

**SUBURBAN METRO JOINT INSURANCE FUND
 SEPTEMBER 20, 2022
 Nutley Parks & Recreation
 9:30 AM**

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

ROLL CALL OF 2022

FUND COMMISSIONERS

Mauro Tucci, Chair	Township of Nutley	Present
Steve Rovell, Sec	Belleville Township	Present
Joseph Catenaro	Fairfield	Present via - telephone
Richard Budris	Essex Reg Health Comm	Absent
Carrie Nawrocki	Hudson Reg Health Comm	Absent
Allan Susen	Haledon Borough	Absent
Keri Ann Eglentowicz	Secaucus	Absent
Charles Cuccia	Little Falls	Absent
Intashan Chowdhury	Prospect Park Borough	Absent
David DiPisa	Nutley BOE	Absent
Erin Delaney	Garfield City	Present
TBD	Passaic Manchester Regional HS	Absent
TBD	East Newark Borough	Absent

2022 FUND COMMISSIONER ALTERNATES:

Anthony Iacono	Belleville Township	Absent
Brian Zinn	Manchester Regional HS	Absent
Christa DiBenedetto	Hudson Reg'l Health Commission	Present
Leena Abaza	Borough of Haledon	Absent
Juan Cordero	Essex Reg'l Health Commission	Present
Sam Garofalo	Garfield City	Present
Greg Jeffas	Secaucus	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	Perma Risk Management Services Cathleen Kiernan
Attorney	Piro, Zinna, Cifelli, Paris & Genitempo James Piro
Claim Services	Qual-Lynx Claudia Acosta
Treasurer	William Homa Absent
Safety	J.A. Montgomery Consulting Brian Maitland
Underwriter	Conner Strong & Buckelew Edward Cooney Absent
Managed Care	FMCO Marie Lambe

OTHERS PRESENT:

Karen Waters, RMC
Ken Schulz, J.A. Montgomery
Don Sciolaro, RMC
Mary Fenui, Nutley
John Calandriello, RMC
Bella Polanco, Nutley BOE
Frank DeMaio, Nutley
Erin Delaney, Garfield
Zach Edelman, RMC
Tracy Lopez, Perma

APPROVAL OF MINUTES: July 19, 2022 – Open Minutes

MOTION TO APPROVE OPEN MINUTES AS NOTED ABOVE

MOTION:	Commissioner Rovell
SECOND:	Commissioner Delaney
VOTE:	Unanimous

Correspondence

None

EXECUTIVE DIRECTORS REPORT

Risk Management Information/Operating System (RMIS)

Executive Director said, n July, members and risk managers received an email with a link to renewal worksheets to begin the 2023 annual underwriting renewal. The deadline to complete the renewal worksheets was September 7th; the Fund office is following up to ensure all schedules are completed. We continue to follow-up with members who have not completed the process. Executive Director noted the due to inflationary factors the property and contents values were increased by 12% and 10% respectively, the Underwriting Manager noted that Zurich increasing values was not necessary as increased trend expected is a 2.5% increase; as of yesterday, the values were reduced by the initial increases globally provided.

Residual Claims Fund (RCF) Report

Executive Director said the RCF met on September 7, 2022 at the Forsgate Country Club. A copy of Commissioner Catenaro’s report was reviewed as distributed. The RCF’s 2022 budget amendment was adopted, reflecting the transfer of local JIFs’ Fund year 2017. The RCF’s 2023 Budget was introduced; the public hearing will be held on October 19, 2022 at 10:30 A.M.

Environmental Risk Management Fund

Executive Director said the EJIF met on September 7, 2022 at the Forsgate Country Club; a copy of Commissioner Catenaro’s report was reviewed as distributed. The EJIF’s 2023 Budget was introduced; the public hearing will be held on October 19, 2022 at 10:50 a.m. Executive Director also mentioned a success story of the Shark River Coalition vs. Wall Township resulting in a positive outcome for the EJIF.

PFOA/PFAS 2023 COVERAGE

Executive Director noted that during the EJIF's June meeting, the Board of Commissioners recommended that the Fund Professionals provide an Endorsement to add to our policy to include the recommendations of the Coverage Committee which will provide limited coverage for PFOA/PFAS claims in 2023. Adopted by the Executive Board was Resolution 25-22, outlining Endorsement #3 which will provide a \$25,000 sub limit per claim with an annual aggregate EJIF cap of 1 million dollars. The attached letter inclusive of Endorsement #3 which was reviewed was sent to all members and will be effective January 1, 2023. This does not apply to the board of educations as coverage is not provided by the Fund.

