

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND  
OPEN MINUTES MEETING – FEBRUARY 12, 2014  
HANOVER TOWNSHIP MUNICIPAL BUILDING  
12:00 PM**

Meeting of Fund Commissioners called to order by Chairman Rheinhardt. Open Public Meeting Notice read into records. Chairman Rheinhardt led Commissioners in the Pledge of Allegiance. Chairman introduced two new commissioners: Commissioner Scott Heck from Ringwood and Alternate June Hercek, from Montville.

**ROLL CALL OF EXECUTIVE COMMITTEE:**

Jonathan Rheinhardt	Borough of Wharton	Present
William Close, Secretary	Town of Dover	Present
Robert Kalafut	Borough of Madison	Present
Ralph Blakeslee	Borough of Netcong	Present
Greg Poff	Township of Rockaway	Present
Michael Guarino	Township of Denville	Present
Brian McNeilly	Borough of Stanhope	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
Robert Falzarano	Borough of Chatham	Absent
Valerie Egan	Borough of Chester	Absent
Joseph Tempesta	Township of East Hanover	Present
Francine Paserchia	Borough of Essex Fells	Absent
William Huyler	Borough of Florham Park	Absent
David Boynton	Township of Frelinghuysen	Absent
Kelli Schanz	Township of Hanover	Present
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	Absent
Neil Henry	Township of Long Hill	Absent
Ellen Sandman	Borough of Mendham	Present
Tim Day	Township of Mendham	Present
Tim Gordon	Township of Millburn	Present
Victor Canning	Township of Montville	Present
Scott Thompson	Borough of Morris Plains	Present
Carolyn Rinaldi	Borough of Mount Arlington	Absent
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	Present
Darren Maloney	Township of Randolph	Present
Scott Heck	Borough of Ringwood	Present
Sheila Seifert	Borough of Rockaway	Absent
Michele Landtau	Township of Sparta	Present
Terri Lyons	Township of Washington	Present
Adam Brewer	Township of West Caldwell	Present
Cathy Shanahan	Township of West Milford	Absent

**2014 FUND COMMISSIONER ALTERNATES:**

Maryann Frodella	Township of Andover	Absent
Sherry Gallagher	Borough of Bloomingdale	Present
Cynthia Oravits	Town of Boonton	Absent
James Kozimor	Borough of Butler	Absent
Deborah King	Township of Chatham	Absent
Michael Mariniello	Borough of Chatham	Absent
Steven Ward	Township of Denville	Absent
Kelly Toohey	Town of Dover	Absent
Kenneth Huelbig	East Hanover Township	Absent
Patricia Visco	Borough of Florham Park	Absent
Joseph Giorgio	Township of Hanover	Absent
Jennifer Scully	Borough of Hawthorne	Absent
Donna Mollineaux	Borough of Kinnelon	Present
James Burnet	Borough of Madison	Absent
Alex McDonald	Township of Millburn	Absent
June Uhrin	Borough of Morris Plains	Absent
Gertrude Atkinson	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
John Doherty	Borough of Rockaway	Absent
Joseph Fiorella	Township of Rockaway	Absent
Pat Seger	Township of Rockaway	Absent
Dana Mooney	Borough of Stanhope	Absent
Terri Lyons	Township of Washington	Absent
David Young	Borough of Wharton	Absent

**APPOINTED OFFICIALS PRESENT:**

Executive Director/Administrator

PERMA Risk Management Services  
**James J. Kickham**

Attorney/Litigation Management

Dorsey & Semrau, Esq

Morris County Municipal Joint Insurance Fund  
February 12, 2014 Open Minutes

Underwriting Manager

**Fred Semrau**

Conner Strong & Buckelew

**Cathy Dodd**

Safety Director

J.A. Montgomery Risk Control

**David McHale**

**John Zengel**

Treasurer

**Grace Brennan**

Liability Claims Service

D&H Alternative Risk Solutions, Inc.

