

**SUBURBAN MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES
APRIL 12, 2018
SCOTCH PLAINS, NJ
8:00 AM**

Meeting of Fund Commissioners called to order by Chairwoman Judy 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
Bruce McArthur	Township of Bernards	Present
Lorene K. Wright	Township of Harding	Present
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	Present

ALTERNATE FUND COMMISSIONERS:

Sheila Tweedie	Borough of Far Hills	Absent
Sean McCarthy	Township of Bernards	Present
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.
Treasurer	Ralph Maresca
Claims Service	Qual-Lynx Claudia Acosta
Safety Director	J.A. Montgomery Brian Maitland, Vincent Quatrone
JIF Underwriting Manager	Gallagher Bollinger, Inc. Jack Dibble, Terri Giglio
Managed Care Provider	FMCO Mary Bresadola

ALSO PRESENT:

Jim Gruba, Former Westfield Fund Commissioner
Craig Sutherland, Meeker Sharkey & Hurley Agency
Hallee Cramer, Meeker Sharkey & Hurley Agency

MINUTES: Open and Closed Minutes of February 8, 2018.

MOTION TO APPROVE OPEN & CLOSED MINUTES FOR FEBRUARY 8, 2018:

Moved:	Commissioner Atkins
Second:	Commissioner Gildea
Vote:	Unanimous

CORRESPONDENCE:

J.A. MONTGOMERY STAFF ANNOUNCEMENT: Included in the agenda was correspondence announcing that Joanne Hall is retiring as Vice President and Paul Shives would be assuming that position; Brian Maitland would be promoted to Safety Director of the Suburban Municipal JIF and would be joined by a new safety professional consultant. In addition, Executive Director said a 2nd law enforcement professional would be hired to expand resources in the northern part of the state.

QUAL-LYNX STAFF ANNOUNCEMENT: Included in the agenda was correspondence announcing the addition of Claudia Acosta as the Account Manager for the Suburban Municipal JIF. A revised copy of the service account team was distributed for information.

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, MEL Loss Ratio Report and the Monthly and Annual Regulatory Checklist.

Executive Director reviewed the tracking reports as of February 28, 2018; the Financial Fast Track reflected a statutory surplus of \$3.0 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) was 0.57 while the overall MEL/JIF rate is 1.57.

Executive Director said the Employment Practices Compliance Report reflects members' current EPL/POL deductibles; once the new program is released members will have until October 1st to complete compliance requirements, which includes updating Personnel Manuals, Training Managers & Supervisors, Police Command Staff and offering training to non-supervisory personnel.

LAW ENFORCEMENT RISK CONTROL - POLICE SERVICE PLAN: Executive Director said a conference call of the Executive Safety Committee is being scheduled to consider the enclosed Police Service Plan. In its RFQ response, J.A. Montgomery included an option to expand risk control services to include law enforcement, which the Executive Board approved upon recommendation by the Rules & Contracts Committee. The Service Plan would establish ad-hoc police safety committees, training, on-site law enforcement consultations and developing partnerships/interface with law enforcement organizations.

As reported last month, J.A. Montgomery was in the process of hiring a 2nd law enforcement professional to expand services in the northern part of the State; as of April 3rd former Chief Vincent Quatrone joined J.A. Montgomery. Executive Director said the Fund office would like to first advise and introduce Fund Commissioners to Mr. Quatrone before he contacts members. Executive Director

said the initiative is not an audit or punitive in nature, but an in-roads for law enforcement risk management as police departments often have high claim severity.

Executive Director said an example of law enforcement risk management is the enclosed bulletin issued by J.A. Montgomery geared to Police concerning Mental Health Awareness.

Mr. Quatrone addressed the Board noting he served as a police officer for 26 years, 5 of which were spent as Police Chief in Lodi, NJ. Mr. Quatrone said his role is to provide consultation to each member's police department on risk control factors facing police departments; the Executive Board welcomed Mr. Quatrone to the service team.

MIDDLE BROOK REGIONAL HEALTH COMMISSION: Executive Director said the Commission is a public entity providing inspections and health services to six municipalities, including Watchung. Executive Director said Watchung is asking if the JIF would consider approving coverage for this commission – either as an additional insured to Watchung – or as a direct member of the JIF. Enclosed in the agenda was a summary of the services it provides and underwriting data. Of the services provided, the Commission contracts out the Health Educators, Clinical Services for Women's Health, Child Health, Clinic, Immunizations, and Education & Senior Physicals.

