

**SUBURBAN ESSEX JOINT INSURANCE FUND
 SEPTEMBER 19, 2017
 NUTLEY PARKS & RECREATION BUILDING
 9:30 AM**

The meeting was called to order by Chairman Mauro Tucci. Open Public Meeting Notice read into record.

ROLL CALL OF 2017

Mauro Tucci, Chair
 Steve Rovell, Sec
 Thomas Duch
 John Serapiglia, Jr.
 Danielle Ireland
 Joseph Catenaro
 Carrie Nawrocki
 Allan Susen
 Karen Yeamans
 Richard Budris
 Keri Eglentowicz
 Charles Cuccia

FUND COMMISSIONERS:

Township of Nutley Present
 Belleville Township Present
 City of Garfield Absent
 Passaic Manchester Regional HS Absent
 Borough of Prospect Park Present
 Fairfield Township Present
 Hudson Reg'l Health Commission Absent
 Borough of Haledon Present
 Nutley Board of Education Absent
 Essex Reg'l Health Commission Absent
 Town of Secaucus Absent
 Little Falls Township Present

2017 FUND COMMISSIONER ALTERNATES:

Charles Voorhees Town of Secaucus Present
 Vincent Cozzarelli Belleville Township Absent
 Andrew J. Pavlica City of Garfield Present
 Brian Zinn Manchester Regional HS Absent
 John Marmora Nutley Bd. Of Ed. Present
 Regina Goham Hudson Reg'l Health Commission Present
 Leena Abaza Borough of Haledon Absent
 Marisol Leguizamon Essex Reg'l Health Commission Absent

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	Perma Risk Management Services Cathleen Kiernan
Attorney	Piro, Zinna, Cifelli, Paris & Genitempo James Piro
Claim Services	Qual-Lynx Caty Lambe
Treasurer	William Homa
Safety	J.A. Montgomery Risk Control Dave McHale
Underwriter	Conner Strong & Buckelew Edward Cooney
Managed Care	FMCO Mary Bresadola

OTHERS PRESENT:

Barry Maurillo, IMAC Insurance
Karen Waters, IMAC Insurance
Ken Schulz, JA Montgomery
Javier Esparra, Qual-Lynx
Robert Searle, C. Walter Searle
Marie Vicchiariello, C. Walter Searle
Frank DeMaio, Nutley
Mary Fenui, Nutley
Zach Edlemen, Fairview Insurance
Tracy Lopez, Perma

APPROVAL OF MINUTES: July 19, 2017– Open Minutes
July 19, 2017 – Closed Minutes

MOTION TO APPROVE OPEN AND CLOSED MINUTES AS NOTED ABOVE

MOTION: Commissioner Rovell
SECOND: Commissioner Marmora
VOTE: Unanimous

Correspondence

Executive Director said the MEL issued a memo addressing inquiries from members on member towns employees and volunteers who want to provide Hurricane Harvey assistance. Towns are encouraged to work through the Emergency Management Assistance Compact (EMAC) to offer assistance.

Executive Director added that employees or volunteers that “self deploy” will not be covered by the town’s insurance.

EXECUTIVE DIRECTORS REPORT

2018 Renewal Online Underwriting Database

Executive Director said members were asked to update their underwriting data in the online underwriting database for the 2018 budget. The deadline to complete review and submit schedules was August 15, 2017; the fund office has followed up with members to complete the process.

Membership Renewals

Executive Director said the Fund has three members scheduled to renew their three-year membership term at year end: Hudson Regional Health Commission and the Townships of Belleville and Fairfield. The Fund has been advised by Belleville of their intent to obtain quotes for their insurance program renewal; we await formal written letter. Renewal documents have been mailed to each respective member.

Residual Claims Fund (RCF)

The Residual Claims Fund met on September 6, 2017 at 10:30 AM at the Forsgate Country Club in Jamesburg, NJ; Commissioner Catenaro’s report on the meeting was reviewed as distributed which included the amended 2017 Budget and the proposed 2018 Budget as introduced. The

public hearing on the RCF budgets will be held on October 18, 2017 10:30 AM at the Forsgate Country Club.

EJIF

Executive Director said the EJIF met on September 6, 2017 at 10:50 am at the Forsgate Country Club in Jamesburg, NJ; a copy of Commissioner Catenaro's report on the meeting was reviewed as distributed and included the introduction of the 2018 Budget for which the public hearing will be held on October 18, 2017.