**Paul Messerschmidt**

Workers Compensation  
Claim Service

Qual-Lynx

**Robert Fox**

Managed Care

FMCO

**Thea Isabella, FMCO**

Auditor

Nisivoccia LLP

**ALSO PRESENT:**

Karen Waters, IMAC Insurance Agency, LLC

Frank Covelli, PIA

John Whitley, Skylands Risk Management

Wayne Dietz, Skylands Risk Management

Steve Reichman, ADP Statewide

Mark Todisco, The Chadler Group

Cate Kiernan, PERMA

Jaine Testa, PERMA

**APPROVAL OF MINUTES -**

January 8, 2014 Open & Closed minutes:

**MOTION TO APPROVE OPEN & CLOSED MINUTES OF JANUARY 8, 2014**

Motion:

Commissioner Levine

Second:

Commissioner Day

Vote:

24 Ayes, 0 Nays, 2 Abstains

(Commissioners Blakeslee and Lyons)

**CORRESPONDENCE – None**

**MONTHLY COMMITTEE REPORTS:**

**Committee Reports:**

**Membership Committee, Jon Rheinhardt, Chair, Wharton Borough– No report.**

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

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

**Safety Committee, Frank Wilpert, Chair, Mt. Olive Twp.** – Committee met on February 12, 2014 in Hanover. Committee Chairman Wilpert said the Safety Director McHale reviewed the rollout of e-SERVE, an online driver simulation program for fire police and emergency medical personnel. Commissioner Wilpert said this tool can be effectively used by police departments and fire departments for ‘drill nights’. Safety Director emphasized the importance of checking Motor Vehicle Records on an annual basis. Safety Director reviewed recently released bulletin on “Slips and Falls”; The OSHA 300 form (NJOSH-300) and the importance of having form posted as it is an item PEOSHA will look for when it does an inspection. Also, Chairman Rheinhardt noted that the form must be posted in the main department but also must be posted in each specific department. The Management of Special Events bulletin will be mailed next week. Chairman Wilpert mentioned that almost half of the Fund’s membership have either completed the Police Accreditation Program or have begun the process. Three more agencies have already expressed interest in the next phase.

**Safety Task Force Committee, Chief Scott Thompson, Chair, Borough of Morris Plains.** – Committee met in conjunction with the Safety Committee on February 12 in Hanover.

**Contract Review Committee, Ralph Blakeslee, Chair, Borough of Netcong** – Contracts Committee met on January 27<sup>th</sup> to review professional fees associated with new membership. Minutes are included in Appendix II.

**Legal Review Committee, William Close, Chair, Dover**—Committee Chairman Close said that a case had been reassigned to another defense panel attorney on the recommendation of counsel.

**Claims Committee, William Close, Chair, Dover** – Committee met on February 10, 2014 and recommended payment authority approval for 10 Workers’ Compensation claims totaling \$421,974.46, 5 Property claims totaling \$130,703.91 and 1 Liability claim totaling \$50,000.

**EXECUTIVE DIRECTOR/ADMINISTRATOR:**

Monthly report submitted to executive committee 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 and monthly and annual regulatory checklist.

**2014 Professional Fees – New Membership:** The Rules & Contracts Review Committee met on January 27<sup>th</sup> to address the professional fees associated with new membership. Minutes were included in the Appendix. A copy of the proposed budget amendment reflecting the Committee’s recommendation was distributed to the board.

**MOTION TO APPROVE PROFESSIONAL FEES FOR  
ADDITIONAL NEW MEMBERSHIP AND ADOPT  
AMENDMENTS TO THE 2014 BUDGET, AS DISTRIBUTED:**

Motion: Commissioner Blakeslee  
Second: Commissioner Wilpert  
Roll call vote: unanimous

**Employment Practices Program:** There are a number of areas members must address to maintain Program Compliance. Executive Director suggested members work with their municipal attorney to complete the Attorney Certification form by the deadline of May 1, 2014.

Personnel Manuals – Members were encouraged to visit the MEL webpage – [njmel.org](http://njmel.org) – for the updates to personnel policies & procedures manuals.

Managers & Supervisors Training - Employment Practices Risk Management Program also includes mandatory training of management. The Fund Attorney's office will conduct classes scheduled on February 21, February 28, March 21 and March 28. A copy of the trainings notice was distributed to members.

Police Training - Police Chief and a commanding officer must attend a session on employment practices training that takes into consideration the Attorney General's guidelines for police operations. Executive Director distributed a copy of the notice to members announcing the March 11th training at the Morris County Police Academy.

