

**MONMOUTH MUNICIPAL JOINT INSURANCE FUND
MINUTES
NOVEMBER 10, 2022
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 2022 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	Absent
Jonathan Capp		Marlboro Township	Present
Jeffry Bertrand		Wall Township	Present

ALTERNATE EXECUTIVE COMMITTEE MEMBERS:

Scott Carew		Boro of Matawan	Present
James Gant		Boro of Sea Girt	Present

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	Kathy Kissane	Present
Safety Director	JA Montgomery	Paul Shives	Present
Risk Management Consultants	The Danskin Agency Conner Strong & Buckelew	Charles Casagrande Mike Avalone	Present Present
Auditor	Hulsart & Company	Rich Helenbrecht	Absent
Actuary	Actuarial Advantage	Kyle Mrotek	Absent
Underwriting Manager	Conner Strong & Buckelew	Ed Cooney	Present

ALSO PRESENT

Jason Thorpe, PERMA
Joseph Hrubash, PERMA
Jennifer Davis, PERMA
Robert Ferragina, Atlantic Highlands
Kevin Abernethy, Millstone Twp.
Al Jardine, Neptune City
Jack Keeler, Sea Bright
Robert Bengivenga, Hazlet
Thomas Flarity, Manasquan
Donna Phelps, Oceanport
Michael Muscillo, Highlands
Jay Delaney, Keyport
Anna Bongiorno, Avon by the Sea
Dominick Astino, MCRHC
Lisa Gallo, QualCare
Stephen Poglitsch, Qual-Lynx
Amy Pieroni, RMC
Lindsay Travali, Acrisure
Alison Kelly, Danskin Agency
John Casagrande, Danskin Agency
Michael Brosnan, JA Montgomery

APPROVAL OF MINUTES: October 13, 2022

MOTION TO APPROVE OPEN MINUTES FOR ABOVE REFERENCED MEETING

MOTION: Commissioner Gant
SECOND: Commissioner Nolan
VOTE: Unanimous

CORRESPONDENCE

None.

TREASURER

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

FUND YEAR	AMOUNT
November Bills List	
2022	\$ 189,806.70
TOTAL	\$ 189,806.70

MOTION TO APPROVE RESOLUTION # 31-22 APPROVAL FOR PAYMENT OF NOVEMBER 2022 BILL LIST

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

EXECUTIVE DIRECTOR:

2023 BUDGET – Mr. Sacco reported that during the October Executive Committee meeting, the Fund introduced a proposed budget for the Fund year 2023. 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 2023 BUDGET.

MOTION: Commissioner Nolan
SECOND: Commissioner Gant
VOTE: Unanimous

Mr. Sacco referred to the proposed 2023 budget enclosed within the agenda packet. He reported that the overall budget is increasing by \$1,293,508 or 7.46%. 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 being displayed on the meeting screen. He 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. He then referred to the 2022 dividend amounts and noted that the \$1 million dividend will help offset the assessment increase for the members, in most cases. Mr. Sacco proceeded to open the floor for any questions and/or comments on the 2023 assessments. Commissioner Nolan commented that the Finance Committee did a great job on preparing the budget. Chairman Rogers asked if there were any further questions and/or comments. Commissioner Mercantante commented that he was not notified that his municipality was being surcharged until several hours prior to the meeting. He further commented that Board members should be provided the assessments earlier, so they have more time to review. Mr. Sacco said that historically assessments are presented during the November meeting but noted that the fund office will take Commissioner Mercantante’s comments under advisement for next year. Chairman Rogers said that the Finance Committee will also take Commissioner Mercantante’s under advisement. He added that although the surcharge is not a large dollar amount, the Finance Committee the program in place to draw attention in the hopes of members focusing on controlling their losses. Chairman Rogers asked if there were any further questions or comments. Hearing none, Chairman Rogers asked for a motion to close the public hearing, adopt the 2023 budget, and certify the assessments.

MOTION TO CLOSE THE PUBLIC HEARING.

MOTION: Commissioner Nolan
SECOND: Commissioner Capp
VOTE: Unanimous

MOTION TO ADOPT THE BUDGET FOR THE MONMOUTH MUNICIPAL JOINT INSURANCE FUND AS PRESENTED FOR FUND YEAR 2023 AND CERTIFY ANNUAL ASSESSMENTS FOR MEMBER MUNICIPALITIES.

