

**BERGEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
MINUTES**

**MEETING – JANUARY 16, 2020**

**REORGANIZATION MEETING**

**SEASONS CATERING – WASHINGTON TWP- 5:30PM**

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 2019 EXECUTIVE COMMITTEE:**

Paul Hoelscher, Chairman	Borough of Harrington Park	Present
John Birkner, Secretary	Borough of Westwood	Absent
Paul Tomasko	Borough of Alpine	Present
Robert Shannon	Township of Wyckoff	Present
Don Sciolaro	Borough of Waldwick	Present
Ted Preusch	Borough of Upper Saddle River	Present
Lenora Benjamin	Borough of Glen Rock	Present

**EXECUTIVE COMMITTEE ALTERNATES:**

Diane Didio	Borough of Oradell	Present
James Cleary	Borough of Cresskill	Present
Fred Pitofsky	Borough of Closter	Present
Quentin Wiest	Township of Mahwah	Present

**APPOINTED OFFICIALS PRESENT:**

Executive Director/Administrator	PERMA Risk Management Services <b>David N. Grubb, Joseph Hrubash, Nancy A. Ghani, Brandon Tracy</b>
Attorney	Huntington Bailey LLP <b>Russ Huntington, Esq., William Bailey, Esq.</b>

Liability Claims Service	JIF Claims, L.L.C. <b>Dawn Mulligan</b>
Workers Compensation Claim Service & Managed Care Treasurer Internal Auditor	Bergen Risk Managers <b>Rose Bozzone, Jason Cosimano Alan Negreann, Matthew Laracy</b> Russo & Associates <b>Stacy Russo, Joe Smith</b>
MEL Underwriting Manager	Conner Strong & Buckelew <b>Edward Cooney</b>

**RISK MANAGEMENT CONSULTANTS PRESENT:**

Brian Eifert, **Eifert French**  
Linda D'Alessio, **Eifert French**  
Dan Larsen, **Johl & Company**  
Frank Covelli, **P.I.A.**  
Gerard Quinn, **Conklin and Kraft Agency**  
Arthur Caughlan, **Nelson-Patterson**  
Dominick Cinelli, **Brown & Brown**  
Sharon Fallon, **P.I.A.**  
Olga Bobylak, **The Vozza Agency**  
Brittany Vozza, **The Vozza Agency**  
Dave Vozza, **The Vozza Agency**  
Vic Fadini, **Prudential**  
Ezio Altamura, **GJEM Otterstedt**  
Mathew McArow, **GJEM Otterstedt**

Mathew McArow St., **GJEM Otterstedt**  
Jack Zisa, **Regional Risk Managers, LLC**  
Spiro Molfetas, **Scirocco Group RMC**

**FUND COMMISSIONERS PRESENT:**

Ron Kistner, Allendale  
River Edge  
Paul Tomasko, Alpine  
Closter  
Robert Byrnes Jr., Bergenfield  
Wycoff  
Fred Pitofsky, Closter  
James Cleary, Cresskill  
Norwood  
James Bayley, Emerson  
Wash.  
Thomas Donch, Franklin Lakes  
Rock  
Lenora Benjamin, Glen Rock  
Glen Rock  
Paul Hoelscher, Harrington Park  
Waldwick  
Margaret Celotto, Haworth  
Wash.  
Christopher Tietjen, Hillsdale  
Waldwick  
Andrea Wardrop, Leonia  
Quentin Wiest, Mahwah  
March Seemon, Midland Park  
James Barsa, Norwood  
Richard Kunze, Oakland  
Diane Didio, Oradell  
Anna Haverilla, Old Tappan  
Julie Falkenstern, Park Ridge  
Heather Mailander, Ridgewood Village  
Jerry Giaimis, Saddle River  
Lynniare Vanderlinden, Tenafly  
Julie Falkenstern, Park Ridge  
Ted Preusch, Upper Saddle River  
Don Sciolaro, Waldwick  
Tomas Padilla, Woodcliff Lake  
Robert Shannon Jr., Wycoff

**COUNCIL/ELECTED OFFICIALS/STAFF:**

Ann Bistriz, Harrington Park      Scott      Devlin,  
Lou Apa, Harrington Park      Ed Hynes,  
Stephanie Wehmann, Alpine      Beth      Fischer,  
Laura Borchers, Norwood      Susan Corrado  
Paul Haberman, Norwood      Laura Bucher,  
Michael Putrino, New Milford      Michael Desean,  
Thea Sirocchi-Hurley, New Milford      Robert Oill, Glen  
Jodie Delehanty, Dumont      Teresa Gilbreath,  
Cathie Romeo, Dumont      Patrick Wherry,  
Michael Cavelli, Oakland      Peter Calamari,  
John Ryocco, Hillsdale      Colleen      Ennis,  
Deb Burns, Mahwah  
Jannie Chung, Closter  
Alissa Latner, Closter  
Dolores Witko, Closter  
Sue Witkowski, Washington  
John M. Kramer, Mayor  
Anne Dodd, Leonia  
Steven Caselo, Washington  
Arthur Cumming, Washington  
Tom Giordano, Waldwick  
Kelley Halewicz, Waldwick  
Corey Gallo, Bergenfield  
Norman Schmelz, Bergenfield  
Nancy Peet, Midland Park  
Lorraine DeLuce, Midland Park  
Harry Shortway Jr., Midland Park

**MINUTES:** Open and Closed Minutes of November 25, 2019 and Closed Minutes of January 13, 2020.

**MOTION TO APPROVE OPEN MINUTES FROM NOVEMBER 25, 2019:**

Moved: Commissioner Tomasko  
Second: Commissioner Sciolaro  
Vote: Unanimous

**MOTION TO APPROVE CLOSED MINUTES FROM NOVEMBER 25, 2019 &  
JANUARY 13, 2020:**

Moved: Commissioner Pitofsky  
Second: Commissioner Cleary  
Vote: Unanimous – 1 Abstention (Commissioner  
Hoelscher)

For Jan. 13, 2020 minutes

**CORRESPONDENCE:**

NONE

**SPECIAL PRESENTATION:** Executive Director brought Alan Negreann, the former Fund Treasurer who retired December 31, 2019, to the podium and expressed the Funds gratitude for his 25 years of service, and wished him the best in retirement. Alan Negreann thanked the Fund individuals he worked with, and said it has been an honor and a privilege.

