

**MONMOUTH MUNICIPAL JOINT INSURANCE FUND
MINUTES
JANUARY 14, 2016
WATERVIEW PAVILION – BELMAR, NJ
11:15 A.M.**

SINE DIE MEETING

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

Pledge of Allegiance

ROLL CALL OF 2015 EXECUTIVE COMMITTEE:

James Rogers	Chairman	Deal	Present
Bryan Dempsey	SECRETARY	Spring Lake	Present
EXECUTIVE COMMITTEE MEMBERS			
Thomas Nolan		Boro of Brielle	Present
Gerald Turning		Boro of Tinton Falls	Present
Anthony Mercantante		Middletown	Present
Laurie Gavin		Eatontown	Present
Tom Rogers		Boro of Rumson	Present

ALTERNATE EXECUTIVE COMMITTEE MEMBERS:

Lori Cole		West Long Branch	Present
Jonathan Capp		Marlboro Township	Present

APPOINTED OFFICIALS PRESENT:

Executive Director /Administrator	Perma Risk Management Services	Stephen A. Sacco	Present
Attorney	Cleary, Alfieri, & Grasso	James Cleary, Esq.	Present
Treasurer		Steven Mayer	Present
Claims Service	Qual-Lynx	Gemma Armenia	Present
Safety Director	JA Montgomery	Joanne Hall	Present
Risk Management Consultants	The Danskin Agency Conner Strong & Buckelew	Charles Casagrande Mike Avalone	Present Present
Auditor	Hulsart & Company	Robert Hulsart	Absent
Actuary	Actuarial Advantage	Dennis Henry	Absent
Underwriting Manager	Conner Strong & Buckelew	Ed Scioli	Present

ALSO PRESENT

Jason Thorpe, PERMA
Robyn Walcoff, PERMA
Michael Ticktin, Roosevelt
Karen Lloyd, Shrewsbury
Bob McArthur, Brielle
Jeff Weis, Brielle
Jim Van Nest, Middletown
Lisa Gallo, Qual Care
Laura Sable, Qual-Lynx
Peter Soriero, RMC
Dominick Cinelli, RMC
Amy Pieroni, RMC
Cindy Lisa, Danskin Agency
Joe Mirarchi, JA Montgomery

APPROVAL OF MINUTES: November 12, 2015

MOTION TO APPROVE OPEN & CLOSED MINUTES FOR ABOVE REFERENCED MEETINGS

MOTION: Commissioner Nolan
SECOND: Commissioner Gavin
VOTE: Unanimous

CORRESPONDENCE

Mr. Sacco referred to a letter from the Department of Banking and Insurance indicating that the Fund's website was missing information. He then referred to Mr. Thorpe's response to the State informing them that the information was not missing and indicating where said information could be found.

MOTION TO ADJOURN SINE DIE MEETING

MOTION: Commissioner Rogers
SECOND: Commissioner Nolan
VOTE: Unanimous

AGENDA TOPIC - 2016 REORGANIZATION OF THE FUND

Chairman Rogers asked the Executive Director, Mr. Sacco to assume the Chair. Mr. Sacco indicated that in accordance with the by-laws of the Fund, Mr. Thorpe would read the roll call of the Fund Commissioners to establish if a quorum was present.

ROLL CALL OF FUND COMMISSIONERS

2016 roll call		Alternate	Present	Absent
Allenhurst Boro	Lori Osborn			x
Allentown Boro	Laurie Gavin		x	
Atlantic Highlands Boro	Adam Hubeny	Elizabeth Merkel		x
Avon by the Sea	Tim Gallagher		x	
Bradley Beach	Gary Englestad	Joyce Wilkins		x
Brielle Boro	Thomas Nolan		x	
Deal Boro	James Rogers		x	
Eatontown Boro	George Jackson		x	
Englishtown Boro+	Peter Gorbatuk			x
Farmingdale Boro	Jay Morgan			x
Freehold Twp.	Peter Valesi		x	
Hazlet Twp.	Dennis Pino			x
Highlands Boro	Tim Hill			x
Interlaken Boro	Lori Reibrich		x	
Keyport	Valerie Heilweil		x	
Lake Como	Lousie Mekosh	Amy Boney		x
Little Silver Boro	Kim Jungfer			x
Loch Arbour Village	Dan Mason			x
Manalapan	Tara Lovrich	Renee Garrigana		x
Manasquan Boro	Joseph Deiorio			x
Marlboro Twp.	Johnathan Capp		x	
Matawan Boro	Louis Ferrara	Jean B. Montfort		x
Middletown	Anthony Mercantante		x	
Monmouth Beach Boro	Gerald Chismar	Joyce Escalante		x
Neptune City Boro	Mary Sapp		x	
Oceanport	John Bennett	Jeanne Smith		x
Red Bank Boro	Clifford Keen	Eugenia Poulos	x	
Roosevelt Boro	Toby Moore			x
Rumson Boro	Tom Rogers	Mark Wellner	x	
Sea Bright	Jack Keeler	Joseph Verruni		x
Sea Girt Boro	Lorraine Carafa		x	
Shrewsbury Boro	Tom Seaman		x	
Shrewsbury Twp.	Suzanne Veitengruber		x	
Spring Lake Boro	Bryan Dempsey		x	
Tinton Falls Boro	Gerald Turning		x	
Union Beach Boro	Anne Marie Frisia			x
Upper Freehold Twp.	Dianne Kelly			x
Wall Twp.	Jeffry Bertrand		x	
West Long Branch Boro	Lori Cole	Jose Villa	x	

It was established a quorum of the Fund Commissioners was present, thus Mr. Sacco indicated the Reorganization of the Fund would continue. He further explained that in accordance with the by-laws, the Fund elects a Chairman, Secretary and a Five (5) member Executive Committee with two (2) alternates.

MOTION TO OPEN FLOOR FOR NOMINATIONS OF CHAIRMAN, SECRETARY, EXECUTIVE COMMITTEE, AND ALTERNATES:

Moved: Commissioner Rogers
 Second: Commissioner Gavin
 Vote: Unanimous

NOMINATING COMMITTEE REPORT: Mr. Rogers read the nominating committee report and recommended the following:

Chairman	James Rogers
Secretary	Bryan Dempsey
Executive Committee	Tom Nolan
	Gerald Turning
	Anthony Mercantante
	Laurie Gavin
	Tom Rogers
Exec Committee Alternates	Lori Cole #1
	Jonathan Capp #2

Mr. Sacco asked for additional nominations. Hearing none, Mr. Sacco asked for a motion to close nominations and confirm elections as presented by the nominating committee.

MOTION TO CLOSE NOMINATIONS AND APPROVE SLATE, AS RECOMMENDED BY THE NOMINATING COMMITTEE:

MOVED: Commissioner Nolan
SECOND: Commissioner Rogers
VOTE: Unanimous

The Fund Attorney administered oath of office for Chairman, Secretary, Executive Committee and the Fund Alternates.

Oaths of Office made a part of the Minutes

Mr. Sacco asked for a roll call of the 2016 Executive Committee.

ROLL CALL OF 2016 EXECUTIVE COMMITTEE:

James Rogers	Chairman	Deal	Present
Bryan Dempsey	Secretary	Spring Lake	Present
EXECUTIVE COMMITTEE MEMBERS			
Thomas Nolan		Boro of Brielle	Present
Gerald Turning		Tinton Falls	Present
Anthony Mercantante		Middletown	Present
Laurie Gavin		Eatontown	Present
Tom Rogers		Boro of Rumson	Present

ALTERNATE EXECUTIVE COMMITTEE MEMBERS:

Lori Cole		West Long Branch	Present
Jonathan Capp		Marlboro	Present

Mr. Sacco requested the following Resolutions be considered for adoption with one motion, unless a Fund Commissioner or Executive Committee member objected:

- 1-16 Certifying the Election of Chairman and Secretary
 - 2-16 Appointing Certain Professionals and Service Organizations.
 - 3-16 Establishing Public Meeting Procedures.
- Mr. Sacco noted that the public comment portion of the meeting is limited to 30 minutes with each individual having a max of 5 minutes.
- 4-16 Establishing a Fiscal Management Plan for the 2016 Fund Year (Mr. Nolan was named as the additional signatory for checks)
 - 5-16 Establishing a Fund Records Program
 - 6-16 Establishing the 2016 Plan of Risk Management, changes in policy are highlighted in the plan.
 - 7-16 Appointing Approved Defense Panel for 2016.

