

**BERGEN COUNTY MUNICIPAL JOINT INSURANCE FUND
MINUTES
MEETING – JUNE 15, 2017
WESTWOOD- 5:30PM**

Meeting of Fund Commissioners called to order by Chairwoman Carol Byrne. Open Public Meetings notice read into record.

PLEDGE OF ALLEGIANCE – Chairwoman Byrne led Commissioners in the Pledge of Allegiance.

ROLL CALL OF 2017 EXECUTIVE COMMITTEE:

Carol Byrne, Chairwoman	Borough of Tenafly	Present
Paul Hoelscher, Secretary	Borough of Harrington Park	Present
Paul Tomasko	Borough of Alpine	Present
James Cleary	Borough of Cresskill	Present
Fred Pitofsky	Borough of Closter	Present
Robert Shannon	Township of Wyckoff	Present
Don Sciolaro	Borough of Waldwick	Present

EXECUTIVE COMMITTEE ALTERNATES:

John Birkner	Borough of Westwood	Present
Chrisoula Looes	Borough of Hillsdale	Present
Ted Preusch	Borough of Upper Saddle River	Present
Robert Hoffmann	Borough of Emerson	Present

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	PERMA Risk Management Services David N. Grubb, Nancy A. Ghani
Attorney	Huntington Bailey LLP Russ Huntington, Esq.
Liability Claims Service	JIF Claim, L.L.C. Dawn Mulligan
Workers Compensation Claim Service & Managed Care	Bergen Risk Managers Kathleen McGuire, Jamie Testino
Safety Director	J.A. Montgomery Risk Control Ken Schulz
Treasurer	Alan Negreann
Underwriting Manager	Conner Strong & Buckelew Edward Cooney

FUND COMMISSIONERS PRESENT:

Jonathan DeJoseph, **Hillsdale Alternate**
Quentin Wiest, **Mahwah**

RISK MANAGEMENT CONSULTANTS PRESENT:

Ralph Spataro, **Johl & Company**
Dave Vozza, **The Vozza Agency**

Art Caughlan, **Nelson-Patterson Agency**
Ezio Altamura, **GJEM Otterstedt**
Jack Zisa, **Regional Risk Managers, LLC**
Robert Steinbruch, **Eastern Insurers**
Debra Ginetto, **Burton Agency**
Sharon Fallon, **P.I.A.**
Dominick Cinelli, **Brown & Brown**
Gerard Quinn, **Conklin and Kraft Agency**

ALSO PRESENT:

Janet Ridenhour, Tenafly
Thea Isabella, Twinboro Physical Therapy
Renee Woloszyn, Workers Comp Psych Net

MINUTES: Open and Closed Minutes of May 18, 2017.

MOTION TO APPROVE OPEN AND CLOSED MINUTES OF MAY 18, 2017:

Moved:	Commissioner Pitofsky
Second:	Commissioner Tomasko
Vote:	Unanimous

CORRESPONDENCE:

NONE

SPECIAL PRESENTATION: Included in the agenda was a resolution acknowledging the contributions, service and time of Carol C. Byrne. Executive Director said currently Carol Byrne is #2 in terms of seniority in the MEL and JIF organization; however, her contributions are more significant than just having attended meetings as a Fund Commissioner and are the sum of what she has brought to the table. Executive Director said an article in the upcoming League of Municipalities magazine on the MEL's 30th anniversary speaks to the contributions made by Chairwoman Byrne and others. Executive Director noted Chairwoman Byrne has chaired the Bergen Executive Safety & Award Committee since 1990 and also chaired the MEL Safety & Education Committee since 2008. Executive Director said Chairwoman Byrne is not just a colleague, but a friend and wishes her the best in her retirement.

Commissioner Tomasko said Chairwoman Byrne has done a magnificent job noting the time commitment by simply by attending the MEL meetings located in Jamesburg, NJ. Commissioner Tomasko said he can't say enough that wasn't already stated by the Executive Director and thanked Chairwoman Byrne.

Commissioner Hoffmann said Chairwoman Byrne is a consummate professional who is quietly competent and always willing to tutor, take a call or answer a question. Commissioner Hoffmann said she has been diplomatic when faced with a differing viewpoint, thanked her from a professional management standpoint for her service and noted the admiration he and colleagues have for her service.

Chairwoman Byrne said her duties as Fund Commissioner and Chair have been facilitated by the quality of professionals that are involved in the MEL and JIF. Chairwoman Byrne thanked everyone for their support and kind words.

