

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES MEETING – JULY 9, 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.

ROLL CALL OF EXECUTIVE COMMITTEE:

Jonathan Rheinhardt	Borough of Wharton	Present
William Close, Secretary	Town of Sparta	Present
Robert Kalafut	Borough of Madison	Present
Ralph Blakeslee	Borough of Netcong	Absent
Michael Guarino	Township of Denville	Present
Greg Poff	Rockaway Township	Present
Brian McNeilly	Borough of Stanhope	Present

ROLL CALL OF FUND COMMISSIONERS:

Vita Thompson	Township of Andover	Absent
John Dunleavy	Borough of Bloomingdale	Absent
Terry McCue	Town of Boonton	Absent
Barbara Shepard	Township of Boonton	Present
James Lampmann	Borough of Butler	Absent
Thomas Ciccarone	Township of Chatham	Absent
Robert Falzarano	Borough of Chatham	Absent
Valerie Egan	Borough of Chester	Absent
Kelley Toohey	Dover Town	Present
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	Present
Robert Elia	Borough of Hopatcong	Absent
Daniel O'Dougherty	Borough of Kinnelon	Present
Perry Mayers	Borough of Lincoln Park	Present
Neil Henry	Township of Long Hill	Absent
To Be Appointed	Borough of Mendham	---
Tim Day	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	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	Absent
Darren Maloney	Township of Randolph	Present
Scott Heck	Borough of Ringwood	Absent
Sheila Seifert	Borough of Rockaway	Absent
Terri Lyons	Township of Washington	Present
Adam Brewer	Township of West Caldwell	Present

Kenneth Gabbert	Township of West Milford	Present
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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
Marge Verga	Dover Town	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	Absent
James Burnet	Borough of Madison	Absent
Alex McDonald	Township of Millburn	Absent
June Uhrin	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
John Doherty	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
Cate Kiernan

Attorney/Litigation Management

Dorsey & Semrau, Esq.
Fred Semrau, Esq.

Underwriting Manager

Conner Strong & Buckelew
Cathy Dodd

Safety Director

J.A. Montgomery Risk Control
John Zengel

Treasurer

Grace Brennan

Liability Claims Service

D&H Alternative Risk Solutions, Inc.
Morris County Municipal Joint Insurance Fund
July 9, 2014 Open Minutes

Workers Compensation Claim Service	Paul Messerschmidt Qual-Lynx Robert Fox
Managed Care	FMCO Thea Isabella
Auditor	Nisivoccia LLP

ALSO PRESENT:

Karen Waters, IMAC Insurance Agency, LLC
 Steve Reichman, ADP Statewide
 Dave Sgalia, Henry O. Baker
 John Whitley, Skylands Risk Management
 Frank Covelli, PIA
 Dave Vozza, The Vozza Agency
 Patricia Esposito, Marsh USA, Inc.
 Jeff Pasek, Dorsey & Semrau
 Jaine Testa, PERMA

APPROVAL OF MINUTES -

June 11, 2014 Open & Closed minutes:

MOTION TO APPROVE OPEN & CLOSED MINUTES OF JUNE 11, 2014

Motion:	Commissioner Guarino
Second:	Commissioner Wilpert
Vote:	13 Ayes, 0 Nays, 7 Abstentions (Commissioners Tempesta, O’Dougherty, Mayers, Gordon, Wilpert, Levine & Gabbert)

CORRESPONDENCE – none

Chairman Rheinhardt welcomed Kenneth Gabbert, as the new fund commissioner representing West Milford and William Wallace, as new alternate commissioner representing West Caldwell.

MONTHLY COMMITTEE REPORTS:

Committee Reports:

Membership Committee, Greg Poff, Chair, Rockaway Township 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. – Chairman Wilpert said Perma will be mailing the Safety Incentive Award winners their Grainger gift certificates early July. He encouraged members to visit the Safety section of the MEL website for helpful safety information.

Safety Task Force Committee, (Chair position vacant) – No report

Contract Review Committee, Ralph Blakeslee, Chair, Borough of Netcong – No report.

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

Claims Committee, William Close, Chair, Sparta – Committee met on July 7, 2014 at PERMA in Parsippany. The committee reviewed 12 Workers' Compensation Claims totaling Payment Authority Requests of \$784,314.09. The committee removed one Worker's Compensation PAR. 2 Property Claims totaling Payment Authority Requests of \$ 41,960.00 and 2 Liability Claims totaling Payment Authority Requests of \$312,625.00.

EXECUTIVE DIRECTOR/ADMINISTRATOR:

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.

Executive Director reviewed the due diligence reports and noted that reports reflect the impact of the winter, further noting similar results for other MEL affiliated Joint Insurance Funds. As of May 31, the Morris JIF has a lost-time accident frequency of 1.36 and maintains the third lowest ratio among all fifteen JIFs statewide. All Morris JIF members met the deadline for the EPL Compliance therefore maintained their deductibles and co-pay provisions.