EJIF Environmental Alert

The Environmental Alert released from the EJIF regarding NJDEP's availability of grant to assist municipal, county and utility authorities to help build resiliency to minimize the impacts of flooding caused by storms and worsened by climate change and sea level rise was reviewed as distributed.

MEL Report

Executive Director said the MEL also met on September 7, 2022; a copy of Commissioner Cuccia's report was reviewed as distributed. Included as part of the MEL report is a memorandum on the projected 2023 MEL budget. Executive Director noted one of several important items resulting from the MEL meeting one of which outlines the Coverage Committee review over multiple meetings and recommends the following:

Vehicles (Rental Reimbursement)

The Member JIFs and MEL JIF provide Rental Reimbursement coverage. Claims will be adjusted based upon the current standard Insurance Services Office (ISO) language approved in New Jersey at the time of loss (CA 99 23 10 13 and as updated). The following limits of insurance shall apply:

Per Occurrence: \$100,000

Monthly Aggregate, Per Occurrence: \$10,000

Member Coinsurance: 20%

Executive Director said the Underwriting Manager indicated that the rental costs have been escalating and noted there are opportunities for members to enter into shared services arrangements with other towns to meet the temporary need for use of vehicles while repairs are underway.

In addition, topics were discussed during the closed session of the MEL inclusive of the MEL Membership of the Middlesex County Municipal Joint Insurance Fund and Cyber situation that occurred during a JCMI bond repayment transaction.

Once in open session, the board voted on Resolutions 34-22 Authorizing Various Actions to Assist Former Middlesex JIF members that are now Current Members of MEL Affiliated Local Joint Insurance Funds and Resolution 35-22 Authorizing the Termination And/Or Non-renewal of the Middlesex County Municipal Joint Insurance Fund.

With respects to Covid19 claims the Fund extended its contract with Anderson Kill to work with the Fund in its recovery of Covid-19 claims from Safety National as the negotiations of the interpretation of the provided endorsement being one occurrence continues to move forward.

Cyber Joint Insurance Fund

Executive Director said the MEL has now completed its second submission of necessary documents for approval of the formation of the Cyber Joint Insurance Fund; target date to be operational is 1/1/23. The MEL Underwriting Manager has been working with the Chertoff Group, who were awarded a contract in June to review the current program. A meeting of the Cyber Sub-Committee will be scheduled to review revised minimum standards and coverage recommendations for the new JIF.

Underwriting Manager scheduled a webinar for members on September 15th to outline modifications to minimum standards.

League Articles

Ms. Lopez referred to the enclosed articles as distributed and to be published in upcoming League magazines. The first is authored by MEL Secretary Paul Tomasko and Commissioner Cuccia and discusses the inflationary pressures on 2023 insurance budgets. The second is by MEL Chairwoman Joy Tozzi and Ed Cooney, Underwriting Manager concerning cyber risk management.

Power of Collaboration

Ms. Lopez also referred to latest in a series of Power of Collaboration advertisement to be published in the League of Municipalities magazine. The ad highlights the \$3.6 billion savings provided to NJ Taxpayers while responding to the impacts of Covid-19, cost incurred from natural disasters and legislative challenges.

Retrospective Premium

Ms. Lopez reminded members of the Retrospective Premium program adopted by the Fund in 2010 noting that our review of claims experience is underway for the 2017, 2018, 2019, 2020 and 2021 claim years. Final calculation of Fund year 2017 has been transferred to the RCF; any member that triggered the retrospective premium will be billed on the 2023 assessment billing; members will be notified accordingly.

Statutory Bonds

Ms. Lopez said the Underwriting Manager's office has contacted municipal clerks of towns that are renewing their JIF membership to secure updated bond applications for statutory positions. Currently, Little Falls Township is the only member scheduled to renew their 1/1/23 members.

