

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES MEETING – October 13, 2021
Township of Randolph (Courtroom)
Randolph, N.J.
12:00 PM**

Meeting of Fund Commissioners was called to order by Chairman McNeilly, who read the Open Public Meeting Notice as follows: In accordance with the Open Public Meetings Act, notice of this meeting was provided by:

- I. sending sufficient notice to the Daily Record and The Star Ledger
- II. advance written notice of this meeting was filed with the Clerk/Administrator of each member municipality and,
- III. posting this notice on the Public Bulletin Board of all member municipalities

Chairman McNeilly asked for Roll Call.

ROLL CALL OF 2021 EXECUTIVE COMMITTEE:

Stanhope	Brian McNeilly	Present
Mount Arlington	Carolyn Rinaldi	Present
Netcong	Ralph Blakeslee	Present
East Hanover	Joseph Tempesta	Present
Pequannock	Adam Brewer	Present

ROLL CALL OF 2021 FUND COMMISSIONERS:

Andover	Patricia Bussow	Absent
Bloomingtondale	Mike Sondermeyer	Present
Boonton Town	Neil Henry	Present
Boonton Township	Douglas Cabana	Absent
Butler	Jim Lampmann	Absent
Chatham Township	Robert Hoffmann	Present
Chatham Borough	Stephen Williams	Present
Chester	Margaret Nordstrom	Present
Denville	Steven Ward	Present
Dover	John Schmidt	Absent
Essex Fells	Francine Paserchia	Absent
Florham Park	Bill Huyler	Absent
Frelinghuysen	Donna Zilberfarb	Absent
Hanover	Silvio Esposito	Absent
Hawthorne	Eric Maurer	Present
Hopatcong	Ronald Tappan	Present
Kinnelon	James Frieda	Absent
Lincoln Park	Perry Mayers	Absent
Long Hill	Nancy Malool	Absent
Madison	James Burnet	Absent
Mendham Borough	Joyce Bushman	Absent
Mendham Township	Jason Gabloff	Present
Millburn	Shelini Parikh	Absent

Montville	Victor Canning	Absent
Morris Plains	Rosanne Denman	Absent
Mount Olive	Claudia Tomasello	Present
Mountain Lakes	Mitchell Stern	Present
North Caldwell	Kevin O'Sullivan	Absent
Pompton Lakes	Kevin Boyle	Absent
Randolph	Debbie Bonanno	Present
Ringwood	Scott Heck	Absent
Riverdale	Paul Carelli	Absent
Rockaway Borough	Patricia Reiche	Absent
Rockaway Township	Lisa Palmieri	Present
South Orange Village	Adam Loehner	Present
Sparta	Chief Neil Spidaletto	Present
Washington Twp	Andrew Coppola	Absent
West Caldwell	Nikole Baltycki	Absent
West Milford	William Senande	Absent
Wharton	Joseph Kovalcik	Present

2021 FUND COMMISSIONER ALTERNATES:

Stanhope	Dana Mooney (Alt.)	Absent
Mount Arlington	Lauren Schaeffner (Alt.)	Absent
Netcong	Elmer Still (Alt.)	Absent
East Hanover	Kenneth Huelbig (Alt.)	Absent

Andover	Toni Grisaffi (Alt.)	Absent
Bloomington	Sherry Gallagher (Alt.)	Absent
Boonton Town	Cynthia Oravits (Alt.)	Absent
Butler	James Kozimor (Alt.)	Absent
Chatham Township	Debra King (Alt.)	Absent
Chatham Borough	Karen Fornaro (Alt.)	Absent
Chester	Denean Probosco (Alt.)	Absent
Denville	Jessica Falce (Alt.)	Absent
Dover	John Bennett (Alt.)	Present
Florham Park	Cindy Phillips (Alt.)	Absent
Hanover	Mark Roddy (Alt.)	Absent
Hawthorne	Jennifer Scully (Alt.)	Absent
Kinnelon	Charlie DaNeil (Alt.)	Absent
Lincoln Park	Dina Valente-Stoel (Alt.)	Absent
Mendham Borough	Jeff Cooper (Alt.)	Present
Mendham Township	Ross Johnson (Alt.)	Absent
Millburn	Jesse Moehlman (Alt.)	Absent
Montville	July Hercek (Alt.)	Absent
Morris Plains	Michael Koroski (Alt.)	Present
Mount Olive	Andrew Tatarenko (Alt.)	Absent

Mountain Lakes	Monica Goscicki (Alt.)	Absent
North Caldwell	Tami Michelotti (Alt.)	Absent
Riverdale	Lisa O'Neill (Alt.)	Absent
Rockaway Borough	Kimberly Cuspilich (Alt.)	Absent
Rockaway Township	Patricia Seger (Alt.)	Absent
Sparta	Michele Landtau (Alt.)	Present
Washington Twp	Roger Read (Alt.)	Absent
West Caldwell	William Wallace (Alt.)	Present
West Milford	Catherine Shanahan (Alt.)	Absent
Wharton	Bill Hamilton (Alt.)	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director/ Administrator

PERMA Risk Management Services
Cate Kiernan

Attorney/Litigation Management

Dorsey & Semrau, Esq.
Fred Semrau, Esq.

