

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES MEETING – MAY 13, 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.

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	Absent
Jonathan Rheinhardt	Borough of Wharton	Absent

ROLL CALL OF FUND COMMISSIONERS:

Vita Thompson	Township of Andover	Absent
John Dunleavy	Borough of Bloomingdale	Present
Terry McCue	Town of Boonton	Present
Barbara Shepard	Township of Boonton	Present
James Lampmann	Borough of Butler	Present
Thomas Ciccarone	Township of Chatham	Absent
Timothy Day	Borough of Chatham	Present
Valerie Egan	Borough of Chester	Absent
Donald Travisano	Dover Town	Absent
Joseph Tempesta	Township of East Hanover	Absent
Francine Paserchia	Borough of Essex Fells	Absent
William Huyler	Borough of Florham Park	Absent
Silvio Esposito	Township of Hanover	Absent
Eric Maurer	Borough of Hawthorne	Absent
Robert Elia	Borough of Hopatcong	Present
Daniel O'Dougherty	Borough of Kinnelon	Present
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	Present
June Uhrin	Borough of Morris Plains	Absent
Carolyn Rinaldi	Borough of Mount Arlington	Present
Frank Wilpert	Township of Mount Olive	Present
Richard Sheola	Borough of Mountain Lakes	Present
Mel Levine	Borough of North Caldwell	Present

David Hollberg	Township of Pequannock	Absent
Darren Maloney	Township of Randolph	Absent
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	Present
Patricia Visco	Borough of Florham Park	Absent
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	Present
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	Absent
Dana Mooney	Borough of Stanhope	Absent
Andrew Coppola	Township of Washington	Absent
Catherine Shanahan	Township of West Milford	Absent
David Young	Borough of Wharton	Present

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
John Zengel

Treasurer

Grace Brennan

Liability Claims Service

D&H Alternative Risk Solutions, Inc.
Paul Messerschmidt

Workers Compensation
Claim Service

Qual-Lynx
Bob Fox

Managed Care

FMCO
Thea Isabella

Auditor

Nisivoccia LLP

ALSO PRESENT:

Sharon Cooper, Public Entity Advocates
Frank Covelli, PIA
Patty Esposito, Marsh USA, Inc.
Steve Reichman, ADP Statewide
Dave Sgalia, Henry O. Baker
Mark Todisco, Chadler Solutions
Karen Waters, IMAC Insurance Agency, LLC
Jaine Testa, PERMA

APPROVAL OF MINUTES -

April 8, 2015 Open & Closed minutes:

MOTION TO APPROVE OPEN AND CLOSED MINUTES OF APRIL 8, 2015

Motion:	Commissioner Wilpert
Second:	Commissioner Lampmann
Vote:	14 Ayes, 0 Nays, 12 Abstains (Commissioners Poff, Blakeslee, Brewer, Day, Mayers, Gordon, Canning, Sheola, Rinaldi, Toohey (alt.), Huelbig (alt.), Young (alt.).

CORRESPONDENCE –Deputy Executive Director read a letter from PERMA announcing Robyn Walcoff, Esq. will succeed Mary Louise Doner as Vice-President of Claims when Ms. Doner retires in July. Ms. Walcoff will attend the June 10th JIF meeting.

MONTHLY COMMITTEE REPORTS:

Committee reports:

Membership, Marketing & Coverage Committee, Michael Guarino, Chair, Denville Township– Chairman Guarino said the committee met on May 5th and reviewed an application from West Caldwell for the Caldwell Athletic Club for quasi-municipal coverage.

Committee also began a discussion on membership criteria for new members. Current “scoring” measures applicant’s loss experience and size. Based on the Fund’s membership criteria, many member towns would not qualify. Committee also reviewed a list of municipalities the Fund would consider for membership review – based on geographic location.

Committee discussed marketing methods to attract new members and is working with PERMA to produce marketing materials. Since membership relies on the knowledge and the relationships members have developed with their fellow municipalities, members will work with two or three communities that committee feels will be a “good fit” for possible membership. Minutes of the meeting are included in the Appendix.

