

**SUBURBAN MUNICIPAL JOINT INSURANCE FUND  
OPEN MINUTES  
NOVEMBER 12, 2021  
VIA TELECONFERENCE  
8:00AM**

Meeting of the Fund Commissioners called to order by Chairwoman Champney. Open Public Meetings notice read into record.

**ROLL CALL OF 2021 FUND COMMISSIONERS:**

Megan Champney, Chairwoman	City of Summit	Present
Alexander Mirabella, Secretary	Township of Scotch Plains	Present
James Gildea	Borough of Westfield	Absent
Robin Ray	Township of Bedminster	Present
James Damato	Borough of Watchung	Present
Sean McCarthy	Township of Bernards	Absent
Vincent DeNave	Township of Harding	Absent

**EXECUTIVE COMMITTEE ALTERNATES:**

Anthony Suriano	Borough of Bernardsville	Present
Joseph Carty	Borough of Far Hills	Absent
Glenn Mortimer	Borough of Mountainside	Absent

**ALTERNATE FUND COMMISSIONERS:**

Margaret Heisey	Township of Scotch Plains	Absent
Sheila Tweedie	Borough of Far Hills	Absent
Pat Monaco	Township of Bernards	Absent

**APPOINTED OFFICIALS PRESENT:**

Executive Director/Administrator	PERMA Risk Management Services <b>Cathleen Kiernan, Nancy A. Ghani, Brandon Tracy</b>
Attorney	DiFrancesco, Bateman, Coley, Yospin, Kunzman, Davis & Leher <b>Stephen Davis, Esq.</b>
Treasurer	<b>Ralph Maresca</b>
Underwriting Manager	Conner Strong & Buckelew <b>Edward Cooney, Jonathon Tavares</b>
Claims Service	Qual-Lynx <b>Claudia Acosta</b> PERMA <b>Robyn Walcoff</b>
Safety Director/Law Enforcement	J.A. Montgomery Risk Consulting <b>Brian Maitland</b>
Managed Care Provider	FMCO <b>Alyssa Hrubash</b>

**ALSO PRESENT:**

Amy Pieroni, **Acrisure**  
Lindsay Travali, **Acrisure**  
Dominic Cinelli, **Brown & Brown**  
Suzanne Bridge, **Brown & Brown**  
Rich Duthie, **Pinnacle Risk Solutions**  
Craig Sutherland, **Meeker, Sharkey & Hurley**

**MINUTES:** Open and Closed Minutes of October 14, 2021.

**MOTION TO APPROVE OPEN AND CLOSED MINUTES FOR OCTOBER 14, 2021 AS PRESENTED:**

Moved: Commissioner Mirabella  
Second: Commissioner Suriano  
Vote: Unanimous

**CORRESPONDENCE:** None

**EXECUTIVE DIRECTOR:**

**DUE DILLIGENCE REPORTS:** Monthly report submitted to Fund Commissioners including monthly Fast-track Accident Frequency, Fast-track Financial report, Fixed Income Portfolio Summary, Claim Activity Report, Interest Rate Summary Comparison, Monthly Loss Ratio by fund year and line of coverage and the Monthly and Annual Regulatory Checklist.

Included in the agenda were tracking reports as September 30<sup>th</sup>. Executive Director said as of September 30<sup>th</sup> the Fund's Financial Fast Track reflected a surplus of \$4 million. Executive Director noted Year 2021 and 2020 currently reflect a deficit; 2021 will likely change, but Year 2020 will remain a deficit due to a few non-Covid claims that were significant.

**2022 BUDGET:** Last month, the 2022 proposed budget was introduced. Notice of the public hearing was added to the website and the Budget was published in the designated newspapers. Included in the agenda was the proposed budget, which totaled \$5,160,024 and the proposed assessments.

**MOTION TO OPEN THE PUBLIC HEARING ON THE 2022 BUDGET**

Moved: Commissioner Mirabella  
Second: Commissioner Damato  
Vote: Unanimous

**DISCUSSION OF BUDGET & ASSESSMENTS**

Executive Director noted there were no significant changes from budget introduction. Executive Director said the budget reflects the increase of self-insured retention from \$250,000 to \$300,000. Executive Director reviewed the 2022 assessments and said these were developed in accordance with the Retrospective Premium program - adopted by the Fund in 2011 - which puts greater emphasis on individual member loss experience in allocating the cost of claims. Executive Director said the assessments were equalized at 2.55% with a retrospective premium capped at 5%.

**MOTION TO CLOSE THE PUBLIC HEARING**

Moved: Commissioner Mirabella  
Second: Commissioner Damato  
Vote: Unanimous

**MOTION TO ADOPT 2022 BUDGET AND CERTIFY ASSESSMENTS**

Moved: Commissioner Mirabella  
Second: Commissioner Suriano  
Roll Call: 5 Ayes – 0 Nays

**2021 DIVIDEND:** Last month, the Fund Commissioners approved the release of \$95,000 from Closed Years. Included in the agenda was a copy of the distribution of that dividend by member. Executive Director said a filing with the State was done on 10/26/2021 and we awaiting their response.

