

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES MEETING – MAY 11, 2016
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 Poff 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	Present
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	Absent

ROLL CALL OF FUND COMMISSIONERS:

Diana Francisco	Township of Andover	Absent
John Dunleavy	Borough of Bloomingdale	Present
Cynthia Oravits	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
John Cassels	Borough of Chester	Absent
Donald Travisano	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	Absent
Robert Elia	Borough of Hopatcong	Present
Robert Collins	Borough of Kinnelon	Present
Perry Mayers	Borough of Lincoln Park	Present
Neil Henry	Township of Long Hill	Absent
James Burnett	Borough of Madison	Present
Richard Merkt	Borough of Mendham	Present
Marybeth Zichelli	Township of Mendham	Present
Tim Gordon	Township of Millburn	Absent
Victor Canning	Township of Montville	Absent
June Uhrin	Borough of Morris Plains	Absent
Carolyn Rinaldi	Borough of Mount Arlington	Present
Laura Harris	Township of Mount Olive	Absent
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	Absent
Terri Lyons	Township of Washington	Present

Catherine Shanahan	Township of West Milford	Present
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2016 FUND COMMISSIONER ALTERNATES

Maryann Frodella	Township of Andover	Absent
Sherry Gallagher	Borough of Bloomingdale	Absent
Terry McCue	Town of Boonton	Absent
James Kozimor	Borough of Butler	Absent
Deborah King	Township of Chatham	Absent
Stephen Williams	Borough of Chatham	Absent
Steven Ward	Township of Denville	Absent
Kelly Toohey	Dover Town	Absent
Kenneth Huelbig	East Hanover Township	Absent
Patricia Visco	Borough of Florham Park	Absent
Kelli Schanz	Township of Hanover	Absent
Jennifer Scully	Borough of Hawthorne	Absent
Alex McDonald	Township of Millburn	Absent
Jason Kohn	Borough of Morris Plains	Present
June Hercek	Borough of Montville	Absent
Michelle Reilly	Borough of Mountain Lakes	Absent
Andrew Cangiano	Borough of Mt. Arlington	Absent
Christine Stachnik	Township of Mount Olive	Present
Christopher Tietjen	Township of Pequannock	Present
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
Antoinette Battaglia	Township of West Milford	Absent
William Wallace	Township of West Caldwell	Absent
David Young	Borough of Wharton	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	PERMA Risk Management Services Cathleen Kiernan
Deputy Executive Director	Joseph Hrubash
Attorney/Litigation Management	Dorsey & Semrau, Esq. Dawn Sullivan, Esq.
Underwriting Manager	Conner Strong & Buckelew Ed Cooney
Safety Director	J.A. Montgomery Risk Control

Treasurer	Grace Brennan
Liability Claims Service	Lenape Claims Management, Inc. Janine Leahy
Workers Compensation Claim Service	Qual-Lynx Bob Fox
Managed Care	FMCO Thea Isabella
Auditor	Nisivoccia LLP

ALSO PRESENT:

Frank Covelli, PIA
Linda D'Alessio, Polaris Galaxy
Wayne Dietz, Skylands Risk Management
Patty Esposito, Marsh USA
Mark Todisco, Chadler Solutions
Dave Sgalia, Cupo Insurance Agency, Inc.
Dave Vozza, The Vozza Agency
Karen Waters, IMAC Insurance
Jaine Testa, PERMA

APPROVAL OF MINUTES –

April 13, 2016 Open & Closed minutes:

**MOTION TO APPROVE OPEN MINUTES AS AMENDED AND CLOSED MINUTES
OF APRIL 13, 2016:**

Motion:	Commissioner Day
Second:	Commissioner Blakeslee
Vote:	19 Ayes, 0 Nays, 6 Abstains (Commissioners Close, Travisano, Tempesta, Burnett, Zichelli, Shanahan.)

CORRESPONDENCE – none

MONTHLY COMMITTEE REPORTS:

Membership, Marketing & Coverage Committee, Michael Guarino, Chair, Denville Township—The committee met May 5th via conference call to discuss the JIF Casualty and JIF Crime Endorsements. A copy of the agenda was distributed to commissioners. Ed Cooney, Underwriting Manager said that bounce houses are considered amusement rides with a significant exposure. The endorsement clarifies the State statute that inflatables as defined under statute are excluded from coverage. The fund has vicarious liability for non-ownership, non-maintenance and non-operation of rides. The operation also includes the oversight of the amusement rides.

Cyber Social Engineering: The endorsement provides JIF and MEL coverage for members who unknowingly transfer an asset as result of a fraudulent transfer request.