Finance Committee, Robert Kalafut, Chair, Madison Borough – Committee chairman Kalafut reviewed the Financial Fast Track and Fixed Income Portfolio reports. Chairman Kalafut said the fund’s statutory surplus is approaching \$5 million. Given the Fund also has \$24.62 million in cash (case reserves, ibnr and surplus) , Chairman Kalafut said he is comfortable with the statutory surplus.

Safety Committee, Chief Jason Kohn, Chair, Morris Plains Borough. – Commissioner Wilpert said Safety Incentive Program awards for 2015 will be calculated using the same scoring criteria as in past years. The winners, who will receive Grainger gift certificates, will be announced in the June agenda.

Commissioner Wilpert announced his retirement - as of July 1st and thanked members for their assistance and friendship in the past 18 years. He noted his experience with the joint insurance fund has been rewarding and satisfying. Executive Director said Commissioner Jon Rheinhardt presented Commissioner Wilpert with a clock on behalf of the Morris Fund at Commissioner Wilpert’s retirement dinner earlier this month.

Contracts and Rules Committee, Ralph Blakeslee, Chair, Netcong Borough– - No report

Legal Review Committee, William Close, Chair, Sparta —No report.

Claims Review Committee, Jon Rheinhardt, Chair, Wharton Borough – Committee met on May 11, 2015 at PERMA’s office in Parsippany and recommended approving payment authority requests for 14 Workers’ Compensation Claims totaling Payment Authority Requests of \$797,686.88, 1 lien compromise request. 1 Property Claim totaling Payment Authority Requests of \$18,496.21, and 2 liability claims totaling Payment Authority Requests of \$220,000.

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:

Financial Fast Track: Executive Director noted the fund's statutory surplus has increased by \$500,000 from the prior month and noted the difficulties faced in winters of 2014 and 2015.

Executive Director reviewed the Claims Management Report, which shows loss ratio and compares reserves to where the Fund's actuary's targeted development. . With the exception of 2014 and 2015 all years are below actuarial targets.

Lost Time Accident Frequency: The Morris JIF has a frequency of 1.46, which is the second lowest across all JIFs for March; the 2015 average overall for March is 2.22.

Employment Practices Liability Compliance: The policies have been received from XL Insurance and will be sent to members.

2014/2015 Public Officials/Elected Officials Training Seminars: As a reminder, to supplement live presentations of this year's Elected Officials seminar, the MEL posted an online version on www.njmel.org; instructions to take the online course is enclosed. The deadline to complete the training is June 1, 2015.

Auditor & Actuary Year-End Reports: The financial audit for the period ending December 31, 2014 will be ready for review and approval at the June meeting and will be filed with the Departments of Insurance and Community Affairs by the June 30th deadline.

2016 Renewal Online Underwriting Database: Last year the MEL contracted with Exigis to develop an underwriting database for members and/or their risk managers to add/amend schedules online thereby eliminating the annual paper Renewal Application process.

Members will receive an email when the database is set up to begin the 2016 underwriting renewal – which is expected to begin on or near June 1, 2015. Instructions were revised this year for greater clarity. Members using Google chrome and an updated version of Internet Explorer may need to follow directions to alter “settings”.

Volunteer Fire & First Aid Management – A seminar for the managers of volunteer fire and first aid departments is scheduled for May 21, 2015 at the Morris County Public Safety Training Academy at 6:00. A copy of the notice and registration form mailed to members was distributed. The seminar will address: Summary of insurance coverage, VESP benefits, Employment Practices, Public Discrimination. Due to the low number of registrations received, the seminar date for May was cancelled and will be rescheduled for June to encourage greater participation. Members will receive an email from the Executive Director's office announcing the new date.

2015 Financial Disclosure Forms: Last year, the Division of Local Government Services introduced a new online program for financial disclosure filings. Perma provided all Fund Commissioners with the PIN they need to complete their Financial Disclosure filing for the Morris JIF. Email included link to the instructions and the webpage to file your disclosure.

The filing deadline was April 30th. All commissioners and professionals of the Morris JIF completed their filing by the April 30th deadline.

