

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES MEETING – JANUARY 12, 2022
VIA TELECONFERENCE CALL
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 reminded all that participants on the call will enter the meeting muted, and asked that participants unmute themselves only for roll call, voting, giving reports and when asking questions / comments to the board.

Chairman McNeilly asked for 2021 Roll Call.

ROLL CALL OF 2021 EXECUTIVE COMMITTEE:

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

ROLL CALL OF 2021 FUND COMMISSIONERS:

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

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

2021 FUND COMMISSIONER ALTERNATES:

Stanhope	Dana Mooney (Alt.)	Absent
Mount Arlington	Kayleen Knight (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.)	Absent
Florham Park	Cindy Phillips (Alt.)	Present
Hanover	Mark Roddy (Alt.)	Absent
Hawthorne	Jennifer Scully (Alt.)	Absent
Kinnelon	Charlie Daniel (Alt.)	Absent
Lincoln Park	Dina Valente-Stoel (Alt.)	Absent
Mendham Borough	Jeff Cooper (Alt.)	Present

Mendham Township	Ross Johnson (Alt.) Missed Roll Call, did not vote	Present
Millburn	Jesse Moehlman (Alt.)	Absent
Montville	June Hercek (Alt.)	Present
Morris Plains	Michael Koroski (Alt.) Not voting, FC in attendance	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.) Not voting, FC in attendance	Present
Washington Twp.	Roger Read (Alt.)	Absent
West Caldwell	William Wallace (Alt.)	Absent
West Milford	Catherine Shanahan (Alt.) Not voting, FC in attendance	Present
Wharton	Bill Hamilton (Alt.)	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator

PERMA Risk Management Services

Cathleen Kiernan
Joseph Hrubash

Attorney/Litigation Management

Dorsey & Semrau, Esq.
Fred Semrau, Esq.

Underwriting Manager

Conner Strong & Buckelew
Ed Cooney

Safety Director

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

Treasurer

Grace Brennan

Liability Claims Service

Lenape Claims Management
Theresa Laoudis

Workers Compensation
Claim Service

Qual-Lynx
Claudia Acosta
Caty Lambe

Managed Care

FMCO
Mary Bresadola

Auditor

Nisivoccia LLP
Bud Jones

ALSO PRESENT:

Bill Close
Alex McDonald, Millburn
Matthew Struck, Treadstone Risk Management
Connor Coyle, Skylands Risk Management, Inc.
David Voza, The Voza Agency
Ernest Reigstad, Skylands Risk Management, Inc.
Craig Sutherland, Meeker & Sharkey
Hallee Cramer, Meeker & Sharkey
Jennifer Matos, Henry O. Baker Insurance Group
Lisa Pfenninger, Lisa Pfenninger Agency
Lindsay Travali, Acrisure
Charlotte Wendland, Henry O. Baker Insurance Group
Craig Josephsen, David M. Hundertmark Agency Inc.
Dominick Cinelli, Brown & Brown
Frank Covelli, P.I.A.
Don Sciolaro, P.I.A.
David Sgalia, Cupo Insurance Agency
Pat Cassidy, RD Parisi
Sandy Cantwell, PERMA
Robyn Walcoff, PERMA
Jennifer Conicella, PERMA

APPROVAL OF MINUTES -

December 8, 2021 Open minutes:

MOTION TO APPROVE OPEN MINUTES OF DECEMBER 8, 2021

Motion: Commissioner Stern
Second: Commissioner Esposito
Vote: 18 Ayes, 0 Nays, 16 Abstains
(Commissioners Blakeslee, Bussow, Hoffman, Williams, Ward,
Zilberfarb, Esposito, Mayers, Hercek, Denman, O’Sullivan,
Reiche, Loehner, Senande, Kovalcik, Phillips (Alt.))

CORRESPONDENCE – None

Chairman McNeilly adjourned the sine die meeting.

ADJOURN SINE DIE MEETING:

Chairs vacated - Executive Director asked to run meeting. Executive Director called the 2022 Reorganization meeting to order. The Morris Joint Insurance Fund has a policy to meet as a Board of Fund Commissioners unless a quorum is not achieved, in which case the fund could revert to a quorum of the Executive Committee. As the JIF added a new member, the total members comes to 45, and using the formula as defined in the bylaws, 17 members are required for a quorum. A quorum was confirmed, and Executive Director asked for a roll call for the 2022 Fund Commissioners.

ROLL CALL OF 2022 FUND COMMISSIONERS:

Mount Arlington	Carolyn Rinaldi	Present
Pequannock	Adam Brewer	Present
Netcong	Ralph Blakeslee	Present
East Hanover	Joseph Tempesta	Present
Mountain Lakes	Mitchell Stern	Present
Rockaway Township	Lisa Palmieri	Present

Andover	Patricia Bussow	Present
Bloomingtondale	Mike Sondermeyer	Absent
Boonton Town	Neil Henry	Present
Boonton Township	Douglas Cabana	Present
Butler	Jim Lampmann	Present
Chatham Township	Robert Hoffmann	Present
Chatham Borough	Stephen Williams	Present
Chester	Margaret Nordstrom	Present
Denville	Steven Ward	Present
Dover	John Schmidt	Present
Essex Fells	Francine Paserchia	Absent
Florham Park	Bill Huyler	Absent
Frelinghuysen	Donna Zilberfarb	Present
Hanover	Silvio Esposito	Present
Hawthorne	Eric Maurer	Absent
Hopatcong	Ronald Tappan	Present
Kinnelon	James Freda	Absent
Lincoln Park	Perry Mayers	Present
Long Hill	Nancy Malool	Absent
Madison	James Burnet	Absent
Mendham Borough	Joyce Bushman	Absent
Mendham Township	Jason Gabloff	Absent
Millburn	Shelini Parikh	Present
Montville	June Hercek	Present
Morris Plains	Rosanne Denman	Present
Mount Olive	Claudia Tomasello	Present
North Caldwell	Kevin O'Sullivan	Present
Pompton Lakes	Kevin Boyle	Absent
Randolph	Debbie Bonanno	Absent
Ringwood	Scott Heck	Absent
Riverdale	Paul Carelli	Absent
Rockaway Borough	Patricia Reiche	Present
South Orange Village	Adam Loehner	Present
Sparta	Neil Spidaletto	Present
Stanhope	Brian McNeilly	Present

Washington Twp	Andrew Coppola	Absent
West Caldwell	Nikole Baltycki	Present
West Milford	William Senande	Present
Wharton	Joseph Kovalcik	Present

2022 FUND COMMISSIONER ALTERNATES:

Mount Arlington	Lauren Schaeffner (Alt.)	Absent
Netcong	Elmer Still (Alt.)	Absent
East Hanover	Kenneth Huelbig (Alt.)	Absent
Mountain Lakes	Monica Goscicki (Alt.)	Absent
Rockaway Township	Patricia Seger (Alt.)	Absent

Andover	Toni Grisaffi (Alt.)	Absent
Bloomingtondale	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.)	Absent
Florham Park	Cindy Phillips (Alt.) Microphone not working, confirmed 'Yes' on all votes	Present
Hanover	Mark Roddy (Alt.)	Absent
Hawthorne	Jennifer Scully (Alt.)	Absent
Kinnelon	Charlie Daniel (Alt.)	Absent
Lincoln Park	Dina Valente-Stoel (Alt.)	Absent
Madison	Chrissy Mahler	Present
Mendham Borough	Jeff Cooper (Alt.)	Present
Mendham Township	Ross Johnson (Alt.) Missed Roll Call, did not vote	Present
Millburn	Jesse Moehlman (Alt.)	Absent
Montville	Nicholas Breiner (Alt.)	Absent
Morris Plains	Michael Koroski (Alt.) Not voting, FC in attendance	Present
Mount Olive	Andrew Tatarenko (Alt.)	Absent
North Caldwell	Tami Michelotti (Alt.)	Absent
Riverdale	Lisa O'Neill (Alt.)	Absent
Rockaway Borough	Robert O'Connor (Alt.)	Absent
Sparta	Michele Landtau (Alt.) Not voting, FC in attendance	Present
Stanhope	Dana Mooney (Alt.)	Absent

Washington Twp	Roger Read (Alt.)	Absent
West Caldwell	William Wallace (Alt.)	Absent
West Milford	Catherine Shanahan (Alt.) Not voting, FC in attendance	Present
Wharton	Bill Hamilton (Alt.)	Absent

ELECTION OF OFFICERS AND FIVE-MEMBER EXECUTIVE COMMITTEE

Regulations governing Joint Insurance Funds require that an Executive Committee be elected once membership exceeds seven municipalities. Committee Chairman Commissioner Tempesta, gave the report of the Nominating Committee and recommended the following slate for 2022 Officers and Executive Committee:

Carolyn Rinaldi, Chairwoman	Borough of Mt. Arlington
Adam Brewer, Secretary	Pequannock Township
Brian McNeilly	Borough of Stanhope
Ralph Blakeslee	Borough of Netcong
Joseph Tempesta	Township of East Hanover
Mitchell Stern	Mountain Lakes
Lisa Palmieri	Rockaway Twp.

MOTION TO NOMINATE 2022 CHAIRWOMAN, SECRETARY AND FIVE MEMBER EXECUTIVE COMMITTEE AND CLOSE NOMINATIONS AND ELECT THE SLATE AS PROPOSED:

Motion:	Commissioner Blakeslee
Second:	Commissioner Williams
Vote:	34 Ayes, 0 Nays

Executive Director asked the Fund Attorney to administer the Oath of Office to the Fund Commissioners. Signed oaths should be returned electronically to the Fund Office.

Executive Director turned the meeting over to Chairwoman Rinaldi. Chairwoman Rinaldi began by thanking outgoing Chairman Brian McNeilly for his guidance and leadership over the past two years and said she looks forward to continuing to work with him.

MONTHLY COMMITTEE REPORTS:

Membership, Marketing & Coverage Committee, James Lampmann, Chair, Butler – The Township of Livingston renewed its membership in the Garden State Joint Insurance Fund.

Finance Committee, Jason Gabloff, Chair, Mendham Township – no report.

Safety Committee, Carolyn Rinaldi, Chair, Mount Arlington Borough – no report.