Executive Director said the Suburban Essex JIF has two entities similar to the Commission that are separate JIF members, but are larger operations and have more risk than this Commission. Alternatively, the Board could consider adding the Commission as an endorsement to Watchung's policy – similar to Summit Downtown – but noted this arrangement shares in a "host" member's coverage limits.

Executive Director said the Commission is not homogenous to a municipality, but does provide services that a municipality typically provides. Commissioner Atkins said in 1975 the State passed legislation mandating certain types of health coverage be provided as a core service and the Commission fulfills this for Watchung, as well as, Warren, South Bound Brook, Green Brook and Bound Brook. Mr. Sutherland said each municipality has two appointed board representatives on the Commission. Discussion ensued and Board agreed to refer the matter to the Coverage Committee for their review and recommendation.

2018 MEL/RCF/EJIF MEETING & RETREAT RESCHEDULED TO APRIL 6TH: Due to winter storm Quinn, the MEL, RCF and EJIF March 7th meeting and MEL Annual Retreat at the Hyatt Regency, 102 Carnegie Center Drive in Princeton were rescheduled to April 6th. Copies of the reports were distributed for information.

2018 MEL & MR HIF EDUCATIONAL SEMINAR: The 8th annual seminar is scheduled for Friday, April 20th beginning at 9:00 AM at the National Conference Center in East Windsor, NJ. The seminar qualifies for an extensive list of Continuing Educational Credits including CFO/CMFO, Public Works, Clerks, Insurance Producers and Purchasing Agents. There is no fee for employees and insurance producers associated with MEL and MR HIF members as well as personnel who work for service companies that are engaged by MEL member JIFs and MR HIF member HIFs. Enclosed in the agenda was the enrollment form.

2018/2019 EMPLOYMENT PRACTICES PROGRAM: Executive Director said correspondence will be distributed by the end of April announcing the 2018/2019 Program. Once released, members should visit the MEL's webpage www.njmel.org for changes to the MEL's Model Personnel Manual and information on training program requirements. Members have until October 1st to submit the checklist to qualify and/or maintain deductible and co-pay incentives. Compliance includes updating

Personnel Manuals, Training Managers & Supervisors, Police Command Staff and offering training to non-supervisory personnel.

Once confirmed, the fund office will issue notices on the schedule of Police Command Staff training; Manager & Supervisors Training will be scheduled by the Fund Attorney's office.

ONLINE ELECTED OFFICIALS TRAINING COURSE: Every year, the MEL holds training seminars for elected officials and reduces a member's assessment by \$250 for each municipal elected official completing the course by May 1st. Instructor-led sessions locations and dates are posted on the MEL website at njmel.org. Enclosed in the agenda were instructions on how to access the online course. Executive Director noted the online course differed from the version first presented at the November 2017 League.

2018 FINANCIAL DISCLOSURES: The Local Finance Board has issued the annual notice regarding filing of the Financial Disclosure forms. Local Government Officers may begin filing via the online system on April 5th and have until April 30th to complete the filing. The Fund office has advised Fund Commissioners and Professionals of the filing requirement.

LEAGUE MAGAZINE: Enclosed in the agenda was the latest in the series of "Power of Collaboration" to appear in the League magazine. Each of the MEL advertisements highlights activities of the MEL and JIFs as well as people who have rendered significant service. This advertisement highlights the MEL mobile application available to download.

CYBER TASK FORCE: The MEL's Task Force last met on February 15th to outline its next steps. Task force plans to work on a program to educate members on the tools available to them through the MEL. Executive Director said the Task Force is discussing how to aggregate all the available information into one place on the MEL website and/or through the mobile app.

RISK MANAGEMENT INFORMATION/OPERATING SYSTEM (RMIS): The online underwriting database through Origami was launched mid-March; Fund Commissioners and Risk Management Consultants were provided login information, as well as, links to short training videos.

Executive Director said Origami will host training webinars on May 8th and May 10th once users have had an opportunity to login and utilize the online platform; notification will be distributed which will include access instructions. Executive Director said based on expected participation, the webinars will not be conducive to live questions and encouraged questions to be submitted in advance so they can be addressed during the webinar.

Executive Director's Report Made Part of Minutes.

