

2018 - 09

**RESOLUTION OF THE MAYOR AND BOROUGH COUNCIL OF THE BOROUGH OF MOUNT ARLINGTON APPOINTING RICH ALLOCCA, ADVENT INSURANCE SERVICES, INC., AS RISK MANAGEMENT CONSULTANT**

**WHEREAS**, the Governing Body of the Borough of Mount Arlington has resolved to join the Morris County Municipal Joint Insurance Fund, following a detailed analysis; and

**WHEREAS**, the bylaws of said Funds require that each Governing Body appoint a Risk Management Consultant to perform various professional services as detailed in the bylaws; and

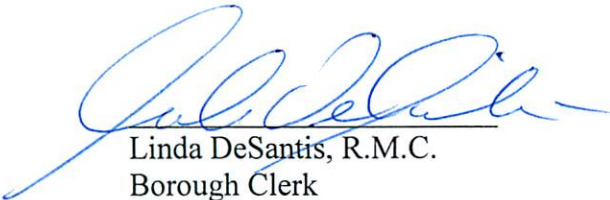
**WHEREAS**, the Board of Fund Commissioners established a fee equal to six percent (6%) of the Municipal assessment which expenditure represents reasonable compensation for the services required and was included in the cost considered by the Governing Body; and

**WHEREAS**, the judgmental nature of the Risk Management Consultant's duties renders comparative bidding impractical.

**NOW THEREFORE BE IT RESOLVED** by the Mayor and Borough Council of the Borough of Mount Arlington that it does hereby appoint Rich Allocca, Advent Insurance Services, Inc. as its Risk Management Consultant in accordance with the Fund's bylaws; and

**BE IT FURTHER RESOLVED** that the Governing Body is hereby authorized and directed to execute the Risk Management Consultant's Agreement annexed hereto and to cause a notice of decision to be published according to NJSA 40A:11-5 (1)(a)(i).

I certify the above resolution to be a true and correct copy of a resolution adopted by the Borough of Mount Arlington at a meeting held on January 4, 2018.



Linda DeSantis, R.M.C.  
Borough Clerk

Model

**RISK MANAGEMENT CONSULTANT'S AGREEMENT**

**THIS AGREEMENT** entered into this 1st day of January, 2018, between the Borough of Mount Arlington (hereinafter referred to as MUNICIPALITY) and Advent Ins. Services (hereinafter referred to as the CONSULTANT).

**WHEREAS**, the CONSULTANT has offered to the MUNICIPALITY professional risk management consulting services as required in the bylaws of the Morris County Municipal Joint Insurance Fund, and;

**WHEREAS**, the MUNICIPALITY desires these professional services pursuant to the resolution adopted by the governing body of the MUNICIPALITY at a meeting held January 4, 2018 and;

**NOW, THEREFORE**, the parties in consideration of the mutual promises and covenants set forth herein, agree as follows:

- I. For and in consideration of the amount stated hereinafter, the CONSULTANT shall:
  - a) Assist the MUNICIPALITY in identifying its insurable Property & Casualty exposures and to recommend professional methods to reduce, assume or transfer the risk or loss.
  - b) Assist the MUNICIPALITY in understanding the various coverages available from the Morris County Municipal Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund.
  - c) Review with the MUNICIPALITY any additional coverages that the CONSULTANT feels should be carried but are not available from the FUND and subject to the MUNICIPALITY's authorization, place such coverages outside the FUND.
  - d) Assist the MUNICIPALITY in the preparation of applications, statements of values, and similar documents requested by the FUND, it being understood that this Agreement does not include any appraisal work by the CONSULTANT.
  - e) Review Certificates of Insurance from contractors, vendors and professionals when requested by the MUNICIPALITY.
  - f) Review the MUNICIPALITY's assessment as prepared by the FUND and assist the MUNICIPALITY in the preparation of its annual insurance budget.
  - g) Review the loss and engineering reports and generally assist the safety committee in its loss containment objectives. Also, attend no less than one (1) municipal safety committee meeting per annum to promote the safety objectives and goals of the MUNICIPALITY and the FUND.

