

**CENTRAL JERSEY JOINT INSURANCE FUND**

**MEETING MINUTES**

**September 21, 2022**

**Piscataway Municipal Building**

**MEETING OF THE EXECUTIVE COMMITTEE CALLED TO ORDER AT 2:00 P.M.**

**OPEN PUBLIC MEETING STATEMENT READ INTO RECORD**

**ROLL CALL OF 2022 EXECUTIVE COMMITTEE:**

William Northgrave	Township of Edison	Present
Daniel Frankel	Borough of Sayreville	Absent
Nancy Costa	Township of Hillsborough	Present
Timothy Dacey	Piscataway	Present
Robert Vornlocker	Township of Franklin	Present
Michael Gross	City of South Amboy	Present
Joseph Criscuolo	Township of East Brunswick	Present

**EXECUTIVE COMMITTEE ALTERNATES:**

Casey Wagner	Township of Woodbridge	Present
William Robins	Borough of Dunellen	Present
Melissa Perilstein	Borough of Metuchen	Present
Bryan Bidlack	Township of South Brunswick	Present
Edward Kirschenbaum	Borough of Belmar	Absent
Christina Fischer	Borough of South Bound Brook	Present
Joe Costa	Borough of Middlesex	Present

**ALTERNATE FUND COMMISSIONERS:**

Sonia Alves-Viverios	Township of Edison	Absent
Charles Vanderlinde	Borough of Belmar	Absent
Rick Tactay	Borough of Belmar	Absent
Raven Williams	Borough of Franklin	Absent

**APPOINTED OFFICIALS PRESENT:**

Executive Director/Administrator PERMA Risk Management Services  
**Joseph Hrubash, Bradford Stokes, Brandon Tracy**

Attorney Bob, Smith & Associates  
**Jeremy Solomon, Esq.**

Claims Service Qual-Lynx  
**Kathy Kissane, Anthony Jones**

Managed Care Qual-Care  
**Donna Setzer**

Safety Director/Law Enforcement J.A. Montgomery Risk Control  
**Paul Shives, Don Ruprecht, Mike Brosnan**

Treasurer **Rich Lorentzen**

**ALSO PRESENT:**

Amy Pieroni, North American Insurance Management  
Lindsay Travali, North American Insurance Management  
Michael Avalone, Conner Strong & Buckelew

**MINUTES:** July 20, 2022 Open Minutes

**MOTION TO APPROVE MINUTES FOR JULY 20, 2022**

Moved:	Commissioner Gross
Second:	Commissioner Vornlocker
Vote:	Unanimous

**CORRESPONDENCE:** NONE

**EXECUTIVE DIRECTOR'S REPORT**

**HONORING DANIEL FRANKEL:** Executive Director reported as of September 2022 Commissioner Frankel will be retiring from the Borough of Sayreville and as Fund Commissioner on the Fund. Included in the agenda was Resolution 30-22 honoring Commissioner Frankel's service. Commissioner Criscuolo and Commissioner Gross expressed their gratitude for Commissioner Frankel's contributions to the Fund and noted he will be missed.

**MOTION TO ACCEPT RESOLUTION 30 – 22 HONORING COMMISSIONER DANIEL FRANKEL**

Moved:	Commissioner Nancy Costa
Second:	Commissioner Criscuolo
Vote:	Unanimous

**CYBER LIABILITY UPDATE:**

**CYBER TRAINING D2:** Included in the agenda was the monthly status report from D2, recapping members' participation and training to date. Executive Director said the new Fall Training will begin October 1<sup>st</sup> and point of contacts will receive notification emails from D2. Commissioner Criscuolo emphasized the importance of all members complying with the training and will continue to follow up with those members who fall behind. D2 will be providing an updated report to show the old training and new training.

