

**SUBURBAN MUNICIPAL JOINT INSURANCE FUND**

**OPEN MINUTES**

**JUNE 9, 2022**

**8:00AM – SCOTCH PLAINS & ZOOM OPTION**

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

**ROLL CALL OF 2022 FUND COMMISSIONERS:**

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

**EXECUTIVE COMMITTEE ALTERNATES:**

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

**ALTERNATE FUND COMMISSIONERS:**

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

**APPOINTED OFFICIALS PRESENT:**

Executive Director/Administrator	PERMA Risk Management Services <b>Cathleen Kiernan, Nancy A. Ghani, Crystal Chuck Jennifer Conicella</b>
Attorney	DiFrancesco, Bateman, Coley, Yospin, Kunzman, Davis & Leher <b>Stephen Davis, Esq.</b>
Claims Service	Qual-Lynx <b>Claudia Acosta</b>
Safety Director/Law Enforcement Risk Control	J.A. Montgomery <b>Brian Maitland, John Schwartz, Eleanor Moss</b>
Managed Care Provider	FMCO <b>Mary Bresdola</b>
Treasurer	<b>Ralph Maresca</b>
Auditor	Suplee, Clooney & Company <b>Robert Butvilla</b>

**ALSO PRESENT:**

Lindsay Travali, Acrisure LLC  
Amy Pieroni, Acrisure LLC  
Renee Bays, Meeker, Sharkey & Hurley  
Hallee Cramer, Meeker, Sharkey & Hurley  
Craig Sutherland, Meeker, Sharkey & Hurley

Rich Duthie, Pinnacle Risk Solutions  
Crystal Robinson, Brown & Brown  
Suzanne Bridge, Brown & Brown

**MINUTES:** Open and Closed Minutes of May 12, 2022.

**MOTION TO APPROVE OPEN AND CLOSED MINUTES FOR MAY 12, 2022 AS PRESENTED:**

Moved: Commissioner Mirabella  
Second: Commissioner Gildea  
Roll Call Vote: 10 Ayes – 0 Nays

**EXECUTIVE DIRECTOR:**

**REPORT:** Monthly reports submitted to the Executive Committee including monthly Financial Fast Track, Loss Ratio, Lost Time Accident Frequency, Investment Summary and Rate Comparison, Expected Loss Ratio by Town Report and the Claim Activity Report.

Executive Director reviewed the Financial Fast Track as of April 30<sup>th</sup> noting the Statutory Surplus stands at \$2.3 million. Executive Director reviewed the Loss Ratio report as of April 30<sup>th</sup> and reported Fund Year 2020 continues to trend slightly above the actuarial target with 116.11% of loss funds incurred; claims were not COVID related but represented other claim activity. Executive Director referred to the Lost Time Accident Frequency report as of April 30<sup>th</sup> and reported the rate is 1.08 as compared to 1.51 last year.

**AUDIT REPORT AND ACTUARY VALUATION REPORT AS OF DECEMBER 31, 2021:**

Enclosed separately from the Agenda was the Audit Report as of December 31, 2021. Also enclosed separately was the Actuary's Valuation Report and the Group Affidavit indicating that each member of the Board has read the General Comments Section of the Audit Report.

Fund Auditor, Mr. Robert Butvilla from Suplee, Clooney and Company, provided an overview of the Audit Report as of December 31, 2021. Fund Auditor said the audit is an unmodified opinion and did not contain any findings or comments.

**MOTION TO APPROVE YEAR-END FINANCIALS, ADOPT RESOLUTION NO. 17-22 AND EXECUTE GROUP AFFIDAVIT INDICATING THAT THE FUND COMMISSIONERS HAVE READ THE GENERAL COMMENTS SECTION OF THE AUDIT REPORT:**

Moved: Commissioner Champney  
Second: Commissioner Gildea  
Roll Call Vote: 10 Ayes – 0 Nays

Executive Director said both reports will be filed with the State, as well as the Actuary's certification that the reserves are accurately reflected in the audited financial statements. Executive Director said the Fund office will distribute individual affidavits for Commissioners to sign and submit for the State filing.

**RCF REPORT:** The RCF met on June 2, 2022 at the Forsgate Country Club; included in the agenda was Commissioner Champney's report.

**EJIF REPORT:** The EJIF met on June 2, 2022 at the Forsgate Country Club; included in the agenda was Commissioner Champney's report.

**MEL REPORT:** The MEL met on June 2, 2022 at the Forsgate Country Club; included in the agenda was Commissioner Champney's report.

**2022 COVERAGE DOCUMENTS:** Executive Director reported that the Fund office is in the final stages of preparing coverage documents, which will be posted to Origami during the month of June.

