

SUBURBAN METRO JOINT INSURANCE FUND

March 16, 2021

Via Zoom Teleconference

9:30 AM

The meeting was called to order by Chairman Mauro Tucci. Open Public Meeting Notice read into record.

ROLL CALL OF 2021

Mauro Tucci, Chair
Steve Rovell, Sec
Thomas Duch
John Serapiglia, Jr.
Intashan Chowdhury
Joseph Catenaro
Carrie Nawrocki
Allan Susen
TBD
Richard Budris
Keri Eglentowicz
Charles Cuccia

FUND COMMISSIONERS:

Township of Nutley Present
Belleville Township Present
City of Garfield Present
Passaic Manchester Regional HS Absent
Borough of Prospect Park Absent
Fairfield Township Absent
Hudson Reg'l Health Commission Absent
Borough of Haledon Absent
Nutley Board of Education Absent
Essex Reg'l Health Commission Present
Town of Secaucus Present
Little Falls Township Present

2021 FUND COMMISSIONER ALTERNATES:

Vincent Cozzarelli Belleville Township Absent
Andrew J. Pavlica City of Garfield Absent
Brian Zinn Manchester Regional HS Absent
Regina Goham Hudson Reg'l Health Commission Present
Leena Abaza Borough of Haledon Absent
Marisol Leguizamon Essex Reg'l Health Commission Absent

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator Perma Risk Management Services
Cathleen Kiernan

Attorney Piro, Zinna, Cifelli, Paris & Genitempo
James Piro, Esq.

Claim Services Qual-Lynx
Claudia Acosta

Treasurer **William Homa**

Safety J.A. Montgomery Consulting
Brian Maitland

Underwriter Conner Strong & Buckelew
Edward Cooney

Managed Care FMCO
Alyssa Hrubash

OTHERS PRESENT:

Robert Searle, RMC
Joe Rude, RMC
Dawn Alexander Makowski, RMC
Karen Waters, RMC
Jennifer Stowe, RMC
Jack Zisa, RMC
Danielle Voda, RMC
Robert Welter, Belleville
Jonathan Tavares, Conner Strong & Buckelew
John Schwartz, J.A. Montgomery Consulting
Robyn Walcoff, Perma
Jennifer Conicella, Perma
Tracy Lopez, Perma

APPROVAL OF MINUTES: February 16, 2021 – Open Minutes

MOTION TO APPROVE OPEN MINUTES AS NOTED ABOVE

MOTION:	Commissioner Rovell
SECOND:	Commissioner Cuccia
VOTE:	Unanimous

Correspondence

None

EXECUTIVE DIRECTORS REPORT

2021 MEL/RCF/EJIF March 26th Meeting & Retreat

Executive Director said the MEL, RCF and EJIF will be holding their March meetings in conjunction with the MEL Annual Retreat and will begin at 9:00 AM on March 26th and will be held virtually. The purpose of the retreat is to provide the sub-committees of the MEL an expanded opportunity to report directly to the Boards of the MEL, RCF and EJIF. Within the week you may visit the MEL webpage – njmel.org - on how to participate virtually.

2021-2022 Insurance Crisis and Accidental Disability Pensions

Executive Director referred to two memorandums prepared by David Grubb, MEL Executive Director, concerning emerging issues that will likely increase insurance costs. The first memo outlines the expected rise in costs for workers' compensation, liability and property insurance due to the hard market but also significantly because of legislative and regulatory actions. The second memo concerns the regulatory shifting of accidental disability pension offsets from workers' compensation to the pension system. The MEL is attempting to discuss a compromise for the situations where an employee is partially disabled and can still be gainfully employed. The MEL has begun working with various professionals in an effort to control the impact. Members should be aware that they may be asked to support our position by contacting their legislators. As a result of the request from Mr. Piro's office, Steve Martino Esq. has provided a memo addressing the pension offset and the change that has taken place within the workers compensation courts on the elimination of medical monitoring awards; members are encouraged to read the memo as it would affect all employers.

