

# BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND

June 21, 2022  
Hainesport Municipal Building  
1 Municipal Centre Drive  
Hainesport, NJ

## *OPEN SESSION MINUTES*

The meeting of the Burlington County Municipal Joint Insurance Fund (BURLCO JIF) was held at Hainesport Municipal Building, Hainesport, NJ, Tuesday, June 21, 2022. Chair McMahon, **Chesterfield**, presiding. The meeting was called to order at 3:30 PM.

### *FLAG SALUTE*

### *STATEMENT OF COMPLIANCE WITH OPEN PUBLIC MEETING ACT*

Notice of this meeting was given by: (1) sending sufficient notice herewith to the *Burlington County Times*, Mt. Holly, NJ, and to the *Courier Post*, Cherry Hill, NJ; (2) filing advance written notice of this meeting with the Clerks/Administrators of all member municipalities of the Burlington County Municipal Joint Insurance Fund; and (3) posting notice on the public bulletin boards of all member municipalities of the Burlington County Municipal Joint Insurance Fund.

### *ROLL CALL*

Amanda Somes, *Alternate*, **Bass River Twp.**  
Rich Wolbert, **Beverly City**  
Grace Archer, **Bordentown City**  
Maria Carrington, **Bordentown Twp.**  
Glenn McMahon, **Chesterfield**  
Joe Bellina, **Delran Twp.**  
Erin Provenzano, **Delanco Twp.**  
Patrice Hansell, **Fieldsboro Borough**  
Steve Fazekas, **Florence Twp.**  
Paula Kosko, **Hainesport Twp.**  
Jay Springer, **Lumberton Twp.**  
Mike Fitzpatrick, **Mansfield Twp.**  
Kathy Burger, **Medford Twp.**  
Jerry Mascia, **Mt. Laurel Twp.**  
Mary Picarillo, **North Hanover Twp.**  
John Gural, **Palmyra Borough**  
Dan Hornickel, **Pemberton Twp.**  
Mike Mansdoerfer, **Riverside Twp.**  
Meghan Jack, *Alternate*, **Riverside Twp.**  
Susan Onorato, **Shamong Twp.**  
J. Paul Keller, **Springfield Twp.**  
Steve Ent, **Westampton Twp.**  
James Ingling, **Wrightstown Borough**

Absent Fund Commissioners were:

Tom Pullion, **Edgewater Park**  
Susan Jackson, **New Hanover Twp.**  
Donna Mull, **Pemberton Borough**  
Kathy Hoffman, **Southampton Twp.**  
Casey English, **Tabernacle Twp.**  
Maryalice Brown, **Woodland Twp.**

Those also in attendance were:

Paul A. Forlenza, MGA, *Executive Director, RPA – A Division of Gallagher*  
Paul Miola, CPCU, ARM, *Deputy Executive Director, RPA – A Division of Gallagher*  
Kamini Patel, MBA, CIC, CPCU, *Pooling Administrator, RPA – A Division of Gallagher*  
David DeWeese, Fund Solicitor, *The DeWeese Law Firm, P.C.*  
John Saville, Risk Control Consultant, *J.A. Montgomery*  
Chris Roselli, Account Manager, *General Liability Unit, Qual-Lynx*  
Karen Beatty, Account Manager, *Qual-Care*  
Debby Schiffer, Wellness Director, *Targeting Wellness*  
Tom Tontarski, *Treasurer*  
Chris Winter, *Law Enforcement Risk Management Consultant*

Also present were the following Risk Management Consultant agencies:

Barclay Insurance  
Hardenberg Insurance Group  
Insurance Agency Mgmt.  
Conner Strong & Buckelew

*These minutes do not necessarily reflect the order in which some items were discussed.*

#### **CONDUCT OF MONTHLY MEETING**

Motion by Mr. Wolbert, seconded by Mr. Mascia to allow that this monthly meeting be conducted by the Fund Commissioners present with all matters to be decided upon by a combined majority vote of all the Fund Commissioners. Motion by Mr. Wolbert, seconded by Mr. Mascia. All in favor. Motion carried by unanimous vote.

#### **APPROVAL OF MINUTES**

Chair McMahan presented the Open session meeting minutes of the May 17, 2022 meeting of the Fund, as found in the agenda packet, for approval.

Chair McMahan asked if there were any questions at this time. No questions were entertained.

Motion by Mr. Gural, seconded by Mr. Mascia to approve the Open session meeting minutes of the May 17, 2022 meeting. All in Favor. Motion carried by unanimous vote.