**2022 MEL, MRHIF & NJCE JIF EDUCATIONAL SEMINAR:** The 11th annual seminar was conducted virtually Friday, April 29th and Friday, May 6th; with attendance exceeding 260 for each session. The Fund office submitted attendance to the respective agencies for continuing education credits.

Initially, the MEL/MRHIF/NJCE Educational Seminars was approved for insurance producer credits – 2 general and 1 ethics - for each day. But – upon final review, the State did not approve the ethics credit but did agree to approve 3 general credits for each day. Due to communication issue in their office, April 29th producer certificates have been issued for 2 credits, in error. We are working with the state to resolve.

Executive Director’s office has already issued the approved CEU/TCHs for municipal personnel and provided attendance records.

**TREASURER:** Included in the agenda was the June’s bills list, the Treasurer’s reports and the investment reports as of April 30, 2022.

**VOUCHER LIST:**

**JUNE 2022 VOUCHER PAYMENTS, RESOLUTION 18-22**

Fund Year 2022: \$66,637.44  
Total: \$66,637.44

**CONFIRMATION OF CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS FOR MONTHS OF APRIL 2022:**

Fund Year 2022: \$89,752.78  
Fund Year 2021: \$98,026.90  
Fund Year 2020: \$46,132.54  
Fund Year 2019: \$13,090.91  
Fund Year 2018: \$6,341.43  
Closed: \$0.00  
**Total: \$253,344.56**

**MOTION TO ADOPT RESOLUTION 18-22 APPROVING JUNE 2022 BILLS LIST AND APPROVE CONFIRMATION & CERTIFICATION OF APRIL 2022 CLAIM TRANSFERS AS SUBMITTED:**

Moved: Commissioner Champney  
Second: Commissioner Gildea  
Roll Call Vote: 10 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:**

**REPORT:**

**CERTIFICATE REPORT:** Included in the agenda was the certificate report for the period 4/22/22 to 5/22/22.

**CYBER COMPLIANCE REPORT:** Included in the agenda was the cyber compliance report as of 5/31/22. Executive Director reported the expiring renewal for cyber coverage was very difficult and it is anticipated the same market constraints will be faced this upcoming renewal. Executive Director encouraged members to review the MEL Cyber Risk Management Plan to become compliant with the three available tiers of coverage. Executive Director reported the MEL formed a sub-committee to review the feasibility of a joint insurance fund to provide cyber liability

coverage and training services in an effort to assist members achieve compliance and manage the growing cyber risk.

Monthly Report Made Part of Minutes.

**MANAGED CARE:**

**MONTHLY REPORT:** Included in the agenda was the May 2022 report submitted by FMCO. Managed Care Provider said the total provider billed amount for 2022 was \$657,735, repriced to \$243,735 for a total savings of 63% and a PPO penetration of 95%.

Monthly Activity Report Made Part of Minutes.

**SAFETY DIRECTOR:**

**MONTHLY REPORT:** Included in the agenda was the June 2022 report noting the activities/trainings, MSI classes and a Safety Director bulletin distributed during the month. Safety Director said the quarterly Executive Safety Committee will meet at 9am after the conclusion of this meeting.

Monthly Report Made Part of the Minutes.

**CLAIMS:**

**REPORT:** Claims Administrator said they have 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 Champney  
Roll Call Vote: 10 Ayes – 0 Nays

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

**MOTION TO RETURN TO OPEN SESSION:**

Moved: Commissioner Mirabella  
Second: Commissioner Champney  
Roll Call Vote: 10 Ayes – 0 Nays

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

Moved: Commissioner Champney  
Second: Commissioner Gildea  
Roll Call Vote: 10 Ayes – 0 Nays

**OLD BUSINESS:**

NONE

**NEW BUSINESS:**

NONE

**MOTION TO ADJOURN:**

Moved: Commissioner Mirabella  
Second: Commissioner Gildea  
Roll Call Vote: Unanimous

**MEETING ADJOURNED:** 8:38AM

**NEXT MEETING:** July 14, 2022 - 8:00 AM

Crystal M. Chuck, Account Executive  
for

JAMES GILDEA, SECRETARY

June 9, 2022

**Resolution of Certification  
Annual Audit Report for Period Ending December 31, 2021**

**WHEREAS**, N.J.S.A. 40A:5-4 requires the governing body of every local unit to have made an annual audit of its books, accounts and financial transactions, and

**WHEREAS**, the Annual Report of Audit for the year 2021 has been filed by the appointed Fund Auditor with the Secretary of the Fund as per the requirements of N.J.S.A. 40A:5-6 and N.J.S.A. 40A:10-36, and a copy has been received by each member of the BOARD OF FUND COMMISSIONERS, and

**WHEREAS**, the Local Finance Board of the State of New Jersey is authorized to prescribe reports pertaining to the local fiscal affairs, as per R.S. 52:27BB-34, and

**WHEREAS**, the Local Finance Board has promulgated a regulation requiring that the BOARD OF FUND COMMISSIONERS of the Fund shall, by resolution, certify to the Local Finance Board of the State of New Jersey that all members of the BOARD OF FUND COMMISSIONERS have reviewed, as a minimum, the sections of the annual audit entitled:

General Comments  
and  
Recommendations

and

**WHEREAS**, the members of the BOARD OF FUND COMMISSIONERS have personally reviewed, as a minimum, the Annual Report of Audit, and specifically the sections of the Annual Audit entitled:

General Comments  
and  
Recommendations

as evidenced by the group affidavit form of the BOARD OF FUND COMMISSIONERS.