**SINE DIE MEETING ADJOURNED - CHAIRS VACATED. ACTING CHAIRPERSON  
HOELSCHER ASKED EXECUTIVE DIRECTOR TO CONDUCT MEETING.**

**ROLL CALL OF 2020 FUND COMMISSIONERS (OR ALTERNATES):**

Member	Fund Commissioner	PRESENT	Alternates	PRESENT
Allendale	Ron Kistner	Y	Ari Bernstein	
Alpine	Paul Tomasko	Y		
Bergenfield	Robert Byrnes Jr.	Y	Marie Quinones	Y
Closter	Fred Pitofsky	Y		
Cresskill	James Cleary	Y	Gregory Mueller	
Demarest	Jim Carroll			
Dumont	Tom Richards		Jodie Delehanty	
Emerson	James Bayley	Y		
Fair Lawn	James VanKruiningen		Joanne Kwasniewksi	
Franklin Lakes	Thomas Donch	Y	Gregory Hart	
Glen Rock	Lenora Benjamin	Y		
Harrington Park	Paul Hoelscher	Y		
Haworth	Margaret Celotto	Y	Stephen Chval	
Hillsdale	Christopher Tietjen	Y	Denise Kohan	
Ho Ho Kus	Philip Rorty			
Leonia	Andrea Wardrop	Y		
Mahwah	Quentin Wiest	Y		
Midland Park	Marc Seemon	Y		
Montvale	Timothy Lane		Michael Ghassali	
New Milford	Matthew Seymour			
Northvale	Peter Sotiropoulos			
Norwood	James Barsa	Y	Lorraine McMackin	
Oakland	Richard Kunze	Y	Donna Mollineaux	
Old Tappan	Anna Haverilla	Y	Guy Carnazza	
Oradell	Dianne Didio	Y	Laura J. Lyons	
Park Ridge	Julie Falkenstern	Y	Durene Ayer	Y
Ramsey	Bruce Vozeh			
Ridgewood Village	Heather Mailander	Y		
River Edge	Ray Poerio		Ellen Busted / Thomas Papaleo	Y
River Vale	Gennaro Rotella		Ada Vassallo	
Saddle River	Jerry Giaimis	Y	Albert Kurpis, Mayor	
Tenafly	Lynnaire Vanderlinden	Y	Lissette Aportela	
Upper Saddle River	Ted Preusch	Y		
Waldwick	Don Sciolaro	Y	Patrick Wherry	Y
Washington	Peter Calamari		Robert Tovo	
Westwood	Ben Kezmarsky		Erin Collins	Y
Woodcliff Lake	Tomas Padilla	Y		
Wyckoff	Robert Shannon Jr.	Y	Scott Fisher	

With 26 Commissioners present during the roll-call, Fund Attorney certified a quorum was achieved.

Executive Director stated that first order of business in the Fund's reorganization is to have the Nominating Committee present the 2020 Executive Committee slate.

**ELECTION OF 2020 CHAIRMAN, SECRETARY, 5-MEMBER EXECUTIVE COMMITTEE AND 4 ALTERNATES:**

**NOMINATIONS COMMITTEE:** Commissioner Tomasko read the presented slate of the committee as follows:

**OFFICERS:**

Chair, Paul Hoelscher, Mayor, Borough of Harrington Park

Secretary, Paul Tomasko, Mayor, Borough of Alpine

**5 Member Executive Committee**

Robert Shannon Jr., Administrator, Township of Wyckoff

Don Sciolaro, Councilman, Borough of Waldwick

Ted Preusch, Administrator, Upper Saddle River

Lenora Benjamin, Administrator, Borough of Glen Rock

Diane Didio, Mayor, Borough of Oradell

**Executive Committee Alternates**

James Cleary, Councilman, Borough of Cresskill

Fred Pitofsky, Borough of Closter

Quentin Wiest, Administrator, Township of Mahwah

Tomas Padilla, Administrator, Woodcliff Lake

**MOTION TO ACCEPT THE REPORT OF THE NOMINATING COMMITTEE:**

Moved: Commissioner Pitofsky

Second: Commissioner Didio

Hearing no additional nominations, Executive Director asked for a motion to close nominations and confirm elections.

**MOTION TO CLOSE NOMINATIONS, ACCEPT THE REPORT OF THE NOMINATING COMMITTEE AND CONFIRM ELECTIONS:**

Moved: Commissioner Tomasko

Second: Commissioner Benjamin

Vote: Unanimous

**ATTORNEY ADMINISTERED OATH OF OFFICE TO OFFICERS, EXECUTIVE COMMITTEE AND ALTERNATES.**

**ROLL CALL OF 2020 EXECUTIVE COMMITTEE:**

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

James Cleary	Borough of Cresskill	Present
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Fred Pitofsky	Borough of Closter	Present
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Quentin Wiest	Borough of Mahwah	Present
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Tomas Padilla	Township of Woodcliff Lake	Present
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**2020 REORGANIZATION:**

**RESOLUTION 1-20 APPOINTING CERTAIN PROFESSIONALS AND SERVICE ORGANIZATIONS:**

I. **PERMA Risk Management Services (PERMA) as Administrator including conducting a Claims Audit. David N. Grubb as Executive Director, and Joseph Hrubash as Deputy Executive Director,** and both as agents for process of service. \$1,193,558.63 is the estimated dollars that will be expended in connection with this contract over its three-year term. The annual amount of \$405,756.89 has been appropriated in the Administration Line Item of the 2020 budget. \$26,365.79 is the estimated dollars that will be expended in connection with this contract over its three-year term for Claims Audit, and the annual amount of \$8,963.19 has been appropriated in the Administration Line Item for the 2020 budget.

II. **Russell R. Huntington, Esq. as Fund Attorney.** \$193,442.11 is the estimated dollars that will be expended in connection with this contract over its three-year term. The annual amount of \$65,761.72 has been appropriated in the Attorney Line Item of the 2020 budget.

III. **Matthew Laracy as Fund Treasurer.** \$56,617.40 is the estimated dollars that will be expended in connection with this contract over its three-year term. Contract term is January 1, 2020 to December 31, 2022. The annual amount of \$18,500.00 has been appropriated in the Treasurer Line Item of the 2020 budget.

IV. **Lerch, Vinci & Higgins LLP as Fund Auditor.** \$56,005.32 is the estimated dollars that will be expended in connection with this contract over its three-year term. The annual amount of \$19,039.32 has been appropriated in the Auditor Line Item of the 2020 budget.

V. **Conner Strong & Buckelew as Underwriting Manager.** \$53,786.21 is the estimated dollars that will be expended in connection with the Underwriting Manager contract over its three-year term. The annual amount of \$18,285.54 has been appropriated in the Underwriting Manager Line Item of the 2020 budget.

VI. **J.A. Montgomery Risk Control as Safety Director.** \$601,210.71 is the estimated dollars that will be expended in connection with the Safety Director contract over its three-year term. The annual amount of \$204,384.93 has been appropriated in the Safety Director Line Item of the 2020 budget.

VII. **Bergen Risk Managers, Inc. as Claims Service Organization and as Managed Care Organization.** \$2,273,470.17 is the estimated dollars that will be expended in connection with the Claims Administrator and Managed Care contract over its three-year term. The annual amount of \$366,590.14 has been appropriated in the Workers Compensation Adjustor Item and the Computerization Item of the 2020 budget. The annual amount of \$406,288.68 has been appropriated in the Workers Compensation Claims Fund Line Item of the 2020 budget.