#### **CLAIMS REVIEW COMMITTEE MEETING REPORT – June 14, 2022**

Ms. Burger reported that a Claims Committee meeting was held via Zoom Tuesday, June 14, 2022. The minutes from this meeting were a handout at today's meeting and are self-explanatory, noting there were no newly opened or closed cases to report on since last month. The Committee did review various claims as well as the Solicitor reports.

Ms. Burger asked if there were any questions. No questions were entertained.

#### **EXECUTIVE DIRECTOR'S REPORT**

Mr. Forlenza reviewed the Executive Director's Report found in the agenda packet with the membership. He then highlighted the following items from his report:

Mr. Forlenza referenced a report showing the Certificates of Insurance issued for April 22, 2022 thru May 22, 2022, and asked that members please review for accuracy.

Mr. Forlenza noted the Financial FastTrack reports for January, February and March were included in the agenda. He stated they are a few months behind due to a restating of the MEL Financials valued as of 12/31/21 as there were a number of issues that impacted the MEL in 2021. He noted that Mr. Mansdoerfer

will explain more during his Finance Committee report. He noted this report should be more on track going forward.

Mr. Forlenza noted the allowance reports for SIP, OSB, Wellness, and EPL/Cyber Risk Management Budget balances, were included in the agenda. He noted all funds need to either be claimed or encumbered by November 30, 2022, with encumbered funds needing to be claimed by February 1, 2023. If you have made purchases and have the invoice, you do not need to wait until November 30<sup>th</sup> to seek reimbursement of these purchases. Send it in now and we will have reimbursement to you on the next bill list. He emphasized to please not wait until the last moment to claim your funds.

Mr. Forlenza referenced the Statutory Bond Status report and asked members to please review the report for accuracy and be sure to check the list to make sure any new employees/bonds are listed. He reminded the members that the bond is for the individual, not the position, and if you would like to check the status of an application, please contact Ed Cooney, Fund Underwriter. He also noted that towns are looking to fill various positions – Tax Collectors, Treasurers, etc. – via an interlocal service agreement. In these situations, an application will need to be completed for the new town as this is specific to that individual for that specific town.

Mr. Forlenza stated and on June 6, 2022 Renewal letters were emailed out to the nine (9) members whose membership in the JIF is up for renewal on January 1, 2023. These members are: *Bordentown City, Bordentown Township, Delran, Lumberton, Mansfield, New Hanover, Pemberton Borough, Riverside Township, and Southampton Township*. Included in the email was a Resolution for Renewal of Membership in the Burlington County Municipal JIF, a Certification required under the Local Public Contracts Law, and an Agreement to Renew Membership in the Burlington County Municipal JIF. Members were asked to place the Renewal Resolution on the agenda of an upcoming governing body meeting and return both the approved Resolution and executed Agreement to our office by Friday, August 12, 2022. With that said, as part of the Renewal process, a representative from the Executive Director's office contacted those members up for renewal to schedule an appointment with the Fund Commissioner, Risk Management Consultant, and Representatives of the Governing Body. These meetings have already started to take place. These appointments are an opportunity to discuss the member's participation in the JIF and the many programs available to them. The Executive Director's office believes it is very important for the decision makers in each member municipality to understand the value of JIF membership.

Lastly, Mr. Forlenza noted a reminder that with the Fourth of July is right around the corner and that coverage for fireworks displays is **not** automatic. MEL Bulletin 2022-05 outlines the requirements and the hold harmless & indemnification agreement language to be provided by the contractor for coverage to be granted to the municipality. A Fireworks *Checklist* can be found along with the MEL Bulletin on the MEL website to assist members. Please submit the Fireworks *Checklist*, along with all required documents as outlined in the checklist and Bulletin to [MELUnderwritingSvcCntr@connorstrong.com](mailto:MELUnderwritingSvcCntr@connorstrong.com). Submissions must be received one week prior to the event. Mr. Forlenza emphasized to please not wait until July 2 or 3<sup>rd</sup>, as you will not receive coverage approval in time.

Mr. Forlenza asked if there were any questions. No questions were entertained.

### ***SOLICITOR'S REPORT***

#### ***Open/Closed Claims Reports***

Mr. DeWeese noted the Clams Committee met earlier today, and stated that there were no (0) closed case(s) since the last meeting:

Mr. DeWeese stated that there were also no (0) new case(s) since the last meeting:

***MEL EPL Helpline & Authorized Contact List*** – Mr. DeWeese reminded the members to please review the attached list of authorized contacts for the *MEL Employment Practices Helpline* and be sure that who you want to have access to the Helpline are listed on this report, as calls can only be fielded from those on the list. He reminded the members that they can appoint up to **two (2)** municipal representatives who will

be permitted to contact the *Helpline* attorneys with their inquiries. The appointment of the municipal representatives must be made by Resolution of the Governing Body. These authorized contacts are the only individuals permitted to access this service, so please review the list and be sure who you would like appointed as the contacts are actually appointed.

