SOUTH BERGEN VII WORKERS' COMPENSATION POOL
MINUTES
MEETING –JANUARY 29, 2024
ZOOM VIRTUAL MEETING
1:30 P.M.

Meeting called to order by Chairman Kelly. Open Public Meeting Act read into Minutes by Chairman Kelly.

ROLL CALL OF 2024 BOARD OF TRUSTEES:

Chairman		
Joseph Kelly	Rutherford BOE	Present
Vice -Chair		
Andrea Wasserman	Montvale BOE	Present
Secretary		
Samantha Dembowski	North Arlington BOE	Present
Trustees		
John Marmora	Emerson BOE	Present
Dina Messery	Fort Lee BOE	Present
Robert Brown	Hasbrouck Heights BOE	Absent
Michael Rinderknecht	Lodi BOE	Absent
James Hyman	Lyndhurst BOE	Absent
Laurel Spadavecchia	Moonachie BOE	Present
Alexsandar Kondovski	Palisades Park BOE	Present
Thomas O'Hern	Ramsey BOE	Present
Susan Cucciniello	South Bergen Jointure Commission	Absent
Robert Brown	South Hackensack BOE	Absent
Jody Pietrowitz	Wallington BOE	Present
Carl Morelli	Wood-Ridge BOE	Present
Keith Rosado	Westwood BOE	Present

APPOINTED OFFICIALS PRESENT:

Executive Director/ Administrator	Perma Risk Management Services **Joseph Hrubash** **Cate Kiernan**	 Present Present
Attorney	**William Bailey, Esq.**	Present
Treasurer	**Dr. Philip Nisonoff**	Present
Underwriting Manager/ Excess WC Broker	Polaris Galaxy **Justin Gallo**	 Present
Claims Services	Bergen Risk Managers **John Markel**	 Present
Actuary	AIS Risk Consultants **Allan Schwartz**	 Absent

OTHERS PRESENT:

Jason Thorpe, PERMA
Pauline Kontomanolis, PERMA
Robyn Walcoff, Esq., PERMA
Candy Leonard, PERMA
Crystal Chuck, PERMA
Dennis Skalkowski, Bowman & Co.
Kaleigh Sawers, Bowman & Co.
Kathleen McGuire, BRM
Gaylynn DelVecchio, BRM

APPROVAL OF MINUTES: OPEN MINUTES OF OCTOBER 30, 2023

MOTION TO APPROVE THE OPEN MINUTES OF OCTOBER 30, 2023

MOVED:	Secretary Dembowski
SECOND:	Trustee Messery
VOTE:	Unanimous

TREASURER

Dr. Nisonoff referred to January bills list, Resolution 1-24 included in the agenda, and asked if there were any questions. Hearing none, Dr. Nisonoff asked for a motion to approve.

RESOLUTION 1-24 JANUARY VOUCHER PAYMENTS (BILL LIST):

2023-24:	$	67,756.78
TOTAL:	**$**	**67,756.78**

MOTION TO ADOPT RESOLUTION 1-24 JANUARY VOUCHER LIST AS SUBMITTED:

MOVED:	Chairman Kelly
SECOND:	Trustee Marmora
ROLL CALL VOTE:	Unanimous

Dr. Nisonoff advised that he has been working closely with PERMA regarding managing the Pool's funds. Dr. Nisonoff reported that as of December 31, 2023 the Pool has a cash balance of approximately $15,456,000, which is mostly invested. Dr. Nisonoff reported that the Pool currently has $11,618,000 invested with TD Wealth and noted that the investments are staggered and become due at different times. Dr. Nisonoff further reported that the Pool has earned over $80,000 in interest from the Operating Account and Claims Account alone. Dr. Nisonoff said he projects an additional $70,000 in interest over the next 6 months from the Operating Account and Claims Account.

EXECUTIVE DIRECTOR/ADMINISTRATOR:

AUDITOR FISCAL YEAR-END REPORT – Executive Director advised Mr. Dennis Skalkowski, who prepared the draft audit as of 6/30/2023, was present in the meeting and would provide an overview. Mr. Skalkowski advised that he would provide a high level overview of the draft audit. Mr. Skalkowski reported that the audit will be finalized in February and noted that he anticipates a clean opinion to be issued and no findings or recommendations noted. Mr. Skalkowski referred to the Statement of Net Position. Mr. Skalkowski reported that as of 6/30/2023, the Pool had $14,843,522 in total asset and $11,315,397 in total liabilities and reserves. Mr. Skalkowski reported that the Pool had an ending net position of $3,528,125.

