



CLAIMS ADMINISTRATION:

QUAL-LYNX

- ◆ Javier B. Esparra
- ◆ Jacquelyn Fresco

**INTRODUCTION OF GUESTS:** Richard Flaum, Esq., of DiFrancesco, Bateman, Coley, Yospin, Kunzman, Davis, Lehrer & Flaum, P.C. and Jackie Fresco of Qual-Lynx were in attendance.

**PUBLIC COMMENT:** Raymond Hughes II announced the retirement of Commissioner, Diane Strober of Somerset County Vocational & Technical Schools and extended his appreciation for her contribution as Commissioner to the Somerset County Joint Insurance Fund. In recognition of her dedication to the Fund, Commissioner Strober was awarded a plaque which was read by Raymond Hughes II.

Commissioner Strober thanked the Members and stated it was her pleasure and privilege to work with the Commissioners of the Fund.

**MOTION TO APPROVE MINUTES FROM THE NOVEMBER 26, 2014 MEETING:**

**MOTION:** Commissioner Strober  
**SECOND:** Commissioner Brown  
**VOTE:** Unanimous

SERVICE PROVIDER REPORTS

**Executive Director/Administrator:** Raymond Hughes II commented on the Fund Year 2011 Executive Director Report Workers' Compensation Case Reserves line item. He advised that the Executive Director reports from mid-2014 through October, 2014 contained data in the Workers' Compensation Case Reserves line item which reflected Net (Paid to Date) to SIR (Self Insured Retention). The data has been amended and the Executive Director's Report for November 2014 accurately reflects the Workers' Compensation Case Reserves.

Commissioner Palmer inquired what year was included in the 2014 Return of Surplus. Maryjane Hydro advised that Fund Year 2011 was available to be included. However, after discussion last month, the Board determined not to return funds in the years 2009, 2010 or 2011.

Raymond Hughes II reflected upon his father who was instrumental in founding the Somerset County Joint Insurance Fund and noted that the Fund has been offering dividends for fifteen continuous years. He congratulated the Member Entities for their efforts to reduce claims through safety management, resulting in the available surplus. He also remarked that the dividend amounts over the fifteen years met or exceeded the cost of one year of insurance.

**Fund Attorney/Litigation Services:** No additions to report submitted.

**Fund Attorney/Administrative Services:** No Report.

**Third Party Administrator:** No additions to report submitted.

**Custodian of Funds:** No additions to report submitted.

**COMMITTEE REPORTS**

**Audit Committee:** No additions to report submitted.

**Coverages Committee:** No additions to the report submitted.

**Marketing & Strategic Planning Committee:** Commissioner Naples advised that proposals are being submitted to three potential new members for January 2015. James Griffith updated the Board that Warren Township has decided to remain with their current fund. At the January 2015 meeting, Jim will be able to provide a full report.

**Claims Committee:** No additions to the report submitted.

**Safety Committee:** The Safety Committee held a meeting on December 2<sup>nd</sup>, 2014 at the Somerset County Vocational & Technical Schools.

Timothy Rack of T&M Associates provided specialized training at the Somerset County Recycling Facility on December 15<sup>th</sup>, 2014 specifically designed to address the facility's unique job descriptions. There was a second session held regarding Snow Removal/Snow Plow Safety Training. There were over 75 employees in attendance.

We will be scheduling a Workplace Violence Safety Training for the First Quarter of 2015.

The next regularly scheduled Safety Committee Meeting will be held on January 6<sup>th</sup>, 2015 at the Somerset County Vocational & Technical Schools.

**Finance Committee:** No additions to the report submitted.

**Legislative Committee:** No additions to the report submitted.

**#14-049 RESOLUTION APPROVING SERVICE PROVIDER AND COMMITTEE REPORTS:**

**MOTION:** Commissioner Brown  
**SECOND:** Commissioner Bonin  
**VOTE:** Roll Call

ROLL CALL VOTE					
COMMISSIONER		YES	NO	ABSENT	ABSTAIN
COS	PETER PALMER	X			
SCPC	RAYMOND BROWN	X			
RVCC	JOHN TROJAN			X	
SCVT	DIANE STROBER	X			
TOB	GREGORY BONIN	X			
SCLC	BRIAN AUGER	X			
TOGB	KELLY CUPIT	X			
TOR	ALLAN PIETREFESA	X			
TOBW	JAMES T. NAPLES	X			
TOC	MARVIN JOSS			X	
TOD	DIANE McDANIEL	X			

**OLD BUSINESS**

**#14-050 RESOLUTION AUTHORIZING PAYMENT OF CURRENT EXPENSES AND CLAIMS REIMBURSEMENTS:**

**MOTION:** Commissioner Pietrefesa  
**SECOND:** Commissioner Brown  
**VOTE:** Roll Call

ROLL CALL VOTE					
COMMISSIONER		YES	NO	ABSENT	ABSTAIN
COS	PETER PALMER	X			
SCPC	RAYMOND BROWN	X			
RVCC	JOHN TROJAN			X	
SCVT	DIANE STROBER	X			
TOB	GREGORY BONIN	X			
SCLC	BRIAN AUGER	X			
TOGB	KELLY CUPIT	X			
TOR	ALLAN PIETREFESA	X			
TOBW	JAMES T. NAPLES	X			
TOC	MARVIN JOSS			X	
TOD	DIANE McDANIEL	X			

**MOTION TO OPEN THE MEETING FOR PUBLIC COMMENT ON THE BUDGET AT 9:22 A.M.:**

**MOTION:** Commissioner Pietrefesa  
**SECOND:** Commissioner Cupit  
**VOTE:** Unanimous

Commissioner Palmer inquired about the budget approval process. Raymond Hughes II advised that in accordance with State regulations, the preliminary budget was introduced in November 2014 and scheduled to be approved in December 2014 for a January 2015 operating budget. It is anticipated that in March 2015, an amended budget will be introduced as the result of contracts and final insurance negotiations.