Elected Officials Training Seminars – Every year, the MEL holds training seminars for elected officials and reduces a member's assessment by \$250 for each municipal elected officials completing the course by May 1<sup>st</sup>. Seminar has been scheduled for April 3rd at 6pm in Hanover Township. Members were encouraged to visit the MEL webpage [njmel.org](http://njmel.org), for other scheduled classes.

Employment Practices Liability Help Line – XL Insurance offers access to an employment related Helpline to offer members assistance in employment matters. Members must have signed up with the helpline to maintain compliance; there is a link on the MEL webpage to sign-up.

**2013/2014 Public Officials/Elected On-Line Training Seminars:** While the MEL continues to recommend that public officials attend a training class, the MEL is also making available an on-line training program for local elected officials, the municipal manager/administrator, authority commissioners and authority executive directors to earn their \$250 training credit. To receive credit, the program must be completed by May 1, 2014. The instruction sheet was distributed to members. This program can also be assigned without credit to other local unit appointees and senior staff.

**2014 MEL & MR HIF Educational Seminar:** The 4<sup>th</sup> annual seminar is scheduled for Friday, April 11th, beginning at 9:00 AM at the Crowne Plaza, 390 Forsgate Drive, Monroe, N.J. 08831, Turnpike Exit 8A. The seminar qualifies for an extensive list of Continuing Educational Credits including CFO/CMFO, Public Works, Clerks, Insurance Producers and Purchasing Agents. There is no fee for employees and insurance producers associated with

MEL and MR HIF members as well as personnel who work for service companies that are engaged by MEL member JIFs and MR HIF member HIFs. A copy of enrollment form was distributed to the board.

**Defense Criminal Matters:** The Fund has a policy in place that extends coverage for defense costs of municipal employees acting within the scope of their employment in criminal matters brought forth in municipal court. The cap on these costs was last addressed in 2005 with a maximum of \$2,500. We have a pending matter with billings exceeding that cap by \$500. The board agreed to increase limit for defense of criminal matters for public employees who face charges resulting from actions taken during the course of their employment. The hourly rate will be increased to an amount not to exceed the current defense panel rate. Fund Attorney noted that these charges are usually of a retaliatory nature and the fund chooses attorneys who have experience with this type of defense. The motion was include in the consent agenda.

**1099 Requirements:** Per the Internal Revenue Code when issuing payments to vendors, a JIF, HIF or Insurance Commissions must have the Employer Identification Number (EIN) before issuing a check. Executive Director recommended the board establish a policy that payments only be processed to vendors with a W-9 on file in the Fund office.

**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.

**Financial Due Diligence Reports** – Executive Director noted the fund finished 2013 in a strong financial position and has a \$4 million year end surplus. The Morris Fund has the lowest lost time frequency rate across all the JIFs --1.37.

Executive Director’s Report Made Part of Minutes.

**TREASURER:**

The following February 2014 bills list was included for approval on the consent motion as Resolution 8-14.

<b>February 2014</b>	
<b>2013</b>	\$17,892.03
<b>2014</b>	\$856,353.86
<b>Total</b>	\$874,245.89

**CLAIMS PAYMENT AND IMPREST TRANSFERS AS OF DECEMBER 2013:**

<b>CLOSED</b>	\$0.00
<b>2009</b>	\$0.00
<b>2010</b>	\$308,458.87
<b>2011</b>	\$47,857.31
<b>2012</b>	\$45,625.65
<b>2013</b>	\$271,163.87
<b>TOTAL</b>	\$673,105.70

Treasurer's Report Made Part of Minutes.

**ATTORNEY:**

Fund Attorney said the fund is in the process of obtaining fully executed contracts for all defense panel attorneys.

Fund Attorney said he has received inquiries from members concerning the liability associated with the recent salt storage. He recommended that while Title 59 offers great immunity to municipalities, a municipality should notify residents through reverse 911 or social media outlets of the condition. He also said members should consult with the municipal attorney or contact his office.

Commissioner Blakeslee said there is a section of a state highway in his town that had not been plowed by the state even though the state is responsible to maintain. The lack of plowing has now created a dangerous condition. Fund Attorney said the town's actions to close the section to pedestrians with a sign posted was a good response. Executive Director said sidewalk maintenance is a changing area of the law and towns may now have an increased liability for sidewalks in non-commercial areas.

**UNDERWRITING MANAGER:**

**CERTIFICATES OF INSURANCE:** List of certificates was included in the agenda. 314 certificates were issued during January.