Mr. DeWeese reported that on May 19, 2022 he conducted a training session for the Qual-Lynx liability adjusters on Title 59, noting that he received positive feedback on the session.

Mr. DeWeese reported that on May 24, 2022, a Defense Panel Breakfast was held for the General Liability and Workers' Compensation Defense Panel members. He reported that the number of attorneys in attendance was outstanding and that there were great discussions among those in attendance. He received very positive feedback from the panel members.

Mr. DeWeese asked if there were any questions. No questions were entertained.

#### ***SAFETY DIRECTOR'S REPORT***

Mr. Saville stated that the Safety Director's Report is included in the agenda and is self-explanatory. He then highlighted the following:

Mr. Saville noted his report included a list of the Safety Director Bulletins and Safety Announcements issued during the month via the NJ MEL App, as well as the MSI Now, MSI Live, and DVD Services. MSI will continue to be presented through the Zoom Webinar format with in-person training classes offered as part of the training expos being conducted this year.

Mr. Saville reminded the members the next Regional training is the Lifeguard Symposium which is being held on June 28 in person at the Ocean City Library for those who have lifeguards at your beaches or pools, so be sure to pre-register to attend.

He also asked the members to please remember to review the hierarchy reports for your town in the learning management system to be sure your training is up to date.

Mr. Saville asked if there were any questions at this time. No questions were entertained.

#### ***CLAIMS ADMINISTRATOR'S REPORT***

##### ***Lessons Learned from Losses***

Mr. Roselli reviewed this month's *Lessons Learned from Losses* with respect to Hurricane Preparedness. He noted that during the RMC Roundtable, Ed Cooney, Fund Underwriter, indicated that a flood policy should in place if any portion of the scheduled location is in Flood Zone A or V. In addition, Mr. Roselli encouraged the Committee to report all claims to FEMA noting that in some instances, FEMA will provide funding (FEMA mitigation) to address an ongoing flood threat.

Mr. Roselli stated that a \$500,000 deductible applies to both the building and contents for scheduled properties in a flood zone.

Mr. Roselli asked if there were any questions at this time. No questions were entertained.

#### ***LAW ENFORCEMENT LIABILITY CONSULTANT REPORT***

Mr. Winter stated his initial visits are complete with the exception of one (1) agency, but is in the process of being scheduled. He is focusing on Transitional Duty noting it is very important for officers and there are many opportunities for them to complete important tasks while on transitional duty such as expungement of criminal convictions, clerical work, etc.

In regards to Policy Development, Mr. Winter reported requests for policies and procedure have been received and have been forwarded to requesting agencies. This process is ongoing. A follow-up inquiry was conducted with agencies in regards to Critical Incident Debriefing and Transitional Duty. Assistance has been provided with Recruitment and Selection as it relates to Attorney General Guidelines.

Mr. Winter stated that preparation is being conducted for future class instruction for the Management of Aggressive Behavior. Class dates and times are being discussed and will be posted in the near future. A report writing class was determined to be needed based on reviews from litigation files in addition to input from various Chiefs who also concurred as well.

Mr. Winter noted that he forwards his activity reports to the Fund Commissioners and Police Chiefs and they have been well received.

Mr. Winter asked if there were any questions. No questions were entertained.

### ***WELLNESS DIRECTOR'S REPORT***

Ms. Schiffer stated her report is included in the agenda packet and highlighted the following items and referenced some well-being initiatives and activities:

Ms. Schiffer noted she continues to reach out to her Wellness contacts in an attempt to schedule time to have an idea generating conversation regarding ways to use allocated wellness funds for 2022, and has met with many of them. She noted there are still a few towns that need to appoint a designated Wellness Coordinator. She then noted some new idea's she has spoken with member towns about have included Reiki demonstrations, Misfit Market orders, Snack/Fruit events, and Exploration with Meditation. Monthly activities with different member towns have included starting an employee garden, a "better sleep hygiene" challenge, chair massages, etc.

Ms. Schiffer noted a Wellness Ad-Hoc Committee Meeting took place on May 11, 2022 and the minutes are included in the agenda packet, however they still need to be approved by the Safety Committee, and the next meeting is scheduled to be held in July.