Failure to Obtain Insurance: Online Vendors Endorsement: Underwriting Manager said the JIF Crime policy has an exclusion for failure to obtain insurance coverage. The proposed endorsement would modify that exclusion to provide a \$25,000 sub-limit on failure to obtain coverage for “online vendors”. Would address concerns raised when members use the service of small vendors to manage recreation programs through online registration.

Finance Committee, Jon Rheinhardt, Chair, Wharton Borough– No report.

Safety Committee, Chief Jason Kohn, Chair, Morris Plains Borough. – The 2015 Safety Incentive Program Awards have been announced. Grainger gift certificates, good towards the purchase of Grainger products were mailed to Fund Commissioners in mid-April.

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

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

Claims Review Committee, Brian McNeilly, Chair, Stanhope Borough –The committee met on May 9th at 11:00 a.m. at PERMA’s office in Parsippany and recommended approving 14 Workers’ Compensation Claims totaling Payment Authority Requests of \$735,986; 2 Property Claims totaling Payment Authority Requests of \$31,519; 1 Liability Claims totaling Payment Authority Requests of \$27,500.

Tom Mooney, of First Managed Care Option addressed the committee and reviewed protocols regarding physician assignment and return to work procedures. Mr. Mooney will be reviewing data further and will provide additional information to the committee in the future.

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, and monthly loss ratio by fund year and line of coverage, public officials/employment practices compliance, deductibles & co-insurance levels and regulatory checklist.

MEL Membership Renewal: The Fund is scheduled to renew their MEL membership effective 7/1/16. Resolution 13-16 renewing the Fund's membership in the Municipal Excess Liability Joint Insurance Fund for the period of July 1, 2016 through June 30, 2019 was adopted by the board in the consent agenda motion. Executive Director explained that several years ago the MEL fund created a staggered membership term from January 1 to July 1 to offset any fluctuation in JIF membership in the MEL and its impact on the MEL budget.

CPR/AED Training : We are working with Russell Heyman to schedule these trainings during the month of June. PERMA expects to schedule 2 sessions regionally in June and one in September.

Employment Practices Program: As a reminder, changes to the 2017 POL/EPL Program are posted on the MEL’s webpage - www.njmel.org - which details changes to the MEL’s Model Personnel Manual and information on training program requirements. Members have until October 1st to submit checklist to qualify and/or maintain deductible and co-pay incentives. Compliance includes updating Personnel Manuals, Training Managers & Supervisors, Police Command Staff and offering training to non-supervisory personnel.

A Police Training session was held at the Morris County Training Academy on April 21 at 10:00 a.m. There were over 90 attendees. The Manager & Supervisors Training has been scheduled at multiple locations. A notice has been distributed to commissioners via email.

In ten member towns the Chief of Police or Public Safety Director have not attended or registered for police training. We have followed up with the fund commissioners. Below is a list of upcoming classes. An additional class will likely be scheduled in September in the Jamesburg area.

May 11	9:00 am – 12:00pm	Lodi Municipal Building
May 12	10:00 am – 1:00 pm	Westfield Municipal Building
June 2	10:00 am – 1:00pm	The Nutley Annex Building

All members must complete their compliance requirements and submit their risk control checklist by October 1, 2016 which allows the fund sufficient time for follow-up as the excess carrier has set a firm deadline at year-end.

Elected Officials Training Seminars: To supplement live presentations of this year’s Elected Officials seminar, the MEL posted an online version on www.njmel.org. The deadline to complete the training was May 1, 2016, however, all training data will be downloaded to June 1st

A \$250 credit will be earned for local elected officials, the municipal manager/administrator, authority commissioners and authority executive directors that participate in an online or instructor led session. The maximum credit is 25% of a member’s liability claims fund assessment. .

2016 Financial Disclosure Forms: The fund office has provided all Fund Commissioners and Professionals with the login information they need to complete their Financial Disclosure filing for the Morris JIF. The email included links to the instructions and the DLGS webpage to file your disclosure; filing deadline was April 30th. All commissioners have filed.

Auditor & Actuary Year-End Reports: The financial audit for the period ending December 31, 2015 will be ready for review and approval at the June meeting. A meeting of the Finance Committee will be scheduled to review year-end financial reports before the June meeting. The auditor is in the final stages of completing the audit. A meeting of the Finance committee will be scheduled prior to the June meeting.