TREASURER:

VOUCHER LISTS:

FEBRUARY 2018 CONFIRMATION OF PAYMENTS

Fund Year 2017:	\$1,579.05
Total:	\$1,579.05

MARCH 2018 CONFIRMATION OF PAYMENTS

Closed Fund Year:	\$10,370.57
Fund Year 2014:	\$1,000.00
Fund Year 2015:	\$400.00
Fund Year 2016:	\$1,200.00
Fund Year 2017:	\$2,000.00
Total:	\$92,098.15

APRIL 2018 PAYMENTS RESOLUTION 8-18

Fund Year 2017: \$1,000.00
Fund Year 2018: \$713,064.97
Total: \$714,064.97

CONFIRMATION OF CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS FOR MONTHS OF JANUARY 2018:

Fund Year 2018	380.00
Fund Year 2017	125,039.69
Fund Year 2016	2,424.10
Fund Year 2015	6,565.05
Fund Year 2014	1,024.80
TOTAL	\$135,433.64

CONFIRMATION OF CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS FOR MONTHS OF FEBRUARY 2018:

Fund Year 2018	8,374.92
Fund Year 2017	103,573.95
Fund Year 2016	11,413.43
Fund Year 2015	9,783.54
Fund Year 2014	1,323.52
TOTAL	\$134,469.36

MOTION TO CONFIRM PAYMENTS OF FEBRUARY AND MARCH AND ADOPT RESOLUTIONS 8-18 APPROVING APRIL BILLS LIST AND APPROVE CONFIRMATION & CERTIFICATION OF JANUARY 2018 AND FEBRUARY 2018 CLAIM TRANSFERS AS SUBMITTED:

Moved: Commissioner McArthur
Second: Commissioner Atkins
Roll Call Vote: 8 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.

Fund Attorney said his office will send out correspondence to members to schedule the Manager/Supervisor sessions in the coming months.

Monthly Reports Made Part of Minutes.

JIF UNDERWRITING MANAGER:

REPORT: Included in the agenda was a report of certificates issued for February and March 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 1/22/18 to 2/22/18 and 2/22/18 to 3/22/18.

Monthly Reports Made Part of Minutes.

MANAGED CARE:

MONTHLY REPORT: Included in the agenda were the February and March 2018 reports submitted by FMCO. As of March 2018, Managed Care Provider said the total provider billed to date amount was \$453,961 was re-priced to \$212,960 for a total savings of 53% and a PPO penetration of 85%.

Monthly Activity Report Made Part of Minutes.

SAFETY DIRECTOR:

MONTHLY REPORT: Included in the agenda was the February and March 2018 reports noting the activities/trainings, MSI classes and Safety Director bulletins distributed during that time.

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 Atkins
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 Gildea
Roll Call Vote: Unanimous

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

Moved: Commissioner Mirabella
Second: Commissioner Atkins
Roll Call Vote: 8 Ayes - 0 Nays

OLD BUSINESS:

NONE

NEW BUSINESS:

BERNARDS NEW FUND COMMISSIONER: Commissioner McArthur introduced Sean McCarthy, currently Alternate Fund Commissioner for Bernards; Mr. McCarthy would assume the position of Fund Commissioner upon Mr. McArthur's retirement on/about June 1st after 32 years in municipal government.

WESTFIELD FORMER FUND COMMISSIONER: Commissioner Gildea introduced Mr. Gruba, former Westfield Fund Commissioner who was a charter member and Commissioner during the Fund's formation in 1994.

WESTFIELD FINE ARTS: Executive Director said the fund office received an emergent matter not on the agenda as respects a Charles Addams Fine Arts exhibit located at 229 Dudley Avenue - Westfield NJ. Executive Director said the item received an appraised value of \$85,000.

As per the Fund's Policy & Procedures, any individual displayed artwork, antique and collectible valued in excess of \$25,000 requires an independent professional appraisal to be filed with the municipal clerk or some other authorized and responsible party. In addition, individual items over \$50,000 require an independent professional appraisal and approval by the Executive Committee or the Underwriting Manager. Coverage is subject to a \$2,500 deductible per occurrence and \$750,000 limit per occurrence for all items on display.

**MOTION TO ACCEPT THE APPRAISAL AS SUBMITTED AND APPROVE
COVERAGE OF "UNTITLED (SKELETON DRAWING) VALUED AT \$85,000:**

Moved: Commissioner Atkins
Second: Commissioner Gildea
Vote: Unanimous

PUBLIC COMMENT:

NONE

MOTION TO ADJOURN:

Moved: Commissioner Atkins
Second: Commissioner Mirabella
Vote: Unanimous

MEETING ADJOURNED: 8:40 am

NEXT MEETING: MAY 10, 2018

SCOTCH PLAINS - 8:00 AM

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

SUBURBAN MUNICIPAL JOINT INSURANCE FUND BILLS LIST

Resolution No. 8-18

APRIL 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>
001341			
001341	FAR HILLS BOROUGH	2017 JIF SAFETY INCENTIVE AWARD	1,000.00
			1,000.00
		Total Payments FY 2017	1,000.00

