

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES MEETING – NOVEMBER 21, 2023
HANOVER MUNICIPAL BUILDING
12:00 PM**

Meeting of Fund Commissioners was called to order by Chairwoman Rinaldi.

Chairwoman Rinaldi 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

Chairwoman Rinaldi led the board in the Pledge of Allegiance.

ROLL CALL OF 2023 FUND COMMISSIONERS:

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

Andover	Patricia Bussow	Absent
Bloomingtondale	Mike Sondermeyer	Present
Boonton Town	Neil Henry	Absent
Boonton Township	Douglas Cabana	Present
Butler	Jim Lampmann	Present
Chatham Township	Ziad Shehady	Absent
Chatham Borough	Stephen Williams	Present
Chester	Margaret Nordstrom	Absent
Denville	Steven Ward	Present
Dover	Jonathan Delaney	Present
Essex Fells	Francine Paserchia	Absent
Florham Park	Bill Huyler	Absent
Frelinghuysen	Donna Zilberfarb	Absent
Hanover	Silvio Esposito	Present
Hawthorne	Eric Maurer	Present
Hopatcong	David Fanslau	Present
Kinnelon	James Freda	Absent
Lincoln Park	Perry Mayers	Present
Long Hill	Randy Bahr	Absent
Madison	James Burnet	Absent
Mendham Borough	Joyce Bushman	Absent

Mendham Township	Jason Gabloff	Present
Millburn	Matthew Laracy	Absent
Montville	June Hercek	Present
Morris Plains	Rosanne Denman	Absent
Mount Olive	Claudia Tomasello-Quinn	Present
North Caldwell		Absent
Pompton Lakes	Michael Carelli	Absent
Randolph	Debbie Bonanno	Present
Ringwood	Scott Heck	Absent
Riverdale	Paul Carelli	Absent
Rockaway Borough	Patricia Reiche	Present
South Orange Village	Julie Doran	Present
Sparta	Grant Rome	Absent
Washington Twp	Charlie Daniel	Present
West Caldwell	Nikole Baltycki	Present
West Milford	William Senande	Absent
Wharton	Joseph Kovalcik	Absent

2023 FUND COMMISSIONER ALTERNATES:

Mount Arlington	Lauren Schaeffner (Alt.)	Absent
Netcong	Elmer Still (Alt.)	Absent
East Hanover	Kenneth Huelbig (Alt.)	Present
Mountain Lakes	Chief Shawn Bennett (Alt.)	Absent
Stanhope	Angelica Sabatini (Alt.)	Absent

Andover	Toni Grisaffi (Alt.)	Absent
Bloomingtondale	Aimee Greenspan (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	Dena Dziergoski (Alt.)	Absent
Denville	Jessica Falce (Alt.)	Absent
Dover	Reynaldo Julve (Alt.)	Absent
Florham Park	Cindy Phillips (Alt.)	Absent
Hanover	Michael Loock (Alt.)	Absent
Hawthorne	Jennifer Scully (Alt.)	Absent
Lincoln Park	Dina Valente-Stoel (Alt.)	Absent
Long Hill	Colette Armenti (Alt.)	Absent
Madison	Chrissy Mahler (Alt.)	Absent
Mendham Borough	Eric Mesias (Alt.)	Absent
Mendham Township	Ross Johnson (Alt.)	Absent
Millburn	Jesse Moehlman (Alt.)	Absent

Montville	Nicholas Breiner (Alt.)	Absent
Morris Plains	Michael Koroski (Alt.)	Present
Mount Olive	Andrew Tatarenko (Alt.)	Absent
North Caldwell	Tami Michelotti (Alt.)	Absent
Randolph	Greg Poff (Alt.)	Absent
Ringwood	Zachary Faiola (Alt.)	Present
Riverdale	Lisa O'Neill (Alt.)	Absent
Rockaway Borough	Robert O'Connor (Alt.)	Absent
South Orange Village	Lauren Maluchnik (Alt.)	Absent
Sparta	Michele Landtau (Alt.)	Present
Washington Twp	Roger Read (Alt.)	Absent
West Caldwell	William Wallace (Alt.)	Absent
West Milford	Catherine Shanahan (Alt.)	Absent
Wharton	Bill Hamilton (Alt.)	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator

PERMA Risk Management Services
Cathleen Kiernan

Attorney/Litigation Management

Dorsey & Semrau, Esq.
Fred Semrau, Esq.