The MEL coverage bulletins will be posted to the MEL's webpage – [www.njmel.org](http://www.njmel.org) the week of February 17<sup>th</sup>.

Certificates List made part of minutes

**SAFETY DIRECTOR:**

Safety Director's Report Made Part of Minutes.

**MANAGED CARE:**

Managed Care Director reviewed the reports in the agenda. FMCO produced a list of network primary providers – since the recent closing of the Occ. Med Center at St. Claire’s in Dover has caused a disruption for some members. Executive Director’s office will distribute the list to members via email. Executive Director encouraged members to develop a relationship with the primary provider where their employees will be sent. In response to Commissioner Sandman, Executive Director confirmed that it is acceptable to send an employee to an emergency room if an injury occurs on a weekend. Commissioner Wilpert noted that employees who go to the emergency room are still obligated to obtain a return to work release from their primary physician.

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 Guarino  
Second: Commissioner Day  
Vote: Unanimous

**MOTION TO APPROVE CLAIM AUTHORITY PAYMENTS AS PRESENTED IN EXECUTIVE SESSION, EXECUTIVE DIRECTOR’S REPORT, APPROVE AMENDMENT TO MUNICIPAL DEFENSE COSTS, APPROVE RESOLUTION 8-14 APPROVING THE FEBRUARY BILL LISTS, ESTABLISH POLICY REQUIRING THAT W-9 FORM BE ON FILE BEFORE PROCESSING VENDOR PAYMENTS, TREASURER’S REPORTS, ATTORNEY’S REPORTS, UNDERWRITING MANAGER’S REPORTS - MONTHLY CERTIFICATES, SAFETY DIRECTOR’S REPORTS, AND MANAGED CARE PROVIDER’S REPORTS**

Moved: Commissioner Wilpert  
Second: Commissioner Guarino  
Vote: Unanimous



**OLD BUSINESS:**

None

**NEW BUSINESS:**

None

**PUBLIC COMMENT:**

None

**MOTION TO ADJOURN:**

Moved:	Commissioner Tempesta
Second:	Commissioner Levine
Vote:	Unanimous

Meeting Adjourned: 12:40 PM

Jaine Testa, Assisting Secretary

For

William Close, Secretary

Date prepared: March 4, 2014

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

**Resolution No. 8-14**

**FEBRUARY 2014**

**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 2013**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
<b>000071</b>			
000071	JOHNSON & JOHNSON, ESQS.	PROFESSIONAL LEGAL SERVICES - 12/18/13	45.00
000071	JOHNSON & JOHNSON, ESQS.	PROFESSIONAL LEGAL SERVICES - 12/10/13	450.00
			<b>495.00</b>
<b>000072</b>			
000072	WHITE TORNADO, LLC	ANNUAL CLEANING COURTROOM - HANOVER TWP	500.00
			<b>500.00</b>
<b>000073</b>			
000073	J.A. MONTGOMERY RISK CONTROL	NEW MEMBER SURVEY 12/18/13 - PEQUANNOCK	500.00
000073	J.A. MONTGOMERY RISK CONTROL	NEW MEMBER 10/31/13 - WEST CALDWELL	500.00
000073	J.A. MONTGOMERY RISK CONTROL	NEW MEMBER SURVEYS - 11/12/13 - RINGWOOD	500.00
			<b>1,500.00</b>
<b>000074</b>			
000074	PERMA	POSTAGE FEE 12/2013	407.31
			<b>407.31</b>
<b>000075</b>			
000075	THE RODGERS GROUP, LLC	SPECIALIZED SERVICES - 2013	14,166.66
			<b>14,166.66</b>
<b>000076</b>			
000076	DAILY RECORD	ACCT NO. 187377 - 12/28/2013 - ADPTD BDG	50.60
000076	DAILY RECORD	ACCT 187377 - 12/28/13 1REORG&CLMS REVW	44.36
			<b>94.96</b>
<b>000077</b>			
000077	ALLSTATE INFORMATION MANAGEMNT	DEPT: 417 - ACT & STOR - 12/31/2013	51.98
			<b>51.98</b>
<b>000078</b>			
000078	VITALE'S DELI	MEETING - 12/11/2013	558.42
000078	VITALE'S DELI	BREAKFAST FOR 12 - 12/3/2013	117.70
			<b>676.12</b>
		Total Payments FY 2013	17,892.03