Contracts and Rules Committee, Ralph Blakeslee, Chair, Netcong Borough – Committee met on December 3rd, 2021 to review the Managed Care “market basket” and complete evaluation forms for Managed Care and TPAs. Minutes are attached in Appendix II. .

Legal Review Committee, Adam Brewer, Chair, Pequannock - The committee met on December 10, 2021. Committee recommends the defense panel included with reorg resolutions. Minutes of the meeting are included in the appendix III.

Claims Review Committee, Mitchell Stern, Chair, Mountain Lakes – The committee met on January 10th via Zoom and recommended approval of payment authority requests 8 Workers’ Compensation Claims totaling Payment Authority Requests of \$731,873.55 one Lien Compromise, 1 Property Claim totaling of Payment Authority Requests of \$12,226.20 and 4 Liability Claims totaling Payment Authority Requests of \$220,238.53. Executive Director said the PARS were emailed to the Commissioners and there were no questions.

With Chairwoman Rinaldi’s permission, Executive Director began a review of the 2022 Reorganization Resolutions, which were included in the agenda packet distributed to commissioners.

RESOLUTION 1-22: AWARDING COMPETITIVE CONTRACTS 21-02 THROUGH 21-04 VARIOUS PROFESSIONALS AND INSURANCE RELATED SERVICES: Resolution presented to confirm contracts awarded through the Competitive Contracts process.

Executive Director said Morris JIF has staggered its multi-year contracts with the fund professionals, so all contracts do not come up for RFQ in the same year. This year the Rules and Contracts Committee issued competitive contract solicitations for the following three contracts that were in their third and final year.

Managed Care	FMCO, Inc.
Claims Administrator – Property and Casualty	Lenape Claims
Claims Administrator – Worker’s Compensation	Qual-Lynx

Executive Director said the amount of the contract for this year and the anticipated three-year amount of the contract is referenced, as is required. Executive Director also provided a memorandum outlining contract terms of all other Fund Professionals and setting forth 2022 compensation.

MOTION TO APPROVE RESOLUTION 1-22 AWARDING MANAGED CARE CONTRACT TO FIRST MANAGED CARE OPTION; CLAIMS ADMINISTRATOR FOR WORKERS’ COMPENSATION TO QUAL-LYNX AND CLAIMS ADMINISTRATOR FOR PROPERTY/CASUALTY TO LENAPE CLAIMS:

Motion: Commissioner Stern
Second: Commissioner Tempesta
Roll Call Vote: 34 Ayes, 0 Nays

RESOLUTION 2-22: DESIGNATION OF INVESTORS BANK AS BANKING MANAGER – Establishing Investors Bank as our bank depository.

RESOLUTION 3-22 ESTABLISHING A FISCAL MANAGEMENT PLAN – Resolution presented designating Signatories, Official Depositories, assessment due dates and penalties as well as approving a Cash Management Plan. Commission McNeilly agreed to serve as the additional signatory.

RESOLUTION 4-22 ESTABLISHING PUBLIC MEETING PROCEDURES - Resolution presented establishing 2022 Meeting Dates as the second Wednesday of every month at 12:00 noon. Meetings are scheduled for the Hanover Township Municipal Building; however, this is subject to change. A copy of the executed resolution will be sent to Hanover for confirmation for the requested dates. The Morris Claims Review meetings are scheduled for the Monday before the Board meeting.

RESOLUTION 5-22 ESTABLISHING FUND RECORDS PROGRAM - Resolution presented establishing a formal records retention program for Fund year 2022.

RESOLUTION 6-22 AWARDED AN EXTRAORDINARY UNSPECIFIABLE SERVICES CONTRACT WITH QBE SPECIALTY INSURANCE COMPANY FOR PRIMARY PUBLIC OFFICIALS/EMPLOYMENT PRACTICES LIABILITY.

RESOLUTION 7-22 AWARDED AN EXTRAORDINARY UNSPECIFIABLE SERVICES CONTRACT WITH QBE SPECIALTY INSURANCE COMPANY FOR OPTIONAL VOLUNTEER DIRECTOR'S AND OFFICER'S LIABILITY COVERAGE

RESOLUTION 8-22 SERVICES CONTRACT WITH INDIAN HARBOR INSURANCE COMPANY FOR PRIMARY CYBER SECURITY LIABILITY COVERAGE.

RESOLUTION 9-22 ESTABLISHING A LEGAL DEFENSE PANEL FOR THE YEAR 2022.

RESOLUTION NO. 10-22 INFORMAL MEDIATION PROCESS FOR DISPUTES BY MEMBERS AGAINST THE FUND

RESOLUTION NO. 11-22 ESTABLISHING REMOTE MEETING PROCEDURES APPLICABLE DURING A DECLARED STATE OF EMERGENCY

RESOLUTION 12-22 ESTABLISHING THE 2022 PLAN OF RISK MANAGEMENT–

Executive Director said Resolutions 2-22 through 12-22 can be added to the consent agenda.

EXECUTIVE DIRECTOR/ADMINISTRATOR REPORT:

Competitive Contracts: The Rules & Contracts Review committee met several times, including conducting interviews. Summary of committee's evaluations – recommending re-appointment of incumbent vendors – has been posted to the webpage Reorganization Resolution #1-22 reflects these contract awards. Since not all contracts expired at year-end, attached memorandum provides a summary of other contracts in force and sets forth compensation for Fund year 2022.

2022 Risk Management Plan - Underwriting Manager drafted the 2022 Risk Management Program. Underwriting Manager is finalizing his annual marketing renewal memorandum; he plans to conduct webinars to outline the changes to coverages for 2022.

Committee Appointments - The Fund Committees as appointed by Chairwoman Rinaldi was shared on the screen and will be included in the next meeting agenda.

2022 1st Installment Billings – The 2022 1st installment billings, noting quarterly due dates, were mailed out last month and are due by January 15th.

Employment Practices Compliance Program: We are in the final stages of updating the EPL Compliance Program report. All Morris JIF members have submitted their checklist and Executive Director acknowledged the work the Fund Attorney put into this effort.

RCF- The Residual Claims Fund conducted its 2022 re-organizational meeting on January 6, 2022 via Zoom audio/video conference. A copy of Commissioner McNeilly's report is enclosed.

EJIF – The EJIF conducted its 2022 re-organizational meeting on January 6, 2022 via Zoom audio/video conference. A copy of Commissioner McNeilly's report is enclosed.

MEL - The MEL conducted its 2022 re-organizational meeting on January 6, 2022 via Zoom audio/video conference. A copy of Commissioner Brewer’s report

2021/2022 Elected Officials Seminar: The MEL’s Annual Elected Officials Seminar was held as part of the League of Municipalities Conference. The MEL will shortly publish directions for the online version.

Cyber Task Force: Effective January 1, 2022, only compliance with the 2nd edition of the MEL Cyber Risk Management Program will qualify for deductible recoveries if town suffers a cyber claim. The MEL has now formed a special committee to research the creation of a special JIF to insure cyber beginning in 2023. Commissioner Brewer has volunteered to serve on this committee and the focus, much like the EJIF, will be to provide services to the members.

D2 Cybersecurity-Status Report—Attached is the monthly status report from the cyber security provider which recaps member participation and training to date.

Due Diligence Reports: Reports are included in the agenda. Statutory surplus at the end of November stands at \$12 million, up from 9.9 million at year-end, which is a result of the surplus in fund year 2020. There are many factors affecting 2020, primary is the COVID claims that will be treated as one occurrence through the MEL excess coverage. This allows all the MEL affiliated JIFs to share one \$300,000 retention, and the MEL takes the up to \$2,000,000 – where our excess carrier attaches. In addition, the disruption of the workforce and more people working remotely resulted in fewer accidents. Loss ratio analysis are at or below where the actuary would expect their development. Accident frequency stands at 1.6, which remains favorably low. Note the notice for the MEL hotline.

Executive Director’s Report Made Part of Minutes.

ATTORNEY:

Fund Attorney thanked the Fund for the opportunity to continue to work with the Morris JIF and he is pleased and supportive of the decision to renew contracts with the current managed care provider and claims administrators. The team works very well to address concerns and issues before anything becomes a larger problem. The professionals reappointed have a lot of familiarity with the towns, are vested and have real interest in serving the Fund.

Fund Attorney recognized outgoing Chairman Brian McNeilly for his commitment to the Fund and his attendance and participation in the many meetings and providing leadership over the past two difficult years.

Fund Attorney gave an overview of towns that had cases that were litigated and dismissed over this past year. He also gave an overview of three cases that are ongoing and they continue to defend. The legal fees paid in 2021 were approximately 17% less than 2019 and 2020 and credits that to the management of the Fund and the Commissioners.

Fund Attorney said compliance with the EPL program helps reduce costs for everyone. The Executive Director and he will be scheduling their annual 1st quarter meeting with the excess carrier.

A memorandum will soon be distributed concerning ADA claims occurring around the country with respect to websites.

TREASURER:

Resolution 13-22 for January 2022 bills list was included for approval on the consent motion.

January 2022	
2021	\$1,425,714.25

2022	\$1,954,218.32
Total	\$3,379,932.57

CLAIMS PAYMENT AND IMPREST TRANSFERS AS OF NOVEMBER 2021:

CLOSED	\$0
2017	\$15,033.53
2018	\$54,831.62
2019	\$42,222.65
2020	\$47,643.80
2021	\$283,708.34
TOTAL	\$443,439.94

Treasurer’s Report Made Part of Minutes.

UNDERWRITING MANAGER:

Underwriting Manager said to look for a notice soon to be distributed to invite members to attend a Zoom webinar to review coverage changes. Cyber continues to be a growing concern and becoming more difficult to obtain coverage. They hope to have more information by the end of the first quarter on what the new Cyber group can offer to help members to protect themselves. Please review your compliance status with the version two Cyber Compliance program.

CERTIFICATES OF INSURANCE: Monthly insurance certificates report for the November – December timeframe included.

Underwriting manager’s report and Certificates made part of minutes

SAFETY DIRECTOR: Safety Director said at the beginning of this month a notification was sent to announce the virtual leadership classes being offered for the year. The memo also informed members of the return to in person training with the MSI Expos. There will be seven throughout the state starting in February.

Safety Director’s Report Made Part of Minutes.