Commissioner Shannon said the June 2017 League of Municipalities magazine includes an ad placed by the MEL thanking Carol Byrne for her leadership; the ad stated "*Carol plans to retire this year. The results of her leadership are a legacy that will continue to pay dividends.*" Commissioner Shannon concluded by thanking Chairwoman Byrne for her assistance and service.

Commissioner Hoelscher said this recognition truly deserved of Chairwoman Byrne as he has had the pleasure of working with her on this board and also in capacity as a fellow tax assessor. Commissioner

Hoelscher said Chairwoman Byrne has always had an open door, appreciated her ability to efficiently manage a meeting and concluded by wishing her many happy and healthy years ahead.

A resolution included in the agenda honoring Chairwoman Byrne was moved by Commissioner Tomasko and seconded by Commissioner Hoffmann with a unanimous roll call vote. Executive Director presented Chairwoman Byrne with a commemorative gavel and block; the special presentation was concluded with a round of applause and a standing ovation.

**RESOLUTION - EXECUTIVE SESSION FOR CERTAIN SPECIFIED PURPOSES
PERSONNEL - SAFETY AND PROPERTY OF PUBLIC- LITIGATION**

**All Persons must vacate the room for this portion of the meeting unless they
Fall into one of the following categories:
Fund Commissioner
Executive Committee Member
Risk Manager
Fund Professional
All persons present must have a signed confidentiality on file. Blank
Confidentiality statements are available from the Secretary.**

MOTION TO RE-OPEN:

Motion:	Commissioner Sciolaro
Second:	Commissioner Pitofsky
Vote:	Unanimous

**MOTION TO ACCEPT AND APPROVE THE PARS AS PRESENTED IN
EXECUTIVE SESSION:**

Motion:	Commissioner Sciolaro
Second:	Commissioner Hoelscher
Roll Call Vote:	11 Ayes - 0 Nays

COMMITTEE REPORTS:

SAFETY & AWARD COMMITTEE: CAROL BYRNE, CHAIR: Included in the agenda were the minutes from the May 9, 2017 meeting for information. Chairwoman Byrne said the committee agreed to provide a make-up opportunity to members that missed the Section IV requirement of the Safety Incentive Program to complete online training.

COVERAGE COMMITTEE: PAUL TOMASKO, CHAIR: Commissioner Tomasko said there was an emergent item for the agenda. Commissioner Tomasko said the Coverage Committee reviewed a quasi application submitted by New Milford for the Friends of New Milford Recreation a Class III quasi entity; no objections to adding the entity were presented.

**MOTION TO APPROVE THE FRIENDS OF NEW MILFORD RECREATION AS A
CLASS III QUASI ENTITY AND APPLY THE APPLICABLE ADDITIONAL MEL
PREMIUM OF \$125.00:**

Motion:	Commissioner Tomasko
Second:	Commissioner Pitofsky
Roll Call Vote:	11 Ayes - 0 Nays

EXECUTIVE DIRECTOR:

DUE DILIGENCE REPORTS: Monthly reports submitted to the Executive Committee including monthly Financial Fast Track, Loss Ratio, Lost Time Accident Frequency, Investment Summary and Rate Comparison, Expected Loss Ratio by Town Report and the Claim Activity Report.

Executive Director reviewed the Financial Fast Track as of April 30, 2017 and said the fund's statutory surplus stands at \$3.6 million. Executive Director reviewed the Lost Time Accident Frequency as of April 30, 2017 and said the fund's rate is 1.24.

VACANCIES:

CHAIRPERSON – Executive Director said with the conclusion of this meeting Chairwoman Byrne will no longer serve as Chair and as per the Fund's Bylaws regarding vacancy of an officer, the Commissioners or Executive Committee may, by majority of vote, fill the vacancy for the unexpired term otherwise the Secretary becomes the Acting Chair for the balance of the year. Commissioner Tomasko said he would like to formalize the action and made the following motion:

MOTION TO CONFIRM APPOINTMENT OF COMMISSIONER PAUL HOELSCHER AS BERGEN JIF CHAIRMAN FOR THE BALANCE OF THE YEAR:

Motion: Commissioner Tomasko
Second: Commissioner Pitofsky
Roll Call Vote: 10 Ayes - 0 Nays – 1 Abstain (Commissioner Hoelscher)

Executive Director said the most senior member of the executive committee member assumes the position of Secretary and said the board could take action or let the process occur automatically. Commissioner Tomasko said that would fall to him, would like to see the responsibilities balanced and requested feedback from Commissioner Hoelscher as the newly assumed Chair. Commissioner Hoelscher nominated Commissioner Birkner as Secretary.

