

**CENTRAL JERSEY JOINT INSURANCE FUND
MEETING MINUTES
July 18, 2018
PISCATAWAY MUNICIPAL BUILDING
PISCATAWAY, NJ**

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

ROLL CALL OF THE 2018 EXECUTIVE COMMITTEE

William Northgrave, Chairman, Township of Edison	Absent
Daniel Frankel, Vice Chairman, Borough of Sayreville	Present
Nancy Costa, Secretary, Township of Hillsborough	Present
Robert Vornlocker, Township of Franklin	Present
Michael Gross, City of South Amboy	Present
Timothy Dacey, Piscataway	Present
John Bennett, Township of Woodbridge	Present
Colleen Connolly, Borough of Belmar	Absent

ALSO PRESENT:

Jeremy Solomon, Bob Smith & Associates
Richard Lorentzen, Treasurer
Donna Setzer, Qual Lynx
Kathy Kissane, Qual Lynx
Tony Jones, Qual Lynx
Jay McManus, North American Insurance Management
Amy Pieroni, North American Insurance Management
George Crosby, BGIA
Frank Kelly, BGIA
Paul Shives, JA Montgomery Risk Control
Ed Cooney, Conner Strong & Buckelew
Joseph Hrubash, Perma
Brad Stokes, Perma
Rachel Chwastek, Perma

MINUTES: June 20, 2018 Open Minutes

MOTION TO APPROVE MINUTES FOR JUNE 20, 2018

Moved:	Commissioner Gross
Second:	Commissioner Dacey
Vote:	Unanimous

CORRESPONDENCE: None.

EXECUTIVE DIRECTOR:

Legislative Alert – Last month, we distributed a Legislative Alert on three bills pending action – that will cause major increases in municipal insurance costs. We asked members to adopt resolutions in support of amendments to those bills. This item was tabled until next month.

2018/2019 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 is October 1, 2018.

We are working with Lori Dvorak’s office to schedule the remaining Managers & Supervisory Training Seminars. Two sessions of Police Command Staff Training were conducted. The “We must respect each other in local government” video has been added to the MEL Safety Institute to meet training for “non-supervisory” employees.

Land Use Liability: Included in the agenda was a letter that was distributed to Fund Commissioners and Risk Managers detailing an optional policy for Land Use Liability Coverage. Included was the script for the Land Use training for Zoning and Planning Board members as well as a member-specific policy document.

As a reminder, the training script corresponds to a PowerPoint presentation (download from www.njmel.org) to be conducted by your land use or municipal attorney. Training attendance sheets should be returned to this office to track compliance in the event of a claim.

MEL Cyber Risk Management Program – As a reminder, the MEL adopted a Cyber Risk Management Program that developed minimum risk control standards for member entities. The JIFs’ policies with XL Caitlin carries a \$10,000 deductible.

To encourage members to implement risk control, the MEL Board of Fund Commissioners voted to participate in a deductible based reimbursement plan based on the member’s level of compliance with minimum standards.

The Underwriting Manager advised that members who meet certain Technical Competencies (Tier 1 or Tier 2), will be eligible for lower deductibles in the event of a covered claim. Included in the agenda were the certifications that need to be completed and returned to the Underwriting office.

Underwriting Managers Memorandum – Increased Liability Limits & Drone Physical Damage Coverage: The Underwriting Manager has issued a memo regarding options for members to purchase higher liability limits. The MEL coverage committee is asking each local JIF to determine if they want to increase their limit to \$20,000,000 and consider additional limits beyond that. The Committee is also recommending all of the member JIF’s provide a \$100,000 sublimit for first party physical damage coverage for Drones.

The Executive Director suggested that this item be sent to the Fund's Rules & Contracts Committee for a review and recommendation.

The Chairman asked who had drones, two members advised they did, and the Chairman decided to act on it.

MOTION TO PROVIDE COVERAGE UP TO \$100,000 FOR DRONE PHYSICAL DAMAGE

Moved:	Commissioner Bennett
Second:	Commissioner Gross
Vote:	6 Ayes, 0 Nays

The Executive Director advised that increased liability limits will be sent to the Fund's Rules & Contracts Committee for a review and recommendation.