League Magazine: The third of a series of MEL advertisements to appear in the League magazine was distributed to commissioners. Each advertisement in the “Power of Collaboration” series will be different and will highlight activities of the MEL and JIFs as well as people who have rendered significant service.

Police Ride-Along: Executive Director said their office has received inquiries concerning the County of Morris requests to send a dispatch of county employees out with police patrols as a ride-along. In 2013 the fund adopted a Police Ride-Along resolution and polices and procedures. These documents are posted under *Official Policy Documents* under the *Public Records* tab of the Morris JIF website and will be posted under the *Coverage* tab as well.

Executive Director’s Report Made Part of Minutes.

TREASURER:

The following May 2015 bills list was included for approval on the consent motion as Resolution 13-15.

MAY 2015	
2014	\$5,973.54
2015	\$174,666.00
TOTAL	\$180,639.54

CLAIMS PAYMENT AND IMPREST TRANSFERS AS OF MARCH 2015:

CLOSED	\$0.00
2011	\$42,347.91
2012	\$144,118.42
2013	\$21,352.19
2014	231,239.48
2015	105,304.00
TOTAL	\$544,362.00

Treasurer’s Report Made Part of Minutes.

ATTORNEY:

Fund Attorney discussed a case in Mt. Arlington that was dismissed based on a successful motion for summary judgment entered by defense attorney Bill Johnson. The fact that plaintiff failed to file a timely notice of tort claim was a factor in the dismissal. Attorney said he receives inquiries from members regarding mediation proceedings for employment practices liability cases. He said it is advantageous for members to have their municipal attorney present during these proceedings and that his office is working with carrier XL Insurance regarding these types of claims to try to bring about as amicable a resolution as possible for members.

Volunteer Fire/First Aid Management seminar—Attorney noted that the seminar for Volunteer Fire and EMS management would be pushed back a few weeks to encourage greater participation.

He discussed a recent matter concerning the Volunteer Employee Survivor Pension (VESP) benefits issue. The matter involves a volunteer firefighter's death and the township's efforts to pass resolution that would allow widow's access of VESP benefits. Attorney's office has drafted a model stipulation and resolution and will distribute to members once the matter is resolved.

Settlement Authority Payments—Claims committee will use certain 'check off' points going forward to recommend additional payments for legal fees that are in excess of authorized settlement authority amount. In the interest of transparency, committee will keep members apprised of when additional settlement authority occurs.

Attorney acknowledged Commissioner Wilpert and the eighteen years he has worked with him in the Morris JIF and commented on his professionalism and participation in both the Morris and the EJIF funds.

Chairman also extended best wishes to Commissioner Wilpert, said he has been a consummate professional, and thanked him for his knowledge and dedication.

Chairman also highly recommended that members encourage and perhaps require that management from their volunteer squads attend the Fire/EMS management training seminar as it is critical they receive employment training.

UNDERWRITING MANAGER:

CERTIFICATES OF INSURANCE: Executive Director gave the report. List of certificates was included in the agenda. 52 certificates were issued through April 23, 2015.

Certificates List made part of minutes

SAFETY DIRECTOR:

Safety Director noted the Rutgers University Train-the-Trainer course for Crossing Guards on June 10th at West Essex Police Academy. Executive Director said the MEL has provided a grant to the University towards this program for the past two years. The Morris fund will continue with its crossing guard training program in August.

Safety Director's Report Made Part of Minutes.

MANAGED CARE:

Managed Care Provider's Report Made Part of Minutes

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

Motion: Commissioner: Day
Second: Commissioner: Guarino
Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION:

Motion: Commissioner Blakeslee
Second: Commissioner Day
Vote: Unanimous

**MOTION TO APPROVE CLAIM AUTHORITY PAYMENTS
AS PRESENTED IN EXECUTIVE SESSION, EXECUTIVE
DIRECTOR'S REPORT, APPROVE RESOLUTION 13-15
APPROVING THE MAY BILLS LIST, APPROVAL OF
TOWNSHIP OF WEST CALDWELL'S APPLICATION FOR
COVERAGE OF CALDWELL ATHLETIC CLUB AS A
QUASI-MUNICIPAL ENTITY, TREASURER'S REPORTS,
ATTORNEY'S REPORTS, UNDERWRITING MANAGER'S
REPORTS - MONTHLY CERTIFICATES, SAFETY
DIRECTOR'S REPORTS, AND MANAGED CARE
PROVIDER'S REPORTS**