MOTION: Commissioner Nolan

SECOND: Commissioner Capp
ROLL CALL VOTE: Unanimous

2022 DIVIDEND – Mr. Sacco reported that the Executive Committee authorized the JIF to release a dividend in the amount of \$1,000,000. 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 19, 2022 and held its public hearing to adopt the 2023 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 2018 claim liabilities to the RCF. He noted that assessments to local JIFs will be determined by the valuation as of December 31, 2022. Mr. Sacco then referred to Resolution # 32-22 for review and adoption.

MOTION TO AUTHORIZE THE MONMOUTH JIF MEMBERS TO TRANSFER THEIR FUND YEAR 2018 CLAIM LIABILITIES TO THE RCF AND ADOPT RESOLUTION # 32-22

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

E-JIF REPORT – Mr. Sacco reported that the E-JIF met on October 19th and also held a public hearing to adopt their 2023 Budget. He then referred to Commissioner Nolan’s report on the meeting. Commissioner Nolan asked Mr. Sacco to provide the Board with an update on the recent success of the Perfluorooctane Sulfonate (PFOS) issue. Mr. Sacco reported that a class action lawsuit was filed against members of the E-JIF in Bergen County on the PFOS (forever chemicals) matter. He advised that James Maley, one of the E-JIF defense attorneys was assigned to the claim and was able to have the case dismissed.

MEL REPORT – Mr. Sacco reported that the MEL also met on October 19th and introduced its 2023 Budget. He then referred to Commissioner Nolan’s report on the meeting. Mr. Sacco said the Co-Executive Director of the MEL, Mr. Hrubash, was present and asked if he had anything to report. Mr. Hrubash reported that the MEL is concerned about recent developments in the property marketplace and is monitoring the developments closely.

CYBER JIF – Mr. Hrubash reported that the newly formed Cyber JIF officially organizes in January but noted that they held a meeting on November 1. He advised that the Cyber JIF Board is excited about the prospect of having a solution for the growing problem of cyber-attacks.

ELECTED OFFICIALS’ TRAINING – Mr. Sacco reported that two elected officials training sessions are scheduled as part the League of Municipalities Conference on Tuesday, November 15th and Wednesday, November 16th. He then referred to the notice that was distributed to membership. Mr. Sacco advised that this year’s elected officials training program will focus on Local Government Risk Management.

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 8, 2022 PUBLIC MEETING OF THE FUND AND AUTHORIZE THE TREASURER TO PROCESS CONTRACTED EXPENSES DURING THE MONTH OF DECEMBER.

MOTION: Commissioner Capp
SECOND: Commissioner Carew
VOTE: Unanimous

2023 FUND REORGANIZATION – Mr. Sacco advised that it would be appropriate for the Fund to schedule the Reorganization meeting for 2023.

MOTION TO SCHEDULE THE 2022 REORGANIZATION MEETING FOR THE MONMOUTH MUNICIPAL JIF ON THURSDAY, JANUARY 12, 2023 AT 1:30 PM VIA ZOOM

MOTION: Commissioner Gant
SECOND: Commissioner Capp
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 \$1,081,378 for the month, and up \$1.9 million for the year. Mr. Sacco reported that the Fund's statutory surplus position is \$10.2 million and is in excellent financial shape.

ATTORNEY

Mr. Cleary advised that he did not have a report for the month.

SAFETY DIRECTOR

Mr. Shives reviewed the October activities and the November agenda. He advised the Committee of upcoming meetings and trainings. He then referred to the Safety Director and Law Enforcement bulletins that have been recently released. Mr. Shives also referred to the MSI NOW, MSI DVD, and MSI LIVE utilization report.

Lastly, Mr. Shives reported that JA Montgomery has received inquiries regarding the CDL entry level train the trainer program. He advised that dates have been established and announcement will be released in December.

Safety Report Attached and Made Part of the Minutes

UNDERWRITING MANAGER

Mr. Cooney referred to the Underwriting Manager's report enclosed within the agenda packet. He then referred to the October cyber compliance report and the list of certificates issued for the month. Mr. Cooney advised that notifications regarding the updated Cyber Risk Management Program will be sent to the membership in the upcoming week.

List of Certificates made part of the Minutes.

RISK MANAGEMENT CONSULTANTS:

Mr. Casagrande reported that for the Elected Officials training, the MEL will reduce each member's assessment by \$250 for each municipal elected official and/or authority commissioner who completes the course by May 2023. He added that the credit is also extended to the member's CEO (i.e. municipal manager/administrator).

Mr. J. Casagrande reported that there are a total of 30 members out of 41 that have achieved at least Tier 1 for the Cyber Risk Management Program. He advised that those 30 members will be grandfathered into at least the minimum-security status of next year's revised Cyber Risk Management program. Mr. J. Casagrande noted that Tier 3 grandfathered into the advanced-security status. Lastly, he advised that he has been engaged with the IT Department of the 11 outstanding members and/or their respective IT providers to assist in achieving compliance. Mr. J. Casagrande noted that he will also follow-up directly with the Fund Commissioners of the 11 outstanding members whose IT Department and/or IT vendors have been unresponsive.

