

**SUBURBAN MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES
FEBRUARY 8, 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	Absent

ALTERNATE FUND COMMISSIONERS:

Sheila Tweedie	Borough of Far Hills	Absent
Sean McCarthy	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.
Treasurer	Ralph Maresca
Claims Service	Qual-Lynx Catherine Lambe, Claudia Acosta
Safety Director	J.A. Montgomery Brian Maitland
JIF Underwriting Manager	Gallagher Bollinger, Inc. Jack Dibble, Terri Giglio
MEL Underwriting Manager	Conner Strong & Buckelew Edward Cooney
Managed Care Provider	FMCO Mary Bresadola

ALSO PRESENT:

Amy Pieroni, Acrisure
Matt Morris, Amalgamated General Agency
Rich Duthie, Pinnacle Risk Solutions
Craig Sutherland, Meeker Sharkey & Hurley Agency
Hallee Cramer, Meeker Sharkey & Hurley Agency
Rhonda Risenberg, Meeker Sharkey & Hurley Agency

MINUTES: Open and Closed Minutes of January 11, 2018.

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

Moved:	Commissioner Wright
Second:	Commissioner Atkins
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 referred to the Financial Fast Track as of December 31, 2017 and said the fund's statutory surplus stands at \$3.0 million. Executive Director referred to the Lost Time Accident Frequency (LTAF) as of December 31, 2017 and said the JIF is running a rate of 1.39 as compared to 1.83 at the same time last year. Executive Director said the overall MEL/JIF rate is 1.61 and highlighted that this is 1st time the LTAF is below 2.0 since this tracking report began in 1991.

Executive Director said the MEL Model Personnel Committee will be meeting review any changes required to the Model Policy, which is updated every two years as part of the Employment Practices Program. The program details is expected to be distributed mid-April.

2018 MEL/RCF/EJIF MARCH 7TH MEETING & RETREAT: The MEL, RCF and EJIF will be holding their March 7th meetings in conjunction with the MEL Annual Retreat at the Hyatt Regency, 102 Carnegie Center Drive in Princeton.

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. Included in the agenda was an enrollment form which will also be distributed by email to fund commissioners and risk managers.

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. This course will be available online in February; enclosed in the agenda were the instructions on how to access the course.

MEL MOBILE APPLICATION: The MEL updated its website (njmel.org) and launched a mobile application in November. We encourage everyone to download the mobile application and register for a "role(s)". The MEL will use the mobile application to issue "push alerts" based on municipal and authority roles. By registering for a "role(s)", you will be able to limit alerts to information meaningful to you. Enclosed in the agenda was material mailed to members in November providing instructions to download and register.

CYBER TASK FORCE: The MEL's Cyber Task Force is scheduled to meet on February 15, 2018 to set forth its 2018 objectives. Executive Director said the minimum security standards were distributed in early December; through the program the MEL will provide some reimbursement of cyber liability claim deductibles for members that compliant with the program.

RISK MANAGEMENT INFORMATION/OPERATING SYSTEM (RMIS): The MEL awarded a contract to Origami Risk to provide the online underwriting database; anticipated launch date is early January 2018. This past summer marked the last renewal utilizing the Exigis program. The system will remain locked as the data is transitioned to the new platform and verified. Once verification is complete, then the new platform will be made available to members to amend their schedules.

Executive Director said the fund office is in the final stages of verifying data and a few risk managers have been asked to test the user-interface. Executive Director said access and logins will be issued soon. In addition, we are also working with Origami on providing training on how to use the system via an online video.

RULES & CONTRACTS COMMITTEE: JAMES GILDEA, CHAIR: Executive Director said the Rules & Contracts committee and Fund Attorney met via teleconference on Monday February 5th to review the Services section of the Professional Service Agreements.

Executive Director said the review was initiated as part of the Requests for Qualifications (RFQ) process since an overall review has not been performed in some time. The RFQ forms included language that such a review would be undertaken and included a copy of the sample Professional Service Agreement by position.

Executive Director said in 2006, the JIF adopted a Professional Service Agreement format and any service assigned to professionals through the Bylaws, Regulations or Risk Management Plan were no longer specifically listed, but were done through reference to those governing documents.