**RESIDUAL CLAIMS FUND (RCF):** The public hearing on the RCF 2022 budget was held on October 20, 2021 at 10:30AM in the Forsgate Country Club. Included in the agenda was a copy of Chairwoman Champney’s report. Ms. Ghani noted the RCF adopted its 2022 expense budget at the public hearing.

RCF Board voted to accept the transfer of Fund Year 2017 outstanding liabilities of local member JIFs, valued as of December 31, 2021.

**MOTION TO ADOPT RESOLUTION 25-21 AUTHORIZING THE TRANSFER OF FUND YEAR 2017 VALUED AS OF DECEMBER 31, 2021**

Moved: Commissioner Mirabella  
Second: Commissioner Suriano  
Vote: 5 Ayes – 0 Nays

**ENVIRONMENTAL JIF:** Ms. Ghani said the EJIF held a public hearing on the 2022 budget on October 20, 2021 at 10:50AM in the Forsgate County Club. Included in the agenda was a copy of Chairwoman Champney’s report. Ms. Ghani added the EJIF met again on Wednesday, November 10, 2021. Chairwoman Champney’s report was distributed as a separate attachment.

**MEL JIF:** The MEL met on October 20, 2021; included in the agenda was a copy of Chairwoman Champney’s report. Ms. Ghani said the MEL introduced their 2022 budget in October and will be adopting it during their November meeting at the League of Municipalities.

**RCF, EJIF, MEL:** Ms. Ghani said the Fund should elect its 2022 representative to the Residual Claims Fund, Environmental Joint Insurance Fund and Municipal Excess Liability Joint Insurance Fund. Commissioner Mirabella nominated Chairwoman Champney to be the representative to the RCF, EJIF and MEL JIF.

**MOTION TO ELECT MEGAN CHAMPNEY AS THE SUBURBAN MUNICIPAL JOINT INSURANCE FUND'S 2022 REPRESENTATIVE TO THE MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND, THE ENVIRONMENTAL JOINT INSURANCE FUND AND THE MUNICIPAL EXCESS JOINT INSURANCE FUND**

Moved: Commissioner Mirabella  
Second: Commissioner Suriano  
Vote: Unanimous

**MEL SPECIAL MEETING:** Executive Director said a special meeting of the MEL has been scheduled for Monday, November 15, 2021 at 11:00 am. The purpose of the meeting is to provide a status on the membership of the Middlesex County Municipal Joint Insurance Fund, which joined the MEL earlier in the year and was subject to meet a set of conditions to continue membership. In response to Chairwoman Champney, Executive Director said Middlesex JIF has met some of the conditions set forth.

**EMPLOYMENT PRACTICES COMPLIANCE PROGRAM:** Executive Director said the deadline to complete all elements of the program was November 1, 2021. This initial deadline was set to allow the Fund office to follow up with any members who are not in compliance before QBE’s deadline of December 31<sup>st</sup>. Link to outline of program and model documents: <https://njmel.org/insurance/public-officials/risk-management-program/>. Executive Director said the Fund office will be following up with members who have not submitted their checklists to date.

This year, the Managers & Supervisors Training can be met by attending the Instructor-led webinar “Protecting Children From Abuse – Managers/Supervisors”. This course for Managers includes an Employment Practices component. Included in the agenda was a list of remaining classes.

**POLICE CHIEF & COMMAND STAFF:** A make-up session was held on November 1, 2021 at Montville Senior House from 8:30AM – 11:45AM. The Fund office is reviewing attendance records and we anticipate scheduling a final make-up session for Police Chiefs that were not able to attend prior sessions. Commissioner Damato asked for clarification on who needs to attend the training. Executive Director said it is recommended the full command staff attend and noted the Chief must attend in order to comply with the EPL program.

**ELECTED OFFICIALS TRAINING:** Ms. Ghani said this year’s elected officials training program will focus on “Risk Management”. Two sessions are scheduled as part the League of Municipalities Conference on Tuesday, November 16, 2021 at 3:45PM in Caesars (Empire Room A) and Wednesday, November 17, 2021 at 3:45PM at the Convention Center (Room 302); included in the agenda was the notice that was distributed to members. Pre-registration is not required.

For 2022, the MEL will reduce each member’s assessment by \$250 for each municipal elected official and/or authority commissioner who completes the Elected Official course by May 1, 2022. The maximum credit is 5% of the member’s assessment. The credit is also extended to the member’s CEO (i.e. municipal manager/administrator or authority executive director).

**POWER OF COLLABORATION:** Included in the agenda was the latest in the series of “Power of Collaboration” ads that will appear in the League of Municipalities magazine. MS. Ghani said the ad highlights the MEL Safety Institute Leadership Academy, which is a four-part course to review risk management and workplace challenges facing public sector managers. Enrollment in the MEL Safety Institute Leadership Academy will be available February 2022.

**RETROSPECTIVE PREMIUM:** In accordance with the Retrospective Premium program adopted by the Fund in 2010, we are in the process of reviewing claims experience for the 2016, 2017, 2018, 2019, and 2020 claims year, including reserves and incurred but not reported reserves (IBNR). Fund year 2016 has now been transferred to the RCF so this will be the final calculation for 2016. Ms. Ghani said any member that triggered the retrospective premium will be billed on the 2022 assessment billing.