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 for the month of October, there was a savings of \$427,566 resulting in 71% savings. Ms. Gallo then referred to the COVID-19 Activity Report enclosed within the agenda packet.

Lastly, Ms. Gallo said that if any member is interested in having a workers' compensation injury reporting refresher, they may contact her, and she will setup a visit to the municipality or conduct the refresher via Zoom. Chairman Rogers commented that Ms. Gallo conducted a refresher course for one of his new staff members and it was very informative.

OLD BUSINESS

None.

NEW BUSINESS

None.

PUBLIC COMMENT

None.

CLAIMS COMMITTEE

Ms. Kissane reported that Mr. Kellerman, who has been the Qual-Lynx Liability Unit Manager for the past 30 years, is retiring. She advised that Stephen Poglitsch is the Assistant Liability Supervisor and will be managing the unit in the interim. Chairman Rogers commented that many members have worked with Mr. Kellerman over the years, and they appreciate his service to the Monmouth JIF. Chairman Rogers then 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 Fund Attorney's legal bills.

MOTION TO APPROVE PAYMENT OF CLAIMS AS RECOMMENDED BY THE CLAIMS COMMITTEE AND MR. CLEARY'S LEGAL BILLS IN THE AMOUNT OF \$2,432.00.

WC

2022270600
2019151576
2022276400
2022268290
2022275292
2023278974
2019154898

GL/PRP/AL

2021212863
2020193422
2021229953
2020182743
2023279111
2022249316
2022271353
2023285665

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

CLOSING COMMENTS

Chairman Rogers said that the January 2023 reorganization meeting will be held via Zoom as the meeting participation by the membership has been fantastic since switching to virtual meetings.

MOTION TO ADJOURN MEETING

MOTION:	Commissioner Capp
SECOND:	Commissioner Gant
VOTE:	Unanimous

Meeting Adjourned at: 2:01 P.M.

NEXT MEETING: January 2023
Zoom Virtual Meeting
1:30 P.M.

Secretary

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

Resolution No. 31-22

NOVEMBER 2022

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.

<u>FUND YEAR 2022</u>			
<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002416			
002416	QUAL-LYNX	OUTSIDE ADJUSTER 11/22	6,977.06
002416	QUAL-LYNX	CLAIM ADJUSTING SERVICES 11/22	49,025.45
			56,002.51
002417			
002417	J.A. MONTGOMERY CONSULTING	SAFETY DIRECTOR FEE 11/22	14,054.25
002417	J.A. MONTGOMERY CONSULTING	LAW ENFORCEMENT 11/22	2,550.00
			16,604.25
002418			
002418	QUALCARE, INC.	WORKERS COMP-ACCESS/UM 11/22	17,940.83
			17,940.83
002419			
002419	PERMA	POSTAGE 8/22	26.66
002419	PERMA	ADMINISTRATION FEE 11/22	33,767.00
002419	PERMA	LOSS FUND MGT 11/22	2,984.00
			36,777.66
002420			
002420	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES 11/22	3,858.50
			3,858.50
002421			
002421	CLEARY GIACOBBE ALFIERI & JACOBS, LLC	LEGAL SERVICES RENDERED - LIT 9/22-10/22	9,355.42
002421	CLEARY GIACOBBE ALFIERI & JACOBS, LLC	LEGAL SERVICES RENDERED - ATT 9/22-10/22	1,764.08
			11,119.50
002422			
002422	STEPHEN MAYER	TREASURER FEE 11/22	1,795.17
			1,795.17
002423			
002423	DANSKIN INSURANCE AGENCY, INC.	RISK MANAGEMENT CONSULTANT FEE 11/22	44,380.00
			44,380.00
002424			
002424	CONNER STRONG & BUCKELEW	UNDERWRITER MGMT FEE 11/22	1,063.00
			1,063.00
002425			
002425	EXECU-TECH, INC.	WEBSITE MAINTENANCE 11/22	200.00
			200.00
002426			
002426	ACCESS	ACCT #410 - ARC. AND STOR. - 9.30.22	65.28
			65.28
		Total Payments FY 2022	189,806.70
		TOTAL PAYMENTS ALL FUND YEARS	189,806.70

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. 32-22
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>
2018	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 12/31/22

MONMOUTH MUNICIPAL JOINT INSURANCE FUND