

**MONMOUTH MUNICIPAL JOINT INSURANCE FUND
MINUTES
NOVEMBER 10, 2021
ZOOM VIRTUAL MEETING
1:30 P.M.**

Meeting Called to Order by Chairman Rogers. Open Public Meeting Statement read into the record by Mr. Sacco.

Pledge of Allegiance

ROLL CALL OF EXECUTIVE COMMITTEE:

Tom Rogers	Chairman	Boro of Rumson	Present
Bryan Dempsey	Secretary	Spring Lake	Present
EXECUTIVE	COMMITTEE	MEMBERS	
Thomas Nolan		Boro of Brielle	Present
Anthony Mercantante		Middletown	Present
Laurie Roth		Allentown	Present
Jonathan Capp		Marlboro Township	Present
Jeffry Bertrand		Wall Township	Present

ALTERNATE EXECUTIVE COMMITTEE MEMBERS:

<i>Vacant</i>			
<i>Vacant</i>			

APPOINTED OFFICIALS PRESENT:

Executive Director /Administrator	Perma Risk Management Services	Stephen A. Sacco	Present
Attorney	Cleary Giacobbe Alfieri & Jacobs	James Cleary, Esq.	Present
Treasurer		Steven Mayer	Present
Claims Service	Qual-Lynx	Gemma Armenia	Present
Safety Director	JA Montgomery	Paul Shives	Absent
Risk Management Consultants	The Danskin Agency Conner Strong & Buckelew	Charles Casagrande Mike Avalone	Present Present
Auditor	Hulsart & Company	Rich Hellenbrecht	Absent
Actuary	Actuarial Advantage	Kyle Mrotek	Absent
Underwriting Manager	Conner Strong & Buckelew	Ed Cooney	Present

ALSO PRESENT

Joseph Hrubash, PERMA
Jason Thorpe, PERMA
James Daly, Farmingdale
Jack Keeler, Sea Bright
Tom Flarity, Manasquan
Barbara Ilaria, Manasquan
Gregg Possiel, Roosevelt
James Gant, Sea Girt
Chris Cherbini, Shrewsbury
Scott Carew, Matawan
Donna Phelps, Oceanport
Kevin Kane, Neptune City
Kathy Kissane, Qual-Lynx
Lisa Gallo, QualCare
Jonathon Tavares, CSB
Patrick Cassidy, RMC
Amy Pieroni, RMC
Dominick Cinelli, RMC
Alison Kelly, Danskin Agency
John Casagrande, Danskin Agency
Lindsay Travali, Acrisure
Suzanne Bridge, B&B
Wayne Ring, B&B
Joe Mirarchi, JA Montgomery

APPROVAL OF MINUTES: October 14, 2021

MOTION TO APPROVE OPEN MINUTES FOR ABOVE REFERENCED MEETING

MOTION: Commissioner Nolan
SECOND: Commissioner Capp
VOTE: Unanimous

CORRESPONDENCE

Mr. Sacco referred to the latest MEL Power of Collaboration advertisement being placed in the League magazine.

TREASURER

Mr. Mayer referred to the Bills List contained within the Agenda Packet.

FUND YEAR	AMOUNT
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November Bills List	
2021	\$ 189,355.42
TOTAL	\$ 189,355.42

MOTION TO APPROVE RESOLUTION # 36-21 APPROVAL FOR PAYMENT OF NOVEMBER 2021 BILL LIST.

MOTION: Commissioner Capp
SECOND: Commissioner Roth
ROLL CALL VOTE: Unanimous

EXECUTIVE DIRECTOR:

2022 BUDGET – Mr. Sacco reported that during the October Executive Committee meeting, the Fund introduced a proposed budget for the Fund year 2022. He noted that in accordance with the regulations, the budget was advertised in the Fund’s official newspaper and sent to each member municipality.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2022 BUDGET.

