

**SUBURBAN MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES
JULY 9, 2020
VIA TELECONFERENCE
8:00AM**

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

ROLL CALL OF 2020 FUND COMMISSIONERS:

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

EXECUTIVE COMMITTEE ALTERNATES:

Anthony Suriano	Borough of Bernardsville	Present
Joseph Carty	Borough of Far Hills	Absent
Tom Atkins	Borough of Mountainside	Present

ALTERNATE FUND COMMISSIONERS:

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

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	PERMA Risk Management Services Cathleen Kiernan, Joseph Hrubash Nancy A. Ghani, Jennifer Conicella, Brandon Tracy
Attorney	DiFrancesco, Bateman, Coley, Yospin, Kunzman, Davis & Leher Stephen Davis, Esq.
Treasurer	Ralph Maresca
Auditor	Suplee, Clooney & Company Robert Butvilla
Claims Service	Qual-Lynx Claudia Acosta
Underwriting Manager	Conner Strong and Buckelew Edward Cooney
Safety Director/Law Enforcement	J.A. Montgomery
Risk Control	Brian Maitland, Michael Brosnan
Managed Care Provider	FMCO Suzanne Rajsteter

ALSO PRESENT:

Hallee Cramer, Meeker, Sharkey & Hurley
Rich Duthie, Pinnacle
Dominic Cinelli, Brown & Brown
Craig Sutherland, Meeker, Sharkey & Hurley
Lindsay Travali, Acrisure
Amy Pieroni, Acrisure

MINUTES: Open and Closed Minutes of June 11, 2020.

MOTION TO APPROVE OPEN AND CLOSED MINUTES FOR JUNE 11, 2020:

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

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.

Included in the agenda were tracking reports as of May 31, 2020; Executive Director referred to the Financial Fast Track (FFT) and said the Fund's current statutory surplus stands at \$4.1 million.

Executive Director reviewed the Lost Time Accident Frequency (LTAF) and said the JIF's rate is 1.08; the overall MEL/JIF rate is 0.87. Executive Director said the LTAF report does not include COVID-19 related claims adding that this report is not intended to measure this type of exposure. Executive Director said the Loss Ratio Report includes COVID-19 claims so the actuarial targets vs. budgeted loss funds will be higher for Fund Year 2020. Executive Director said the Fund office is working with the MEL's Workers' Compensation Claims Administrator to track COVID-19 related claims on a MEL-wide basis and noted a lot of the submitted claims are report only of potential exposure with two-week quarantine and not actual contraction of the virus. Executive Director said the Fund office is still awaiting confirmation from the Excess Workers' Compensation carrier if COVID-19 claims will be adjusted as one occurrence on a MEL-wide basis under the policy. In anticipation of this, the FFT notes what the Fund is expected to recover once this is determined.

Executive Director referred to the Employment Practices Liability Compliance chart, which notes each members co-pay and deductible. Executive Director said QBE, the fund's EPL/POL carrier, is reviewing claims experiences and will provide premium or rate changes in late Fall.

COVID-19 ACKNOWLEDGMENT FORM: Included in the agenda was a memo issued by the MEL Fund Attorney advising that emergency orders issued by the Governor's office are followed as members begin to re-open public facilities, as well as, a model acknowledgement form.

EPL COMPLIANCE PROGRAM: Included in the agenda was a copy of the notice emailed to members announcing the posting of updated Model Personnel Manual and Employee Handbook. Executive Director said the MEL contracted with an attorney to re-write the model policies and remove redundant or outdated information; included in the agenda was a synopsis of the changes made. Executive Director said the training for Elected Officials would typically have been conducted in-person, but due to the health crisis, these will be transitioned to webinars and will be launched later on this year. Executive Director said members have until June 1, 2021 to update their compliance program.

MEMBERSHIP RENEWALS: Executive Director said Bernards Township and Bernardsville Borough are scheduled to renew fund membership by January 1, 2021. Membership documents will be mailed out following the meeting.

2020 COVERAGE DOCUMENTS: Executive Director said the fund office is in the process of uploading and posting the member policies to the Fund's Risk Management Information System

(Origami). Executive Director said Origami allow up to 3 years to policy documents to be posted. Fund Commissioners and Risk Management Consultants will be emailed when the process is complete.