Ms. Schiffer stated the JIF Mental Wellness and Health Initiatives Meeting held on May 27, 2022 is looking at the Transformational Leadership and Crisis Response program and made some recommendations that will be shared with Dr. Elias and the Executive Committees once finalized.

Ms. Schiffer stated a List of Approved Wellness Items for Fund Coverage is on the JIF website for your reference.

### **June Targeting Wellness Newsletter**

This month Ms. Schiffer noted some topics covered in her newsletter included:

- The Importance of Hydration (and a brief look at electrolyte replacement with easy to make beverages)
- Summer Steps for Healthy Living (plus the 5 healthiest condiments for summer)
- Steps to Promote Cancer-free Grilling (enjoy your summer barbecue AND be safe)
- Add Some Spice to Your Life (makes foods delicious and improves your health at the same time)
- Processed Food and Your Health (Isn't everything processed in some way?)
- Recipe Corner: Loaded Kale Salad (easy, fast, and great for bringing to your next backyard party)

Ms. Schiffer noted also included was "Wellness Win of the Month": She asked that you please share your "wellness win" by sending her a short explanation and photos (if appropriate) on something you tried recently that worked. She is going to pick one winner and will email it out to all the Wellness Champs later this month. Please do not feel if your idea isn't picked that it falls short in any way. Ms. Schiffer will continue getting them posted on the JIF website for you to reference and to help generate future ideas.

Ms. Schiffer noted the anguish she felt in her observations as she has been out to member towns in regards to the "stress factor" she sees and feels employees are enduring. She has witnessed employees not taking a break, or taking their lunch as they are too busy and overwhelmed. She expressed how important personal care is, noting if you don't take care of your health now, you'll be taking care of your illness later.

Lastly, Ms. Schiffer noted there were packets to be picked up today that included posters on Comorbidities and the affects they can have on your claims. Please be sure to hang them up in your municipalities as a reminder to your employees.

Ms. Schiffer asked if there were any questions at this time. No questions were entertained.

### ***MANAGED HEALTH CARE REPORT***

#### **Lost Time v. Medical Only Cases**

Ms. Beatty presented the BURLCO JIF *Lost Time v. Medical Only Cases (Intake Report)*:

	<i>May</i>	<i>YTD</i>
<i>Lost Time</i>	<i>1</i>	<i>16</i>
<i>Medical Only</i>	<i>10</i>	<i>52</i>
<i>Report Only</i>	<i>30</i>	<i>104</i>
<i># of New Claims Reported</i>	<i>41</i>	<i>174</i>
<i>Report Only % of Total</i>	<i>73%</i>	<i>60%</i>
<i>Medical Only/Lost Time Ratio</i>	<i>90:10</i>	<i>76:24</i>
<i>Average Days to Report to Qual-Lynx</i>	<i>4.1</i>	<i>5.1</i>
<i>Average Days Reported to employer</i>	<i>2.5</i>	<i>2.1</i>

#### ***Claims Report by Type***

Ms. Beatty explained that this number may start to run high due to COVID claims on the rise again and the amount of time it takes to track all of those exposed and potential additional positive claims.

Days to Report – Non-COVID Claims: 1.1 days

Days to Report COVID Claims: 6.1 days

#### ***Managed Care Quick Notes***

This is a new report which reviews a claim depicting the positive impact an assigned Managed Care Nurse can have on a claim by monitoring all aspects of the case. Ms. Beatty reviewed the case with the membership.

#### ***Transitional Duty Report***

Ms. Beatty presented the Year-to-Date Transitional Duty Report, noting these were great results:

<b><i>Transitional Duty Summary Report</i></b>	<b><i>YTD</i></b>
<i>Transitional Duty Days Available</i>	732
<i>Transitional Duty Days Worked</i>	583
<i>% of Transitional Duty Days Worked</i>	80%
<i>Transitional Duty Days Not Accommodated</i>	149
<i>% of Transitional Duty Days Not Accommodated</i>	20%
<i>\$ Saved by Accommodating</i>	\$63,860
<i>\$ Lost by not Accommodating</i>	\$14,536

***PPO Penetration Report:***

Ms. Beatty presented the PPO Penetration Report:

<b><i>PPO Penetration Rate</i></b>	<b><i>May</i></b>
<i>Bill Count</i>	164
<i>Original Provider Charges</i>	\$154,795
<i>Re-priced Bill Amount</i>	\$67,122
<i>Savings</i>	\$87,673
<i>% of Savings</i>	57%
<i>Participating Provider Penetration Rate - Bill Count</i>	98%
<i>Participating Provider Penetration Rate – Provider Charges</i>	98%
<i>EPO Provider Penetration Rate - Bill Count</i>	96%
<i>EPO Provider Penetration Rate – Provider Charges</i>	93%

**Top 10 Providers by Specialty:** This report breaks down our top 10 providers by specialty e.g. Anesthesia/Pain Management, Facility, and MRI/Radiology as these are the heaviest expenses the Fund incurs.