Executive Director said the EJIF released a regulatory compliance training notification for workshops scheduled during the month of October. The notification was not included within the agenda but is available at this meeting. Members may attend any of the workshops listed within the notification.

MEL

Executive Director said the MEL also met on September 6, 2017 at 11:15 am at the Forsgate Country Club in Jamesburg, NJ; a copy of Chairman Tucci's report was reviewed as distributed. The MEL's 2018 Budget introduction is scheduled for October 18, 2017 at the Forsgate Country Club in Jamesburg NJ. Executive Director added that the Underwriting Manager has indicated that the market is strong however it is currently unknown what the impact of Hurricane Harvey and Irma will have. The MEL has adequate surplus to support the budget as introduced.

Executive Director said the Underwriting Manager has successfully worked with QBE to arrange for QBE to offer members the opportunity to purchase optional excess limits for land use claims. This option will be offered on an individual member basis and will be subject to underwriting. Executive Director said this will be available to most members in 2018, subject to underwriting criteria and an application process, but in 2019, only members that have completed the MEL's Land Use Training and meet the underwriting criteria will be eligible for the coverage option

Executive Director said the MEL has hired a Marketing Consultant and a Marketing Management firm for assistance in retaining membership and increase our marketing efforts. They will also assist in improving communications, update the MEL webpage and provide a mobile application. The mobile application will provide versions to certain groups such as governing bodies, administrators and claim services to better navigate through the app for the person searching their inquiry; the app may be available as early as the League of Municipalities in November.

Executive Director further added that the MEL's Board of Fund Commissioners accepted the recommendation of the Coverage Committee to change the valuation for fire trucks 15 years and older from "actual cash value: to "replacement cost coverage or stated value, whichever is less". Members will have the opportunity to update their vehicle schedules in Exigis through October for inclusion in the 2018 Budget, however, once the 2018 budget is certified in November, an additional assessment will be issued for any changes to the fire trucks affected by this update in coverage for the 2018 Fund year.

MEL Cyber Task Force

Executive Director said the MEL's Cyber Task Force made recommendations to the MEL at the September 6th meeting.

The Cyber Task Force developed minimum risk control standards. 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 the deductible based on a member's level of compliance with minimum standards (to be determined at time of claim). The minimum standards approved by the MEL were reviewed as distributed. The MEL Underwriting Manager will be preparing material to distribute to members shortly.

Executive Director added that the MEL Board also agreed to enter into a contract with Palindrome Technologies to conduct a study evaluating one member per JIF's computer network for possible cyber threats and vulnerabilities at a cost of \$17,100. At the end of the study, Palindrome will provide a report to each participant as well as a summary report for the MEL that will provide insight to members' cyber security readiness. Little Falls has agreed to participate in this study.

Retrospective Premium

Executive Director said in accordance with the Retrospective Premium program adopted by the Fund in 2010, we are in the process of writing to members with an allocation of their claims experience for 2013, 2014, 2015 and 2016 including reserves and incurred but not reported reserves (IBNR). The Fund will not issue bills, if necessary, until the Fund Year is transferred to the Residual Claims Fund. Any amounts due for Fund Year 2013 will be billed now. Nutley Board of Education, Passaic County Manchester Regional High School, Garfield and Secaucus have each triggered the retrospective premium.

City of Garfield (Builders Risk)

Executive Director said The City of Garfield has submitted underwriting information for Builders Risk Coverage for a new police department effective September 1, 2017 which has been approved by the Underwriting Department of the Fund. The additional annual premium is \$12,646 which has been pro-rated as of September 1, 2017 and will be billed to the City.

Motion to certify additional premium of \$12,646 pro-rated as of September 1, 2017 \$4,215.50 for the City of Garfield - Builders Risk Coverage - New Police Department.

MOTION:	Commissioner Catenaro
SECOND:	Commissioner Cuccia
VOTE:	Unanimous

Cybersecurity Awareness Training

Executive Director said that the Fund is in the final stages of gathering information from members to have D2 Cybersecurity & Kean University begin the training. A telephone conference call with Brian Lau of D2 Cybersecurity will be scheduled prior to implementation of the training. As noted, October is Cyber Security Awareness month and Mr. Lau has indicated this would be the perfect month to implement the program.