RISK MANAGEMENT INFORMATION/OPERATING SYSTEM (RMIS): Members and Risk Managers will receive an email on/about July 13th or 14th with a link to renewal worksheets - to begin the 2021 underwriting renewal during the month of July with a September 1st completion date.

NJUA SAFETY EXPO 2020: Executive Director reported the New Jersey Utility Authorities JIF (NJUA) and the Municipal Excess Liability Joint Insurance Fund (MEL) have had to cancel the NJUA Safety Expo scheduled for June at the Middlesex Fire Academy and now has canceled the September Expo that was set to be held at the Camden County Emergency Training Center.

MEL EPL HELPLINE: Enclosed in the agenda was a copy of the bulletin concerning the Fund's EPL Hotline for reference. Members are encouraged to contact any of the three firms when they need guidance. The MEL worked with QBE to restructure the helpline so that assistance is now provided by New Jersey law firms with municipal and JIF experience.

2020 FINANCIAL DISCLOSURES: In light of circumstances surrounding COVID-19, the Local Finance Board voted to extend the enforcement action date against non-filers until July 31, 2020. As of the meeting date all Fund Commissioners and Professionals have completed their filings.

JOINT CASH MANAGEMENT & INVESTMENT PROGRAM (JCMI): Executive Director said the JCMI has been purchasing Bond Anticipation Notes (BANs) issued by MEL member municipalities. The program to date has been very successful and has saved some of our MEL member municipalities thousands of dollars while increasing the investment yield of JCMI members significantly higher than traditional investments.

Executive Director said membership into the JCMI began with the MEL, RCF and EJIF and local JIFs are participating on a staggered basis.

2019 AUDIT FILING: PERMA filed the 2019 Year End Audit, Certification of the Audit adopted by the Executive Committee, Actuarial Valuation and Actuarial Certification with the Departments of Insurance and Community Affairs. In addition, the Synopsis of Audit was published in the Fund's official newspaper

AUGUST PAYMENTS: 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:

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

TREASURER:

VOUCHER LIST:

JULY 2020 VOUCHER PAYMENTS, RESOLUTION 21-20

Fund Year 2020: \$548,410.31
Total: \$548,410.31

CONFIRMATION OF CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS FOR MONTHS OF MAY 2020:

Fund Year 2020	59,848.32
Fund Year 2019	19,186.51
Fund Year 2018	3,152.80

Fund Year 2017	1,090.40
Fund Year 2016	1,138.12
Closed	0.00
TOTAL	\$84,416.16

MOTION TO APPROVE JULY 2020 BILLS LIST RESOLUTION 21-20 AND APPROVE CONFIRMATION & CERTIFICATION CLAIM TRANSFERS OF MAY 2020 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 were reports of appellate decisions impacting municipalities.
Monthly Report Made Part of Minutes.

UNDERWRITING MANAGER:

REPORT: There were no certificates requested/issued for the period 5/22/20 – 6/22/2020.

CYBER RISK MANAGEMENT COMPLIANCE REPORT: Included in the agenda was a Cyber Risk Management Compliance Report as of 6/7/2020. The report notes which members have submitted a completed checklist to achieve Tier 1 or Tier 2 status in the event a cyber-claim occurs. The Incomplete status in the compliance report indicates that a member either did not submit a questionnaire in Origami and/or submitted but requires additional documentation. This does not mean a member cannot follow up and provide the updated information to be approved.

Monthly Report Made Part of Minutes.

MANAGED CARE:

MONTHLY REPORT: Included in the agenda was the June 2020 report submitted by FMCO. Managed Care Provider reported the total provider billed amount was \$798,668 was re-priced to \$363,671 for a total savings of 64% and a PPO penetration of 94%.

Monthly Activity Report Made Part of Minutes.

SAFETY DIRECTOR:

MONTHLY REPORT: Safety Director reviewed the report noting the activities/trainings and MSI classes. As reported last month, J.A. Montgomery was able to secure an online streaming service called **MSI NOW** which is available 24/7. Safety Director said there are approximately 130 titles available; members can contact his office to see if specific topics not currently listed are available. Safety Director said the MSI Training in-person sessions have been suspended indefinitely and are being replaced with interactive webinars via Zoom, which were launched in June. Safety Director said additional sessions will be added each month.