Upon conclusion, the Chairperson asked if there were any questions on the resolutions. Hearing none, Mr. Sacco asked for a motion to adopt Resolutions 1-16 through 7-16

MOTION TO ADOPT RESOLUTION NOS. 1-16 THROUGH 7-16 AS NOTED:

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

TREASURER

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

FUND YEAR	AMOUNT
December Bills List	
Closed Year	\$ 1,508,583.78
2015	\$ 936,786.43
TOTAL	\$ 2,445,370.21

FUND YEAR	AMOUNT
2015 Div. List	
Closed Year	\$ 980,898.36
TOTAL	\$ 980,898.36

FUND YEAR	AMOUNT
January Bills List	
2015	\$ 10,467.61
2016	\$ 970,140.36
TOTAL	\$ 980,607.97

FUND YEAR	AMOUNT
January Supplemental	
2016	Voided Check
TOTAL	\$ ~ 0 ~

**MOTION TO APPROVE RESOLUTION # 28-15, 29-15, 8-16 AND 9-16
APPROVAL FOR PAYMENT OF DECEMBER 2015 BILLS LIST, 2015
DIVIDEND LIST, JANUARY 2016 BILL LIST AND JANUARY 2016
SUPPLEMENTAL BILLS LIST**

MOTION: Commissioner Gavin
SECOND: Commissioner Turning
ROLL CALLVOTE: Unanimous

EXECUTIVE DIRECTOR:

Mr. Sacco began his report by thanking the Committee for Perma's re-appointment.

2016 New Member- Mr. Sacco began by welcoming the newest member to the Monmouth JIF, the Township of Freehold. He added that the Fund is very excited to have them on board. He then referred to the revised budget, which included Freehold Township's assessment, enclosed within the agenda packet.

**MOTION TO ACCEPT THE TOWNSHIP OF FREEHOLD AS THE
MONMOUTH JIF'S 39TH MEMBER AND TO APPROVE THE AMENDED
2016 BUDGET WHICH NOW INCLUDES THE TOWNSHIP OF
FREEHOLD.**

MOTION: Commissioner Capp
SECOND: Commissioner Rogers
ROLL CALLVOTE: Unanimous

Borough Of Red Bank – Mr. Sacco informed the Board that effective January 1, 2016, the Borough of Red Bank outsourced their sanitation department which results in a return premium to Red Bank Borough for the exposure underwritten by the Fund in the amount of \$66,835.12.

**MOTION TO AUTHORIZE A PARTIAL RETURN OF PREMIUM TO RED
BANK BOROUGH IN THE AMOUNT OF \$66,835.12 REFLECTING THE
REMOVAL OF THE SANITATION DEPARTMENT EFFECTIVE
JANUARY 1, 2016.**

MOTION: Commissioner Rogers
SECOND: Commissioner Nolan
ROLL CALLVOTE: Unanimous

Committee Appointments – Mr. Sacco referred to the Standing Committee list enclosed within the agenda packet. He indicated that if a Fund Commissioner is interested in joining any committee they can contact himself, Chairman Rogers, or Mr. Thorpe.

2016 Assessments – Mr. Sacco advised that all member municipalities were sent their first installment billings during the first week of December. He reminded the Committee that the amounts are due and payable by January 15, 2016.

MEL 2016 Reorganization Meeting – Mr. Sacco advised that the MEL held its Public Hearing on the 2016 Budget on November 18, 2015 and its Reorganization Meeting on January 6, 2016. He indicated that Commissioner Nolan's reports on both meetings were enclosed within the agenda booklet.

E-JIF 2016 Reorganization Meeting- Mr. Sacco indicated that the E-JIF also met on November 18, 2015 and held its Reorganization meeting on January 6, 2016. He indicated that Commissioner Nolan's reports on both meetings were enclosed within the agenda booklet. Mr. Sacco informed the Board that the Environmental Engineering firm servicing the Fund has changed to PS&S although the staff is the same. He then referred to the contact information within Commissioner Nolan's report.

RCF 2016 Reorganization Meeting- Mr. Sacco reported that the RCF also held its Reorganization meeting on Wednesday, January 7, 2016 in Jamesburg, New Jersey. He then referred to Commissioner Nolan's report on the meeting enclosed within the agenda booklet.

2013 State Examination - Mr. Sacco informed the Board that the State of New Jersey Department of Banking & Insurance performed an examination of all MEL JIFs for the 2013 Fund Year. He referred to a copy of the report and group affidavit enclosed within the agenda booklet. Mr. Sacco indicated that there were no negative findings or comments on any of the JIF examination reports. He then asked for a motion to approve the report and sign the group affidavit.

MOTION TO APPROVE STATE OF NEW JERSEY DEPARTMENT OF BANKING & INSURANCE EXAMINATION REPORT FOR THE 2013 FUND YEAR AND EXECUTE GROUP AFFIDAVIT CERTIFYING THAT MEMBERS OF THE EXECUTIVE COMMITTEE HAVE READ THE REPORT.

MOTION:	Commissioner Nolan
SECOND:	Commissioner Rogers
ROLL CALLVOTE:	Unanimous

Pay to Play (2016) – Mr. Sacco reported that the Fund issued an RFQ for the positions of Fund Attorney, Defense Panel, CDL Drug & Alcohol Monitor, and Hearing & Respiratory Testing positions. He referred to the response results enclosed within the agenda packet.

CDL Monitor RFQ – Mr. Sacco informed the Board that there was one RFQ response received for the position of CDL Drug and Alcohol Monitor, the incumbent, Dynamic Testing Services. He indicated that it is the Safety Committee's recommendation to renew the 3 year service agreement with Dynamic Testing Services.

MOTION TO APPROVE A 3 YEAR AGREEMENT WITH DYNAMIC TESTING SERVICES FOR THE POSITION OF CDL DRUG AND ALCOHOL MONITOR.

MOTION: Commissioner Gavin
SECOND: Commissioner Dempsey
ROLL CALLVOTE: Unanimous

Hearing and Respiratory RFQ – Mr. Sacco informed the Board that there was one RFQ response received for the position of Hearing and Respiratory testing, the incumbent, Interstate Mobile Care. He noted that the Safety Committee is recommending that the Fund renew the 3 year service agreement with Interstate Mobile Care.

MOTION TO APPROVE A 3 YEAR AGREEMENT WITH INTERSTATE MOBILE CARE FOR THE POSITION OF HEARING AND RESPIRATORY TESTING.

MOTION: Commissioner Gavin
SECOND: Commissioner Dempsey
ROLL CALLVOTE: Unanimous

Due Diligence Reports - Mr. Sacco referred the Committee to the Financial Fast Track chart contained within the agenda booklet. He advised the Committee on the Fund's statutory surplus position.

ATTORNEY

Mr. Cleary thanked the Board for his re-appointment.

SAFETY DIRECTOR

Ms. Hall began her report by thanking the Committee for JA Montgomery's re-appointment. She then reviewed the December activities and the January agenda. Ms. Hall then referred to the three Safety Director's bulletins enclosed within the agenda booklet. She indicated that the annual Safety Awards luncheon would follow the Executive Committee meeting.

UNDERWRITING MANAGER

Mr. Scioli began by thanking the Board for re-appointment.

Mr. Scioli highlighted that the most significant change to the 2016 Risk Management Plan is an increase in several deductibles but noted that the MEL has agreed to loss fund the layers between the expiring deductibles and the new deductibles resulting in no changes in the JIF retentions or to the individual member's retentions. Mr. Sacco clarified for the Board that the deductible Mr. Scioli is referring to is the deductible that the MEL pays and not the individual member's deductible. He added that this change has no effect at the local level.

Mr. Scioli reported that XL Insurance has been replaced by QBE for EPL/POL coverage. He added that the terms and conditions will be as expiring and indicated that QBE has offered the Fund a 2 year program with a 5% rate increase over both years.

Mr. Scioli referred the Board to the cyber exclusion within the agenda booklet. He explained that as a result of the Fund purchasing separate cyber liability coverage, the excess general liability carrier has mandated that a cyber liability exclusion be placed on their policy to prevent stacking of limits Mr. Sacco then asked for a motion adding the exclusion.

MOTION TO ADD THE CYBER LIABILITY EXCLUSION TO THE FUND'S CASUALTY POLICY EFFECTIVE JANUARY, 1 2016.

MOVED: Commissioner Gavin
SECOND: Commissioner Dempsey
VOTE: Unanimous

Mr. Scioli indicated the Cyber Liability policy is up for renewal and referred to the 2 renewal quote options provided by the Underwriting Manager.

JIF Member	2015 Cyber Premium	Per Expiring Option 1 \$6M Agg / \$3M 3rd Party / \$1M 1st Party 2016 Cyber Premium	Option 2 \$6M Agg / \$3M 3rd Part / \$3M 1st Party 2016 Cyber Premium
Monmouth	\$22,800	\$22,800	\$30,780

Mr. Scioli informed the Board that Option 1 has a \$10,000 deductible and Option 2 has a \$25,000 deductible. Mr. Sacco asked for a recommendation from the Risk Managers. Mr. Avalone indicated that with the rise in cyber crime, it is their recommendation that the Fund choose Option 2 and purchase higher limits.

MOTION TO RENEW CYBER LIABILITY COVERAGE – OPTION #2

MOVED: Commissioner Rogers
SECOND: Commissioner Cole
ROLL CALL VOTE: Unanimous

Lastly, Mr. Scioli referred the Committee to the list of monthly certificates contained within the agenda Packet.

List of Certificates made part of the Minutes.