**WHEREAS**, such resolution of certification shall be adopted by the BOARD OF FUND COMMISSIONERS no later than forty-five days after the receipt of the annual audit, as per the regulations of the Local Finance Board, and

**WHEREAS**, all members of the BOARD OF FUND COMMISSIONERS have received and have familiarized themselves with, at least, the minimum requirements of the Local Finance Board of the State of New Jersey, as stated aforesaid and have subscribed to the affidavit, as provided by the Local Finance Board, and

**WHEREAS**, failure to comply with the promulgations of the Local Finance Board of the State of New Jersey may subject the members of the BOARD OF FUND COMMISSIONERS to the penalty provisions of R.S. 52:27BB-52 - to wit:

R.S. 52:27BB-52 - "A local officer or member of a local governing body who, after a date fixed for compliance, fails or refuses to obey an order of the director (Director of Local Government Services), under the provisions of this Article, shall be guilty of a misdemeanor and, upon conviction, may be fined not more than one thousand dollars (\$1,000.00) or imprisoned for not more than one year, or both, in addition shall forfeit his office."

**NOW, THEREFORE, BE IT RESOLVED**, that the BOARD OF FUND COMMISSIONERS of the Suburban Municipal Joint Insurance Fund, hereby states that it has complied with the promulgation of the Local Finance Board of the State of New Jersey, dated July 30, 1968, and does hereby submit a certified copy of this resolution and the required affidavit to said Board to show evidence of said compliance.

I HEREBY CERTIFY THAT THIS IS A TRUE COPY OF THE  
RESOLUTION PASSED AT THE MEETING HELD ON JUNE 09, 2022.

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Megan L. Champney Kweselait, Fund Secretary

**SUBURBAN MUNICIPAL JOINT INSURANCE FUND  
BILLS LIST**

Resolution No. 18-22

JUNE 2022

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

**BE IT RESOLVED** that the Suburban Municipal 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 2022**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002130			
002130	FIRST MANAGED CARE OPTION	MANAGED CARE SERVICES 6/22	7,133.86
			<b>7,133.86</b>
002131			
002131	QUAL-LYNX	CLAIM ADJUSTING SERVICES 6/22	18,440.91
002131	QUAL-LYNX	PERFORMANCE BOND 1/1/22-12/31/22	277.00
			<b>18,717.91</b>
002132			
002132	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR - LOSS CONT. SERV. 6/22	5,755.29
			<b>5,755.29</b>
002133			
002133	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 6/22	15,933.88
			<b>15,933.88</b>
002134			
002134	THE ACTUARIAL ADVANTAGE	FUND ACTUARY FEE 6/22	2,845.89
			<b>2,845.89</b>
002135			
002135	DIFRANCESCO BATEMAN, KUNZMAN, DAVIS	ATTORNEY DISBURSEMENTS 2/22	4,835.94
			<b>4,835.94</b>
002136			
002136	RALPH A MARESCA, JR	TREASURER FEE 6/22	1,660.94
			<b>1,660.94</b>
002137			
002137	NEWTECH SERVICES INC.	MONTHLY WEBSITE MAINT & DR 6/22	175.00
			<b>175.00</b>
002138			
002138	CONNER STRONG & BUCKELEW	UNDERWRITING MGMT FEE 6/22	1,734.00
			<b>1,734.00</b>
002139			
002139	RUSSO & ASSOCIATES, LLC	INTERNAL AUDITOR REVIEW OF FUND 5/22	7,804.00
			<b>7,804.00</b>
002140			
002140	ACCESS	ACCT #416 - ARC. AND STOR. - 4.30.22	6.09
002140	ACCESS	ACCT #416 - ARC. AND STOR. - 4.30.22	34.64
			<b>40.73</b>
		<b>Total Payments FY 2022</b>	<b>66,637.44</b>
		<b>TOTAL PAYMENTS FUND YEARS</b>	<b>66,637.44</b>

\_\_\_\_\_  
Chairperson

Attest:

Dated: \_\_\_\_\_

I hereby certify the availability of sufficient unencumbered funds in the proper accounts to fully pay the above claims

\_\_\_\_\_  
Treasurer