Cannabis Legalization

Executive Director said as a result of the recent adoption of the cannabis legislation in New Jersey, a number of critical issues and questions have, and will continue to, arise. The MEL Fund Attorney

is finalizing a bulletin with a list of issues which each respective member should address and confer with its legal counsel.

Borough of East Newark

Executive Director said the Fund has reviewed underwriting information for providing a proposal to the Borough of East Newark. Consideration will be discussed in closed session due to confidential information.

MEL, MR HIF & NJCE Educational Seminar

Executive Director said the 10th annual seminar will be conducted virtually on 2 half day sessions: Friday, May 14th and Friday, May 21 from 9 am to 12 noon. The seminar qualifies for Continuing Educational Credits including CFO/CMFO, Public Works, Clerks, Insurance Producers and Purchasing Agents. There is no fee for employees and insurance producers associated with MEL and Municipal Reinsurance Health Insurance Fund (MR HIF) members as well as personnel who work for service companies that have been engaged by MEL member JIFs and MR HIF member HIFs. Executive Director referred to the MEL's "Power of Collaboration" which will appear in the League of Municipalities magazine. A Zoom Invite with registration instructions was emailed to members.

Cyber Task Force

The MEL's Cyber Task Force has been working on modifications to the MEL's Cyber Risk Management Program; the final program was released on March 8th and a communication on the program was issued to all members. Underwriting Manager said clarifications and few updates were made to Tiers 1 & 2 in addition to adding a Tier 3 for which members will have the ability to receive full reimbursement of their \$25,000 deductible should they meet the compliance standards. Members meeting the former compliance program will be grandfathered.

D2 Cybersecurity – Status Report

The monthly status report from the cyber security provider which recaps member participation and training to date.

Qualified Purchasing Agent

Executive Director said during the May 2020 meeting of the Fund, the Board authorized the hiring of The Canning Group as the Qualified Purchasing Agent for Competitive Contract Procedures for the 2020 Fund year, enclosed you will find proposal from the QPA to provide services for the 2021 Fund year at a reduced price of \$7,000.00 and Resolution #13-21 for consideration.

MOTION TO ACCEPT THE PROPOSAL FROM THE CANNING GROUP LLC FOR THE 2021 FUND YEAR AT A REDUCED PRICE OF \$7,000.00 AND ADOPT RESOLUTION #13-21 AUTHORIZING A CONTINUED AGREEMENT FOR PROFESSIONAL SERVICES WITH SEAN P. CANNING, QPA OF THE CANNING GROUP LLC.

MOTION:	Commissioner Cuccia
SECOND:	Commissioner Duch
VOTE:	Unanimous

2020/2021 Elected Officials Seminar

Executive Director reminded member of the MEL's Annual Elected Officials Seminar which is available through the MEL Safety Institute. Another copy of the directions to take the course was reviewed as distributed. The deadline for this course is May 1, 2021.

Model Personnel Manual

Executive Director said Matt Giacobbe and Fred Semrau held the second of two webinars providing members with an overview of the revised Model Personnel Manual and Employee Handbook on March 12, 2021 AM. A memorandum with “Frequently Asked Questions” was also reviewed as distributed. A recording of the first seminar has been posted to the MEL webpage. Model documents can be found at: <https://njmel.org/insurance/public-officials/risk-management-program/>

2021 Financial Disclosures

Executive Director said JIF Commissioners should anticipate the online filing of the Financial Disclosure forms inclusive of any other municipal related positions that require filing. It is anticipated the Division of Local Government Services will distribute a notice with filing instructions in March with a deadline to file by April 30th. As soon as released, the Fund office will contact all respective members and professionals.