VIII. **JIF Claims L.L.C. as Property and Liability Claims Administrators.** \$1,142,430.92 is the estimated dollars that will be expended in connection with this contract over its three-year term. The annual amount of \$388,375.75 has been appropriated in the Claims Adjustment Line Item of the 2020 budget

IX. **Russo & Associates LLC as Internal Auditor.** \$94,197.49 is the estimated dollars that will be expended in connection with this contract over its three-year term. The annual amount of \$32,022.96 has been appropriated in the Internal Auditor Line Item of the 2020 budget.

X. **The Actuarial Advantage as Actuary.** \$161,727.36 is the estimated dollars that will be expended in connection with this contract over its three-year term. The annual amount of \$54,979.94 has been appropriated in the Actuary Line Item of the 2020 budget.

XI. **Wilmington Trust as the Asset Manager** at .05% of the market value of the FUND's invested assets on a month to month basis until a successor is duly appointed.

XII. **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 federal funds rate less .25% with a floor of .65%.

**MOTION TO ADOPT RESOLUTIONS 1-20 APPOINTING CERTAIN PROFESSIONALS AND SERVICE ORGANIZATIONS**

Moved:	Commissioner Tomasko
Second:	Commissioner Sciolaro
Roll Call Vote:	11 Ayes - 0 Nays

Appointment Resolution Made Part of Minutes

**ORGANIZATIONAL RESOLUTIONS**

**RESOLUTION 2-20 DESIGNATION OF PUBLIC MEETING PROCEDURES**

I. The Governing Body shall conduct Public Meetings at the Westwood Borough Hall to conduct the official business of the FUND on the **third Thursday of each month at 5:30PM** for the **2019 Fund Year**. The exceptions are no meetings are scheduled in August and December, the November meeting will be **Monday November 23, 2020** and the Fund's 2021 Reorganizational meeting is on **January 21, 2021**.

Designation Of Official Newspapers  
The Record - Hackensack, New Jersey  
www.njmel.org – MEL webpage  
www.bcjif.org – Bergen JIF webpage

**RESOLUTION 3-20 ESTABLISHING A FUNDS RECORDS PROGRAM**

Paul Tomasko, Fund Secretary as custodian of Fund's records.  
Nancy A. Ghani, Account Manager, as Assistant Fund Secretary.  
Fund records to be kept at office of the Fund Administrator located at 9 Campus Drive Suite 216, Parsippany, NJ 07054

**RESOLUTION 4-20 DESIGNATION FISCAL MANAGEMENT PLAN**

I. Those banks listed as official depositories:

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

II. Designation of Authorized Signatures:

Chair	Paul Hoelscher
Secretary	Paul Tomasko

Treasurer  
Commissioner  
Commissioner

Matt Laracy  
Ted Preusch  
Robert Shannon

III. Designation of Authorized Signatures for Claim Payments.

Matt Laracy, Fund Treasurer  
Kathleen McGuire, Bergen Risk Managers, Manager of Compensation  
Jennifer Dittemer, Bergen Risk Managers, Operations Manager  
Jason Cosimano, Bergen Risk Managers, President  
John Markel, Bergen Risk Managers, Vice President  
Russell Huntington, JIF Claims L.L.C., Partner  
Dawn Mulligan, JIF Claims L.L.C., Manager

IV. For Wire Transfers – that the Fund does hereby require that Investors Bank obtain voice confirmation prior to executing wire transfers to external account from the Fund Treasurer.

V. Adoption of Cash and Investment Policy

VI. Designation of Interest Rates for Delinquent Assessments:

Interest rate: 10% with grace periods specified for each quarterly assessment

VII. Certifying and Approval Officers for all Fund expenses:

Executive Director and Account Manager

**RESOLUTION 5-20 AUTHORIZATION OF COMPENSATION TO BE MADE TO EXECUTIVE COMMITTEE MEMBERS FOR MEETING ATTENDANCE AT EXECUTIVE COMMITTEE MEETINGS**

Executive Committee Member and Alternate member shall receive \$150 per regular monthly Executive Committee meeting attended by said member.

**RESOLUTION 6-20 ESTABLISHING THE 2020 PLAN OF RISK MANAGEMENT.MEL**

Underwriting Manager said the Risk Management Plan was reviewed for accuracy.

Executive Director said the next following resolutions have been included to meet regulatory compliance as respects placement of insurance coverages. Included in the agenda were resolutions authorizing extraordinary unspecifiable services for public officials/employment practices liability, land use liability, volunteer director's and officer's liability and cyber liability coverages.

**RESOLUTION 7-20 AWARDING EXTRAORDINARY UNSPECIFIABLE SERVICES CONTRACT WITH QBE SPECIALTY INSURANCE COMPANY FOR PRIMARY PUBLIC OFFICIALS/EMPLOYMENT PRACTICES LIABILITY COVERAGE.**

**RESOLUTION 8-20 AWARDING EXTRAORDINARY UNSPECIFIABLE SERVICES CONTRACT WITH QBE SPECIALTY INSURANCE COMPANY FOR OPTIONAL VOLUNTEER DIRECTOR'S AND OFFICER'S LIABILITY COVERAGE.**

**RESOLUTION 9-20 AWARDING EXTRAORDINARY UNSPECIFIABLE SERVICES CONTRACT WITH INDIAN HARBOR INSURANCE COMPANY FOR PRIMARY CYBER SECURITY LIABILITY COVERAGE.**

**RESOLUTION 10-20 AWARDING EXTRAORDINARY UNSPECIFIABLE SERVICES CONTRACT WITH BEAZLEY INSURANCE COMPANY FOR EXCESS CYBER SECURITY LIABILITY COVERAGE.**

**MOTION TO ADOPT REORGANIZATIONAL RESOLUTIONS 2-20 THROUGH 10-20:**

Moved: Commissioner Didio  
Second: Commissioner Tomasko  
Roll Call Vote: 11 Ayes - 0 Nays  
Reorganizational Resolutions Made Part of Minutes

**COMPETITIVE CONTRACTS – TREASURER:** Executive Director said in 2019 the Board adopted a resolution to procure the services of a Treasurer. The Management Committee met in December to review the responses, as well as, conducted interviews of all candidates. Executive Director said the recommendation is to appoint Matthew Larcy as JIF Treasurer.

**MOTION TO ADOPT RESOLUTION 11-20 AWARDING THE APPOINTMENT OF TREASURER TO MATTHEW LARACY THROUGH THE COMPETITIVE CONTRACT PROCESS #19-01.**

Moved: Commissioner Shannon  
Second: Commissioner Benjamin  
Roll Call Vote: 11 Ayes - 0 Nays

**COMMITTEE APPOINTMENTS:** The Fund has four standing committees. Included in the agenda was a list of the committees and a brief description of their charges. Commissioners are encouraged to volunteer for the standing committees.