Executive Session: Fund Attorney confirmed that the claims information had been sent to the board and asked if there were any questions or concerns that would require executive session. Executive Director confirmed that no questions were received in the Fund office. In response to Commissioner Blakeslee, Fund Attorney said the workers compensation claim that prompted questions in the claims meeting is being addressed. He currently has a lengthy response which he will summarize and share with the Commissioners. Commissioner Blakeslee said he is satisfied with that action. Executive Director confirmed that the information would not suggest any change to the PAR and Fund Attorney agreed, saying the information requested is a response to a type of claim rather than a specific claim. Commissioner Blakeslee retracted his motion to go into Executive Session.

MANAGED CARE:

Managed Care Provider’s Report Made Part of Minutes

MOTION TO APPROVE RESOLUTIONS 2-22 THROUGH 13-21, CLAIM AUTHORITY PAYMENTS AS SUBMITTED, EXECUTIVE DIRECTOR'S REPORT, TREASURER'S REPORTS, ATTORNEY'S REPORTS, UNDERWRITING MANAGER'S REPORTS - MONTHLY CERTIFICATES, SAFETY DIRECTOR'S REPORTS, AND MANAGED CARE PROVIDER'S REPORTS

Commissioner Schmidt noted that there were some attorneys that were in Tier Two last year and have been moved to Tier Three this year, and also asked about the pending appointment for Essex County. Fund Attorney explained the Tier system and said the change was made on the recommendation of the Legal Committee. Essex County shows as pending, as there is no appointment at this time. There was an addition of an attorney that had previously served on the committee but was removed due to conflicts that no longer exist. The complaint has been resolved, and the attorney is again on the panel. As for the pending appointment for Essex County, the previous appointment had been removed and it has not been filled as there has not been a need. However the position stands in the event a need occurs.

Moved: Commissioner Blakeslee
Second: Commissioner Tappen
Roll call Vote: 34 Ayes, 1 Abstain on Resolution 9-22 by
Commissioner Schmidt on the appointment of Carl Perrone

OLD BUSINESS:

None

NEW BUSINESS:

None

PUBLIC COMMENT:

None

MOTION TO ADJOURN:

Moved: Commissioner McNeilly
Second: Commissioner Williams
Vote: Unanimous

Meeting Adjourned: 12:56 PM
Sandy Cantwell, Assisting Secretary
For Adam Brewer, Secretary

RESOLUTION NO. 1-22

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
(Hereinafter referred to as the “FUND”)
AWARDING COMPETITIVE CONTRACTS 21-02 THROUGH 21-04
VARIOUS PROFESSIONALS AND INSURANCE RELATED SERVICES**

WHEREAS the Morris County Municipal Joint Insurance Fund (hereinafter the Fund) authorized the competitive contract process to be administered by the Qualified Purchasing Agent through resolution 29-21 on August 4, 2021 For the positions of:

MANAGED CARE ORGANIZATION
CLAIMS ADMINISTRATOR-PROPERTY AND CASUALTY
CLAIMS ADMINISTRATOR-WORKERS’ COMPENSATION

and

WHEREAS services were procured according to the competitive contracting process under N.J.S.A. 40A:11-4.1 et. Seq., and

WHEREAS a notice advising of competitive contracts was published in the August 4, 2021 edition of the Star Ledger, and the Daily Record and posted on the Morris JIF website www.mcjif.org under the Public Bids section.

WHEREAS the Fund received Competitive Contract responses were received from professional service providers and service organizations on September 1, 2021 at 10:00 AM.

WHEREAS the Fund’s Management, Contracts and Rules Committees served as the Evaluation Committees for the respective Professional Service Provider and Service Organization to rate the proposals upon the standards of factors being Technical, Managerial and Cost factors in accord with N.J.A.C.5:34-4.3(d); and

WHEREAS the Evaluation Committees made recommendations on the award of contracts to the below listed Professional Service Providers and Service Organizations based on a review of their responses, experience and prior service provided at the rates established by the Board of Fund Commissioners; and

WHEREAS, the report produced by the committee, recommending the below was made available to the public and governing body at least 48 hours prior to the meeting of the governing body in accord with N.J.S.A 40A:11-4.1 and N.J.A.C 5:34-4; and

WHEREAS, the Fund Treasurer has indicated that sufficient funds exist for the award of these contracts in the usual and customary accounts.

WHEREAS the Board of Fund Commissioners of the Morris County Municipal Joint Insurance Fund resolves to appoint the Fund Professionals – noted below – to three-year terms commencing on January 1, 2022 and ending on December 31, 2024 (unless otherwise noted) at its January 2022 Reorganization Meeting in accordance with a fair and open process pursuant to N.J.S.A. 19:44A-20.4 et. Seq.

NOW, THEREFORE BE IT RESOLVED, by the FUND’s Governing Body that:

- I. First Managed Care Option** is hereby appointed as **Managed Care Organization**. \$934,607.65 is the estimated dollars that will be expended in connection with this contract over its three-year term. The annual amount of \$305,387.42 has been appropriated in the Managed Care line item of the 2022 budget. Fund year 2022 is the first year of a three-year term.

- II. Lenape Claims Management** is hereby appointed as **Claims Administrator-Property and Casualty**. \$786,546.38 is the estimated dollars that will be expended in connection with this contract over its three-year term. The annual amount of \$257,007.70 has been appropriated in the Claims Adjustment-Property and Casualty line item of the 2022 budget. Fund year 2022 is the first of a three year term.

- III. Qual Lynx** is hereby appointed as **Claims Administrator-Workers’ Compensation** \$912,131.35 is the estimated dollars that will be expended in connection with this contract over its three-year term. The annual amount of \$298,043.18 has been appropriated in the Claims Adjustment-Worker’s Compensation line item of the 2022 budget. Fund year 2022 is the first of a three-year term.

NOW, THEREFORE BE IT FURTHER RESOLVED, which will be entered into, a copy of which are or will be on file in the Fund office, located at 9 Campus Drive, Suite 216, Parsippany, NJ 07504.

Adopted by the Governing Body this 12th day of January 2022.

Morris County Municipal Joint Insurance Fund

Carolyn Rinaldi
Chairperson

Attest:
Adam Brewer
Secretary

RESOLUTION #2-22
of the
MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
DESIGNATION OF INVESTORS BANK AS BANKING MANAGER

WHEREAS, the Morris County Municipal Joint Insurance Fund (hereinafter the Fund), finds it necessary for the proper conduct and order of business that official depositories for the Fund be designated and named; and

WHEREAS Investors Bank for Banking Manager - at an earnings rate based on a combined average balance of \$20,000,000 of participating joint insurance funds which will earn the higher end federal funds rate less .25% with a floor of .40%. - is hereby proposed by the Board of Fund Commissioners as the official designated depository in accord with N.J.S.A. 40A:11-5-15.1(f).

NOW, THEREFORE, BE IT RESOLVED, by the Municipal Excess Liability Joint Insurance Fund, that Investors Bank for Banking Manager - at an earnings rate based on a combined average balance of \$20,000,000 of participating joint insurance funds which will earn the higher end federal funds rate less .25% with a floor of .40%. - is hereby approved by the Board of Fund Commissioners as the official designated depository in accord with N.J.S.A. 40A:11-5-15.1(f) and that sums so deposited may be withdrawn upon a check, draft or order of the Board of Fund Commissioners; and

BE IT FURTHER RESOLVED that a certified copy of this Resolution, duly executed, be delivered to the proper officers of Investor Bank

ADOPTED:
this 12th day of January 2022 before the Governing Body:

Carolyn Rinaldi, Chairperson

Adam Brewer, Secretary

RESOLUTION NO. 3-22

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
(hereafter referred to as “THE FUND”)**

ESTABLISHING A FISCAL MANAGEMENT PLAN

FOR THE 2022 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

NOW, THEREFORE BE IT RESOLVED, THE FUND’s Governing Body hereby appoints the following professionals for the 2022 Fund Year:

I. The following financial institutions are hereby declared as THE FUND’s Official Depositories:

- a) Those banks or institutions identified through the Governmental Unit Depository Protection Act (GUDPA)
- b) New Jersey Cash Management Plan
- c) Investors Bank

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.

Carolyn Rinaldi	CHAIR
Adam Brewer	SECRETARY
Grace Brennan	TREASURER
Brian McNeilly	COMMISSIONER

- III.** All funds for Claims payments shall be withdrawn from the Official Depository(ies) by check, which shall bear the signatures of at least two (2) of the following Workers Compensation TPA representatives, and at least two (2) of the following General Liability, Auto Liability, Property, Auto Physical Damage, and Fidelity TPA representatives, duly authorized pursuant to this Resolution.

Workers Compensation TPA Signatories:

Dave Ruber, Qual Lynx
Alice Lihou, Qual Lynx
Edward Koreivo, Qual-Lynx
Grace Brennan, Fund Treasurer

**General Liability, Auto Liability, Property, Auto Physical Damage,
and Fidelity TPA Signatories:**

Patricia Muldoon, Lenape Claims Management, Inc.
Susan Hammer, Lenape Claims Management, Inc.
Grace Brennan, Fund Treasurer

- IV.** For Wire Transfers - that the FUND does hereby require that Investors Bank obtain voice confirmation prior to executing wire transfers to external accounts from the Fund Treasurer.
- V.** The Cash and Investment Policy attached herewith shall be adopted.
- VI.** The rate of interest assessed by the Fund, for delinquent assessments for the year 2022 shall be ten (10) percent per annum, from the due date for any such assessment and imposed when installment assessments are received 15 days after the due date.
- VII.** Certifying and Approval Officer for all FUND expenses shall be the FUND's Executive Director and/or the Account Manager so designated by the Executive Director.

Adopted by the Governing Body this 12th day of January 2022.

Morris County Municipal Joint Insurance Fund

Carolyn Rinaldi
Chairperson

Attest:
Adam Brewer
Secretary

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
2022 CASH MANAGEMENT AND INVESTMENT POLICY**

1.) **Cash Management and Investment Objectives**

The Morris County Municipal Joint Insurance Fund (hereinafter referred to as the FUND) objectives in this area are:

- a) Preservation of capital.
- b) Adequate safekeeping of assets.
- c) Maintenance of liquidity to meet operating needs, claims settlements and dividends.
- d) Diversification of the FUND's portfolio to minimize risks associated with individual investments.
- e) Maximization of total return, consistent with risk levels specified herein.
- f) Investment of assets in accordance with State and Federal Laws and Regulations.
- g) Accurate and timely reporting of interest earnings, gains and losses by line of coverage in each Fund year.
- h) Where legally permissible, cooperation with other local municipal joint insurance funds, and the New Jersey Division of Investment in the planning and execution of investments in order to achieve economies of scale.
- i) Stability in the value of the FUND's economic surplus.