Moved: Commissioner Guarino
Second: Commissioner Brewer
Vote: Unanimous

OLD BUSINESS:

None

NEW BUSINESS:

None

PUBLIC COMMENT:

MOTION TO ADJOURN:

Moved: Commissioner Levine
Second: Commissioner Lyons
Vote: Unanimous

Meeting Adjourned 12:35 PM
Jaine Testa, Assisting Secretary
For
William Close, Secretary
Date prepared: June 3, 2015

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

Resolution No. 13-15

MAY 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>
000361			
000361	ADP STATEWIDE INSURANCE	RMC FEE 2014 - CHESTER BORO	5,973.54
			5,973.54
		Total Payments FY 2014	5,973.54

FUND YEAR 2015

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000362			
000362	FIRST MCO	MANAGED CARE SERVICE 04/2015	21,044.20
			21,044.20
000363			
000363	TROPHY KING OF PARSIPPANY	CLOCK BC57 W/ENGRAVING - 4/30/2015	150.00
			150.00
000364			
000364	FRED SEMRAU ESQ.	LITIGATION MANAGEMENT - 05/2015	15,826.75
			15,826.75
000365			
000365	QUAL-LYNX	CLAIM ADMIN - 05/2015	24,571.80
			24,571.80
000366			
000366	VALLEY MEDICAL GROUP	DOT TESTING TRNG & MRO 1ST QTR 2015	10,149.27
			10,149.27
000367			
000367	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES - 05/2015	16,155.85
			16,155.85
000368			
000368	D & H ALTERNATIVE RISK	CLAIMS ADMIN - 05/2015	18,670.96
			18,670.96
000369			
000369	PERMA	POSTAGE FEE 04/2015	110.28
000369	PERMA	EXECUTIVE DIRECTOR - 05/2015	22,194.55
			22,304.83
000370			
000370	THE ACTUARIAL ADVANTAGE	ACTUARIAL SERVICES - 05/2015	3,194.50
			3,194.50

000371			
000371	FRED SEMRAU, ESQUIRE	ATTORNEY FEE 05/2015	2,255.08
			2,255.08
000372			
000372	GRACE BRENNAN	TREASURER FEE 05/2015	1,984.50
			1,984.50
000373			
000373	DAILY RECORD	ACCT: ASB-187377 - 4/28/15 -MAY COMM MTG	46.88
			46.88
000374			
000374	CONNER STRONG & BUCKELEW	UNDERWRITING MANAGER - 05/2015	924.58
000374	CONNER STRONG & BUCKELEW	POSITION BOND - 2015	3,122.00
			4,046.58
000375			
000375	ALLSTATE INFORMATION MANAGEMNT	ACCT: 417 - ACT & STOR - 03/31/2015	55.92
000375	ALLSTATE INFORMATION MANAGEMNT	ACCT: 417 - ACT & STOR - 02/28/2015	67.56
			123.48
000376			
000376	VITALE'S	MEETING - 04/2015	624.97
000376	VITALE'S	MEETING - 03/11/2015	592.79
			1,217.76
000377			
000377	NEWTECH SERVICES INC.	MONTHLY WEBSITE MAINTENANCE/HOSTING 5/15	75.00
000377	NEWTECH SERVICES INC.	MONTHLY WEBSITE MAINTENANCE/HOSTING 4/15	75.00
			150.00
000378			
000378	ADP STATEWIDE INSURANCE	RMC FEE 1ST 2015 - CHESTER	3,091.90
			3,091.90
000379			
000379	WEST MILFORD TOWNSHIP	RMC FEE 1ST 2015 - WEST MILFORD	25,065.13
			25,065.13
000380			
000380	SKYLANDS RISK MANANAGEMENT INC	RMC FEE 1ST 2015 - STANHOPE	4,616.53
			4,616.53
		Total Payments FY 2015	174,666.00

TOTAL PAYMENTS ALL FUND YEARS \$ 180,639 .54