**Nurse Case Assignment Report:** The final page of this report depicts the number of open cases each Nurse Case Manager carried for each month to date, along with how many cases were closed for the current month, and how many cases were opened for the current month. The attached report depicts the information through May 2022.

Ms. Beatty asked if there were any questions. No questions were entertained.

***TECHNOLOGY RISK SERVICES REPORT***

Mr. Romero stated in regards to the new WIZER Training course released earlier this month, the course is approximately 25-30 minutes long and the FCs or clerks have been designated as the Point of Contact and will receive weekly status reports. He noted the new WIZER training course is in progress, and the BURLCO JIF currently has 1,111 users enrolled with a 48% completion rate.

### **Whitelisting and Phishing**

As of May 21<sup>st</sup> there are 20 members (71%) actively enrolled with two (2) waiting test phishing email confirmation and six (6) who have not replied letting me know if they have completed their whitelisting.

Mr. Romero noted several reminders have been sent out and to please let him know when the whitelisting has been completed so Wizer can send a test phishing email and validate that the whitelisting is working.

### **D2 Cybersecurity Vulnerability Scanning & Penetration Testing**

As of May 21<sup>st</sup>, there are 22 members (79%) are actively enrolled in the program. He is still missing the KYC or the VSA from six (6) members. He reiterated both documents need to be submitted to him at the same time. He will then forward to D2 and the JIF.

- The KYC Form needs to be completed by your IT & municipal point of contact. This identifies the IP addresses needed to perform the network VA scan & penetration test.
- The Vendor Service Agreement (VSA) (vetted by the JIF's solicitor) needs to be completed and signed by the municipal point of contact. This is the legal agreement/consent allowing D2 Cybersecurity to perform the vulnerability scan & penetration testing.

Mr. Romero noted it is important to include all departmental IP addresses to be tested (administrative, PD, Public Works, EMS, Fire Dept., etc.) Once the pen testing goes into production it cannot be stopped, and new IP addresses will need to be tested next year.

### **MEL's Cyber Risk Management**

Mr. Romero reported that as of May 21<sup>th</sup>:

17 or 61% of the members are Tier 1 certified  
14 or 50% of the members are Tier 2 certified  
11 or 39% of the members are Tier 3 certified

He continues to reach out and visit JIF members to help them understand and become compliant with the various programs.

Mr. Romero reviewed the Security tip of the month: MFA (Multi-Factor Authentication) noting the different types of MFA's

- **Email codes:** Email code is a code – either numbers, letters, or a mix of that is sent to you via email.
- **Text and call one-time passwords (OTPs):** One Time Password authenticates you by sending you a one time password.
- **Biometric verification:** can be anything from fingerprint identification up to facial recognition. Users with smartphones or computers with this feature can further strengthen their online protection
- **Physical key:** something you can hold and insert into your computer to access information and is considered one of the most secure methods of MFA.
- **Authenticator app:** The authenticator app is an application that you download from your phone. The big companies – such as Microsoft, Google, and Apple – have their own authenticator apps for their users. It provides you with two authentication options. You can either receive a notification that someone is trying to access your account, and you can approve or decline verification.

Lastly, Mr. Romero noted included in the same packet as the Wellness Comorbidities posters, were Cyber Posters as well as Cyber Mouse Pads to assist in reminding employees to be cautious what they click on.



He asked that the posters please be hung up around your municipality and you distribute the mouse pads to your employees.

Mr. Romero asked if there were any questions. No questions were entertained.

**TREASURER'S REPORT**

Mr. Tontarski presented an overview of the Treasurer's Report for the month of May 2022, a copy of which was provided to the membership in the agenda packet. Mr. Tontarski's reports are prepared on a "modified cash basis" and relate to financial activity through the one month period ending May 31, 2022 for Closed Fund Years 1991 through 2017, and Fund Years 2018, 2019, 2020, 2021, and 2022.