**JANUARY REORGANIZATION MEETING:** The Fund is not scheduled to meet in December. It would be appropriate to authorize the Treasurer to process contracted expenses. The January reorganization meeting has already been scheduled for Thursday January 13, 2022 at 8:00AM.

**MOTION TO AUTHORIZE THE TREASURER TO PROCESS CONTRACTED EXPENSES DURING THE MONTH OF DECEMBER.**

Moved: Commissioner Mirabella  
Second: Commissioner Suriano  
Roll Call: 5 Ayes – 0 Nays

**NEW MEMBER APPLICATION:** Executive Director said if we are presented with any new membership applications then a membership committee meeting would be scheduled followed by a meeting of the full board. Executive Director said to date there has not been any membership submissions.

**TREASURER:**

**VOUCHER LIST:**

**NOVEMBER 2021 VOUCHER PAYMENTS, RESOLUTION 26-21**

Fund Year 2021: \$61,291.34  
Total: \$61,291.34

**CONFIRMATION OF CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS FOR THE MONTH OF SEPTEMBER 2021:**

Fund Year 2021: \$133,358.98  
Fund Year 2020: \$5,976.16

Fund Year 2019:	\$4,730.00
Fund Year 2018:	\$7,615.05
Fund Year 2017:	\$555.00
Closed:	\$0.00
<b>Total:</b>	<b>\$152,235.19</b>

**MOTION TO ADOPT RESOLUTION 26-21 APPROVING NOVEMBER BILLS LIST AND APPROVE CONFIRMATION & CERTIFICATION OF SEPTEMBER 2021 CLAIM TRANSFERS AS SUBMITTED:**

Moved: Commissioner Mirabella  
 Second: Commissioner Suriano  
 Roll Call: 5 Ayes – 0 Nays  
Voucher List and Treasurer’s Report Made Part of Minutes.

**ATTORNEY:**

**REPORT:** Included in the agenda was a report of appellate decisions affecting municipalities.  
Monthly Report Made Part of Minutes.

**UNDERWRITING MANAGER:**

**2022 RENEWAL MEMO:** Underwriting Manager referred to a memo in the agenda which focused on the critical underwriting items being requested in Origami for the 2022 renewal and general reminders covered in the MEL bulletins.

**CERTIFICATE REPORT:** Included in the agenda was the certificate report for the period 9/22/21 to 10/22/21.

**CYBER COMPLIANCE REPORT:** Included in the agenda were bulletins issued for Cybersecurity Awareness Month. Underwriting Manager said the bulletins can also be found on the MEL’s website.

**CYBER COMPLIANCE REPORT:** Included in the agenda was the cyber compliance report as of 10/31/21. Underwriting Manager reviewed the two reports; one detailing members who are in compliance with the new cyber program and the second report listing the grandfathered members who were in compliance with version 1 of the cyber risk management program. Grandfathered status will last until January 1, 2022. Any member who are not grandfathered will have to comply with version 2 immediately. Underwriting Manager encouraged members to comply with the updated model program because these are the new minimum standards.

Monthly Report Made Part of Minutes.

**MANAGED CARE:**

**MONTHLY REPORT:** Included in the agenda was the October 2021 report submitted by FMCO. Managed Care Provider said the total provider billed amount to date was \$111,892 and was re-priced to \$39,286 for a total savings of 65% and a PPO penetration of 96%.

Monthly Activity Report Made Part of Minutes.

**SAFETY DIRECTOR:**

**MONTHLY REPORT:** Included in the agenda was the November 2021 report noting the activities/trainings, MSI classes and bulletin(s) distributed in October. Safety Director added all communications will be sent exclusively through the NJ MEL App and MSI Newsletter will be emailed to members summarizing the communications sent through the app.

Monthly Report Made Part of the Minutes.

**CLAIMS:**

**REPORT:** Claims Administrator said there are Payment Authority Requests to present during Closed Session.

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

Moved: Commissioner Mirabella  
Second: Commissioner Damato  
Vote: Unanimous

**PAYMENT AUTHORIZATION REQUESTS & CONTRACT MATTERS:** Executive Committee reviewed payment authorization requests presented by Claims Service in Executive Session.

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST PRESENTED IN EXECUTIVE SESSION BY QUAL-LYNX:**

Moved: Commissioner Mirabella  
Second: Commissioner Damato  
Roll Call: 5 Ayes – 0 Nays

**OLD BUSINESS:**

NONE

**NEW BUSINESS:**

Executive Director said the MEL and Fund professionals will be hosting a cocktail party at Bally's in the Ocean room at 6pm; all Fund Commissioners, Risk Managers and Professionals are invited.

**PUBLIC COMMENT:**

NONE

**MOTION TO ADJOURN:**

Moved: Commissioner Mirabella  
Second: Commissioner Damato  
Vote: Unanimous

**MEETING ADJOURNED:** 8:53AM

**NEXT MEETING:** January 13, 2022 - 8:00 AM

Brandon Tracy, Account Analyst

for

ALEXANDER MIRABELLA, SECRETARY