The JIF Bylaws note the positions of Treasurer, Executive Director, Auditor, Attorney and Actuary shall be retained to service the JIF; all others are considered Servicing Organizations, which the JIF may contract for.

The committee reviewed and agreed with the following recommendations:

1. Restore those services by listing them specifically in the Professional Service Agreement to prevent any confusion.
2. Provide a copy of executed agreement to the Fund's General Counsel. *Procedurally, copies of executed agreements are kept by both the Fund office and the Service Provider.*
3. Move language regarding authorization for any unanticipated work assignment not defined in Services from the Compensation section to the Services section of the agreement.

Executive Director said the recommendations do not constitute a change of services and instead restores the services to their original formatting. In response to Commissioner Wright, Executive Director confirmed that should the Bylaws change with respect to noted positions and the services then the corresponding contract would also be updated.

SAFETY BREAKFAST: The Annual Safety Breakfast has been scheduled for Tuesday February 27, 2018 9:00AM at the Indigo Hotel on 80 Allen Road - Basking Ridge, NJ. Invitations have been 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 2018 VOUCHER PAYMENTS, RESOLUTION 7-18

Fund Year 2017:	\$3,342.22
Fund Year 2018:	\$355,371.06
Total:	\$358,713.28

CONFIRMATION OF CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS FOR MONTHS OF DECEMBER 2017:

Fund Year 2017	43,120.46
Fund Year 2016	9,017.81
Fund Year 2015	14,890.65
Fund Year 2014	4,429.01
Fund Year 2013	0.00
TOTAL	\$71,457.93

MOTION TO ADOPT RESOLUTIONS 7-18 APPROVING FEBRUARY BILLS LIST AND APPROVE CONFIRMATION & CERTIFICATION OF DECEMBER 2017 CLAIM TRANSFERS AS SUBMITTED:

Moved:	Commissioner Atkins
Second:	Commissioner Gildea
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. Fund Attorney noted a correction on last month’s report in that the legislation allowing joint insurance funds to seek broader investment opportunities never made it out of Assembly Committee to the Governor’s desk. It will be introduced during this new legislation session.

Monthly Report Made Part of Minutes.

JIF UNDERWRITING MANAGER:

REPORT: Included in the agenda was a report of certificates issued for January 2018.

Monthly Report Made Part of Minutes.

MEL UNDERWRITING MANAGER:

REPORT: Included as part of the report was a List of Certificates issued for the period of 12/23/17 to 1/22/18.

MEL CYBER UPDATES: Included as part of the report was a Cyber Update providing cyber security tips and resources.

Monthly Report Made Part of Minutes.

MANAGED CARE:

MONTHLY REPORT: Included in the agenda was the January 2018 report submitted by FMCO. Managed Care Provider said the total provider billed amount was \$47,427 was re-priced to \$26,089 for a total savings of 45% and a PPO penetration of 81%.

Monthly Activity Report Made Part of Minutes.

SAFETY DIRECTOR:

MONTHLY REPORT: Included in the agenda was the January 2018 report noting the activities/trainings, MSI classes and the distributed Safety Director bulletins.

Monthly Report Made Part of the Minutes.

CLAIMS:

REPORT: Claims Administrator said they have Payment Authority Requests to present during Closed Session. Executive Director said Catherine Lambe would now be the Account Manager servicing this JIF.

**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 Gildea
Second: Commissioner Mirabella
Roll Call Vote: 8 Ayes - 0 Nays

OLD BUSINESS:

ACKNOWLEDGEMENT: Commissioner Akins thanked Commissioner Gildea for his leadership as Chair this past year and is looking forward to this year with Commissioner Judy Sullivan as Chair. Commissioner Gildea thanked the Board, said he also looks forward to the coming year as well as, serving as MEL, EJIF and RCF representative with Commissioner Champney as alternate representative.

Commissioner McArthur thanked the Executive Director, Deputy Executive Director and Hurley Agency for their efforts and support of Bernards.