Commissioner Palmer inquired about the structure of Workers' Compensation coverage. Raymond Hughes advised that the SCJIF retains the first \$500,000; Munich Reinsurance attaches at the \$500,000 to \$750,000 "layer"; and the SCJIF takes the next \$250,000 before we purchase Excess Workers' Compensation from Safety National at \$1M and above.

Commissioner Palmer and Raymond Hughes discussed the balance between Workers' Compensation claim reserves and the total for reinsurance premiums.

**MOTION TO RETURN TO REGULAR SESSION AT 9:31 A.M.:**

**MOTION:** Commissioner Brown  
**SECOND:** Commissioner Bonin  
**VOTE:** Unanimous

**#14-051 RESOLUTION ADOPTING THE BUDGET FOR THE 2015 FUND YEAR:**

**MOTION:** Commissioner Bonin  
**SECOND:** Commissioner Pietrefesa  
**VOTE:** Roll Call

ROLL CALL VOTE					
COMMISSIONER		YES	NO	ABSENT	ABSTAIN
COS	PETER PALMER	X			
SCPC	RAYMOND BROWN	X			
RVCC	JOHN TROJAN			X	
SCVT	DIANE STROBER	X			
TOB	GREGORY BONIN	X			
SCLC	BRIAN AUGER	X			
TOGB	KELLY CUPIT	X			
TOR	ALLAN PIETREFESA	X			
TOBW	JAMES T. NAPLES	X			
TOC	MARVIN JOSS			X	
TOD	DIANE McDANIEL	X			

**NEW BUSINESS**

**#14-052 RESOLUTION AUTHORIZING MEMBERSHIP:**

Maryjane Hydro advised that the Resolution Authorizing Membership will be amended to delete the Township of Warren, who have decided to remain with their current Fund.

**MOTION:** Commissioner Pietrefesa  
**SECOND:** Commissioner Bonin  
**VOTE:** Roll Call

ROLL CALL VOTE					
COMMISSIONER		YES	NO	ABSENT	ABSTAIN
COS	PETER PALMER	X			
SCPC	RAYMOND BROWN	X			
RVCC	JOHN TROJAN			X	
SCVT	DIANE STROBER	X			
TOB	GREGORY BONIN	X			
SCLC	BRIAN AUGER	X			
TOGB	KELLY CUPIT	X			
TOR	ALLAN PIETREFESA	X			
TOBW	JAMES T. NAPLES	X			
TOC	MARVIN JOSS			X	
TOD	DIANE McDANIEL	X			

**#14-053 RESOLUTION TO ENTER CLOSED SESSION AT 9:34 A.M. TO DISCUSS:**

- Workers' Compensation Claim Numbers:
  - W62761
  - W66554
  - X18422
  - X20267
  - X55554
  - X61255
  - X79734
  - X79971
  - X89867
  - Z01816
  - Z01986

**MOTION:** Commissioner Bonin  
**SECOND:** Commissioner Brown  
**VOTE:** Unanimous

**RETURN TO RETURN TO OPEN SESSION AT 9:42 A.M.:**

**MOTION:** Commissioner Bonin  
**SECOND:** Commissioner Brown  
**VOTE:** Unanimous

**#14-054 RESOLUTION AUTHORIZING PAYMENT OF CLAIMS:**

**MOTION:** Commissioner Palmer  
**SECOND:** Commissioner Brown  
**VOTE:** Roll Call

ROLL CALL VOTE					
COMMISSIONER		YES	NO	ABSENT	ABSTAIN
COS	PETER PALMER	X			
SCPC	RAYMOND BROWN	X			
RVCC	JOHN TROJAN			X	
SCVT	DIANE STROBER	X			
TOB	GREGORY BONIN	X			
SCLC	BRIAN AUGER	X			
TOGB	RAYMOND MURRAY	X			
TOR	ALLAN PIETREFESA	X			
TOBW	JAMES T. NAPLES	X			
TOC	MARVIN JOSS			X	
TOD	DIANE McDANIEL	X			

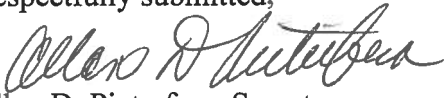
**APPROVAL OF MINUTES FROM THE NOVEMBER 26<sup>th</sup>, 2014 CLOSED SESSION:**

**MOTION: Commissioner Strober**  
**SECOND: Commissioner Bonin**  
**VOTE: Unanimous**

**MOTION TO ADJOURN AT 9:42 A.M.:**

**MOTION: Commissioner Palmer**  
**SECOND: Commissioner Bonin**  
**VOTE: Unanimous**

Respectfully submitted,

  
Allan D. Pietrefesa, Secretary