

**SUBURBAN MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES
JULY 11, 2019
SCOTCH PLAINS, NJ
8:00AM**

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

ROLL CALL OF 2019 FUND COMMISSIONERS:

Sean McCarthy, Chairman	Township of Bernards	Absent
Megan Champney, Secretary	City of Summit	Absent
Alexander Mirabella	Township of Scotch Plains	Absent
Tom Atkins	Borough of Watchung	Present
Lorene K. Wright	Township of Harding	Present
James Gildea	Borough of Westfield	Present
Judy Sullivan	Township of Bedminster	Present

EXECUTIVE COMMITTEE ALTERNATES:

Joseph Carty	Borough of Far Hills	Absent
James Debbie	Borough of Mountainside	Absent
Anthony Suriano	Borough of Bernardsville	Present

ALTERNATE FUND COMMISSIONERS:

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

APPOINTED OFFICIALS PRESENT:

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

ALSO PRESENT:

Amy Pieroni, Acrisure
Lindsay Travali, Acrisure
Juanita Perez, Brown & Brown
Craig Sutherland, Meeker, Sharkey & Hurley
Hallee Cramer, Meeker, Sharkey & Hurley
Brandon Tracy, PERMA Risk Management Services

MINUTES: Open Minutes of July 11, 2019.

MOTION TO APPROVE OPEN MINUTES FOR JUNE 13, 2019 AS

PRESENTED:

Moved:	Commissioner Atkins
Second:	Commissioner Wright
Vote:	Unanimous

CORRESPONDENCE:

NONE

EXECUTIVE DIRECTOR:

REPORT: 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.

Executive Director referred to the tracking reports as of May 31, 2019 and said the Financial Fast Track reflected a statutory surplus is \$3.3 million. Executive Director reviewed the Loss Ratio report and said all Fund Years are at or below the actuarial targets, but noted Fund Year 2019 Property line is slightly high due to a large claim that occurred during the 1st quarter. Executive Director reviewed the Lost Time Accident Frequency (LTAF) and said the JIF's rate is 0.98; the overall MEL/JIF rate is 1.16.

LEGISLATION: Executive Director said the Governor signed S716, known as "the Thomas P. Canzanella First Century First Responders Protection Act," into law. Executive Director said the legislation was passed with a few amendments suggested by the MEL Legislative Committee; the amendments included limiting the types of cancers presumed, as well as, set an age limit.

Executive Director said as previously discussed the MEL was monitoring S477 which extends the statute of limitations in civil actions for sexual abuse claims; the draft bill was amended whereas eliminating public entity immunities under Title 59 and was signed by the Governor with a commitment from the bill's sponsors to introduce and swiftly pass a bill that will correct an error in the section of the bill relating to the liability of public entities.

Executive Director said the MEL is working on a comprehensive plan to address the potential exposure of both of these bills, which will include a specialized attorney and claims administrator for these types of claims. In addition, there may be process for local government entities to declare special emergency funds to address these claims.

CONTRACTS REVIEW COMMITTEE: Executive Director said this committee has scheduled a meeting for July 23rd to review the Scope of Services for the Underwriting Manager/Marketing Consultant Request for Proposal (RFP) to be issued.

Executive Director said the MEL contracted with a Qualified Purchasing Agent (QPA) to review its procurement process and drafted a report. The report noted the MEL was following the appropriate procedures, but could benefit by procuring some services through a competitive contracting process, which would allow for 3-year contracts with options to renew for a 4th and 5th year.

Executive Director said based on the report this Fund could issue a Competitive Contract Request for Proposal (CCRFP). Included in the agenda was Resolution 15-19 that authorized the Executive Director to work with the Contracts Review Committee to release a CCRP.

MOTION TO ADOPT RESOLUTION 15-19 AUTHORIZING THE HIRING OF AN UNDERWRITING MANAGER/MARKETING CONSULTANT THROUGH THE COMPETITIVE CONTRACTING PROCESS.

Moved:	Commissioner Gildea
Second:	Commissioner Atkins
Vote:	6 Ayes – 0 Nays

MEMBERSHIP RENEWALS: Executive Director said Far Hills, Mountainside, Watchung, Bedminster, Scotch Plains, Summit and Westfield are scheduled to renew fund membership by January 1, 2020. Membership documents have been mailed out and are due in the beginning of October.

RISK MANAGEMENT PLAN: Included in the agenda was an excerpt from the Fund’s Risk Management Plan. Section revised by Underwriting Manager to reflect the shared aggregate coverage made available earlier in the year.