MOTION TO CONFIRM APPOINTMENT OF COMMISSIONER JOHN BIRKNER AS BERGEN JIF SECRETARY FOR THE BALANCE OF THE YEAR:

Motion: Commissioner Tomasko
Second: Commissioner Pitofsky
Roll Call Vote: 10 Ayes - 0 Nays – 1 Abstain (Commissioner Birkner)

Executive Director said the other members of the Executive Board would shift up and Alternate Commissioner #4 would be vacant for the balance of the year noting that an appointment does not need to be made if the current Executive Board chooses. The Executive Board agreed to leave the position vacant until the 2018 Reorganization.

MEL 2017 REPRESENTATIVE – Executive Director said Commissioner Tomasko is the current alternate Fund Commissioner on the MEL and would automatically become the Fund Commissioner. Executive Director said the Board may formalize that action with a motion, as well as consider appointing a new alternate commissioner.

MOTION TO CONFIRM COMMISSIONER PAUL TOMASKO AS THE MEL REPRESENTATIVE FOR THE BALANCE OF 2017:

Motion: Commissioner Hoelscher
Second: Commissioner Pitofsky
Vote: Unanimous

MOTION TO APPOINT COMMISSIONER ROBERT HOFFMANN AS THE ALTERNATE MEL REPRESENTATIVE FOR THE BALANCE OF 2017:

Motion: Commissioner Hoelscher
Second: Commissioner Tomasko
Vote: Unanimous

SAFETY & AWARD COMMITTEE – Executive Director said under the Bylaws, the Chair has the authority to appoint a committee chair to the Safety & Award Committee. Incoming Chairman Hoelscher appointed Commissioner Shannon to serve as Chair of the Safety & Award Committee.

MANAGEMENT COMMITTEE: Executive Director said the Management Committee is scheduling a meeting to review the Request for Qualifications (RFQ) for professionals for the 2018-2020 contract term prior to their issuance, as well as, a request received regarding computer support for the Fund Treasurer. Executive Director said it would be appropriate to authorize the Fund office to advertise and release the RFQs subject to review by the Management Committee.

MOTION TO AUTHORIZE THE ADVERTISEMENT AND RELEASE OF THE RFQS SUBJECT TO REVIEW BY THE MANAGEMENT COMMITTEE:

Motion:	Commissioner Sciolaro
Second:	Commissioner Pitofsky
Vote:	Unanimous

RCF REPORT: The RCF met on June 1, 2017 at Forsgate Country Club; enclosed in the agenda was a copy of Commissioner Tomasko’s report on the meeting.

Executive Director said the RCF approved a draft audit and are working on an outstanding issue with the MEL’s reinsurer Genesis that would materially improve the net position of the RCF, EJIF and MEL. Executive Director said excess workers’ compensation payments for claims transferred to the RCF are made consistently, but can span decades until the retention limit is met and the corresponding reimbursements are issued. Executive Director publicly acknowledged efforts by Cate Kiernan, MEL Deputy Executive Director, who uncovered receivables for 59 claims to be approximately \$6.9 million. Executive Director said remediation is already in place since the MEL has contracted with Origami to develop a risk management/claims information system for 2018, which would have flagged this issue. In addition, the MEL Claims Administrator transfer to a reporting system called IVOS would provide reports to track these payments.

Executive Director said the RCF Board voted to accept local member transfers of Fund year 2013 liabilities. Enclosed in the agenda was Resolution 18-17 authorizing the transfer of the Bergen JIF’s Fund Year 2013 to the Residual Claims Fund. Assessments to local JIFs will be determined by the valuation as of June 30, 2017.

MOTION TO ADOPT RESOLUTION 18-17 AUTHORIZING THE TRANSFER OF FUND YEAR 2013 LIABILITIES TO THE RESIDUAL CLAIMS FUND:

Motion:	Commissioner Tomasko
Second:	Commissioner Sciolaro
Roll Call Vote:	11 Ayes – 0 Nays

EJIF REPORT: The EJIF met on June 1, 2017 at Forsgate Country Club; enclosed in the agenda was a copy of Commissioner Tomasko’s report on the meeting.

MEL REPORT: The MEL met on June 1, 2017 at Forsgate Country Club; enclosed in the agenda was a copy of Chairwoman Byrne’s report on the meeting.

