

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES MEETING – FEBRUARY 11, 2015
HANOVER TOWNSHIP MUNICIPAL BUILDING
12:00 PM**

Meeting of Fund Commissioners called to order by Chairman Poff. Open Public Meeting Notice read into records. Chairman led Commissioners in the Pledge of Allegiance. Chairman introduced Richard Merkt, the newly appointed commissioner from Mendham Borough.

ROLL CALL OF EXECUTIVE COMMITTEE:

Greg Poff, Chairman	Township of Rockaway	Present
William Close, Secretary	Township of Sparta	Absent
Ralph Blakeslee	Borough of Netcong	Present
Adam Brewer	Township of West Caldwell	Present
Michael Guarino	Township of Denville	Present
Brian McNeilly	Borough of Stanhope	Present
Jonathan Rheinhardt	Borough of Wharton	Present

ROLL CALL OF FUND COMMISSIONERS:

Vita Thompson	Township of Andover	Absent
John Dunleavy	Borough of Bloomingdale	Present
Terry McCue	Town of Boonton	Absent
Barbara Shepard	Township of Boonton	Present
James Lampmann	Borough of Butler	Present
Thomas Ciccarone	Township of Chatham	Absent
Timothy Day	Borough of Chatham	Absent
Valerie Egan	Borough of Chester	Absent
Donald Trivisano	Dover Town	Present
Joseph Tempesta	Township of East Hanover	Present
Francine Paserchia	Borough of Essex Fells	Absent
William Huyler	Borough of Florham Park	Absent
Silvio Esposito	Township of Hanover	Present
Eric Maurer	Borough of Hawthorne	Present
Robert Elia	Borough of Hopatcong	Present
Daniel O'Dougherty	Borough of Kinnelon	Absent
Perry Mayers	Borough of Lincoln Park	Present
Neil Henry	Township of Long Hill	Absent
Robert Kalafut	Borough of Madison	Present
Richard Merkt	Borough of Mendham	Present
Amey Upchurch	Township of Mendham	Absent
Tim Gordon	Township of Millburn	Present
Victor Canning	Township of Montville	Absent
June Uhrin	Borough of Morris Plains	Absent
Carolyn Rinaldi	Borough of Mount Arlington	Present
Frank Wilpert	Township of Mount Olive	Present
Robert Tovo	Borough of Mountain Lakes	Absent

Mel Levine	Borough of North Caldwell	Present
David Hollberg	Township of Pequannock	Absent
Darren Maloney	Township of Randolph	Present
Scott Heck	Borough of Ringwood	Absent
Sheila Seifert	Borough of Rockaway	Present
Terri Lyons	Township of Washington	Present
Kenneth Gabbert	Township of West Milford	Present

2015 FUND COMMISSIONER ALTERNATES:

Maryann Frodella	Township of Andover	Absent
Sherry Gallagher	Borough of Bloomingdale	Absent
Cynthia Oravits	Town of Boonton	Absent
James Kozimor	Borough of Butler	Absent
Deborah King	Township of Chatham	Absent
Robert Falzarano	Borough of Chatham	Absent
Steven Ward	Township of Denville	Absent
Kelly Toohey	Dover Town	Present
Kenneth Huelbig	East Hanover Township	Absent
Patricia Visco	Borough of Florham Park	Present
Kelli Schanz	Township of Hanover	Absent
Jennifer Scully	Borough of Hawthorne	Absent
Unappointed	Borough of Kinnelon	---
James Burnet	Borough of Madison	Absent
Alex McDonald	Township of Millburn	Absent
Jason Kohn	Borough of Morris Plains	Absent
June Hercek	Borough of Montville	Absent
Michelle Reilly	Borough of Mountain Lakes	Absent
Andrew Cangiano	Borough of Mt. Arlington	Absent
Sean Canning	Township of Mount Olive	Absent
William Marsala	Borough of Ringwood	Absent
Yolanda Dykes	Borough of Rockaway	Absent
Joseph Fiorella	Township of Rockaway	Absent
Michele Landtau	Township of Sparta	Present
Dana Mooney	Borough of Stanhope	Absent
Andrew Coppola	Township of Washington	Absent
Catherine Shanahan	Township of West Milford	Absent
David Young	Borough of Wharton	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator

PERMA Risk Management Services
Cathleen Kiernan

Attorney/Litigation Management

Dorsey & Semrau, Esq.
Fred Semrau, Esq.

