

**SUBURBAN MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES
FEBRUARY 12, 2015
SCOTCH PLAINS, NJ
8:00 AM**

Meeting of Fund Commissioners called to order by Chair Tom Atkins. Open Public Meetings notice read into record.

PLEDGE OF ALLEGIANCE – Chair Tom Atkins led Commissioners in the Pledge of Allegiance.

ROLL CALL OF FUND COMMISSIONERS:

Tom Atkins, Chair	Borough of Watchung	Present
Bruce McArthur, Secretary	Township of Bernards	Present
James Gildea	Town of Westfield	Absent
Gail McKane	Township of Harding	Present
Judy Sullivan	Township of Bedminster	Present
Megan Champney	City of Summit	Present
Alexander Mirabella	Township of Scotch Plains	Present

EXECUTIVE COMMITTEE ALTERNATES:

Janet Waite	Borough of Bernardsville	Present
James Debbie	Borough of Mountainside	Absent
Sheila Tweedie	Borough of Far Hills	Absent

ALTERNATE FUND COMMISSIONERS:

Albert Ellis	Borough of Watchung	Absent
Terri Johnson	Township of Bernards	Absent
Sandra Jones	Borough of Bernardsville	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director/Admin	PERMA Risk Management Services Cathleen Kiernan, Nancy A. Ghani
Attorney	DiFrancesco, Bateman, Coley, Yospin, Kunzman, Davis & Lehrer Stephan Davis, Esq.
Claims Service	Qual-Lynx Tony Jones, Caty Lambe
Safety Director	J.A. Montgomery Dave McHale, John Zengel
JIF Underwriting Manager	Gallagher Bollinger Terri Giglio, Chan Coddington,
MEL Underwriting Manager	Conner Strong & Buckelew Ed Scioli
Managed Care Provider	FMCO Anchulee Carranza
Treasurer	Ralph Maresca

ALSO PRESENT:

Hallee Weichler, James F. Hurley Agency
Candyce Forster, James F. Hurley Agency
Craig Sutherland, James F. Hurley Agency
Louis Beckerman, Beckerman & Company

MINUTES: Open and Closed Minutes of January 8, 2015.

MOTION TO APPROVE OPEN & CLOSED MINUTES FOR JANUARY 8, 2015:

Moved:	Commissioner Champney
Second:	Commissioner Mirabella
Vote:	Unanimous

CORRESPONDENCE: Executive Director distributed correspondence announcing the purchase of QualCare Alliance Networks by Cigna.

EXECUTIVE DIRECTOR:

REPORT: Monthly report submitted to Fund Commissioners including monthly Fast-track Accident Frequency, Fast-track Financial report, Claim Activity Report, Interest Rate Summary Comparison, Monthly Loss Ratio by fund year and line of coverage, MEL Loss Ratio Report and the Monthly and Annual Regulatory Checklist.

Executive Director referred the Financial Fast Track as of December 31, 2014 and said the fund's statutory surplus is \$1.8 million. Executive Director said Fund Year 2011 is running at a deficit, but will be transferred to the closed year during June 2015. Executive Director reviewed the Loss Ratio report as of December 31, 2014; the fund's losses for 2014 for all lines incurred 64% of budgeted losses as compared to 50% at the same time last year. Executive Director said this fund, as well as other funds, are experiencing the same trend due to the harsh winter. Executive Director said the fund's Lost Time Accident Frequency as of December 31, 2014 is 1.58, which is the second best rate among other funds in the MEL system. Executive Director reviewed the Employment Practices Compliance status report as of February 4, 2015 and said the report reflects each member's current EPL/POL deductibles and co-insurance.

RCF 2015 REORGANIZATION MEETING: The Residual Claims Fund's 2015 Reorganization meeting was held on January 7, 2015 at 10:30 a.m. at the Forsgate Country Club. A verbal report was provided last month; enclosed is a copy of Commissioner Gildea's report for information.

EJIF 2015 REORGANIZATION MEETING: The E-JIF 2015 Reorganization meeting was held on January 7, 2015 at 10:50 am in the Forsgate Country Club. A verbal report was provided last month; enclosed is a copy of Commissioner Gildea's report for information.

