

**SUBURBAN MUNICIPAL JOINT INSURANCE FUND  
OPEN MINUTES  
MAY 10, 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 <b>Cathleen Kiernan, Joseph Hrubash, Nancy A. Ghani</b>
Attorney	DiFrancesco, Bateman, Coley, Yospin, Kunzman, Davis & Lehrer <b>Stephan Davis, Esq.</b>
Treasurer	<b>Ralph Maresca</b>
Claims Service	Qual-Lynx <b>Claudia Acosta, Caty Lambe</b>
Safety Director	J.A. Montgomery <b>Brian Maitland, Matt Gemma</b>
JIF Underwriting Manager	Gallagher Bollinger, Inc. <b>Jack Dibble, Terri Giglio, Jim Gilmore</b>
Managed Care Provider	FMCO <b>Mary Bresadola</b>

**ALSO PRESENT:**

Sean McCarthy, Bernards Alternate Fund Commissioner  
Dominic Cinelli, Brown & Brown  
Hallee Cramer, Meeker Sharkey & Hurley Agency

**MINUTES:** Open and Closed Minutes of April 12, 2018.

**MOTION TO APPROVE OPEN & CLOSED MINUTES FOR APRIL 12, 2018:**

Moved:	Commissioner Gildea
Second:	Commissioner Mirabella
Vote:	Unanimous

**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, 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 1<sup>st</sup> to complete compliance requirements, which includes updating Personnel Manuals, Training Managers & Supervisors, Police Command Staff and offering training to non-supervisory personnel.

**COVERAGE COMMITTEE:** Executive Director said the committee met via teleconference on April 26<sup>th</sup> to review the coverage request of the Middle Brook Regional Health Commission – either as an additional insured to Watchung or as a direct member of the JIF. Enclosed in the agenda were the minutes of the meeting for information.

The Commission is a public entity providing inspections and health services to six municipalities, including Watchung. 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 available coverage options presented were to either add the Commission as an additional insured to Watchung or as a direct member of the JIF. As a stand-alone member, the proposed JIF and MEL assessment would be approximately \$14,000 for Property, Auto/General Liability, Workers' Compensation, POL/EPL, Cyber and Environmental; as an additional insured the additional assessment to Watchung would be approximately \$7,000.

Commissioner Atkins said speaking as a member of the Coverage Committee he did not feel comfortable with the option to offer membership to the Health Commission as they would not be homogenous to current JIF members. Commissioner Atkins said there were different concerns if added as an additional insured since the Commission would share Watchung's coverage limits and be considered part of their program.

In response to Commissioner Wright, Executive Director said although there are several municipal entities in the Commission one of them would have to be designated the lead entity to secure coverage through this JIF. Ms. Cramer said Watchung is not the largest entity in Commission, but utilizes the most services offered by it.

Discussion ensued and it was confirmed that the Health Commission was formed as a legal public entity, operates similar to a shared services arrangement and each member executes a contract to be a part of the Health Commission. Commissioner Atkins said the Health Commission is governed by ten voting members – two representatives from each member; Commissioner Atkins said the Watchung representatives are appointed by its Mayor & Council.

Executive Director said based on discussion it would be appropriate to take a motion to extend coverage to the Middle Brook Regional Health Commission as an additional insured subject to approval by Watchung.

**MOTION TO EXTEND COVERAGE TO MIDDLE BROOK REGIONAL HEALTH COMMISSION AS AN ADDITIONAL INSURED SUBJECT TO FINAL APPROVAL BY WATCHUNG:**

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

**2018 COVERAGE DOCUMENTS:** Executive Director said the fund office will begin distributing the 2018 coverage documents to all Fund Commissioners and Risk Managers once all the policies have been received.

**AUDITOR & ACTUARY YEAR-END REPORTS:** The financial audit for the period ending December 31, 2016 will be ready for review and approval at the June meeting and will be filed with the Departments of Insurance and Community Affairs by the June 30<sup>th</sup> deadline.

**EJIF ENVIRONMENTAL ALERTS:** NJDEP has issued revised Tier A and Tier B Stormwater permit conditions, effective January 1, 2018. Enclosed in the agenda was an EJIF Environmental Alert providing an overview, along with the resource websites for Tier A and Tier B municipalities. Also enclosed was an alert concerning changes to the New Jersey Underground Storage Tank Regulations.