**FUND YEAR 2014**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
<b>000079</b>			
000079	FIRST MANAGED CARE OPTION	MANAGED CARE SERVICES - 01/2014	18,598.92
			<b>18,598.92</b>
<b>000080</b>			
000080	APEX INSURANCE SERV c/o XL INS	TECH ERRORS & OMISSIONS - 1ST 2014	10,500.00
000080	APEX INSURANCE SERV c/o XL INS	POL/EPL 1ST 2014	644,542.00
000080	APEX INSURANCE SERV c/o XL INS	VOLUNT EMERG SERV DIR & OFFCR 1ST 2014	5,758.00
			<b>660,800.00</b>
<b>000081</b>			
000081	TROPHY KING OF PARSIPPANY	GAVEL PLAQUE AGP-40 W/ENGRAVING	125.00
			<b>125.00</b>
<b>000082</b>			
000082	JOHN H. DORSEY, ESQ.	LITIGATION MANAGEMENT - 02/2014	14,650.23
			<b>14,650.23</b>
<b>000083</b>			
000083	QUAL-LYNX	CLAIMS ADMIN - 02/2014	22,150.98
			<b>22,150.98</b>
<b>000084</b>			
000084	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES - 02/2014	15,047.00
000084	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES 01/2014	15,047.00
			<b>30,094.00</b>
<b>000085</b>			
000085	D & H ALTERNATIVE RISK	CLAIMS ADMIN - 02/2014	17,245.42
			<b>17,245.42</b>
<b>000086</b>			
000086	PERMA	POSTAGE FEE 01/2014	141.90
000086	PERMA	EXECUTIVE DIRECTOR FEE 02/2014	19,602.25
			<b>19,744.15</b>
<b>000087</b>			
000087	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING FEE 02/2014	3,131.00
000087	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING FEE 01/2014	3,131.00
			<b>6,262.00</b>
<b>000088</b>			
000088	FRED SEMRAU, ESQUIRE	ATTORNEY FEE 02/2014	2,210.85
			<b>2,210.85</b>
<b>000089</b>			
000089	GRACE BRENNAN	TREASURER FEE 02/2014	1,945.55
			<b>1,945.55</b>
<b>000090</b>			
000090	IMAC INSURANCE AGENCY	RMC FEE 1ST 2014 - EAST HANOVER	13,994.95
			<b>13,994.95</b>
<b>000091</b>			
000091	DAILY RECORD	ACCT NO. 187377 - 01/27/14 - ROSOLUTION	47.48
000091	DAILY RECORD	ACCT NO. 187377 - 01/27/14 - MTGS	48.00
			<b>95.48</b>
<b>000092</b>			
000092	CONNER STRONG & BUCKELEW	UNDERWRITING MANAGER - 02/2014	906.00
			<b>906.00</b>
<b>000093</b>			

000093	VITALE'S DELI	MEETING - 01/08/14	672.54
			<b>672.54</b>
<b>000094</b>			
000094	WILLIAM CLOSE	REIMB GOLF CLUB FOR APPRECIATION GIFT	79.98
			<b>79.98</b>
<b>000095</b>			
000095	NEWTECH SERVICES INC.	WEBSITE MAINTENANCE/HOSTING JAN-FEB 2014	150.00
000095	NEWTECH SERVICES INC.	DOMAIN RENEWAL - 02/2014	19.00
			<b>169.00</b>
<b>000096</b>			
000096	THE VOZZA AGENCY	RMC FEE 1ST 2014 - NETCONG	2,449.82
000096	THE VOZZA AGENCY	RMC FEE 1ST 2014 - BLOOMINGDALE	7,359.83
			<b>9,809.65</b>
<b>000097</b>			
000097	PROFESSIONAL INSURANCE ASSOC.	RMC FEE 1ST 2014 - WEST MILFORD TWP	20,801.91
000097	PROFESSIONAL INSURANCE ASSOC.	RMC FE 1ST 2014 - MENDHAM TWP	5,918.00
000097	PROFESSIONAL INSURANCE ASSOC.	RMC FE 1ST 2014 - RINGWOOD BORO	10,079.25
			<b>36,799.16</b>
		Total Payments FY 2014	856,353.86

**TOTAL PAYMENTS ALL FUND YEARS \$ 874,245.89**