

**SUBURBAN MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES
NOVEMBER 8, 2018
SCOTCH PLAINS, NJ
8:00 AM**

Meeting of Fund Commissioners called to order by Chairwoman Sullivan. Open Public Meetings notice read into record.

PLEDGE OF ALLEGIANCE – Chairwoman Sullivan led Commissioners in the Pledge of Allegiance.

ROLL CALL OF 2018 FUND COMMISSIONERS:

Judy Sullivan, Chairwoman	Township of Bedminster	Present
Megan Champney, Secretary	City of Summit	Present
Alexander Mirabella	Township of Scotch Plains	Present
Tom Atkins	Borough of Watchung	Present
Sean McCarthy	Township of Bernards	Absent
Lorene K. Wright	Township of Harding	Absent
James Gildea	Town of Westfield	Present

EXECUTIVE COMMITTEE ALTERNATES:

Joseph Carty	Borough of Far Hills	Absent
James Debbie	Borough of Mountainside	Absent
Michael Sullivan	Borough of Bernardsville	Absent

ALTERNATE FUND COMMISSIONERS:

Sheila Tweedie	Borough of Far Hills	Absent
Pat Monaco	Township of Bernards	Absent
Sandra Jones	Borough of Bernardsville	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director/Admin	PERMA Risk Management Services Cathleen Kiernan, Joseph Hrubash, Nancy A. Ghani
Attorney	DiFrancesco, Bateman, Coley, Yospin, Kunzman, Davis & Lehrer Stephen Davis, Esq.
Treasurer	Ralph Maresca
Claims Service	Qual-Lynx Claudia Acosta
Safety Director	J.A. Montgomery Brian Maitland
JIF Underwriting Manager	Gallagher Bollinger, Inc. Jim Gilmore
Managed Care Provider	FMCO Alyson Cronk

ALSO PRESENT:

Hallee Cramer, Meeker Sharkey & Hurley Agency
Craig Sutherland, Meeker Sharkey & Hurley Agency
Shakirah Stanford, Brown & Brown
Amy Pieroni, Acrisure

MINUTES: Open and Closed Minutes of October 11, 2018

MOTION TO APPROVE OPEN & CLOSED MINUTES FOR OCTOBER 11, 2018:

Moved: Commissioner Gildea
Second: Commissioner Atkins
Vote: Unanimous – 1 Abstain (Chairwoman Sullivan)

CORRESPONDENCE:

NONE

EXECUTIVE DIRECTOR:

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

Executive Director reviewed the tracking reports as of September 30, 2018; the Financial Fast Track as reflected a statutory surplus of \$3.3 million, the Expected Loss Ratio report showed all fund years except 2018 at or below actuarial loss funding projections and the Fund's Lost Time Accident Frequency (LTAF) rate was 1.71 while the overall MEL/JIF rate is 1.95.

2019 BUDGET: Last month, the Fund introduced the proposed 2019 budget. All members were mailed a notice of the public hearing and it was also advertised in the Fund's designated newspaper. Enclosed in the agenda was the proposed 2019 budget totaling \$4,979,031 representing an increase of 2%; draft 2019 assessments were distributed for information.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2019 BUDGET:

Moved: Commissioner Atkins
Second: Commissioner Gildea
Vote: Unanimous

DISCUSSION OF BUDGET & ASSESSMENTS

Seeing none...

MOTION TO CLOSE THE PUBLIC HEARING:

Moved: Commissioner Atkins
Second: Commissioner Gildea
Vote: Unanimous

MOTION TO APPROVE THE 2019 BUDGET AND CERTIFY THE ASSESSMENTS:

Moved: Commissioner Gildea
Second: Commissioner Mirabella
Vote: 5 Ayes – 0 Nays

2018 DIVIDEND: Last month, the Fund Commissioners approved the release of \$70,000 from Closed Years. Enclosed in the agenda was a copy of the distribution of that dividend by member. A filing with the State was done on 10/24/18 and we are awaiting their response.

RULES/CONTRACTS REVIEW: Executive Director said this committee will meet via teleconference to address a concern raised by Jim Gilmore, AJG Bollinger. Mr. Gilmore assumed the responsibilities of the Underwriting Manager contract upon Jack Dibble's retirement. In reviewing the contract language, he raised concern with the non-compete clause. Committee will report further at the next meeting.