RISK MANAGEMENT CONSULTANTS:

Mr. Avalone began by thanking the Board for reappointment on behalf of Conner Strong & Buckelew and the Danskin Agency.

Mr. Avalone referred to the RMC written report distributed prior to the beginning of the meeting. He informed the Board that a notice regarding the every other year cycle of Public Officials Liability/Employment Practices Liability (POL/EPL) Risk Management requirements of Managers and Supervisors Training, with supporting documentation, will be sent to the membership in the near future. Mr. Avalone noted that compliance in the POL/EPL Risk Management program results in lower deductibles, lower co-insurance, and lower rates for that coverage program. He added that the local Risk Managers will be on top of this issue as it is critical. Mr. Avalone indicated that the local Risk Managers have begun scheduling compliance training for Managers and Supervisors as well as Police Command Staff training sessions that must be completed in accordance with the MEL's POL/EPL Plan of Risk Management program. He advised that the deadline for compliance is October 1st.

Mr. Avalone informed the Board that Elected Officials Training Seminars are also being scheduled and notices will be sent to the membership shortly. He noted that each Elected Official who attends the seminar will receive a \$250 credit towards the Member's 2016 liability claims premium. Mr. Avalone added that the credit is also extended to Administrators, Municipal Managers, and Executive Directors who attend. He further added that the training would be available online in the upcoming weeks.

Mr. Avalone informed the Board that the Monmouth JIF Executive Safety Committee's latest initiative is a four (4) part course specifically designed to assist our Police Departments with quality training. This program was developed in conjunction with The Rodgers Group, LLC and Stockton University, Center for Public Safety & Security. The classes will be offered at a discounted price for Monmouth JIF members. The class size will be limited to 40 students per class and is designed for your Police Command Staff personnel. Any officer completing all four classes of the program will be issued the Monmouth Municipal Joint Insurance Fund/Stockton University Center for Public Safety & Security, 2016 Public Safety Professional Development Certificate.

Lastly, Mr. Avalone reported that PS&S has been appointed as the Environmental Engineer. He referred to the contact information within his report.

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

MANAGED CARE:

Ms. Gallo began by thanking the Board for reappointment on behalf of QualCare and Qual-Lynx. She then referred the Committee to her report enclosed within the agenda booklet. Ms. Gallo informed the Committee that for the month of December, there was a savings of \$464,679 resulting in 63% savings. She reported that the total savings for the 2015 fund year was \$3,518, 175 or 66%.

OLD BUSINESS

Mr. Sacco informed the Board that the Payroll Auditor RFQ that has been approved by the Executive Committee is due January 20th. He noted that once the position is awarded all member towns will be contacted.

NEW BUSINESS

None

PUBLIC COMMENT

None

CLAIMS SERVICE

Chairman Rogers indicated that the claims were reviewed by the Executive Committee prior to the meeting and indicated that entering into closed session was unnecessary. He then asked for a motion to approve the claims and Mr. Cleary's legal bills.

MOTION TO APPROVE PAYMENT OF CLAIMS AS DISCUSSED IN EXECUTIVE SESSION AS PRESENTED AND APPROVE MR. CLEARYS LEGAL BILLS FOR DECEMBER AND JANUARY FOR A TOTAL AMOUNT OF \$4,318.00

**Z29545 WC
X89576 WC
Z08549 WC
Z13380 WC
Z14088 WC
Z17141 WC
Z25900 WC
Z22262 WC
Z26400 WC
Z24314 WC
X13352 GL
X36134 GL
Z03350 GL
Z31677 PR
Z31104 PR
Z30317 PR
Z25052 PR
X59217 AL**

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

MOTION TO ADJOURN MEETING

MOTION: Commissioner Gavin
SECOND: Commissioner Rogers
VOTE: Unanimous

Meeting Adjourned at: 11:50 A.M.

NEXT MEETING: March 2016
Wall Township Municipal Building
2700 Allaire Road
Wall, NJ 07719
1:30 P.M.

Secretary

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

Resolution No. 28-15

DECEMBER 2015

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 CLOSED

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000498			
000498	MUNICIPAL EXCESS LIABILITY RCF	2015 RCF ASSESSMENT	1,508,583.78
Total Payments Closed Year			1,508,583.78

FUND YEAR 2015

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000499			
000499	MUNICIPAL EXCESS LIABILITY JIF	FAITHFUL PERFORMANCE BOND 4TH QTR 2015	3,455.58
			3,455.58
000500			
000500	MUNICIPAL EXCESS LIABILITY JIF	MEL PROPERTY 4TH QTR 2015	174,964.42
000500	MUNICIPAL EXCESS LIABILITY JIF	MEL 4TH QTR 2015	555,872.89
			730,837.31
000501			
000501	QUAL-LYNX	OUTSIDE ADJUSTER - 12/2015	5,443.62
000501	QUAL-LYNX	CLAIMS ADMIN - 12/2015	38,250.00
			43,693.62
000502			
000502	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES - 12/2015	11,587.98
			11,587.98
000503			
000503	QUALCARE, INC.	MANAGED CARE SERVICES - 12/2015	14,277.58
			14,277.58
000504			
000504	PERMA	POSTAGE FEE 11/2015	302.53
000504	PERMA	EXECUTIVE DIRECTOR FEE 12/2015	26,345.00
			26,647.53
000505			
000505	THE ACTUARIAL ADVANTAGE, INC.	NEW MEMBER REVIEW - FREEHOLD TWP	400.00
000505	THE ACTUARIAL ADVANTAGE, INC.	ACTUARIAL CONSULTING SERVICES - 12/2015	3,359.00
			3,759.00
000506			
000506	CLEARY GIACOBBE ALFIERI &	LITIGATION MANAGEMENT FEE 11/30/2015	10,246.62
			10,246.62
000507			
000507	STEPHEN M. MAYER	TREASURER FEE 12/2015	1,563.00
			1,563.00

000508	ASBURY PARK PRESS	ACCT: ASB-040013 - 10/29/15 - BUDGET	69.50
			69.50
000509	MUNICIPAL EXCESS LIABILITY JIF	MSI 4TH QTR 2015	14,175.45
			14,175.45
000510	ALLSTATE INFORMATION MANAGEMNT	ACCT: 410 - ACT & STOR - 10/31/2015	39.08
			39.08
000511	DANSKIN INSURANCE AGENCY INC.	RMC FEE 12/2015	39,854.34
			39,854.34
000512	CONNER STRONG & BUCKELOW	UNDERWRITING MANAGER - 12/2015	924.55
			924.55
000513	CONNELL CONSULTING LLC	PROACTIVE PATROL PRACTICE 11/10/15	1,100.00
			1,100.00
000514	EXECU-TECH, INC.	MONTHLY WEBSITE MAINTENANCE FEE 12/15	200.00
			200.00
000544	BROWN & BROWN METRO INC.	RMC FEE 2015 - MANALAPAN TWP	34,355.29
			34,355.29
	Total Payments FY 2015		936,786.43

TOTAL PAYMENTS ALL FUND YEARS \$ 2,445,370.21

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

Resolution No. 29-15

DECEMBER 2015

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 CLOSED

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000515			
000515	BRIELLE BOROUGH	2015 DIVIDENDS	26,184.72
			26,184.72
000516			
000516	EATONTOWN BOROUGH	2015 DIVIDENDS	76,321.08
			76,321.08
000517			
000517	HAZLET TOWNSHIP	2015 DIVIDENDS	82,478.16
			82,478.16
000518			
000518	LITTLE SILVER BOROUGH	2015 DIVIDENDS	24,494.40
			24,494.40
000519			
000519	MANASQUAN BOROUGH	2015 DIVIDENDS	31,102.08
			31,102.08
000520			
000520	MONMOUTH BEACH BOROUGH	2015 DIVIDENDS	19,960.80
			19,960.80
000521			
000521	ROOSEVELT BOROUGH	2015 DIVIDENDS	4,395.24
			4,395.24
000522			
000522	SHREWSBURY BOROUGH	2015 DIVIDENDS	25,769.16
			25,769.16
000523			
000523	SHREWSBURY TOWNSHIP	2015 DIVIDENDS	2,917.08
			2,917.08
000524			
000524	SPRING LAKE BOROUGH	2015 DIVIDENDS	51,453.84
			51,453.84
000525			
000525	UNION BEACH BOROUGH	2015 DIVIDENDS	40,625.04
			40,625.04
000526			
000526	WEST LONG BRANCH BOROUGH	2015 DIVIDENDS	30,654.36
			30,654.36
000527			
000527	BRADLEY BEACH BOROUGH	2015 DIVIDENDS	91.56
			91.56
000528			