2.) **Permissible Investments**

Investments shall be limited to investments authorized under N.J.S.A. 40A:5-15.1 Joint Insurance Funds and Chapter 38, Joint Insurance Funds, Subchapter 1. Investments 5:38-1.1, 5:38-1.2 and 5:38-1.3 of the New Jersey Administrative Code.

3.) **Authorized Depositories**

In addition to the above, the FUND is authorized to deposit funds in certificates of deposit and other time deposits in banks covered by the Governmental Unit Depository Protection Act, NJSA 17:9-14 et seq. (GUDPA). Specifically authorized depositories include but are not limited to:

Investors Bank

The FUND is also authorized to invest its assets in the New Jersey Cash Management Fund.

4.) **Authority for Investment Management**

The Treasurer is authorized and directed to make investments, with a maturity of three months or longer, through asset managers that may be selected by the Executive Board. Such asset managers shall be discretionary trustees of the FUND.

Their actions and decisions shall be consistent with this plan and all appropriate regulatory constraints.

In executing investments, asset managers shall identify the investment that is the most advantageous to the fund, unless otherwise directed by the FUND. Transactions may also be processed through the New Jersey Division of Investment by the Fund's asset managers.

5.) **Preservation of Capital**

Securities shall be purchased with the ability to hold until maturity.

6.) **Safekeeping**

Securities purchased on behalf of the FUND shall be delivered electronically or physically to the FUND's custodial bank, which shall maintain custodial and/or safekeeping accounts for such securities on behalf of the FUND.

7.) **Selection of Asset Managers, Custodial Banks and Operating Banks**

Asset managers, custodial banks and operating banks shall be retained for contract periods of one (1) year. Additionally, the FUND shall maintain the ability to change asset managers and/or custodial banks more frequently based upon performance appraisals and upon reasonable notice, and based upon changes in policy or procedures.

8.) **Reporting**

Asset managers will submit written statements to the treasurer and executive director describing the proposed investment strategy for achieving the objectives identified herein. Asset managers shall also submit revisions to strategy when justified as a result of changing market conditions or other factors. Such statements shall be provided to the Treasurer and Executive Director. The statements shall also include confirmation that all investments are made in accordance with this plan. Additionally, the Investment Manager shall include a statement that verifies the Investment Manager has reconciled and determined the appropriate fair value of the Funds portfolio based on valuation guidelines that shall be kept on file in the Executive Director's office.

The Treasurer shall report to the Executive Committee at all regular meetings on all investments. This report shall include information on the balances in all bank and investment accounts, and purchases, sales, and redemptions occurring in the prior month.

9.) **Audit**

This plan, and all matters pertaining to the implementation of it, shall be subject to the FUND's annual audit.

10.) **Cash Flow Projections**

Asset maturity decisions shall be guided by cash flow factors payout factors supplied by the Fund Actuary and reviewed by the Executive Director and the Treasurer.

11.) **Cash Management**

All moneys turned over to the Treasurer shall be deposited within forty-eight (48) hours in accordance with NJSA 40A:5-16.

In the event a check is made payable to the Treasurer rather than the Fund, the following procedure is to be followed:

- a.) The Treasurer endorses the check to the Fund and deposits it into the Fund account.
- b.) The Treasurer notifies the payer and requests that in the future any check be made payable to the Fund.

Cash may be withdrawn from investment pools under the discretion of asset managers only to fund operations, claims impress accounts, or approved dividend payments.

The Treasurer shall escheat to the State of New Jersey checks which remain outstanding for twelve or more months after the date of issuance. However, prior to implementing such procedures, the Treasurer, with the assistance of the claims agent, as needed, shall confirm that the outstanding check continues to represent a valid claim against the FUND.

RESOLUTION NO. 4-22

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
(hereafter the “FUND”)**

ESTABLISHING PUBLIC MEETING PROCEDURES

WHEREAS, the FUND must establish meeting procedures for Fund Year 2022, and

NOW, THEREFORE BE IT RESOLVED, by the Governing Body of the FUND that:

- I. The Governing Body shall conduct Public Meetings to conduct the official business of the FUND at 12 noon on the second Wednesday of each month from February 2022 through January 11, 2023. Meetings are scheduled to be held at the Hanover Municipal Building but are subject to change.
- II. Each Public Comments session is limited to thirty (30) minutes; any one person may address the Chairperson for a maximum of five (5) minutes; once a particular topic has been addressed by a member of the public, subsequent comments on that same topic by other people is limited to a maximum of two (2) minutes; citizens who have spoken once during the session will not be recognized a second time; and speakers are required to state their names and address.
- III. The following is hereby designated the official newspaper (s) of the Fund:

The Daily Record, Parsippany, New Jersey 07054 and The Star Ledger, Newark, New Jersey 07101. In addition, the Morris JIF’s webpage is designated for official notices – www.mcjif.org.
- IV. The FUND Secretary or designated assistant shall provide notice of any and all meetings, including special or emergency meetings, to each official newspaper and shall issue all official notices required to be published in at least one of the official newspapers.

Adopted by the Governing Body this 12th day of January 2022.

Morris County Municipal Joint Insurance Fund

Carolyn Rinaldi
Chairperson

Attest: Adam Brewer
Secretary

RESOLUTION NO. 5-22

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
(Hereinafter the “FUND”)**

ESTABLISHING A FUND RECORDS PROGRAM

WHEREAS: The FUND must establish a formal record retention program for the 2022 fund year.

NOW, THEREFORE BE IT RESOLVED, by the FUND’s Governing Body that:

- I.** _____, Fund Secretary, is hereby designated as custodian of the FUND records, which shall be kept at the office of the Fund Administrator, located at 9 Campus Drive, Suite 216, Parsippany, NJ 07054.
- II.** The Account Manager designated by the Executive Director is hereby appointed as **Assistant Fund Secretary.**
- III.** The records of the FUND shall be retained in accordance with the municipal records retention schedule as promulgated by the New Jersey Division of Archives and Records Management, and/or otherwise specified by the New Jersey Department of Insurance and Community Affairs.
- IV.** Each fund professional and service organization shall have the duty and obligation to maintain such records as are entrusted to him/her and to relinquish such records to the Fund Secretary upon termination of services or otherwise upon request.

Records and files not required to support current operations, but which must otherwise be retained, shall be stored in the record retention facility, located at Access Corp., 24 Beckwith Avenue, Paterson, New Jersey. The FUND’s Executive Director shall coordinate the archive process so that all records are properly indexed and accessible.

Adopted by the Governing Body this 12th day of January 2022.

Morris County Municipal Joint Insurance Fund

Carolyn Rinaldi
Chairperson

Attest:

Adam Brewer
Secretary

RESOLUTION NO. 6-22

**RESOLUTION OF THE MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
AWARDING AN EXTRAORDINARY UNSPECIFIABLE SERVICES CONTRACT WITH QBE
SPECIALTY INSURANCE COMPANY FOR PRIMARY PUBLIC OFFICIALS/EMPLOYMENT
PRACTICES LIABILITY**

WHEREAS, there is a need for public officials/employment practices coverage for the Morris County Municipal Joint Insurance Fund (FUND); and

WHEREAS, the Fund has sought and received proposals in accord with N.J.S.A. 19:44A-20.4 et. seq.; and

WHEREAS, the Underwriting Manager is recommending award to QBE Specialty Insurance Company for primary public officials/employment practices liability coverage in the amount of \$2,213,893 inclusive of commission; and

WHEREAS, the services qualify as an award of a contract without the receipt of formal bids as an Extraordinary Unspecifiable Service N.J.S.A. 18A:18A-5(a)(ii) and N.J.A.C. 5:34-2.3(b); and

WHEREAS, the certification of an Extraordinary Unspecifiable Service as demanded by to N.J.A.C. 5:34-2.1 et. seq. must be complied with and attached to this resolution; and

WHEREAS, QBE Specialty Insurance Company will submit a Business Entity Disclosure Certification and a Political Contribution Disclosure form which certifies that QBE Specialty Insurance Company has not made any reportable contributions to a political or candidate committee to the Fund in the previous one year, and that the contract will prohibit QBE Specialty Insurance Company from making any reportable contributions through the term of the contract, and

WHEREAS, the Fund Administrator has concurred with the legality of the purchase in accord with the New Jersey Local Publics Contract Law (N.J.S..40A:11-1 et. Seq); and

WHEREAS, the Treasurer has certified that funds are available, subject to approval by the board of commissioners in the 2022 budget in the amount of \$2,213,893 inclusive of commission from:

Line Items: POL/EPL Premium and Land Use Liability

NOW, THEREFORE, BE IT RESOLVED, that the Morris County Municipal Joint Insurance Fund authorizes the Executive Director to enter into a contract with QBE Specialty Insurance Company for the 2022 budget year for primary public officials/employment practices liability coverage in the amount of not to exceed \$2,213,893 inclusive of commission.

Adopted by the Governing Body this 12th day of January 2022.