Safety Director

J.A. Montgomery Consulting
Brian Maitland
Matt Genna
John Schwartz

Liability Claims Service

Lenape Claims Management
Theresa Laudis

Workers Compensation
Claim Service

Qual-Lynx
Claudia Acosta

Managed Care

FMCO
Mary Bresadola

ALSO PRESENT:

Darren Maloney
Michael Guarino
Amy Pieroni, Acrisure LLC
Lindsay Travali, Acrisure LLC
Jennifer Matos, Henry O. Baker
P.J. Cassidy, RD Parisi Associates
Karen Waters, IMAC Insurance Company
Ernie Reigstad, Skylands Risk Management
Dave Sgalia, Cupo Insurance Agency
Frank Covelli, P.I.A
Sandy Cantwell, PERMA

APPROVAL OF MINUTES – September 8, 2021 Open Minutes

MOTION TO APPROVE OPEN MINUTES OF SEPTEMBER 8, 2021:

Motion: Commissioner Brewer

Second: Commissioner Williams
Vote: 13 Ayes, 0 Nays, 12 Abstains
(Commissioners Sondermeyer, Williams, Ward, Tappan, Gabloff,
Bonanno, Palmieri, Loehner, Spidaletto, Kovalcik, Cooper (Alt.), Wallace
(Alt.))

CORRESPONDENCE – None

MONTHLY COMMITTEE REPORTS:

Membership, Marketing & Coverage Committee – No report.

Finance Committee, Jason Gabloff Chair – Committee Chair Gabloff said the committee met on September 27th and he asked the Executive Director to give an overview. Executive Director said the budget increase is 3.64% and as expected the 2022 budget was difficult this year. Typically, the Fund's budgets have been less than a 2% increase however there are several factors that had an impact this year. Property premiums have been rising due to the disasters occurring globally as well as in New Jersey. Liability has been similarly impacted by challenges with police departments throughout the country. To offset liability premium increases, the MEL increased their liability claims retention to \$5m. A large factor driving the budget increase is the change in the workers' compensation payments for permanency awards when employee receives an accidental disability pension as a result of work-related injury. A regulatory change made this year requires workers' compensation to provide a permanency award and the pension will offset its payments until that is exhausted. In the past, since the accidental disability pension amount is greater than an ordinary pension, workers' compensation only had to manage medical treatment. Cyber is a smaller item but premiums doubled last year and are expected to double again this year. The Underwriting Manager has indicated it may be difficult to obtain coverage for Cyber in the future unless more members put their minimum standards in place. The POL/EPL is showing a 5% increase, although this number is not final. Another impact to note is that the MEL adopted a flat budget last year to assist members with their 2021 budgets but excess carriers did not provide flat renewals – so MEL assessments are reflecting a 2-year rate increase. Today is the budget introduction; the assessments will be allocated at the November meeting. Fund Attorney said fortunately we are not seeing an influx of claims from the legislation change on the Firefighters Cancer Presumption bill. Executive Director said there is still potential from the sexual molestation claims.

Hearing no more questions, Chairman McNeilly thanked Commissioner Gabloff for agreeing to chair the Finance committee and he appreciates the experience Commissioner Gabloff will bring to the committee.

Safety Committee, Carolyn Rinaldi, Chair, Mount Arlington Borough – No Report.

Contracts and Rules Committee, Ralph Blakeslee, Chair, Netcong Borough – In August competitive contract RFPs were issued for Third party Claims Administrator-Workers' Compensation, Third party Claims Administrator-Property and Casualty and Managed Care Organization. The Committee met on October 6th to begin the review of the responses received, as noted below. Minutes are included in Appendix III. The committee will be interviewing the TPA's responding to claims management. Committee Chair Blakeslee said if any of the commissioners has comments concerning this award, please do not hesitate to contact him.