Pro Forma Financial Reports

Executive Director reviewed the due diligence reports for the month of July, 2017. The EPL/POL compliance report provides the current status of each member within the program; we have not received any indication thus far to any changes for members for the 2018 Fund year from QBE,

however we are now reviewing information received from QBE and will advise if any member of this JIF will be impacted; to date there has not been an indication for change.

TREASURER REPORT

Fund Treasurer referred to the report financial reports as distributed for the months of July and August 2017 and reviewed the bill lists for August and September.

Fund Treasurer also reviewed the Investment Portfolio for the months of July and August which reflect an interest rate of 1.350%.

CONFIRMATION OF AUGUST PAYMENT VOUCHERS:

FUND YEAR	AMOUNT
2016	\$ 7,988.00
2017	\$ 470,454.34
Total	\$ 478,442.34

RESOLUTION #19-17 SEPTEMBER PAYMENT VOUCHERS:

FUND YEAR	AMOUNT
2016	\$ 2,000.00
2017	\$ 96,313.94
Total	\$ 98,313.34

CONFIRMATION OF CLAIMS PAYMENTS/CERTIFICATION OF TRANSFERS FOR THE MONTH OF JULY 2017:

2014:	\$ 22,435.95
2015:	\$ 40,676.64
2016:	\$ 57,468.09
2017:	\$ 122,249.00

CONFIRMATION OF CLAIMS PAYMENTS/CERTIFICATION OF TRANSFERS FOR THE MONTH OF AUGUST 2017:

2014:	\$ 49,637.26
2015:	\$ 37,807.75
2016:	\$ 19,874.21
2017:	\$ 200,402.84

Fund Treasurer noted a \$25 differences in the 2015 year for workers compensation in the amount of \$25; the check was incorrectly deposited into the Suburban Municipal JIF, however this check was received and will be shown as corrected in the September report.

MOTION TO CONFIRM AND APPROVE THE CERTIFICATION AND RECONCILLATION OF CLAIM PAYMENTS AND RECOVERIES AS SUBMITTED FOR THE MONTHS OF JULY AND AUGUST 2017, CERTIFY THE AUGUST BILL LIST AND ADOPT RESOLUTION 19-17 APPROVING THE SEPTEMBER BILL LIST.

MOTION: Commissioner Rovell
SECOND: Commissioner Marmora
VOTE: Unanimous

Treasurer's Report & Investment Report made part of the minutes.

ATTORNEY

Fund Attorney referred to his report as distributed.

Attorney Report made part of the minutes.

UNDERWRITING MANAGER

Executive Director referred to the listing of Certificates of Insurance as distributed.

MANAGED CARE

Managed Care provider reviewed the agenda report as distributed for the months of August advising that there were \$590,813 in provider bills, repriced at \$118,112 resulting in a savings of \$644,725 or 80%

Managed Care Report made part of the minutes.

SAFETY DIRECTOR

Safety Director reviewed the agenda reports as distributed outlining loss control services, bulletins/safety announcements as distributed and MSI classes which are available on the MSI Learning Management System.

Safety Director referred to a message which was distributed to members addressing Class III - Special Law Enforcement Officers noting that In 2016, N.J.S.A 40A:14-146 was amended by the State Legislature and signed into law by the Governor to allow municipalities to employ retired police officers as Class III Special Law Enforcement Officers.

The New Jersey Attorney General and the Police Training Commission issued a guidance document that was distributed on June 1, 2017 at the New Jersey State Association of Chiefs of Police meeting. A copy of that document and a memorandum on the subject from Chief Keith Hummel (Ret.), Associate Director, J.A. Montgomery Risk Control was reviewed as distributed.

Safety Director said that J.A. Montgomery will host a regional training on September 27th and October 4th which will address practical leadership strategies for law enforcement – 21 Irrefutable Laws of Leadership.. Chief Keith Hummel (Ret.) will be the presenter of the training. The memo and registration was made available during the meeting as a follow up to the original email sent to members.

Lastly, the Safety Committee of the Fund will meet today at 11:00 AM, members are welcome to join us.

CLAIMS SERVICE

Closed Session

**RESOLUTION - EXECUTIVE SESSION FOR CERTAIN SPECIFIED PURPOSES:
PERSONNEL - SAFETY & PROPERTY OF PUBLIC LITIGATION.**

MOVED: Commissioner Catenaro
SECOND: Commissioner Rovell
VOTE: Unanimous

MOTION TO RETURN TO OPEN SESSION:

MOVED: Commissioner Catenaro
SECOND: Commissioner Rovell
VOTE: Unanimous

**MOTION TO APPROVE PAYMENT AUTHORITY REQUESTS FOR FILE NUMBERS
AS SUBMITTED.**

MOVED: Commissioner Marmora
SECOND: Commissioner Cuccia
VOTE: Unanimous

OLD BUSINESS:

None

NEW BUSINESS:

None

PUBLIC COMMENT:

None.

