

# **MORRIS ESSEX INSURANCE GROUP**

**LUNCHEON MEETING**

**THURSDAY, OCTOBER 13, 2016**

**12:00 NOON**

**CAFFE NA VONA**

**(973-627-1606)**

**(DIRECTIONS ON LINE)**

**[WWW.CAFFENAVONA.COM](http://WWW.CAFFENAVONA.COM)**

The New Jersey Open Public Meetings Act was enacted to ensure the right of the public to have advance notice and to attend the meetings of public bodies at which any business affecting their interest is discussed or acted upon. In accordance with the provisions of the act, the Morris Essex Insurance Group approved this meeting date at its organization meeting of June, 2016.

**RSVP IF YOU CANNOT ATTEND**

# MORRIS ESSEX INSURANCE GROUP

THURSDAY, OCTOBER 13, 2016

## AGENDA

- I. Roll Call
- II. Approval of the June 16, 2016 Minutes
  - *MOTION TO APPROVE THE MINUTES OF JUNE 16, 2016*  
*MOVED:*  
*SECOND:*  
*VOTE:*
- III. Treasurer's Report
  - A. Approval of the Treasurer's Report and Bills List
    - *MOTION TO APPROVE TREASURER'S REPORT FOR JUNE, JULY AUGUST, AND SEPTEMBER 2016 AND BILLS LIST*  
*MOVED:*  
*SECOND:*  
*VOTE:*
- IV. Executive Director's Report
  - A. Workers Compensation, Paid and Reserved
  - B. Payroll Audit: 2015-2016 - MEIG Payroll Form (attached)
    - Copy of 927's for the 3<sup>rd</sup> and 4<sup>th</sup> Quarter of 2015 and 1<sup>st</sup> and 2<sup>nd</sup> quarter of 2016
    - Actual Overtime Paid – Professional and Non-Professional
  - C. DOBI Audit

**\*\* Payroll Information Due on or before December 1, 2016**

# MORRIS ESSEX INSURANCE GROUP

THURSDAY, OCTOBER 13, 2016

V. Inservco

A. Distribute and Review Annual Claims Report

VI. Willis

- Review of All Lines
- Summary on Cyber Policy
- Discussion on Cyber Seminar - XL

VII. Safety Report, Michael Halik, Chair

A. Safety Seminar October 17<sup>th</sup> Cancelled and ReScheduled for:  
**November 28, 2016**, Embassy Suites, 10:00 AM to Noon,  
Lunch to follow

VIII. First MCO

A. Status Report

IX. OLD Business

- Stagger Membership Renewals

2016-2019

West Morris Reg.

Hanover Twsp.

Verona

Mine Hill

Roseland

Morris Co. School of Tech.

2016-2018

Washington Twp

Dover

Mt. Lakes

Morris Plains

Mt. Arlington OE

Ed Services of Morris Co.

2016-2017

Madison

West Essex Reg.

Glen Ridge

Mendham Twp.

N. Caldwell

Long Hill

X. New Business

Join PRIMA as a Member

XI. Meeting Adjourned

**MORRIS ESSEX INSURANCE GROUP  
MINUTES  
BOARD OF TRUSTEES MEETING  
JUNE 16, 2016**

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The June 16, 2016 Board of Trustees meeting of the Morris Essex Insurance Group was called to order 12:00 Noon, by the Chairperson, Douglas Pechanec, at Café NaVona in Rockaway, NJ.

