

**MORRIS ESSEX INSURANCE GROUP
MINUTES
BOARD OF TRUSTEES MEETING
March 20, 2014**

The March 20, 2014 Board of Trustees meeting of the Morris Essex Insurance Group was called to order 12:00 Noon, by the Chairperson, Catarina Bilotta, at Café Na Vona in Rockaway, NJ.

ROLL CALL OF TRUSTEES:

CHAIRPERSON, Catarina Bilotta	ESC of Morris CO	PRESENT
VICE CHAIRPERSON Doug Pechanec	WEST MORRIS REGIONAL	PRESENT
SECRETARY, Liz George	WASHINTON TWSP	PRESENT
Sue Young	MCS of TECHNOLOGY	PRESENT
Vanessa Wolsky	HANOVER TWSP	PRESENT
John Esposito	LONG HILL TOWNSHIP	ABSENT
Cheryl Nardino	VERONA BOARD	PRESENT

MEMBERS

CATHERINE JENISCH	DOVER BOARD	PRESENT
VINCENT OCCHINO	ROSELAND BOARD	PRESENT
PETER CAPRIO	GLEN RIDGE BOARD	ABSENT
PAM HINMAN	WEST ESSEX REGIONAL	PRESENT
MELISSA SIMMONS	MINE HILL BOARD	PRESENT
THOMAS KRYGER	MENDHAM TWSP	ABSENT
ROBIN TEDESCO	MT. ARLINGTON BOARD	PRESENT
DANIEL BORGIO	MT. LAKES BOARD	ABSENT
WARREN CEURVELS	MORRIS PLAINS BOARD	ABSENT
MICHAEL HALIK	NORTH CALDWELL BOARD	PRESENT
GARY LANE	MADISON BOARD	PRESENT

FUND PROFESSIONALS PRESENT
EXECUTIVE DIRECTOR

Robert Kanwisher
Debra Ginetto

TREASURER

Jon Rheinhardt

INSERVCO

Debbie Stout

SAFETY

Michael Berta

FIRST MCO

Kelly Royce

WILLIS

John Moore

AUDITOR

Bud Jones

ATTORNEY

John Tort

OTHERS PRESENT

Angelo Vilardi, Superintendent, Morris ESC
Barbara Caggiano, Mt. Arlington
Charlie Grau, Denville BOE
Heather Carney, Morris Plains BOE

**MOTION TO APPROVE THE MINUTES OF THE December 5, 2013
BOARD OF TRUSTEES MEETING**

MOVED: Gary Lane
SECOND: Sue Young
VOTE: UNANIMOUS

**MOTION TO APPROVE THE TREASURER'S REPORT AND BILLS LIST FOR
December 2013 through February 2014**

MOVED: Doug Pechanec
SECOND: Liz George
VOTE: UNANIMOUS

**Jon Rheinhardt reviewed the Interim Audit. He reported that we are up \$830,000
more than last year.**

**MOTION TO APPROVE THE December 31, 2013 Interim Audit PREPARED BY
TREASURER AND TO FILE WITH THE DEPARTMENT OF BANKING AND
INSURANCE**

MOVED: Doug Pechanec
SECOND: Liz George
VOTE: UNANIMOUS

EXECUTIVE DIRECTOR'S REPORT

The Executive Director reported on the Paid and Reserved Claims in the Agenda. Excluding 2013, last 5 years continue to look good. Total paid/reserve of \$4,071,155 against a Loss Fund Total of \$9,331,566 which is an average 44% potential return. Payroll Audit was finally completed and a draft was sent out for review. Next year we will include a line item on the data sheet for Out of State Salaries and start earlier to gather the payroll information.

Reminder that any contracted payroll that is included in your audit numbers needs to be noted to the Treasurer so it can be backed out.

Only 3 BOE had an additional assessment from the audit. The return is over 10% of your assessments for that year. Recommendation that BOE try and get a little closer in estimating their payroll if possible.

Draft of WC Assessment 2014 was emailed out. Overall increase for Fund is 1.06%. Please review your payroll and if you have any changes to let me know by the end of the month. Everyone's numbers are affected each time a BOE makes a payroll change.

Surplus History for last 15 years was distributed. Shows the return you received in each of the years from 2000 to 2014.

Articles of Interest were reviewed, in particular, "Bungled Post-Offer Medical Examination Leaves School Liable to Job Applicant".

It was recommended that the Safety Committee review the generic job description on file with Chilton Occupational Center to see it needs updating.

NISIVOCCIA & COMPANY

Bud Jones reviewed the Return of Surplus calculations for 2014.

MOTION TO APPROVE THE 2014 Return of Surplus IN THE AMOUNT OF \$707,089, PENDING THE APPROVAL OF THE DOBI

**MOVED: Doug Pechanec
SECOND: Liz George
VOTE: UNANIMOUS**

FIRST MCO

Reports are emailed to each member before the meeting. Kelly Royce of 1st MCO reviewed the 3rd Quarter Report.

SAFETY COMMITTEE REPORT

Liz reported that all boards should be working on signing up for the Safe Schools Program provided by the Fund. There are still quite a few Boards that have not signed up yet. Committee will be following up on Safe Schools participation. Safety Committee will schedule a meeting.

OLD BUSINESS

Cyber Liability was discussed by John Moore and it was decided to send out the 5 question form to all members. Those that want to participate in the group quote should return the form within the next 2 weeks.

Attorney, John Tort, updated the membership on the Cheryl Hersh v. County of Morris case whereby the Law Firm of Leitner, Tort, and DeFazio was able to have the NJ Supreme Court reverse Appellate Division to Limit Premises Rule. The Law Firm represented the interest of County of Morris. Full summary of case is available upon request.

NEW BUSINESS

None

MOTION TO ADJOURN MEETING

MOTION:	Doug Pechanec
SECOND:	Liz George
VOTE:	UNANIMOUS

MEETING ADJOURNED: 1:30 PM

Catarina Bilotta
Chairperson

Date