Underwriting Manager

Conner Strong & Buckelew

Safety Director

J.A. Montgomery Risk Control

David McHale

John Zengel

Treasurer

Grace Brennan

Liability Claims Service

D&H Alternative Risk Solutions, Inc.

Janine Leahy

Workers Compensation
Claim Service

Qual-Lynx

Caty Lambe

Managed Care

FMCO

Anchulee Carranza

Auditor

Nisivoccia LLP

ALSO PRESENT:

Frank Covelli, PIA

Wayne Dietz, Skylands Risk Management

Patty Esposito, Marsh USA, Inc.

Belinda Kaminetsky, Qual-Lynx

Jeff Pasek, Esq., Dorsey & Semrau

Dave Sgalia, Henry O. Baker

Mark Spivak, FMCO

Mark Todisco, The Chadler Group

Karen Waters, IMAC Insurance Agency, LLC

John Whitley, Skylands Risk Management

Jaine Testa, PERMA

APPROVAL OF MINUTES -

January 14, 2015 Open & Closed minutes:

The January 2014 Open minutes were amended to reflect that James Lampmann, Butler was present at the January 14, 2015 meeting.

MOTION TO APPROVE AMENDED OPEN MINUTES OF JANUARY 14, 2015

Motion:

Commissioner Guarino

Second:

Commissioner Levine

Vote:

19 Ayes, 0 Nays, 6 Abstains

(Commissioners Mayers, Merkt, Gordon,

Wilpert, Blakeslee, Lyons, Landtau (alt.))

MOTION TO APPROVE CLOSED MINUTES OF JANUARY 14, 2015

Motion:

Commissioner Levine

Second:

Commissioner Brewer

Vote: 19 Ayes, 0 Nays, 6 Abstains
(Commissioners Mayers, Merkt, Gordon,
Wilpert, Blakeslee, Lyons, Landtau (alt.))

CORRESPONDENCE – Correspondence was distributed at the meeting to commissioners from Ann Noble, President of Qual-Lynx announcing QualCare Alliance Networks, Inc. has been acquired by Cigna and will be named Cigna/QANI along with a press release from Cigna announcing the acquisition. Cathy Lambe, claims manager at Qual-Lynx noted the transition should be completed by late March. Executive Director noted that the fund has been through a transition previously when Scibal Associates was purchased by Qual-Lynx.

MONTHLY COMMITTEE REPORTS:

Committee Reports:

Membership Committee, Greg Poff, 2014 Chair, Rockaway Township– No report.

Finance Committee, Robert Kalafut, 2014 Chair, Madison Borough – No report.

Coverage Committee, Michael Guarino, 2014 Chair, Denville Township- No report

Safety Committee, Frank Wilpert, 2014 Chair, Mt. Olive Twp. – The Safety Committee met on February 11th in the Hanover Municipal Building prior to the JIF meeting. The committee viewed a presentation by Vitalclick on a 911-type emergency dispatch computer program. Safety Director Dave McHale said J. A. Montgomery will be conducting educational session in April on revisions to the Supervisor Incident Investigation Report process. Session will take place following the JIF meeting.

Safety Task Force Committee, William Huyler, Florham Park; Chief Jason Kohn, Morris Plains 2014 Co-chairs – No report

Contract Review Committee, Ralph Blakeslee, 2014 Chair, Borough of Netcong –Committee is in the process of rescheduling a meeting of the Contracts & Rules Committee for a review of the Pilot program committee members participated in using a computer program to track vendor certificates of insurance.

Legal Review Committee, William Close, 2014 Chair, Dover—No report.