**CYBER TASK FORCE:** The Taskforce met Friday September 16<sup>th</sup> to discuss several topics such as the review of current cyber training practices and any future services/approaches D2 would recommend, continued initiative on the Budget CAP exemption, minimum standards compliance, review of the MEL Cyber JIF initiative and Cyber Claims in the Fund/MEL layer. Commissioner Criscuolo reported the taskforce discussed the monthly status report as it was not accurate; two members experienced significant increases in successful phishing attempts and explained this was due to false positives in clicks. Commissioner Criscuolo added the new cyber software rolled out by East Brunswick and Edison blocked the phishing email from reaching the end user, but opened the D2 phishing emails, which reported the link was opened. Executive Director also discussed D2's Gap Assessment proposal, which will be further reviewed by the Cyber Task Force Committee and Rules and Contracts Committee.

**CYBER JIF FILING:** The MEL has now completed its second submission of necessary documents for approval of the formation of the Cyber Joint Insurance Fund; with a target date to be operational on 1/1/23. Executive Director reported 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 15<sup>th</sup> to outline modifications to minimum standards. A recording of the webinar will be posted to njmel.org.

**CYBERSECURITY AWARENESS MONTH (OCTOBER):** The MEL encourages members to get proactive with cybersecurity items for their own organizations and visit the website. Executive Director said the MEL will be sending releases each week about the week's theme and what everyone can do to participate.

**RCF:** The RCF met on Wednesday, September 7, 2022, at Forsgate Country Club. Executive Director said Chairman Northgrave's report was included in Appendix II.

**EJIF:** The EJIF met on Wednesday, September 7, 2022, at Forsgate Country Club. Chairman Northgrave's report was included in Appendix II. Chairman Northgrave highlighted the addition of an endorsement being add to the EJIF policy to provide limited coverage for PFOA/PFAS claims in 2023. Executive Director said endorsement #3 will provide a \$25,000 sub limit per claim with an annual aggregate EJIF cap of 1 million dollars and was provided as the Commercial market will be excluding this coverage.

**MEL JIF:** The MEL met on Wednesday, September 7, 2022, at Forsgate Country Club. Executive Director said Chairman Northgrave's report was included in Appendix II.

**2023 RENEWAL:** Members and Risk Managers have received an email with a link to renewal worksheets - the 2023 underwriting renewal had a September 8<sup>th</sup> completion date. Executive Director said most of the schedules have been completed and the Fund Office will follow up with remaining members who have not completed their schedules.

**MEMBERSHIP RENEWALS:** The Central JIF has three members, Edison, Dunellen, and East Brunswick, are scheduled to renew fund membership. Executive Director said to date, we have received Edison and East Brunswick's renewal documents.

**LEAGUE OF MUNICIPALITIES MAGAZINE:** Included in the agenda was an article for the League magazine that discusses the inflationary pressures on 2023 insurance budgets.

**POWER OF COLLABORATION:** Included in the agenda was the latest in a series of Power of Collaboration advertisement to be published in the League of Municipalities magazine. Executive Director said 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.

**STATUTORY BONDS:** Executive Director reported Underwriting Manager's office has contacted municipal clerks of renewing towns to secure updated bond applications for statutory positions.

**PRO-FORMA MONITORING REPORTS:** Monthly report submitted to Fund Commissioners including Monthly Fast-Track Accident Frequency, Fast-Track Financial report, 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 reported the Fund currently has a surplus of \$5.8 million as of July 31<sup>st</sup> which was a cumulation of the MEL's decision to pass down the Covid-19 claims to the local JIFs, and downturn of investments in the JCMI due to the interest rates. The investments will correct themselves once the securities mature. Executive

Director reviewed the Claims Management Report as of May 31<sup>st</sup>, which measures our actual losses versus the actuarial projection and reported 2022 and 2021 are running higher than projected, it's still early to write off 2022, but 2021 was affected by Covid-19 and significant property losses. Years 2018-2020 are running better than projected. and asked if there were any questions, there were none, and concluded his report.

Reports Made Part of Minutes.

