

**SUBURBAN ESSEX JOINT INSURANCE FUND**

**February 19, 2019**

**NUTLEY RECREATION BUILDING**

**9:30 AM**

The meeting was called to order by Commissioner Catenaro. Open Public Meeting Notice read into record.

**ROLL CALL OF 2019**

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

**FUND COMMISSIONERS:**

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

**2019 FUND COMMISSIONER ALTERNATES:**

Charles Voorhees Town of Secaucus Absent  
Vincent Cozzarelli Belleville Township Absent  
Andrew J. Pavlica City of Garfield Present  
Brian Zinn Manchester Regional HS Absent  
John Marmora Nutley Bd. Of Ed. Present  
Regina Goham Hudson Reg'l Health Commission Present  
Leena Abaza Borough of Haledon Absent  
Marisol Leguizamon Essex Reg'l Health Commission Present

**APPOINTED OFFICIALS PRESENT:**

Executive Director/Administrator

Perma Risk Management Services  
**Cathleen Kiernan**

Attorney

Piro, Zinna, Cifelli, Paris & Genitempo  
**Angelo Cifelli**

Claim Services

Qual-Lynx  
**Claudia Acosta**

Treasurer

**William Homa**

Safety

J.A. Montgomery Risk Control  
**Brian Maitland**

Underwriter

Conner Strong & Buckelew

**Edward Cooney**

Managed Care

FMCO

**Mary Bresadola**

**OTHERS PRESENT:**

Karen Waters, IMAC  
Barry Maurillo, IMAC  
Caty Lambe, Qual-Lynx  
Frank DeMaio, Nutley  
Mary Fenui, Nutley  
Robert Searle, Searle Agency  
Joe Rude, EBCSG  
Frank Covelli, PIA  
Danielle Voda, Fairview Insurance

**APPROVAL OF MINUTES:**

January 15, 2019 – Open Minutes  
January 14, 2019 – Closed Minutes

**MOTION TO APPROVE OPEN AND CLOSED MINUTES AS NOTED ABOVE  
WITH NOTED CORRECTION OF THE PRESENCE OF COMMISSIONER JOHN  
MARMORA**

**MOTION:**

Commissioner Cuccia

**SECOND:**

Commissioner Pavlica

**VOTE:**

Unanimous

**Correspondence**

Executive Director said Conner Strong & Buckelew, including Perma, experienced a cyber event that temporarily impacted our ability to access our email. The email is back up and running and you can now communicate with respective representatives. At this time, there is no evidence that any of our data has been compromised or damaged. We take the security of our data seriously and have a security team deployed 24/7 to monitor our systems, however, these types of criminal attacks are increasingly sophisticated and no system or company can prevent every attack or ever be completely safe.

Underwriting Manager added that we were down for about one week but all safeguards were in place and we are now back to normal.

**EXECUTIVE DIRECTORS REPORT**

**Little Falls Police Accreditation**

Executive Director referred to a copy of the letter certifying Little Falls Township's police department accreditation. As a result, it would be appropriate to certify a credit of \$4,506 against the township's 2019 assessment.

**MOTION TO CERTIFY A 2019 JIF AND MEL POLICE ACCREDITATION ASSESSMENT CREDIT OF \$4,506 FOR THE TOWNSHIP OF LITTLE FALLS.**

<b>MOTION:</b>	Commissioner Pavlica
<b>SECOND:</b>	Commissioner Marmora
<b>VOTE:</b>	Unanimous

**Bylaws**

Executive Director said during the January meeting, discussion of a Fund name change was initiated; in order to officially change the name it would require a bylaw amendment. It might be a good opportunity to review the bylaws to see if any other changes would be appropriate. Bylaws have not been revised since 1997. It was agreed that the Finance Committee schedule a meeting to review the bylaws in consideration of a Fund name change and any other necessary changes that may be needed.