MOTION TO REVISE THE 2019 RISK MANAGEMENT PLAN:

Moved:	Commissioner Gildea
Second:	Commissioner Atkins
Vote:	6 Ayes - 0 Nays

MEL CYBER TASK FORCE: Executive Director discussed the MEL’s Cyber Task Force July Bulletin, attached in the July bulletin issued by the MEL Cyber Task Force regarding Government Cyber Attacks.

2019 COVERAGE DOCUMENTS: Executive Director said the fund office has distributed the 2019 coverage documents to all Fund Commissioners and Risk Managers via email.

RISK MANAGEMENT INFORMATION/OPERATING SYSTEM (RMIS): The Executive director said that members and risk managers will receive an email with a link to renewal worksheet to begin the 2020 underwriting renewal during the month of July with a September 15th completion date.

2018 AUDIT FILING: Executive Director reported the 2018 Year End Audit, Certification of the Audit adopted by the Executive Committee, Actuarial Valuation and Actuarial Certification has been filed with the Departments of Insurance and Community Affairs. In addition, the Synopsis of Audit was published in the Fund's official newspaper.

AUGUST PAYMENTS: Executive Director said the Fund is not scheduled to meet in August and it would be appropriate to authorize the Treasurer to process contracted expenses.

MOTION TO AUTHORIZE THE TREASURER TO PROCESS CONTRACTED EXPENSES DURING THE MONTH OF AUGUST:

Motion: Commissioner Atkins

Second: Commissioner Gildea

Vote: 6 Ayes – 0 Nays

TREASURER:

VOUCHER LIST:

JULY 2019 VOUCHER PAYMENTS, RESOLUTION 16-19

Fund Year 2019: \$ 198,620.83

Total: \$ 198,620.83

CONFIRMATION OF CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS FOR MONTHS OF MAY 2019:

Fund Year 2019: \$ 17,990.78

Fund Year 2018: \$ 28,010.89

Fund Year 2017: \$ 8,607.88

Fund Year 2016: \$17,491.19

Fund Year 2015: \$ 280.30

Closed: \$0

Total: \$72,381.34

MOTION TO ADOPT RESOLUTION 19-19 APPROVING JULY BILLS LIST AND APPROVE CONFIRMATION & CERTIFICATION OF MAY 2019 CLAIM TRANSFERS AS SUBMITTED:

Moved: Commissioner Atkins

Second: Commissioner Gildea

Roll Call Vote: 6 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 impacting municipalities.

Monthly Report Made Part of Minutes.

MEL UNDERWRITING MANAGER:

REPORT: Included as part of the report were the List of Certificates issued for the period of 5/22/19 to 6/22/19.

CYBER RISK MANAGEMENT COMPLIANCE REPORT: Included as part of the report was a list of JIF members that submitted a cyber compliance program; the report indicated that to date one member has submitted their compliance report.

Monthly Report Made Part of Minutes.

MANAGED CARE:

MONTHLY REPORT: Included in the agenda was the June 2019 report submitted by FMCO. Managed Care Provider said the total provider billed amount was \$1,162,472, was re-priced to \$264,057 for a total savings of 77% and a PPO penetration of 94%.

Monthly Activity Report Made Part of Minutes.

SAFETY DIRECTOR:

MONTHLY REPORT: Included in the agenda was the June 2019 report noting the activities/trainings conducted, upcoming MSI classes in the region and safety bulletins that were distributed. Safety Director thanked Scotch Plains for hosting the Designated Employer Representative (DER) Training. The Safety Director mentioned Scott Thompson, a retired Police Chief from Morris Plains, was appointed as a Loss Control director for Morris Plains. While at Morris Plains, Scott Thompson was instrumental in the acquisition of grants for the Morris JIF.

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 Atkins
Second:	Commissioner Gildea
Roll Call Vote:	Unanimous

PAYMENT AUTHORIZATION REQUESTS & CONTRACT MATTERS: Executive Committee reviewed payment authorization requests presented by Claims Service in Executive Session, as well as, contract matters.

MOTION TO RETURN TO OPEN SESSION:

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

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

Moved:	Commissioner Atkins
Second:	Commissioner Gildea
Roll Call Vote:	6 Ayes - 0 Nays

OLD BUSINESS:

Commissioner Atkins previously reported an anticipated retirement this year; however, he said he will continue to serve as Fund Commissioner until further notification.

NEW BUSINESS:

NONE

PUBLIC COMMENT:

NONE

MOTION TO ADJOURN:

Moved:	Commissioner Atkins
Second:	Commissioner Gildea
Vote:	Unanimous

MEETING ADJOURNED: 8:33 AM

NEXT MEETING: September 12, 2019 - 8:00 AM

Nancy A. Ghani, Account Manager

for

MEGAN CHAMPNEY, SECRETARY