Due Diligence Reports

Executive Director reviewed the January reports which included the Loss Ratio Analysis by fund year and line of coverage, Claim Activity Report, Lost Time Accident Frequency, Lost Days Report and MSI Usage report. In addition, the Regulatory Checklist, EPL/POL status report and the current list of Risk Management Consultant agreements were reviewed. The January Financial Fast Track will be reviewed at a later date as the financials are being finalized in preparation of the 2020 audit. Executive Director also noted the compliance deadline for the EPL/POL program has been extended from June 1, 2021 to November 1, 2021 as recommended by the MEL’s Management Committee.

TREASURER REPORT

Fund Treasurer reviewed January and February reports as distributed. The March bill list Resolution #14-21 was also reviewed:

FUND YEAR	AMOUNT
2020	\$ 21.51
2021	\$ 188,309.08
Total	\$ 188,330.59

Supplemental March bill list Resolution #15-21 was also reviewed:

FUND YEAR	AMOUNT
2021	\$ 2,080.00
Total	\$ 2,080.00

Fund Treasurer also referred to the Joint Cash Management Investment Program (JCMI) statement which outlines investments of \$241,814 with a yield of 1.31%. The MEL’s Investment Committee met last week and to date the program is very successful.

CONFIRMATION OF CLAIMS PAYMENTS/CERTIFICATION OF TRANSFERS FOR THE MONTH OF JANUARY 2021:

2017:	\$ 255,497.00
2018:	\$ 9,038.18
2019:	\$ 14,225.23

2020:	\$	143,469.90
2021:	\$	7,041.39

CONFIRMATION OF CLAIMS PAYMENTS/CERTIFICATION OF TRANSFERS FOR THE MONTH OF FEBRUARY 2021:

2017:	\$	4,185.19
2018:	\$	77,419.18
2019:	\$	1,968.20
2020:	\$	155,504.57
2021:	\$	7,900.99

MOTION TO ADOPT RESOLUTIONS 14 & 15-21 APPROVING THE MARCH BILL LIST AND MARCH SUPPLEMENTAL BILL LIST, APPROVE THE CERTIFICATION OF JANUARY AND FEBRUARY CLAIM PAYMENTS AND RECOVERIES AS SUBMITTED AND THE TREASURER REPORT.

MOTION:	Commissioner Cuccia
SECOND:	Commissioner Duch
VOTE:	Unanimous

Treasurer's Report & Investment Report made part of the minutes.

ATTORNEY

Fund Attorney referred the agenda report as distributed and specifically commented a unique situation under liability cases wherein the savings for defense costs will benefit the Fund as the claim will be assigned to one defense attorney in lieu of two separate defense attorneys. Fund Attorney also encouraged members to read the memo from Steve Martino regarding the elimination of medical monitoring awards in workers compensation coverage; as this will shift the payments from the pension system to the workers compensation carriers.

Attorney Report made part of the minutes.

UNDERWRITING MANAGER

Underwriting Manager said correspondence was issued from his office which addressed a service patch issued by Microsoft for a vulnerability to their exchange systems and requested that if members implement this patch on their systems to prevent any cyber issues. Underwriting Manager referred to the current cyber compliance status report and the listing of certificates of insurance as previously issued.

MANAGED CARE

Managed Care provider reviewed the agenda report as distributed for the month of February which indicates the total case management of 13 cases in provided bills of \$114,644 repriced at \$62,239 resulting in a savings of \$52,404 or 46%. Executive Director noted within the report the usual and customary fees as outlined at \$40,045,464 as a point of reference of the impact of S-3375 would have on the workers compensation coverage; should this move forward, the Fund would have to pay approximately 75% of the total costs.

Managed Care Report made part of the minutes.

SAFETY DIRECTOR

Safety Director referred to the safety report as distributed outlining February activities, loss control and law enforcement surveys. Safety Director also reviewed the MSI Safety Director bulletins and messages previously distributed and noted the upcoming meeting schedule inclusive of the Executive Safety Committee meeting which will take place following this meeting. Safety Director also referred to the listing of remaining training dates for Managers/Supervisors under the MEL EPL/POL Program stating the last evening training available will be April 27th and the final date is scheduled for September 21, 2021. Safety Director noted that the MSI website has been upgraded and a training is scheduled for March 31st which will review how to navigate through the site.