MOTION: Commissioner Nolan
SECOND: Commissioner Capp
VOTE: Unanimous

Mr. Sacco referred to the proposed 2022 budget enclosed within the agenda packet. He reported that the overall budget is increasing by \$1,072,312 or 6.64%. Mr. Sacco then opened the floor for any questions and/or comments on the proposed budget. Hearing none, Mr. Sacco then referred to the proposed assessments report being displayed on the meeting screen. He first referred to the 2021 dividend amounts and noted that the dividend will help offset the assessment increase for the members, in most cases. He noted that the Board increased the dividend to \$1.1 million to help offset the unusually high budget increase. Mr. Sacco then opened the floor for any questions and/or comments on the 2021 dividend. Hearing none, Mr. Sacco then referred to the proposed assessments section of the report being displayed on the meeting screen. Mr. Sacco reported that the Finance Committee is once again recommending that the loss ratio surcharge program be implemented for the poor performing members. He explained that any member with a loss ratio above 108% for 3 or more years over the past 5 years will receive a market adjustment on their assessment that is spread amongst the rest of the membership. Mr. Sacco further explained that a loss ratio on 100% is the breakeven point and 108% loss ratio mark provides the membership with some leeway. Mr. Sacco then opened the floor for any questions and/or comments on the 2022 assessments. Hearing none, Chairman Rogers asked for a motion to close the public hearing, adopt the 2022 budget, and certify the assessments.

MOTION TO CLOSE THE PUBLIC HEARING.

MOTION: Commissioner Capp
SECOND: Commissioner Nolan
VOTE: Unanimous

MOTION TO ADOPT THE BUDGET FOR THE MONMOUTH MUNICIPAL JOINT INSURANCE FUND AS PRESENTED FOR FUND YEAR 2022 AND CERTIFY ANNUAL ASSESSMENTS FOR MEMBER MUNICIPALITIES.

MOTION: Commissioner Capp
SECOND: Commissioner Nolan
ROLL CALL VOTE: Unanimous

2021 DIVIDEND – Mr. Sacco reported that the Executive Committee authorized the JIF to release a dividend in the amount of \$1,100,000. He noted that the Fund Office has filed the request with the State and await their approval.

RESIDUAL CLAIMS FUND (RCF) – Mr. Sacco reported that the RCF met on October 20, 2021 and held its public hearing to adopt the 2022 Budget. He then referred to a copy of Commissioner Nolan’s report enclosed within the agenda.

CLAIM TRANSFERS (RCF) – Mr. Sacco reported that all members of the RCF Fund are being asked to adopt resolutions at their November meetings to transfer their 2017 claim liabilities to the RCF. He noted that assessments to local JIFs will be determined by the valuation as of December 31, 2021. Mr. Sacco then referred to Resolution # 37-21 for review and adoption.

MOTION TO AUTHORIZE THE MONMOUTH JIF MEMBERS TO TRANSFER THEIR FUND YEAR 2017 CLAIM LIABILITIES TO THE RCF AND ADOPT RESOLUTION # 37-21

MOTION: Commissioner Roth
SECOND: Commissioner Capp
ROLL CALL VOTE: Unanimous

E-JIF REPORT – Mr. Sacco reported that the E-JIF met on October 20th and also held a public hearing to adopt their 2022 Budget. He then referred to Commissioner Nolan’s report on the meeting.

MEL REPORT – Mr. Sacco reported that the MEL also met on October 20th and introduced its 2022 Budget. He then referred to Commissioner Nolan’s report on the meeting.

MEL SPECIAL MEETING – Mr. Sacco reported that a special meeting of the MEL has been scheduled for Monday, November 15, 2021 at 11:00 am. He advised that the purpose of the meeting is to provide a status on the membership of the Middlesex County Municipal Joint Insurance Fund.

DECEMBER MEETING CANCELLATION – Mr. Sacco indicated that the Executive Committee may want to consider voting to cancel the December meeting, as done in past years. He noted that if the Executive Committee decides to cancel the December meeting, it would be appropriate to authorize the Treasurer to process contracted expenses.

MOTION TO CANCEL THE DECEMBER 9, 2021 PUBLIC MEETING OF THE FUND AND AUTHORIZE THE TREASURER TO PROCESS CONTRACTED EXPENSES DURING THE MONTH OF DECEMBER.

MOTION: Commissioner Capp
SECOND: Commissioner Nolan
VOTE: Unanimous

2022 FUND REORGANIZATION – Mr. Sacco advised that it would be appropriate for the Fund to schedule the Reorganization meeting for 2022.

