

BERGEN COUNTY MUNICIPAL JOINT INSURANCE FUND
MINUTES
MEETING – JUNE 17, 2021
MEETING – 5:30PM
VIA TELECONFERENCE

Meeting of Fund Commissioners called to order by Chairman Paul Hoelscher. Open Public Meetings notice read into record.

PLEDGE OF ALLEGIANCE – Chairman Hoelscher led Commissioners in the Pledge of Allegiance.

ROLL CALL OF 2021 EXECUTIVE COMMITTEE:

Paul Hoelscher, Chairman	Borough of Harrington Park	Present
Paul Tomasko, Secretary	Borough of Alpine	Present
Robert Shannon Jr.	Township of Wyckoff	Present
Don Sciolaro	Borough of Waldwick	Present
Ted Preusch	Upper Saddle River	Present
Lenora Benjamin	Borough of Oradell	Present
Dianne Didio	Borough of Upper Saddle River	Present

EXECUTIVE COMMITTEE ALTERNATES:

Tomas Padilla	Borough of Woodcliff Lake	Absent
Corey Gallo	Borough of Bergenfield	Present
James Cleary	Borough of Cresskill	Present
Fred Pitofsky	Borough of Closter	Present

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	PERMA Risk Management Services David N. Grubb, Joseph Hrubash, Nancy A. Ghani, Brandon Tracy
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Attorney	Huntington Bailey LLP Russ Huntington, Esq., William Bailey, Esq.
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Auditor	Lerch, Vinci & Higgins Elizabeth Shick
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Liability Claims Service	JIF Claims, L.L.C. Dawn Mulligan
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Workers Compensation Claim Service & Managed Care	Bergen Risk Managers Kathleen McGuire, Jason Cosimano
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Treasurer	Matthew Laracy
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Safety Director	J.A. Montgomery Consulting John Schwartz, Kenneth Shulz
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MEL Underwriting Manager	Conner Strong & Buckelew Edward Cooney
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PRESENT:

Nancy Peet, **Midland Park Fund Commissioner**
Lisa Sandhusen, **New Milford Fund Commissioner**
Lynnaire Vanderlinden, **Tenafly Fund Commissioner**

Kevin Crossley, **Ho Ho Kus Fund Commissioner**
 Richard Molinari, **Saddle River Fund Commissioner**
 Durene Ayer, **Westwood Alternate Fund Commissioner**
 Erin Collins, **Westwood Alternate Fund Commissioner**
 Ezio Altamura, **GJEM Otterstedt**
 Mathew McArow Jr., **GJEM Otterstedt**
 Brian Eifert, **Eifert French**
 Dan Larsen, **Johl & Company**
 Jack Zisa, **Scirocco Group**
 Gerard Quinn, **Conklin and Kraft Agency**
 Arthur Caughlan, **Nelson-Patterson**
 Frank Covelli, **P.I.A.**
 Dave Vozza, **The Vozza Agency**
 Robert Steinbruch, **Eastern Insurers**
 Stephen Puntasecca, **The Heidt Agency**

MINUTES: Open and Closed Minutes of May 20, 2021.

MOTION TO APPROVE OPEN MINUTES FROM MAY 20, 2021:

Moved: Commissioner Pitofsky
 Second: Commissioner Cleary
 Vote: Unanimous

MOTION TO APPROVE CLOSED MINUTES FROM MAY 20, 2021

Moved: Commissioner Pitofsky
 Second: Commissioner Cleary
 Vote: Unanimous

CORRESPONDENCE:

NONE

Executive Director said approval of action items will be adopted as a consent agenda at the end of the meeting.

COMMITTEE REPORTS:

CLAIMS REVIEW: A meeting was scheduled for 4:30PM on May 20, 2021 to review the Payment Authority Requests (PARs) in advance of this meeting. It would be appropriate to take action to approve the PARs as presented.