FUND YEAR 2018

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
001342			
001342	MUNICIPAL EXCESS LIABILITY JIF	FAITHFUL PERFORMANCE BOND 2ND QTR 2018	1,401.25
			1,401.25
001343			
001343	FIRST MANAGED CARE OPTION	MANAGED CARE SERVICES - 04/2018	6,590.58
			6,590.58
001344			
001344	MUNICIPAL EXCESS LIABILITY JIF	MEL PROPERTY 2ND QTR 2018	84,221.57
001344	MUNICIPAL EXCESS LIABILITY JIF	MEL 2ND QTR 2018	237,598.57
			321,820.14
001345			
001345	APEX INSURANCE SVCS c/o XL INS	TECH ERRORS & OMISSIONS 2 OF 2 INSTALL	5,330.00
			5,330.00
001346			
001346	APEX INSURANCE SVCS c/o QBE INS	VOLUNT EMERG SRVCS DIR&OFF 2OF2 INSTALL	2,057.00
001346	APEX INSURANCE SVCS c/o QBE INS	POL & EPL 2 OF 2 INSTALLMENT 2018	248,300.50
			250,357.50
001347			
001347	APEX INSURANCE SVCS c/o BEAZLEY	TECH ERRORS & OMISSIONS 2OF2 INSTALLMENT	3,000.00
			3,000.00
001348			
001348	QUAL-LYNX	CLAIMS ADJUSTING SERVICES - 04/2018	17,036.55
			17,036.55
001349			
001349	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES 04/2018	5,317.00
			5,317.00
001350			
001350	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 03/2018	43.11
001350	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 04/2018	14,720.44
			14,763.55
001351			
001351	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES - 04/2018	2,629.00
			2,629.00

001352			
001352	RALPH A MARESCA, JR	TREASURER FEE 04/2018	1,534.45
			1,534.45
001353			
001353	MEEKER SHARKEY ASSOC, LLC	RMC FEE 2ND QTR 2018 - HARDING TWP	2,099.23
001353	MEEKER SHARKEY ASSOC, LLC	RMC FEE 2ND QTR 2018 - FAR HILLS BORO	744.79
001353	MEEKER SHARKEY ASSOC, LLC	RMC FEE 2ND QTR 2018 - WATCHUNG BORO	4,486.45
001353	MEEKER SHARKEY ASSOC, LLC	RMC FEE 2ND QTR 2018 - BEDMINSTER TWP	4,672.65
001353	MEEKER SHARKEY ASSOC, LLC	RMC FEE 2ND QTR 2018 - BERNARDS TWP	10,041.45
001353	MEEKER SHARKEY ASSOC, LLC	RMC FEE 2ND QTR 2018 - BERNARDSVILLE	5,380.43
			27,425.00
001354			
001354	ARTHUR J. GALLAGHER	UNDERWRITING MANAGER FEE 04/2018	6,269.91
			6,269.91
001355			
001355	MUNICIPAL EXCESS LIABILITY JIF	MSI 2ND QTR 2018	6,557.07
			6,557.07
001356			
001356	NEWTECH SERVICES INC.	MONTHLY WEBSITE MAINTENANCE/HOSTNG 3/18	75.00
			75.00
001357			
001357	ALLSTATE INFORMATION MANAGEMNT	ACCT: 416 - ACT & STOR - 2/28/2018	52.82
			52.82
001358			
001358	WATCHUNG BOROUGH	COACH CERIFICATIONS - FEB & MAR 2018	177.00
			177.00
001359			
001359	DiFRANCESCO,BATEMAN,COLEY,YOSP	ATTORNEY FEE 02/28/2018	4,294.09
			4,294.09
001360			
001360	ARTHUR J. GALLAGHER	RMC FEE 2ND QTR 2018 - MOUNTAINSIDE	4,472.88
			4,472.88
001361			
001361	WESTFIELD TOWNSHIP	RMC FEE 2ND QTR 2018 - WESTFIELD	16,980.59
001361	WESTFIELD TOWNSHIP	RMC FEE 1ST QTR 2018 - WESTFIELD	16,980.59
			33,961.18
		Total Payments FY 2018	713,064.97

TOTAL PAYMENTS ALL FUND YEARS \$714,064.97

Chairperson

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

Treasurer