**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 reported the Financial Fast Track as of November 30, 2019 and said the statutory surplus stands at \$4.8 million. Included in the agenda, were copies of the Lost Time Accident Frequency rate for November month end for a three-month period showing November 2019, 2018 and 2017. Executive Director said the low Lost Time Accident Frequency is contributable to the continued efforts of members' safety committees, and risk managers.

**ELECTED OFFICIALS TRAINING:** Executive Director said this year's elected officials training program will focus on *Preventing Child Abuse and Protecting Public Entities from the liabilities imposed by new legislation concerning sexual molestation*. A notice will be distributed once sessions are scheduled in the Bergen County area. Executive Director said at least six sessions will be scheduled in the area; the online version is anticipated to be released in early March.

**EMPLOYMENT PRACTICES TRAINING:** In 2020, all Managers and Supervisors are required to complete training in Employment Practices and protecting children from molestation. The Fund Attorney will contact all members to schedule this training. J.A. Montgomery will conduct this training for Police Command Officers. Other employees and volunteers can complete required training on line; enclosed in the agenda were the instructions on how to access the course. The updates for the model personnel policies and procedures will be available shortly.

**COMMITTEE REPORTS:**

**SAFETY COMMITTEE: ROBERT SHANNON, CHAIR:** The safety Committee met on December 12, 2019 included for information were the minutes of that meeting for information.

**COVERAGE COMMITTEE - Paul Tomasko, Chair:** The office will be scheduling a meeting of this committee this month to review the JIF crime policy rewrite as approved by the MEL Coverage Committee.

**RCF 2020 REORGANIZATION MEETING:** The Residual Claims Fund’s 2020 Reorganization meeting was held on January 6, 2020 at 10:30 a.m. at the Forsgate Country Club. A copy of Commissioner Tomasko’s report was enclosed in the agenda.

**EJIF 2019 NOVEMBER MEETING & 2020 REORGANIZATION MEETING:** The EJIF met on November 20, 2019 during the NJSLOM Convention and the 2020 Reorganization meeting was held on January 6, 2020 at 10:50 a.m. at the Forsgate Country Club. A copy of Commissioner Tomasko’s report for both meetings was enclosed in the agenda.

**MEL 2019 NOVEMBER MEETING & 2020 REORGANIZATION MEETING:** The MEL met on November 20, 2019 during the NJSLOM Convention and the MEL 2020 Reorganization meeting was held on January 6, 2020 at 11:15 am in the Forsgate Country Club. A copy of Commissioner Tomasko’s report for both meetings was enclosed in the agenda.

**POWER OF COLLABORATION:** The latest in the series of “Power of Collaboration” ads was attached in the agenda, and will appear in the League of Municipalities magazine. The first highlights the savings to MEL members and taxpayers since its inception (January Ad) and the second highlights the program to address the protection and safe treatment of minors (February Ad).

**SEWER BACKUP CLAIMS 4<sup>TH</sup> QUARTER 2019:** Enclosed is the agenda was a listing of sewer backup claims for the period of October 1, 2019 – December 31, 2019. Also enclosed is Resolution 12-20 authorizing the assessments related to these claims.

**MOTION TO ADOPT RESOLUTION 12-20 CERTIFYING ADDITIONAL ASSESSMENT FOR SEWER BACK-UP BILLINGS FOR THE PERIOD OF OCTOBER 1, 2019 – DECEMBER 31, 2019.**

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

**INFORMATIONAL ITEMS**

**2020 ASSESSMENTS** The 2020 assessments were mailed out via certified mail on 12/18/19, as well as, emailed to Risk Managers. As a reminder, first installment payments are by **January 31, 2019** and should be sent to the Fund Office at 9 Campus Drive, Suite 216 – Parsippany, NJ 07054. A lock-box is being secured to receive all future installment payments and a notice will be distributed to members once it is obtained.

**2020 BUDGET:** In accordance with the regulations, the budget adopted by the Fund has been advertised in the Fund’s official newspaper. In addition, PERMA has sent the budget to member municipalities and has filed the same with the State.

**INCLEMENT WEATHER PROCEDURE:** PERMA has instituted a procedure for Commissioners to confirm whether or not a meeting has been canceled. The Executive Director will discuss with the Fund Chairman if the meeting should be canceled. In the event of an early morning

or evening meeting(s), PERMA will provide a recorded message indicating the status of the meeting. The recorded message can be obtained by calling the Fund's main number (201) 881-7632 at any time of the day or night. For meetings that occur during the course of normal business hours, meeting status can be obtained by utilizing the same number.

In closing, Executive Director thanked the fund for re-appointment on behalf of himself and the staff of PERMA.

Executive Director's Report Made Part of Minutes.

**TREASURER:** Matthew Laracy was introduced by the Executive Director as the new Treasurer of the Bergen County Municipal Joint Insurance Fund. Matthew thanked the Fund board for his appointment and stated he looks forward to working with the Bergen County JIF. Included in the agenda was the new Fund Treasurers' contact information.

**REPORT:** The Treasurer Cash and investments as of November 31, 2019 were included in the agenda

**Confirming Payment Of December 2019 Vouchers:**

<b>TOTAL 2019</b>	\$1,141,705.75
<b>TOTAL</b>	\$1,141,705.75

**Confirming Dividend Check Payments:**

<b>Closed Year</b>	\$271,408.00
<b>TOTAL</b>	\$271,408.00

**Approving Payments of January 2020 Vouchers Resolution 13-20**

<b>TOTAL 2019</b>	\$ 2,732.24
<b>TOTAL 2020</b>	\$1,387,251.81
<b>TOTAL</b>	\$1,389,984.05

**Confirmation Of November 2019 Claims Payments/Certification Of Claims Transfers:**

<b>2015</b>	12,135.85
<b>2016</b>	82,436.22
<b>2017</b>	\$43,971.27
<b>2018</b>	\$50,062.06
<b>2019</b>	\$282,473.82
<b>TOTAL</b>	<b>\$471,079.22</b>

Fund Treasurer reminded members that the 4<sup>th</sup> quarter and 1<sup>st</sup> quarter payments are due on January 31<sup>st</sup>. Copies of Resolution 14-20 were distributed representing correction on January 2020 checks that were previously issued, but had not been received and were subsequently voided and reissued.

**Approving Payments of January 2020 Vouchers Resolution 14-20**

<b>TOTAL 2019</b>	\$33,230.09
<b>TOTAL</b>	\$33,230.09

**MOTION TO CONFIRM VOUCHER LISTS FOR THE MONTHS OF DECEMBER 2019, DECEMBER 2019 DIVIDENDS, APPROVE RESOLUTION 13-20 VOUCHER LIST FOR JANUARY 2020, APPROVE RESOLUTION 14-20 VOUCHER LIST FOR JANUARY 2020, APPROVE CERTIFICATION OF CLAIMS/CONFIRMATION OF CLAIM PAYMENTS FOR THE MONTH OF NOVEMBER 2019.**

Motion:  
Second:

Commissioner Tomasko  
Commissioner Benjamin

Vote: 11 Ayes – 0 Nays  
Treasurer's Reports Made Part of Minutes.