**TREASURER:** Treasurer presented the Bill's List and treasurer report.

**RESOLUTION 31-22 AUGUST PAYMENTS**

<b>Fund Year 2021</b>	<b>\$0.00</b>
<b>Fund Year 2022</b>	<b>\$186,603.81</b>
<b>Total</b>	<b>\$186,603.81</b>

**RESOLUTION 32-22 SEPTEMBER PAYMENTS**

<b>Fund Year 2021</b>	<b>\$10,000.00</b>
<b>Fund Year 2022</b>	<b>\$169,099.86</b>
<b>Total</b>	<b>\$179,099.86</b>

**MOTION TO ADOPT RESOLUTION 31-22 AUGUST AND RESOLUTION 32-22 SEPTEMBER BILLS LIST, AS SUBMITTED:**

Moved: Commissioner Gross  
 Second: Commissioner Vornlocker  
 Roll Call Vote: 12 Ayes - 0 Nays

Voucher Lists, Treasurer Report & Investment Portfolio Reports Made Part of Minutes.

**CLAIMS/ MANAGED CARE:**

**CLAIMS:** Claims Manager said included in the agenda was the August workers compensation ratio report showed there were 5% indemnity claims, 95% medical only. There were 41 claims in August.

The subrogation recovery report shows \$800 recovered for the month of August, and almost \$329,226.02 for the year. The Claims Committee met and reviewed 10 PARs, prior to the JIF meeting, for September.

**PAYMENT AUTHORIZATION REQUESTS:** Claims Committee reviewed payment authorization requests presented by Claims Service in August and September. Claims Review Committee met, reviewed, and recommended as submitted.

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUESTS FOR AUGUST AND SEPTEMBER CLAIMS PRESENTED IN CLAIMS REVIEW COMMITTEE MEETINGS BY QUAL-LYNX:**

Moved: Commissioner Dacey  
 Second: Commissioner Nancy Costa  
 Roll Call Vote: 12 Ayes – 0 Nays

**MANAGED CARE:**

**MANAGED CARE:** Ms. Kissane, in the absence of the managed care provider, said the report reflected 405 bills for the month of June totaling \$560,715.75, \$179,446.87 was paid yielding a savings of \$381,268.88 or 68% with a network penetration of 99%. Ms. Kissane added the more care provided in network the greater the savings.

Executive Director, for the new Fund Commissioners, said anywhere from 97% to 99% network utilization is excellent and the Fund has a better rating than a number of the Funds in the MEL system. Ms. Kissane said we already have \$1.9 million in savings.

**UNDERWRITING MANAGER**

**LIST OF CERTIFICATES ISSUED:** Executive Director said there were 10 certificates issued from 7/22/2022 to 8/22/2022.

**CYBER COMPLIANCE REPORT – AS OF 8/31/2022:** Included in the agenda was the cyber compliance report as of 8/31/22. Executive Director encouraged members to reach out to the Underwriting Manager for any questions.

List of Certificates made part of the minutes.

**MARKETING MANAGER:**

**MARKETING MANAGER REPORT:** Marketing Manager reported herself and the Executive Director met with an interested entities’ Risk Manager about joining the Fund. The entity submitted their reservation of rights to their current Joint Insurance Fund and will review the proposal submitted by the Fund Office.

**SAFETY DIRECTOR:**

**SAFETY DIRECTOR REPORT:** Safety Director said the report was included in the agenda. The report included a list of loss control visits, meetings, bulletins that went out and the MSI Now/DVD usage for the months of July thru August. Also included in the report was a link directing members to the schedule of upcoming webinars and classes being offered. Safety Director said a final enrollment period for the Leadership Academy and additional classes for confined space will be offered prior to years end.

**OLD BUSINESS:** NONE

**NEW BUSINESS:** NONE

**PUBLIC COMMENT:** NONE

**MOTION TO ADJOURN**

Moved:	Commissioner Nancy Costa
Second:	Commissioner Dacey
Vote:	Unanimous

Meeting adjournment at 2:33 p.m.

Prepared by Brandon Tracy, Account Manager for

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Nancy Costa, Secretary