000528	ATLANTIC HIGHLANDS BOROUGH	2015 DIVIDENDS	40,601.64
000529			40,601.64
000529	MARLBORO TOWNSHIP	2015 DIVIDENDS	99,995.04
000530			99,995.04
000530	UPPER FREEHOLD TOWNSHIP	2015 DIVIDENDS	4,653.48
000531			4,653.48
000531	WALL TOWNSHIP	2015 DIVIDENDS	120,215.16
000532			120,215.16
000532	MIDDLETOWN TOWNSHIP	2015 DIVIDENDS	24,009.96
000533			24,009.96
000533	ALLENTEWON BOROUGH	2015 DIVIDENDS	12,871.32
000534			12,871.32
000534	OCEANPORT, BOROUGH OF	2015 DIVIDENDS	17,359.32
000535			17,359.32
000535	INTERLAKEN BOROUGH	2015 DIVIDENDS	6,243.72
000536			6,243.72
000536	SEA GIRT BOROUGH	2015 DIVIDENDS	29,463.72
000537			29,463.72
000537	MATAWAN BOROUGH	2015 DIVIDENDS	45,781.80
000538			45,781.80
000538	SEA BRIGHT BOROUGH	2015 DIVIDENDS	17,878.44
000539			17,878.44
000539	TINTON FALLS BOROUGH	2015 DIVIDENDS	59,034.12
000540			59,034.12
000540	DEAL BOROUGH	2015 DIVIDENDS	24,609.60
000541			24,609.60
000541	ALLENHURST BOROUGH	2015 DIVIDENDS	17,875.44
000542			17,875.44
000542	HIGHLANDS BOROUGH	2015 DIVIDENDS	37,045.20
000543			37,045.20
000543	ENGLISHTOWN BOROUGH	2015 DIVIDENDS	6,812.88
			6,812.88

Total Payments FY Closed Year 980,898.36

TOTAL PAYMENTS ALL FUND YEARS \$ 980,898.36

RESOLUTION NO. 1-16

MONMOUTH MUNICIPAL JOINT INSURANCE FUND
(hereafter referred to as the “FUND”)

CERTIFYING THE ELECTION OF CHAIRMAN AND SECRETARY

BE IT RESOLVED, by the Governing Body of the Fund that the following persons have been elected as Chairman and Secretary:

James Rogers, Chairman

Bryan Dempsey Secretary

BE IT FURTHER RESOLVED, that the Chairman and Secretary shall serve for the year 2016 and until their successors shall be elected and qualified.

ADOPTED:

this day before the Governing Body,

RESOLUTION NO. 2-16

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND
(Hereinafter referred to as the “FUND”)

APPOINTING CERTAIN PROFESSIONALS AND SERVICE ORGANIZATIONS

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 finds it necessary and appropriate to obtain certain professional services and other extraordinary and other unspecifiable services, as defined in the Local Public Contracts Law, (N.J.S.A. 40A-11 et. seq.) for the 2015, 2016, and 2017 Fund Years.

WHEREAS, the FUND held a bid opening on August 20, 2014 in accordance with a fair and open process pursuant to N.J.S.A. 19:44A-20.4 et. Seq.; and

WHEREAS, the FUND awarded contracts for a three year period for the 2015, 2016 and 2017 Fund years at its January 8, 2015 re-organization meeting (*unless otherwise specified*);

NOW THEREFORE, BE IT RESOLVED that the contracts for the following professionals be re-appointed for the second of the three year term (2015-2017) (*unless otherwise specified*):

NOW, THEREFORE BE IT RESOLVED, by the FUND’s Governing Body that:

- I. Perma Risk Management Services is hereby appointed as **Administrator**, Mr. Stephen Sacco is appointed as **Executive Director**, Mr. David Grubb and Mr. Joseph Hrubash as **Deputy Executive Directors**, and both as agent for process of services.
- II. Mr. James Cleary of Cleary, Giacobbe, Alfieri & Jacobs, Esq. is hereby appointed as **Fund Attorney** and shall receive a retainer for administrative services, legal research and legal opinions. In addition, Cleary, Giacobbe, Alfieri & Jacobs, Esq. shall provide litigation management services at an annual fee. *Contract term to be one year (1/1/16 – 12/31/16)*
- III. Mr. Stephen Mayer is hereby appointed as **Fund Treasurer**.
- IV. Wilmington Trust is hereby appointed as **Asset Manager** to the FUND. –At an annual fee of 5 basis points on market value of assets. Contract term 1/1/16- 12/31/18.
- V. Mr. Robert A. Hulsart, of Hulsart & Company is hereby appointed as **Fund Auditor**.
- VI. Mr. Charles Casagrande of The Danskin Insurance Agency, Inc. and Mr. Michael Avalone of Conner Strong and Buckelew are hereby appointed as **Risk Management Consultants** for the FUND.

VII. Qual-Lynx is hereby appointed as the **Claims Service Organization** for the FUND to adjust all claims for current and prior Fund Years.

VIII. QualCare is hereby appointed as the **Managed Care Provider for Workers Compensation Claims** in accordance with the fee schedule contained within the Professional Services Agreement.

IX. Mr. Dennis Henry of Actuarial Advantage is hereby appointed as **Actuary** for the FUND.

X. J.A. Montgomery Risk Control is hereby appointed to provide **Loss Control Services and Hazard Communication Training Services** (Right to Know) to the FUND.

XI. Conner Strong and Buckelew is hereby appointed **Underwriting Manager** for the FUND.

XII. Execu-Tech is hereby appointed as the **Web Site Development and hosting Manager**
Contract term to be one year (1/1/16 – 12/31/16) at the same rate as 2015.

BE IT FURTHER RESOLVED, all Professional Service Providers and Service Organizations appointed pursuant to this Resolution shall service the Fund in accordance with the terms and conditions of the Professional Service 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.

BE IT FURTHER RESOLVED that the professional service fee compensation for the professionals shall increase 2% for the period of January 1, 2016 through December 31, 2016 unless otherwise noted. Contracts will be provided for each respective professional addressing the increase in fees; including increases/decreases for changes in membership.

ADOPTED: *this day by the Governing Body,*

RESOLUTION NO: 3-16

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

ESTABLISHING PUBLIC MEETING PROCEDURES

WHEREAS, the FUND must establish meeting procedures for Fund Year 2016, and

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

- I.** The Governing Body shall conduct Public Meetings at the Wall Township Municipal Building, 2700 Allaire Road, Wall, New Jersey 07719 (*unless noted otherwise*) to conduct the official business of the FUND on the **second Thursday of January, March, May, July, September, October, November, and December** at 1:30 P.M. for the **2016 Fund Year** including **January 14, 2016**.
- II.** In addition, **the Monmouth County Municipal Joint Insurance Fund Claims Committee** will meet on the Monday before the second Thursday of every month at 9 AM at the Wall Township Municipal Building in the months of **February, April, June, August** (*unless noted otherwise*).
- III.** **The Monmouth County Municipal Joint Insurance Fund Claims Committee** will meet on the second Thursday of every month at 12:15 PM at the Wall Township Municipal Building in the months **January, March, May, July, September, October, November, and December** (*unless noted otherwise*).
- IV.** Each Public Comments session is limited to thirty (30) minutes; any one person may address the Chairperson for a maximum of five (5) minutes; once a particular topic has been addressed by a member of the public, subsequent comments on that same topic by other people is limited to a maximum of two (2) minutes; citizens who have spoken once during the session will not be recognized a second time; and speakers are required to state their names and addresses.
- V.** The following is hereby designated the official newspaper (s) of the Fund:
The Asbury Park Press, Neptune, New Jersey , and www.NJMEL.org
www.MonmouthJIF.org
- VI.** 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 at least one of the official newspapers.

ADOPTED: *this day by the Governing Body;*

RESOLUTION NO: 4 - 16

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

ESTABLISHING A FISCAL MANAGEMENT PLAN
FOR THE 2016 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.** 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:

James Rogers	CHAIRMAN
Bryan Dempsey	SECRETARY
Steve Mayer	TREASURER
Thomas Nolan	COMMISSIONER

- II.** 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) of the following persons, duly authorized pursuant to this Resolution,

Ann Noble	Qual-Lynx
David S. Ruber	Qual-Lynx
Alice Lihou	Qual-Lynx
Joy DiPatri	Qual-Lynx
Janet Buggle	Qual-Lynx

- III.** The Cash and Investment Policy attached herewith, shall be adopted.

- IV. 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 (1st) assessment installment paid to be January 31, and the second (2nd) assessment installment paid to be July 31.
- V. 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: *this day before the Governing Body:*

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

2016 CASH MANAGEMENT AND INVESTMENT POLICY

1.) Cash Management and Investment Objectives

The Monmouth JIF (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 the following:

- a.) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America.
- b.) Government money market mutual funds.
- c.) Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- d.) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located; or
- e.) Bonds or other obligations, having a maturity date not exceeding 397 days, approved by the Division of Investment of the Department of Treasury for investment by local units.

- f.) Debt obligations of federal agencies or government corporations with maturities not greater than five (5) years from the date of purchase, excluding mortgage backed obligations, providing that such investments are purchased through the New Jersey Division of Investment and are consistent with the Division's own investment guidelines, and providing that the investment is a fixed rate of interest not dependent on any index or external factors.
- g.) Local Government Investment Pools
- h..) Repurchase agreements of fully collateralized securities, subject to rules and conditions established by the N.J. Department of Community Affairs.

No investment or deposit shall have a maturity longer than five (5) years from date of purchase.