Claims Committee, William Close, Chair, 2014 Dover – Commissioner Rheinhardt gave the report. Committee met on February 9th and recommended approving payment authority requests for nine Workers' Compensation Claims totaling Payment Authority Requests of \$660,983.60, three Property Claims totaling Payment Authority Requests of \$39, 500.25 and three Liability Claims totaling Payment Authority Requests of \$185,066.20.

EXECUTIVE DIRECTOR/ADMINISTRATOR:

EXECUTIVE DIRECTOR'S REPORT: Monthly report submitted to Fund Commissioners, including monthly fast-track, accident frequency, fast-track financial report, claim activity report, interest rate summary comparison, monthly loss ratio by fund year and

line of coverage, public officials/employment practices compliance, deductibles & co-insurance levels and regulatory checklist.

Due diligence reports:

Executive Director reviewed the Financial Fast Track and said the Fund's statutory surplus is \$4.6 million statutory surplus.

The Employment Practices liability report was reviewed and Executive Director said members will have a longer period of time to update their EPL Compliance program in an effort by XL and the MEL to set a deadline that precedes the policy year. As a result, updates will likely be issued in October of 2015 and members will have all of 2016 to implement.

In response to Commissioner Kalafut, Executive Director said the Financial Fast Track's Incurred But Not Report reserves are adjusted by the Fund's Actuary on a quarterly basis. At other times, the Fund relies on factors provided by the Actuary.

Standing Committees: The Morris JIF Executive Committee and Standing Committee Chairs met on February 3rd to review each standing committee. Chairman Poff said the Committees recommended combining some standing committees.

The Coverage Committee has been combined with the Membership Committee and is renamed the "Membership, Marketing and Coverage" committee. The Safety Committee has been combined with the Safety Task Force committee and will remain as the Safety Committee. Executive Director noted that the Safety Task Force was originally formed to address police issues and was instrumental in developing the formation of the Crossing Guard and Police Accreditation Grant programs. The Safety Committee's charge will now include police issues and police participation. Minutes of the meeting are in the Appendix.

Member participation was discussed by the committee and it was noted that while the Morris JIF has one of the highest commissioner participation at its monthly meetings, a number of commissioners do not attend meetings or participate in committees. To encourage attendance the Executive Director's office will be distributing to commissioners their 2014 attendance record and will track 2015 attendance.

Chairman Poff reviewed Committee appointments.

MEL Board of Fund Commissioners Retreat - The MEL Board of Fund Commissioners will hold a one-day retreat on February 27th at the Princeton Marriott at Forrestal in Princeton. Discussion will include a review of standing committee charters and a status of the JIF/MEL program.

2015 MEL & MR HIF Educational Seminar - Banking and Insurance Commissioner Kenneth Kobylowski will be the Keynote speaker at the annual MEL & MRHIF Educational Seminar, Friday April 17, 2015. Attached is agenda and registration form for the annual MEL & MRHIF Educational Seminar at to the National Conference Center at the East

Windsor Holiday Inn. Continuing Ed credits are available for CFO/CMFO, Clerks, Public Works, Insurance Producers, Purchasing Agents, Accountants, Lawyers, TCH Water Supply, Wastewater, RPPO and QPA.

2014/2015 Public Officials/Elected Officials Training Seminars: While the MEL continues to recommend that public officials attend a training class, the MEL is preparing to have this session available online for local elected officials, the municipal manager/administrator, authority commissioners and authority executive directors to earn their \$250 training credit. A notice and instructions will be sent on how to access the online program. Training must be completed by June 1st for credit.

Please visit the MEL webpage www.njmel.org for the schedule of instructor led courses held at various locations throughout the state.

EJIF – Environmental Alert – As a reminder, a copy of an E-JIF Alert that was issued in December 2013/January 2014 regarding the hidden costs and potential exposures of acquiring properties was distributed to commissioners.

Inclement Weather Procedure - As a reminder, PERMA has instituted a procedure for Commissioners to confirm whether or not a meeting has been canceled. The Executive Director will discuss with the Fund Chairperson if the meeting should be canceled. In the event of an early morning or evening meeting(s), Perma will provide a recorded message indicating the status of the meeting. The recorded message can be obtained by calling the Fund's main number (201) 881-7632 at any time of the day or night. For meetings that occur during the course of normal business hours, meeting status can be obtained by utilizing the same number.