SAFETY EXPO: The MEL is working with the New Jersey Utility Authorities Joint Insurance Fund (NJUA) to conduct its Annual Safety Expo which includes MEL member town’s water & sewer employees. The Safety Expos will be held on June 23rd at the Middlesex County Fire Academy and September 29th at the Camden County Emergency Services Training Center. Registration is through the MEL Safety Institute. A notice was emailed to all members; a copy is of the materials was

enclosed in the agenda.

2018 RENEWAL ONLINE UNDERWRITING DATABASE: Executive Director said members and Risk Managers will receive an email when the database is set up to begin the 2018 underwriting renewal, which is expected to begin mid-June.

2017 FINANCIAL DISCLOSURES: Commissioners are required to complete the online filing of Financial Disclosure forms as JIF Commissioner, as well as, any municipal related positions that require filing. Executive Director said as of 6/8/17, the fund office has followed up with the 2 Commissioners that have yet to file and as of tonight's meeting has followed-up with the remaining 1 Commissioner to file.

Executive Director's Report Made Part of Minutes.

TREASURER:

REPORT: The Treasurer Cash and Investments as of May 31, 2017 were distributed for information. Fund Treasurer said he received all the 2nd quarter assessments by the due date and reported monies were transferred into the fund's investment account managed by Wilmington Trust. Fund Treasurer's report included a Records Destruction Request to destroy 2010 Treasurer's Records and Resolution 20-17 authorizing the cancellation of outstanding checks.

Approving Payments Of June 2017 Vouchers Resolution 19-17

TOTAL 2016	8,000.00
TOTAL 2017	170,608.70
TOTAL	\$178,608.70

Confirmation Of May 2017 Claims Payments/Certification Of Claims Transfers:

2013	32,072.74
2014	232,284.20
2015	93,792.87
2016	72,521.88
2017	245,635.32
TOTAL	\$676,307.01

MOTION TO APPROVE RESOLUTION 19-17 VOUCHER LIST FOR JUNE 2017, APPROVE CERTIFICATION OF CLAIMS/CONFIRMATION OF CLAIM PAYMENTS FOR THE MONTH OF MAY 2017, APPROVE THE RECORDS DESTRUCTION REQUEST OF 2010 TREASURER'S RECORDS AND APPROVE RESOLUTION 20-17 AUTHORIZING THE CANCELLATION OF OUTSTANDING CHECKS:

Motion: Commissioner Tomasko
Second: Commissioner Looes
Vote: 11 Ayes – 0 Nays

Treasurer's Reports Made Part of Minutes.

FUND ATTORNEY:

REPORT: Fund Attorney said there was nothing to report for the month.

Fund Attorney echoed the sentiments shared earlier and wished Carol Byrne a happy and healthy retirement and extended his congratulations.

UNDERWRITING MANAGER:

LIST OF CERTIFICATES ISSUED: Included as part of the report was a List of Certificates issued for the period of 3/22/17 to 4/21/17.

REPORT: Underwriting Manager reported that hurricane season is approaching and a memorandum would be issued encouraging members to recheck any properties that may be within flood zones. Underwriting Manager said the MEL Cyber Task Force has met and two webinars on cyber security were developed and are available on the MEL website for members and their employees to view. In addition, the Cyber Task Force is working on developing minimum cyber security standards, which will be circulated to each JIF once complete.

Monthly Report Made Part of Minutes.

SAFETY DIRECTOR:

REPORT: Safety Director's report was included in the agenda for review. Report included May activities, upcoming MSI classes and Safety Director Bulletins that were issued. Safety Consultant wished Carol Byrne the best in her retirement and thanked her for her stewardship in leading the Executive Safety Committee.

Monthly Activity Report Made Part of Minutes.

MANAGED CARE:

REPORT: Managed Care Provider reviewed the May report, which was included in the agenda. The report indicated a saving of 58% for the month and 61% since inception.

Monthly Activity Report Part of Minutes.

CLAIMS:

REPORT: Included in the agenda was a report of new case law pertaining to public entities.

Monthly Activity Report Part of Minutes.

OLD BUSINESS:

NONE

NEW BUSINESS:

MEL REPORT – MUNICIPAL SIGN ORDINANCES: Commissioner Tomasko requested more information about the memorandum from the MEL Fund Attorney included as part of the MEL June report. Executive Director said the MEL Board authorized the MEL Fund Attorney to engage an attorney to draft a model ordinance regarding outdated municipal sign ordinances to mitigate potential future claims.