MOTION TO ACCEPT THE PAYMENT AUTHORITY REQUESTS (PARS) AS PRESENTED

MOVED: Commissioner Pitofsky
SECOND: Commissioner Cleary

EXECUTIVE DIRECTOR:

AUDIT REPORT AND ACTUARY VALUATION REPORT AS OF DECEMBER 31, 2020: Copies of the financial audit for the period ending December 31, 2020, as well as, the Actuarial report of Loss and Loss Adjustment Expenses were enclosed separately from the agenda for review.

Fund Auditor reviewed the Comparative Statements of Revenues, Expenses and Changes in Net Position (Exhibit A-2) and said that as of 12/31/20 the fund had a total net position of \$3.7 million. Fund Auditor reviewed the Comparative Statements of Revenues, Expenses and Changes in Net Position (page 9 of audit) which noted the decrease in net position from Fund Years 2019 to 2020. Fund Auditor said the only comment was that Fund Year 2018 was operating with deficits in net position of \$162,000 with a recommendation that the Fund Year be monitored to ensure sufficient funds are available to eliminate the deficit. Management's response is that the claims development will be monitored. Executive Director said

there were a number of factors driving the numbers in the audit report such as increased cost of individual claims, Covid-19 claims and general deterioration of Title 59 immunities. Executive Director added to counter these factors it is important to add greater emphasis on Loss Control.

MOTION TO APPROVE YEAR-END FINANCIALS, ADOPT RESOLUTION NO. 22-21 AND EXECUTE GROUP AFFIDAVIT INDICATING THAT THE FUND COMMISSIONERS HAVE READ THE GENERAL COMMENTS SECTION OF THE AUDIT REPORT

MOTION: Commissioner Pitofsky
SECOND: Commissioner Didio

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.

Included in the agenda was the Financial Fast Track as of April 30th with a statutory surplus of \$3.7 million. Executive Director noted the JIFs lost time accident frequency continues to remain low at 0.74 while the MEL JIF Average was 0.93.

RCF Report: The RCF met on June 2, 2021; included in the agenda was Commissioner Tomasko's report.

EJIF Report: The EJIF met on June 2, 2021; included in the agenda was Commissioner Tomasko's report.

MEL Report: The MEL met on June 2, 2021; included in the agenda was Commissioner Tomasko's report. Commissioner Tomasko noted the original Chairman of the MEL, Joseph Giorgio, was honored during the meeting for his contribution to the MEL and his role in the formation of the Morris County Municipal Joint Insurance Fund.

July Meeting: Last month, the Board discussed holding "in-person" meetings starting in July at the Westwood Municipal Building. The Executive Director noted the MEL has already made the decision to meet in-person in September and this Board may want to consider the same action. The Board agreed to delay "in-person" meetings until September.

MOTION: Commissioner Tomasko
SECOND: Commissioner Sciolaro

Informational Items

NJ SEM: Ms. Ghani said the NJ SEM has rescheduled its Tuesday, June 22, 2021 webinar at 10:00AM to Tuesday July 20, 2021 at 10:00AM, and added Mr. Tracy had distributed an updated save-the-date notice prior to the meeting. The webinar's goal is to help educate local government officials on the basics of Electric vehicles ("EVs"), the fast-developing EV market, the State's strategies to reduce carbon emissions from vehicles, and the role that local government can play. NJ SEM has applied to the DCA for approval of this webinar as a Continuing Education Credit course, for up to 2 CEU credits for MFO/CFO, CPWM, RMC and QPA. Included in the agenda was the previous save-the-date notice.

2021 Coverage Documents: Ms. Ghani said the fund office anticipates to generate and post the 2021 coverage documents to Origami during the month of June.

2021 MEL/MR HIF & NJCE JIF Educational Seminar: The 10th annual seminar was conducted virtually on 2 half-day sessions: Friday, May 14th and Friday, May 21 from 9 am to 12 noon. Ms.