- **Qual-Lynx** – Workers' Compensation & Property/Casualty TPA
- **Lenape Claims** – Property Casualty TPA
- **Claims Resolution Corp** - Workers' Compensation & Property/Casualty TPA
- **Bergen Risk Managers** - Workers' Compensation & Property/Casualty TPA
- **Inservco** - Workers' Compensation & Property/Casualty TPA
- **First Managed Care Option (FMCO)** – Managed Care

- **Qual-Lynx** – Managed Care
- **MedLogix** – Managed Care

Legal Review Committee, Adam Brewer, Chair, Pequannock – No report.

Claims Review Committee, Mitchell Stern, Chair, Mountain Lakes Borough – Commissioner Stern said the committee did not meet because of the holiday and PARs will be reviewed today in Closed Session.

EXECUTIVE DIRECTOR/ADMINISTRATOR REPORT:

2022 Budget – The Finance Committee met in September and reviewed the budget and recommends the Proposed 2022 Budget, representing a 3.64% increase. Appendix II includes the budget exhibit and Finance Committee minutes.

Motion to introduce the 2022 Budget in the amount of \$21,356,687 and schedule a public hearing on Wednesday, November 10, 2021 at 12:00 pm.

Motion: Commissioner Gabloff
 Second: Commissioner Stern
 Roll Call Vote: 25 Ayes, 0 Nays, 0 Abstentions

Executive Director said the fund has adopted an assessment methodology where no member’s assessment will increase more than 1.25% of the overall budget, with two possible exceptions. One exception is if a member’s 7-year loss experience is higher than the average, a surcharge will be applied which is then distributed to the member(s) whose loss experience is much lower than the average. The Finance Committee established this in an effort to bring the outliers into the middle. The other exception is the EPL / POL premiums - which are not part of the equalization process.

2021 Fiscal Management Plan amendment – Enclosed is Resolution 34-21 amending the Fund’s Fiscal Management Plan reflecting Jason Gabloff as a signatory, replacing Jon Rheinhardt.

Motion to adopt Resolution #34-21 amending the Morris County Municipal Joint Insurance Fund’s 2021 Fiscal Management Plan.

Motion: Commissioner Blakeslee
 Second: Commissioner Stern
 Vote: 25 Ayes, 0 Nays, 0 Abstentions

Residual Claims Fund (RCF) - The public hearing on the RCF budget will be held on October 20, 2021 at, 10:30 a.m. in the Forsgate Country Club. A copy of the RCF’s 2022 Proposed Operating Budget is enclosed in the agenda.

Environmental JIF - The budget was introduced in September and a public hearing is scheduled for October 20, 2021 at the Forsgate Country Club. A copy of the EJIF’s 2022 Proposed Budget, as introduced is enclosed in the agenda.

MEL - The MEL’s 2022 budget introduction is scheduled for October 20, 2021 at the Forsgate Country Club in Jamesburg NJ.

MEL Representative: Since Jon Rheinhardt has taken a position with the County of Bergen, the Fund will need to replace him as the Morris Fund’s representative to the Municipal Excess Liability Joint Insurance Fund (MEL). Chairman McNeilly said we will delay this nomination today and the current alternate Adam Brewer will attend the meetings to represent the Morris JIF.

Employment Practices Compliance Program: Please visit the MEL webpage to review all the elements of the MEL's EPL Compliance Program; **Deadlines for updates and training has been extended to November 1, 2021 (from June 1, 2021).** Please use the following link to view an outline of the MEL program and its model documents:

<https://njmel.org/insurance/public-officials/risk-management-program/>

This year, the Managers & Supervisors Training can be met by attending the Instructor-led webinar: "*Protecting Children From Abuse – Managers/Supervisors*". This course for Managers includes an Employment Practices component. Attached you will find a copy of a notice distributed to members from J.A. Montgomery on classes scheduled through December 7, 2021.

Executive Director said the end of the year is the hard deadline for the carrier and there will not be extensions if that deadline is missed. If a member does miss the year-end deadline they can still benefit from a lower deductible later in the year, it just will not be retroactive to January 1st.

Police Chief & Command Staff: A make-up session has been scheduled for November 1st in Montville. Enclosed in the agenda is the training flyer. A reminder email was sent to members who did not meet the MEL's requirement.

2022 Membership Renewals – Three towns are scheduled to renew fund membership by January 1, 2022. Status list is attached. Documents were distributed in July.

D2 Cybersecurity – Status Report – Attached is the monthly status report from the cyber security provider recapping members' participation and training to date. Commissioner Wallace questioned the report statistics for several members, Executive Director said she would follow up with D2 for clarification.

League Magazine Ad: Attached is the latest in the series of "Power of Collaboration" ad that will appear in the November edition of League of Municipalities magazine. The ad highlights the MEL's quick transition to online training during the pandemic and the value provided to its members through high quality accessible training.