2017 Renewal Online Underwriting Database: Members and risk managers will receive an email when the database is set up to begin the 2017 underwriting renewal – which is expected to begin on or near June 1, 2016. On or about June 1st members will be receiving an email from “Exigis Riskworks” advising them the database is available for input of 2017 underwriting data. The anticipated deadline will be set for mid August.

Chester First Aid Squad: The Borough of Chester is adding workers’ compensation coverage for its 58 member volunteer first aid squad. Annual assessment totals \$15,821. Approval of assessment is included in the consent agenda motion. The assessment will be pro-rated effective the date the member approves coverage through the fund. In response to Commissioner Guarino, Executive Director said that emergency units sometimes retain their own policies outside the fund. The application was included for approval in the consent motion.

Executive Director’s Report Made Part of Minutes.

Executive Director reviewed the Financial Fast Track and noted that the fund annually transfers monies from claims years that are four years old to the Residual Claims Fund (RCF). Surplus from positive fund years can be used to offset deficits, if any, when a Fund year is transferred to the RCF. Lost Time Accident Frequency: The fund's average is 1.64 slightly higher than this time last year. EPL Compliance: Member manuals are expected to be generated after the MEL meeting on June 1st. Member Manuals are issued electronically and will be distributed with QBE's POL EPL policies and XL's Volunteer Director's & Officer's Policy.

TREASURER:

The following May 2016 bills list was included for approval on the consent motion as Resolution 14-16.

MAY 2016	
2016	\$164,461.61
TOTAL	\$164,461.61

CLAIMS PAYMENT AND IMPREST TRANSFERS AS OF MARCH 2016

CLOSED	\$00.00
2012	\$126,790.71
2013	\$119,800.57
2014	\$58,254.77
2015	\$210,670.57
2016	\$220,496.31
TOTAL	\$736,012.93

Treasurer's Report Made Part of Minutes.

ATTORNEY

Dawn Sullivan, Esq. of Dorsey & Semrau was in attendance and reported on the training sessions conducted to date by Fund Attorney which included an elected officials training session in Hanover as well as managers and supervisors training sessions in several member towns and that more are scheduled in the Morris JIF area throughout May.

Attorney's Report Made Part of Minutes

UNDERWRITING MANAGER:

CERTIFICATES OF INSURANCE:

List of certificates was included in the agenda. 62 certificates were issued from March 19, 2016 through April 20, 2016.

Certificates List made part of minutes

SAFETY DIRECTOR:

Executive Director gave report and noted the new online Safe Patient lifting course for Emergency responders is available through the MSI online learning system.

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 Day
Second: Commissioner Guarino
Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION:

Motion: Commissioner Levine
Second: Commissioner Day
Vote: Unanimous

MOTION TO APPROVE CLAIM AUTHORITY PAYMENTS AS PRESENTED IN EXECUTIVE SESSION, EXECUTIVE DIRECTOR'S REPORT; RESOLUTION 13-16 RENEWING THE FUND'S MEMBERSHIP IN THE MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND; RESOLUTION 14-16 APPROVING THE MAY BILLS LIST; APPROVAL OF JIF CASUALTY AND JIF CRIME ENDORSEMENTS; CERTIFY ANNUAL ADDITIONAL ASSESSMENT FOR BOROUGH OF CHESTER, PRO-RATED TO EFFECTIVE DATE OF WORKERS' COMPENSATION COVERAGE FOR THE CHESTER FIRST AID SQUAD; TREASURER'S REPORTS; ATTORNEY'S REPORTS; UNDERWRITING MANAGER'S REPORTS; MONTHLY CERTIFICATES; SAFETY DIRECTOR'S REPORTS; AND MANAGED CARE PROVIDER'S REPORTS

Motion: Commissioner McNeilly
Second: Commissioner Guarino
Roll Call Vote: Unanimous

OLD BUSINESS:

None

NEW BUSINESS:

None

PUBLIC COMMENT:

None

MOTION TO ADJOURN:

Moved: Commissioner Trivisano
Second: Commissioner McNeilly
Vote: Unanimous

Meeting Adjourned: 12:25 PM Jaine Testa, Assisting Secretary
For William Close, Secretary Date prepared: June 1, 2016

RESOLUTION NO. 13-16
MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
RESOLUTION TO RENEW MEMBERSHIP IN THE
MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

WHEREAS, the **Morris County Municipal Joint Insurance Fund** has been organized to provide General Liability, Auto Liability, Property and Workers' Compensation coverage to its member municipalities.