Ghani said there were 224 participants in the 1st session and 217 participants in the 2nd session. We are in the process of uploading seminar materials to the MEL webpage.

Employment Practices Compliance Program: Please visit the MEL webpage to review all the elements of the MEL’s EPL Compliance Program. **Please note the deadline to complete the program requirements has been extended to November 1, 2021.** Link to outline of program and model documents: <https://njmel.org/insurance/public-officials/risk-management-program/>

The program includes several training components members need to complete, which may be met through the following:

Managers & Supervisors - This training can be met by attending the Instructor-led webinar “Protecting Children From Abuse – Managers/Supervisors”. This course for Managers includes an Employment Practices component. Included in the agenda was a copy of a notice distributed to members from J.A. Montgomery on classes scheduled through September. In addition, the Fund Attorney’s office may be available to schedule virtual sessions via Zoom (or similar online platform) as an additional resource.

Police Chief & Command Staff – A session was held on May 11, 2021 in Bergenfield. 33 out of the 38 Members’ police departments attended the training. Ms. Ghani noted J.A. Montgomery is planning to host an additional training in September for members who were not able to attend. Once a date and time have been determined, a notice will be distributed to the members.

Non-Supervisory Personnel – Online course titled *Building a Safety Workplace: Anti-Harassment and Discrimination* has been developed and is available on the MEL website.

Shared Aggregate Excess Liability: As a reminder, this Fund approved the option for members to purchase additional excess limits of \$10m excess \$20m on a shared aggregate basis. Members wishing to secure additional limits may contact the Fund office for quotes based on effective date requested to bind coverage and after confirmation from Ed Cooney, the MEL Underwriting Manager.

2021 Financial Disclosures: The Local Finance Board, at its meeting of April 14, 2021 voted to extend the date upon which the Board would take enforcement action against non-filers of the 2021 FDS until June 30, 2021 from the statutory deadline of April 30, 2021. Ms. Ghani said to date, 27 Fund Commissioners have completed their filing. We are following up with Commissioners that have not completed their filing.

Executive Director’s Report Made Part of Minutes.

TREASURER:

REPORT: The Treasurer’s report for month ending March 31st were included in the agenda. Mr. Laracy noted there was another fraudulent check attempt, but due to the controls in place, it was a non-issue.

Approving Payment of June 2021 Vouchers Resolution 23-21:

Fund Year 2020	\$10,000
Fund Year 2021	\$206,755.21
TOTAL	\$216,755.21

APPROVE RESOLUTION 23-21 VOUCHER LIST FOR JUNE 2021 AND; APPROVE CERTIFICATION OF CLAIMS/CONFIRMATION OF CLAIM PAYMENTS FOR THE MONTH OF APRIL 2021.

Motion: Commissioner Pitofsky
Second: Commissioner Cleary

Treasurer's Reports Made Part of Minutes.

FUND ATTORNEY:

REPORT: The Fund Attorney had nothing further to report.

UNDERWRITING MANAGER:

LIST OF CERTIFICATES ISSUED: Included in the agenda was a List of Certificates issued for the period of 4/22/21 to 5/22/21.

CYBER CLAIMS: Included in the agenda was a Cyber Compliance report as of 5/31/21. Underwriting Manager noted going forward two reports will be provided; one detailing members who are in compliance with the new cyber program and the second report listing the grandfathered members who were in compliance with version 1 of the cyber risk management program. Grandfathered status will last until January 1, 2022. Mr. Cooney encouraged members to start the Cyber compliance process now.

SAFETY DIRECTOR:

REPORT: Safety Director’s report was included in the agenda for review. Report included May activities, upcoming MSI classes, copies of distributed Safety Director Bulletins, MSI Now and MSI DVD usage.

Commissioner Shannon reported the Executive Safety Committee met at 1pm today and had a robust discussion of best practices. Commissioner Shannon also thanked Mr. Altamura for his contribution with respect to the discussion.