2022 Coverage Documents

Ms. Lopez said the Fund office has uploaded member policies to the Fund's Risk Management Information System (Origami). Fund Commissioners and Risk Management Consultants received an email announcing that documents were posted. It is recommended that members download the 2020 policies as policies will be housed on a three-year rolling period wherein the oldest year would be removed. Executive Director added that due to state municipal regulations requirement of keeping policies for a twenty-year period we encourage you to keep them longer as legislation continues to change as evidenced with the statute of limitations for sexual molestation, you may need to recover those policies as a matter of prior coverage addressing these claims if the company placing those coverages is still active. Fund Attorney added that there is an added value for environmental claims.

D2 Cybersecurity – Status Report

Ms. Lopez referred to the attached monthly status report from the cyber security provider which recaps member participation and training to date.

Financials

Executive Director referred to the financial reports as of July 31, 2022 beginning with the financial fast track which outlines a deficits in the 2018 and 2021 and 2022 fund years; once the 2018 year is transferred to the RCF the deficit in the amount of \$289,460 would paid from the closed year account balance of \$2.9M, IBNR and reserves remain within the surplus/deficit years therefore the amounts will change accordingly. Within the 2021 Fund year, the Covid19 claims are being handled directly by the joint insurance funds, no longer with the MEL.

Executive Director reviewed the balance of reports with an emphasis on the lost time accident frequency report currently at a rate of 1.30 compared to last year at 1.31 coming in 10th out of the 15 listed joint insurance funds; 1.19 is the average of all.

Executive Director referred to the EPL/POL compliance status report noting that it is expected that QBE will begin to review claim loss ratios by member and will then advise executive directors of members which may have an imposed higher deductible/co-insurance, however it is not expected within the Suburban Metro JIF, if advised otherwise, members will be contacted.

Executive Director said the MEL EPL/POL program is updated every two years, members will be contacted of the new updates to the manual, required training etc. within the 2023 year.

TREASURER REPORT

In the absence of Fund Treasurer, Ms. Lopez referred to the provided reports.

Confirmation of August 2022 Payments:

FUND YEAR	AMOUNT
2021 Fund Year	\$ 3,000.00
2022 Fund Year	\$ 147,426.42
Total	\$ 150,426.42

Resolution #22-22 September 2022 Payments:

FUND YEAR	AMOUNT
Closed Year	\$ 228,182.50
2021 Fund Year	\$ 4,450.00
2022 Fund Year	\$ 307,814.38
Total	\$ 540,446.88

The financial reports for the months of July and August were also reviewed which included the summary of cash transaction, Summary of Cash and Investment Instruments and Certification and Reconciliation of Claim Payments and Recoveries.

CONFIRMATION OF CLAIMS PAYMENTS/CERTIFICATION OF TRANSFERS FOR THE MONTH OF JULY 2022:

2018: \$ 8,378.69

2019:	\$	50,423.93
2020:	\$	54,480.10
2021:	\$	20,583.01
2022:	\$	61,997.40

Fund Treasurer noted recoveries in the month of July which total \$16,754.29

CONFIRMATION OF CLAIMS PAYMENTS/CERTIFICATION OF TRANSFERS FOR THE MONTH OF AUGUST 2022:

2018:	\$	35,457.74
2019:	\$	67,902.06
2020:	\$	24,535.76
2021:	\$	25,936.17
2022:	\$	86,223.32

MOTION TO ADOPT RESOLUTION 22-22 APPROVING THE SEPTEMBER BILL LIST , APPROVAL OF THE AUGUST PAYMENTS AND APPROVE THE TREASURER REPORTS AS PROVIDED.

MOTION:	Commissioner Rovell
SECOND:	Commissioner Catenaro
VOTE:	Unanimous

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

ATTORNEY

Fund Attorney referred the agenda report as distributed highlighting the five general liability cases closed either by dismissal or by the frivolous suit program and one case which was settled for \$3M by the Fund/MEL and a third party. Currently, there are two EPL/POL cases outlined.

Attorney Report made part of the minutes.

UNDERWRITING MANAGER

In the absence of the Underwriting Manager, Executive Director referred to the report which included the Cyber Compliance status report, emphasizing the importance of becoming compliant with the program in an effort to obtain coverage for the 2023 Fund year; members must be compliant with tiers 1 through 3 to apply for the deductible reimbursement of \$25,000, there is a possibility that members will not be able to apply for the reimbursement if not compliant with each tier. The listing of certificates of insurance as previously issued was also reviewed as distributed.

