

**CENTRAL JERSEY JOINT INSURANCE FUND
MEETING MINUTES
May 18, 2016
PISCATAWAY MUNIC
IPAL COMPLEX**

**MEETING OF THE EXECUTIVE COMMITTEE CALLED TO ORDER AT 2:00 P.M.
OPEN PUBLIC MEETING STATEMENT READ INTO RECORD
PLEDGE OF ALLEGIANCE**

ROLL CALL OF THE 2016 EXECUTIVE COMMITTEE

Robert Landolfi, Township of Woodbridge	Present
Joseph Criscuolo, Piscataway	Present
Robert Vornlocker, Township of Franklin	Absent
Nancy Costa, Township of Hillsborough	Absent
Daniel Frankel, Borough of Sayreville	Present
William Northgrave, Township of Edison	Present
Colleen Connolly, Borough of Belmar	Absent
Michael Gross, City of South Amboy	Absent

ALSO PRESENT:

Jeremy Solomon, Bob Smith & Associates
Richard Lorentzen, Treasurer
Raven Williams, Township of Franklin
Donna Setzer, Qual Lynx
Terry Calvano, Qual Lynx
Robert Fox, Qual Lynx
Tony Jones, Qual Lynx
Jay McManus, North American Insurance Management
Amy Pieroni, North American Insurance Management
David McHale, JA Montgomery Risk Control
Ilene Laursen, Conner Strong & Buckelew
Joseph Hrubash, PERMA
Brad Stokes, PERMA
Rachel Chwastek, PERMA

MINUTES: April 20, 2016 Minutes

MOTION TO APPROVE MINUTES FOR APRIL 20, 2016

Moved:	Commissioner Criscuolo
Second:	Commissioner Frankel
Vote:	3 Ayes, 0 Nays, 1 Abstain

CORRESPONDENCE: None

SAFETY DIRECTOR: - Dave McHale advised the Safety Director's report was included in the agenda. The report included a list of loss control activities for the month of April, local MSI classes, a Safety Director Bulletin on Playground Inspection Programs, a toolbox talk on Recording/Reporting Playground Deficiencies and logon information for Safe Patient Lifting for EMS. He asked if there were any questions and then concluded his report.

EXECUTIVE DIRECTOR'S REPORT – The Executive Director advised he had two action items for this meeting. Executive Director reviewed the pro forma reports for the Central JIF. The Central JIF has a surplus of \$3.7 million, a cash balance of \$15.2 million and all years are running in the positive. He reminded the JIF last month they approved a change to the cash management plan, which will allow the JIF to invest to longer term maturities and investments, in the hope of higher returns. The expected loss ratio report, which shows how the fund is running compared to the actuary's targets, and all years are running below actuary's expectations. The fund had 14 new workers compensation claims in April. The Fund's loss time accident frequency sits fourth in the state at 1.07, which is outstanding. All members are in compliance with the EPL Compliance program, however there are a number of items that must be completed by October 1st for all members to stay compliant. Also included in the agenda was the regulatory checklist.

MEL Membership Renewal: The Fund is scheduled to renew their MEL membership effective 7/1/16. Enclosed in the agenda was a Resolution 15-16 renewing the Fund's membership in the Municipal Excess Liability Joint Insurance Fund for the period of July 1, 2016 through June 30, 2019.

MOTION TO APPROVE MEMBERSHIP IN THE MUNICIPAL EXCESS LIABILITY JIF

Moved:	Commissioner Criscuolo
Second:	Commissioner Frankel
Vote:	4 Ayes, 0 Nays

MEL Crime Policy Endorsements – The MEL Coverage Committee worked with the Technical Writer to develop two enhancing endorsements to the JIF Crime Policy. One is extending coverage for Social Engineering exposure and the other as an exception to the Failure to Obtain Insurance exclusion as respects to on line vendor exposure. Included in the agenda was a memorandum from the MEL Underwriting Manager. The Endorsements appeared in the agenda, if the Fund Commissioners agree with these endorsements, a motion would be in order to accept.

MOTION TO ACCEPT THE JIF CRIME POLICY ENDORSEMENTS APPROVED BY THE MEL COVERAGE COMMITTEE

Moved:	Commissioner Northgrave
Second:	Commissioner Frankel
Vote:	4 Ayes, 0 Nays

Township of Old Bridge – The Fund billed Old Bridge for their Retrospective Premium last month and has received full payment in the amount of \$308,986.00. An outstanding assessment bill from the Old Bridge First Aid-Squad was also received.