Morris County Municipal Joint Insurance Fund

Carolyn Rinaldi
Chairperson

Attest: Adam Brewer
Secretary

RESOLUTION NO. 7-22

**RESOLUTION OF THE MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
AWARDING AN EXTRAORDINARY UNSPECIFIABLE SERVICES CONTRACT WITH QBE
SPECIALTY INSURANCE COMPANY FOR OPTIONAL VOLUNTEER DIRECTOR'S AND
OFFICER'S LIABILITY COVERAGE**

WHEREAS, there is a need for optional volunteer director's and officer's liability coverage for the Morris County Municipal Joint Insurance Fund (FUND); and

WHEREAS, the Fund has sought and received proposals in accord with N.J.S.A. 19:44A-20.4 et. seq.; and

WHEREAS, the Underwriting Manager is recommending award to QBE Specialty Insurance Company for optional volunteer director's and officer's liability coverage in the amount of \$16,996 inclusive of commission; and

WHEREAS, the services qualify as an award of a contract without the receipt of formal bids as an Extraordinary Unspecifiable Service N.J.S.A. 18A:18A-5(a)(ii) and N.J.A.C. 5:34-2.3(b); and

WHEREAS, the certification of an Extraordinary Unspecifiable Service as demanded by to N.J.A.C. 5:34-2.1 et. seq. must be complied with and attached to this resolution; and

WHEREAS, QBE Specialty Insurance Company will submit a Business Entity Disclosure Certification and a Political Contribution Disclosure form which certifies that QBE Specialty Insurance Company has not made any reportable contributions to a political or candidate committee to the Fund in the previous one year, and that the contract will prohibit QBE Specialty Insurance Company from making any reportable contributions through the term of the contract, and

WHEREAS, the Fund Administrator has concurred with the legality of the purchase in accord with the New Jersey Local Publics Contract Law (N.J.S..40A:11-1 et. Seq); and

WHEREAS, the Treasurer has certified that funds are available, subject to approval by the board of commissioners in the 2022 budget in the amount of \$16,996 inclusive of commissions from:

Line Items: Volunteer Director's and Officer's Liability

NOW, THEREFORE, BE IT RESOLVED, that the Morris County Municipal Joint Insurance Fund authorizes the Executive Director to enter into a contract with QBE Specialty Insurance Company for the 2022 budget year for optional volunteer director's and officer's liability coverage in the amount of not to exceed \$16,996 inclusive of commissions.

Adopted by the Governing Body this 12th day of January 2022.

Morris County Municipal Joint Insurance Fund

Carolyn Rinaldi
Chairperson
Attest: Adam Brewer
Secretary

RESOLUTION NO. 8-22

**RESOLUTION OF THE MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
AWARDING AN EXTRAORDINARY UNSPECIFIABLE SERVICES CONTRACT WITH
INDIAN HARBOR INSURANCE COMPANY FOR PRIMARY CYBER SECURITY LIABILITY
COVERAGE**

WHEREAS, there is a need for primary cyber security liability coverage for the Morris County Municipal Joint Insurance Fund (FUND); and

WHEREAS, the Fund has sought and received proposals in accord with N.J.S.A. 19:44A-20.4 et. seq.; and

WHEREAS, the Underwriting Manager is recommending award to Indian Harbor Insurance Company for primary cyber security liability coverage in the amount of \$134,460.00 inclusive of commission; and

WHEREAS, the services qualify as an award of a contract without the receipt of formal bids as an Extraordinary Unspecifiable Service N.J.S.A. 18A:18A-5(a)(ii) and N.J.A.C. 5:34-2.3(b); and

WHEREAS, the certification of an Extraordinary Unspecifiable Service as demanded by to N.J.A.C. 5:34-2.1 et. seq. must be complied with and attached to this resolution; and

WHEREAS, Indian Harbor Insurance Company will submit a Business Entity Disclosure Certification and a Political Contribution Disclosure form which certifies that Indian Harbor Insurance Company has not made any reportable contributions to a political or candidate committee to the Fund in the previous one year, and that the contract will prohibit Indian Harbor Insurance Company from making any reportable contributions through the term of the contract, and

WHEREAS, the Fund Administrator has concurred with the legality of the purchase in accord with the New Jersey Local Publics Contract Law (N.J.S..40A:11-1 et. Seq); and

WHEREAS, the Treasurer has certified that funds are available, subject to approval by the board of commissioners in the 2022 budget in the amount of \$134,460.00 inclusive of commission from:

Line Items: Cyber Security Liability

NOW, THEREFORE, BE IT RESOLVED, that the Morris County Municipal Joint Insurance Fund authorizes the Executive Director to enter into a contract with Indian Harbor Insurance Company for the 2022 budget year for primary cyber security liability coverage in the amount of not to exceed \$134,460.00 inclusive of commission.

Adopted by the Governing Body this 12th day of January 2022.

Morris County Municipal Joint Insurance Fund

Carolyn Rinaldi
Chairperson
Attest: Adam Brewer
Secretary

RESOLUTION 9-22
RESOLUTION OF THE COMMISSIONERS OF THE MORRIS
COUNTY MUNICIPAL JOINT INSURANCE FUND REVISING
THE LEGAL DEFENSE PANEL FOR THE YEAR 2022

WHEREAS, the Morris County Municipal Joint Insurance Fund (hereinafter “the Fund”) finds it necessary and appropriate to obtain certain professional services, as defined in the Local Public Contracts Law, (N.J.S.A. 40A-12 et. seq.), to review the Fund’s procurement procedures; and

WHEREAS, the Commissioners of the Morris Joint Insurance Fund adopted a resolution establishing the 2022 defense panel of attorneys to handle the various claims and litigation asserted against the insured of the Morris Joint Insurance Fund at its January 12, 2022 Reorganization; and

WHEREAS, the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq., requires that the resolution authorizing the award of a contract for professional services without competitive bidding, and the contract itself, be available for public inspection.

NOW, THEREFORE, BE IT RESOLVED, by the Commissioners of the Morris County Municipal Joint Insurance Fund that the following attorneys are hereby designated as the JIF’s defense panel for the year 2022 at the rates herein specified:

Worker’s Compensation – Hourly Rate of \$140

Kathleen A. Hart., Esq.
John R. Tort, Esq., Steven M. Leitner, Esq. & Joseph S. Defazio, Esq.
Christopher Wood, Esq

Workers’ Compensation Special Litigation – Hourly Rate of \$140

James G. Pietras, Esq

General Liability – Hourly Rate of \$165

TIER ONE

Robert J. Greenbaum, Esq.
Eric Harrison, Esq.
William Johnson, Esq.

TIER TWO

Catherine Flynn
Matthew Giacobbe, Esq.
Peter King, Esq.
Brian Mason, Esq. (Police Claims)
David Pennella, Esq.
Carl A. Perrone, Esq.

TIER THREE

Thomas Ryan, Esq (Sussex County)
Mark J. Semeraro, Esq. (Passaic County)
John Ursin (Sussex County)
Donald S. Dinsmore, Esq. (subrogation)
Pending (Essex County)

FUND ATTORNEY:

Fred Semrau of Dorsey & Semrau

CONFLICT COUNSEL

Russell R. Huntington, Esq.

BE IT FURTHER RESOLVED, by the Commissioners of the Morris County Municipal Joint Insurance Fund that the above attorneys are also hereby designated to be assigned subrogation matters – on a contingency basis of 25% unless required to take the matter to trial, in which case contingency basis will be 33%. In matters of subrogation, Claims Administrator is authorized to allow up to \$2,500 in costs to secure expert witness/testimony. If additional funds are required, Claims Administrator will seek authority of the Fund.

Adopted by the Governing Body this 12th day of January 2022

Morris County Municipal Joint Insurance Fund

By:: Carolyn Rinaldi
Chairperson

Attest: Adam Brewer
Secretary

RESOLUTION NO. 10-22

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
(Hereinafter referred to as the “FUND”)**

**INFORMAL MEDIATION PROCESS
FOR DISPUTES BY MEMBERS AGAINST THE FUND**

WHEREAS, Members of the Morris County Municipal Joint Insurance Fund (“Fund”) may have differences of opinion or disputes with respect to coverage determinations; and

WHEREAS, in the history of the Fund has been fortunate to only be the recipient of two requests for arbitration to resolve such disputes; and

WHEREAS, these disputes are costly to the Fund and its membership; and

WHEREAS, the Fund, after consulting with the Executive Director, Chairman and the Fund Attorney, has suggested an informal process to review any potential claims or disputes against the Fund with respect to coverage or any terms of the policy; and

WHEREAS, this process is informal, not binding and is to allow Members a better understanding of whatever disputes exist between the Fund and a particular Member.

NOW, THEREFORE, BE IT RESOLVED, by the Morris County Joint Insurance Fund that the following informal process shall take place when a Member has a claim or dispute against the Fund with respect to coverage or any terms of the policy:

1. A Member will notify the Chairman, Executive Director, or Fund attorney that a dispute has occurred and the Member would like to conference the dispute with the Executive Director, Chairman and Fund Attorney of the Morris County Municipal Joint Insurance Fund.
2. Ten (10) days prior to said conference, which will be schedule at the mutual convenience of all parties, the Member will provide information in writing, to the Executive Director, which will set forth the claim, the basis for the claim and the requested relief.
3. After said conference with the Executive Director, Chairman and Fund Attorney, if the matter is not resolved, the Member may request that the matter be presented to the Morris County Joint Insurance Fund Claims Committee.
4. Ten (10) days prior to meeting with the Morris County Municipal Joint Insurance Fund Claims Committee, the Member shall submit information in writing, to the Executive Director, pertaining to the nature of the claim, the basis for the dispute and the requested relief.

5. If the Morris County Municipal Joint Insurance Fund Claims Committee cannot resolve the dispute, then the Member will then have the right to make a plea to the entire Board of Fund Commissioners.
6. Fifteen (15) days prior to the meeting with the entire Board of Fund Commissioners, the Member shall submit a letter, to the Executive Director, detailing the nature of the claim, the basis for the dispute and the requested relief.
7. The Morris County Joint Insurance Fund Claims Committee Chair, the Executive Director and the Fund Attorney will also provide information in writing relating to the dispute and the basis for the Claims Committee's recommendation.
8. The discussion with respect to disputes will occur in Executive Session.
9. All of said discussions throughout the process will be designated as "Settlement Discussions" and not admissible in any subsequent proceedings.
10. Any resolutions of disputes pursuant to this informal process will be done only by a formal vote of the Board of Fund Commissioners.

This Resolution shall take effect immediately.

Adopted by the Governing Body this 12th day of January, 2022.