MOTION TO SCHEDULE THE 2022 REORGANIZATION MEETING FOR THE MONMOUTH MUNICIPAL JIF ON THURSDAY, JANUARY 13, 2022 – TIME AND MEETING FORMAT TBD

MOTION: Commissioner Capp
SECOND: Commissioner Roth
VOTE: Unanimous

DUE DILIGENCE REPORTS - Mr. Sacco referred the Committee to the Financial Fast Track chart as of September 30th contained within the agenda booklet. He advised that the Fund is down \$417,611 for the month, but up almost \$1.7 million for the year. Mr. Sacco reported that the Fund’s statutory surplus position is \$9.9 million and is in excellent financial shape.

Chairman Rogers thanked the Finance Committee for their assistance in preparing the budget as it was an extremely unusual budget year given the high increases.

ATTORNEY

Mr. Cleary indicated that he had nothing to report.

SAFETY DIRECTOR

Mr. Mirarchi reviewed the October activities and the November agenda. He advised the Committee of upcoming meetings and trainings. He then referred to the Safety Director’s bulletins that were recently released enclosed within the agenda booklet. Mr. Mirarchi also referred to the MSI NOW, MSI DVD, and MSI LIVE utilization report.

Lastly, Mr. Mirarchi reported that in March 2021, the Monmouth County Reclamation Center transferred over the waste management and is no longer in the garbage business which is posing a problem for some of the membership. Chairman Rogers added that he spoke to Commissioner Bertrand regarding garbage collection and they are suggesting getting a group of DPW Directors together to discuss the issues they are experiencing when driving out to the landfill. Chairman Rogers added that the purpose of the discussion would be to develop a list of safety concerns that will be presented to the Monmouth County Administrator. Mr. Mirarchi said he will reach out to several DPW Directors to participate in the discussion.

Safety Report Attached and Made Part of the Minutes

UNDERWRITING MANAGER

Mr. Cooney began by thanking the membership for their support in providing the necessary underwriting information for the renewal process.

Mr. Cooney then referred the Cyber Compliance report enclosed within the agenda packet. He reminded the Board that any member that is in compliance with Tier 1 or 2 of the original program are grandfathered in and considered compliant until 1/1/22. Mr. Cooney noted that at that time those members will be required to re-certify. He added that version 2 of the Cyber Risk Management plan includes a Tier 3.

Lastly, Mr. Cooney referred to the list of certificates issued for the month enclosed within the agenda packet.

List of Certificates made part of the Minutes.

RISK MANAGEMENT CONSULTANTS:

Mr. Avalone reminded the Board that the deadline for compliance with the MEL Public Officials and Employment Practices Liability Risk Management Program was November 1, 2021. He noted that Fund Risk Managers have followed-up with members who have not submitted their EPL Checklist and they continue to track member's compliance status.

Mr. Casagrande reported that an Elected Officials training session has been scheduled for December 1st in Wall Township. He noted that additional sessions will be scheduled around Monmouth County and any member willing to host a session should contact him.

Report and Attachments of Risk Management Consultants made a part of the Minutes

MANAGED CARE:

Ms. Gallo referred the Committee to her report enclosed within the agenda booklet. She informed the Committee that through the month of October, there has been a savings of \$2,078,445.45 resulting in 72% savings. Ms. Gallo then referred to the COVID-19 Activity Report enclosed within the agenda packet.

OLD BUSINESS

None.

NEW BUSINESS

Commissioner Mercantante said he had a question with regard to the new COVID testing mandate that applies to employers with more than 100 employees. He advised that a number of members, including Middletown, have over 100 employees and he is anticipating having to implement the mandate in accordance with the rules and regulations put out by OSHA.

Commissioner Mercantante asked if the mandate is relative to the JIF, and if so, the Fund may want to consider putting a group together of the affected members to discuss how they will be handling it. Chairman Rogers suggested scheduling a meeting to discuss the mandate the week following the League of Municipalities Conference, prior to Thanksgiving. Mr. Sacco advised that he will coordinate the meeting and noted that the MEL Fund Attorney and Mr. Shives are working on a bulletin regarding the same topic. Chairman Rogers asked Mr. Mirarchi to speak with Mr. Shives regarding putting together a draft of what he's working with the MEL Attorney.

