Esq.
NJCE Safety Manager	J.A. Montgomery Consulting Glenn Prince
UCIFC Safety Manager	T&M Associates Mark Worthington

ALSO PRESENT:

Gia Mongioi, Acrisure, LLC – Balken Risk Management
Jessica Roberts, Acrisure, LLC -Polaris Galaxy
Theresa Pacheco, Union County
Evelio Salerno, Union County

APPROVAL OF MINUTES: OPEN MINUTES AND CLOSED MINUTES OF DECEMBER 20, 2023

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 DECEMBER 20, 2023

Moved:	Chair Wagner
Second:	Commissioner Martins
Vote:	Unanimous

CORRESPONDENCE: None

SAFETY COMMITTEE: Mr. Worthington reported that an Executive Safety Committee Meeting was held on December 20, 2023. Toolbox Talks were developed and distributed on January 3, 2024 regarding 911 calls, Equipment mounting & dismounting and Overhead garage doors. An ice and snow safety alert was developed and distributed on January 5, 2024. A Labor Safety Meeting was conducted on January 10, 2024. Hazard Communication and Powered Industrial Truck (forklift) training was scheduled on January 12, 2024. With no questions, Mr. Worthington concluded his report.

EXECUTIVE DIRECTOR REPORT: The Executive Director thanked the UCIFC for their patience in the quick turnaround time necessary to schedule introductions and to assist in getting up to speed for the first meeting with the new team. The former Executive Director was acknowledged and thanked for making the transition smooth, by sending over all requested documents. Executive Director advised that since this was the annual reorganizational meeting there were several resolutions to be passed at this time.

REORGANIZATION RESOLUTIONS - Executive Director reported the UCIFC was required to reorganize at the January Board of Commissioners meeting per the Commission's Rules & Regulations. Executive Director advised she would review the Reorganization Resolutions which were included in the agenda.

Resolution 1-24	Certifying the Appointment Chairperson and Vice Chair
Resolution 2-24	Designating Authorized Signatures for Commission Bank Accounts
Resolution 3-24	Appointing Agent for Services of Process and Custodian of Records
Resolution 4-24	Designating Official Newspapers
Resolution 5-24	Designating Authorized Depositories for Commission Assets and Establishing Cash Management Plan
Resolution 6-24	Designating Commission
Treasurer	
Resolution 7-24	Designating Commission
Attorney	
Resolution 8-24	Authorizing Commission Treasurer to Process Contracted Payments & Expenses

Executive Director asked if there are any questions on the resolutions. Hearing none, Executive Director asked for a motion approve the resolutions as a consent.

**MOTION TO APPROVE REORGANIZATION RESOLUTIONS 1-24
THROUGH 8-24**

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

2024 MEETING SCHEDULE - Executive Director referred to a copy of the 2024 Annual Meeting Schedule which was included in the agenda. Executive Director advised there will be no meetings for April, June, August, and November. Executive Director said Resolution 9- 24, adopting the meeting dates for 2024 was included in the agenda and asked if there were any questions. Hearing none, Executive Director asked for a motion to approve the 2024 meeting schedule.

**MOTION TO APPROVE RESOLUTION 9-24, 2024 MEETING
SCHEDULE**

Moved:	Chair Wagner
Second:	Commissioner Martins
Vote:	Unanimous

PROPERTY AND CASUALTY BUDGET: Mr. Gallo referred to the Proposed 2024 Budget enclosed with the agenda. Mr. Gallo advised that the budget has been reviewed for appropriations totaling \$3,952,294.00. Assuming the low projections from the actuary for Auto Liability, General Liability and Cyber Liability. Assuming the central projections for Workers Compensation and high projections for Property. Total incurred for 2023 as of now is \$1.5 million. Looking back to 2018, 2023 coming in with the highest claims incurred per year. We will be paying the CRC claims administration fee out of the IFC budget. Payments will be made via installment. Executive Director fees will be determined after further discussion with the auditor. Attorney and Treasurer fees are outlined in provided budget. Looking at a total increase of 18.30%. Looking to approve 1/12 of the proposed budget in the amount of \$329,257.83. Ms. Taylor had nothing to add.

With no questions, Mr. Gallo concluded his report.

**MOTION TO APPROVE RESOLUTION 10-24, ADOPTION OF A
TEMPORARY 2024 PROPERTY & CASUALTY BUDGET EQUAL TO
1/12 OF THE PROPOSED 2024 PROPERTY & CASUALTY
BUDGET**

Moved:	Chair Wagner
Second:	Commissioner Martins
Vote:	Unanimous

UCIFC DIVIDEND: Executive Director advised that they have met with the Fund Actuary and will be reviewing available dividend options with the Commission Chair and Treasurer. A recommendation will be made at the February Meeting.