**ROLL CALL OF TRUSTEES:**

<b>CHAIRPERSON, Doug Pechanec</b>	<b>WEST MORRIS REGIONAL</b>	<b>PRESENT</b>
<b>VICE CHAIRPERSON Liz George</b>	<b>WASHINGTON TWSP</b>	<b>PRESENT</b>
<b>SECRETARY, Vanessa Wolsky</b>	<b>HANOVER TWSP</b>	<b>PRESENT</b>
<b>Susan Young</b>	<b>MCS of TECHNOLOGY</b>	<b>PRESENT</b>
<b>John Esposito</b>	<b>LONG HILL TOWNSHIP</b>	<b>PRESENT</b>
<b>Cheryl Nardino</b>	<b>VERONA BOARD</b>	<b>ABSENT</b>
<b>Catarina Bilotta</b>	<b>ED SERVICES OF MO CO</b>	<b>PRESENT</b>

**MEMBERS**

<b>CATHERINE JENISCH</b>	<b>DOVER BOARD</b>	<b>PRESENT</b>
<b>JASON M. BOHM</b>	<b>ROSELAND BOARD</b>	<b>PRESENT</b>
<b>PETER CAPRIO</b>	<b>GLEN RIDGE BOARD</b>	<b>ABSENT</b>
<b>PAM HINMAN</b>	<b>WEST ESSEX REGIONAL</b>	<b>PRESENT</b>
<b>CAROLINA RODRIGUEZ</b>	<b>MINE HILL BOARD</b>	<b>PRESENT</b>
<b>THOMAS KRYGER</b>	<b>MENDHAM TWSP</b>	<b>ABSENT</b>
<b>ROBIN TEDESCO</b>	<b>MT. ARLINGTON BOARD</b>	<b>ABSENT</b>
<b>DANIEL BORGIO</b>	<b>MT. LAKES BOARD</b>	<b>ABSENT</b>
<b>AMY BARKMAN</b>	<b>MORRIS PLAINS BOARD</b>	<b>ABSENT</b>
<b>MICHAEL HALIK</b>	<b>NORTH CALDWELL BOARD</b>	<b>PRESENT</b>
<b>GARY LANE</b>	<b>MADISON BOARD</b>	<b>PRESENT</b>

**FUND PROFESSIONALS PRESENT**

**EXECUTIVE DIRECTOR**

**Deb Ginetto**

**TREASURER**

**Jon Rheinhardt**

**INSERVCO**

**Nancy Fowlkes**

**SAFETY**

**Michael Berta**

**FIRST MCO**

**Kelly Royce**

**WILLIS**

**John Moore**

**AUDITOR**

**Bud Jones**

**ATTORNEY**

**John Tort**

**OTHERS PRESENT**

**Angelo Vilardi, Superintendent, Morris ESC**

**MOTION TO APPROVE THE MINUTES OF THE March 17, 2016**

**MOVED: Gary Lane**  
**SECOND: Cathy Jenisch**  
**VOTE: UNANIMOUS**

**MOTION TO APPROVE THE TREASURER'S REPORT FOR MARCH 1, 2016  
THROUGH May 31, 2016 AND THE BILLS LIST**

**MOVED: Gary Lane**  
**SECOND: Catarina Bilotta**  
**VOTE: UNANIMOUS**



**MOTION TO ADJOURN SINE DIE MEETING:**

**MOVED:** Catarina Bilotta  
**SECOND:** Michael Halik  
**VOTE:** Unanimous

**SINE DIE MEETING ADJOURNED -CHAIRS VACATED. Douglas Pechanec  
ASKED Executive Director TO CONDUCT THE MEETING.**

**ROLL CALL OF THE MEMBERS:**

Doug Pechanec	WEST MORRIS REGIONAL	PRESENT
Liz George	WASHINGTON TWSP	PRESENT
Vanessa Wolsky	HANOVER TWSP	PRESENT
Susan Young	MCS of TECHNOLOGY	PRESENT
John Esposito	LONG HILL TOWNSHIP	PRESENT
Cheryl Nardino	VERONA BOARD	ABSENT
Catarina Bilotta	ED SERVICES OF MO CO	PRESENT
Cathy Jenisch	DOVER BOARD	PRESENT
Jason M. Bohm	ROSELAND BOARD	PRESENT
Peter Caprio	GLEN RIDGE BOARD	ABSENT
Pam Hinman	WEST ESSEX REGIONAL	PRESENT
Carolina Rodriguez	MINE HILL BOARD	PRESENT
Thomas Kryger	MENDHAM TWSP	ABSENT
Robin Tedesco	MT. ARLINGTON BOARD	ABSENT
Daniel Borgo	MT. LAKES BOARD	ABSENT
Michael Halik	NORTH CALDWELL BOARD	PRESENT
Gary Lane	MADISON BOARD	PRESENT

It was determined that there was a quorum of membership and the Reorganization Meeting would take place.