**Investment Interest**

Interest received or accrued for the reporting period totaled \$12,871.50. This generated an average annual yield of .95%. However, after including an unrealized net gain of \$90,885.78 in the asset portfolio, the yield is adjusted to 6.69% for this period. The total overview of the asset portfolio for the fund shows a current market value of \$14,217,382.71.

**Receipt Activity for the Period**

	Monthly	YTD
Subrogation Receipts	\$919.00	\$25,355.69
Salvage Receipts	\$0.00	
Overpayment Reimbursements	\$0.00	
2022 Retro Program Assessments		\$20,584.00

**Loss Run Payment Register – May 2022**

Mr. Tontarski stated that the report included in the agenda packet shows net claim activity during the reporting period for claims paid by the Fund and claims payable by the Fund at period end in the amount of \$216,567.72. The claim detail shows 394 claim payments issued.

**A.E.L.C.F. Participant Balances at Period End**

Delran Township	\$0.00
Chesterfield Township	\$2,230.00
Bordentown City	\$41,144.00
Bordentown Township	\$57,409.00
Westampton Township	\$10,557.00

**Cash Activity for the Period**

During the reporting period the Fund's "Cash Position" changed from an opening balance of \$16,724,562.20 to a closing balance of \$15,868,042.20 showing a decrease in the fund of \$ 856,520.00.

**Bill List – June 2022**

For the Executive Committee's consideration, Mr. Tontarski presented the June 2022 Bill List in the amount of \$277,856.93.

Chair McMahon entertained a motion to approve the May 2022 Loss Run Payment Register and the June 2022 Bill List in the amount of \$277,856.93, as presented.

Chair McMahon asked if there were any questions at this time. No questions were entertained.

Motion by Mr. Ingling, seconded by Ms. Kosko to approve the *May 2022 Loss Run Payment Register and the June 2022 Bill List*, as presented.

**ROLL CALL**    *Yeas*

Amanda Somes, *Alternate*, **Bass River Twp.**  
Rich Wolbert, **Beverly City**  
Grace Archer, **Bordentown City**  
Maria Carrington, **Bordentown Twp.**  
Glenn McMahon, **Chesterfield**  
Joe Bellina, **Delran Twp.**  
Erin Provenzano, **Delanco Twp.**  
Patrice Hansell, **Fieldsboro Borough**  
Steve Fazekas, **Florence Twp.**  
Paula Kosko, **Hainesport Twp.**  
Jay Springer, **Lumberton Twp.**  
Mike Fitzpatrick, **Mansfield Twp.**  
Kathy Burger, **Medford Twp.**  
Jerry Mascia, **Mt. Laurel Twp.**  
Mary Picarillo, **North Hanover Twp.**  
John Gural, **Palmyra Borough**  
Dan Hornickel, **Pemberton Twp.**  
Mike Mansdoerfer, **Riverside Twp.**  
Susan Onorato, **Shamong Twp.**  
J. Paul Keller, **Springfield Twp.**  
Steve Ent, **Westampton Twp.**  
James Ingling, **Wrightstown Borough**

*Nays:*            None  
*Abstain:*        None

Motion carried by unanimous vote.

## COMMITTEE REPORTS

### *Finance Committee Meeting Minutes – June 7, 2022*

Mr. Mansdoerfer noted the Finance Committee met in person on June 7<sup>th</sup> to review the 12/31/2021 Audit and the detailed minutes were included in the agenda packet and are self-explanatory. He reviewed some of the highlights of the meeting with the members and then noted the Auditors found no findings or recommendations. He also noted there was a memorandum on the JCMI with FAQ's that seem to be very helpful to people, that was also included with the minutes, as well as the Interim Financials Statement Summary ending March 31, 2022.

He then noted the MEL Financial Fast track for January, February, and March were included in the agenda packet valued as of 12/31/21 indicating a surplus position of \$8,167,636 with significant changes occurring in the last quarter of 2021. He explained that the MEL has implemented a few changes effective 12/31/21 to address a potential deficit resulting from a number of factors.

Mr. Mansdoerfer explained that these factors include the impact of the pension offset change that went into effect in February, 2021, SAM claims, fire fighter cancer presumption claims, and the re-opening of workers compensation claims. To address the deficit created by these factors, the MEL has decided to collect the 15% MEL loss funding differential that was budgeted by the Fund for Fund Years 2016 through 2021; however, was never paid to the MEL. There is a resolution on the agenda to authorize this payment in the amount of \$547,660. The collection of these funds from all the MEL JIFs will provide the MEL with an infusion of more than \$15 million in cash to address their 12/31/21 deficit.