RFP FOR PROFESSIONAL SERVICES – AUDITOR: Mr. Balken advised that RFP will be January 24, 2024 **Union County Insurance Fund Commission OPEN Minutes**

going out next week with responses due the end of February.

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND (NJCE) - Executive Director referred back to the agenda for information regarding budget increase and coverage enhancements. It has been confirmed that UCI has received an appraisal reimbursement in the amount of \$12,567.00 from NJCE for building over \$1,000,000 in value. The NJCE will be appraising buildings with values between \$500,000-\$1,000,000 in 2024 with a \$20,000 cap on reimbursement.

UCIFC FINANCIAL FAST TRACK – Currently being updated for discussion during February meeting.

MEETING PLATFORM: 2024 meetings will be held via Zoom with electronic invites being sent to all attendees prior to meeting date.

With no questions, the Executive Director concluded her report after introducing the Fund Actuary, Actuarial Advantage, explaining that at the request of their office, the Actuary would be providing an annual report as is customary in other Insurance Funds/Commissions around the country.

FUND ACTUARY: Mr. Shooks discussed projects being handled for the Commission. They are currently reviewing the December 31, 2023 Loss Reserve Analysis which is done quarterly and will be provided to the Executive Director upon completion. Throughout the year a Loss Funding Analysis is also compiled to support the upcoming year's budget. Mr. Shooks explained the approach used to calculate the projected estimates that are provided and also stated that they are in the process of conducting a divided review for a possible dividend reimbursement for the 2023 year.

With no questions, Mr. Shooks concluded his report.

TREASURER REPORT: Ms. Taylor referred to Resolution 11-24, the January Bill List, enclosed within the agenda and advised that all the bills were routine in nature. Ms. Taylor 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 10-24 JANUARY BILL LIST

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

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

CLAIMS ADMINISTRATOR: Ms. Ruiz reported for the period of January 1st through January 24th there were 9 total claims reported; 3 were report only, 3 medical only and 3 indemnity claims. 1 indemnity claim is likely to require surgery. They are awaiting documentation and will present a PAR at the next meeting. There were no safety issues with any of the reported claims.

With no questions, Ms. Ruiz concluded her report.

NJCE SAFETY MANAGER: Mr. Prince referred to the Safety Directors report for December through January 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 March. Any questions regarding training can be referred to his office. In addition, Mr. Prince

advised that any named administrators can access the Learning Management System (LSM). Any new administrators for 2024 looking to be set up as a training administrator should contact his office. The Munich re-safety grant is still being negotiated for 2024 funding. It is currently up to \$60,000 to be split between 10 counties.

With no questions, Mr. Prince concluded his report.

OLD BUSINESS: None

NEW BUSINESS: Chairperson Wagner had questions regarding Cyber Training. Mr. Gallo advised that he has been working with the carriers and will follow up with information.

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

NEXT MEETING: Executive Director noted that the next scheduled meeting is on February 27, 2024. All future meetings will be held via Zoom

MOTION TO ADJOURN:

Moved:	Chair Wagner
Second:	Commissioner Martins
Vote:	Unanimous

MEETING ADJOURNED: 10:38 AM

Minutes prepared by: Gia Mongioi

APPENDIX II

RESOLUTION 13-24

Union County Insurance Commission 2024 Plan of Risk Management

BE IT RESOLVED by the Insurance Commission's governing body that effective February 22nd, 2024 the 2024 Plan of Risk Management shall be:

The Perils or Liability to be Insured Against

The Insurance Commission insures the following perils or liability:

1. Workers' Compensation including Employer's Liability
2. Liability including General, Law Enforcement, Automobile and Employee Benefits Liability
3. Property, Automobile Physical Damage and Boiler & Machinery.

The following coverages are provided to the Insurance Commission's member entities by the County's membership in the New Jersey Counties Excess Joint Insurance Fund (NJC)

1. Excess Workers' Compensation including Employers' Liability
2. Excess Liability including General, Law Enforcement, Automobile and Employee Benefits Liability
3. Excess Property including Boiler & Machinery
4. Public Officials Liability / Employment Practices Liability
5. Crime
6. Pollution Liability
7. Employed Lawyers Liability
8. Non-Owned Aircraft Liability
9. Cyber

The Limits of Coverage

NOTE: Each Member entity is responsible for paying up to its individual self-insured retention/deductible on the ancillary lines of insurance purchased from the commercial market via the NJC. The above description is a general overview of the coverage and limits provided by the Insurance Commission. The actual terms and conditions are defined in the individual policy documents and this Risk Management Plan. All issues and/or conflicts shall be decided upon by the individual policy documents. Additional limits, sublimits, deductibles, retentions, terms and conditions apply.