WHEREAS, it has been determined that excess coverage is available from the **Municipal Excess Liability Joint Insurance Fund**, hereinafter referred to as MEL, as created under Chapter C.372 Laws of 1983 (40A:10-36 et seq.); and,

WHEREAS, said statutes and the regulations pertaining thereto contain elaborate restrictions and safeguards concerning the safe and efficient administration of the public interest entrusted to such a FUND; and

WHEREAS, the Board of Fund Commissioners of the **Morris County Municipal Joint Insurance Fund** has determined that membership in the MEL is in the best interests of the member municipalities:

NOW THEREFORE BE IT RESOLVED that the Board of Fund Commissioners of the **Morris County Municipal Joint Insurance Fund** does hereby resolve and agree to renew membership in the MEL for a period of three (3) years, the commencement of which shall be July 1, 2016, and

BE IT FURTHER RESOLVED that the application for membership is for the purpose of obtaining the following types of coverages:

- 1) Excess Workers' Compensation and Employers' Liability Insurance and, Excess Liability Insurance excess of the Primary Liability provided by the above mentioned Joint Insurance Fund as indicated on the application previously submitted.
Excess Property
Primary Statutory Position Bonds & Excess Public Officials Bonds

BE IT FURTHER RESOLVED that the **Morris County Municipal Joint Insurance Fund** hereby adopts the Bylaws of the MEL and in accordance therewith, it is understood that coverage is not effective until membership is approved by the MEL Commissioners/Executive Committee, State Department of Insurance and State Department of Community Affairs and that coverage is subject to the terms, conditions and limitations as contained in the MEL's Coverage Manual and its Commercial Excess Insurance, if any; and,

BE IT FURTHER RESOLVED that the Board of Fund Commissioners, or other authorized representative, is authorized and directed to execute any and all written agreements necessary for membership in the MEL including, but not limited to, the Indemnity and Trust Agreement in order to implement membership by the **Morris County Municipal Joint Insurance Fund** in the MEL according to its Bylaws, Chapter C.372 Laws of 1983 (NJSA 40A:10-36 et seq.), NJAC 11:15-2 and any other statutes or regulations pertaining thereto.

MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND

MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND BILLS LIST

**Resolution No. 14-16
MAY 2016**

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 2016

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
001000			
001000	FIRST MANAGED CARE OPTION	MANAGED CARE SERVICES - 04/2016	21,044.20 21,044.20
001001			
001001	FRED SEMRAU ESQ.	LITIGATION MANAGEMENT - 05/2016	16,143.29 16,143.29
001002			
001002	QUAL-LYNX	CLAIMS ADMIN - 05/2016	20,416.67 20,416.67
001003			
001003	VALLEY MEDICAL GROUP	DOT TESTING, TRAINING & MRO 1ST QTR 2016	10,210.39 10,210.39
001004			
001004	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES - 05/2016	16,438.15 16,438.15
001005			
001005	LENAPE CLAIMS MANAGEMENT INC.	CLAIMS ADMIN - 05/2016	18,670.95 18,670.95
001006			
001006	PERMA	POSTAGE FEE 04/2016	151.76
001006	PERMA	EXECUTIVE DIRECTOR FEE 05/2016	23,304.25 23,456.01
001007			
001007	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES - 05/2016	3,258.39 3,258.39
001008			
001008	FRED SEMRAU, ESQUIRE	ATTORNEY FEE 05/2016	2,300.19 2,300.19
001009			
001009	MORRIS COUNTY PUBLIC SAFETY	ACADEMY RM RENTAL FEE - 4/21/2016	150.00 150.00
001010			
001010	GRACE BRENNAN	TREASURER FEE 05/2016	2,024.19 2,024.19
001011			
001011	DAILY RECORD	ACCT: ASB-70026874 - 4/28/16 - MTG TIME	10.12
001011	DAILY RECORD	ACCT: ASB-70026874 - 3/19/16 - FEE TPA	88.68 98.80

001012				
001012	CONNER STRONG & BUCKELEW	UNDERWRITING MANAGERS FEE 05/2016		943.07
001012	CONNER STRONG & BUCKELEW	POSITION BOND - 05/2016		3,122.00
				4,065.07
001013				
001013	ALLSTATE INFORMATION MANAGEMNT	ACCT: 417 - ACT & STOR - 03/31/2016		74.16
				74.16
001014				
001014	VITALES DELI	MEETING - 03/8/2016		704.44
				704.44
001015				
001015	WEST MILFORD TOWNSHIP	RMC FEE 1ST 2016		25,406.71
				25,406.71
		Total Payments FY 2016	164,461.61	

TOTAL PAYMENTS ALL FUND YEARS \$ 164,461.61