Safety Director

J.A. Montgomery Consulting
Brian Maitland
John Schwartz
Mike Thompson

Liability Claims Service

Lenape Claims Management
Theresa Laoudis

Workers Compensation
Claim Service

Qual-Lynx
Claudia Acosta

Managed Care

FMCO
Marie Lambe

Payroll Auditor

Russo & Associates
Stacy Russo

ALSO PRESENT:

Dave Vozza, Vozza Agency
Renee Bays, Risk Strategies
Wayne Dietz, Skylands Risk Management
Jennifer Matos, Henry O'Baker
Robert Parisi, Robert Parisi Associates
Giovanni Mancini, Treadstone Risk Management
Randy May, Otterstedt Insurance Agency
Amy Pieroni, Acrisure
Lindsay Klein, Acrisure

Dave Sgalia, Cupo Insurance
Wayne Ring, Brown & Brown
Sandra Cantwell, PERMA

APPROVAL OF MINUTES -

MOTION TO APPROVE OPEN MINUTES OF October 11, 2023:

Motion: Commissioner Sondermeyer
Second: Commissioner Stern
Vote: 18 Ayes, 0 Nays, 8 Abstains
(Commissioners Williams, Esposito, Mayers, Hercek, Quinn, Daniel,
Baltycki, Huelbig (Alt.))

CORRESPONDENCE – None

MONTHLY COMMITTEE REPORTS:

Membership, Marketing & Coverage Committee, Jim Lampmann, Chair – No report. Executive Director said the JIF has received membership requests from Clinton, Byram and Allamuchy so depending on the analysis, the committee may need to meet and discuss.

Finance Committee, Jason Gabloff, Chair – Commissioner Gabloff said the committee met last week to discuss the adjustments and updates to the 2024 budget. Property values came in a little lower than initially estimated, which helped bring the budget a little lower than originally introduced and is now at a 9.16% increase. In response to Commissioner Gabloff, Executive Director reviewed the assessments. The Fund’s methodology has been to equalize the assessment across members and essentially flatten the highs and lows out of the budget across the membership. The result is that no member will increase more than 1.25% of the overall budget. There are two factors that are not equalized and will impact individual members’ budget. POL/EPL assessments are not included in the equalization and members are accountable for their losses in this coverage because these claims are behavior driven. The other impact on individual member budgets is their loss ratios. The Fund looks at loss ratios over a 7-year period and members above or below the average will see an increase or decrease accordingly. The assessments will match the budget.

Chairwomen Rinaldi asked for a motion to open the Public Hearing for the 2024 budget.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2024 BUDGET

Motion: Commissioner Williams
Second: Commissioner Stern
Roll Call Vote: Unanimous

Commissioner Maurer asked if he could get further explanation on the increase for Hawthorne’s assessment. Executive Director said in addition to the factors discussed, the property appraisals have had a larger impact on some members. When the Fund issues the bills, we will include the letter that was in the agenda last month. In response to Commissioner Maurer, Executive Director said the property appraisal reports are being sent to the members from the Fund office and full schedules can be viewed in Origami or printed and emailed as requested.

Chairwoman Rinaldi asked for further discussion and when hearing none, she asked for a motion to close the public hearing and adopt the 2024 budget and certify assessments.

MOTION TO CLOSE THE PUBLIC HEARING AND ADOPT THE 2024 BUDGET AND CERTIFY THE ASSESSMENTS.

Motion: Commissioner Gabloff
Second: Commissioner Lampmann
Roll Call Vote: 25 Ayes, 0 Nays, 1 Abstention (Commissioner Maurer)

Safety Committee, Bill Huyler, Chair – No report.

Contracts and Rules Committee, Ralph Blakeslee, Chair – No report.

Legal Review Committee, Adam Brewer, Chair – Commissioner Brewer said the committee would be meeting with the Executive Director and Fund Attorney on December 8th to review the legal panel and will advise of any recommendations for the new year.