CLAIMS SERVICE

Closed Session

RESOLUTION - EXECUTIVE SESSION FOR CERTAIN SPECIFIED PURPOSES: PERSONNEL - SAFETY & PROPERTY OF PUBLIC LITIGATION.

MOVED: Commissioner Rovell
SECOND: Commissioner Duch
VOTE: Unanimous

MOTION TO RETURN TO OPEN SESSION:

MOVED: Commissioner Rovell
SECOND: Commissioner Cuccia
VOTE: Unanimous

MOTION TO AUTHORIZE RELEASE OF A QUOTE FOR MEMBERSHIP TO THE BOROUGH OF EAST NEWARK SUBJECT TO A SATISFACTORY SAFETY LOSS CONTROL INSPECTION AND REVIEW OF POL/EPL CARRIER QBE AND MOTION TO APPROVE PAYMENT AUTHORITY REQUESTS FOR FILE NUMBERS AS SUBMITTED BY THE CLAIMS ADMINISTRATOR.

MOVED: Commissioner Cuccia
SECOND: Commissioner Rovell
VOTE: Unanimous

MOTION TO AUTHORIZE THE CANCELLATION OF THE APRIL MEETING AND THE PAYMENT OF AN APRIL BILL LIST.

MOVED: Commissioner Duch
SECOND: Commissioner Budris
VOTE: Unanimous

OLD BUSINESS:

None

NEW BUSINESS:

None

PUBLIC COMMENT:

None

MOTION TO ADJOURN:

MOVED:	Commissioner Rovell
SECOND:	Commissioner Cuccia
VOTE:	Unanimous

MEETING ADJOURNED: 10:23 AM

SUBURBAN METRO JOINT INSURANCE FUND

RESOLUTION #13-21

**AUTHORIZING AN AGREEMENT FOR PROFESSIONAL SERVICES
WITH SEAN P. CANNING, QPA OF THE CANNING GROUP LLC**

WHEREAS, the Suburban Metro Joint Insurance Fund (Hereinafter the Fund) has a need for a Qualified Purchasing Agent duly licensed through the State of New Jersey as a professional services agreement in accord with N.J.S.A. 40A:11-5; and

WHEREAS Sean P. Canning, QPA of The Canning Group LLC, has submitted a proposed contract indicating that he will provide the professional services; and

WHEREAS the availability of funds for said Professional Services Contract to be awarded herein have been certified by the Treasurer; and

WHEREAS, the Local Public Contract Law (N.J.S.A. 40A:11-1, et seq.) requires that the Resolution authorizing the award of contract for Professional Services without competitive bidding and the contract itself must be available for public inspection; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Fund Commissioners of the Suburban Metro Joint Insurance Fund as follows:

1. That Sean P. Canning, QPA of The Canning Group LLC is hereby appointed as the Qualified Purchasing Agent for the Fund in the amount of \$7,000.00

SUBURBAN METRO JOINT INSURANCE FUND

SUBURBAN METRO JOINT INSURANCE FUND
(formerly Suburban Essex Joint Insurance Fund) BILLS LIST

Resolution No. 14-21

MARCH 2021

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

BE IT RESOLVED that the Suburban Essex 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 2020

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
001996			
001996	PERMA RISK MANAGEMENT SERVICES	2020 AATRIX 1099 ELECTRONIC FILING	21.51
			21.51
		Total Payments FY 2020	21.51