ASSET MANAGER – Executive Director reported that the appointment of TD Wealth as the Pool's Asset Manager expired on January 23, 2024. Executive Director referred to Resolution 2-24 appointing TD Wealth as the Asset Manager for the term of January 23, 2024 through June 30,2024 enclosed within the agenda. Executive Director explained the reason for the 6-month appointment is to allow the Asset Manager's term to be co-terminus with the other Pool Professionals that will need to be appointed July 1, 2024. Executive Director further noted that PERMA will continue to be available to participate in investment discussions with the Treasurer and the Asset Manager, if requested. Chairman Kelly asked if there were any additional questions. Hearing none, Chairman Kelly asked for a motion to adopt Resolution #2-24.

MOTION TO ADOPT RESOLUTION 2-24, APPOINTING TD WEALTH TO SERVE AS THE POOL'S ASSET MANAGER

MOVED:	Trustee Pietrowitz
SECOND:	Trustee Messery
ROLL CALL VOTE:	Unanimous

POOL ATTORNEY CONTRACT – Executive Director referred to a copy of the draft contract for the Pool Attorney enclosed within the agenda. Executive Director advised that the contract is for a 1-year term, effective 11/1/2023 and expires 11/1/2024.

IRS NOTICES/FILINGS – Executive Director reported that the Pool Auditor received an official response from the IRS requesting the Pool submit additional filings for the Dissolution of SOBER's Non-Profit Status and tax notices. Executive Director advised that the Pool Auditor has been in contact with the IRS and continues to work towards resolving the issue.

2024/2025 BUDGET TIMELINE – Executive Director reported that PERMA will schedule a meeting with the Actuary to begin the process of preparing the 2024/2025 budget. Executive Director noted that the Underwriting Manager has already collected payroll information. Executive Director advised that he hopes to provide the Pool Officers with preliminary budget projections by March 15th but noted that there are a number of reports needed prior to preparing projections. Executive Director reported that budget introduction will take place at the May 20th meeting and the public hearing/budget adoption will take place at the June 24th meeting.

SOBER MEMBERSHIP RENEWALS – Executive Director reported that all members will enter year two of their 3-year membership with the Pool 7/1/2024 with the exception of the Westwood School District. Executive Director advised that the Westwood School District will enter year three of their membership and is scheduled to renew their membership in the SOBER Pool 6/30/2025.

2024 MEETING PLATFORM – Executive Director said that it was previously reported that Microsoft Teams will become the default option for audio or video conferencing beginning in 2024. Executive Director advised that due to issues experienced in PERMA's initial use of Microsoft Teams, the transition is being delayed.

FINANCIAL FAST TRACK REPORT (FFT) – Executive Director referred to the Financial Fast Track as of September 30, 2023 enclosed within the agenda. Executive Director reported that as of September 30, 2023 the Pool has a surplus of $2,990,968 and a total cash balance of $15,999,566.

CLAIMS TRACKING REPORTS – Executive Director advised the Claim Tracking reports as of December 31, 2023 were included in the agenda. Executive Director referred to a copy of the Claims Management 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 Board.

LOST TIME ACCIDENT FREQUENCY REPORT – Executive Director referred to the Lost Time Accident Frequency Report as of December 31, 2023 and asked the Deputy Executive Director to provide an overview. Deputy Executive Director explained that the Lost Time Accident Frequency Report measures those employees that are going to be out of work for at least 8 days and are being paid temporary disability. Deputy Executive Director further explained that the formula within the report, which is promulgated by the state, is intended to put members regardless of size on equal footing.

CLAIMS ADMINISTRATOR:

Mr. Markel reported that following the last Pool meeting, he did an analysis on the membership's claims experience. Mr. Markel explained that he broke the analysis down into two 30-month period categories, pre-COVID (7/1/2017-12/31/2019) and post-COVID (7/1/2021-12/31/2023). Mr. Markel reported that the number of claims for the pre-COVID category was 605 and the number of claims for the post-COVID category was 729. Mr. Markel reported that the total incurred amount went from $2.35 million pre-COVID to $5.83 million post-COVID. Mr. Markel reported that post-COVID fall down accidents represents 66% of the incidents but noted that they now represent 66% of the total incurred costs. Mr. Markel noted that the numbers for pre-COVID and post-COVID will be somewhat skewed as the Pool introduced TTD reimbursement during the post-COVID period. Mr. Markel said the membership may benefit from requiring training for subjects such as general office premises, injury prevention, and understanding and preventing slips and falls. Executive Director added that PERMA is prepared to work with Mr. Markel and his team on coming up with suggestions for training.

UNDERWRITING MANAGER:

Mr. Gallo reported that he has received all final audited payrolls for fiscal year-end 7/1/2023 from the membership. Mr. Gallo advised that the audits have been submitted to the carrier and the actuary. Mr. Gallo reported that the audit resulted in a return of premium in the amount of $5,358. Mr. Gallo reported that the return of premium was sent to the Treasurer earlier in the month and receipt has been confirmed.

Mr. Gallo reported that he will begin marketing the excess workers' compensation policy to multiple carriers at multiple SIR levels for the 7/1/2024 renewal in the near future. Mr. Gallo advised that he will keep all parties updated as the process progresses and will review all options at the May 20th meeting.