EJIF ENVIRONMENTAL ALERT: Enclosed in the agenda was another copy of an E-JIF Alert that was issued in December 2013/January 2014 regarding the hidden costs and potential exposures of acquiring properties.

MEL 2015 REORGANIZATION MEETING: The MEL 2015 Reorganization meeting was held on January 7, 2015 at 11:15 am in the Forsgate Country Club. A verbal report was provided last month; enclosed is a copy of Commissioner Gildea's report for information.

MEL BOARD OF FUND COMMISSIONERS RETREAT: The MEL Board of Fund Commissioners will hold a one-day retreat on February 27th at the Princeton Marriott at Forrestal in Princeton. Executive Director said a retreat was last held in 2001 and this retreat will include discussion and review of standing committee charters as well as a status of the JIF/MEL program.

2015 MEL & MR HIF EDUCATIONAL SEMINAR: Banking and Insurance Commissioner Kenneth Kobylowski will be the Keynote speaker at the annual MEL & MRHIF Educational Seminar, Friday April 17, 2015. Enclosed in the agenda was a registration form for the annual MEL & MRHIF Educational Seminar at to the National Conference Center at the East Windsor Holiday Inn. Continuing Ed credits are available for CFO/CMFO, Clerks, Public Works, Insurance Producers, Purchasing Agents, Accountants, Lawyers, TCH Water Supply, Wastewater, RPPO and QPA.

2014/2015 PUBLIC OFFICIALS/ELECTED OFFICIALS TRAINING SEMINARS: While the MEL continues to recommend that public officials attend an instructor led training class, the MEL is preparing to have this session available online for local elected officials, the municipal manager/administrator, authority commissioners and authority executive directors to earn their \$250 training credit. A notice and instructions will be sent on how to access the online program. Enclosed in the agenda was a list of instructor led courses held at various locations throughout the state, which is also available on the MEL webpage www.njmel.org.

2015 CASH MANAGEMENT PLAN AMENDMENT: As reported last month, the Cash Management Plan was updated to reflect changes made in 1999 by the State regarding permissible investments and local government investment pools. A further amendment is required under Section 11 with respect to compensating balances; the change was highlighted in the agenda for reference.

MOTION TO ADOPT THE 2015 CASH MANAGEMENT PLAN AS AMENDED:

Moved:	Commissioner McArthur
Second:	Commissioner Waite
Roll Call Vote:	7 Ayes – 0 Nays

STANDARD CONTRACTS: Executive Director said in 2006 the Suburban JIF adopted standard contract language. Executive Director said there is additional language to be updated so it tracks to language in the law on Political Contributions, Affirmative Action and Records. Executive Director said the proposed edit will be reviewed by the Fund Attorney and updated, if necessary, before 2015 contracts are issued.

SAFETY BREAKFAST: As a reminder, the Annual Safety Breakfast has been scheduled for Friday March 6, 2015 9:00AM at the Indigo Hotel on 80 Allen Road - Basking Ridge, NJ. Invitations will be emailed by JA Montgomery Risk Control.

INCLEMENT WEATHER PROCEDURE: A procedure has been instituted for Commissioners to confirm whether a meeting has been cancelled. The Executive Director will talk to the Chair to determine if a meeting should be cancelled. In the case of an early morning or evening meeting, PERMA will leave a message, which can be obtained by dialing the Fund's main number (201) 881-7632. For meetings that occur during normal business hours, meeting status can also be obtained by dialing the Fund office.

Executive Director's Report Made Part of Minutes.

TREASURER:

VOUCHER LIST:

FEBRUARY 2015 VOUCHER PAYMENTS, RESOLUTION 7-15

Closed Year:	\$2,305.45
Fund Year 2011:	\$1,590.54
Fund Year 2012:	\$626.44
Fund Year 2013:	\$600.00
Fund Year 2014:	\$488.31
Fund Year 2015:	\$110,070.82
Total:	\$115,681.56

CONFIRMATION OF CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS FOR MONTHS OF DECEMBER 2014:

Fund Year 2014	35,738.20
Fund Year 2013	10,148.10
Fund Year 2012	39,438.66
Fund Year 2011	25,278.35
Fund Year 2010	0.00
TOTAL	\$110,603.31

MOTION TO ADOPT RESOLUTIONS 7-15 APPROVING FEBRUARY BILLS LIST AND APPROVE CONFIRMATION & CERTIFICATION OF DECEMBER 2014 CLAIM TRANSFERS AS SUBMITTED:

Moved: Commissioner Champney
Second: Commissioner Sullivan
Roll Call Vote: 7 Ayes-0 Nays

Voucher List and Treasurer's Report Made Part of Minutes.