Executive Director’s Report Made Part of Minutes.

TREASURER:

The following February 2015 bills list was included for approval on the consent motion as Resolution 8-15.

February 2015	
2014	\$14,849.08
2015	\$1,022,907.02
Total	\$1,037,756.10

CLAIMS PAYMENT AND IMPREST TRANSFERS AS OF DECEMBER 2014:

CLOSED \$0.00

2010	\$(-51.72)
2011	\$62,520.62
2012	\$38,517.15
2013	\$182,535.87
2014	\$300,004.99
TOTAL	\$583,526.91

Treasurer's Report Made Part of Minutes.

Late assessment payment: Treasurer said that two members failed to submit their first installment payment by the January 15th deadline or by the February 1st grace period. It was noted that both members' CFO's have left their positions at the towns. Board discussed assessing late fees or extending the deadline for payment until February 28th. A motion was made to extend the deadline for payment until February 28th after which time if payment is not received, interest will be assessed retroactive to original January 15th deadline date. The motion was passed by a vote of 14-10-1.

MOTION TO EXTEND DEADLINE FOR PAYMENT OF FIRST INSTALLMENT TO FEBRUARY 28TH, 2015 FOR TWO MEMBERS.

Motion: Commissioner Blakeslee

Second: Commissioner Travisano

Roll Call vote: 14 ayes, 1 abstention (Landtau)

10 nays

Esposito

Guarino

Kalafut

Lampmann

Maurer

McNeilly

Poff

Rheinhardt

Rinaldi

Wilpert

ATTORNEY:

Fund attorney provided an update on a claim brought against a member by a volunteer coach injured during a practice drill.

Fund Attorney met with the current and past chairmen of the fund along with Executive Director to discuss communications regarding claim settlements. The attorney's office will be sending settlement information to commissioners and governing bodies as significant cases are resolved.

UNDERWRITING MANAGER:

CERTIFICATES OF INSURANCE: List of certificates was included in the agenda. A total of 137 certificates we issued through January 20th, 2015.

The MEL coverage bulletins will be posted to the MEL's webpage – www.njmel.org in the near future.

Certificates List made part of minutes

SAFETY DIRECTOR:

The Executive Safety Committee met prior to the JIF meeting on February 11th. Safety Director said the fund would be presenting an education seminar after the fund's April meeting on the Supervisor Incident Investigation Report procedure.

Safety Director's Report Made Part of Minutes.

MANAGED CARE:

Managed Care Provider's Report Made Part of Minutes

MOTION FOR EXECUTIVE SESSION FOR CERTAIN SPECIFIED PURPOSES: PERSONNEL- SAFETY & PROPERTY OF PUBLIC LITIGATION:

Motion: Commissioner Blakeslee
Second: Commissioner McNeilly
Vote: Unanimous

At the meeting of the Standing Committee Chairs and the Executive Committee, there was discussion on the impact of forming a Claims Review Committee and reducing claims discussion at the monthly meeting. Executive Director said the Claims Review Committee is able to review the claims in greater detail and said the Fund added a component. Namely, the Fund advises all members which claims will be reviewed & provides call-in information for any Fund Commissioner or Risk Manager that wants to participate. Going forward, the Claims Manager will now be asked to provide a brief summary of each claim as Payment Authority Requests are distributed during Executive Session.