RESIDUAL CLAIMS FUND (RCF): The RCF met on October 17, 2018, 10:30 a.m. in the Forsgate Country Club as a public hearing to review the proposed 2019 Budget; enclosed in the agenda was Commissioner Gildea's report on the meeting.

ENVIRONMENTAL JIF (EJIF): The EJIF met on October 17, 2018 at 10:50 AM in the Forsgate Country Club as a public hearing to review the proposed 2019 Budget; enclosed in the agenda was Commissioner Gildea's report on the meeting.

Commissioner Gildea said the EJIF released a Request for Qualification (RFQ) for an Environmental Engineer as that contract was expiring December 31, 2018. The services had been contracted through two firms - PS&S and First Environment - which managed the northern and southern part of the state.

MEL JIF: The MEL met on October 17, 2018 at 11:15 AM at the Forsgate Country Club to introduce the 2019 Budget; enclosed in the agenda was Commissioner Gildea's report on the meeting. The public hearing on the MEL 2019 budget will be held on November 14, 2018 at 5:00 PM in the Convention Center in Atlantic City - Room 306.

RCF/EJIF/MEL JIF 2019 REPRESENTATIVE: In addition to the above reports, Executive Director said the Fund should elect its 2019 representative to the RCF, EJIF and MEL boards.

Commissioner Atkins nominated Commissioner Champney to serve as representative noting she was the alternate for Commissioner Gildea. Commissioner Gildea said serving as the representative is valuable in terms of exposure and gaining greater knowledge of the JIFs and the claims management process. Commissioner Atkins thanked Commissioner Gildea for serving as representative.

MOTION TO ELECT MEGAN CHAMPNEY AS THE SUBURBAN MUNICIPAL JOINT INSURANCE FUND'S 2019 REPRESENTATIVE TO THE MUNICIPAL EXCESS JOINT INSURANCE FUND, MUNICIPAL EXCESS RESIDUAL CLAIMS FUND AND THE ENVIRONMENTAL FUND:

Moved:	Commissioner Atkins
Second:	Commissioner Mirabella
Vote:	Unanimous

2019/2020 EMPLOYMENT PRACTICES PROGRAM: Correspondence was mailed to Fund Commissioners and Risk Management Consultants concerning updates to member Employment Practices Programs. Updated Model Personnel Manuals have been posted to the MEL's webpage www.njmel.org.

Deadline to complete program compliance was October 1, 2018. Enclosed in the agenda was a list of the compliance checklists, which showed that all Suburban Municipal JIF members have submitted their checklists.

ELECTED OFFICIALS TRAINING: Executive Director said this year's elected officials training program will focus on "Employment Practices for Governmental Officials". Two sessions are scheduled as part the League of Municipalities Conference on Tuesday, November 13, 2018 at 3:45PM in Caesars (Palladium B) and Wednesday, November 14, 2018 at 3:45PM at the Convention Center (Room 302); enclosed in the agenda was the notice that was distributed to members.

For 2019, the MEL will reduce each member's assessment by \$250 for each municipal elected official and/or authority commissioner who completes the Elected Official course by May 1, 2019. The maximum credit is 5% of the member's assessment. The credit is also extended to the

member's CEO (i.e. municipal manager/administrator or authority executive director). Executive Director said the course will also be available online through the MEL Safety Institute in early 2019.

JANUARY REORGANIZATION MEETING: Executive Director said the Fund is not scheduled to meet in December. It would be appropriate to authorize the Treasurer to process contracted expenses. The January reorganization meeting has already been scheduled for Thursday January 10, 2019 in the Scotch Plains Municipal Building at 8:00AM.

MOTION TO AUTHORIZE THE TREASURER TO PROCESS CONTRACTED EXPENSES DURING THE MONTH OF DECEMBER:

Moved: Commissioner Atkins
Second: Commissioner Mirabella
Vote: 5 Ayes – 0 Nays

Executive Director's Report Made Part of Minutes.