Claims Review Committee, Mitchell Stern, Chair – Commissioner Stern said the committee met on November 20th to review the PARs and recommends approval for 8 Workers' Compensation Claims totaling Payment Authority Requests of \$945,234.51; 7 Property Claims totaling of Payment Authority Requests of \$151,888.84 and 5 Liability Claim totaling Payment Authority Requests of \$366,493.31.

EXECUTIVE DIRECTOR/ADMINISTRATOR REPORT:

Residual Claims Fund (RCF): The public hearing on the RCF 2024 budget was held on October 18, 2023 at the Forsgate Country Club and the 2024 budget was adopted. A copy of Commissioner McNeilly's report and the RCF 2024 budget is included in the agenda.

In addition, enclosed is Resolution 29-23 authorizing the transfer of the Morris County Municipal JIF's Fund Year 2019 liabilities to the Residual Claims Fund as of December 31, 2023 valuation. Referring to the Financial Fast Track report as of September 30, 2023, fund year 2019 shows a deficient a little over \$1 million. When the open reserves and IBNR are transferred to the RCF, we will need to use monies from the Closed Year account to cover the deficient, which is the benefit and the purpose of maintaining surplus in the Closed Year account.

Motion to adopt Resolution 29-23 authorizing the transfer of Fund Year 2019 liabilities to the Residual Claims Fund.

Motion: Commissioner Gabloff
Second: Commissioner Stern
Roll Call Vote: 26 Ayes, 0 Nays, 0 Abstains

Environmental JIF (EJIF) and MEL: The EJIF and MEL also met on October 18th. Commissioners McNeilly and Brewer's reports and the adopted budgets for each are included in the agenda. In response to Commissioner Brewer, Executive Director said the MEL app is still not working with Apple devices however they are making progress; members should go to the website for all MEL information.

2023/2024 Elected Officials Seminar: This year's elected officials training program focused on *Local Government Risk Management*. Two sessions were held at the League of Municipalities. Credits will be applied to members' assessments once the Fund office receives the attendance records. The course will be available online early next year.

Employment Practices Compliance Program – Every two years the MEL reviews applicable laws and regulations to update the Model Personnel Manual, Model Employee Handbook and Model Volunteer Handbook. Information was issued in May announcing that the updated documents can be found on the MEL's webpage <https://njmel.org/employment-practices-risk-control-program/>. The hard deadline is the end of the year and the Fund office will be following up with members that have not yet submitted their checklist.

Risk Management Information/Operating System (RMIS): Following the annual underwriting, the database is locked to finalize data used for the 2024 budget. We expect the database to reopen shortly.

Cyber JIF – The Cyber JIF met on November 20, 2023 and adopted their 2024 Budget. Commissioner Brewer’s report and a copy of the budget is included in the agenda. The Cyber JIF launched a “Members Only” section of their website. Members wishing to view secure documents will now be required to have a username and password. Fund Commissioners and Risk Managers received an email from WordPress with instructions on setting up the login credentials. PERMA also notified commissioners via email. D2 has been in contact with all members and outlining the process to upload emails and IP addresses so they can launch training and external scanning.

2024 Membership Renewals – A list of the twelve (12) members scheduled to renew fund membership by January 1, 2024 is in the agenda and all members have opted to renew.

Statutory Bonds – Underwriting Manager’s office has contacted municipal clerks of towns that are renewing their JIF membership to secure updated bond applications for statutory positions. We continue to follow up with members who have not yet submitted renewal applications.

Power of Collaboration – Enclosed in the agenda is the latest in a series of Power of Collaboration advertisement to be published in the League of Municipalities magazine. The ad highlights the importance and priority the MEL has placed on risk control and safety training. Supported by a dedicated staff of experienced professionals, the MEL Safety Institute (MSI) – **now in its 21st year** – provides MEL JIF members with essential training, onsite risk management and more.

Due Diligence Reports: The Financial Fast Track as of September 30, 2023 shows surplus at \$7.7 million which is slightly up from this time last year. The unrealized loss of approximately \$1 million is included so as investment vehicles mature and the Fund reinvests at higher rates, the unrealized loss will lower, adding those dollars back into the surplus.