**MOTION TO ACCEPT THE FOLLOWING NOMINATIONS OF TRUSTEES  
AND (2) ALTERNATES FOR JULY 1, 2016 THROUGH JUNE 30, 2017**

Doug Pechanec	WEST MORRIS REGIONAL
Liz George	WASHINGTON TWSP
Vanessa Wolsky	HANOVER TWSP
Susan Young	MCS of TECHNOLOGY
Michael Halik	NORTH CALDWELL
Cheryl Nardino	VERONA BOARD
Catarina Bilotta	ED SERVICES OF MO CO
John Esposito Alternate #1	Long Hill
Cathy Jenisch Alternate #2	Dover
<b>MOVED:</b>	Gary Lane
<b>SECOND:</b>	Carolina Rodriguez
<b>VOTE:</b>	12 Yeas      0 Nays      0 Abstention

**MOTION TO ELECT OFFICERS: CHAIRPERSON, Liz George, VICE CHAIRPERSON, Vanessa Wolsky and SECRETARY, Cheryl Nardino, for 1<sup>st</sup> year of 2 year term, July 1, 2016-June 30, 2018**

**MOVED: Gary Lane**  
**SECOND: Jason Bohm**  
**VOTE: 6 Yeas 0 Nays 0 Abstention**

**MOTION TO APPROVE THE APPOINTMENT OF THE PROFESSIONALS FOR FUND YEAR 2016 - 2017 AS per RESOLUTION IN THE AGENDA.**

**Executive Director - Burton Agency Inc**  
**Actuary - O'Neil Consulting Services**  
**Auditor - Nisivoccia & Company**  
**Safety - Aero Environmental**  
**Claims Administrator – Inservco**  
**Treasurer – Jon Rheinhardt**  
**Defense Attorney - John Tort, Esq.**  
**Managed Care - First MCO**  
**MOVED: Gary Lane**  
**SECOND: Catarina Bilotta**  
**VOTE: Unanimous**

**MOTION WAS MADE TO ACCEPT THE 2016-2017 WC ASSESSMENTS/BUDGET and INSURED ASSESSMENT**

**MOVED: Cathy Jenisch**  
**SECOND: Gary Lane**  
**VOTE: Unanimous**

**MOTION WAS MADE TO ADOPT THE MEETING DATES, 2016 CASH MANAGEMENT & INVESTMENT POLICY, THE 2016 FISCAL MANAGEMENT PLAN, 2016 RISK MANAGEMENT PLAN AND ADOPT THE PROFESSIONAL NON-CONFLICT OF INTEREST FORM AND ADOPT THE 2016 WORKER'S COMPENSATION COVERAGE POLICY**

**MOVED: Susan Young**  
**SECOND: Doug Pechanec**  
**VOTE: Unanimous**

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

Executive Director reported on the Paid and Reserved Claims in the Agenda. For the 2016 year as of May 2016, the Fund is doing very well. We have Paid and Reserve of \$429,911 against a Loss Fund of \$2,061,739. Last year this time the paid and reserve was \$239,616 with 155 claims vs. 162 claims this year. Average potential Return of Surplus, excluding the 2016 year, is 62%.

Once again the Members received surplus checks distributed by the Treasurer during the June meeting.

The Executive Director reviewed the WC Assessments for 2016-2017. The mod for the Fund is .613 up from .589. Overall, the Fund's average increase was less than 1%. The upfront discount for each member, that received the 3% discount for attendance at the meetings, was an average of 38%.

The Excess WC purchased by the Fund remained at a specific retention of \$500,000. We continue to fund the retention and have \$77,502 accumulated so far since 2013.