**2018/2019 EMPLOYMENT PRACTICES PROGRAM:** Enclosed in Appendix II of the agenda was a copy of correspondence distributed to members announcing the 2018/2019 Program. Members should visit the MEL's webpage [www.njmel.org](http://www.njmel.org) for changes to the MEL's Model Personnel Manual and information on training program requirements. Members have until October 1<sup>st</sup> 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; as previously reported Manager & Supervisors Training will be scheduled by the Fund Attorney's office. "We must respect each other in local government" video has been added to the MEL Safety Institute to meet training for "non-supervisory" employees.

**2018 FINANCIAL DISCLOSURES:** In April, the Local Finance Board issued the annual notice regarding filing of the Financial Disclosure forms. The fund office notified all commissioners of the

filing requirements and all have met the April 30<sup>th</sup> filing deadline.

**RISK MANAGEMENT INFORMATION/OPERATING SYSTEM (RMIS):** Executive Director said Origami has hosted the first training webinars on May 8<sup>th</sup> and May 10<sup>th</sup> and expects to host one additional webinar regarding the 2019 renewal process. Executive Director said members and Risk Managers will receive an email with a link to renewal worksheets - to begin the 2019 underwriting renewal – which is expected to begin in early June.

**LEGISLATION:** Executive Director said the bill that would expand the JIF and MEL’s investment opportunities is now on the Governor’s desk. The law would authorize certain joint insurance funds to invest in certain bonds, notes, and other obligations of State and Federal agencies and to form joint cash management and investment programs as a means to broaden the types of securities joint insurance funds may invest in and to reduce the amount of assets that must be held in short-term investments to cover the cash flow needs of the funds.

Executive Director’s Report Made Part of Minutes.

**TREASURER:**

**VOUCHER LISTS:**

**MAY 2018 PAYMENTS RESOLUTION 9-18**

Fund Year 2015:	\$1,100.00
Fund Year 2016:	\$1,200.00
Fund Year 2017:	\$1,000.00
Fund Year 2018:	\$70,183.16
<b>Total:</b>	<b>\$70,183.16</b>

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

Fund Year 2018	16,186.21
Fund Year 2017	60,073.63
Fund Year 2016	1,079.46
Fund Year 2015	26,915.33
Fund Year 2014	0.00
<b>TOTAL</b>	<b>\$104,254.63</b>

**MOTION TO APPROVE PAYMENTS AND TO ADOPT RESOLUTIONS 9-18 APPROVING MAY BILLS LIST AND APPROVE CONFIRMATION & CERTIFICATION OF MARCH 2018 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 were reports of appellate decisions impacting municipalities.

Fund Attorney said his office has sent out correspondence to members to schedule the Manager/Supervisor sessions in the coming months. Two sessions have already been scheduled in Watchung and Westfield.

Monthly Reports Made Part of Minutes.

**JIF UNDERWRITING MANAGER:**

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

**STAFF ANNOUNCEMENT:** Mr. Dibble also announced he would be retiring at the end of the year, but would continue to service the Fund through the summer and renewal process. Mr. Dibble introduced Mr. Jim Gilmore who is being added to the team.

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 3/22/18 to 4/22/18.

Monthly Reports Made Part of Minutes.

**MANAGED CARE:**

**MONTHLY REPORT:** Included in the agenda were the April 2018 reports submitted by FMCO. As of April 2018, Managed Care Provider said the total provider billed to date amount was \$526,845 was re-priced to \$238,573 for a total savings of 55% and a PPO penetration of 85%.

Monthly Activity Report Made Part of Minutes.

**SAFETY DIRECTOR:**

**MONTHLY REPORT:** Included in the agenda was the April 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 Gildea  
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: 7 Ayes - 0 Nays

**OLD BUSINESS:**

**SOLICITATION OF SERVICES:** Chairman Sullivan said she received an email from Quick Text representative who implied she was part of the JIF and inquired if others had received the same solicitation. Commissioner Wright said Harding utilizes this firm for cyber related services. Executive Director confirmed this Fund has not entered into a contract with this firm and added the MEL Cyber Task Force recently issued minimum cyber security standards, which can be referenced in conjunction with any firm a municipality decides to engage for cyber security services.

