

**CENTRAL JERSEY JOINT INSURANCE FUND  
MEETING MINUTES  
September 19, 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	Present
Daniel Frankel, Vice Chairman, Borough of Sayreville	Absent
Nancy Costa, Secretary, Township of Hillsborough	Absent
Robert Vornlocker, Township of Franklin	Present
Michael Gross, City of South Amboy	Absent
Timothy Dacey, Piscataway	Present
John Bennett, Township of Woodbridge	Present
Colleen Connolly, Borough of Belmar	Absent

**ALSO PRESENT:**

Aravind Aithal, 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  
Lindsay Travali, Acrisure  
George Crosby, BGIA  
Paul Shives, JA Montgomery Risk Control  
Ed Cooney, Conner Strong & Buckelew  
Joseph Hrubash, Perma  
Rachel Chwastek, Perma

**MINUTES:** July 18, 2018 Open Minutes

**MOTION TO APPROVE MINUTES FOR JULY 18, 2018**

Moved:	Commissioner Dacey
Second:	Commissioner Bennett
Vote:	Unanimous

**CORRESPONDENCE:** None.

**EXECUTIVE DIRECTOR:**

**Rules & Contracts Meeting** – The Rules and Contracts Committee met on August 15<sup>th</sup> to discuss a variety of topics including Increased Liability Options, the Underwriter is investigating coverage options over 20 million, currently only two Central members carry the 20 million limit. The Executive Director’s office will communicate the current coverage limits to the members in advance of any information from the Underwriter’s office. The committee decided to take no action on the MEL legislation presented at the last meeting. The Executive Director reported on the new logo – the white version for correspondence and blue version for other appropriate documents. The committee discussed potential new members, RTK, training and wellness.

**2018/2019 Employment Practices Program:** Members have until October 1<sup>st</sup> to submit their 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.

Since the Model Personnel Manuals was finalized, there has been a recent Supreme Court decision regarding the Open Public Meetings Act concerning personnel matters. The MEL Fund Attorney has issued a memorandum that was included in the agenda.

**RCF 2014 Fund Year Rollover** – As previously reported, the RCF Executive Committee approved changing the transfer period to 60 months starting with Fund Year 2014. The transfer will now take place in December. In anticipation of this, the RCF board adopted a resolution accepting the transfer of member JIF’s Fund Year 2014. Enclosed in the agenda was Resolution 26- 18 authorizing the transfer of the Central JIF’s 2014 claim liabilities to the RCF.

**RCF JIF Membership Renewal** – The Centrals JIF’s three-year membership in the Residual Claims Fund is scheduled to expire on December 31, 2018. Enclosed in the agenda was Resolution 27-18 renewing the membership term effective January 1, 2019 through December 31, 2021.

**EJIF Membership Renewal** - Central JIF’s membership in the EJIF expires at the end of the year. Enclosed on Page 8 is Resolution #28-18 renewing the membership term effective January 1, 2019 through December 31, 2021.

**MOTION TO APPROVE RESOLUTIONS 26-18, 27-18 AND 28-18**

Moved:	Commissioner Dacey
Second:	Commissioner Bennett
Vote:	4 Ayes, 0 Nays

**RCF Report:** The RCF met on September 5, 2018 at the Forsgate Country Club; a copy of Commissioner Northgrave’s report was enclosed in the agenda. The Residual Claims Fund proposed 2019 Budget was introduced. The public hearing on the budget will be held on October 17, 2018 at 10:30 a.m. at Forsgate.

**EJIF Report:** The EJIF met on September 5, 2018 at the Forsgate Country Club; a copy of Commissioner Northgrave's report was enclosed in the agenda. The 2019 budget was introduced and will be adopted at the October 17, 2018 meeting.

**MEL Report:** The MEL met on September 5, 2018 at the Forsgate Country Club; a copy of Commissioner Northgrave's report was enclosed in the agenda. The MEL's 2019 budget introduction is scheduled for October 17<sup>th</sup> at Forsgate.

**EJIF Environmental Engineering Service Team Announcement** – The EJIF's engineering firm PS&S has announced that Matthew Mee will be the new lead contact person for the firm. Included in the agenda was the memorandum recently released by the EJIF making this announcement.