TREASURER:

VOUCHER LISTS:

NOVEMBER 2018 APPROVAL OF PAYMENTS RESOLUTION 20-18

Fund Year 2017:	\$2,000.00
Fund Year 2018:	\$57,861.41
Total:	\$59,861.41

CONFIRMATION OF CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS FOR MONTH OF SEPTEMBER 2018:

Fund Year 2018	137,850.04
Fund Year 2017	251,315.14
Fund Year 2016	7,086.70
Fund Year 2015	11,043.80
Fund Year 2014	2,991.99
Closed	0.00
TOTAL	\$92,497.63

MOTION TO APPROVE AND ADOPT RESOLUTION 20-18 OF NOVEMBER 2018 BILLS AND APPROVE CONFIRMATION & CERTIFICATION OF SEPTEMBER 2018 CLAIM TRANSFERS AS SUBMITTED:

Moved: Commissioner Gildea
Second: Commissioner Mirabella
Roll Call Vote: 5 Ayes-0 Nays

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

ATTORNEY:

REPORT: Included in the agenda were reports of appellate decisions impacting municipalities.
Monthly Reports Made Part of Minutes.

JIF UNDERWRITING MANAGER:

REPORT: Included in the agenda was a report of certificates issued for October 2018.
Monthly Reports Made Part of Minutes.

MEL UNDERWRITING MANAGER:

REPORT: Included as part of the report was a List of Certificates issued for the period of 9/22/18 to 10/22/18.

EXCESS LIABILITY LIMITS: Executive Director said the MEL Underwriting Manager has been asked to market the excess liability options above the \$20 million limit. Executive Director said there is funding available in the budget if the Fund wished to purchase it for all members.

Executive Director said additional information would be provided by the Underwriting Manager at a later date.

Monthly Reports Made Part of Minutes.

MANAGED CARE:

MONTHLY REPORT: Included in the agenda were the October reports submitted by FMCO. Managed Care Provider said the 2018 total provider billed to date amount was \$1,162,040 and was re-priced to \$460,778 for a total savings of 60% and a PPO penetration of 87%.

Monthly Activity Report Made Part of Minutes.

SAFETY DIRECTOR:

MONTHLY REPORT: Included in the agenda was the October 2018 report noting the activities/trainings, upcoming MSI classes, Safety Director bulletins that were distributed and a report on the MSI attendance from 1/1/18 to 9/30/18 showing both classroom and online uses.

Monthly 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 Mirabella
Second:	Commissioner Gildea
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 Atkins
Second:	Commissioner Mirabella
Roll Call Vote:	Unanimous

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

Moved:	Commissioner Gildea
Second:	Commissioner Mirabella
Roll Call Vote:	5 Ayes - 0 Nays

OLD BUSINESS:

NONE

NEW BUSINESS:

NONE

PUBLIC COMMENT:

NONE

MOTION TO ADJOURN:

Moved:	Commissioner Mirabella
Second:	Commissioner Gildea
Vote:	Unanimous

MEETING ADJOURNED: 8:26 am

NEXT MEETING: JANUARY 10, 2019

SCOTCH PLAINS - 8:00 AM

Nancy A. Ghani, Account Manager
for
MEGAN CHAMPNEY, SECRETARY

November 8, 2018

SUBURBAN MUNICIPAL JOINT INSURANCE FUND BILLS LIST

Resolution No. 20-18

NOVEMBER 2018

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 2017

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
001446			
001446	BERNARDS TOWNSHIP	2017 SAFETY AWARD BALANCE 11/18	2,000.00
			2,000.00
		Total Payments FY 2017	2,000.00

FUND YEAR 2018

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
001447			
001447	FIRST MANAGED CARE OPTION	MANAGED CARE SERVICES 11/18	6,590.58
			6,590.58
001448			
001448	QUAL-LYNX	CLAIM ADJUSTING SERVICES 11/18	17,036.55
			17,036.55
001449			
001449	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES 11/18	5,317.00
			5,317.00
001450			
001450	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 11/18	14,720.44
			14,720.44
001451			
001451	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES 11/18	2,629.00
			2,629.00
001452			
001452	RALPH A MARESCA, JR	TREASURER FEE 11/18	1,534.45
			1,534.45
001453			
001453	ARTHUR J. GALLAGHER	UNDERWRITING MANAGER FEE 11/18	6,269.91
			6,269.91
001454			
001454	NEWTECH SERVICES INC.	MONTHLY WEBSITE MAINTENANCE/HOSTNG 11/18	75.00
			75.00
001455			
001455	ALLSTATE INFORMATION MANAGEMNT	ACCT#416 - ARC&STOR - 9.30.18	29.30
			29.30
001456			
001456	DiFRANCESCO,BATEMAN,COLEY,YOSP	LEGAL SERVICES THRU 9.30.18	3,659.18
			3,659.18
		Total Payments FY 2018	57,861.41

TOTAL PAYMENTS ALL FUND YEARS \$59,861.41