OLD BUSINESS:

None.

NEW BUSINESS:

None.

PUBLIC COMMENT:

None.

MOTION TO ADJOURN MEETING

MOTION:	Trustee Rosado
SECOND:	Vice-Chair Wasserman
VOTE:	Unanimous

MEETING ADJOURNED: **2:04 pm**
NEXT MEETING: **May 2024**
Virtual Meeting

Jason Thorpe, Assisting Secretary
For
Samantha Dembowski,
SECRETARY

SOUTH BERGEN REGION VII WORKER'S COMPENSATION POOL BILLS LIST

Resolution No. 1-24 **JANUARY 2024**

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

BE IT RESOLVED that the South Bergen Region VII Workers' Compensation Pool Board of Trustees, hereby authorizes the Pool 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 Pool.

FUND YEAR 23-24

Check Number	Vendor Name	Comment	Invoice Amount
005035			
005035	BERGEN RISK MANAGERS	TPA 3/24	13,175.00
005035	BERGEN RISK MANAGERS	TPA 1/24	13,175.00
005035	BERGEN RISK MANAGERS	TPA 2/24	13,175.00
			39,525.00
005036			
005036	PERMA RISK MANAGEMENT SERVICES	POSTAGE 10/23	54.38
005036	PERMA RISK MANAGEMENT SERVICES	EXEC DIRECTOR JAN THRU MARCH 2024	19,635.00
			19,689.38
005037			
005037	SAMANTHA DEMBROWSKI	SECRETARY FEE 2ND HALF STIPEND 23-24	1,000.00
			1,000.00
005038			
005038	PHILIP NISONOFF	TREASURER FEE 2ND HALF STIPEND 23-24	2,000.00
			2,000.00
005039			
005039	ANDREA WASSERMAN	VICE CHAIR. STIPEND 2ND HALF 23-24	1,000.00
			1,000.00
005040			
005040	HUNTINGTON BAILEY, LLP	ATTORNEY FEES 11/23-01/24	2,375.00
			2,375.00
005041			
005041	JOSEPH KELLY	TREASURER FEE 2ND HALF STIPEND 23-24	1,000.00
			1,000.00
005042			
005042	NEW TECH SERVICES, INC.	WEB.MAINT/SCREEN READ & MODULE 1/24	799.80
005042	NEW TECH SERVICES, INC.	WEBSITE MAINT/HOSTING/DIS RECOV 11/23	175.00
005042	NEW TECH SERVICES, INC.	WEBSITE MAINT/HOSTING/DIS RECOV 12/23	175.00
			1,149.80
005043			
005043	NORTH JERSEY MEDIA GROUP	INV 6004879 A# 397295 5851774 10/29/23	17.60
			17.60
		Total Payments FY 23-24	**67,756.78**

TOTAL PAYMENTS ALL FUND YEARS **67,756.78**

_____
Chairperson

Attest:

_____ Dated: _____

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

_____
Treasurer

RESOLUTION NO. 2-24

SOUTH BERGEN VII WORKERS' COMPENSATION POOL
(hereafter the "POOL")

AUTHORIZING THE AWARD OF PROFESSIONAL SERVICES CONTRACT TO TD WEALTH TO SERVE AS THE FUND'S ASSET MANAGER

WHEREAS, the South Bergen VII Workers' Compensation Pool (hereinafter "the Pool") finds it necessary and appropriate to obtain certain professional services, as defined in the Local Public Contracts Law, (N.J.A.C. 5:34-1 et seq.), to serve as the Pool's Asset Manager; and

WHEREAS, the Pool Treasurer has indicated that sufficient funds exist for the award of this contract in the usual and customary accounts; and

WHEREAS, the Local Public Contracts Law, N.J.A.C. 5:34-1 et seq., requires that the resolution authorizing the award of a contract for professional services without competitive bidding, and the contract itself, be available for public inspection.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Trustees of the South Bergen VII Workers' Compensation Pool ("the Pool") as follows:

I. The Pool hereby awards and authorizes execution of a professional service agreement with **TD Wealth**– At an annual fee of 5 basis points of the market value of the Pool's invested assets; and

II. This contract is effective for the term of January 1, 2024 through June 30, 2024.

III. This contract is awarded without competitive bidding as a professional services contract in accordance with the provisions of the Local Public Contracts Law at N.J.A.C. 5:34-1 et seq.

IV. Notice of this action shall be published as required by law.

V. A copy of this resolution shall be provided to the Pool Treasurer.

A copy of this resolution will be on file in the Perma office, located at 9 Campus Drive, Suite 216, Parsippany, NJ 07504.

ADOPTED: ***this day by the Board of Trustees;***

_____ _____
Chairman date

_____ _____
Secretary date