**2019 MEL/RCF/EJIF March 29th Meeting & Retreat**

Executive Director said the MEL, RCF and EJIF will be holding their March meetings in conjunction with the MEL Annual Retreat. Perma is working on securing a location. The purpose of the retreat is provide the sub-committees of the MEL an expanded opportunity to report directly to the Boards of the MEL, RCF and EJIF. Once a location is secured, notification will be sent out.

**2019 MEL, MR HIF & NJCEL Educational Seminar**

Executive Director said The MEL (Municipal Excess Liability Fund), MRHIF (Municipal Reinsurance Health Fund) and the NJCEL (Counties Excess Liability Fund) has scheduled the 9<sup>th</sup> annual educational seminar for Friday, May 3, 2019, beginning at 9:00 AM at the National Conference Center in East Windsor, NJ. The seminar qualifies for an extensive list of 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 are engaged by MEL member JIFs and MR HIF member HIFs. An enrollment form was reviewed as distributed and will be emailed as an electronic fillable form.

**Online Elected Officials Training Course**

Executive Director said every year, the MEL holds training seminars for elected officials and reduces a member's assessment by \$250 for each municipal elected official completing the course by May 1st. Instructor-led session locations and dates are posted on the MEL website at njmel.org. This course is also available online; instructions on how to access the course is enclosed for your review. The course covers ways to prevent employment practices lawsuits.

## **Cyber Task Force**

The MEL's Cyber Task Force met on February 4th to review next steps in address the evolving cyber risks faced by members. Task force reviewed the slow response of MEL members in submitted their minimum loss control program. Following the January meeting of the Suburban Essex JIF, the Fund office sent another copy of the Cyber Risk Management Program. Underwriting Manager submitted the attached status report of SEJIF members that have submitted their program to date. Implementing the program provides members the opportunity to recover part of the policy deductible, in the event of a loss.

## **School Pool Excess Liability Limits (SPELL) JIF - Fund Membership Renewal**

Executive Director reviewed the Resolution and Indemnity & Trust Agreement as distributed for the Suburban Essex JIF to renew its 3 year membership in the SPELL Fund on behalf of the board of education members effective July 1, 2019 – June 30, 2022. The confirmed renewal is needed in order for the SPELL Fund to act on the renewal during their April 12, 2019.

### **MOTION TO ADOPT RESOLUTION #8-19 AUTHORIZING THE FUND'S MEMBERSHIP RENEWAL IN THE SCHOOL POOL FOR EXCESS LIABILITY LIMITS JOINT INSURANCE FUND (SPELL FUND)**

<b>MOTION:</b>	Commissioner Cuccia
<b>SECOND:</b>	Commissioner Pavlica
<b>VOTE:</b>	Unanimous

## **Annual Safety Luncheon**

Executive Director said the Suburban Essex JIF Safety Luncheon will take place at Nanina's in the Park, located at 540 Mill Street, Belleville, NJ on Thursday, April 11, 2019 at 12:00 PM.

## **Inclement Weather Procedure**

As a reminder, PERMA has instituted a procedure for Commissioners to confirm whether or not a meeting has been canceled. The Executive Director will discuss with the Fund Chairperson if the meeting should be canceled. In the event of an early morning or evening meeting(s), Perma will provide a recorded message indicating the status of the meeting. The recorded message can be obtained by calling the Fund's main number (201) 881-7632 at any time of the day or night. For meetings that occur during the course of normal business hours, meeting status can be obtained by utilizing the same number.

## **Due Diligence Reports**

Executive Director reviewed December reports which included monthly Financial Fast-track, Interest Rate Summary Comparison, 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.

**TREASURER REPORT**

Fund Treasurer referred to the report as distributed for the month January 2019.

The February bill list was also reviewed as distributed.