Morris County Municipal Joint Insurance Fund

Carolyn Rinaldi
Chairperson

Attest:
Adam Brewer, Secretary

RESOLUTION NO. 11-22

RESOLUTION OF THE MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND TO ESTABLISH REMOTE MEETING PROCEDURES APPLICABLE DURING A DECLARED STATE OF EMERGENCY

WHEREAS, on March 9, 2020 in response to COVID-19, Governor Phil Murphy issued Executive Order 103, which declared a state of emergency that has been extended by the Governor and remains in full force to this day; and

WHEREAS, by way of additional Executive Orders, the Governor has established extensive social distancing protocols to protect the health, safety and welfare of New Jersey citizens; and

WHEREAS, in accordance with the Executive Orders relating to COVID-19 and the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq. (“OPMA”), local government units, including the Morris County Municipal Joint Insurance Fund (“Fund”), have continued to hold public meetings via remote platforms to ensure the continued operation of local government with participation by the public, in a way that limits public health risk; and

WHEREAS, in March 2020, the New Jersey Department of Community Affairs, Division of Local Government Services (“DLGS”) issued “Local Operational Guidance – COVID-19: Guidance for Remote Public Meetings in New Jersey,” which provided specific guidance regarding holding remote public meetings under the OPMA; and

WHEREAS, on September 24, 2020, the DLGS issued Local Finance Notice 2020-21 (“LFN 2020-21”), which provided a synopsis of newly promulgated emergency regulations N.J.A.C. 5:39-1.1 through 1.7, which establish standard protocols for remote public meetings governed by the OPMA and held during a Governor-declared state of emergency; and

WHEREAS, LFN 2020-21 additionally stated that the emergency regulations presently in effect are proposed for permanent adoption in the October 19, 2020 New Jersey Register, with comments submitted no later than November 18, 2020; and

WHEREAS, under emergency regulation N.J.A.C. 5:39-1.4(h), a local government unit is required to adopt by resolution standard procedures and requirements for public comment made during remote public meetings, as well as for public comments submitted in writing ahead of the remote public meeting.

NOW THEREFORE BE IT RESOLVED that the Executive Director’s Office of the Fund, does hereby resolve and agree to adopt the following procedures regarding public comments during remote public meetings:

1. Public comments for a remote public meeting shall be limited to 5 minutes for each speaker and may be made during the designated public comment section of the meeting or submitted in writing to the Executive Director’s Office of the Fund no later than four (4) hours prior to published start time of the remote meeting. Written public comments must be emailed to the Executive Director’s Office at catek@permainc.com or scantwell@permainc.com or mailed to the Executive Director’s Office at 9 Campus Drive, Suite 216, Parsippany, NJ 07054. Written public comments may not be submitted via any other form of electronic communication.

2. Written public comments submitted via email or mail must include the individual's name, full address and contact information (telephone number and/or email address), as the Executive Director's Office reserves the right to verify the submitter's identity.
3. Written public comments submitted in accordance with this resolution shall be read into the remote meeting record at the end of the last public comment section, subject to the time limit in place for in-person comments. Written public comments containing profanity or vulgarity will not be read into the record. The chair and/or presiding officer of the remote meeting reserves the right to read similar or duplicative comments into the record in a summary fashion and will do so uniformly for all similar/duplicative comments.
4. Members of the public who submit written public comments regarding a specific agenda item that is scheduled for public hearing (such as a budget or bylaws amendment, etc.), should designate the agenda item and title to which their written public comments apply. Written public comments received after the four (4) hour deadline set forth by this resolution will not be read into the record or become part of the meeting record.
5. The procedures and requirements for making public comments during a remote meeting, along with an explanation of the audio muting function of the electronic communications platform being used, shall be announced at the beginning of the remote public meeting.
6. With respect to public participation at a remote public meeting, the following procedures shall be incorporated:
 - a. A member of the public who has submitted written comments prior to the meeting in accordance with this resolution, attends the remote public meeting, and wishes to participate during the public comment portion, will be deemed and treated as having already had the floor once.
 - b. If a member of the public disrupts a remote public meeting, the chair and/or presiding officer of the remote public meeting shall facilitate a dialogue with that member of the public to the extent reasonably permitted by the electronic communications technology.
 - c. The chair and/or presiding officer of the meeting shall mute or continue muting, or direct appropriate staff to mute or continue muting, the disruptive member of the public and warn them that continued disruption may result in their being prevented from speaking during the remote public meeting or removed from the remote public meeting. Disruptive conduct includes sustained inappropriate behaviors such as, but not necessarily limited to, shouting, interruption and use of profanity.
 - d. A member of the public who continues to act in a disruptive manner after receiving an initial warning shall be muted while other members of the public are allowed to proceed with their questions or comments. If time permits, the disruptive individual shall be allowed to speak after all other members of the public have been given the opportunity to make comment. Should the person remain disruptive, the individual may be muted or kept on mute for the remainder of the remote public meeting, or removed from the remote public meeting.

- e. The chair and/or presiding officer of the remote meeting shall reserve the right to take necessary action to protect the rights of the public to participate in the remote public meeting.
7. If this resolution conflicts with any other policy or procedures of the Fund, the terms herein shall prevail.

This Resolution shall take effect immediately.

Adopted by the Governing Body this 12th day of January, 2022.

MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND

Carolyn Rinaldi

Adam Brewer

Chairperson

Secretary

Date: January 12, 2022



Of Risk Management

Resolution 12-22
Morris County Municipal Joint Insurance Fund

(hereinafter the "Fund" or the "MOR JIF")

ESTABLISHING THE 2022 PLAN OF RISK MANAGEMENT

BE IT RESOLVED by the Fund's Commissioners that the 2022 Plan of Risk Management shall be:

Definitions:

"Commissioners" mean: The Board of Fund Commissioners or the Executive Committee thereof as appropriate

"Member" means: A local unit of government that has joined the Fund

"Sexual Abuse" means: An action brought pursuant to Section 1 of P.L. 1992, c.109 (C.2A:61B-1), paragraph (1) of subsection c. of section 1 of P.L.1959 (C.2A:53A-7) or section 1 of P.L.2005, c.264 (C.2A:53A-7.4)

Section I – Coverage

Insurance Coverages

The following coverages are provided to the Fund's members, effective January 1, 2022:

- Workers' Compensation
- Liability (including optional excess)
- Public Officials Liability / Employment Practices Liability (including optional excess)
- Optional Volunteer Directors & Officers Liability
- Crime
- Non-Owned Aircraft Liability
- Environmental Impairment Liability
- Cyber
- Property & Equipment Breakdown (effective December 31, 2021)
- Emergency Service Volunteer Automobile Physical Damage
- Terrorism

Limits of Coverage

Unless otherwise stated, all limits shown apply less any local member unit's SIRs/deductibles . All references to the "MEL" stand for the "Municipal Excess Liability Joint Insurance Fund". **Please note, the following is a general discussion of the coverages and limits provided via the Fund; however, the actual terms and conditions are defined in the policy documents and all issues shall be decided on such. Additional coverages, limits and conditions may apply. Please also note, deductibles may differ for individual members; please refer to your policy(ies) for full details.**

1. Workers' Compensation

- Workers' Compensation: \$300,000
- Employer's Liability: \$300,000
- USL&H, Harbor Marine/Jones Act, Incidental Foreign Workers' Compensation, Communicable Disease: Per Person
- MEL Excess Limit: Statutory
- Employer's Liability Excess Limit: \$6,700,000

2. **Liability** *(includes General, Automobile, Employee Benefits and Law Enforcement Liability)*

- Fund Limit: \$300,000
- MEL Excess Limit: \$4,700,000
 - The \$3,000,000 layer excess of \$2,000,000 is subject to a \$3,000,000 per local member unit annual aggregate (Automobile Liability is not aggregated)
- Sublimits: The following sublimits are part of, and not in addition to, the limits above:
 - Good Samaritan Liability: Included
 - Quasi Municipal Organization Liability: Included (if approved)
 - Fungus or Spores: \$1,000,000
 - Disinfectants Release Hazard Coverage: \$1,000,000
 - Dam and Reservoir: \$5,000,000
 - a. \$5,000,000 per occurrence for any member entity owned dams defined as Class III or IV in New Jersey Administrative Code, Title 7, Department of Environmental Protection, Chapter 20, 7:20-1.8;
 - b. Included for premises owned, occupied or controlled by the member entity on which a dam or reservoir is located, or from the operations conducted on such premises;
 - c. \$2,000,000 per occurrence for any member entity owned dam defined as Class I or II in New Jersey Administrative Code, Title 7, Department of Environmental Protection, Chapter 20, 7:20-1.8; and
 - d. \$2,000,000 per occurrence for any Class III or IV member entity owned dam involved with a Class I or II member entity owned dam.
 - Sanitary/Storm Water System Sewerage Backup and/or Sanitary System Sewerage Backup, Escape or Release: \$3,000,000 Per Occurrence and \$4,000,000 Annual Aggregate for all member entities
 - Subsidence: \$3,000,000 Per Occurrence and \$4,000,000 Annual Aggregate for all member entities
 - Quasi Entities Coverage: \$5,000,000
 - Skateboard Facilities: \$5,000,000 Per Occurrence (where approved)
 - a. Subject to 0% member coinsurance of the first \$100,000
 - Riot, Civil Commotion or Mob Action: \$5,000,000 Per Occurrence
 - Failure to Supply Utility: \$5,000,000 Per Occurrence

- Garagekeepers Liability: \$2,000,000 Per Occurrence
- New Jersey Personal Injury Protection (NJ PIP): \$250,000
- New Jersey Uninsured/Underinsured Motorist (NJ UM/UIM): \$15,000 / \$30,000 / \$5,000

3. **Optional Excess Liability Limit**

The MEL offers Optional Excess Liability Limits excess of the MEL Excess Limit.

- The following limits are the Optional Excess Limits:
 - \$2,000,000 (equals \$7,000,000 total);
 - \$5,000,000 (equals \$10,000,000 total);
 - \$10,000,000 (equals \$15,000,000 total); and
 - \$15,000,000 (equals \$20,000,000 total);

The MEL also offers Optional JIF Shared Aggregate Excess Liability coverage, with limits of \$10,000,000 from the MEL. This coverage is only available to members of the Fund who purchase all \$20,000,000 available to them from the Optional Excess Liability Limits.

- \$10,000,000 aggregate (equals \$30,000,000 total)

4. **Public Officials Liability / Employment Practices Liability**

Each local member unit is 100% commercially insured with QBE Specialty Insurance Company for \$2,000,000 in the aggregate per member on a claims made and reported basis for each Fund year.