**BERNARDS NEW FUND COMMISSIONER:** Commissioner McArthur previously announced his retirement of June 1<sup>st</sup> and said Sean McCarthy would be the new Bernards Fund Commissioner.

Commissioner McArthur thanked everyone in Fund for “making this a favorite part of his job”.

Commissioner Atkins said Commissioner McArthur is one of the most professional people he has ever had the pleasure of working with. On behalf of Fund, Chairman Sullivan wished Commissioner McArthur the best of luck in his retirement.

**NEW BUSINESS:**

NONE

**PUBLIC COMMENT:**

NONE

**MOTION TO ADJOURN:**

Moved:	Commissioner Mirabella
Second:	Commissioner Atkins
Vote:	Unanimous

**MEETING ADJOURNED: 8:37 am**

**NEXT MEETING: JUNE 14, 2018**

**SCOTCH PLAINS - 8:00 AM**

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

# SUBURBAN MUNICIPAL JOINT INSURANCE FUND BILLS LIST

Resolution No. 9-18

MAY 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 2015**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
<b>001362</b>			
001362	HARDING TOWNSHIP	2015 SAFETY INCENTIVE PROGRAM	1,100.00
			<b>1,100.00</b>
		Total Payments FY 2015	1,100.00

**FUND YEAR 2016**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
<b>001363</b>			
001363	HARDING TOWNSHIP	2016 SAFETY INCENTIVE PROGRAM	1,200.00
			<b>1,200.00</b>
		Total Payments FY 2016	1,200.00

**FUND YEAR 2017**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
<b>001364</b>			
001364	HARDING TOWNSHIP	2017 SAFETY INCENTIVE PROGRAM	1,000.00
			<b>1,000.00</b>
		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>
<b>001365</b>			
001365	FIRST MANAGED CARE OPTION	MANAGED CARE SERVICES - 05/2018	6,590.58
			<b>6,590.58</b>
<b>001366</b>			
001366	QUAL-LYNX	CLAIMS AEDJUSTING SERVICES - 05/2018	17,036.55
			<b>17,036.55</b>
<b>001367</b>			
001367	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES 05/2018	5,317.00
			<b>5,317.00</b>
<b>001368</b>			
001368	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 04/2018	37.40
001368	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 05/2018	14,720.44
			<b>14,757.84</b>
<b>001369</b>			
001369	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES - 05/2018	2,629.00
			<b>2,629.00</b>
<b>001370</b>			
001370	RALPH A MARESCA, JR	TREASURER FEE 05/2018	1,534.45
			<b>1,534.45</b>
<b>001371</b>			

001371	ARTHUR J. GALLAGHER	UNDERWRITING MANAGER FEE 05/2018	6,269.91
			<b>6,269.91</b>
<b>001372</b>			
001372	NEWTECH SERVICES INC.	MONTHLY WEBISTE MAINTENANCE/HOSTNG 4/18	75.00
			<b>75.00</b>
<b>001373</b>			
001373	ALLSTATE INFORMATION MANAGEMNT	ACCT: 416 - ACT & STOR 3/31/2018	27.48
			<b>27.48</b>
<b>001374</b>			
001374	TROPHY KING OF PARSIPPANY	PEN SET - 4/10/2018	50.00
			<b>50.00</b>
<b>001375</b>			
001375	CONNER STRONG & BUCKELEW	POSITION BOND - 05/2018	2,454.00
			<b>2,454.00</b>
<b>001376</b>			
001376	DiFRANCESCO,BATEMAN,COLEY,YOSP	ATTORNEY FEE 03/2018	4,591.03
			<b>4,591.03</b>
<b>001377</b>			
001377	SCOTCH PLAINS TOWNSHIP	RMC FEE 2ND QTR 2018 - SCOTCH PLAINS TWP	8,850.32
			<b>8,850.32</b>
		Total Payments FY 2018	70,183.16

**TOTAL PAYMENTS ALL FUND YEARS \$ 70,183.16**

\_\_\_\_\_  
Chairperson

Attest: \_\_\_\_\_ Dated: \_\_\_\_\_

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

\_\_\_\_\_  
Treasurer