**FUND ATTORNEY:** Fund Attorney thanked the board for reappointment and said there was nothing to report.

**UNDERWRITING MANAGER:** MEL Underwriting Manager thanked the board for reappointment.

**LIST OF CERTIFICATES ISSUED:** Included as part of the report was a List of Certificates issued for the period of 10/22/19 to 11/28/19.

**RENEWAL PROGRAM:** MEL Underwriting Manager provided a summary of the 2020 insurance renewal noting the following:

- Zurich, the MEL's excess property carrier, offered a renewal with a 6% rate increase based on continued market loss experience. The MEL is taking a 10%/90% quota share on Zurich's layer.
- Brit, Munich, and Chubb, have continuously performed favorably in their partnerships with the MEL. At renewal, Brit saw a flat renewal, Munich had a 4% increase, and Chubb had a small adjustment to the rate-online. This has been the first rate increase in many years with the MEL.
- Safety National (workers' compensation) is entering the second year of a two-year option with a 3.9% rate decrease from the prior agreement.
- QBE will continue to provide Public Officials/Employment Practices/VDO coverages; the overall rate increase is 2% and varies based on local JIF experience.
- Endurance (Non-Owned Aircraft), with the hardening of the aviation market, offered the best option at about a 1% increase.

**CYBER CLAIMS:** Underwriter Manager reviewed cyber liability, and stated the Bergen County JIF had a better loss control program than most of the members in the MEL Cyber program. Underwriter reviewed the MEL's cyber loss history of the previous years; stating the gross incurred is \$3.5 Million resulting from 55 claims at \$1.1M in premium over the last two years. The claims occurred over the past year. They arose from ransomware and social engineering events regarding cyber-attacks. This has been true across the State. The Underwriter stated that with this loss history; the negotiations with the excess carrier could only offer \$25K retention and no ability to buy down to \$10K, plus a 30% increase in the premium. Underwriting Manager said this excess layer was quoted based on loss history over the past year. The MEL will continue to provide the full reimbursement from \$25,000 down to \$5,000 and \$2,500.

**SAFETY DIRECTOR:** Safety Director thanked the board for reappointment.

**REPORT:** Safety Director's report was included in the agenda for review. Report included November and December activities, upcoming MSI classes and copies of distributed Safety Director Bulletins. Safety Director said the Safety Breakfast is scheduled for March 10, 2020 and invitations would be emailed. In addition, Safety Director said the annual Safety Incentive Program (SIP) was updated to include different criteria for members to achieve credit; the SIP would be distributed and posted to the JIF's website when available.

Monthly Activity Report Made Part of Minutes.

**MANAGED CARE:** Managed Care Provider thanked the board for reappointment.

**REPORT:** Managed Care Provider reviewed the November and December reports, which were included in the agenda. The December report indicated a saving of 73% for the month and 62% since inception.

Monthly Activity Report Part of Minutes.

**CLAIMS:** Claims Administrator thanked the board for reappointment.

**REPORT:** Included in the agenda was the Claims Administrator's report of 2019 Property/Liability subrogation recoveries, which totaled \$286,023.72.

Monthly Activity Report Part of Minutes.

**OLD BUSINESS:**

NONE

**NEW BUSINESS:**

NONE

**PUBLIC COMMENT:**

NONE

**MOTION TO ADJOURN:**

Motioned:	Commissioner Tomasko
Second:	Commissioner Padilla
Vote:	Unanimous

**MEETING ADJOURNED: 6:12PM**

Nancy A. Ghani, Assisting Secretary

For

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**Paul Tomasko, SECRETARY**

## RESOLUTION NO. 1-20

### **BERGEN COUNTY MUNICIPAL JOINT INSURANCE FUND appointing certain professionals and service organizations**

**WHEREAS**, the Bergen County Municipal Joint Insurance Fund (hereinafter the Fund) requires the services of certain professionals and service organizations for the 2018, 2019 and 2020 Fund years.

**WHEREAS**, NJSA 40a11-15 (6) allows for a contract duration of three (3) years; and,

**WHEREAS**, the Fund resolved to award professional service agreements in accordance with a fair and open process pursuant to N.J.S.A. 19:44A-20.4 et. Seq.;

**WHEREAS**, a notice soliciting proposals was published in The Record, 2017 issue of the June 30<sup>th</sup> edition and posted on the Bergen County JIF website [www.bcjif.org](http://www.bcjif.org) under the Public Bids section; and, a notice advising of a competitive contract for Treasurer was published in The Bergen Record 2019 issue of the November 20<sup>th</sup> edition; and

**WHEREAS**, responses were received from professional service providers and service organizations as listed below on July 21, 2017 at 2 pm; and, responses for competitive contracts for Treasurer were received on December 10<sup>th</sup>, 2019 at 10 am; and,

**WHEREAS**, the Fund's Management Committee recommended 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 Fund Executive Committee; 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 Bergen County Municipal Joint Insurance Fund resolves to appoint the Fund Professionals – noted below – to three year terms commencing on January 1, 2018 and ending on December 31, 2020 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 Executive Committee that the contracts for the following professionals be appointed for a three year term (*unless otherwise specified*):

- I. **PERMA Risk Management Services (PERMA) as Administrator including conducting a Claims Audit. David N. Grubb as Executive Director, and Joseph Hrubash as Deputy Executive Director**, and both as agents for process of service. \$1,193,558.63 is the estimated dollars that will be expended in connection with this contract over its three-year term. The annual amount of \$405,756.89 has been appropriated in the Administration Line Item of the 2020 budget. \$26,365.79 is the estimated dollars that will be expended in connection with this contract over its three-year term for Claims Audit, and the annual amount of \$8,963.19 has been appropriated in the Administration Line Item for the 2020 budget.

