



Thursday, June 22,, 2017

Township of Cedar Grove
525 Pompton Ave., Cedar Grove, NJ
Council Chambers

10:30 Executive Board Only

11:00 AM Meeting
Agenda and Reports

OPEN PUBLIC MEETINGS ACT

NOTICE OF THIS MEETING WAS GIVEN BY (1) SENDING SUFFICIENT NOTICE
HEREWITH TO STAR-LEDGER, (2) POSTING ON THE NJIIF WEBSITE, (3)
FILING ADVANCE WRITTEN NOTICE OF THIS MEETING WITH THE
CLERK/ADMINISTRATOR OF EACH MEMBER MUNICIPALITY AND (4)
POSTING A COPY OF THE MEETING NOTICE ON THE PUBLIC BULLETIN
BOARD OF ALL MEMBER MUNICIPALITIES.

Thursday, June 22, 2017
Township of Cedar Grove
525 Pompton Ave., Cedar Grove, NJ
Council Chambers

AGENDA

1. Meeting Called to Order – Open Public Meetings Act Read
2. Pledge of Allegiance
3. Roll Call of Executive Committee and Professionals
4. Approval of Minutes – May 25, 2017 – Appendix I
5. Closed Session –Appendix II (Eric Nemeth, General Counsel)
6. Correspondence –
7. Finance Report, (Robert Calise)
8. Committee Reports
 - A. Nominating – Tucci
 - B. By-Laws – McNamara-Kreitz
 - C. Legislative – Smith
 - D. Coverage – Tucci
 - E. Professional – Kronyak
 - F. Finance – Kronyak
 - G. Safety/Loss Control – Saros
 - H. New Member & Development – Carroll
 - I. Risk Management – Smith
9. Chairman’s Report
10. Risk Manager’s Report, (John Serapiglia and Maria Makos)
11. WC Loss Control Consultant’s Report (Tim Wier/PMA)
12. TPA Report, (Christina Grabowski/PMA)
13. Bill List, (Robert Calise)
14. Old Business – WC Fund/ML Fund
15. New Business – WC Fund/ML Fund
16. Public Comment
17. Presentation - Cyber Liability – Claims trends, pre breach services and reporting process.
By: Eric Allen and Brian Teitel
18. Adjournment

APPENDIX I

THE NEW JERSEY INTERGOVERNMENTAL INSURANCE FUND
MINUTES OF PUBLIC MEETING
May 25, 2017

1. Call To Order:

A meeting of the New Jersey Intergovernmental Insurance Fund was called to Order on Thursday, May 25, 2017 at 10:35 a.m. in Wayne Township, N.J. Secretary Michael Kronyak read the Open Public Meetings Act Statement and announced that notices were placed in newspaper and posted as required.

2. Pledge of Allegiance:

Secretary Kronyak opened the meeting with the Pledge of Allegiance and moment of silence for the fallen.

3. Roll Call:

Commissioners Present: Neil Bellet (Township of Wayne), Mayor John Duthie (Borough of Roseland), Michael Kronyak (Borough of Hasbrouck Heights), Avril Limage (Township of Old Bridge), Police Chief Richard Molinari (City of Union City), Nick Saros (Borough of Teterboro), Freeholder Ed Smith (County of Warren), Thomas Tucci (Township of Cedar Grove),

Others Present: Ezio Altamura (GJEM/Otterstedt), Lou Beckerman (Beckerman and Co.), Robert Calise (CMFO/Treasurer), Maureen Chumacas (Borough of Roseland), Linda D' Alessio (Recording Secretary), John Daley (Scirocco Group), Kristin Gould (Township of Verona), Christine Grabowski (PMA-TPA), Maria Makos (Polaris Galaxy-Risk Manager), Joseph Martin (J.A. Martin & Co.), Eric J. Nemeth Esq. (Eric J. Nemeth, P.C.-General Counsel/Co-Administrator), John A. Serapiglia (Polaris Galaxy-Risk Manager/Co-Administrator), Tim Weir (PMA-Safety Consultant), Gary Vinci (Lerch Vinci & Higgins), Jack Zisa (Scirocco Group)

Secretary Kronyak announced that Chief Molinari would serve on the Executive Board in place of Commissioner Cantatore, Nick Saros in place of Commissioner Carroll and Neil Bellet in place of Commissioner McNamara-Kreitz at today's meeting.

4. Approval of Minutes:

Motion by Tucci, Second by Bellet that the Minutes of the April 27, 2017 Meeting of The New Jersey Intergovernmental Insurance Fund be accepted as presented.