1. Workers' Compensation
 - Workers' Compensation: Statutory
 - Employer's Liability: \$21,150,000
 - USL&H and Harbor Marine/Jones Act: Included
2. Liability (General, Automobile, Law Enforcement and Employee Benefits Liability)
 - Limit: \$15,000,000 each / \$20,000,000 aggregate (Automobile unaggregated)
 - a. Personal Injury Protection (PIP): \$250,000
 - b. Underinsured/Uninsured Motorists Liability: \$15,000 / \$30,000 / \$5,000
 - c. Unmanned Aircraft: \$5,000,000

3. Public Officials / Employment Practices Liability - Limit: \$10,000,000 each claim / aggregate - Retentions:
 - a. POL: \$250,000
 - b. EPL: \$250,000
4. Employed Lawyers Liability
 - Limit: \$5,000,000 per claim / \$10,000,000 aggregate
 - Retention: \$25,000 per claim
5. Non-Owned Aircraft
 - Limit: \$9,000,000 CSL for Bodily Injury and Property Damage Liability
 - Medical Expense: \$5,000 each passenger
 - Rotor Wing: \$5,000,000
6. Property including Boiler & Machinery - \$260,000,000 Per Occurrence - Sublimits:
 - a. Breakdown: \$100,000,000
 - b. Earthquake: \$150,000,000 (Annual Aggregate)**
 - c. Flood: \$100,000,000 (Annual Aggregate)
 1. High Hazard Flood: \$75,000,000
 - 2. Unreported: \$10,000,000**
 - d. Vehicles: \$10,000,000 (PD Only)
 1. Time Element/Extra Expense: \$500,000
 - e. Garagekeepers Liability: Included
 - f. Working Dogs: \$100,000
 Property Deductibles
 - a. All Other: \$250,000 per occurrence
 - b. Equipment Breakdown: \$50,000 per occurrence
 - c. Flood, SFHA:
 1. Building: Max available NFIP Limit (\$500,000)
 2. Contents: Max available NFIP Limit (\$500,000)
 3. Time Element: \$500,000
 - d. Named Storm:
 1. Property Damage: 1% of the value per Schedule of Values on file with the company for those buildings where the direct physical loss or damage occurred, per occurrence
 2. Time Element: 1% of the full 12 months Gross Earnings or Gross Profit values that would have been earned following the Occurrence by use of the facilities at the Location where the direct physical loss or damage occurred and all other Locations where Time Element loss ensues, per occurrence.
 3. Minimum Deductible: \$500,000 per occurrence
 Member Deductibles
 - a. Union County: \$0
7. Crime
 - Limit: \$1,000,000
 - Deductible: \$25,000
8. Pollution Liability
 - Limit: \$10,000,000 per claim / \$25,000,000 aggregate
 - Deductible: \$50,000
9. Employed Lawyers Liability

- Limit: \$5,000,000 per claim / \$10,000,000 aggregate
- Retention: \$25,000

10. Cyber

- Limit: \$250,000
- Deductible: \$0

The amount of risk to be retained by the Insurance Commission (except as noted in section 2. Limits of coverage)

1. Workers' Compensation (all coverages): \$300,000
2. Liability (all coverages): \$250,000
 - a. Underinsured/Uninsured: \$15,000 / \$30,000 / \$5,000
 - b. Personal Injury Protection: \$250,000
3. Public Officials /Employment Practices Liability: None
4. Property: \$250,000
 - a. Working Dogs: \$100,000
 - b. Flood, SFHA:
 - i. Building: Max available NFIP Limit (\$500,000)
 - ii. Contents: Max available NFIP Limit (\$500,000)
 - c. Equipment Breakdown: \$50,000 excess of \$50,000
5. Crime: None
6. Pollution Liability: None
7. Employed Lawyers Liability: None
8. Non-Owned Aircraft: None
9. Cyber: \$250,000

Coverage to be purchased from a commercial insurer

The Insurance Commission does not purchase commercial insurance.

Reinsurance to be purchased

The Insurance Commission does not purchase reinsurance.

The amount of unpaid claims to be established

The general reserving philosophy is to set reserves based upon the probable total cost of the claim at the time of conclusion. Historically, on claims aged eighteen (18) months, the Insurance Commission expects the claims servicing company to set reserves at 85% accuracy. The Insurance Commission also establishes reserves recommended by the Insurance Commission's Actuary for claims that have been incurred but not yet reported so that the Insurance Commission has adequate reserves to pay all claims and allocated loss adjusted expense liability.

Claims reserves are subject to regular review by the Insurance Commission's Executive Director/Administrator, Attorney, Board of Commissioners and claims servicing company. Reserves on large or unusual claims are also subject to review by the claims departments of the commercial insurance companies or reinsurance companies providing primary or excess coverages to the Insurance Commission either directly or through the NJC.