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 17:9-15 et seq. (GUDPA). Specifically authorized depositories are as follows:

Wells Fargo Bank
Investors Bank
Wilmington Trust

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 minimize transaction costs by querying prices from at least three (3) dealers and purchasing securities on a competitive basis. When possible, federal securities shall be purchased directly from the US Treasury. Transactions shall not be processed through brokerages which are organizationally affiliated with the asset manager. 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 Funds 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 imprest 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.

RESOLUTION NO. 5-16

MONMOUTH 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 2016 Fund Year.

NOW, THEREFORE BE IT RESOLVED, by the FUND’s Governing Body that:

- I.** Bryan Dempsey, **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..
- II.** Jason Thorpe, **Account Manager** for Perma Risk Management Services is hereby designated as **Assistant Fund Secretary**.
- III.** 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.
- IV.** 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.

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, Business Archives, 24 Beckwith Avenue, Paterson, New Jersey. The FUND’s Executive Director shall coordinate the archive process and shall make sure that all records are properly indexed and accessible.

ADOPTED: *this day before the Governing Body*

RESOLUTION NO. 06-16
Monmouth County Municipal Joint Insurance Fund

(hereinafter the "Fund")

ESTABLISHING THE 2016 PLAN OF RISK MANAGEMENT

BE IT RESOLVED by the Fund's governing body that the **2016** Plan of Risk Management shall be:

- 1.) **The perils or liability to be insured against.**
 - a.) The Fund insures the following perils or liability:
 - **Workers' Compensation** including Employer's Liability, USL&H and Harbor Marine/Jones Act.
 - **General Liability** including Police Professional Liability, Employee Benefits Liability, Quasi Municipal Organization Liability, Garage Keeper's Liability, Failure to Supply (water and electricity), Riot, Civil Commotion or Mob Action, Good Samaritan, Disinfecting Agents Release Hazard, and Skateboard Facility.
 - **Automobile Liability** including PIP and uninsured/Underinsured Motorists Coverage.
 - **Blanket Crime** including public employee dishonesty; forgery or alteration; theft, disappearance and destruction; robbery and safe burglary; and computer fraud with funds transfer. Excludes Statutory Positions.
 - **Property** including Boiler and Machinery
 - **Public Officials and Employment Practices Liability**
 - **Volunteer Directors & Officers Liability**
 - **Cyber Liability**
 - b.) The following coverages are provided to the Fund's member local units by their membership in the Municipal Excess Liability Joint Insurance Fund (MEL).
 - **Excess Workers' Compensation**
 - **Excess General Liability**

- **Non-Owned Aircraft Liability**
 - **Excess Auto Liability**
 - **Optional Excess Public Officials & Employments Practices Liability**
 - **Optional Excess Liability**
 - **Excess Property including Boiler and Machinery**
 - **Crime** including (1) **excess public employee coverage**, (2) **excess public officials coverage** where the Statutory Positions coverage is insured commercially for primary coverage and (3) coverage for **Statutory Positions** insured on a primary basis with MEL (where approved).
- c.) **Environmental Impairment Liability** Coverage is provided to the Fund's member local units by the Fund's membership in the New Jersey Municipal Environmental Risk Management Fund (i.e. E-JIF.)

2.) **The limits of coverage.**

- a.) **Workers' Compensation** limits.
 - The Fund covers \$300,000 CSL.
 - The MEL covers excess claims to the following limits.
 - Workers' Compensation - statutory
 - Employer's Liability - \$6,700,000 in excess of the Fund's \$300,000
 - USL&H – Included in workers Compensation
 - Harbor Marine/Jones Act - Included in employers liability
 - Incidental Foreign Workers Compensation - included
 - Communicable Disease Coverage - included
- b.) **General Liability** limits.
 - The Fund covers \$300,000 CSL.

- The MEL covers excess liability claims as follows:
 - General Liability - \$4,700,000 CSL excess the Fund's \$300,000. The \$3,250,000 excess \$1,750,000 layer is subject to a \$3,250,000 per member local unit annual aggregate limit.
 - Police Professional - included in the MEL's excess General Liability limits.
 - Employee Benefits Liability - included in the MEL's excess General Liability limits.
 - Good Samaritan Liability - included in the MEL's excess General Liability limits.
 - Quasi Municipal Organization Liability. (Non-profit organizations included by a member local unit in the town's insurance program.)
 - Emergency Service Units and Auxiliaries - included in the MEL's excess General Liability limits.
 - Other - \$4,700,000 CSL excess of the Fund's \$300,000. The \$3,250,000 excess \$1,750,000 layer is included in the MEL's excess General Liability \$3,250,000 excess \$1,750,000 per member local unit annual aggregate limit.
 - Garage Keeper's Liability - \$1,700,000 CSL excess of the Fund's \$300,000. The \$250,000 layer excess of \$1,750,000 is included in the MEL's excess General Liability \$3,250,000 excess \$1,750,000 per member local unit annual aggregate limit.
 - Failure to Supply Liability - \$4,700,000 CSL excess of the Fund's \$300,000. The \$3,250,000 excess of the \$1,750,000 layer is included in the MEL's General Liability \$3,250,000 excess of \$1,750,000 per member local unit annual aggregate limit.
 - Riot, Civil Commotion or Mob Action - \$4,700,000 CSL excess of the Fund's \$300,000. The \$3,250,000 excess of the \$1,750,000 layer is included in the MEL's General Liability \$3,250,000 excess of \$1,750,000 per member local unit annual aggregate limit.

- Dams (Class III and IV – Low Hazard) - \$4,700,000 CSL excess of the Fund's \$300,000. The \$3,250,000 excess of the \$1,750,000 layer is included in the MEL's General Liability \$3,250,000 excess of \$1,750,000 per member local unit annual aggregate limit.
- Dams (Class I and II – High Hazard) - \$700,000 CSL excess of the Fund's \$300,000.
- Subsidence Property Damage Liability- \$3,450,000 CSL excess of the Fund's \$300,000. The \$2,000,000 layer excess of \$1,750,000 layer is included in the MEL's General Liability and is subject to a \$2,000,000 "all members" annual aggregate limit excess of the \$1,750,000 each occurrence. There is no bodily injury liability sub-limit for subsidence.
- Sewer Back Up - \$3,450,000 CSL excess of the Fund's \$300,000. The \$2,000,000 layer excess of \$1,750,000 layer is included in the MEL's General Liability and is subject to a \$2,000,000 "all members" annual aggregate limit excess of the \$1,750,000 each occurrence. There is no bodily injury liability sub-limit for sewer back-up.
- Disinfecting Agents Release Hazard - \$700,000 CSL excess of the Fund's \$300,000.
- Skateboard Facilities - \$4,700,000 CSL excess of the Fund's \$300,000. The \$3,250,000 excess of the \$1,750,000 layer is included in the MEL's General Liability \$3,250,000 excess of the \$1,750,000 each occurrence. (Note: requires Fund approval). Skateboard liability coverage is subject to 20% member coinsurance of the first \$100,000.

c.) **Automobile Liability limits.**

- The Fund covers \$300,000 CSL for Bodily Injury Liability, Property Damage Liability and PIP.
- The Fund covers \$15,000/\$30,000/5,000 for underinsured/Uninsured Motorists Liability.
- The MEL covers Automobile Bodily Injury and Property Damage Liability claims excess of the Fund's \$300,000 CSL limit in the MEL's excess General Liability limit except that

Automobile Liability claims which penetrate the excess of \$1,700,000 layer are not subject to the aggregate limitation.

- The JIF provides PIP limits of \$250,000.
 - The MEL does not provide excess PIP or Uninsured/Underinsured Motorist Coverage.
- d.) **Non-Owned Aircraft.** The MEL covers \$5,000,000 CSL for Bodily Injury and Property Damage Liability, and \$5,000 medical expense for each passenger.
- e.) **Public Officials Liability. (POL)**
- The JIF, 100% commercially insured with QBE North America, covers \$2,000,000 in the aggregate on a claims made basis per member municipality for each Fund year subject to a deductible and coinsurance as outlined below. There is a combined POL/EPL \$2,000,000 per member local unit annual aggregate.
 - \$20,000 deductible per occurrence, except that a \$75,000 deductible per occurrence applies for member local units with unfavorable loss experience.
 - 20% coinsurance of the first \$250,000 of the loss

NOTE: Member local units that qualify based on certain criteria to have options to purchase a lower deductible and coinsurance contribution. New members with adverse loss experience may be subject to high deductibles and coinsurance as provided by QBE North America

f.) **Employment Practices Liability (EPL)**

- The JIF, 100% commercially insured with QBE North America, covers \$2,000,000 in the aggregate on a claims made basis per member municipality for each Fund year subject to a deductible and coinsurance as outlined below. There is a combined POL/EPL \$2,000,000 per member local unit annual aggregate.
- For member local units with approved EPL Loss Control/Risk Management Programs:

- \$20,000 deductible per occurrence, except that a \$75,000 deductible per occurrence applies for member local units with unfavorable loss experience.
- 20% coinsurance of the first \$250,000 of the loss
- For member local units without approved EPL Loss Control/Risk Management Programs:
 - \$100,000 deductible per occurrence, except that a \$150,000 deductible per occurrence applies for member local units with unfavorable loss experience.
 - 20% coinsurance (no cap) 1st \$2 million (not imposed against optional limits).