NEW BUSINESS:

NONE

PUBLIC COMMENT:

NONE

MOTION TO ADJOURN:

Moved: Commissioner Atkins
Second: Commissioner Mirabella
Vote: Unanimous

MEETING ADJOURNED: 8:32 am

NEXT MEETING: FEBRUARY 8, 2018

SCOTCH PLAINS - 8:00 AM

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

SUBURBAN MUNICIPAL JOINT INSURANCE FUND BILLS LIST

Resolution No. 7-18

FEBRUARY 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>
001306			
001306	PERMA RISK MANAGEMENT SERVICES	2017 1099 E-FILINGS	14.95
			14.95
001307			
001307	NJ ADVANCE MEDIA	ACCT: XSUBU555780 - 12/27/17 - BUDGET	103.04
			103.04
001308			
001308	ALLSTATE INFORMATION MANAGEMNT	ACCT: 416 - ACT & STOR - 12/31/2017	26.50
			26.50
001309			
001309	DIFRANCESCO,BATEMAN,COLEY,YOSP	ATTORNEY FEE 12/2017	3,197.73
			3,197.73
		Total Payments FY 2017	3,342.22

FUND YEAR 2018

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
001310			
001310	FIRST MANAGED CARE OPTION	MANAGED CARE SERVICES - 02/2018	6,590.58
			6,590.58
001311			
001311	APEX INSURANCE SVCS c/o XL INSURANCE	TECH ERRORS & OMISSIONS 1OF2 INSTALLMNT	5,330.00
			5,330.00
001312			
001312	APEX INSURANCE SVCS c/o QBE INS	VOLUNT EMERG SRVCS DIR & OFF 1OF2 INSTAL	2,057.00
001312	APEX INSURANCE SVCS c/o QBE INS	POL & EPL 1 OF 2 INSTALLMENT	248,300.50
			250,357.50
001313			
001313	APEX INSURANCE SVCS c/o BEAZLEY	TECH ERRORS & OMISSIONS 1OF2 INSTALLMENT	3,000.00
			3,000.00
001314			
001314	QUAL-LYNX	CLAIMS ADJUSTING SERVICES - 02/2018	17,036.55
			17,036.55
001315			
001315	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES - 02/2018	5,317.00
			5,317.00
001316			
001316	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 01/2018	40.40
001316	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 02/2018	14,720.44
			14,760.84
001317			
001317	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES - 02/2018	2,629.00

			2,629.00
001318			
001318	RALPH A MARESCA, JR	TREASURER FEE 02/2018	1,534.45
			1,534.45
001319			
001319	MEEKER SHARKEY ASSOC, LLC	RMC FEE 1ST QTR 2018 - HARDING TWP	2,099.23
001319	MEEKER SHARKEY ASSOC, LLC	RMC FEE 1ST QTR 2018 - FAR HILLS BORO	744.79
001319	MEEKER SHARKEY ASSOC, LLC	RMC FEE 1ST QTR 2018 - WATCHUNG BORO	4,486.45
001319	MEEKER SHARKEY ASSOC, LLC	RMC FEE 1ST QTR 2018 - BEDMINSTER TWP	4,672.65
001319	MEEKER SHARKEY ASSOC, LLC	RMC FEE 1ST QTR 2018 - BERNARDS TWP	10,041.45
001319	MEEKER SHARKEY ASSOC, LLC	RMC FEE 1ST QTR 2018 -BERNARDSVILLE BORO	5,380.43
			27,425.00
001320			
001320	ARTHUR J. GALLAGHER	UNDERWRITING MANAGER FEE 02/2018	6,269.91
001320	ARTHUR J. GALLAGHER	UNDERWRITING MANAGER FEE 01/2018	6,269.91
			12,539.82
001321			
001321	SCOTCH PLAINS TOWNSHIP	RMC FEE 1ST QTR 2018 - SCOTCH PLAINS TWP	8,850.32
			8,850.32
		Total Payments FY 2018	355,371.06

TOTAL PAYMENTS ALL FUND YEARS \$ 358,713.28

Chairperson

Attest: _____ Dated: _____

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

Treasurer