**RESOLUTION 09-19 PAYMENT OF VOUCHERS:**

<b>FUND YEAR</b>	<b>AMOUNT</b>
2018	\$ 6,842.17
2018	\$ 612,262.53
Total	\$ 619,104.70

**CONFIRMATION OF CLAIMS PAYMENTS/CERTIFICATION OF TRANSFERS FOR THE MONTH OF JANUARY 2019:**

2015:	\$ 5,690.92
2016:	\$ 298,832.08
2017:	\$ 45,398.18
2018:	\$ 149,055.66
2019:	\$ 1,148.23

**MOTION TO ADOPT RESOLUTION 9-19 APPROVING THE FEBRUARY BILL LIST AND APPROVE CONFIRMATION & CERTIFICATION OF JANUARY CLAIM PAYMENTS AND RECOVERIES AS SUBMITTED.**

**MOTION:** Commissioner Pavlica  
**SECOND:** Commissioner Leguizamon  
**VOTE:** Unanimous

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

**ATTORNEY**

Fund Attorney referred the agenda report as distributed.

*Attorney Report made part of the minutes.*

## **UNDERWRITING MANAGER**

### **CYBER:**

Underwriting Manager noted that there were 8 cyber-attacks in a three week period, prior year status was a possibility of 8 within a year; the cyber hackers have become more savvy in their interruptions. The MEL's Cyber Task Force will be scheduling a meeting to review changes regarding the cyber program which will outline several compliance components for the upcoming year inclusive of the MEL Cyber Risk Management Program.

Commissioner Cuccia questioned law enforcement and what is being done to stop the criminals behind the attacks. Underwriting Manager responded that it is very difficult to track down one person behind the cyber-attacks; at best, members can make significant attempts to protect themselves. All state agencies (ie FBI/ State police) are contacted upon a cyber breach.

Commissioner Catenaro suggested a proactive approach of the Fund hosting a training to all member IT personnel to review the requirements under the MEL Cyber Risk Management program and ensure they are aware of the risks at hand. It was also suggested that members may not be aware on the selection process of IT personnel; perhaps the Fund could assist in helping members to identify how to choose an IT person.

Ms. Karen Waters requested an update on the cyber program from D2 Cybersecurity. Ms. Lopez advised an update would be requested from the provider and provided in the March agenda.

### **SHARED AGGREGATE LIABILITY:**

Underwriting Managed said the shared aggregate limit is now available to members that meet the first \$20M limit. Executive Director noted that the email was ready to go to all members prior to our cyber event, the email will be sent to all members outlining the cost to purchase the total \$20M in addition to the shared limit.

Commissioner Catenaro requested a review of the response and an alternate plan if all members do not purchase the total \$20M and shared aggregate limit.

## **MANAGED CARE**

Managed Care provider reviewed the agenda report as distributed for the month of January 2019 which indicates \$321,524 in provider bills, repriced at \$98,692 resulting in a savings of \$222,832 or 69%.

*Managed Care Report made part of the minutes.*

## **SAFETY DIRECTOR**

Safety Director referred to the safety report as distributed outlining January activities, upcoming training sessions by the MEL Safety Institute and the latest safety bulletins that were previously distributed to members.

## **CLAIMS SERVICE**

### **Closed Session**

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

**MOVED:** Commissioner Cuccia  
**SECOND:** Commissioner Pavlica  
**VOTE:** Unanimous

### **MOTION TO RETURN TO OPEN SESSION:**

**MOVED:** Commissioner Cuccia  
**SECOND:** Commissioner Pavlica  
**VOTE:** Unanimous

### **MOTION TO APPROVE PAYMENT AUTHORITY REQUESTS FOR FILE NUMBERS AS SUBMITTED.**

**MOVED:** Commissioner Pavlica  
**SECOND:** Commissioner Leguizamon  
**VOTE:** Unanimous

### **OLD BUSINESS:**

None

### **NEW BUSINESS:**

None

### **PUBLIC COMMENT:**

None

**MOTION TO ADJOURN:**

<b>MOVED:</b>	Commissioner Marmora
<b>SECOND:</b>	Commissioner Cuccia
<b>VOTE:</b>	Unanimous