2015 Renewal Applications – Online Underwriting Database: As previously reported, the MEL contracted with Exigis to develop an online underwriting database for members and/or their risk managers to add/amend schedules online thereby eliminating the annual paper Renewal Application process. Currently, the MEL's underwriting data is being uploaded to the online database and is being reviewed for accuracy. Once the data is approved for release, commissioners and risk managers will be notified by Exigis via email they can start their renewal application. The deadline for completion is expected to be approximately mid-September.

Seminars have been scheduled throughout the state to train Risk Management Consultants and Fund Commissioners on the new program. In addition, the seminar will be combined with the Underwriting Manager's review of the 2014 property program and reporting requirement changes that will be implemented for the 2015 property program. A seminar is scheduled for Denville on July 10th. Some changes will require members to determine whether to report certain locations. A copy of the notice was distributed to commissioners.

Membership Renewals –A list of the members scheduled to renew fund membership by January 1, 2015 was distributed to commissioners. Membership documents will be mailed to the eleven renewing members after the July meeting.

Crossing Guard Training – The Annual Crossing Guard Training Seminar has been scheduled for August 20th at the Morris County Police Academy. A copy of the notice sent to members was distributed to commissioners. The MEL has entered into an agreement with the League of

Municipalities and Rutgers to produce a Train-the-Trainer program for crossing guards. The program is in development and has not been released. In the meantime, the Morris JIF sponsors this Crossing Guard Training.

Safety Expo – For the ninth year, the MEL is working with the New Jersey Utility Authorities Joint Insurance Fund (NJUA) to conduct its Annual Safety Expo, which includes MEL member town’s water & sewer employees. The Safety Expos will be held on September 26th at the Camden County Emergency Services Training Center and November 7th at the Middlesex County Fire Academy. Registration packets will be mailed to all members with additional information. Total Contact Hours (TCH) and Continuing Education (CEU) credits will be available for classes.

2014 Assessment/Second Installment – Statements of accounts for second installment billings were mailed in June and due to the Treasurer no later than August 1, 2014.

2014 Coverage Manuals: The fund office will distribute the 2014 Coverage Manuals to all Fund Commissioners and Risk Managers via email in the first weeks of July. The POL/EPL policies issued through XL Insurance will also be distributed with the manual.

Financial Disclosures: Perma has provided all Fund Commissioners with the PIN they need to complete their Financial Disclosure filing for the Morris JIF and we have sent follow-up emails with any commissioner that has not yet filed. Members that have not filed are still able to file via the website.

August Meeting Cancellation - Historically, the JIF has voted to cancel the August meeting, and to process any necessary claim payments and professional fees for the month. The resolution authorizes the Treasurer to make contracted payments. The Claims Review committee is also authorized to make payment authority recommendations. Resolution 19-14 authorizing this action was made part of the Consent Motion.

The fund has received quasi applications from West Caldwell. In addition, Madison is working on completing submissions. Since the fund will not be meeting until September, the board passed a motion authorizing the Coverage committee to review and accept applications to avoid a delay in coverage.

MOTION AUTHORIZING COVERAGE COMMITTEE TO REVIEW AND APPROVE QUASI APPLICATIONS FOR COVERAGES SUBJECT TO CONFIRMATION AT THE SEPTEMBER 10, 2014 MEETING

Motion: Commissioner Wilpert
Second: Commissioner Maurer
Approved: 18 ayes, 1 abstention (Tempesta)

Executive Director’s Report Made Part of Minutes.

TREASURER:

The Treasurer noted that second installment payments are due by August 1st. She asked that members notify their finance departments that the certification is included in billing document therefore a separate voucher is not necessary.

The following July 2014 bills list was included for approval on the consent motion as Resolution 20-14.

JULY 2014

2013	\$38,639.32
2014	\$1,532,380.81
Total	\$1,571,020.13

CLAIMS PAYMENT AND IMPREST TRANSFERS AS OF MAY 2014:

CLOSED	\$0.00
2010	\$43,884.62
2011	\$148,625.15
2012	\$49,392.41
2013	\$85,033.73
2014	\$192,522.78
TOTAL	\$519,458.69

Treasurer's Report Made Part of Minutes.

ATTORNEY:

Attorney reviewed two cases that were recently settled in favor of members.

Attorney also discussed the XL Insurance POL/EPL claims settlement system and advised members if they receive a denial letter to contact his office for future assistance. Discussions are underway with Chairman Rheinhardt regarding a member assistance program to help members navigate the settlement process.

UNDERWRITING MANAGER:

CERTIFICATES OF INSURANCE: List of certificates was included in the agenda. 66 certificates were issued during June.

Certificates List made part of minutes

SAFETY DIRECTOR:

Safety director noted that the 2015 MSI course requests schedules and in-house training request form have been distributed to members. Members wishing to host in-house training classes in 2015 should return the form.