Due Diligence Reports: Financial Fast Track show surplus at \$11m, up \$1.4m from prior year-end. Deficit years are offset by surplus from other years. Loss Ratio Claims report shows the Fund's loss experience at or below the actuarial target. The Loss Time Accident reports do not include COVID claims and last year had a very low rate, most likely due to Covid and workers staying home more. The Morris JIF stands at a very good position with an average of 1.13. The Lost Days report tracks both frequency and severity of claims. The EPL / POL report shows currently compliance and deductibles. A reminder that the carrier reserves the right to evaluate individual members and adjust their deductible or rates based on loss experience. Regulatory filings and professional contracts and addendums are listed for informational purposes.

Executive Director's Report Made Part Of Minutes.

TREASURER:

Treasurer said Resolution 35-21 for 2021 October bills list and claims transfers are submitted for approval in the consent motion. Fourth quarter assessments are due November 15th, please ensure the envelopes are addressed accurately, as any error will cause the post office to return the mail.

October 2021	
2021	\$171,975.27
Total	\$171,975.27

CLAIMS PAYMENT AND IMPREST TRANSFERS AS OF AUGUST 2021:

CLOSED	\$0
2017	\$197,511.72
2018	\$256,739.25
2019	\$55,321.87
2020	\$183,055.40
2021	\$226,047.12
TOTAL	\$918,675.36

Treasurer's Report Made Part of Minutes.

ATTORNEY:

Fund Attorney said he wanted to repeat that the deadline for the EPL / POL checklist is a hard stop at the end of the year. Please do not hesitate to reach out to the Fund or his office if you need any assistance in making this deadline.

UNDERWRITING MANAGER:

Executive Director said the Cyber report and a memo from the underwriting office concerning the renewal is included in the agenda. Please review your Cyber compliance and make an effort to complete the requirements. As outlined in the renewal memo are the additional information on locations that the carriers would like us to provide, please consider updating that information over the next year. Note this is Cyber Awareness month and there have been notices distributed from their office. Fund Attorney noted the EPL/POL checklist is for 2021 and we are looking for 2022 checklists. Executive Director said we will begin following up with members that have not returned their 2022 checklist.

CERTIFICATES OF INSURANCE: Report on Certificates issued and Cyber report submitted for information.

Underwriting Manager's Report Made Part of Minutes

SAFETY DIRECTOR:

Safety Director gave an overview of the monthly activity reports included in the agenda.

Safety Director's Report Made Part of Minutes.

MANAGED CARE:

Managed Care provider gave an overview of case management.

Managed Care Provider's Report Made Part of Minutes

EXECUTIVE SESSION:

MOTION FOR EXECUTIVE SESSION FOR CERTAIN SPECIFIED PURPOSES: PERSONNEL SAFETY & PROPERTY OF PUBLIC LITIGATION:

Motion: Commissioner Brewer
Second: Commissioner Gabloff
Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION:

Motion: Commissioner Tempesta
Second: Commissioner Spidaletto
Vote: Unanimous

MOTION TO APPROVE CLAIM AUTHORITY PAYMENTS AS PRESENTED IN EXECUTIVE SESSION; EXECUTIVE DIRECTOR'S REPORT; RESOLUTION #34-21 AMENDING THE FUND'S 2021 FISCAL MANAGEMENT PLAN; RESOLUTION 35-21 OCTOBER 2021 BILLS LIST; TREASURER'S REPORTS; ATTORNEY'S REPORTS; UNDERWRITING MANAGER' REPORTS; MONTHLY CERTIFICATES; SAFETY DIRECTOR'S REPORTS; AND MANAGED CARE PROVIDER'S REPORTS

Moved: Commissioner Blakeslee
Second: Commissioner Brewer
Roll call Vote: Unanimous

OLD BUSINESS:

None.

NEW BUSINESS:

Chairman McNeilly thanked Randolph Township for accommodating the meeting on short notice and the members' flexibility in attending at an alternate location.

Due to several changes in Fund Commissioners, the following appointments have been made to fill the open positions:

Legal Review Committee: Steve Williams and Adam Loehner

Finance Committee: Joseph Kovalcik and Debbie Bonanno

Chairman McNeilly said we will need to continue to fill open positions and an important criteria for nominees is attendance to the meetings and their contribution to the Fund.

Chairman McNeilly asked Darren Maloney and Michael Guarino to come forward. Chairman McNeilly congratulated them on their retirement and said he would like to acknowledge and thank them for their hard work and commitment to the Fund and presented them both with a gift.