Monthly Report Made Part of the Minutes.

MANAGED CARE:

REPORT: Managed Care Provider reviewed the May reports, which were included in the agenda. The May report indicated a saving of 73% for the month and 63% since inception.

Monthly Activity Report Part of Minutes.

CLAIMS:

REPORT: Included in the agenda were case laws pertaining to public entities.

Monthly Activity Report Part of Minutes.

OLD BUSINESS:

NONE

NEW BUSINESS:

NONE

MOTION TO ADOPT THE CONSENT AGENDA:

Motioned: Commissioner Pitofsky
Second: Commissioner Cleary
Roll Call: 11 Ayes – 0 Nays (Commissioner Didio abstained from claim #2021239970)

PUBLIC COMMENT:

NONE

MOTION TO ADJOURN:

Motioned: Commissioner Pitofsky
Second: Commissioner Cleary
Vote: Unanimous

MEETING ADJOURNED: 5:47 PM

Brandon Tracy, Assisting Secretary
For

Paul Tomasko, SECRETARY

Resolution 22-21

**Resolution of Certification
Annual Audit Report for Period Ending December 31, 2020**

WHEREAS, N.J.S.A. 40A:5-4 requires the governing body of every local unit to have made an annual audit of its books, accounts and financial transactions, and

WHEREAS, the Annual Report of Audit for the year 2020 has been filed by the appointed Fund Auditor with the Secretary of the Fund as per the requirements of N.J.S.A. 40A:5-6 and N.J.S.A. 40A:10-36, and a copy has been received by each member of the BOARD OF FUND COMMISSIONERS, and

WHEREAS, the Local Finance Board of the State of New Jersey is authorized to prescribe reports pertaining to the local fiscal affairs, as per R.S. 52:27BB-34, and

WHEREAS, the Local Finance Board has promulgated a regulation requiring that the BOARD OF FUND COMMISSIONERS of the Fund shall, by resolution, certify to the Local Finance Board of the State of New Jersey that all members of the BOARD OF FUND COMMISSIONERS have reviewed, as a minimum, the sections of the annual audit entitled:

General Comments
and
Recommendations

and

WHEREAS, the members of the BOARD OF FUND COMMISSIONERS have personally reviewed, as a minimum, the Annual Report of Audit, and specifically the sections of the Annual Audit entitled:

General Comments
and
Recommendations

as evidenced by the group affidavit form of the BOARD OF FUND COMMISSIONERS.

WHEREAS, such resolution of certification shall be adopted by the BOARD OF FUND COMMISSIONERS no later than forty-five days after the receipt of the annual audit, as per the regulations of the Local Finance Board, and

WHEREAS, all members of the BOARD OF FUND COMMISSIONERS have received and have familiarized themselves with, at least, the minimum requirements of the Local Finance Board of the State of New Jersey, as stated aforesaid and have subscribed to the affidavit, as provided by the Local Finance Board, and

WHEREAS, failure to comply with the promulgations of the Local Finance Board of the State of New Jersey may subject the members of the BOARD OF FUND COMMISSIONERS to the penalty provisions of R.S. 52:27BB-52 - to wit:

R.S. 52:27BB-52 - "A local officer or member of a local governing body who, after a date fixed for compliance, fails or refuses to obey an order of the director (Director of Local Government Services), under the provisions of this Article, shall be guilty of a misdemeanor and, upon conviction, may be fined not more than one thousand dollars (\$1,000.00) or imprisoned for not more than one year, or both, in addition shall forfeit his office."

NOW, THEREFORE, BE IT RESOLVED, that the BOARD OF FUND COMMISSIONERS of the Bergen County Municipal Joint Insurance Fund, hereby states that it has complied with the promulgation of the Local Finance Board of the State of New Jersey, dated July 30, 1968, and does hereby submit a certified copy of this resolution and the required affidavit to said Board to show evidence of said compliance.