Mr. Mansdoerfer then explained that another change that was made at the MEL level effective December 31, 2021 was to shift the costs associated with 2021 COVID claims from the MEL to the local JIFs. He explained that the MEL is in negotiations with its Excess Worker Compensation Carrier as to whether all COVID claims should be treated as one occurrence. The negotiation revolves around a communicable disease endorsement that was included in the 2020 policy but was removed from the excess workers compensation policy when it was renewed in 2021. He noted that while the MEL believes that it has a strong position in regards to the 2020 COVID claims being considered one occurrence pursuant to the endorsement, any COVID related claims incurred in 2021 are likely not going to be part of the single occurrence. In recognition that the costs associated with the 2021 COVID claims are likely going to be the financial responsibility of the local JIFs, the BURLCO JIF will now be recognizing these costs on its financials. The impact on the BURLCO JIF includes \$412,731 in incurred losses and \$212,623 in IBNR for a total of \$625,355. For 2020 and 2021 COVID claims, the local JIFs' Financial Fast Tracks reflect an excess receivable from the MEL for these claims prior to the 12/31/21 valuation. Due to the understanding that the 2021 claims are not included in the single occurrence, an adjustment has been made to the JIFs' financials to recognize these claims costs at the 12/31/21 valuation. This adjustment will reduce the JIF's surplus position by \$625,355. Mr. Mansdoerfer noted that these claims have already been paid by the JIF; therefore, does not affect the JIF's cash position; however, the recoverable recorded in the Financial Fast Track improved the Surplus position of the by the value noted prior to this adjustment removing the recoverable. She noted that transferring the 2021 COVID claims from the MEL to the JIFs statewide will increase the MEL's surplus position by approximately \$8 million.

With that said, Mr. Mansdoerfer noted there were five (5) Resolutions on the Agenda for approval and reviewed each one to the Committee. Mr. Mansdoerfer asked if there were any questions before the Resolutions were presented for approval. No questions were entertained.

Chair McMahon entertained a motion to approve the following Resolutions:

***Resolution 2022-25 Accepting the Annual Audit Report for the Period Ending December 31, 2021***

***Resolution 2022-26 Authorizing Payment of \$547,660 from the BURLCOJIF MEL Unencumbered Surplus Account in Accordance with the Requirements of the New Jersey Municipal Liability Joint Insurance Fund***

***Resolution 2022-27 Authorizing the Fund Treasurer to Transfer \$149,207 from the Fund Year 2017 MEL Excess Premium Budget Line Item to the MEL Unencumbered Surplus Account.***

***Resolution 2022-28 Authorizing a Payment of \$10,668 from the 2017 Fund Year in Accordance with the Requirements of the New Jersey Municipal Residual Claims Fund Joint Insurance Fund Surplus Trigger.***

***Resolution 2022-29 Authorizing an Intrafund Transfer of \$150,000 from the 2021 Deductible Line Item to the 2021 Property Line***

Motion by Mr. Gural, seconded by Mr. Wolbert, to approve ***Resolutions 2022-25; Resolution 2022-26, Resolution 2022-27; Resolution 2022-28; and Resolution 2022-29 as presented***

**ROLL CALL**    *Yeas*    Amanda Somes, *Alternate*, Bass River Twp.  
Rich Wolbert, **Beverly City**  
Grace Archer, **Bordentown City**  
Maria Carrington, **Bordentown Twp.**  
Glenn McMahon, **Chesterfield**  
Joe Bellina, **Delran Twp.**  
Erin Provenzano, **Delanco Twp.**  
Patrice Hansell, **Fieldsboro Borough**  
Steve Fazekas, **Florence Twp.**  
Paula Kosko, **Hainesport Twp.**

Jay Springer, **Lumberton Twp.**  
Mike Fitzpatrick, **Mansfield Twp.**  
Kathy Burger, **Medford Twp.**  
Jerry Mascia, **Mt. Laurel Twp.**  
Mary Picarillo, **North Hanover Twp.**  
John Gural, **Palmyra Borough**  
Dan Hornickel, **Pemberton Twp.**  
Mike Mansdoerfer, **Riverside Twp.**  
Susan Onorato, **Shamong Twp.**  
J. Paul Keller, **Springfield Twp.**  
Steve Ent, **Westampton Twp.**  
James Ingling, **Wrightstown Borough**

*Nays:* None  
*Abstain:* None

Motion carried by unanimous vote.