MOTION TO ADJOURN:

MOVED: Commissioner Marmora
SECOND: Commissioner Gorham
VOTE: Unanimous

MEETING ADJOURNED: 10:25 AM

**SUBURBAN ESSEX JOINT INSURANCE FUND
BILLS LIST**

CONFIRMATION OF PAYMENTS

AUGUST 2017

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

BE IT RESOLVED that the Suburban Essex 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 2016

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
001245			
001245	LERCH, VINCI & HIGGINS LLP	AUDITOR FEE 6/30/17 - FY 2016	7,988.00
			7,988.00
		Total Payments FY 2016	7,988.00

FUND YEAR 2017

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
001246			
001246	FIRST MANAGED CARE OPTION	MANAGED CARE SERVICES - 08/2017	11,340.34
			11,340.34
001247			
001247	QUAL-LYNX	CLAIMS ADJUSTING SERVICES - 08/2017	26,265.23
001247	QUAL-LYNX	PERFORMANCE BOND - 6/23/2017 - 2017	177.00
			26,442.23
001248			
001248	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES - 08/2017	4,226.00
001248	J.A. MONTGOMERY RISK CONTROL	FOCUS CLAIMS MAR & APR 2017	1,440.00
001248	J.A. MONTGOMERY RISK CONTROL	FOCUS CLAIMS - 06/2017	480.00
			6,146.00
001249			
001249	DYNAMIC TESTING SERVICES LLC	DRUG TESTING 7/11/17 - BELLEVILLE	159.12
001249	DYNAMIC TESTING SERVICES LLC	ALCOHOL TESTING - 7/11/17 - BELLEVILLE	42.84
001249	DYNAMIC TESTING SERVICES LLC	ALCOHOL TESTING - 7/11/17 - NUTLEY	85.68
001249	DYNAMIC TESTING SERVICES LLC	DRUG TESTING - 7/11/17 - NUTLEY	265.20
001249	DYNAMIC TESTING SERVICES LLC	ALCOHOL TESTING 7/19/17 FAIRFFIELD	42.84
001249	DYNAMIC TESTING SERVICES LLC	DRUG TESTING 7/19/17 FAIRFFIELD	106.08
001249	DYNAMIC TESTING SERVICES LLC	DRUG TESTING - 7/18/17 - GARFIELD	212.16
001249	DYNAMIC TESTING SERVICES LLC	ALCOHOL TESTING 7/18/17 - GARFIELD	85.68
001249	DYNAMIC TESTING SERVICES LLC	DRUG TESTING - 7/18/17 - PROSPECT PARK	159.12
001249	DYNAMIC TESTING SERVICES LLC	ALCOHOL TESTING 7/18/17 - SECAUCUS	85.68
001249	DYNAMIC TESTING SERVICES LLC	DRUG TESTING 7/18/17 - SECAUCUS	159.12
001249	DYNAMIC TESTING SERVICES LLC	ALCOHOL TESTING - 7/18/17 - PROSPECT PAR	128.52
			1,532.04
001250			
001250	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 07/2017	53.87
001250	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 08/2017	20,369.50
			20,423.37
001251			
001251	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES - 08/2017	2,624.00
			2,624.00