ATTORNEY:

REPORT: Included in the agenda was a report of appellate decisions impacting municipalities.

JIF UNDERWRITING MANAGER:

LIST OF CERTIFICATES ISSUED - List of Certificates issued for the January 2015 for each member were included in the agenda for information.

Monthly Activity Report Made Part of Minutes.

MEL UNDERWRITING MANAGER:

LIST OF CERTIFICATES ISSUED - List of Certificates issued for the period of 9/1/14 to 12/31/14 and 1/1/15 to 1/20/15 were included in the agenda for information.

MANAGED CARE:

MONTHLY REPORT: Included in the agenda was the January 2015 report submitted by FMCO. Managed Care Provider said the total provider billed amount for the month was \$159,797 and was re-priced to \$76,674 for a total savings of 52%.

Monthly Activity Report Made Part of Minutes.

SAFETY DIRECTOR:

MONTHLY REPORT: Included in the agenda was the January 2015 report noting the activities and trainings available. Also included was a Safety Director bulletin issued with respect to posting

PEOSHA summary logs. Safety Director said the safety breakfast will held on March 6, 2015 at the Indigo Hotel in Basking Ridge.

Report Made Part of the Minutes.

CLAIMS:

REPORT: Claims Administrator said they have Payment Authority Requests to present during Closed Session.

**RESOLUTION - EXECUTIVE SESSION FOR CERTAIN SPECIFIED PURPOSES:
PERSONNEL - SAFETY & PROPERTY OF PUBLIC LITIGATION**

Moved: Commissioner Sullivan
Second: Commissioner Champney
Roll Call Vote: Unanimous

PAYMENT AUTHORIZATION REQUESTS: Executive Committee reviewed payment authorization requests presented by Claims Service in Executive Session.

MOTION TO RETURN TO OPEN SESSION:

Moved: Commissioner Mirabella
Second: Commissioner Champney
Roll Call Vote: Unanimous

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST
PRESENTED IN EXECUTIVE SESSION BY QUAL-LYNX:**

Moved: Commissioner Mirabella
Second: Commissioner Waite
Roll Call Vote: 7 Ayes - 0 Nays

OLD BUSINESS:

NONE

NEW BUSINESS:

NONE

PUBLIC COMMENT:

NONE

MOTION TO ADJOURN:

Moved: Commissioner McArthur
Second: Commissioner Mirabella
Vote: Unanimous

MEETING ADJOURNED: 8:22 am

NEXT MEETING: MARCH 12, 2015

SCOTCH PLAINS, 8:00 AM

Nancy A. Ghani, Account Manager
for
BRUCE MCARTHUR, SECRETARY

**SUBURBAN MUNICIPAL JOINT INSURANCE FUND
BILLS LIST**

**Resolution No. 7-15
FEBRUARY 2015**

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

BE IT RESOLVED that the Suburban Joint Insurance Fund's Executive Board, 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 Fund.

FUND YEAR CLOSED

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
005392			
005392	WESTFIELD TOWN	SIP: 2010 BALANCE	1,000.00
005392	WESTFIELD TOWN	SIP: 2008 BALANCE	305.45
005392	WESTFIELD TOWN	SIP: 2009 BALANCE	1,000.00
			2,305.45
		Total Payments Closed Year	2,305.45

FUND YEAR 2011

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
005393			
005393	BERNARDS TOWNSHIP	SIP: HOLIDAY BREAKFAST - 12/24/14	590.54
			590.54
005394			
005394	WESTFIELD TOWN	SIP: 2011 BALANCE	1,000.00
			1,000.00
		Total Payments FY 2011	1,590.54

FUND YEAR 2012

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
005395			
005395	BERNARDS TOWNSHIP	SIP: HOLIDAY BREAKFAST 12/24/14	126.44
			126.44
005396			
005396	WESTFIELD TOWN	SIP: 2012 BALANCE	500.00
			500.00
		Total Payments FY 2012	626.44