PUBLIC COMMENT:

NONE

MOTION TO ADJOURN:

Motioned:	Commissioner Tomasko
Second:	Commissioner Pitofsky
Vote:	Unanimous

MEETING ADJOURNED: 6:10PM

Nancy A. Ghani, Assisting Secretary
For

PAUL HOELSCHER, SECRETARY

Date Prepared: July 13, 2017

**RESOLUTION NO. 18-17
OF THE
BERGEN 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 **Bergen 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 **Bergen 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>
2013	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 6/30/17

**BERGEN COUNTY MUNICIPAL
JOINT INSURANCE FUND**

Attest:

Chairperson

Secretary

BERGEN COUNTY MUNICIPAL JOINT INSURANCE FUND BILLS LIST

Resolution No. 19-17

JUNE 2017

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

BE IT RESOLVED that the Bergen 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 2016

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
001393			
001393	LERCH, VINCI & HIGGINS, LLP	AUDITOR FEE 4/30/17 - FOR FY 2016	8,000.00
			8,000.00
		Total Payments FY 2016	8,000.00

FUND YEAR 2017

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
001394			
001394	BERGEN RISK MANAGERS, INC.	COST CONTAINMENT SERVICES - 06/2017	35,225.26
			35,225.26
001395			
001395	BERGEN RISK MANAGERS, INC.	TPA FEE 06/2017	28,614.63
001395	BERGEN RISK MANAGERS, INC.	CLAIMS - FROI REPORTS - 06/2017	1,445.91
			30,060.54
001396			
001396	JIF CLAIMS, L.L.C.	CLAIMS ADMIN - 06/2017	30,497.92
			30,497.92
001397			
001397	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES 06/2017	14,824.19
			14,824.19
001398			
001398	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 05/2017	86.77
001398	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 06/2017	28,243.33
			28,330.10
001399			
001399	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES - 06/2017	4,317.00
			4,317.00
001400			
001400	HUNTINGTON BAILEY, L.L.P.	ATTORNEY FEE 06/2017	5,164.06
			5,164.06
001401			
001401	ALAN NEGREANN	TREASURER FEE 05/2017	2,377.00
			2,377.00
001402			
001402	CONNER STRONG & BUCKELEW	UNDERWRITING MANAGER FEE 06/2017	1,435.83
001402	CONNER STRONG & BUCKELEW	POSITION BOND - 5/1/17	1,073.00
			2,508.83
001403			
001403	NEWTECH SERVICES, INC.	MONTHLY WEBSITE MAINTENANCE/HOSTNG 6/17	75.00

75.00

001404			
001404	RUSSO & ASSOCIATES LLC	INTERNAL AUDITOR FEE 5/28/2017	12,379.57
			12,379.57
001405			
001405	CHADLER SOLUTIONS	RMC FEE 2ND QTR 2017 - ALLENDALE BORO	4,849.23
			4,849.23
		Total Payments FY 2017	170,608.70

TOTAL PAYMENTS ALL FUND YEARS \$ 178,608.70

RESOLUTION NO. 20 – 17

BERGEN COUNTY MUNICIPAL JOINT INSURANCE FUND

RESOLUTION AUTHORIZING CANCELLATION OF OUTSTANDING CHECKS

WHEREAS, the Bergen County Municipal Joint Insurance Fund has had on its records an outstanding check(s) for a extended period of time; and

WHEREAS, the bank upon which this check(s) is drawn considers the check as stale-dated after six months; and

WHEREAS, it is in the best interest of the Bergen County Municipal Joint Insurance Fund to keep its records current.

NOW THEREFORE, BE IT RESOLVED that the following outstanding check(s) be cancelled and that the Treasurer, Bergen Risk Managers, JIF Claims L.L.C. and PERMA are ordered to adjust the records accordingly.

<u>Check Number</u>	<u>Date Issued</u>	<u>Amount</u>	<u>Payee</u>
<u>Workers Compensation</u>			
61409	10/27/16	\$ 995.43	Borough of Bergenfield
60851	8/18/16	\$1,026.20	The Society of the Valley
60594	7/7/16	\$ 949.09	Ronald Rovito
<u>Other Claims</u>			
60369	11/15/16	\$ 270.00	Genova, Burns & Vernoia
60351	11/08/16	\$ 27.75	ISO Acquisition Inc.
60340	11/01/16	\$ 9.25	ISO Acquisition Inc.
60389	11/23/16	\$ 9.25	ISO Acquisition Inc.