○

NOTE: Member local units that qualify based on certain criteria to have options to purchase a lower deductible and coinsurance contribution. New members with adverse loss experience may be subject to high deductibles and coinsurance as provided by QBE North America

g.) **Optional Directors and Officers Liability (D & O)** - Fire Companies and Emergency Service Units.

- The JIF, 100% commercially insured with QBE North America, provides optional \$1 million or \$2 million annual aggregate limits for Fire Companies or Emergency Service Units subject to optional deductibles of \$1,000, \$2,000 or a \$5,000 deductible.

h.) **Property** (effective 12:01 A.M. December 31, 2015) –

The Fund covers \$50,000 per occurrence (Property & Time Element combined) less applicable member deductibles:

- Flood for locations wholly or partially within 100-year flood zone
- Boiler and Machinery
- Named Storm (Flood & Wind)

The MEL retains and provides excess property coverage at limits of \$450,000 excess \$50,000 per occurrence (Property & Time Element combined) except for the following:

- Flood for locations wholly or partially within 100-year flood zone
- Boiler and Machinery
- Named Storm(Flood & Wind)

The MEL serves as the lead agency for the purchase of additional excess property at the following MEL statewide limits and sub-limits:

- Policy limit - \$125 million per occurrence for all coverage despite number of locations involved in an occurrence state-wide.
- Named Storm - \$125 million per occurrence (Property and Time Element combined - (120 Hours)
- Earth Movement - \$75 million annual aggregate (168 hours)
- Flood - \$75 million (annual aggregate) except;
- Flood for locations wholly or partially within 100-year flood zone (SFHA) –
 - \$2.5 million per location building & contents
 - \$1 million all outdoor property
 - \$2.5 million for pumping stations
 - Definition of Flood includes Storm Surge
- Asbestos Cleanup - \$50,000 per occurrence
- Equipment Breakdown - \$125 million
 - Ammonia Contamination - \$5 million
 - Spoilage - \$5 million
- Time Element – included in the policy limit.
 - Time element sub-limits include:
 - Business Interruption – Included (12 Months)
 - Extra Expense - \$10 million
 - Tenant Relocation - \$750,000
 - Leasehold Interest - \$15 million
 - Tenant Prohibited Access- \$1 million (24 Hours)
 - Service Interruption - \$10 million
 - Loss of Rents - \$15 million
 - Delay in Completion -60 days
 - Extended Period of Liability – 365 days
- Utilities Member Owned – Property Damage and Time Element Combined - \$125 million
 - Time Element Pass Through Utilities – Per Policy Sub-limit
 - Time Element Power Generation Utilities - **Not Covered**
- Valuable Paper and Records (incl. EDP Media/Software - \$10 million
- Accounts Receivable - \$10 million
- Increased Construction Cost - \$25 million (Incl. Demolition)

- Transit - \$1 million per occurrence
- Fine Arts - \$2.5 million
- Land and Water Contamination Cleanup (limited) - \$250,000 (annual aggregate) Including removal & disposal
- Decontamination Costs - \$250,000
- Miscellaneous Unnamed Locations - \$10 million
- New Construction & Additions - \$25 million
 - Including soft costs - \$5 million sub-limit
 - 15 Days Delay in Completion
- Computer Systems Damage - \$2.5 million (24 Hours)
- Newly Acquired Locations – \$25 million per location
 - 90 Day Period
- Ingress/Egress - \$5 million (within 1 mile-30 Day Period)
- Debris Removal - \$25 million
- Expediting Expense - \$10 million
- Civil Authority -\$5 million(within 5 miles-30 Day Period)
- Professional Fees including Architects/Engineering Fees including loss adjustment expense- \$1,250,000
- Errors & Omissions - \$10 million
- Miscellaneous Personal Property - \$10 million
 - Includes Outdoor Property - \$10 million (Named Peril Only)
- Watercraft - \$1 million - 32' or less – ACV in not scheduled
- Vehicles - \$15 million (Property Damage only)
- Bridges and Dams \$10 million. (Property & TE combined). Excluded for the Perils of Flood, Named Storm & Earth Movement.
- Piers, Wharfs, Docks, Boardwalks, Bulkheads, Crossovers - \$10 million - Named Peril Only
- Transmission and Distribution Lines - \$10 million (within a 1 mile radius of an insured Location for overhead lines & 5 mile radius for underground lines)
- Clogging/Blocking of pipes - \$1 million
- Off Premises Storage Under Construction - \$250,000
- Fire Department Service Charge - \$250,000
- Deferred Payments - \$1 million
- Land Improvements – Not Covered Property
- Off Premises Services Interruption - \$10 million Excluding Utilities 24 hour qualifying period
- Protection & Preservation of Property-\$10 million(48 Hrs BI)
- Research & Development - \$10 million (12 Months)
- Impounded Water - \$250,000 (30 days)
 - Tenant Prohibited Access - \$1 million

- Soft Costs - \$5 million
- Wind Turbine - \$1 Million per occurrence

FLOOD AGGREGATE NOTE: In no event shall the Zurich primary program aggregate for Flood and/or Surface Water exceed \$50,000,000 in any one policy year. The MEL has an excess flood and earth movement policy on a quota share basis with several insurers that provide a combined limit of \$25,000,000 excess of \$50,000,000. As respects to flood, the limit is excess of the \$50 million Zurich program flood aggregate. It does not drop down over any SFHA sub-limits contained in the Zurich policy such as the \$2.5 million per location sub-limit. The underlying SFHA sub-limits are the maximum amount of limit for those respective locations with loss or damage. This additional limit does not augment or add to any underlying SFHA sub-limits. Please note, however, that loss or damage from flood up to the underlying SFHA sub-limits for that respective location will be part of the \$50 million attachment point.

The total statewide program annual aggregate for the peril of flood (for locations outside & wholly or partially within areas of 100-Year flooding) is \$75,000,000.

- Property Deductibles
- The standard Member JIF retains and provides \$50,000 per occurrence (MELJIF Retention \$500,000 less JIF retention) (Property & Time Element Combined) less member local unit deductibles except for:
 - Flood for locations wholly or partially within 100-year flood zone
 - Boiler and Machinery
 - Named Storm (Flood & Wind)
- The standard member local unit deductible is \$2,500 per occurrence except for:
 - Flood for locations wholly or partially within 100-year flood zone
 - Equipment Breakdown
 - Named Storm (Flood & Wind)
- Equipment Breakdown coverage is subject to a member local unit \$5,000 deductible per occurrence (MELJIF Retention \$50,000 less JIF retention). (Property & Time Element Combined).

- Flood loss and/or surface water for locations with any part of the legal description within a SFHA (wholly or partially within the 100-year flood zone) as defined by the Federal Emergency Management Agency is subject to separate deductibles of \$500,000 each for building damage for municipal buildings, and \$500,000 each building for municipal contents damage and \$250,000 each building damage for housing authority buildings, and \$100,000 each building for housing authorities contents damage or the National Flood Insurance Plans (NFIP) maximum available limits for municipalities and housing authorities respectively, whichever is greater, regardless of whether National Flood Insurance Program coverage is purchased. Vehicles, mobile equipment, pistol ranges and pumping stations are subject to the standard member local unit deductible “Pumping Stations” include “lift stations” and also include “wet wells” that are an integral part of the “pumping station”. The flood loss deductible outside of the SFHA (100-year flood zone) is the standard member local unit deductible. All other property not eligible for NFIP is either defined as Outdoor or addressed elsewhere in the policy. . NOTE: For housing authorities the MEL self insures the layer of \$250,000 excess \$250,000 each building for housing authority buildings and \$400,000 excess \$100,000 each building for housing authorities contents damage.

- “Named Storm” (Wind and Flood)

Locations: As respects to covered property in **Atlantic, Ocean, Monmouth, and Burlington Counties** located east of the Garden State Parkway and any covered property in **Cape May County**.

Property Damage 1% of the scheduled location value on file with the Company, per the property insured as of the date of loss, for the Location where the direct physical loss or damage occurred, per occurrence.

Locations: As respects to covered property in **Atlantic, Ocean, Monmouth, and Burlington Counties** located east of the Garden State Parkway and any covered property in **Cape May County**.

Time Element 1% of the full 12 months Gross Earnings or Gross Profit values that would have been earned following an occurrence by use of facilities at

the Location where the direct physical loss or damage occurred and all other Locations where Time Element loss ensues, per occurrence.

The above Named Storm deductibles are subject to a minimum deductible of \$500,000 for Property Damage and Time Element Combined per Location and maximum deductible of \$1,000,000 per occurrence.