**EJIF Workshop** – The EJIF along with PS&S will be hosting several seminars on new Stormwater and underground storage tank regulations. Included in the agenda was the program workshop schedule along with registration information.

**2019 Budget Introduction** – Ms. Chwastek reported the Central JIF's 2019 Budget introduction will be held at the October meeting. The Fund's Rules & Contracts Committee will also review budget status and options prior to the JIF meeting.

**Risk Management Information/Operating System (RMIS)** - Members and Risk Managers have received an email with a link to renewal worksheets - to begin the 2019 underwriting renewal process. The deadline to submit schedules was September 15<sup>th</sup>. Ms. Chwastek provided an update on Central's progress.

**Membership Renewals** – Ms. Chwastek advised the Fund has four members up for renewal at the end of this year. Renewal documentation were sent out to the members and risk managers in mid-August. In conjunction with those renewals, the Underwriting Manager's office has contacted municipal clerks of towns that are renewing to secure updated bond applications for statutory positions.

**League Alert – Marijuana Legalization** – The Executive Director advised the NJ League of Municipalities has issued an alert on Cannabis/Marijuana Legalization and the Local Option Tax. There appears to be a consensus among legislative sponsors to include an option for municipalities to institute a local tax of up to 2% that would be retained by the host town. Current bills also include an "opt-out" option that would prohibit sales in municipalities that take action to oppose it. The MEL will continue to monitor these bills and address potential coverage ramifications.

**Central JIF Monitoring Reports** – The Executive Director will review the Fund's Pro Forma Monitoring Reports, included in the agenda. As of 6/30/2018, the Central's surplus is \$8.3 million and the expected loss ratio is running ahead of actuary's targets, except for the current year, which is normal, and it correlates with the financial fast track. The Fund's LTAF is 1.59, 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 August and September Bill's Lists.

**RESOLUTION 29-18 AUGUST 2018 VOUCHER PAYMENTS**

2018           \$ 2,470,298.79

**RESOLUTION 30-18 SEPTEMBER 2018 VOUCHER PAYMENTS**

2017           \$ 36,596.00  
2018           \$ 139,335.58

**MOTION TO ADOPT RESOLUTIONS 29-18 AND 30-18 APPROVING THE VOUCHER PAYMENT LISTS, AS SUBMITTED:**

Moved:                   Commissioner Bennett  
Second:                  Commissioner Dacey  
Vote:                     4 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 September today. She respectfully requested a motion to ratify the PAR's that were approved by the Claim Committee today for September.

**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 SEPTEMBER CLAIMS PRESENTED IN EXECUTIVE SESSION BY QUAL-LYNX:**

Moved:                   Commissioner Dacey  
Second:                  Commissioner Vornlocker  
Vote:                     4 Ayes, 0 Nays

**UNDERWRITING MANAGER:** The Underwriting Manager updated the committee on the underwriting pre-renewal process and analysis and the current program. He advised everything is looking favorable and that will be reflected in the upcoming budgets.

**LIST OF CERTIFICATES ISSUED** – There were 12 certificates issued for the Central JIF 6/22/2018 to 8/22/2018.

**MARKETING MANAGER:** The Marketing Manager anticipating two potential new member applications and will update the committee when appropriate. She asked if there were any questions and then concluded his report.

**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 July and August with a list of MSI training. Mr. Shives reported on today's safety committee and upcoming classes. There were also safety bulletins – Law Enforcement Safety Bulletin, Reducing Musculoskeletal Injuries, Fixed Ladder Inspection, Seatbelts and Distracted Driving Increase. Mr. Shives asked if there were any questions and then concluded his report.

**RISK MANAGERS:** NONE

**MANAGED CARE:**

**CLAIMS** – Donna Setzer reported a total number 359 bills totaling \$376,047.98 came in, \$107,395.49 was paid yielding a savings of \$268,652.49 or 71% with a network penetration of 98%.

**OLD BUSINESS:** NONE

**NEW BUSINESS:** NONE

**PUBLIC COMMENT:** NONE

#### **MOTION TO ADJOURN**

Moved:	Commissioner Dacey
Second:	Commissioner Bennett
Vote:	Unanimous

Meeting adjournment at 2:24 p.m.  
Prepared by Rachel Chwastek, Assisting Secretary for

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Nancy Costa, Secretary