

CLAIMS ADMINISTRATION:

QUAL-LYNX
◆ Javier B. Esparra

RISK MANAGERS:

BECKERMAN & COMPANY
◆ Louis Beckerman

BALKEN RISK MANAGEMENT

◆ David Balken

ACTUARY:

THE ACTUARIAL ADVANTAGE
◆ Eric Bause

INTRODUCTION OF GUESTS: Louis Beckerman, Risk Manager for the Township of Green Brook and David Balken, Risk Manager for the Township of Clinton were in attendance, as well as Eric Bause from The Actuarial Advantage, Inc.

PUBLIC COMMENT: None

MOTION TO APPROVE MINUTES FROM THE OCTOBER 16, 2013 MEETING:

MOTION: Commissioner Scholl
SECOND: Commissioner Kientz
VOTE: Unanimous

SERVICE PROVIDER REPORTS

Executive Director/Administrator: In addition to the report submitted, Raymond Hughes acknowledged and congratulated Maryjane Hydro on her new title of Executive Vice President for New Jersey Risk Managers & Consultants.

Maryjane Hydro informed all Commissioners present that 2014 Workers' Compensation Notices and Auto ID Cards will be distributed to the entities in attendance.

Further, she reviewed the 2014 SCJIF Commissioner's Meeting Calendar and advised that the only changes to the normal schedule are in the months of October, which has been changed to Tuesday, October 21, 2014 and December, which has been changed to December 17, 2014. Any additional requests for changes to the calendar should be made prior to adoption at the reorganization meeting. Maryjane reminded the Commissioners that this December's Meeting will be held at the Somerville Elks Lodge on Wednesday, December 18th.

Maryjane stated that 2014 professional services Request for Proposals (RFPs) will be publicized in the *Courier News* and on the SCJIF website on December 3, 2013 and in the *Hunterdon Democrat* on December 5, 2013 to be returned on December 17, 2013.

Commissioner Childress inquired if the GASB45 Actuarial contract will be included in the RFPs. Maryjane advised that it would be included and that the GASB45 RFP would be a three-year contract due to the nature of the service. Fund Attorney Berry added that Maryjane sends RFPs to the incumbent contact holders as a courtesy.

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

Fund Attorney/Administrative Services: In addition to the report submitted, Fund Attorney Berry highlighted the case in her report regarding OPRA. She cautioned the Commissioners on entity email chains when the majority of a board or committee is included, as it becomes a public document. Further, she elaborated on a Supreme Court Case involving Attorney-Client Privilege and the documents that can be protected during an Open Public Records Act (OPRA) Request.

The SCJIF Return Of Surplus filing was mailed to the Department of Banking & Insurance on November 5th, 2013. As of the meeting there had not been any communication from the State. There is a thirty-day deemer provision, which means that by December 5th, 2013, if we do not hear opposition from the State, it will be deemed approved. Checks may then be distributed at the December 18th Fund meeting.

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: No additions to the report submitted.

Claims Committee: Committee Chair Trojan stated claims will be discussed in closed session.

Safety Committee: Christina Bruno advised that the Safety Committee will be scheduling training for Lock Out/Tag Out in the first quarter of 2014. Additional information will be forthcoming.

The next Safety Committee Meeting will be held on December 3rd, 2013 at the Township of Green Brook.

Finance Committee: No additions to the report submitted.

Legislative Committee: In addition to the report submitted, Fund Attorney Berry alerted the Board regarding Legislation which had been pending whereby a public entity would have been required, prior to their budget being approved, to notify the Department of Community Affairs, when they were party to a lawsuit. On November 18th, the bill was amended to no longer apply to a Joint Insurance Fund. The bill may still advance, but it will not affect our Fund.

#13-059 RESOLUTION APPROVING THE SERVICE PROVIDER AND COMMITTEE REPORTS:

MOTION: Commissioner Trojan
SECOND: Commissioner Scholl
VOTE: Roll Call

ROLL CALL VOTE					
COMMISSIONER		YES	NO	ABSENT	ABSTAIN
COS	YVONNE CHILDRESS	X			
SCPC	DANIEL LIVAK	X			

RVCC	JOHN TROJAN	X			
SCVT	DIANE STROBER	X			
TOB	GREGORY BONIN			X	
SCLC	BRIAN MORGAN	X			
TOGB	KELLY G. CUPIT			X	
TOR	ALLAN PIETREFESA			X	
TOBW	CYNTHIA PHILLIPS	X			
TOC	KIMBERLY KIENTZ	X			
TOD	DONALD F. SCHOLL, JR.	X			

OLD BUSINESS

#13-060 RESOLUTION AUTHORIZING PAYMENT OF CURRENT EXPENSES AND CLAIMS REIMBURSEMENTS:

MOTION: Commissioner Trojan
SECOND: Commissioner Scholl
VOTE: Roll Call

ROLL CALL VOTE					
COMMISSIONER		YES	NO	ABSENT	ABSTAIN
COS	YVONNE CHILDRESS	X			
SCPC	DANIEL LIVAK	X			
RVCC	JOHN TROJAN	X			
SCVT	DIANE STROBER	X			
TOB	GREGORY BONIN			X	
SCLC	BRIAN MORGAN	X			
TOGB	KELLY G. CUPIT			X	
TOR	ALLAN PIETREFESA			X	
TOBW	CYNTHIA PHILLIPS	X			
TOC	KIMBERLY KIENTZ	X			
TOD	DONALD F. SCHOLL, JR.	X			

OLD BUSINESS

#13-061 RESOLUTION INTRODUCING THE BUDGET FOR THE 2014 FUND YEAR:

Raymond Hughes commented on the 2014 budget and as expected, there are challenges in Property and Excess Workers' Compensation. Overall, the budget represents a 5.62% increase over 2013. One change for the upcoming year is in the Workers' Compensation Self-Insured Retention (SIR). The Fund has a \$500,000 SIR. Historically, MunichRe would attach and take the next "layer" of \$250,000. We would then purchase Excess Workers' Compensation from Safety National from \$750,000 and take it above. Workers' Compensation experience has continued to deteriorate nationally and the higher excess carriers do not want to attach below \$1M. The cost of claims continue to rise as well as activity in the excess layer. After reviewing all options available to our Fund, as far as cost effectiveness and overall exposure to the SCJIF, it was determined that for 2014, MunichRe would attach at the \$500,000 to \$750,000 "layer", and the SCJIF will take the next \$250,000 before we purchase Excess Workers' Compensation from Safety National at \$1M and above. The surplus of the SCJIF has prepared our membership for this change according to our Actuary, Eric Bause.

Fund Attorney Berry stated that other Funds that she works with are currently dealing with the same scenario and are responding by increasing Loss Funds. She reiterated that this is not uncommon.

Eric Bause confirmed that the Excess Workers' Compensation carriers generally agree that the "layers" the industry used to consider "excess" are now being viewed as "working" layers and they no longer want to drop down to write them. Eric stated that while we are funding for this layer, it is important that a surplus is maintained.

MOTION: Commissioner Trojan
SECOND: Commissioner Kientz
VOTE: Roll Call

ROLL CALL VOTE					
COMMISSIONER		YES	NO	ABSENT	ABSTAIN
COS	YVONNE CHILDRESS	X			
SCPC	DANIEL LIVAK	X			
RVCC	JOHN TROJAN	X			
SCVT	DIANE STROBER	X			
TOB	GREGORY BONIN			X	
SCLC	BRIAN MORGAN	X			
TOGB	KELLY G. CUPIT			X	
TOR	ALLAN PIETREFESA			X	
TOBW	CYNTHIA PHILLIPS	X			
TOC	KIMBERLY KIENTZ	X			
TOD	DONALD F. SCHOLL, JR.	X			

NEW BUSINESS

#13-062 RESOLUTION TO ENTER CLOSED SESSION AT 9:04 A.M. TO DISCUSS:

- Workers' Compensation Claim Numbers
 - W64027
 - X11476
 - X17410

MOTION: Commissioner Trojan
SECOND: Commissioner Scholl
VOTE: Unanimous

RETURN TO OPEN SESSION AT 9:07 A.M.:

MOTION: Commissioner Trojan
SECOND: Commissioner Scholl
VOTE: Unanimous

#13-063 RESOLUTION AUTHORIZING PAYMENT OF CLAIMS:

MOTION: Commissioner Trojan
SECOND: Commissioner Kientz
VOTE: Roll Call

ROLL CALL VOTE					
COMMISSIONER		YES	NO	ABSENT	ABSTAIN
COS	YVONNE CHILDRESS	X			
SCPC	DANIEL LIVAK	X			
RVCC	JOHN TROJAN	X			
SCVT	DIANE STROBER	X			
TOB	GREGORY BONIN			X	
SCLC	BRIAN MORGAN	X			
TOGB	KELLY G. CUPIT			X	
TOR	ALLAN PIETREFESA			X	
TOBW	CYNTHIA PHILLIPS	X			
TOC	KIMBERLY KIENTZ	X			
TOD	DONALD F. SCHOLL, JR.	X			


APPROVAL OF MINUTES FROM THE OCTOBER 16, 2013 CLOSED SESSION:

MOTION: Commissioner Trojan
SECOND: Commissioner Childress
VOTE: Unanimous

MOTION TO ADJOURN AT 9:08 A.M.:

MOTION: Commissioner Trojan
SECOND: Commissioner Childress
VOTE: Unanimous

Respectfully submitted,


Kelly G. Cupit, Secretary