001252			
001252	PIRO, ZINNA, CIFELLI, PARIS &	ATTORNEY FEE 07/2017	6,863.66
			6,863.66
001253			
001253	WILLIAM M. HOMA, CPA	TREASURER FEE 08/2017	1,260.58
			1,260.58
001254			
001254	NEWTECH SERVICES, INC.	MONTHLY WEBSITE MAINTENANCE/HOSTNG 8/17	75.00
001254	NEWTECH SERVICES, INC.	MONTHLY WEBSITE MAINTENANCE/HOSTNG 7/17	75.00
001254	NEWTECH SERVICES, INC.	WEBSITE CONSULTATION SERVICES 7/24/17	140.76
			290.76
001255			
001255	CONNER STRONG & BUCKELEW	UNDERWRITING MANAGER FEE 08/2017	703.92
			703.92
001256			
001256	ALLSTATE INFORMATION MANAGEMNT	ACCT: 415 - ACT & STOR - 6/30/2017	39.82
			39.82
001257			
001257	SCHOOL POOL FR EXCESS LIAB LTS	BOE EXCESS 1ST INSTALL'17 17/18 COVERAGE	291,338.00
			291,338.00
001258			
001258	FAIRVIEW INSURANCE AGENCY	RMC FEE 08/2017 - SECAUCUS TOWN	3,000.00
			3,000.00
001259			
001259	RUSSO & ASSOCIATES LLC	INTERNAL AUDITOR FEE 07/2017	3,451.93
			3,451.93
001260			
001260	NJ ADVANCE MEDIA	ACCT: XSUBU0555066 - 7/23/17 - AUG MTG	23.25
001260	NJ ADVANCE MEDIA	ACCT: XSUBU0555066 - 7/11/17 - FINAL AUD	420.54
			443.79
001261			
001261	SCHOOL POOL FR EXCESS LIAB LTS	2ND INSTALLMENT BALANCE DUE 2016/2017	92,494.00
			92,494.00
001262			
001262	ALLSTATE INFORMATION MANAGEMNT	ACCT: 415 - ACT & STOR 07/31/2017	39.82
			39.82
001263			
001263	EMPLOYEE BENEFITS CONSULTING	RMC FEE 2ND 2017 - MANCHESTER REG'L HS	2,020.08
			2,020.08
		Total Payments FY 2017	470,454.34

TOTAL PAYMENTS ALL FUND YEARS \$ 478,442.34

**SUBURBAN ESSEX JOINT INSURANCE FUND
BILLS LIST**

Resolution No. 19-17

SEPTEMBER 2017

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

BE IT RESOLVED that the Suburban Essex 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>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
001264			
001264	FAIRFIELD TOWNSHIP	2015 SAFETY PROGRAM - 3/2016	2,000.00
			2,000.00
		Total Payments FY 2015	2,000.00

FUND YEAR 2017

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
001265			
001265	FIRST MANAGED CARE OPTION	MANAGED CARE SERVICERS - 09/2017	11,340.34
			11,340.34
001266			
001266	QUAL-LYNX	CLAIMS ADJUSTING SERVICES - 09/2017	26,265.23
			26,265.23
001267			
001267	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES - 09/2017	4,610.17
001267	J.A. MONTGOMERY RISK CONTROL	DIFF DUE - 2017 AMOUNT - LITTLE FALLS	3,073.36
			7,683.53
001268			
001268	DYNAMIC TESTING SERVICES LLC	DRUG TESTING - 8/10/17	53.04
001268	DYNAMIC TESTING SERVICES LLC	DRUG TESTING - 08/10/2017 - BELLEVILLE	159.12
001268	DYNAMIC TESTING SERVICES LLC	ALCOHOL TESTING - 08/10/17 - BELLEVILLE	42.84
			255.00
001269			
001269	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 08/2017	9.88
001269	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 09/2017	20,369.50
			20,379.38
001270			
001270	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES - 09/2017	2,624.00
			2,624.00
001271			
001271	PIRO, ZINNA, CIFELLI, PARIS &	ATTORNEY FEE 08/2017	6,855.91
			6,855.91
001272			
001272	WILLIAM M. HOMA, CPA	TREASURER FEE 09/2017	1,260.58
			1,260.58
001273			
001273	LERCH, VINCI & HIGGINS LLP	OUT OF POCKET COST - 8/2017	69.00
			69.00

001274			
001274	NEWTECH SERVICES, INC.	MONTHLY WEBISTE MAINTENANCE/HOSTNG 9/17	75.00
			75.00
001275			
001275	CONNER STRONG & BUCKELEW	UNDERWRITING MANAGER FEE 09/2017	703.91
			703.91
001276			
001276	FAIRVIEW INSURANCE AGENCY	RMC FEE 09/2017 - SECAUCUS TOWN	3,000.00
			3,000.00
001277			
001277	AL ALEXANDER AGENCY INC.	RMC FEE 2ND 2017 - PROSPECT PARK	5,443.51
001277	AL ALEXANDER AGENCY INC.	RMC FEE 2ND 2017 - HALEDON	10,358.55
			15,802.06
		Total Payments FY 2017	96,313.94

TOTAL PAYMENTS ALL FUND YEARS \$ 98,313.94