- II. **Russell R. Huntington, Esq. as Fund Attorney.** \$193,442.11 is the estimated dollars that will be expended in connection with this contract over its three-year term. The annual amount of \$65,761.72 has been appropriated in the Attorney Line Item of the 2020 budget.
- III. **Matthew Laracy as Fund Treasurer.** \$56,617.40 is the estimated dollars that will be expended in connection with this contract over its three-year term. Contract term is January 1, 2020 to December 31, 2022. The annual amount of \$18,500.00 has been appropriated in the Treasurer Line Item of the 2020 budget.
- IV. **Lerch, Vinci & Higgins LLP as Fund Auditor.** \$56,005.32 is the estimated dollars that will be expended in connection with this contract over its three-year term. The annual amount of \$19,039.32 has been appropriated in the Auditor Line Item of the 2020 budget.
- V. **Conner Strong & Buckelew as Underwriting Manager.** \$53,786.21 is the estimated dollars that will be expended in connection with the Underwriting Manager contract over its three-year term. The annual amount of \$18,285.54 has been appropriated in the Underwriting Manager Line Item of the 2020 budget.
- VI. **J.A. Montgomery Risk Control as Safety Director.** \$601,210.71 is the estimated dollars that will be expended in connection with the Safety Director contract over its three-year term. The annual amount of \$204,384.93 has been appropriated in the Safety Director Line Item of the 2020 budget.
- VII. **Bergen Risk Managers, Inc. as Claims Service Organization and as Managed Care Organization.** \$2,273,470.17 is the estimated dollars that will be expended in connection with the Claims Administrator and Managed Care contract over its three-year term. The annual amount of \$366,590.14 has been appropriated in the Workers Compensation Adjustor Item and the Computerization Item of the 2020 budget. The annual amount of \$406,288.68 has been appropriated in the Workers Compensation Claims Fund Line Item of the 2020 budget.
- VIII. **JIF Claims L.L.C. as Property and Liability Claims Administrators.** \$1,142,430.92 is the estimated dollars that will be expended in connection with this contract over its three-year term. The annual amount of \$388,375.75 has been appropriated in the Claims Adjustment Line Item of the 2020 budget.
- IX. **Russo & Associates LLC as Internal Auditor.** \$94,197.49 is the estimated dollars that will be expended in connection with this contract over its three-year term. The annual amount of \$32,022.96 has been appropriated in the Internal Auditor Line Item of the 2020 budget.
- X. **The Actuarial Advantage as Actuary.** \$161,727.36 is the estimated dollars that will be expended in connection with this contract over its three-year term. The annual amount of \$54,979.94 has been appropriated in the Actuary Line Item of the 2020 budget.
- XI. **Wilmington Trust as the Asset Manager** at .05% of the market value of the FUND's invested assets on a month to month basis until a successor is duly appointed.
- XII. **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 federal funds rate less .25% with a floor of .65%.

**BE IT FURTHER RESOLVED**, all Professionals and Service Organizations appointed pursuant to this Resolution shall service the FUND in accordance with the Professional Services Contracts.

**BE IT FURTHER RESOLVED**, that in accordance with NJSA 19:44A-20.7, the decision of the Fund's Executive Committee that the procurement process utilized, constitutes a fair and open process, shall be final.

**ADOPTED**,

16<sup>th</sup> day of January 2020 before the Fund's Executive Committee:

**BERGEN COUNTY MUNICIPAL JOINT INSURANCE FUND**

Paul Hoelscher

Paul Tomasko

Chair

Secretary

**RESOLUTION NO: 2-20**

**BERGEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
(hereafter the "FUND")**

**ESTABLISHING PUBLIC MEETING PROCEDURES**

**WHEREAS**, the FUND must establish meeting procedures for Fund Year 2020, and

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

**I.** The Governing Body shall conduct Public Meetings at the Westwood Borough Hall to conduct the official business of the FUND on the **third Thursday of each month at 5:30PM** for the **2020 Fund Year**. The exceptions are no meetings are scheduled in August and December, the November meeting will be **Monday November 23, 2020** and the Fund's 2021 Reorganizational meeting is on **January 21, 2020**.

**II.** The following is hereby designated the official newspaper (s) of the Fund: **The Record**, Hackensack, New Jersey. In addition, the MEL's webpage is designated for official notices – [www.njmel.org](http://www.njmel.org), as well as, the Fund's webpage [www.bcjif.org](http://www.bcjif.org).

**III.** 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 the official newspaper.

**ADOPTED,**

16<sup>th</sup> day of January 2020 before the Fund's Executive Committee:

**BERGEN COUNTY MUNICIPAL JOINT INSURANCE FUND**

Paul Hoelscher

Paul Tomasko

Chair

Secretary

**RESOLUTION NO. 3-20**

**BERGEN 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 2020 Fund Year.

**NOW, THEREFORE BE IT RESOLVED,** by the FUND's Executive Committee that:

1. Paul Tomasko **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.
2. The Account Manager designated by the Executive Director is hereby designated as **Assistant Fund Secretary**.
3. 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.
4. 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.
5. 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 Route 80, Allstate Business Archives, 24 Beckwith Avenue, Paterson, New Jersey. The FUND's Executive Director shall coordinate the archive process and shall insure that all records are properly indexed and accessible.

**ADOPTED,**

16<sup>th</sup> day of January 2020 before the Fund's Executive Committee:

**BERGEN COUNTY MUNICIPAL JOINT INSURANCE FUND**

Paul Hoelscher

Paul Tomasko

Chair

Secretary

**BERGEN COUNTY MUNICIPAL JOINT INSURANCE FUND**  
(hereafter referred to as "THE FUND")

**ESTABLISHING A FISCAL MANAGEMENT PLAN**

**FOR THE 2020 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 Executive Committee that:

I. The following financial institutions are hereby declared as THE FUND's Official Depositories for 2020:

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

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

Paul Hoelscher	CHAIR
Paul Tomasko	SECRETARY
Matt Laracy	TREASURER
Ted Preusch	COMMISSIONER
Robert Shannon	COMMISSIONER

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) (or one signature and one facsimile signature) of the following persons, duly authorized pursuant to this Resolution

Matthew Laracy, Fund Treasurer  
Kathleen McGuire, Bergen Risk Managers, Manager of Compensation  
Jennifer Dittmer, Bergen Risk Managers, Operations Manager  
Jason Cosimano, Bergen Risk Managers, President  
John Markel, Bergen Risk Managers, Vice President  
Russell Huntington, JIF Claims L.L.C., Partner  
Dawn Mulligan, JIF Claims L.L.C., Manager

- III. 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
- IV. The Cash and Investment Policy attached herewith shall be adopted.
- V. The rate of interest assessed by the Fund, for delinquent assessments shall be ten (10) percent per annum, from the due date for any such assessment with a grace period for the first (1<sup>st</sup>) and fourth (4<sup>th</sup>) assessment installments paid to be January 31; the second (2<sup>nd</sup>) assessment installment paid to be May 15; and the third (3<sup>rd</sup>) assessment installment paid to be August 15.
- VI. 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,**

16<sup>th</sup> day of January 2020 before the Fund's Executive Committee:

**BERGEN COUNTY MUNICIPAL JOINT INSURANCE FUND**

Paul Hoelscher

Paul Tomasko

Chair

Secretary

**BERGEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
2020 CASH MANAGEMENT AND INVESTMENT POLICY**

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

The Bergen 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:5-1.1 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 Fund's 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.