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 Atkins
 Second: Commissioner Gildea
 Roll Call Vote: Unanimous

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

MOTION TO RETURN TO OPEN SESSION:

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

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

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

OLD BUSINESS:

NONE

NEW BUSINESS:

VACATION/QUARANTINE: Discussion ensued about various practices for quarantine each member has instituted when an employee returns from vacation.

PUBLIC COMMENT:

NONE

MOTION TO ADJOURN:

Moved: Commissioner Atkins
Second: Commissioner Gildea
Vote: Unanimous

MEETING ADJOURNED: 8:43AM

Nancy A. Ghani, Account Executive
for
Al Mirabella, SECRETARY

**SUBURBAN MUNICIPAL JOINT INSURANCE FUND
BILLS LIST**

Resolution No. 21 -20

JULY 2020

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.

<u>FUND YEAR 2020</u>			
<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
001761			
001761	MUNICIPAL EXCESS LIABILITY JIF	FPB - 3RD QTR 2020	1,415.25
			1,415.25
001762			
001762	FIRST MANAGED CARE OPTION	MANAGED CARE SERVICES 7/20	6,856.84
			6,856.84
001763			
001763	MUNICIPAL EXCESS LIABILITY JIF	PROPERTY - 3RD QTR 2020	93,979.25
001763	MUNICIPAL EXCESS LIABILITY JIF	MEL - 3RD QTR 2020	249,734.25
			343,713.50
001764			
001764	N.J. MUNICIPAL ENVIRONMENTAL	2020 2ND INSTALLMENT	65,408.00
			65,408.00
001765			
001765	QUAL-LYNX	CLAIM ADJ SERVICES 7/20	17,724.83
			17,724.83
001766			
001766	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR 7/20	5,531.80
			5,531.80
001767			
001767	PERMA RISK MANAGEMENT SERVICES	POSTAGE 5/20	7.50
001767	PERMA RISK MANAGEMENT SERVICES	EXEC/ADMIN 7/20	15,315.15
			15,322.65
001768			
001768	THE ACTUARIAL ADVANTAGE	ACTUARY FEE 7/20	2,735.39
			2,735.39
001769			
001769	RALPH A MARESCA, JR	TREASURER FEE 7/20	1,596.44
			1,596.44

001770			
001770	MEEKER SHARKEY & HURLEY	RMC - 3RD QTR 2020 - HARDING TWP	2,165.00
001770	MEEKER SHARKEY & HURLEY	RMC - 3RD QTR 2020 - FAR HILLS BORO	770.00
001770	MEEKER SHARKEY & HURLEY	RMC - 3RD QTR 2020 - BEDMINSTER TWP	4,816.00
001770	MEEKER SHARKEY & HURLEY	RMC - 3RD QTR 2020 - BERNARDS TWP	10,349.00
001770	MEEKER SHARKEY & HURLEY	RMC - 3RD QTR 2020 - BVILLE BORO	5,545.00
			23,645.00
001771			
001771	MUNICIPAL EXCESS LIABILITY JIF	MSI - 3RD QTR 2020	7,220.00
			7,220.00
001772			
001772	ALLSTATE INFORMATION MANAGEMNT	ACCT#416 - ARC & STOR - 5.31.20	32.16
			32.16
001773			
001773	CONNER STRONG & BUCKELEW	UNDERWRITING FEE 7/20	1,667.00
			1,667.00
001774			
001774	RUSSO & ASSOCIATES LLC	FUND MEMBERS FOR WC 6/20	3,750.45
			3,750.45
001775			
001775	ACRISURE, LLC DBA RELIANCE INSURANCE GROUP	WATCHUNG BORO - 3RD QTR 2020	4,683.00
001775	ACRISURE, LLC DBA RELIANCE INSURANCE GROUP	RMC - SUMMIT - 3RD QTR 2020	15,976.00
			20,659.00
001776			
001776	PINNACLE INSURANCE SOLUTIONS	MOUNTAINSIDE - RMC - 3RD QTR 2020	4,610.00
			4,610.00
001777			
001777	SCOTCH PLAINS TOWNSHIP	RMC FEE - 3RD QTR 2020	9,027.00
			9,027.00
001778			
001778	WESTFIELD TOWNSHIP	RMC - 3RD QTR 2020	17,495.00
			17,495.00
		Total Payments FY 2020	548,410.31
		TOTAL PAYMENTS ALL FUND YEARS	\$548,410.31

Chairperson

Attest:

Dated: _____

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