I HEREBY CERTIFY THAT THIS IS A TRUE COPY OF THE

RESOLUTION PASSED AT THE MEETING HELD ON JUNE 17, 2021.

Paul Tomasko, Fund Secretary

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

Resolution No. 23-21

June 2021

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 2020

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
003185	ORADELL BOROUGH	VOID	-1000.00
003264	ORADELL BOROUGH	SAFETY INCENTIVE PROGRAM 2020	1,000.00
			1,000.00
003265	WASHINGTON TOWNSHIP	SAFETY INCENTIVE PROGRAM 2020	1,000.00
			1,000.00
003266	RAMSEY BOROUGH	SAFETY INCENTIVE PROGRAM 2020	1,000.00
			1,000.00
003267	LERCH, VINCI & HIGGINS, LLP	AUDIT 2020	7,000.00
			7,000.00
003268	MONTVALE BOROUGH	SAFETY INCENTIVE PROGRAM 2020	1,000.00
			1,000.00
		Total Payments FY 2020	10,000.00

FUND YEAR 2021

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
003269	BERGEN RISK MANAGERS, INC.	MANAGED CARE 6/21	33,857.39
003269	BERGEN RISK MANAGERS, INC.	FROI 6/21	1,362.49
			35,219.88
003270	BERGEN RISK MANAGERS, INC.	TPA 6/21	29,186.69
			29,186.69
003271	JIF CLAIMS, L.L.C.	LIABILITY/PROPERTY TPA 6/21	32,364.67
			32,364.67
003272	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR 6/21	17,032.08
			17,032.08
003273	PERMA RISK MANAGEMENT SERVICES	POSTAGE 5/21	38.09
003273	PERMA RISK MANAGEMENT SERVICES	EXEC DIRECTOR 6/21	33,813.07
003273	PERMA RISK MANAGEMENT SERVICES	POSTAGE 4/21	55.84
			33,907.00
003274	THE ACTUARIAL ADVANTAGE	ACTUARY FEE 6/21	4,581.66
			4,581.66

003275			
003275	HUNTINGTON BAILEY, L.L.P.	ATTORNEY FEE 6/21	5,480.08
			5,480.08
003276			
003276	LARACY ASSOCIATES LLC	TREASURER 6/21	1,541.67
			1,541.67
003277			
003277	CONNER STRONG & BUCKELEW	UNDERWRITING FEE 6/21	1,524.00
			1,524.00
003278			
003278	NEWTECH SERVICES, INC.	WEB MAINT/HOST 6/21	75.00
			75.00
003279			
003279	ALLSTATE INFORMATION MANAGEMNT	ACCT#408 - ARC & STOR - 4.30.21	84.79
			84.79
003280			
003280	RUSSO & ASSOCIATES LLC	INTERNAL AUDITOR 2021	8,500.69
			8,500.69
003281			
003281	CONNELL CONSULTING LLC	POLICE SUP TRAINING 5.7.21	600.00
			600.00
003282			
003282	PROFESSIONAL INSURANCE ASSOC.	WOODCLIFF LAKE - RMC - 2ND QTR 2021	4,958.00
003282	PROFESSIONAL INSURANCE ASSOC.	WALDWICK - RMC - 2ND QTR 2021	5,700.00
003282	PROFESSIONAL INSURANCE ASSOC.	MONTVALE - RMC - 2ND QTR 2021	6,127.00
003282	PROFESSIONAL INSURANCE ASSOC.	RMC - RAMSEY - 2ND QTR 2021	9,939.00
003282	PROFESSIONAL INSURANCE ASSOC.	RMC - SADDLE RIVER - 2ND QTR 2021	3,092.00
			29,816.00
003283			
003283	THE VOZZA AGENCY	PARK RIDGE - RMC - 3RD QTR 2021	6,841.00
			6,841.00
		Total Payments FY 2021	206,755.21
		TOTAL PAYMENTS ALL FUND YEARS \$	216,755.21