Risk Management Information/Operating System (RMIS) – The Executive Director's Office advised Members and Risk Managers will receive an email with a link to renewal worksheets in the Origami System - to begin the 2019 underwriting renewal by the end of July.

Membership Renewals – The Fund has four members up for renewal at the end of this year. Renewal documentation will be sent out to the members and risk managers in August.

Audit Report and Actuary Valuation Report as of December 31, 2017 – The 2017 Audit Report, Actuarial Certification & Statement of Actuarial Opinion has been filed with the State. The Synopsis of the Audit has been advertised in the Fund's newspaper.

2018 Coverage Documents – The 2018 coverage documents have been distributed via email to all Fund Commissioners and Risk Managers.

August Meeting Cancellation- Historically, the JIF has voted to cancel the August meeting, and to process any necessary claim payments and professional fees for the month. The Commissioners may want to discuss cancelling next month's regular meeting. Should the Commissioners wish to follow past procedures, Resolution 24-18 authorizing this action was included in the agenda.

MOTION TO CANCEL AUGUST MEETING AND AUTHORIZE CLAIMS AND TREASURER TO CONTINUE OPERATIONS

Moved:	Commissioner Costa
Second:	Commissioner Gross
Vote:	Unanimous

Central JIF Monitoring Reports – The Executive Director reviewed the Fund's Pro Forma Monitoring Reports, and advised the fund is doing well. As of 5/31/2018, the Central's surplus is \$8.2 million and the expected loss ratio is running ahead of actuary's targets, which correlates with the financial fast track. The Fund's LTAF is 1.54, which is very good and below the average.

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 25-18 JULY 2018 VOUCHER PAYMENTS

2018 \$ 2,470,298.79

MOTION TO ADOPT RESOLUTIONS 25-18 APPROVING THE VOUCHER PAYMENT LISTS, AS SUBMITTED:

Moved:	Commissioner Dacey
Second:	Commissioner Gross
Vote:	6 Ayes, 0 Nays

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

CLAIMS/ MANAGED CARE:

CLAIMS – Kathy Kissane reported the Claims Committee reviewed the PAR's for July today. She respectfully requested a motion to ratify the PAR's that were approved by the Claim Committee today for July.

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

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

Moved:	Commissioner Dacey
Second:	Commissioner Bennett
Vote:	6 Ayes, 0 Nays

MANAGED CARE:

CLAIMS – Donna Setzer reported a total number 393 bills totaling \$465,577.29 came in, \$140,082.26 was paid yielding a savings of \$325,495.03 or 70% with a network penetration of 99%.

UNDERWRITING MANAGER: Nothing further to report from the Underwriting Manager.

LIST OF CERTIFICATES ISSUED – There were 14 certificates issued for the Central JIF 5/22/2018 to 6/22/2018.

MARKETING MANAGER: The Marketing Manager advised they are working with Princeton Communications on marketing materials and had passed around some updated logo options for the Central JIF for the Commissioners input. The Marketing Manager also advised that the marketing firm will be reaching out for testimonial information from the Commissioners regarding their experiences with the Fund.

SAFETY DIRECTOR: - Paul Shives advised the Safety Director's report was included in the agenda. The report included a list of loss control activities for the month of June and a list of MSI training through September. Mr. Shives advised the executive safety meeting was held yesterday at the Piscataway Municipal Building and they are looking forward to setting up the 2019 regional training schedule. JA Montgomery is updating their MEL library and the new listing will be out in the fall. Included in the report were two safety director's bulletins: Prepare now for hurricane season and information regarding pedestrian fatalities. He asked if there were any questions and then concluded his report.

RISK MANAGERS: NONE

OLD BUSINESS: NONE

NEW BUSINESS: NONE

PUBLIC COMMENT: NONE

MOTION TO ADJOURN

Moved:	Commissioner Gross
Second:	Commissioner Dacey
Vote:	Unanimous

Meeting adjournment at 2:27 p.m.
Prepared by Rachel Chwastek, Assisting Secretary for

Nancy Costa, Secretary