FUND YEAR 2021

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
001997			
001997	FIRST MANAGED CARE OPTION	MANAGED CARE SERVICES 3/21	12,395.00
			12,395.00
001998			
001998	DUGHI, HEWIT & DOMALEWSKI, P.C.	PROF. SERVICES - NUTLEY BOE - 3/21	195.00
			195.00
001999			
001999	QUAL-LYNX	CLAIMS ADJ. SERVICES 3/21	28,340.40
			28,340.40
002000			
002000	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR FEE 3/21	6,290.67
			6,290.67
002001			
002001	DYNAMIC TESTING SERVICES LLC	GARFIELD 3.3.21	720.93
002001	DYNAMIC TESTING SERVICES LLC	BELLEVILLE 3.3.21	439.50
002001	DYNAMIC TESTING SERVICES LLC	SECAUCUS 3.3.21	417.86
			1,578.29
002002			
002002	PERMA RISK MANAGEMENT SERVICES	POSTAGE 2/21	6.12
002002	PERMA RISK MANAGEMENT SERVICES	EXEC. DIRECTOR FEE 3/21	23,506.11
			23,512.23
002003			
002003	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONS. SERVICES 3/21	2,840.91
002003	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONS. SERVICES 1/21	2,840.91
002003	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONS. SERVICES 2/21	2,840.91
			8,522.73
002004			
002004	PIRO, ZINNA, CIFELLI, PARIS &	ATTORNEY FEES 2/21	7,383.91
			7,383.91
002005			
002005	WILLIAM M. HOMA, CPA	TREASURER FEE 3/21	1,364.50
			1,364.50

002006			
002006	NEWTECH SERVICES, INC.	MONTHLY MAINT & DR 3/21	175.00
			175.00
002007			
002007	CONNER STRONG & BUCKELEW	UNDERWRITING MANAGER FEE 3/21	762.00
			762.00
002008			
002008	THE CANNING GROUP LLC	QPA SERVICES 2/21	583.33
			583.33
002009			
002009	ALLSTATE INFORMATION MANAGEMENT	ACCT#415 - ARC. AND STOR. - 1.31.21	52.47
			52.47
002010			
002010	FAIRVIEW INSURANCE AGENCY	SECAUCUS - RMC FEE - 3/21	3,750.00
002010	FAIRVIEW INSURANCE AGENCY	SECAUCUS - RMC FEE - 1/21	3,750.00
002010	FAIRVIEW INSURANCE AGENCY	SECAUCUS - RMC FEE - 2/21	3,750.00
			11,250.00
002011			
002011	IMAC INSURANCE AGENCY, LLC	FAIRFIELD - RMC FEE - 1ST HALF 2021	17,690.00
002011	IMAC INSURANCE AGENCY, LLC	BELLEVILLE - RMC FEE - 1ST HALF 2021	62,084.00
			79,774.00
002012			
002012	BROWN & BROWN METRO, INC.	HUD REG HEALTH COMM - 1ST RMC FEE - 2021	1,064.00
002012	BROWN & BROWN METRO, INC.	ESX REG HEALTH COMM - 1ST RMC FEE - 2021	560.00
			1,624.00
002013			
002013	EMPLOYEE BENEFITS CONSULTING SRVC GRP LLC	RMC FEE - 2ND INSTALLMENT 2021	2,221.00
002013	EMPLOYEE BENEFITS CONSULTING SRVC GRP LLC	RMC FEE - 1ST INSTALLMENT 2021	2,221.00
			4,442.00
002014			
002014	NJ ADVANCE MEDIA	ACCT#: 1000867515 - MTG - 1.29.21	63.55
			63.55
		Total Payments FY 2021	188,309.08
		TOTAL PAYMENTS ALL FUND YEARS	188,330.59

Chairperson

Attest:

Dated: _____

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

Treasurer

SUBURBAN METRO JOINT INSURANCE FUND
(formerly Suburban Essex Joint Insurance Fund) SUPPLEMENTAL BILLS LIST

Resolution No. 15-21

MARCH 2021

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

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FURTHER, that this authorization shall be made a permanent part of the records of the Fund.

FUND YEAR 2020

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
002015	IACULLO, MARTINO, MACHTEMES & REINITZ	ATTORNEY FEES 9/20-2/21	2,080.00
002015			2,080.00
		Total Payments FY 2020	2,080.00
		TOTAL PAYMENTS ALL FUND YEARS	2,080.00