Roll Call:
Aye: Bellet, Duthie, Kronyak, Molinari, Saros, Smith, Tucci
Nay: None
Abstain: None

5. Correspondence: None

6. Finance Report: CMFO Calise summarized the monthly financial reports, including the status of Multi Line Fund and Workers Compensation Fund 2017 Assessments and claims payments, copies of which are provided in the meeting Agenda packets. Also included in the Agenda materials are the ML & WC May 2017 Bill Lists. Calise noted that the trend in WC Fund claims payments for 2017 has decreased when compared with 2016.

7. Committee Reports

- a. Nominating Committee (Tucci) – Committee Chairman Tucci advised that the Committee is recommending that while Commissioner Cantatore is out on medical leave, Police Chief Richard Molinari of Union City be appointed as an Executive Board member.

Motion by Tucci, Second by Duthie that Police Chief Richard Molinari of Union City be appointed as an Executive Board member.

Roll Call:
Aye: Bellet, Duthie, Kronyak, Saros, Smith, Tucci
Nay: None
Abstain: Molinari

- b. By-Law Committee – No report
- c. Legislative Committee –No report
- d. Coverage Committee (Tucci) – (See Closed Session Motion)
- e. Professionals Committee (Kronyak) – Kronyak reported that the Professionals Committee with be establishing dates for Panel Defense Attorney interviews.
- f. Finance Committee (Kronyak) – Kronyak advised that the Professional Committee met on May 2, 2017 to discuss the draft 12/31/16 audit reports. Gary Vinci of Lerch Vinci & Higgins provided a summary of each of the reports, including the fact that there is aggregate increase in profitability of the NJIIF by roughly \$3MM. Calise provided an overview of the associated corrective action plans (“CAP”s).

It was Moved by Saros, Seconded by Tucci to approve the WC Fund 12/31/16 Audit Report and associated CAP.

Roll Call:
Aye: Bellet, Duthie, Kronyak, Molinari, Saros, Smith, Tucci
Nay: None
Abstain: None

It was Moved by Smith, Seconded by Bellet to approve the ML Fund 12/31/16 Audit Report and associated CAP.

Roll Call:
Aye: Bellet, Duthie, Kronyak, Molinari, Saros, Smith, Tucci
Nay: None
Abstain: None

- g. Safety/Loss Control Committee (Saros) – (See PMA’s Report, below)
 - h. New Member & Development Committee – No report
 - i. Risk Management Committee – (See Risk Manager’s Report, below)
8. Chairman’s Report – Secretary Kronyak advised that the June NJIIF meeting will be held in Cedar Grove and the July meeting will be held in Asbury Park.
9. Risk Manager’s Report – Serapiglia reported that in mid-July the renewal applications will be emailed to all members and Risk Managers for completion by August 15, 2017. Serapiglia also reported he will be meeting with several Reinsurance companies at the PRIMA conference in June.
10. Loss Control Consultant Report – Tim Weir advised that the first two NJIIF Risk Control Forums were completed in Maplewood on May 23rd and May 24nd with the next Forum scheduled for Fire and EMS Chiefs and Command Officers on June 22, 2017 at a location to be determined. Nemeth also advised that PMA is advancing safe driver training on an expedited basis for several members. The Board and PMA also discussed risk control measures for police departments, including the use of body worn cameras.
11. TPA Report – Christina Grabowski provided an update on aggregate WC claims received through 5/1/2017. She reported that WC claims continue to be reported timely within 3 days; healthcare network penetration for the WC Fund remains above 95% and lost time claim frequency continues to improve over the five year average.

It was Moved by Tucci, Seconded by Duthie to approve all Professionals' Reports.

Roll Call:
Aye: Bellet, Duthie, Kronyak, Molinari, Saros, Smith, Tucci
Nay: None
Abstain: None

12. Bill List-WC Fund/ML Fund

It was moved by Smith, seconded by Tucci, that the WC and ML Bill Lists for May 25, 2017 is approved for payment.

Roll Call:
Aye: Bellet, Duthie, Kronyak, Molinari, Saros, Smith, Tucci
Nay: None
Abstain: None

13. Old Business – none

14. New Business – (presented after return to Open Session following Closed Session):
Maria Makos reported that as a result of an audit by the NJIIF's WC carrier for 2015, a \$34,089 credit has been issued to the WC Fund. The check will be provided to Calise for deposit and credit to the 2015 Fund year.

15. Public Comment- none

16. Closed Session

It was moved by Smith, seconded by Bellet, that pursuant to the form of Closed Session Motion attached hereto (the "Closed Session Motion"), the Board should move into Closed Session to discuss matters as outlined in the subject Motion.

Roll Call:
Aye: Bellet, Duthie, Kronyak, Molinari, Saros, Smith, Tucci
Nay: None
Abstain: None

It was moved by Smith, seconded by Tucci, that the Minutes of Closed Session from the Fund's meeting of April 27, 2017 be accepted as presented.