FUND YEAR 2013

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
005397			
005397	WESTFIELD TOWN	SIP: 2013 BALANCE	600.00
			600.00
		Total Payments FY 2013	600.00

FUND YEAR 2014

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
005398			
005398	PERMA	E-FILING 2014 1099 MISC.	14.95
			14.95
005399			
005399	ALLSTATE INFORMATION MANAGEMNT	DEPT: 416 - ACT & STOR 12/31/2014	19.89
			19.89
005400			
005400	SCOTCH PLAINS TOWNSHIP	RMC FEE 2014 ADJUSTMENT - SCOTCH PLAINS	453.47
			453.47
		Total Payments FY 2014	488.31

FUND YEAR 2015

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
005401			
005401	FIRST MANAGED CARE OPTION	MANAGED CARE SERVICES - 02/2015	6,210.45
005401	FIRST MANAGED CARE OPTION	MANAGED CARE SERVICES - 01/2015	6,210.45
			12,420.90
005402			
005402	QUAL-LYNX	CLAIMS ADMIN - 02/2015	16,375.00
005402	QUAL-LYNX	CLAIMS ADMIN - 01/2015	16,375.00
			32,750.00
005403			
005403	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES - 02/2015	3,832.42
			3,832.42
005404			
005404	GALLAGHER BOLLINGER INC.	UNDERWRITING MANAGER - 02/2015	5,908.28
			5,908.28
005405			
005405	PERMA	POSTAGE FEE 01/2015	47.36
005405	PERMA	EXECUTIVE DIRECTOR - 02/2015	13,050.00
			13,097.36
005406			
005406	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES - 02/2015	2,477.50
			2,477.50
005407			
005407	RALPH A MARESCA, JR	TREASURER FEE 02/2015	1,445.95
			1,445.95
005408			
005408	JAMES F. HURLEY INSURANCE	RMC FEE 2014 ADJUSTMENT - HARDING	-81.50
005408	JAMES F. HURLEY INSURANCE	RMC FEE 1ST QTR 2015 - HARDING TWP	2,108.49
005408	JAMES F. HURLEY INSURANCE	RMC FEE 1ST QTR 2015 - FAR HILLS	705.00

005408	JAMES F. HURLEY INSURANCE	RMC FEE 2014 ADJUSTMENT - FAR HILLS	-20.21
005408	JAMES F. HURLEY INSURANCE	RMC FEE 1ST QTR 2015 - WATCHUNG	4,295.46
005408	JAMES F. HURLEY INSURANCE	RMC FEE 2014 ADJUSTMENT - WATCHUNG	-175.53
005408	JAMES F. HURLEY INSURANCE	RMC FEE 2014 ADJUSTMENT - BEDMINSTER	-31.91
005408	JAMES F. HURLEY INSURANCE	RMC FEE 1ST QTR 2015 - BEDMINSTER	4,443.21
005408	JAMES F. HURLEY INSURANCE	RMC FEE 2014 ADJUSTMENT - BERNARDS	-79.79
005408	JAMES F. HURLEY INSURANCE	RMC FEE 1ST QTR 2015 - BERNARDSVILLE	5,092.95
005408	JAMES F. HURLEY INSURANCE	RMC FEE 2014 ADJUSTMENT - BERNARDSVILLE	-111.70
005408	JAMES F. HURLEY INSURANCE	RMC FEE 1ST QTR 2015 - BERNARDS TWP	10,796.30
			26,940.77
005409			
005409	NEWTECH SERVICES INC.	MONTHLY WEBSITE & DOMAIN RENEWAL	94.00
			94.00
005410			
005410	DiFRANCESCO,BATEMAN,COLEY,YOSP	ATTORNEY FEE 01/2015	1,815.72
			1,815.72
005411			
005411	SCOTCH PLAINS TOWNSHIP	RMC FEE 1ST QTR 2015 - SCOTCH PLAINS TWP	9,287.92
			9,287.92
		Total Payments FY 2015	110,070.82

TOTAL PAYMENTS ALL FUND YEARS \$ 115,681.56

Chairperson

Attest: _____

Dated: _____

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

Treasurer