All Lines had a 5% overall increase over last year, including exposure changes.

### **WILLIS/John Moore**

John Moore reviewed the Insured Program, policies were distributed.

### **FIRST MCO**

Quarterly reports were reviewed by Kelly Royce of 1<sup>st</sup> MCO.

### **SAFETY COMMITTEE REPORT**

Michael Halik reported that the Committee was working on a date for the Training of Supervisor of Buildings and Grounds and Business Administrators at Embassy Suites in Parsippany. Mike Berta is working on approval from the State for CE credits.

Mike reported that half the districts were inspected.

**MOTION TO RENEW SAFE SCHOOLS SAFETY PROGRAM FOR JULY 1, 2016 TO JUNE 30, 2017 AT A COST OF \$10,500**

<b>MOTION:</b>	<b>Michael Halik</b>
<b>SECOND:</b>	<b>Susan Young</b>
<b>VOTE:</b>	<b>UNANIMOUS</b>

### **OLD BUSINESS**

None



**NEW BUSINESS**

**Discussion on the MEIG Fund and the PIP Fund combining.**

**MEIG members decided on forming a Task Force Committee and authorized Bud Jones to move forward with a financial analysis.**

**MOTION TO FORM A TASK FORCE COMMITTEE APPOINTED BY THE CHAIR, LIZ GEORGE, AND TO AUTHORIZE THE FUND AUDITOR, BUD JONES TO MOVE FORWARD WITH A FINANCIAL ANALYSIS TO COMBINE FUNDS**

<b>MOTION:</b>	<b>Gary Lane</b>
<b>SECOND:</b>	<b>Michael Halik</b>
<b>VOTE:</b>	<b>UNANIMOUS</b>

**Liz George reported on the handling of her Cyber Claim through XL.**

**MOTION TO ADJOURN MEETING**

<b>MOTION:</b>	<b>John Esposito</b>
<b>SECOND:</b>	<b>Sue Young</b>
<b>VOTE:</b>	<b>UNANIMOUS</b>

**MEETING ADJOURNED: 1:30 PM**

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**Liz George**  
**Chairperson**

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**Date**

MEIG 6/18/15

**REPORT OF THE TREASURER OF THE BOARD OF DIRECTORS**  
**MORRIS ESSEX INSURANCE GROUP**  
**FOR THE PERIOD: June 1, 2016 through September 30, 2016**

		Cash Report			
		Beginning Cash		Cash	Ending Cash
		Balances	Cash Receipts	Disbursements	Balances
<b>Operating Funds:</b>					
TD Bank(Checking)	(2651)	\$ 4,478,253.41	\$ 11,969.93	\$ 1,957,299.86	\$ 2,532,923.48
Valley Bank (Investment)	(5266)	6,070,918.88	1,867,140.98	316,919.61	7,621,140.25
Valley Bank (Operating Clearing)			138,541.83	138,541.83	-
New Jersey Cash Management	(5171)	70,298.53	96.99		70,395.52
Subtotal		10,619,470.82	2,017,749.73	2,412,761.30	10,224,459.25
<b>Claim Imprest Account:</b>					
TD Bank(Claims)	(2669)	-	125,887.07	117,557.63	8,329.44
Valley Bank (Claims)			178,377.78	178,377.78	-
Total All Accounts		<u>\$ 10,619,470.82</u>	<u>\$ 2,322,014.58</u>	<u>\$ 2,708,696.71</u>	<u>\$ 10,232,788.69</u>

Prepared and Submitted by:

\_\_\_\_\_  
Jon Rheinhardt, Treasurer

\_\_\_\_\_  
Date

**MORRIS ESSEX INSURANCE GROUP****BILL LIST****From: June 1, 2016****To: September 30, 2016****CLAIM CHECKS:**

CLAIM CHECKS:		<u>Check #</u>		<u>Amount</u>
<b>Old Account:</b>				
6/15/2016	Inservco Processed Claims	29501	- 29538	14,128.81
6/24/2016	Inservco Processed Claims	29539	- 29615	56,082.32
7/18/2016	Inservco Processed Claims	29616	- 29678	47,346.50
Subtotal (Old Account)				<u>117,557.63</u>
<b>New Account:</b>				
7/25/2016	Inservco Processed Claims	1001	- 1024	19,641.77
8/8/2016	Inservco Processed Claims	1025	- 1127	67,074.10
8/22/2016	Inservco Processed Claims	1128	- 1181	41,801.99
9/6/2016	Inservco Processed Claims	1182	- 1222	14,484.80
9/26/2016	Inservco Processed Claims	1223	- 1254	35,375.12
Subtotal (New Account)				<u>178,377.78</u>
Subtotal (Claims)				295,935.41

**OPERATING CHECKS:****Old Account:**

6/1/2016	Aero Environmental	1126	5,852.64
6/1/2016	Atlantic Health System	1127	1,560.00
6/1/2016	FMCO	1128	10,120.66
6/1/2016	Dover	1129	12,840.00
6/1/2016	Long Hill	1130	3,385.00
6/1/2016	Madison	1131	3,729.00
6/1/2016	MC Vo-Tech	1132	8,447.00
6/1/2016	Mendham Twp	1133	2,286.00
6/1/2016	MCESC	1134	6.00
6/1/2016	Mt Lakes	1135	11,950.00
6/1/2016	Washinton Twp	1136	2,209.00
6/1/2016	West Essex	1137	10,495.00
6/1/2016	West Morris	1138	12,681.00
6/16/2016	Dover	1139	70,596.00
6/16/2016	Glen Ridge	1140	43,142.00
6/16/2016	Hanover	1141	57,869.00
6/16/2016	Long Hill	1142	36,121.00
6/16/2016	Madison	1143	53,563.00
6/16/2016	MC Vo-Tech	1144	26,911.00
6/16/2016	Mendham Twp	1145	33,327.00
6/16/2016	Mine Hill	1146	7,982.00
6/16/2016	MCESC	1147	44,670.00
6/16/2016	Mt Lakes	1148	43,470.00
6/16/2016	Mt Arlington	1149	21,136.00

**MORRIS ESSEX INSURANCE GROUP**

**BILL LIST**

From:           **June 1, 2016**

To:               **September 30, 2016**

6/16/2016	North Caldwell	1150	17,002.00
6/16/2016	Roseland	1151	11,784.00
6/16/2016	Verona	1152	74,871.00
6/16/2016	Washinton Twp	1153	74,177.00
6/16/2016	West Essex	1154	47,585.00
6/16/2016	West Morris	1155	93,060.00
6/24/2016	Aero Environmental	1156	5,852.64
6/24/2016	Inservco Insurance Svcs	1157	16,895.00
6/24/2016	Jon Rheinhardt	1158	1,319.00
7/19/2016	DocuSafe Records Management	1159	23.66
7/19/2016	FMCO	1160	20,443.74
7/19/2016	O'Neil Consulting Services	1161	750.00
7/19/2016	Polaris Galaxy Insurance	1162	3,529.34
7/19/2016	Willis of New Jersey	1163	992,702.55
VOID	Chatham BOE	1473	(26,790.00)
VOID	Wharton BOE	1495	(17,691.00)
VOID	My Corporate Hosting	1499	(120.00)

Subtotal (Old Account)

1,839,742.23

**New Account:**

9/6/2016	Atlantic Health System	1001	520.00
9/6/2016	Burton Agency	1002	64,189.00
9/6/2016	FMCO	1003	10,323.08
9/6/2016	Inservco Insurance Services	1004	16,399.25
9/6/2016	Jon Rheinhardt	1005	2,629.50
9/30/2016	Chatham BOE	1006	26,790.00
9/30/2016	Wharton BOE	1007	17,691.00

Subtotal (New Account)

138,541.83

Subtotal (Operating)

1,978,284.06

Grand Total all Payments

2,274,219.47



[illegible]

Fiscal Year 2015/2016

???? Board of Education

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## Professional Salaries

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