Employment Practices Program: As a reminder, changes to the 2017 POL/EPL Program are posted on the MEL’s webpage - www.njmel.org - which details changes to the MEL’s Model Personnel Manual and information on training program requirements. Members have until October 1st to submit 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. Police Training sessions will be scheduled in the coming months. Managers & Supervisors Training - Employment Practices Risk Management Program also includes mandatory training of management. We are working with the offices of Lori Dvorak to develop a schedule for these classes and will notify member towns once the dates are set. Elected Officials Training Seminars – Every year, the MEL holds training seminars for elected officials and reduces a member’s assessment by \$250 for each municipal elected officials and Administrator completing the course by June 1st. The final session is scheduled for May.

Property Appraisals – As previously reported, appraisal reports are complete and have been reviewed by the Fund office and by the members Risk Managers. The final reports will be sent to the member entities and changes will be reflected in the 2017 renewal database.

2016 Financial Disclosure Forms – As previously reported, the fund office has provided all Fund Commissioners and Professionals with the login information they need to complete their Financial Disclosure filing for the Central JIF. The email included links to the instructions and the DLGS webpage to file your disclosure; filing deadline was April 30th. All Commissioners have filed.

Membership Renewals – The Fund has two members up for renewal on June 30, 2016. Membership documents were sent to those members on May 5th.

2017 Renewal Online Underwriting Database: Members and risk managers will receive an email when the database is set up to begin the 2017 underwriting renewal – which is expected to begin on or near June 1, 2016.

Cyber Ad Hoc Committee – The Cyber Ad-Hoc Committee met on April 20 at the Piscataway Municipal Building. Commissioner Criscuolo will provide a verbal update.

The Executive Director then asked if there were any questions and concluded his report.

Reports Made Part of Minutes.

TREASURER: The Treasurer, Mr. Richard Lorentzen, presented the Bill’s List.

RESOLUTION 16-16 MAY 2016 VOUCHER PAYMENTS

2015 \$ 179.54

2016 \$ 239,457.75

MOTION TO ADOPT RESOLUTIONS 16-16 APPROVING THE MAY VOUCHER PAYMENT LISTS, AS SUBMITTED:

Moved: Commissioner Northgrave
Second: Commissioner Frankel
Roll Call Vote: 4 Ayes, 0 Nays

Voucher Lists, Treasurer Report & Investment Portfolio Reports Made Part of Minutes.

CLAIMS/ MANAGED CARE:

CLAIMS – Claims Manager Bob Fox reported the Claims Committee reviewed the PAR’s for May today. Claims Manager respectfully requested a motion to ratify the PAR’s that were submitted to the Claims Committee today for May.

PAYMENT AUTHORIZATION REQUESTS: Executive Committee reviewed payment authorization requests presented by Claims Service in May. Claims Review Committee reviewed and recommended as submitted.

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUESTS FOR MAY CLAIMS PRESENTED IN EXECUTIVE SESSION BY QUAL-LYNX

Moved: Commissioner Criscuolo
Second: Commissioner Northgrave
Roll Call Vote: 4 Ayes, 0 Nays

MANAGED CARE:

CLAIMS – Donna Setzer reported savings was at 62% with a network penetration of 96%. Ms. Setzer also reported on the savings below UCR was 74%. .

UNDERWRITING MANAGER

LIST OF CERTIFICATES ISSUED – The Executive Director reported the list of Certificates issued was submitted showing 11 certificates issued 3/19/2016 through 4/20/2016.

List of Certificates made part of the minutes.

MARKETING MANAGER: – The marketing manager advised they will be meeting with the Executive Director in the next month to discuss member renewals.

RISK MANAGERS: NONE

OLD BUSINESS: NONE

NEW BUSINESS: NONE

PUBLIC COMMENT: NONE

MOTION TO ADJOURN

Moved:	Commissioner Northgrave
Second:	Commissioner Frankel
Vote:	Unanimous

Meeting adjournment at 2:25 p.m.

Prepared by Rachel Chwastek, Assisting Secretary for

Daniel Frankel, Secretary

RESOLUTION NO. 15-16

**CENTRAL JERSEY JOINT INSURANCE FUND
TO RENEW MEMBERSHIP IN THE
MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND**

WHEREAS, the **Central Jersey Joint Insurance Fund** has been organized to provide General Liability, Auto Liability, Property and Workers' Compensation coverage to its member municipalities.