The method of assessing contributions to be paid by each member of the Insurance Commission when applicable

By November 15th of each year, the actuary computes the probable net cost for the upcoming Insurance Commission year by line of coverage and for each prior Insurance Commission year. The Actuary includes all budget items in these computations. The annual assessment of each participating member entity is its pro rata share of the probable net cost of the upcoming Insurance Commission year for each line of coverage as computed by the Actuary.

The calculation of pro rata shares is based on each member's experience modified manual premium for that line of coverage. The Insurance Commission's Governing Body also adopts a capping formula which limits the increase of any member's assessment from the preceding year to the Insurance Commission wide average increase plus a percentage selected by the Governing Body. The total amount of each member's annual assessment is certified by majority vote of the Insurance Commission's Governing Body at least one (1) month prior to the beginning of the next fiscal year.

The Treasurer deposits each member's assessment into the appropriate accounts, including the administrative account, and the claim or loss retention trust Insurance Commission account by Insurance Commission year for each type of coverage in which the member participates.

If a member entity becomes a member of the Insurance Commission or elects to participate in a line of coverage after the start of the Insurance Commission year, such participant's assessments and supplement assessments are reduced in proportion to that part of the year which had elapsed.

The Insurance Commission's Governing Body may by majority vote levy upon the participating member entities additional assessments wherever needed or so ordered by the Commissioner of Insurance to supplement the Insurance Commission's claim, loss retention or administrative accounts to assure the payment of the Insurance Commission's obligations. All supplemental assessments are charged to the participating member entities by applicable Insurance Commission year, and shall be apportioned by the year's assessments for that line of coverage.

Should any member fail or refuse to pay its assessments or supplemental assessments, or should the Insurance Commission fail to assess funds required to meet its obligations, the Chairman, or in the event by his or her failure to do so, the custodian of the Insurance Commission's assets, shall notify the Commissioner of Insurance and the Director of Community Affairs. Past due assessments shall bear interest at the rate established annually by the Insurance Commission's Governing Body.

Procedures governing loss adjustment and legal expenses

The Insurance Commission engages a claims service company to handle all claims. The performance of the claims adjusters is monitored and periodically audited by the Executive Director's office, the Insurance Commission Attorney, the NJC's attorney's office, as well as the claims department of the NJC's major excess insurers (i.e. Underwriters at Lloyds (Brit) and Safety National Casualty Company for workers' compensation). Every three years, the NJC's internal auditors also conduct an audit.

Each member entity is provided with a claims reporting procedure and appropriate forms.

In order to control workers' compensation medical costs, the Insurance Commission has engaged a managed care organization (MCO) *through the claims service company* whose procedures are integrated into the Insurance Commission's claims process.

To provide for quality defense and control costs, the Insurance Commission has established an approved defense attorney panel with firms which specialize in Title 59 matters. The performance of the defense attorneys is overseen by the Insurance Commission Attorney, as well as, the various firms which audit the claims adjusters.

Procedures for the closure of Insurance Commission years, including the maintenance of all relevant accounting records

Not applicable.

Assumptions and Methodology used for the calculation of appropriate reserves requirements to be established and administered in accordance with sound actuarial principles.

The general approach in estimating the loss reserves of the Insurance Commission is to project ultimate losses for each Insurance Commission year using paid and incurred loss data. Two traditional actuarial methodologies are used: the paid loss development method and the incurred loss development method. From the two different indications resulting from these methods the Insurance Commission Actuary chooses a "select" estimate of ultimate losses. Subtraction of the paid losses from the select ultimate losses yields the loss reserve liability or Insurance Commission funding requirement.

The following is an overview of the two actuarial methods used to project the ultimate losses.

1. Paid Loss Development Method - This method uses historical accident year paid loss patterns to project ultimate losses for each accident year. Because this method does not use case reserve data, estimates from it are not affected by changes in case reserving practices. However, the results of this method are sensitive to changes in the rate of which claims are settled and losses are paid, and may underestimate ultimate losses if provisions are not included for very large open claims.
2. Case Incurred Loss Development Method - This method is similar to the paid loss development method except it uses historical case incurred loss patterns (paid plus case outstanding reserves) to estimate ultimate losses. Because the data used includes case reserve estimates, the results from this method may be affected by changes in case reserve adequacy.

The maximum amount a certifying and approving officer may approve pursuant to N.J.A.C. 11:15-2.22

1. \$25,000 for workers compensation claims
2. \$15,000 for liability claims
3. \$15,000 for auto physical damage claims and \$25,000 for property claims
4. With the advance approval of the Insurance Commission Attorney or Executive Director, the certifying and approving officer may also pay hospital bills if waiting until after the next regularly scheduled Insurance Commission meeting would result in the loss of a discount on such bills. When the certifying and approving officer utilizes this authority, a report shall be made to the Commissioners at their next meeting.

Adopted by the Governing Body this ____ day of _____, 20____.

COMMISSION CHAIRPERSON

ATTEST:

COMMISSION VICE CHAIRPERSON