**MEETING ADJOURNED: 10:20 AM**



# SUBURBAN ESSEX JOINT INSURANCE FUND BILLS LIST

Resolution No. 9-19

FEBRUARY 2019

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 2018**

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
001557			
001557	DYNAMIC TESTING SERVICES LLC	DRUG TESTING 11.18 & 12.18	919.70
001557	DYNAMIC TESTING SERVICES LLC	ALCOHOL TESTING 11.18 & 12.18	262.20
			<b>1,181.90</b>
001558			
001558	PERMA RISK MANAGEMENT SERVICES	2018 1099 AATRIX FILINGS	18.32
			<b>18.32</b>
001559			
001559	APPLIEDINFO PARTNERS, INC.	CAAS CYBSEC COURSEWARE & PHISH LICE 2018	5,598.00
			<b>5,598.00</b>
001560			
001560	ALLSTATE INFORMATION MANAGEMNT	ACCT#415 - ARC & STOR - 12.31.18	43.95
			<b>43.95</b>
		<b>Total Payments FY 2018</b>	<b>6,842.17</b>

**FUND YEAR 2019**

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
001561			
001561	FIRST MANAGED CARE OPTION	MANAGED CARE SERVICES 2.19	11,914.08
001561	FIRST MANAGED CARE OPTION	MANAGED CARE SERVICES 1.19	11,914.08
			<b>23,828.16</b>
001562			
001562	APEX INSURANCE SRVS c/o XL INS	TECH ERR & OM INS - 1OF2 INSTALL 2/19	5,106.00
			<b>5,106.00</b>
001563			
001563	APEX INS SRVS c/o QBE INS	VOL EMER SER & OL COV - 1OF2 INSTAL 2/19	2,052.00
001563	APEX INS SRVS c/o QBE INS	POL & EPL - 1OF2 INSTALL 2/19	470,184.50
			<b>472,236.50</b>

001564			
001564	APEX INS SRVS c/o BEAZLEY	TECH ERR & OM INS - 1OF2 INSTALL 2/19	2,540.00
			<b>2,540.00</b>
001565			
001565	QUAL-LYNX	CLAIM ADJUSTING SERVICES 2/19	27,325.83
			<b>27,325.83</b>
001566			
001566	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES 2.19	6,046.38
001566	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES 1.19	6,046.38
			<b>12,092.76</b>
001567			
001567	DYNAMIC TESTING SERVICES LLC	DRUG TESTING 1.19	919.70
001567	DYNAMIC TESTING SERVICES LLC	ALCOHOL TESTING 1.19	305.90
			<b>1,225.60</b>
001568			
001568	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 2/19	22,593.00
			<b>22,593.00</b>
001569			
001569	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES 2.19	2,730.58
001569	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES 1.19	2,730.58
			<b>5,461.16</b>
001570			
001570	PIRO, ZINNA, CIFELLI, PARIS &	RETAINER PER RESOLUTION 1/19	7,097.25
			<b>7,097.25</b>
001571			
001571	WILLIAM M. HOMA, CPA	TREASURER FEE 2/19	1,311.50
			<b>1,311.50</b>
001572			
001572	NEWTECH SERVICES, INC.	WEBSITE MAINT/HOSTING 2.19	75.00
001572	NEWTECH SERVICES, INC.	WEB MAINT/HOSTING 1.19	75.00
			<b>150.00</b>
001573			
001573	CONNER STRONG & BUCKELEW	UNDERWRITING FEE 2.19	733.00
			<b>733.00</b>
001574			
001574	APPLIEDINFO PARTNERS, INC.	CAAS CYBSEC COURSEWARE & PHISH 1/19	24,434.10
			<b>24,434.10</b>
001575			
001575	ALLSTATE INFORMATION MANAGEMNT	ACCT#415 - ARC & STOR - 1.31.19	43.95
			<b>43.95</b>
001576			
001576	FAIRVIEW INSURANCE AGENCY	SECAUCUS - RMC 2.19	3,000.00
001576	FAIRVIEW INSURANCE AGENCY	SECAUCUS - RMC 1.19	3,000.00
			<b>6,000.00</b>
001577			
001577	NJ ADVANCE MEDIA	ACCT#1000867515 - NOTICE - 1.3.19	83.72
			<b>83.72</b>
		<b>Total Payments FY 2019</b>	<b>612,262.53</b>