### ***MEL/RCF/EJIF REPORTS***

Ms. Jack referenced the MEL/RCF/EJIF Reports from the June 2, 2022 meetings included in the agenda packet, noting they were self-explanatory. She then highlighted the following:

Ms. Jack noted at each meeting the year end financials were reviewed as well as the Audit that had no recommendations and no findings. She asked that members read the memo that is attached to the MEL and RCF Reports as it explains the MEL and RCF are in stable financial positions, however, there have been quite a few changes, as Mr. Mansdoerfer previously explained that will have an impact on future budget years. The MEL is likely to see more of an increase in their 2023 budget then we have seen previously.

Ms. Jack also suggested that each municipality review and adopt the Resolution to “Support Budget CAP Relief”. Mr. Forlenza emailed this Resolution to all members approximately 2 weeks ago asking all members to support budget cap relief by adopting the resolution urging the NJ legislature to amend the budget cap law for increasing insurance costs caused by issues beyond local control. He noted he has already received some executed Resolutions

Ms. Jack asked if there were any questions. No questions were entertained.

### **MISCELLANEOUS BUSINESS**

#### ***Next Meeting***

Chair McMahon noted that the next meeting of the BURLCO JIF will take place on **Tuesday, July 19, 2022 at 3:30 PM** in-person in at the Hainesport Municipal Building.

#### ***PUBLIC COMMENT***

Motion by Mr. Mascia, seconded by Mr. Ingling to open the meeting to the public. All in favor. Motion carried.

Chair McMahon opened the meeting to the public for comment.

Hearing no comment from the public, Chair McMahon entertained a motion to close the public portion of the meeting.

Motion by Ms. Kosko, seconded by Mr. Gural, to close the meeting to the public. All in favor. Motion carried.

At this time, Chair McMahon asked Mr. DeWeese if there was a need for a Closed Session. Mr. DeWeese noted, at this time, there is not a need to hold a closed Session unless anyone had any questions in regard to the PARs. No questions were entertained.

***APPROVAL OF CLAIMS PAYMENTS***

Chair McMahon asked members for their questions at this time. No questions were entertained.

Chair McMahon entertained a motion to approve the following PARs as reviewed and recommended by the Claims Review Committee.

<b><i>Workers Compensation</i></b>	<b><i>General Liability</i></b>
2021222201	2020206165
2021238464	2022264818
2022264378	
2022263937	

Motion by Mr. Wolbert, seconded by Mr. Ingling, to approve Payment Authority on the Claims reviewed and recommended by the Claims Review Committee:

- ROLL CALL**    *Yeas*
- Amanda Somes, *Alternate*, **Bass River Twp.**
  - Rich Wolbert, **Beverly City**
  - Grace Archer, **Bordentown City**
  - Maria Carrington, **Bordentown Twp.**
  - Glenn McMahon, **Chesterfield**
  - Joe Bellina, **Delran Twp.**
  - Erin Provenzano, **Delanco Twp.**
  - Patrice Hansell, **Fieldsboro Borough**
  - Steve Fazekas, **Florence Twp.**
  - Paula Kosko, **Hainesport Twp.**
  - Jay Springer, **Lumberton Twp.**
  - Mike Fitzpatrick, **Mansfield Twp.**
  - Kathy Burger, **Medford Twp.**
  - Jerry Mascia, **Mt. Laurel Twp.**
  - Mary Picarillo, **North Hanover Twp.**
  - John Gural, **Palmyra Borough**
  - Dan Hornickel, **Pemberton Twp.**
  - Mike Mansdoerfer, **Riverside Twp.**
  - Susan Onorato, **Shamong Twp.**
  - J. Paul Keller, **Springfield Twp.**
  - Steve Ent, **Westampton Twp.**
  - James Ingling, **Wrightstown Borough**

*Nays:*                    None  
*Abstain:*                None

Motion carried by unanimous vote.

***AUTHORIZATION TO ABANDON SUBROGATION – APPROVAL***

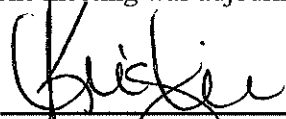
There were no (0) claim(s) recommended by the Claims Committee for abandonment of subrogation since the last meeting:

***MOTION TO ADJOURN***

Chair McMahon entertained a motion to adjourn the June 21, 2022 meeting of the BURLCO JIF.

Motion by Mr. Ingling, seconded by Mr. Wolbert to adjourn the June 21, 2022 meeting of the BURLCO JIF. All in favor. Motion carried.

The meeting was adjourned at 4:23 PM.



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Kristie,  
Recording Secretary for



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~~John Gural, SECRETARY~~

Acting  
Rich Wolbert