MOTION TO RETURN TO OPEN SESSION:

Motion: Commissioner Guarino
Second: Commissioner Lampmann
Vote: Unanimous

**MOTION TO APPROVE CLAIM AUTHORITY PAYMENTS
AS PRESENTED IN EXECUTIVE SESSION, EXECUTIVE
DIRECTOR'S REPORT, APPROVE RESOLUTION 8-15
APPROVING THE FEBRUARY BILL LISTS,
TREASURER'S REPORTS, ATTORNEY'S REPORTS,
UNDERWRITING MANAGER'S REPORTS - MONTHLY
CERTIFICATES, SAFETY DIRECTOR'S REPORTS, AND
MANAGED CARE PROVIDER'S REPORTS**

Moved: Commissioner Rheinhardt
Second: Commissioner Wilpert
Vote: Unanimous

OLD BUSINESS:

None

NEW BUSINESS:

None

PUBLIC COMMENT:

None

MOTION TO ADJOURN:

Moved: Commissioner Tempesta
Second: Commissioner Brewer
Vote: Unanimous

Meeting Adjourned: 12:40 PM
Jaine Testa, Assisting Secretary
For
William Close, Secretary
Date prepared: March 3, 2015

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

Resolution No. 8-15

FEBRUARY 2015

WHEREAS, the Treasurer has certified that funding is available to pay the following bills:

BE IT RESOLVED that the Morris 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 2014

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000305			
000305	THE RODGERS GROUP, LLC	SPECIALIZED SERVICES - 02/06/15	14,166.66
			14,166.66
000306			
000306	ALLSTATE INFORMATION MANAGEMNT	DEPT: 417 - ACT & STOR 12/31/2014	95.13
			95.13
000307			
000307	VITALE'S	MEETING - 12/10/14	587.29
			587.29
		Total Payments FY 2014	14,849.08

FUND YEAR 2015

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000308			
000308	FIRST MCO	MANAGED CARE SERVICES FEE 01/2015	20,634.85
			20,634.85
000309			
000309	APEX INSURANCE SERV c/o XL INS	TECH ERRORS & OMISSIONS 1 OF 2 INSTALL	12,600.00
000309	APEX INSURANCE SERV c/o XL INS	POL & EPL - 1 OF S INSTALLMENTS	859,759.00
000309	APEX INSURANCE SERV c/o XL INS	VOLU EMERG SERV DIR & OFFCRS 1 OF 2 INST	5,758.00
			878,117.00
000310			
000310	TROPHY KING OF PARSIPPANY	CRYSTAL SAILBOAT - 01/13/2015	150.00
000310	TROPHY KING OF PARSIPPANY	CLOCK W/ ENGRAVING - 01/13/15	65.00
			215.00
000311			
000311	FRED SEMRAU ESQ.	LITIGATION MANAGEMENT - 02/2015	15,826.75
			15,826.75
000312			
000312	QUAL-LYNX	CLAIMS ADMIN - 02/2015	24,571.80
			24,571.80
000313			
000313	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES - 02/2015	16,155.85
			16,155.85

000314			
000314	D & H ALTERNATIVE RISK	CLAIMS ADMIN - 02/2015	18,670.96
			18,670.96
000315			
000315	PERMA	POSTAGE FEE 01/2015	126.58
000315	PERMA	EXECUTIVE DIRECTOR FEE 02/2015	22,194.55
			22,321.13
000316			
000316	FRED SEMRAU, ESQUIRE	ATTORNEY FEE 02/2015	2,255.08
			2,255.08
000317			
000317	GRACE BRENNAN	TREASURER FEE 02/2015	1,984.50
			1,984.50
000318			
000318	CONNER STRONG & BUCKELEW	UNDERWRITING MANAGERS - 02/2015	924.58
			924.58
000319			
000319	VITALE'S	MEETING - 01/14/2015	693.99
			693.99
000320			
000320	NEWTECH SERVICES INC.	MONTHLY WEBSITE & RENEWAL - 01/2015	94.00
			94.00
000321			
000321	WILLIS OF NEW JERSEY, INC.	RMC FEE 1ST INSTALL 2015 - LONGHILL	10,265.73
			10,265.73
000322			
000322	THE VOZZA AGENCY	RMC FEE 1ST INSTALL 2015 - NETCONG	2,609.48
000322	THE VOZZA AGENCY	RMC FEE 1ST INSTALL 2015 - BLOOMINGDALE	7,566.32
			10,175.80
		Total Payments FY 2015	1,022,907.02

TOTAL PAYMENTS ALL FUND YEARS \$ 1,037,756.10