MANAGED CARE

Managed Care provider reviewed the agenda report as distributed for the month of August which indicates \$170,120 in provider bills, repriced at \$42,477 resulting in a savings of \$127,644 or 75%. There were a total of 25 cases reported, 11 which were medical only and 1 for loss time resulting in a total of 12 cases managed.

Managed Care Report made part of the minutes.

SAFETY DIRECTOR

Chairman Tucci commended J.A. Montgomery on the First Amendment Audit webinar presentation, it was outstanding, very well done and highly recommended for members to watch the training. Safety Director said the Law Enforcement consultants of JAM put the training together, it has been well attended, in addition a safety directors bulletin was issued on the topic as well.

Safety Director referred to the safety report as distributed noting the loss control surveys completed during the month of August. Safety Director also referred to the listing of MSI Safety Director Bulletins released and the MSI NOW & DVD usage to date further noting the latest MSI NOW schedule through November has been posted. Lastly, Safety Director said the Safety Committee meeting will take place following the fund meeting at 10:30 AM.

Executive Director added the MSI online platform, FirstNet has been changed to BIS and is expected to launch by year end as the current platform can no longer handle the vast programs for safety training that has been offered via webinar, MSI Live as put in place due to the response to Covid and training back in 2020.

CLAIMS SERVICE

Closed Session

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

MOVED:	Commissioner Rovell
SECOND:	Commissioner Delaney
VOTE:	Unanimous

MOTION TO RETURN TO OPEN SESSION:

MOVED:	Commissioner Rovell
SECOND:	Commissioner Delaney
VOTE:	Unanimous

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

MOVED:	Commissioner Rovell
SECOND:	Commissioner Delaney
VOTE:	Unanimous

OLD BUSINESS:

None.

NEW BUSINESS:

None.

PUBLIC COMMENT:

None

MOTION TO ADJOURN:

MOVED:	Commissioner Delaney
SECOND:	Commissioner Catenaro
VOTE:	Unanimous

MEETING ADJOURNED: 10:10 AM

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

CONFIRMATION OF AUGUST PAYMENTS

AUGUST 2022

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 2021

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
002311			
002311	LERCH, VINCI & HIGGINS LLP	PROGRESS BILLING FOR AUDIT YE 12.31.21	3,000.00
			3,000.00
		Total Payments FY 2021	3,000.00

FUND YEAR 2022

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
002312			
002312	FIRST MANAGED CARE OPTION	MANAGED CARE SERVICES 8/22	12,742.49
			12,742.49
002313			
002313	QUAL-LYNX	CLAIM ADJUSTING SERVICES 8/22	29,365.90
			29,365.90
002314			
002314	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR FEE 8/22	6,598.32
			6,598.32
002315			
002315	DYNAMIC TESTING SERVICES LLC	SECAUCUS 8.1.22	361.57
002315	DYNAMIC TESTING SERVICES LLC	BELLEVILLE 8.1.22	214.34
002315	DYNAMIC TESTING SERVICES LLC	BELLEVILLE 8.1.22	214.34
			790.25
002316			
002316	PERMA RISK MANAGEMENT SERVICES	POSTAGE 7/22	34.35
002316	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 8/22	24,113.00
			24,147.35
002317			
002317	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES 8/22	2,897.67
			2,897.67
002318			
002318	PIRO, ZINNA, CIFELLI, PARIS & GENITEMPO, LLC	ATTORNEY RETAINER FEE 7/22	7,614.91
			7,614.91
002319			
002319	WILLIAM M. HOMA, CPA	TREASURER FEE 8/22	1,391.75
			1,391.75
002320			
002320	NEWTECH SERVICES, INC.	MONTHLY WEB MAINT/HOST & DR 8/22	178.50
			178.50
002321			
002321	CONNER STRONG & BUCKELEW	UNDERWRITER MGMT FEE 8/22	778.00
			778.00
002322			
002322	THE CANNING GROUP LLC	QPA SERVICES 7/1/22-7/31/22	583.33
			583.33
002323			
002323	RUSSO & ASSOCIATES LLC	INT. AUDIT WC REVIEW OF MEMBERS 8/22	4,816.65
			4,816.65