- Retentions and Coinsurance:
 - \$20,000 is the standard retention per claim and 20% of the first \$250,000 of the loss is the standard coinsurance, although other retentions and coinsurances may apply.
 - Local member units may qualify based on certain criteria to have options to purchase a lower retention and/or coinsurance contribution.
 - Members with adverse loss experience may be subject to higher retention and/or coinsurance.
-

5. **Optional Excess Public Officials Liability / Employment Practices Liability**

The MEL offers Optional Excess Public Officials Liability / Employment Practices Liability limits excess of the local member units' primary \$2,000,000 Public Officials Liability / Employment Practices Liability policies with QBE Specialty Insurance Company as follows:

- \$1,000,000 (equals \$3,000,000 total);
- \$2,000,000 (equals \$4,000,000 total);
- \$3,000,000 (equals \$5,000,000 total);

- \$4,000,000 (equals \$6,000,000 total); and
- \$8,000,000 (equals \$10,000,000 total).

6. **Optional Volunteer Directors & Officers Liability**

Fire companies and Emergency Service Units have the option of purchasing optional Volunteer Directors & Officers Liability coverage. The coverage is 100% commercially insured with QBE Specialty Insurance Company and applies to the non-firematic/emergency activities of such entity per the following options:

Option	Limit of Liability	Deductible
1	\$1,000,000	\$1,000
2	\$1,000,000	\$2,000
3	\$1,000,000	\$5,000
4	\$2,000,000	\$1,000
5	\$2,000,000	\$2,000
6	\$2,000,000	\$5,000

7. **Crime**

- The Fund provides Crime coverage with a limit of \$50,000 for: Loss of Assets, Credit Card Forgery, Loss of Employee Benefit Plan Assets and Public Employee Dishonesty
- The member deductible is \$1,250
- MEL Crime
 - MEL Crime Excess: \$950,000 excess of the Fund Crime limit
 - MEL Crime Statutory Position:
 - a. The MEL provides primary employee dishonesty and faithful performance coverage for those employed positions which are required by law to be individually bonded and where they have applied and have been approved for coverage at a limit of \$1,000,000 per occurrence per position. The MEL can provide MEL Crime Statutory Position limits, based on underwriting and via endorsement, above \$1,000,000, matching the member's auditor's recommendation, but no more than \$2,000,000. Such additional limit is available upon request and approval by the MEL.
 - b. The deductible is \$1,000
 - MEL Crime Excess Public Officials:
 - a. The MEL provides excess employee dishonesty and faithful performance coverage for those employed positions which are required by law to be individually bonded and where they have not applied or have not been approved for coverage under the MELJIF Statutory Position Program at a limit of \$1,000,000

- b. The deductible is the greater of the underlying bond/policy in place or the statutory limit required

8. Non-Owned Aircraft Liability

- \$5,000,000; and
- Medical Expense for each passenger: \$5,000
- The coverage is 100% commercially insured with Endurance

9. Environmental Impairment Liability

- Environmental Impairment Liability is provided to the Fund's local member units by the New Jersey Environmental Risk Management Fund (EJIF). Please refer to the EJIF's Plan of Risk Management.

10. Cyber

The Fund purchases Cyber insurance

- Limits and Retention: Please contact your Risk Manager or the MEL

11. Property & Equipment Breakdown

- The Fund provides a \$100,000 limit per occurrence (Property & Time Element combined)
- The MEL provides a \$900,000 limit excess of the Fund's limit
- The MEL purchases additional excess property limits, as follows: \$125,000,000, including certain sublimits, including, but not limited, to:
 - Aggregate, Earth Movement: \$100,000,000
 - Aggregate, Flood (includes Storm Surge): \$100,000,000
 - a. Per Location, High Hazard Flood Zone: \$52,500,000
 - a. Aggregate : \$75,000,000
 - Named Storm: Included
 - Vehicles: \$10,000,000
- Unmanned Aircraft Systems: \$100,000
- Member deductibles:
 - All Other: \$1,250
 - Automobile Physical Damage: \$1,250
 - Equipment Breakdown: \$5,000
 - SFHA Flood Maximum available NFIP limit, per location, regardless if member purchases it or not, but no less than \$500,000 building / \$500,000 contents (\$250,000 / \$100,000 for housing authorities and related non-profit buildings), but no more than the value of the building and contents.
 - Named Storm (Covered Property in Atlantic, Ocean, Monmouth and Burlington counties east of the Garden State Parkway, and any covered property in Cape May County):
 - a. Property Damage: 1% of TIV at location, per occurrence
 - b. Time Element: 1% of 12 months gross earnings at location, per occurrence
 - c. Minimum, per location: \$1,000,000

d. Maximum, per occurrence: \$2,500,000

12. Emergency Service Volunteer Automobile Physical Damage

- The Fund provides Automobile Physical Damage Reimbursement Coverage to all Emergency Service Volunteers of Fund members, including police auxiliary, firefighters, members of the first aid or rescue squads, and CERT teams for collision and comprehensive damages to their personal vehicles, which arise out of and in the course of the volunteer's emergency service duties which have been authorized prior to any such occurrence by a senior officer.

The maximum reimbursement to the volunteer will be \$2,500; however, if the volunteer has Personal Automobile Physical Damage coverage, the JIF will pay 100% of the volunteer's collision or comprehensive deductible, but no more than \$2,500.

- The Fund provides Automobile Physical Damage Reimbursement Coverage to all Emergency Service Volunteers, including police auxiliary, firefighters and members of the first aid or rescue squads, CERT Teams, etc. for collision and comprehensive damages to their personal vehicle, which arises out of and in the course of the emergency service volunteer's duties associated with an authorized activity and/or duly sponsored or sanctioned event on behalf of the member entity/organization.
- Where personal auto physical damage insurance coverage is applicable to the volunteer's vehicle, the extent of this reimbursement coverage shall not exceed 100% of the volunteer's collision or comprehensive deductible amount, up to a maximum of \$2,500 OR in the absence of any applicable personal collision or comprehensive insurance coverage, reimbursement of damages shall not exceed \$2,500.

13. Terrorism

Aggregate: \$125,000,000

Individual Self-Insured Retentions

Optional Individual Self-Insured Retentions: None

Amount of Risk to be Retained by the Fund

Unless otherwise stated, all limits shown apply less any local member unit's SIRs/deductibles.

1. **Workers' Compensation:** \$300,000
2. **Liability:** \$300,000
 - NJ Uninsured/Underinsured Motorist: \$15,000 / \$30,000 / \$5,000
 - NJ Personal Injury Protection: \$250,000

3. **Optional Excess Liability Limit:** \$0
4. **Public Officials Liability / Employment Practices Liability:** \$0
5. **Optional Excess Public Officials Liability / Employment Practices Liability:** \$0
6. **Optional Volunteer Directors & Officers Liability:** \$0
7. **Crime:** \$50,000
 - MEL Crime Excess: None
 - MEL Crime Statutory Position: None
 - MEL Crime Excess Public Officials: None
8. **Non-Owned Aircraft Liability:** \$0
9. **Environmental Impairment Liability :** \$0
10. **Cyber:** \$0
11. **Property:** \$100,000
 - Equipment Breakdown: \$0
 - SFHA Flood: \$0
 - Named Storm (Covered Property in Atlantic, Ocean, Monmouth and Burlington counties east of the Garden State Parkway, and any covered property in Cape May County): \$0
 - Unmanned Aircraft Systems (UAS):\$100,000
12. **Emergency Service Volunteer Automobile Physical Damage** \$2,500
13. **Terrorism:** \$0

Commercial Insurance / Reinsurance Purchased

The insurance/reinsurance listed below may contain sublimits, retentions and deductibles in addition to such already stated.

1. **Non-Owned Aircraft Liability:** The Fund purchases this coverage through the MEL from Endurance
2. **Excess Property & Equipment Breakdown:** The Fund purchases this coverage from the MEL
3. **Excess Liability:** The Fund purchases this coverage from the MEL
4. **Excess Workers' Compensation:** The Fund purchases this coverage from the MEL
5. **Excess Crime:** The Fund purchases this coverage from the MEL
6. **Public Officials Liability / Employment Practices Liability:** The Fund purchases this coverage from QBE Specialty Insurance Company
7. **Optional Volunteer Directors & Officers Liability:** The Fund purchases this coverage from QBE Specialty Insurance Company
8. **Cyber:** The Fund purchases this coverage
9. **Environmental Impairment Liability:** EJIF}
10. **Emergency Service Volunteer Automobile Physical Damage :** None

11. **Terrorism:** The Fund purchases this coverage from the MEL

Section II – Conditions

The Amount of Unpaid Claims to be Established

1. The general reserving philosophy is to set reserves based upon the probable total cost of the claim at the time of conclusion. Historically, on claims aged eighteen (18) months, the Fund expects the claims servicing company to set reserves at 85% accuracy. The Fund also establishes reserves recommended by the Fund's actuary for claims that have been incurred but not yet reported so that the Fund has adequate reserves to pay all claims and allocated loss adjusted expense liability.
2. Claims reserves are subject to regular review by the Fund's Executive Director/Administrator, Attorney, Commissioners and claims servicing company. Reserves on large or unusual claims are also subject to review by the claims departments of the commercial insurance companies or reinsurance companies providing primary or excess coverages to the Fund.