- h) Assist where needed in the settlement of claims, with the understanding that the scope of the CONSULTANT's involvement does not include the work normally done by a public adjuster.
- i) Perform any other risk management related services required by the FUND's bylaws.

2. In exchange for the above services, the CONSULTANT shall be compensated in the following manner:

- a) The CONSULTANT shall be paid by the MUNICIPALITY a fee as compensation for services rendered, an amount equal to six percent (6%) of the MUNICIPALITY's annual assessment as promulgated by the FUNDS. Said fee shall be paid to the CONSULTANT within thirty (30) days of payment of the MUNICIPALITY's assessment.
- b) For any insurance coverages authorized by the MUNICIPALITY to be placed outside the FUND, the CONSULTANT shall receive as compensation the normal brokerage commissions paid by the insurance company. The premiums for said policies shall not be added to the FUND's assessment in computing the fee outlined in 2 (a).
- c) If the MUNICIPALITY shall require of the CONSULTANT extra services other than those outlined above, the CONSULTANT shall be paid by the MUNICIPALITY a fee at the rate of \_\_\_\_\_ per hour, in addition to actual expenses incurred.

3. The term of this Agreement shall be one (1) year. However, this Agreement may be terminated by either party at any time by mailing to the other written notice, certified mail return receipt, calling for termination at not less than thirty (30) days thereafter. In the event of termination of this Agreement, the CONSULTANT's fees outlined in 2 (a) above shall be prorated to date of termination.

**ATTEST:**

**MUNICIPALITY:**

\_\_\_\_\_

\_\_\_\_\_

**ATTEST:**

**CONSULTANT:**

\_\_\_\_\_

\_\_\_\_\_

Note: This sample has been promulgated by the MEL to assist members in preparing or negotiating agreements with their risk managers. It does not represent an official statement of MEL policy, nor is it an endorsement of any form or amount of compensation. Careful consideration at the local level should be given to determine how the document may be amended to meet a community's unique needs or desires. Prior to use, the sample should also be reviewed by the local attorney for form, consistency with local JIF bylaws, inclusion of affirmative action language, etc.

**Morris County Municipal Joint Insurance Fund**  
9 Campus Drive, Suite 216  
Parsippany, NJ 07054-4412  
Telephone (201) 881-7632 Fax (201) 881-7633

December 27, 2017

**MEMBER MUNICIPALITIES**  
**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND**

Please be reminded that the annual Reorganization meeting of the Morris County Municipal Joint Insurance Fund will be held **Wednesday, January 10, 2018 at 12:00 pm in the Hanover Township Municipal Building, Hanover, NJ.**

The annual Reorganization meeting of the Residual Claims Fund is Wednesday, January 3, 2018 at 10:30 a.m. at the Forsgate Country Club, Jamesburg, NJ. The annual Reorganization meeting of the Environmental Joint Insurance Fund will follow the RCF at 10:50 a.m. The annual Reorganization meeting of the Municipal Excess Liability Joint Insurance Fund will follow the EJIF at 11:15 a.m.

We would also like to remind you that this is the time to consider appointments or re-appointments of Fund Commissioners for the Morris County Municipal Joint Insurance Fund. Kindly check the status of your present appointee and advise the Fund of any changes as soon as possible.

In addition, please be advised that state statutes concerning joint insurance funds, P.L. 1993 Chapter 269 (N.J.S.A. 40A:10-36), requires that all member municipalities provide copies of their contracts with their risk managers to the state. **In order to comply with this regulation, we ask that you forward us a copy of the agreement between your authority and risk management consultant and we will file for the JIF.** A sample agreement is enclosed for your information.

In accordance with the Open Public Meetings Act, please post notice of these meetings on your municipality's public bulletin board.

Thank you for your immediate attention to these matters.

Very truly yours,  
MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND

Jaine Testa  
Customer Service Representative

Cc via email: Fund Professionals  
Risk Management Consultants