PUBLIC COMMENT

None.

CLAIMS COMMITTEE

Chairman Rogers informed the audience that the claims were reviewed by the Claims Committee prior to the meeting and is recommending approval of the same. He then asked for a motion to approve the claims as recommended by the Claims Committee and the legal bills.

MOTION TO APPROVE PAYMENT OF CLAIMS AND MR. CLERY'S LEGAL BILLS IN THE AMOUNT OF \$967 AS RECOMMENDED BY THE CLAIMS COMMITTEE.

WC
2021233337

GL/PRP/AL
2018115390
2022242167
2019148765
2021212348
2020186618
2022249498
2021241934
2022242614

MOTION: Commissioner Nolan
SECOND: Commissioner Capp
ROLL CALL VOTE: Unanimous

MOTION TO ADJOURN MEETING

MOTION: Commissioner Capp
SECOND: Commissioner Nolan
VOTE: Unanimous

Meeting Adjourned at: 2:10 P.M.

NEXT MEETING: January 2022
Via Zoom
1:30 P.M.

Secretary

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

Resolution No. 36-21

NOVEMBER 2021

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

BE IT RESOLVED that the Monmouth County Municipal Joint Insurance Fund's Executive Board, hereby authorizes the Fund treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Fund.

FUND YEAR 2021			
<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002197			
002197	QUAL-LYNX	TPA 11/21	48,064.23
002197	QUAL-LYNX	OUTSIDE ADJ 11/21	6,840.28
			54,904.51
002198			
002198	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR 11/21	13,778.67
002198	J.A. MONTGOMERY RISK CONTROL	POLICE TRAINING 11/21	2,550.00
			16,328.67
002199			
002199	QUALCARE, INC.	MANAGED CARE 11/21	17,589.08
			17,589.08
002200			
002200	PERMA	LOSS FUND MGT 11/21	2,925.08
002200	PERMA	ADMIN FEES 11/21	33,105.00
			36,030.08
002201			
002201	THE ACTUARIAL ADVANTAGE, INC.	ACTUARY 11/21	3,782.83
			3,782.83
002202			
002202	CLEARY GIACOBBE ALFIERI & JACOBS, LLC	ATTORNEY FEE 11/21	1,729.50
002202	CLEARY GIACOBBE ALFIERI & JACOBS, LLC	LITIGATION MGT THRU 10.25.2021	9,861.25
			11,590.75
002203			
002203	STEPHEN M. MAYER	TREASURER 11/21	1,760.00
			1,760.00
002204			
002204	ASBURY PARK PRESS	AD 10.26.2021	39.95
002204	ASBURY PARK PRESS	AD 10.5.2021	39.50
002204	ASBURY PARK PRESS	AD 10.01.2021	173.60
002204	ASBURY PARK PRESS	AD 10.01.2021	129.50
			382.55
002205			
002205	DANSKIN INSURANCE AGENCY INC.	RMC FEE 11/21	45,102.10
			45,102.10
002206			
002206	CONNER STRONG & BUCKELEW	UNDERWRITING MGR 11/21	1,042.00
			1,042.00
002207			
002207	EXECU-TECH, INC.	WEBSITE 11/21	200.00
			200.00
002208			
002208	THE CANNING GROUP LLC	QPA 10.31.2021	583.33
			583.33
002209			
002209	ACCESS	ARC SERVICE & STORAGE 9.30.2021	59.52
			59.52
		Total Payments FY 2021	189,355.42
		TOTAL PAYMENTS ALL FUND YEARS	\$189,355.42

Chairperson

Attest: _____

Dated: _____

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

Treasurer

RESOLUTION NO. 37-21
OF THE
MONMOUTH MUNICIPAL JOINT INSURANCE FUND
TO TRANSFER TO
MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND

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

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

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

<u>Fund Year</u>	<u>Lines of Coverage</u>	<u>Member Fund S.I.R.</u>
2017	WC/GL/AL & PROPERTY	Varies

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

Case Reserves and IBNR as of 12/31/21

MONMOUTH MUNICIPAL JOINT INSURANCE FUND