Locations: As respects to covered property in **Atlantic, Ocean, Monmouth, and Burlington Counties** located west of the Garden State Parkway and any covered property located in the remaining counties, except **Cape May County** as noted above. **SEE PAGE 8** (JIF Retention \$50,000; MELJIF Retention \$450,000 XS \$50,000).

- The definitions of “Named Storm” and “Location” are per the definitions in the MEL policy form with Zurich. **Named Storm** is defined as any storm or weather disturbance that is named by the U.S. Oceanic and Atmospheric Administration (NOAA) or the U.S. National Weather Service or the National Hurricane Center of the Center or any comparable worldwide equivalent. Named Storm includes Storm Surge. **Location** is defined as: (1) as specified in the Schedule of Locations. If not specified in the schedule of locations then : (2) A Location is a building(s) bounded on all sides by public streets, clear land space or open waterways, each not less than fifty feet wide; (3) A site tract of land occupied or available for occupancy with tangible property.
- As respects to the perils of Flood, Earth Movement and Named Storm, if there is an event or series of related events in which more than one of these perils causes direct physical damage to insured property, a single deductible shall apply to these perils involved. The single deductible will not exceed the largest applicable for the perils of Flood, Earth Movement and Named Storm. In the event of a **Joint Loss** (Property and Equipment Breakdown), the higher deductible applies.
- **Piers, wharfs, docks**, floating docks, boardwalks, buildings, bulkheads, crossovers and/or structures thereon are covered for the perils of fire, lightning, explosion, smoke, windstorm, hail, riot, civil commotion, aircraft,

vehicles, vandalism, sprinkler leakage, sinkhole collapse, and volcanic action, watercraft and malicious intent.

- **Buildings constructed on pilings** that are located wholly or partially within the Special Flood Zone Hazard (SFHA) designated zones V, VE, V1-30 are excluded except fire, lightning, explosion, smoke, windstorm, hail, riot, civil commotion, aircraft, vehicles, vandalism, sprinkler leakage, sinkhole collapse, and volcanic action, watercraft and malicious intent.
 - **Bridges and Dams and Equipment relating thereto are not** covered for loss caused by or resulting from Flood, Earth Movement or Named Storm regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or is any other sequence to the loss.
- i.) **Blanket Crime** - The JIF provides a limit of \$50,000 less the member entity deductible of \$2,500. Coverage includes Public Employee Dishonesty, Forgery and Alteration, Theft, Disappearance and Destruction, Robbery and Safe Burglary, Computer Fraud with Funds Transfer. The MEL provides it's member JIF's **excess public employees coverage** at limits of \$1,000,000 less the member JIF's retention of \$50,000 for Public Employee Dishonesty.
- j.) **Excess Public Officials Crime Coverage** - The MEL provides excess employee dishonesty for those employed positions which are required by law to be individually bonded and where they have not applied and have not been approved for coverage under the MELJIF Statutory Position Program at a limit of \$1,000,000 less a member local units' deductible which is the higher of the following:
- 1) The amount said persons are required by Law to be individually bonded whether or not such individual Bond is in place, or
 - 2) The amount of the individual Bond in place.

Each member local unit that has not applied for coverage under the MELJIF Statutory Position Bond is required to continue to purchase via the commercial market individual bonds providing primary coverage up to "at least the minimum limit required by law" for those employed positions required by law to be individually bonded.

- k.) **Crime Statutory Position Coverage** - The MEL provides 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 less a member local units' deductible of \$1,000.
- l.) **Optional Excess Liability** - The MEL offers Optional Excess General Liability, including Police Professional Liability, Employee Benefits Liability, Quasi Municipal Organization Liability (Emergency Service Units and Auxiliaries only), and Automobile Liability (not including PIP or Underinsured/Uninsured Motorist Coverage) as follows:
- \$2 million CSL and per member local unit annual aggregate excess of \$5 million (auto liability not aggregated).
 - \$5 million CSL and per member local unit annual aggregate excess of \$5 million (auto liability not aggregated).
 - \$5 million CSL and per member local unit annual aggregate excess of \$10 million (auto liability not aggregated).
 - \$10 million CSL and per member local unit annual aggregate excess of \$10 million (auto liability not aggregated).
- m.) **Optional Excess POL/EPL** – The MEL offers optional excess POL/EPL as follows:
- \$1 million CSL and per member local unit annual aggregate excess of \$2 million
 - \$2 million CSL and per member local unit annual aggregate excess of \$2 million
 - \$3 million CSL and per member local unit annual aggregate excess of \$2 million
 - \$4 million CSL and per member local unit annual aggregate excess of \$2 million
 - \$4 million CSL and per member local unit annual aggregate excess of \$6 million
- n.) **Environmental Impairment Liability** - The limits of liability as established in the E-JIF's Plan of Risk Management and coverage documents.
- o.) **Cyber Liability** – The JIF, 100% commercially insured with XL Insurance, provides Third Party coverage including Media

Communication, Network Security Liability and Privacy Liability and First Party coverage including Extortion Threat, Crisis Management Expenses and Privacy Notification Costs. The JIF limits of liability are \$3,000,000 each/\$6,000,000 policy aggregate. The limits are JIF wide and shared amongst member local units of the JIF. There is a \$1,000,000 sub-limit each for (1) Privacy Notification Costs, (2) Regulatory Fines/Claims Expenses for Privacy Liability, (3) Extortion Damages for Extortion Threat and (4) Crisis Management Expenses. There is a \$10,000 policy deductible. There are options available at limits of \$3 million each/\$6 million policy aggregate at a \$25,000 deductible. There is a \$3,000,000 sub-limit each for (1) Privacy Notification Costs, (2) Regulatory Fines/Claims Expenses for Privacy Liability, (3) Extortion Damages for Extortion Threat and (4) Crisis Management Expenses.

Optional Individual Self-Insured Retentions – Middletown has an individual SIR of \$200,000 for Workers' Compensation, general liability and auto liability. The Fund insures the \$100,000 excess of \$200,000 layer respectively. Manalapan has an individual SIR of \$400,000 for Workers' Compensation. The Fund insures the \$50,000 excess of \$400,000 layer for Workers Compensation.

NOTICE: The above description is a general discussion of the coverage and limits provided by the FUND. However, the actual terms and conditions are defined in the policy documents and all issues shall be decided on the policy documents.

3.) **The amount of risk to be retained by the Fund.**

- a.) Workers' Compensation (all coverages) - \$300,000 CSL
- b.) General Liability (all coverages) - \$300,000 CSL
- c.) Employment Practices Liability – none 100% commercially insured with QBE North America.
- d.) Non-Owned Aircraft - none
- e.) Automobile Liability
 - o PD & BI - \$300,000 CSL
 - o Underinsured/Uninsured - \$15,000/\$30,000 CSL
 - o PIP - \$250,000 CSL

- f.) Public Officials Liability – none 100% commercially insured with QBE North America.
- g.) Optional Directors and Officials Liability – none 100% commercially insured with QBE North America.
- h.) Property - \$50,000 per occurrence less member deductibles.
- i.) JIF Blanket Crime - \$50,000 less member deductible
- j.) Optional Excess Liability – none provided by MEL
- k.) Environmental Impairment Liability - none other than the risk of a E-JIF assessment.
- l.) Residual Claims Liability - none other than the risk of a RCF assessment.
- m.) MEL Crime Policy – none provided by MEL
- n.) Optional Excess POL\EPL – none provided by MEL
- o.) Cyber Liability – none 100% commercially insured with XL Insurance

4.) **The amount of unpaid claims to be established.**

- a.) 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.
- b.) Claims reserves are subject to regular review by the Fund's Executive Director/Administrator, Attorney, Executive Committee 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.

5.) **The method of assessing contributions to be paid by each member of the Fund.**

- a.) 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 municipality 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.
- b.) The calculation of pro rata shares is based on each municipality's experience modified manual premium for that line of coverage. The Fund's governing body 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 governing body. The total amount of each member's annual assessment is certified by majority vote of the Fund's governing body at least one (1) month prior to the beginning of the next fiscal year.
- c.) 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.
- d.) 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.
- e.) The Fund's governing body may by majority vote levy upon the participating municipalities 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 municipalities by applicable Fund year, and shall be apportioned by the year's assessments for that line of coverage.
- f.) 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 Fund's governing body.

6.) **Procedures governing loss adjustment and legal expenses.**

- a.) The Fund engages a claims service company to handle all claims, except for the JIF's POL/EPL Volunteer D&O and Cyber Liability insurance which is handled by Summit Risk Services representing XL Insurance for Cyber Liability and QBE North America for EPL/POL. 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 excess liability, and Safety National for workers' compensation]. Every three years, the MEL's internal auditors also conduct an audit.
- b.) Each member local unit is provided with a claims reporting procedure and appropriate forms.
- c.) 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.
- d.) To provide for quality defense and control costs, the Fund has established an approved defense attorney panel with firms which specialize in Title 59 matters. The performance of the defense attorneys is overseen by the Fund attorney, as well as the various firms which audit the claims adjusters.