Loss Ratio report shows we are keeping at or below the actuarial target with exception of 2019, which is about to be transferred to the RCF. 2023 is also running above the actuarial target and the Fund Actuary is strengthening the IBNR. The Lost Time Accident Frequency report is at 1.41 which is very good. A reminder that this report reflects claims frequency, using a formula that measures losses against a ‘per 100’ employee base, allowing a fair comparison regardless of the number of people a member employs. Lost Days report reflects claim severity. A reminder that to maintain a lower POL / EPL deductible, each member must update their program. Current status is in place until year end, however as this is a claims made policy, members should submit their checklists as soon as possible, even if they miss the December 31st deadline.

Executive Director’s Report Made Part of Minutes.

TREASURER:

Treasurer said Resolution 30-23 for November 2023 bills list is included for approval on the consent motion.

November 2023	
2023	\$164,836.65
Total	\$164,836.65

CLAIMS PAYMENT AND IMPREST TRANSFERS AS OF SEPTEMBER 2023:

CLOSED	\$799.28
2019	\$177,535.08
2020	\$50,603.92
2021	\$39,754.18
2022	\$34,320.51
2023	\$346,320.94
TOTAL	\$649,333.91

Treasurer’s Report Made Part of Minutes.

ATTORNEY’S REPORT:

Fund Attorney said at yesterday’s Cyber JIF meeting an important memorandum was introduced covering Best Banking Practices. Fraudulent wire transfers have become a growing concern as he sees this type of claim occurring more often. Members need to share this memo with their administrators and financial officers and obtain acknowledgement.

Executive Director said the Fund office will be emailing the memo to all members and said this memo is now included in the Basic level for Cyber Risk Control program.

Fund Attorney said if members have any questions, please contact his office or the Fund office.

Executive Director said in addition to wire transfer claims, the memo also discusses the importance of positive pay to prevent whitewashing of checks, where the check is intercepted, and the payee modified. Fund Attorney said the memo was written with the input of several Fund professionals and members of the financial community.

Fund Attorney reminded members administrators can still receive a \$250 for viewing the elected officials seminar once it is online next year.

Fund Attorney said if any member has not completed the POL/EPL checklist, please do not hesitate to contact his office or the Executive Director for assistance and advice to ensure completion by year end.

UNDERWRITING MANAGER

Executive Director said the timeline for members that have been grandfathered for lower cyber deductibles has been extended until July 1, 2024 however members should be working on meeting the new cyber compliance requirements. The program reduces a member’s deductible and hopefully prevents claims.

CERTIFICATES OF INSURANCE: Monthly insurance certificates report included.

Underwriting manager’s report and Certificates made part of minutes.

SAFETY DIRECTOR: Safety Director gave an overview of the safety report and the various trainings being used and available to members. MSI Live is posting classes for January. The app is projected to be available in December. A newsfeed has been added to the website and members can also view previous newsletters on the website.

Safety Director’s Report Made Part of Minutes.

MANAGED CARE: Managed Care Provider gave an overview of the month’s savings.

Managed Care Provider's Report Made Part of Minutes

Motion to Approve Claim Authority Payments as presented, Executive Director's Report; Resolution 30-23 Approving November Bills List; Treasurer's Reports; Attorney's Reports; Underwriting Manager's Reports; Monthly Certificates; Safety Director's Reports; And Managed Care Provider's Reports

Moved: Commissioner Stern
Second: Commissioner Esposito
Roll call Vote: Unanimous

OLD BUSINESS:

None.

NEW BUSINESS:

None.

PUBLIC COMMENT:

None.

MOTION TO ADJOURN:

Moved: Commissioner McNeilly
Second: Commissioner Mauer
Vote: Unanimous

Meeting Adjourned: 12:29 PM
Sandy Cantwell, Assisting Secretary
For Adam Brewer, Secretary

**RESOLUTION NO. 29-23
OF THE
MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
TO TRANSFER TO
MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND**

WHEREAS, the Municipal Excess Liability Residual Claims Fund was organized pursuant to N.J.S.A. 40A:10-36, et seq., to provide residual risk coverage to its member joint insurance funds; and,

WHEREAS, the Board of Fund Commissioners of the Morris County Municipal Joint Insurance Fund determined that membership in the Residual Claims Fund is in the best interest of the member local units and joined the Residual Claims Fund.