The Method of Assessing Contributions to be Paid by Each Member of the Fund

1. By November 15th of each year, the actuary computes the probable net cost for the upcoming Fund year by line of coverage and for each prior Fund year. The actuary includes all budget items in these computations. The annual assessment of each participating member is its pro rata share of the probable net cost of the upcoming Fund year for each line of coverage as computed by the actuary.
2. The calculation of pro rata shares is based on each member's experience modified manual premium for that line of coverage. The Commissioners also adopts a capping formula which limits the increase of any member's assessment from the preceding year to the Fund wide average increase plus a percentage selected by the Commissioners. The total amount of each member's annual assessment is certified by majority vote of the Commissioners at least one (1) month prior to the beginning of the next fiscal year.
3. The treasurer deposits each member's assessment into the appropriate accounts, including the administrative account, and the claim or loss retention trust fund account by Fund year for each type of coverage in which the member participates.
4. If a local unit becomes a member of the Fund or elects to participate in a line of coverage after the start of the Fund year, such participant's assessments and supplement assessments are reduced in proportion to that part of the year which had elapsed.
5. The Commissioners may by majority vote levy upon the participating members additional assessments wherever needed or so ordered by the Commissioner of Insurance to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations. All supplemental assessments are charged to the participating members by applicable Fund year, and shall be apportioned by the year's assessments for that line of coverage.
6. Should any member fail or refuse to pay its assessments or supplemental assessments, or should the Fund fail to assess funds required to meet its obligations, the chairman or in the event by his or her failure to do so, the custodian of the Fund's assets, shall notify the Commissioner of Insurance and the Director of Community Affairs. Past due assessments shall bear interest at the rate established annually by the Commissioners.
7. **Sexual Abuse Liability Account:** The Commissioners may establish a sexual abuse liability account. Reserves, IBNR, expenses, assets, assessments and other assets for this account shall be accounted for separately. After the end of the year before the Fund has finalized its year end accounting, the Commissioners may levy a supplementary assessment if the sexual abuse claims account is negative on a statutory basis.
8. At the discretion of the Commissioners, any supplemental assessments may be payable in equal installments for up to ten years. Deferred assessments shall become due and immediately payable if a member leaves the Fund.

Procedures Governing Loss Adjustment and Legal Expenses

1. The Fund engages a claims service company to handle all claims, except for the JIF's POL/EPL and Volunteer D&O, which are handled by Summit Risk Services representing QBE Specialty Insurance Company. The performance of the claims adjusters is monitored and periodically

audited by the Executive Director's office, the Fund attorney, the MEL's attorney's office, as well as the claims department of the MEL's three major liability insurers/re-insurers (i.e. Munich Re for liability, and Safety National for workers' compensation). Every three years, the MEL's internal auditors also conduct an audit.

2. Each member is provided with a claims reporting procedure and appropriate forms.
3. In order to control workers' compensation medical costs, the Fund has engaged a managed care organization (MCO) whose procedures are integrated into the Fund's claims process.
4. To provide for quality defense and control costs, the Fund has established an approved defense attorney panel with firms which specialize in governmental claims. The performance of the defense attorneys is overseen by the Fund attorney, as well as the various firms which audit the claims adjusters.

Procedures for the Closure of Fund Years, including the Maintenance of All Relevant Accounting Records

1. The Fund utilizes the Municipal Excess Liability Residual Claims Fund (RCF) to facilitate the closure of Fund years.
2. Upon the transfer of outstanding liabilities of a Fund year to the RCF, the Fund adopts a resolution closing that year and transfers all remaining assets to the closed Fund year account. This amount is allocated by member local units using the same procedure as is used to calculate a dividend. Each month, interest is credited to the closed Fund year account by member.
3. Each year, the Commissioners will determine if a dividend is appropriate from the closed Fund year account, and will make application to the Department of Banking and Insurance as appropriate. Further, in the event an open Fund year incurs a deficit, the Fund's governing body will consider an inter-year transfer from the closed Fund year account to offset the deficit. In either case, the dividend or inter-Fund year transfer will be calculated on a member by member basis.
4. In the event a member leaves the Fund, the Commissioners may assess the member's closed Fund Year account an amount not exceeding three (3) years stranded costs that the Fund incurs as a result of the member's withdraw. Stranded costs are those expenses incurred by the Fund that would otherwise have been paid from the withdrawing member's assessments had the member remained in the Fund. The dividend of any member that is no longer a member of the Fund and that member's share of the closed fund year account shall be held in escrow until the later of the tolling of the statute of limitations for all potential claims incurred during the membership period or the closure of all incurred claims by the Fund during the period of membership. A former member may apply to the Commissioners for a return of that member's remaining share of the closed Fund year account no sooner than when five (5) years have passed since the last Fund year in which the member participated has been closed. The Commissioners will decide on the former member's request after evaluating the likelihood of any additional assessments from the RCF.
5. All dividends from the RCF will be deposited in the closed Fund year account on a member by member basis.
6. The Fund will retain all records in accordance with the Fund's record retention program.

Assumptions and Methodology Used for the Calculation of Appropriate Reserve Requirements to be Established and Administered in Accordance with Sound Actuarial Principles

1. The general approach in estimating the loss reserves of the Fund is to project ultimate losses for each Fund year using paid and incurred loss data. Two traditional actuarial methodologies are used: the paid loss development method and the incurred loss development method. From the two different indications resulting from these methods the Fund Actuary chooses a "select" estimate of ultimate losses. Subtraction of the paid losses from the select ultimate losses yields the loss reserve liability or funding requirement.
2. The following is an overview of the two actuarial methods used to project the ultimate losses.
 - a. Paid Loss Development Method - This method uses historical accident year paid loss patterns to project ultimate losses for each accident year. Because this method does not use case reserve data, estimates from it are not affected by changes in case reserving practices. However, the results of this method are sensitive to changes in the rate of which claims are settled and losses are paid, and may underestimate ultimate losses if provisions are not included for very large open claims.

- b. Case Incurred Loss Development Method - This method is similar to the paid loss development method except it uses historical case incurred loss patterns (paid plus case outstanding reserves) to estimate ultimate losses. Because the data used includes case reserve estimates, the results from this method may be affected by changes in case reserve adequacy.

The Maximum Amount a Certifying and Approving Officer May Approve Pursuant to N.J.A.C. 11:15-2.22

1. \$10,000 for General and automobile liability
2. \$10,000 for workers compensation
3. With the advance approval of the Fund Attorney or Executive Director, the certifying and approving officer may also pay hospital bills if waiting until after the next regularly scheduled FUND meeting would result in the loss of a discount on such bills. When the certifying and approving officer utilizes this authority, a report shall be made to the Commissioners at their next meeting.
4. Defense Panel Attorneys are also designated to be assigned subrogation matters – on a contingency basis of 25% unless required to take the matter to trial, in which case contingency basis will be 33%. In matters of subrogation, Claims Administrator is authorized to allow up to \$2,500 in costs to secure expert witness/testimony. If additional funds are required, Claims Administrator will seek authority of the Fund.
5. \$50,000 Emergency Court House Authority upon the joint authorization of the Fund Attorney and Executive Director. Whenever this procedure is used, the claim shall be reported to the Commissioners at their next meeting

ADOPTED: *This 12th _ day of January 2022 by the Commissioners:*

Morris County Municipal JOINT INSURANCE FUND

Carolyn Rinaldi
Chairperson

Adam Brewer
Secretary

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
BILLS LIST**

Resolution No. 13-22

JANUARY 2022

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>
002437			
002437	MUNICIPAL EXCESS LIABILITY JIF	FPB Q4 2021	5,192.25
			5,192.25
002438			
002438	FIRST MCO	MANAGED CARE 12/21	24,949.95
			24,949.95
002439			
002439	MUNICIPAL EXCESS LIABILITY JIF	MEL PROP Q4 2021	388,547.00
002439	MUNICIPAL EXCESS LIABILITY JIF	MEL Q4 2021	979,156.50
			1,367,703.50
002440			
002440	PERMA RISK MANAGEMENT SERVICES	POSTAGE 11/21	101.34
002440	PERMA RISK MANAGEMENT SERVICES	POSTAGE 8/21	75.91
			177.25
002441			
002441	MUNICIPAL EXCESS LIABILITY JIF	MSI Q4 2021	26,486.50
			26,486.50
002442			
002442	VITALES DELI	CATERING FOR 12/21 MEETING	763.35
			763.35
002443			
002443	NEWTECH SERVICES INC.	WEBSITE 12/21	175.00
			175.00
002444			
002444	NJ ADVANCE MEDIA	AD BALANCE DUE 11/21	167.44
			167.44
002445			
002445	ACCESS	ARC SERVICE & STORAGE 11.30.2021	99.01
		Total Payments FY 2021	1,425,714.25

FUND YEAR 2022

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002446			
002446	MUNICIPAL EXCESS LIABILITY JIF	FPB Q1 2022	5,327.50
			5,327.50

002447			
002447	MUNICIPAL EXCESS LIABILITY JIF	MEL PROPERTY Q1 2022	476,711.25
002447	MUNICIPAL EXCESS LIABILITY JIF	MEL Q1 2022	1,065,745.43
			1,542,456.68
002448			
002448	NJ MUNICIPAL ENVIRONMENTAL	EJIF FIRST INSTALL 2022	249,343.00
			249,343.00
002449			
002449	FRED SEMRAU ESQ.	LITIGATION MGT 1/22	17,138.97
			17,138.97
002450			
002450	QUAL-LYNX	TPA - WC 1/22	24,836.93
			24,836.93
002451			
002451	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR 1/22	18,344.61
002451	J.A. MONTGOMERY RISK CONTROL	LAW ENFORCEMENT 1/22	1,313.28
			19,657.89
002452			
002452	LENAPE CLAIMS MANAGEMENT INC.	TPA 1/22	21,417.31
			21,417.31
002453			
002453	PERMA RISK MANAGEMENT SERVICES	EXEC DIRECTOR 1/22	30,556.17
			30,556.17
002454			
002454	THE ACTUARIAL ADVANTAGE	NEW MEMBER REVIEW - LIVINGSTON	500.00
002454	THE ACTUARIAL ADVANTAGE	ACTUARY 1/22	3,808.18
			4,308.18
002455			
002455	FRED SEMRAU, ESQUIRE	ATTORNEY 1/22	2,167.50
			2,167.50
002456			
002456	GRACE BRENNAN	TREASURER 1/22	2,234.77
			2,234.77
002457			
002457	THE RODGERS GROUP, LLC	POLICE ACCRED POPTON LKS & HOPATCONG #7	5,816.67
			5,816.67
002458			
002458	MUNICIPAL EXCESS LIABILITY JIF	MSI Q1 2022	27,719.75
			27,719.75
002459			
002459	CONNER STRONG & BUCKELEW	UNDERWRITING MGR 1/22	1,062.00
			1,062.00
002460			
002460	NEWTECH SERVICES INC.	WEBSITE 1/22	175.00
			175.00
		Total Payments FY 2022	1,954,218.32
		TOTAL PAYMENTS ALL FUND YEARS	3,379,932.57

Carolyn Rinaldi, Chairperson Attest: Adam Brewer, Secretary

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

Grace Brennan, Treasurer January 12, 2022,