Roll Call:
Aye: Bellet, Duthie, Kronyak, Molinari, Saros, Smith, Tucci
Nay: None
Abstain: Neil Bellet

It was moved by Duthie seconded by Bellet, that the WC Claims recommendations and Fund Counsel's Report be accepted as presented.

Roll Call:
Aye: Bellet, Duthie, Kronyak, Molinari, Saros, Smith, Tucci
Nay: None
Abstain: *Each Executive Board Member abstains as to claims against its Member entity

It was moved by Molinari, seconded by Smith, that the Multi-Line Fund Claims recommendations and Fund Counsel's Report regarding ML Fund matters be accepted as presented.

Roll Call:
Aye: Bellet, Duthie, Kronyak, Molinari, Saros, Smith, Tucci
Nay: None
Abstain: *Each Executive Board Member abstains as to claims against its Member entity

There being no further business for Closed Session it was moved by Tucci, seconded by Duthie that the Board return to Open Session.

Roll Call:
Aye: Bellet, Duthie, Kronyak, Molinari, Saros, Smith, Tucci
Nay: None
Abstain: None

It was moved by Tucci, seconded by Duthie, to approve all actions presented in Closed Session, including but not limited to requests for settlement authority for the WC and ML Fund matters listed in the Closed Session Motion, and the coverage positions recommended by General Counsel in Closed Session.

Roll Call:
Aye: Bellet, Duthie, Kronyak, Molinari, Saros, Smith, Tucci
Nay: None
Abstain: *Each Executive Board Member abstains as to claims against its Member entity

17. Adjournment

There being no further business to discuss, Motion by Duthie, Seconded by Bellet to adjourn the NJIIF's May 25, 2017 Meeting.

Roll Call:
Aye: Bellet, Duthie, Kronyak, Molinari, Saros, Smith, Tucci
Nay: None
Abstain: None

The May 25, 2017 Meeting was adjourned at 11:24 am.

APPENDIX II

Closed Session Motion

For the June 22, 2017 Meeting of the New Jersey Intergovernmental Insurance Fund

In order to discuss matters involving litigation or potential litigation or contract matters, and in order to maintain the attorney-client privilege, motion is made by _____, seconded by _____ for the NJIIF Executive Board to move into Closed Session pursuant to Section 12(b)(7) of the NJ open Public Meetings Act (N.J.S.A. 10:4-6, et seq). Minutes shall be taken during this Closed Session and once the need for confidentiality no longer exists with regard to each matter, the applicable minutes will be made available to the public. The specific purpose of closed session is to discuss the following matters:

Workers Compensation Fund Claim Matters

Case Update Reports, Coverage Recommendations and Requests for Settlement Authority (RSA):

1. Lara adv. City of Union City (W001454603)-----RSA
2. Ulmer adv. County of Warren (W001069932)-----RSA
3. Karatosun adv. Township of Wayne (W001548386)-----RSA

Case Update Reports for WC Fund Subrogation/Restitution Claims:

1. Dickerson adv. City of Asbury Park (W001069472)-----Recovery
2. Bierach adv. Borough of Totowa (W001069645)-----Recovery
3. Villegas adv. City of Bayonne (W001658990)-----Case Update

Multi-Line Fund Claim Matters

Case Update Reports or Requests for Settlement Authority (RSA):

1. Cunha v. City of Asbury Park (1462)-----Case Closure
2. Mills v. City of Asbury Park (1382)-----Case Closure
3. Estate of Burke v. City of Bayonne (1258)-----Case Closure
4. Bassett v. Borough of Hasbrouck Heights (1072)-----RSA
5. Kollar v. Borough of Hasbrouck Heights (1174)-----Case Closure
6. Grossi v. City of Union City (1422)-----Case Closure

Coverage Recommendations for New Claims/Litigation:

1. Shoats v. City of Asbury Park
2. Bayonne Muslims v. City of Bayonne
3. Dawod v. City of Bayonne
4. Evening Journal v. City of Bayonne
5. Arencibia-Diaz v. City of Union City
6. Farino v Plymouth Rock v. City of Union City
7. Laboy v. City of Union City
8. Ralda v. City of Union City
9. U.S. Bank/Dominguez v. City of Union City
10. U.S. Bank/Venture Construction v. City of Union City
11. Vila v. City of Union City
12. Longo v. Township of Verona
13. Villanella, Estate of Megan v. Township of Verona

14. Mid-American Salt LLC v. Township of Wayne/Borough of Woodland Park

Other Matters

1. NJIIF adv Inservco Insurance Services