NOW, THEREFORE, BE IT RESOLVED that the Board of Fund Commissioners of the Morris County Municipal Joint Insurance Fund does hereby resolve and agree to transfer the following residual risks.

<u>Fund Year</u>	<u>Lines of Coverage</u>	<u>Member Fund S.I.R.</u>
2019	WC/GL/AL & PROPERTY	Varies

BE IT FURTHER RESOLVED that the actual transfer of claim liabilities to the Municipal Excess Liability Residual Claims Fund shall be based upon the following formula:

Case Reserves and IBNR as of 12/31/23

MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND

Carolyn Rinaldi, Chairperson

Adam Brewer, Secretary

Date: November 21, 2023

MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND BILLS LIST

Resolution No. 30-23

November 2023

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 2023

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002994			
002994	FIRST MANAGED CARE OPTION	MANAGED CARE FEE 11/23	25,957.93
			25,957.93
002995			
002995	DORSEY& SEMRAU	LITIGATION MGMT 11/23	17,481.75
			17,481.75
002996			
002996	QUAL-LYNX	CLAIM ADJUSTING SERVICES 11/23	25,333.66
			25,333.66
002997			
002997	VALLEY MEDICAL GROUP	DOT TESTING TRAINING & MRO Q3 2023	11,202.35
			11,202.35
002998			
002998	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR 11/23	18,803.23
002998	J.A. MONTGOMERY RISK CONTROL	LAW ENFORCEMENT 11/23	1,346.11
			20,149.34
002999			
002999	KEVIN MARHEFKA	CROSSING GUARD TRAINING 08/23	650.00
			650.00
003000			
003000	LENAPE CLAIMS MANAGEMENT, INC.	TPA FEE- CLAIMS ADJUSTOR 11/23	21,845.65
			21,845.65
003001			
003001	PERMA RISK MANAGEMENT SERVICES	POSTAGE 10/23	143.88
003001	PERMA RISK MANAGEMENT SERVICES	ADMIN FEE 11/23	31,167.29
003001	PERMA RISK MANAGEMENT SERVICES	POSTAGE 09/23	77.40
			31,388.57
003002			
003002	THE ACTUARIAL ADVANTAGE	ACTUARIAL SERVICE 11/23	3,884.35
			3,884.35
003003			
003003	DORSEY & SEMRAU	ATTORNEY FEE 11/23	2,210.85
			2,210.85
003004			
003004	GRACE BRENNAN	TREASURER 11/23	2,279.47
			2,279.47
003005			
003005	CONNER STRONG & BUCKELEW	UNDERWRITING MGMT FEE 11/23	1,084.00
			1,084.00

003006			
003006	GANNETT NJ NEWSPAPERS	ACCT 1120507 INV 5964669 10/30/23	90.80
003006	GANNETT NJ NEWSPAPERS	ACCT 40046- INV 0005835241 9/28/23	41.63
			132.43
003007			
003007	VITALE'S DELI	MEETING- HANOVER MUNICIPAL 10/11/23	850.15
			850.15
003008			
003008	NEWTECH SERVICES INC.	WEBSITE MAINT/ DIS RECOVERY 11/23	175.00
			175.00
003009			
003009	NJ ADVANCE MEDIA	ACCT 1000909712 10/31/23 10774235	60.52
003009	NJ ADVANCE MEDIA	ACCT 1000909712 10/20/23 10770119	17.20
			77.72
003010			
003010	ACCESS	DEPT 417 10480716 9/30/23 FOR OCT	133.43
			133.43
		Total Payments FY 2023	164,836.65
		TOTAL PAYMENTS ALL FUND YEARS	\$164,836.65

Carolyn Rinaldi, Chairperson

Attest: Adam Brewer, Secretary Dated: November 21, 2023

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

Grace Brennan, Treasurer