**ADOPTED,**

16<sup>th</sup> day of January 2020 before the Fund's Executive Committee:

**BERGEN COUNTY MUNICIPAL JOINT INSURANCE FUND**

Paul Hoelscher

Paul Tomasko

Chair

Secretary

**BERGEN COUNTY MUNICIPAL JOINT INSURANCE FUND**

( Hereinafter the "Fund" )

**RESOLUTION AUTHORIZING COMPENSATION BE MADE TO EXECUTIVE COMMITTEE FOR MEETING ATTENDANCE AT EXECUTIVE COMMITTEE MEETINGS**

**WHEREAS**, the Bergen County Municipal Joint Insurance Fund is duly constituted as a Municipal Joint Insurance Fund pursuant N.J.S.A. 40:A:10 et seq; and

**WHEREAS**, Amended Bylaws of the Bergen County Municipal Joint Insurance Fund were approved by the Executive Committee following a public hearing on February 19, 1998; and

**WHEREAS**, pursuant to NJSA 40A:10-43, the Bylaws were approved by the Governing Body of 75% of the participating municipalities;

**NOW, THEREFORE, BE IT RESOLVED** by the Executive Committee of the Bergen County Municipal Joint Insurance Fund that each regular and alternate member of the Executive Committee of the Bergen County Municipal Joint Insurance Fund shall receive \$150 per regular monthly Executive Committee meeting attended by said member.

**BE IT FURTHER RESOLVED** that the Treasurer be hereby authorized to distribute payment as per monthly attendance sheet signed and dated by the Fund Secretary, a voucher and a signed affidavit.

**BE IT FURTHER RESOLVED** that payment shall be made annually.

**ADOPTED,**

16<sup>th</sup> day of January 2020 before the Fund’s Executive Committee:

**BERGEN COUNTY MUNICIPAL JOINT INSURANCE FUND**

Paul Hoelscher

Paul Tomasko

Chair

Secretary

## Bergen County Municipal Joint Insurance Fund

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

### ESTABLISHING THE 2020 PLAN OF RISK MANAGEMENT

BE IT RESOLVED by the Fund's Commissioners that the 2020 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, 2020:

- 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, 2019)
- Emergency Service Volunteer Automobile Physical Damage

### 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: Included
- 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)
- 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 Fund purchases Optional JIF Shared Aggregate Excess Liability Limits excess of \$20,000,000 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 \$2,500
- 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 is 100% commercially insured for Cyber insurance with Indian Harbor Insurance Company (primary insurer) and Beazley (excess insurer) for the following limits:

- Limits:
  - Fund Annual Aggregate: \$12,000,000
  - Third Party, Per Claim: \$6,000,000
  - First Party, Per Claim: \$6,000,000
- Retention, Per Claim: **\$25,000**

## 11. Property & Equipment Breakdown

- The Fund provides a \$100,000 limit per occurrence (Property & Time Element combined)
- The MEL provides a \$400,000 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, Special Flood Hazard Area (SFHA): \$52,500,000
  - Named Storm: Included
  - Vehicles: \$15,000,000
- Unmanned Aircraft Systems: \$10,000
- Member deductibles:
  - All Other: \$2,500
  - Automobile Physical Damage: \$2,500
  - Equipment Breakdown: \$5,000
  - SFHA Flood :
    - a. Building: \$500,000
    - b. Contents: \$500,000
    - c. Time Element: \$500,000
  - 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: \$500,000
    - d. Maximum, per occurrence: \$1,000,000

## 12. Emergency Service Volunteer Automobile Physical Damage

- 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.

## Individual Self-Insured Retentions

**Optional Individual Self-Insured Retentions:** Fair Lawn and Ridgewood have an individual \$100,000 occurrence SIR for Workers' Compensation and General Liability. The Fund insures the Workers Compensation and General Liability at \$200,000 excess of \$100,000 Layer. Ridgewood also has a \$100,000 SIR for auto liability. The Fund

insures the Auto Liability at \$200,000 excess of \$100,000 Layer. Ridgewood also has a \$25,000 deductible for property. The Fund insures the Property at \$100,000 less the \$25,000 deductible. Fairlawn's Auto liability and Property retentions are the standard JIF retentions for these coverages.

### **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):\$10,000
12. **Emergency Service Volunteer Automobile Physical Damage** \$2,500

### **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 from Indian Harbor Insurance Company and Beazley
9. **Environmental Impairment Liability:** EJIF

## 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. The Fund has also adopted a loss sensitive retrospective rating plan and has filed the endorsement with the Department of Banking and Insurance and the Department of Community Affairs.
8. 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.
9. 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. General Re and 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, the certifying and approving officer may also pay provider 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. \$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,**

16<sup>th</sup> day of January 2020 before the Fund's Executive Committee:

**BERGEN COUNTY MUNICIPAL JOINT INSURANCE FUND**

Paul Hoelscher

Paul Tomasko

Chair

Secretary

**Resolution 7-20**

**BERGEN 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 Bergen 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 \$2,180,506.00 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**, 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 2020 budget in the amount of \$1,867,645.00 inclusive of commission from:

Line Items: POL/EPL Premium and Land Use Liability

**NOW, THEREFORE, BE IT RESOLVED**, that the Bergen County Municipal Joint Insurance Fund authorizes the Executive Director to enter into a contract with QBE Specialty Insurance Company for the 2020 budget year for primary public officials/employment practices liability coverage in the amount of not to exceed \$1,867,645.00 inclusive of commission.

**Resolution 8-20**

**BERGEN 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 Bergen 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 \$ 15,466 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 2020 budget in the amount of \$25,265.00 inclusive of commissions from:

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

**NOW, THEREFORE, BE IT RESOLVED**, that the Bergen County Municipal Joint Insurance Fund authorizes the Executive Director to enter into a contract with QBE Specialty Insurance Company for the 2020 budget year for optional volunteer director's and officer's liability coverage in the amount of not to exceed \$25,265.00 inclusive of commissions.

Paul Hoelscher

Paul Tomasko

Chair

Secretary

**Resolution 9-20**

**BERGEN 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 Bergen 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 \$21,323.75 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 2020 budget in the amount of \$67,849.00 inclusive of commission from:

Line Items: Cyber Security Liability

**NOW, THEREFORE, BE IT RESOLVED**, that the Bergen County Municipal Joint Insurance Fund authorizes the Executive Director to enter into a contract with Indian Harbor Insurance Company for the 2020 budget year for primary cyber security liability coverage in the amount of not to exceed \$67,849.00 inclusive of commission.