002324			
002324	ACCESS	ACCT #415 - ARC. AND STOR. - 5.31.22	5.98
002324	ACCESS	ACCT #415 - ARC. AND STOR. - 5.31.22	79.36
			85.34
002325			
002325	BROWN & BROWN METRO, LLC	HUD REG HEALTH COMM - 3RD RMC FEE 2022	1,094.00
002325	BROWN & BROWN METRO, LLC	ESX REG HEALTH COMM - 3RD RMC FEE 2022	576.00
			1,670.00
002326			
002326	ACRISURE LLC	CITY OF GARFIELD - 2ND RMC INS. 2022	19,005.00
002326	ACRISURE LLC	CITY OF GARFIELD - 1ST RMC INS. 2022	19,005.00
			38,010.00
002327			
002327	WORLD INSURANCE ASSOCIATES, LLC	TWP OF LITTLE FALLS - S-A RMC FEE 2022	15,446.00
			15,446.00
002328			
002328	NJ ADVANCE MEDIA	ACCT #1000867515 - NEWS 2021 - 7.6.22	309.96
			309.96
		Total Payments FY 2022	147,426.42
		TOTAL PAYMENTS ALL FUND YEARS	150,426.42

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

Resolution No. 22-22

SEPTEMBER 2022

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 CLOSED

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
002329			
002329	MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND	SPELL JIF REC. - CLAIM #001234883 - 2022	228,182.50
			228,182.50
		Total Payments FY Closed	228,182.50

FUND YEAR 2021

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
002330			
002330	LERCH, VINCI & HIGGINS LLP	FINAL BILLING FOR AUDIT YE 12.31.21	4,450.00
			4,450.00
		Total Payments FY 2021	4,450.00

FUND YEAR 2022

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
002331			
002331	FIRST MANAGED CARE OPTION	MANAGED CARE SERVICES 9/22	12,742.49
			12,742.49
002332			
002332	QUAL-LYNX	CLAIM ADJUSTING SERVICES 9/22	29,365.90
			29,365.90
002333			
002333	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR FEE 9/22	6,598.32
			6,598.32
002334			
002334	DYNAMIC TESTING SERVICES LLC	HALEDON 9.1.22	56.29
002334	DYNAMIC TESTING SERVICES LLC	BELLEVILLE 9.1.22	214.34
			270.63
002335			
002335	PERMA RISK MANAGEMENT SERVICES	POSTAGE 8/22	54.10
002335	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 9/22	24,113.00
			24,167.10
002336			
002336	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES 9/22	2,897.67
			2,897.67
002337			
002337	PIRO, ZINNA, CIFELLI, PARIS & GENITEMPO, LLC	ATTORNEY RETAINER FEE 8/22	7,614.91
			7,614.91
002338			
002338	WILLIAM M. HOMA, CPA	TREASURER FEE 9/22	1,391.75
			1,391.75
002339			
002339	NEWTECH SERVICES, INC.	MONTHLY WEB MAINT/HOST & DR 9/22	178.50
			178.50
002340			
002340	CONNER STRONG & BUCKELEW	UNDERWRITER MGMT FEE 9/22	778.00

			778.00
002341			
002341	THE CANNING GROUP LLC	QPA SERVICES 8/1/22-8/31/22	583.33
			583.33
002342			
002342	SCHOOL POOL FOR EXCESS LIABILITY LIMITS	BOE RENEWAL PREMIUM - 2ND INS. 2022-2023	164,833.00
			164,833.00
002343			
002343	ACCESS	ACCT #415 - ARC. AND STOR. - 5.31.22	5.98
002343	ACCESS	ACCT #415 - ARC. AND STOR. - 5.31.22	58.27
			64.25
002344			
002344	AL ALEXANDER AGENCY INC.	PROSPECT PARK - 2ND RMC FEE 2022	6,322.26
002344	AL ALEXANDER AGENCY INC.	HALEDON - 2ND RMC FEE 2022	11,977.38
			18,299.64
002345			
002345	ACRISURE LLC	CITY OF GARFIELD - 4TH RMC INS. 2022	19,004.50
002345	ACRISURE LLC	CITY OF GARFIELD - 3RD RMC INS. 2022	19,004.50
			38,009.00
002346			
002346	NJ ADVANCE MEDIA	ACCT #1000867515 - MTG CANCEL - 8.12.22	19.89
			19.89
		Total Payments FY 2022	307,814.38
		TOTAL PAYMENTS ALL FUND YEARS	540,446.88