PUBLIC COMMENT:

Chairman McNeilly confirmed there was no communication from the public.

MOTION TO ADJOURN:

Moved: Commissioner Blakeslee
Second: Commissioner Brewer
Vote: Unanimous

Meeting Adjourned 1:38 PM
Sandy Cantwell, Assisting Secretary
For Carolyn Rinaldi, Secretary

RESOLUTION NO: 34-21

MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
(hereafter referred to as "THE FUND")
AMENDING THE FUND'S FISCAL MANAGEMENT PLAN
FOR THE 2021 FUND YEAR

WHEREAS, THE FUND is duly constituted as a Municipal Joint Insurance Fund, as permitted under the laws promulgated by the State of New Jersey, (N.J.S.A. 40A-36, et.seq.); and

WHEREAS, THE FUND is subject to the requirements contained within the Local Fiscal Affairs Law (N.J.S.A. 40A-5, et.seq.) ; and

WHEREAS, THE FUND adopted Resolution 3-21 at Reorganization which included designating signatories; and

WHEREAS, THE FUND has determined the need to amend the signatory for Administrative Expenses, Reinsurance, Dividends and Miscellaneous Expenses;

NOW, THEREFORE BE IT RESOLVED, THE FUND's Governing Body hereby appoints the following professionals for the 2021 Fund Year:

- II.** All funds for Administrative Expenses, Reinsurance, Dividends and Miscellaneous Expenses, shall be withdrawn from the Official named Depository (ies) by check, which shall bear the signatures of at least two (2) of the following persons, duly authorized pursuant to this Resolution.

Brian McNeilly	CHAIR
Carolyn Rinaldi	SECRETARY
Grace Brennan	TREASURER
Jason Gabloff	COMMISSIONER

ADOPTED:

This 13th day of October, 2021 before the Governing Body:

Brian McNeilly, Chairman
Carolyn Rinaldi, Secretary

MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND BILLS LIST

Resolution No. 35-21

October 2021

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

BE IT RESOLVED that the Morris County 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.

FUND YEAR 2021

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002388			
002388	FIRST MCO	MANAGED CARE 9/21	24,949.95
			24,949.95
002389			
002389	THE TROPHY KING OF RAMSEY	PEN SET + TAX 9.3.2021	53.31
			53.31
002390			
002390	FRED SEMRAU ESQ.	LITIGATION MGMT 10/21	16,802.91
			16,802.91
002391			
002391	QUAL-LYNX	TPA - WC 10/21	24,349.94
			24,349.94
002392			
002392	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR 10/21	17,897.18
002392	J.A. MONTGOMERY RISK CONTROL	LAW ENFORCEMENT 10/21	1,281.25
			19,178.43
002393			
002393	LENAPE CLAIMS MANAGEMENT INC.	TPA 10/21	20,997.36
			20,997.36
002394			
002394	PERMA RISK MANAGEMENT SERVICES	POSTAGE 9/21	174.94
002394	PERMA RISK MANAGEMENT SERVICES	ADMIN FEE 10/21	29,957.00
002394	PERMA RISK MANAGEMENT SERVICES	POSTAGE 4/21	95.68
			30,227.62
002395			
002395	THE ACTUARIAL ADVANTAGE	ACTUARY 10/21	3,597.53
			3,597.53
002396			
002396	FRED SEMRAU, ESQUIRE	ATTORNEY 10/21	2,125.00
			2,125.00
002397			
002397	GRACE BRENNAN	TREASURER 10/21	2,190.92
			2,190.92
002398			
002398	THE RODGERS GROUP, LLC	POLICE ACCRED POMPTON LKS & HOPATCONG #3	5,816.67
002398	THE RODGERS GROUP, LLC	POLICE ACCRED POMPTON LKS & HOPATCONG #4	5,816.67
			11,633.34
002399			

002399	CONNER STRONG & BUCKELEW	UNDERWRITING MGR 10/21	1,042.00
			1,042.00
002400			
002400	ACCESS	ARCHIVE SERVICE&STORAGE 8.31.2021	95.96
			95.96
002401			
002401	ANTHONY S. CUPO AGENCY	TOWNSHIP OF CHATHAM 2ND INSTALL 2021	11,300.00
002401	ANTHONY S. CUPO AGENCY	TOWNSHIP OF BOONTON 2ND INSTALL 2021	3,431.00
			14,731.00
		Total Payments FY 2021	171,975.27
		TOTAL PAYMENTS ALL FUND YEARS	171,975.27

Brian McNeilly
Chairperson

Attest:

Carolyn Rinaldi
Secretary

Dated: October 13, 2021

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