7.) **Coverage to be purchased from a commercial insurer, if any.**

The Fund does purchases commercial insurance for the POL/EPL, Volunteer D&O, and Cyber Liability coverage which is purchased from XL Insurance and QBE North America

8.) **Reinsurance to be purchased.**

The Fund does not purchase reinsurance.

9.) **Procedures for the closure of Fund years, including the maintenance of all relevant accounting records.**

- a.) The Fund utilizes the Municipal Excess Liability Residual Claims Fund (RCF) to facilitate the closure of Fund years.
- b.) 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.

- c.) Each year, the Fund's governing body will determine if a dividend is appropriate from the closed Fund year account, and will make application to the Department of 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.
- d.) In the event a member leaves the Fund, the Fund's governing body 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. A member may apply to the Fund's governing body for a return of that member's remaining share of the closed Fund year account when five (5) years have passed since the last Fund year in which the member participated has been closed. The Fund's governing body will decide on the former member's request after evaluating the likelihood of any additional assessments from the RCF.
- e.) All dividends from the RCF will be deposited in the closed Fund year account on a member by member basis.
- f.) The Fund will retain all records in accordance with the Fund's record retention program.

10.) **Assumptions and Methodology used for the calculation of appropriate reserves requirements to be established and administered in accordance with sound actuarial principles.**

- a.) 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.
- b.) The following is an overview of the two actuarial methods used to project the ultimate losses.

- 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.
- 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.

11.) **The maximum amount a certifying and approving officer may approve pursuant to N.J.A.C. 11:15-2.22.**

- \$10,000 for General and automobile liability
- \$10,000 for workers compensation
- 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.
- \$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: *this 14th day of January, 2016 by the Governing Body:*

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

RESOLUTION NO. #7-16
RESOLUTION APPOINTING APPROVED COUNSEL
FOR THE MONMOUTH MUNICIPAL JOINT INSURANCE FUND

WHEREAS, the Monmouth Municipal Joint Insurance is responsible for providing a defense to certain claims brought against its members in accordance with the Fund's coverage documents; and

WHEREAS, the Monmouth Municipal Joint Insurance Fund has the need to acquire the services of defense attorneys as a Fair and Open contract pursuant to the provisions of N.J.S.A. 19:44A-20.4 et seq.; and

WHEREAS, the Monmouth Municipal Joint Insurance Fund specifically reserves the right to waive any defects in the proposals; and

WHEREAS, in order to appoint defense counsel, a law firm must be on the approved counsel list of the Monmouth Municipal Joint Insurance Fund to defend any member of the Fund for the year 2016; and

WHEREAS, the law firms attached to this resolution have submitted proposals which have been found to be satisfactory indicators that the firms will provide quality services as defense Counsel for the Monmouth Municipal Joint Insurance Fund; and

WHEREAS, this resolution supersedes the previous resolution adopted by the Fund which failed to include certain law firms in accordance with the attached Attorney Panel list;

NOW, THEREFORE, BE IT RESOLVED by the Executive Board of the Monmouth Municipal Joint Insurance Fund that the law firms attached to this resolution be and the same are hereby appointed as the approved counsel for the Monmouth Municipal Joint Insurance Fund for the year 2016;

BE IT FURTHER RESOLVED that the Chairman of the Monmouth Municipal Joint Insurance Fund is hereby authorized to execute this resolution;

MONMOUTH MUNICIPAL JOINT INSURANCE FUND
RFQ OPENING- 10:00 AM
RFQ OPENING
OCTOBER 22, 2015
FUND OFFICE, PARSIPPANY, NJ

Mr. Jason Thorpe indicated that the opening of the RFQ's for the Monmouth Municipal Joint Insurance Fund would take place at 10:00 AM. Present in the room for the openings was Tracy Lopez.

The Bids were opened as follows:

<u>Position</u>	<u>Firm responding</u>
Fund Attorney	Cleary, Giacobbe, Alfieri Jacobs LLC
Defense Panel	Law office of John T. Bazzurro, LLC Campbell, Foley, Delano & Adams, LLC Methfessel & Werbel DeCotis Fitzpatrick & Cole, LLP Citta, Holzapfel & Zabarsky Florio & Kenny LLP Hiering, Gannon & McKenna Chamlin Rosen Uliano & Witherington Secare & Hensel Eric M. Bernstein Gene J. Anthony Manna & Bonello King, Ktrick, Jackson & McWeeney LLC Ruderman Horn & Esmerado Wisniewski & Associates LLC Gluck, Allen, Grieco & DeFilippo, LLC Widman, Cooney, Wilson, McGann & Fitterer Amdur, Maggs & Shor Weiner Lesniak, LLP Dilworth Paxson LLP Kaufman Semeraro & Leibman LLC Gertner Mandel & Peslak LLC Hoagland, Longo, Moran Dunst & Doukas LLP Inglesino, Webster, Wyciskala & Taylor Scarinci Hollenbeck Schwartz & Posnock Bevan, Mosca, Giuditta Gluck Walrath LLP Michael D. Fitzgerald Roth D'Aquanni, LLC Wolff, Helies, Spaeth & Lucas Chasan, Leyner & Lamparello Dvorak & Associates,LLC Helmer, Conley & Kasselman

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

Resolution No. 8-16

JANUARY 2016

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 2015

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000545			
000545	PERMA	POSTAGE FEE 12/2015	364.26
			364.26
000546			
000546	CLEARY GIACOBBE ALFIERI &	LITIGATION MANAGEMENT FEE 12/2015	7,426.77
			7,426.77
000547			
000547	ASBURY PARK PRESS	ACCT:ASB-40013 - 12/17/15 - WALL TWP	24.00
000547	ASBURY PARK PRESS	ACCT:ASB-40013 - 12/3/15 - DEC MTG	50.00
000547	ASBURY PARK PRESS	ACCT:ASB-40013 - 12/14/15 - RFP AUDIRORS	78.50
			152.50
000548			
000548	ALLSTATE INFORMATION MANAGEMNT	ACCT: ACT & STOR - 11/30/2015	39.08
			39.08
000549			
000549	DANSKIN INSURANCE AGENCY INC.	EXECUTIVE SAFETY/CLAIMS - 2015 - LUNCHS	885.00
			885.00
000550			
000550	CONNELL CONSULTING LLC	POLICE TRAINING - 12/2/15	1,600.00
			1,600.00
	Total Payments FY 2015		10,467.61

FUND YEAR 2016

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000551			
000551	MUNICIPAL EXCESS LIABILITY JIF	FAITHFUL PERFORMANCE BOND 1ST QTR 2016	3,455.57
			3,455.57
000552			
000552	MUNICIPAL EXCESS LIABILITY JIF	MEL PROPERTY 1ST QTR 2016	174,964.44
000552	MUNICIPAL EXCESS LIABILITY JIF	MEL 1ST QTR 2016	588,013.76
			762,978.20
000553			
000553	QUAL-LYNX	OUTSIDE ADJUSTER - 01/2016	6,022.23
000553	QUAL-LYNX	CLAIMS ADMIN - 01/2016	42,316.04
			48,338.27
000554			
000554	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES - 01/2016	12,819.83
			12,819.83

000555	QUALCARE, INC.	MANAGED CARE SERVICES - 01/2016	15,795.29
000555			15,795.29
000556	PERMA	EXECUTIVE DIRECTOR FEE 01/2016	29,146.00
000556			29,146.00
000557	STEPHEN M. MAYER	TREASURER FEE 01/2016	1,594.00
000557			1,594.00
000558	MUNICIPAL EXCESS LIABILITY JIF	MSI 1ST QTR 2016	15,293.88
000558			15,293.88
000559	DANSKIN INSURANCE AGENCY INC.	RMC FEE 01/2016	40,736.60
000559			40,736.60
000560	CONNER STRONG & BUCKELEW	AUTOMOBILE ID CARDS RENEWAL - 2016	248.34
000560			248.34
000561	CONNER STRONG & BUCKELEW	UNDERWRITING MANAGER FEE 01/2016	943.07
000561			943.07
000562	NORTH AMERICAN INSURANCE MGMNT	RMC FEE 1ST 2016 - MARLBORO TWP	21,136.95
000562	NORTH AMERICAN INSURANCE MGMNT	RMC FEE 1ST 2016 - HAZLET TWP	17,654.36
			38,791.31
	Total Payments FY 2016		970,140.36

TOTAL PAYMENTS ALL FUND YEARS \$ 980,607.97

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

Resolution No. 9-16

JANUARY 2016

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 2016

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000562			
000562	NORTH AMERICAN INSURANCE MGMNT	VOIDED	21136.95-
000562	NORTH AMERICAN INSURANCE MGMNT	VOIDED	17654.36-
			38791.31-
000563			
000563	NORTH AMERICAN INSURANCE MGMNT	RMC FEE 1ST 2016 - MARLBORO TWP	21,136.95
			21,136.95
000564			
000564	ACRISURE, LLC	RMC FEE 1ST INSTALL 2016 - HAZLET TWP	17,654.36
			17,654.36
	Total Payments FY 2016		- 0 -

TOTAL PAYMENTS ALL FUND YEARS \$ - 0 -