WHEREAS, it has been determined that excess coverage is available from the **Municipal Excess Liability Fund**, hereinafter referred to as **MEL**, as created under Chapter C.372 Laws of 1983 (40A:10-36 et seq.); and,

WHEREAS, said statutes and the regulations pertaining thereto contain elaborate restrictions and safeguards concerning the safe and efficient administration of the public interest entrusted to such a **FUND**; and

WHEREAS, the Board of Fund Commissioners of the **Central Jersey Joint Insurance Fund** has determined that membership in the **MEL** is in the best interests of the member municipalities:

NOW THEREFORE BE IT RESOLVED that the Board of Fund Commissioners of the **Central Jersey Joint Insurance Fund** does hereby resolve and agree to renew membership in the **MEL** for a period of three (3) years, the commencement of which shall be July 1, 2016, and

BE IT FURTHER RESOLVED that the application for membership is for the purpose of obtaining the following types of coverages:

- 1) Excess Workers' Compensation and Employers' Liability Insurance and,
- 2) Excess Liability Insurance excess of the Primary Liability provided by the above mentioned Joint Insurance Fund as indicated on the application previously submitted.
- 3) Excess Property including Crime

BE IT FURTHER RESOLVED that the **Central Jersey Joint Insurance Fund** hereby adopts the Bylaws of the **MEL** and in accordance therewith, it is understood that coverage is not effective until membership is approved by the **MEL** Commissioners/Executive Committee, State Department of Insurance and State Department of Community Affairs and that coverage is subject to the terms, conditions and limitations as contained in the **MEL's** Coverage Manual and its Commercial Excess Insurance, if any; and,

BE IT FURTHER RESOLVED that the Board of Fund Commissioners, or other authorized representative, is authorized and directed to execute any and all written agreements necessary for membership in the **MEL** including, but not limited to, the Indemnity and Trust Agreement in order to implement membership by the **Central Jersey Joint Insurance Fund** in the MEL according to its Bylaws, Chapter C.372 Laws of 1983 (NJSA 40A:10-36 et seq.), NJAC 11:15-2 and any other statutes or regulations pertaining thereto.

ADOPTED: *this day before the Fund Commissioners*

RESOLUTION NO. 16-16

**CENTRAL JERSEY JOINT INSURANCE FUND
BILLS LIST – MAY 2016**

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

BE IT RESOLVED that the Central Jersey 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>
001000			
001000	J. A. MONTGOMERY RISK CONTROL	2016 AWARDS BREAKFAST - 5/4/16	179.54
			179.54
		Total Payments FY 2015	179.54

FUND YEAR 2016

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
001001			
001001	QUAL-LYNX	MANAGED CARE FEE 05/2016	14,143.44
			14,143.44
001002			
001002	APEX INS SRVS c/oQBE SPECIALTY	ADJUSTMENT FOR ACTUAL JIF 2016	912.00
			912.00
001003			
001003	ACRISURE, LLC	MARKETING MANAGER FEE 05/2016	10,159.17
			10,159.17
001004			
001004	INDIAN HARBOR INSURANCE CO.	OUTSTNDNG CO-INSUR PYMNTS EDISON TWP MAY	103,191.76
			103,191.76
001005			
001005	QUAL-LYNX	CLAIMS ADMIN - 05/2016	40,320.75
001005	QUAL-LYNX	PERFORMANCE BOND - 2016	307.00
			40,627.75
001006			
001006	J. A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES - 05/2016	10,321.13
			10,321.13
001007			
001007	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 04/2016	6.87
001007	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 05/2016	45,105.67
			45,112.54
001008			
001008	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES - 05/2016	2,698.58
			2,698.58
001009			
001009	CAPEHART & SCATCHARD, P.A.	LITIGATION MANAGEMENT - MAR-MAY 2016	5,000.00
			5,000.00

001010			
001010	NEWTECH SERVICES INC.	MONTHLY WEBSITE MAINTENANCE/HOSTNG 5/16	75.00
			75.00
001011			
001011	RICHARD LORENTZEN	TREASURER FEE 05/2016	1,399.17
			1,399.17
001012			
001012	BOB SMITH & ASSOCIATES	LITIGATION MANAGEMENT - 04/2016	1,794.00
001012	BOB SMITH & ASSOCIATES	ATTORNEY FEE 04/2016	3,536.75
			5,330.75
001013			
001013	CEDAR GROVE CAFE AGC LLC	FOOD SERVICES - 04/20/2016	433.16
			433.16
001014			
001014	ALLSTATE INFORMATION MANAGEMNT	ACCT: 225 - ACT & STOR 04/30/2016	27.84
001014	ALLSTATE INFORMATION MANAGEMNT	ACCT: 225 - ACT & STOR 03/31/2016	25.46
			53.30
	Total Payments FY 2016	239,457.75	

TOTAL PAYMENTS ALL FUND YEARS \$ 239,637.29