Paul Hoelscher

Paul Tomasko

Chair

Secretary

**Resolution 10-20**

**BERGEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
AWARDING AN EXTRAORDINARY UNSPECIFIABLE SERVICES CONTRACT WITH  
BEAZLEY INSURANCE COMPANY, INC FOR  
EXCESS CYBER SECURITY LIABILITY COVERAGE**

**WHEREAS**, there is a need for excess cyber security liability coverage for the Bergen 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 Beazley Insurance Company, Inc for excess cyber security liability coverage in the amount of \$27,000 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**, Beazley Insurance Company, Inc will submit a Business Entity Disclosure Certification and a Political Contribution Disclosure form which certifies that Beazley Insurance Company, Inc 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 Beazley Insurance Company, Inc 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 2020 budget in the amount of \$19,342.00 inclusive of commission from:

Line Items: Cyber Security Liability

**NOW, THEREFORE, BE IT RESOLVED**, that the Bergen County Municipal Joint Insurance Fund authorizes the Executive Director to enter into a contract with Beazley Insurance Company, Inc for the 2020 budget year for primary cyber security liability coverage in the amount of not to exceed \$19,342.00 inclusive of commission.

Paul Hoelscher

Paul Tomasko

Chair

Secretary

**RESOLUTION 11-20  
OF THE BERGEN COUNTY MUNICIPAL JOINT INSURANCE FUND**

**AUTHORIZING THE AWARD OF PROFESSIONAL SERVICES OF TREASURER THROUGH THE COMPETITIVE CONTRACTING PROCESS CC# 19-01**

**WHEREAS**, the Bergen County Municipal Joint Insurance Fund (Hereinafter the “Fund”) has a need for the services of Treasurer o be provided for the efficient operation of the Fund;

**WHEREAS**, such services are currently available to be provided through the competitive contracting process under the New Jersey Local Publics Contract Law, N.J.S.A. 40A:11-4.2, for a period of up to five (5) years; and

**WHEREAS**, the Fund received Competitive Contract proposals, CC# 19-01 on December 10, 2019 at 10:00 A.M.; and

**WHEREAS**, the Fund authorized the competitive contract process though Fund commissioner approved resolution, in accord with the prescripts of N.J.S.A.40A:11-4.1; and

**WHEREAS**, the Fund established a rating committee rating the proposals upon the standards of price and other factors, those factors being Technical, Managerial and Cost factors in accord with N.J.A.C.5:34-4; and

**WHEREAS**, Matthew Laracy of Laracy Associates LLC – 50 Morse Street – Cranford NJ 07016; has provided a proposal deemed responsive and responsible under the New Jersey Local Publics Contract Law (N.J.S.A.40A:11-1 et. Seq.); and

**WHEREAS**, the report produced by the committee, recommending Matthew Laracy, 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

**NOW, THEREFORE, BE IT RESOLVED** by the Bergen County Municipal Joint Insurance Fund as follows:

The Funds Executive Director is hereby authorized to enter into a contract with Matthew Laracy of Laracy Associates LLC – 50 Morse Street – Cranford NJ 07016, for a period of up to five (5) years encompassing the scope of work and cost proposal as outlined within CC# 19-01.

Paul Hoelscher

Paul Tomasko

Chair

Secretary

**RESOLUTION NO. 12- 20**

**BERGEN COUNTY MUNICIPAL JOINT INSURANCE FUND**

**CERTIFICATION TO RATIFY ASSESSMENT MODIFICATION**

**WHEREAS**, the following municipalities have incurred sewer backup claims in excess of the maximum as defined under the rules of the Bergen County Municipal Joint Insurance Fund; and

**WHEREAS**, such modifications require amendments to the assessments of said municipalities;

**NOW, THEREFORE, BE IT RESOLVED** that the Executive Committee hereby certifies the modifications as presented in the attached memo dated January 9, 2020; and, ratifies the action of the Executive Director/Administrator in making these changes.

The Bergen County Municipal Joint Insurance Fund at a public meeting held on January 16, 2020 adopted the foregoing Resolution.

Paul Hoelscher

Paul Tomasko

Chair

Secretary

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

Resolution No. 13-20

JANUARY 2020

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 2019**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002203			
002203	PERMA RISK MANAGEMENT SERVICES	POSTAGE 12/19	258.40
			<b>258.40</b>
002204			
002204	ALAN NEGREANN	TREASURER FEE 12/19	2,473.84
			<b>2,473.84</b>
		<b>Total Payments FY 2019</b>	<b>2,732.24</b>

**FUND YEAR 2020**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002205			
002205	MUNICIPAL EXCESS LIABILITY JIF	FPB - 1ST QTR 2020	4,037.50
			<b>4,037.50</b>
002206			
002206	BERGEN RISK MANAGERS, INC.	MANAGED CARE 1/20	33,857.39
002206	BERGEN RISK MANAGERS, INC.	FROI 1/20	1,362.49
			<b>35,219.88</b>
002207			
002207	MUNICIPAL EXCESS LIABILITY JIF	PROPERTY - 1ST QTR 2020	338,013.75
002207	MUNICIPAL EXCESS LIABILITY JIF	MEL - 1ST QTR 2020	664,946.25
			<b>1,002,960.00</b>
002208			
002208	N.J. MUNICIPAL ENVIRONMENTAL	EJIF - 1ST INSTALLMENT 2020	197,983.00
			<b>197,983.00</b>
002209			
002209	SEASON'S CATERING	DEPOSIT FOR MARCH MTG 1/20	500.00
			<b>500.00</b>
002210			
002210	BERGEN RISK MANAGERS, INC.	TPA 1/20	29,186.69
			<b>29,186.69</b>
002211			
002211	JIF CLAIMS, L.L.C.	LIABILITY/PROPERTY TPA 1/20	32,364.67
			<b>32,364.67</b>
002212			
002212	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR 1/20	17,032.08
			<b>17,032.08</b>
002213			
002213	PERMA RISK MANAGEMENT SERVICES	EXEC DIRECTOR 1/20	33,813.07
			<b>33,813.07</b>
002214			
002214	THE ACTUARIAL ADVANTAGE	ACTUARY FEE 1/20	4,581.67
			<b>4,581.67</b>
002215			
002215	HUNTINGTON BAILEY, L.L.P.	ATTORNEY FEE 1/20	5,480.08
			<b>5,480.08</b>
002216			
002216	CONNER STRONG & BUCKELEW	UNDERWRITING FEE 1/20	1,524.00
			<b>1,524.00</b>

002217			
002217	MUNICIPAL EXCESS LIABILITY JIF	MSI - 1ST QTR 2020	20,952.50
			<b>20,952.50</b>
002218			
002218	NEWTECH SERVICES, INC.	WEB MAINT/HOST 1/20	75.00
			<b>75.00</b>
002219			
002219	LARACY ASSOCIATES LLC	TREASURER FEE 1/20	1,541.67
			<b>1,541.67</b>
		<b>Total Payments FY 2020</b>	<b>1,387,251.81</b>
		<b>TOTAL PAYMENTS ALL FUND YEARS \$</b>	<b>1,389,984.05</b>

The Bergen County Municipal Joint Insurance Fund at a public meeting held on January 16, 2020 adopted the foregoing Resolution.

Paul Hoelscher

Paul Tomasko

Chair

Secretary