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 Guarino
Second: Commissioner O'Dougherty
Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION:

Motion: Commissioner Levine
Second: Commissioner Guarino
Vote: Unanimous

MOTION TO APPROVE CLAIM AUTHORITY PAYMENTS AS PRESENTED IN EXECUTIVE SESSION, EXECUTIVE DIRECTOR'S REPORT, RESOLUTION 19-14 AUGUST MEETING CANCELLATION; RESOLUTION 20-14 APPROVING THE JULY BILLS LIST, 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 Brewer
Vote: Unanimous

NEW BUSINESS:

None

PUBLIC COMMENT:

None

MOTION TO ADJOURN:

Moved: Commissioner Poff
Second: Commissioner Tempesta
Vote: Unanimous

Meeting Adjourned: 12:35 PM

Jaine Testa, Assisting Secretary

For

William Close, Secretary

Date prepared: July 25, 2014

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

Resolution No. 20-14

JULY 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>
000170			
000170	NISIVOCCIA & COMPANY	2013 AUDIT - 05/30/2014	17,496.00
			17,496.00
000171			
000171	THE RODGERS GROUP, LLC	SPECIALIZED SERVICES - 07/2014	21,143.32
			21,143.32
		Total Payments FY 2013	38,639.32

FUND YEAR 2014

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000172			
000172	MUNICIPAL EXCESS LIABILITY JIF	FAITHFUL PERFORMANCE BOND 3RD QTR 2014	4,907.55
			4,907.55
000173			
000173	FIRST MANAGED CARE OPTION	MANAGED CARE SERVICES - 06/2014	20,634.85
			20,634.85
000174			
000174	MUNICIPAL EXCESS LIABILITY JIF	MEL PROPERTY 3RD QTR 2014	281,039.52
000174	MUNICIPAL EXCESS LIABILITY JIF	MEL 3RD QTR 2014	792,703.13
			1,073,742.65
000175			
000175	NJ MUNICIPAL ENVIRONMENTAL	EJIF - 2ND 2014	245,817.97
			245,817.97
000176			
000176	TROPHY KING OF PARSIPPANY	PLAQUE & CLOCK - 06/05/14	145.00
			145.00
000177			
000177	QUAL-LYNX	CLAIMS ADMIN - 07/2014	24,093.84
			24,093.84
000178			
000178	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES 07/2014	16,319.89
			16,319.89
000179			
000179	D & H ALTERNATIVE RISK	CLAIMS ADMIN - 07/2014	18,308.01
			18,308.01
000180			
000180	PERMA	POSTAGE FEE 06/2014	475.57

000180	PERMA	EXECUTIVE DIRECTOR FEE 07/2014	21,143.32
			21,618.89
000181			
000181	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING FEE 07/2014	3,131.00
			3,131.00
000182			
000182	FRED SEMRAU, ESQUIRE	LITIGATION MANAGEMENT - 07/2014	15,518.91
000182	FRED SEMRAU, ESQUIRE	ATTORNEY FEE 07/2014	2,167.50
			17,686.41
000183			
000183	GRACE BRENNAN	TREASURER FEE 07/2014	1,945.55
			1,945.55
000184			
000184	MUNICIPAL EXCESS LIABILITY JIF	MSI 3RD QTR 2014	20,131.74
			20,131.74
000185			
000185	DAILY RECORD	ACCT 187377 - 06/27/14 - SYNOPSIS AUDIT	123.40
			123.40
000186			
000186	CONNER STRONG & BUCKELEW	UNDERWRITING MANAGERS FEE 07/2014	906.00
			906.00
000187			
000187	ALLSTATE INFORMATION MANAGEMNT	DEPT: 417 - ACT & STOR - 05/31/2014	51.98
			51.98
000188			
000188	RUSSO & ASSOCIATES LLC	PAYROLL AUDIT - 06/26/2014	8,803.62
			8,803.62
000189			
000189	NEWTECH SERVICES INC.	MONTHLY WEBSITE MAINTENANCE/HOSTING 6/14	75.00
			75.00
000190			
000190	THE VOZZA AGENCY	RMC FEE 2ND 2014 P NETCONG	2,404.94
000190	THE VOZZA AGENCY	RMC FEE 2ND 2014 - BLOOMINGDALE	7,195.36
			9,600.30
000191			
000191	PROFESSIONAL INSURANCE ASSOC.	RMC FEE 2ND 2014 - WEST MILFORD	20,799.41
000191	PROFESSIONAL INSURANCE ASSOC.	RMC FEE 2ND 2014 - RINGWOOD	10,079.25
000191	PROFESSIONAL INSURANCE ASSOC.	RMC FEE 2ND 2014 - KINNELON	7,615.65
000191	PROFESSIONAL INSURANCE ASSOC.	RMC FEE 2ND 2014 - MENDHAM	5,842.85
			44,337.16
		Total Payments FY 2014	1,532,380.81

TOTAL PAYMENTS ALL FUND YEARS \$ 1,571,020.13

RESOLUTION 19-14
RESOLUTION OF THE MORRIS COUNTY MUNICIPAL JOINT
INSURANCE FUND AUTHORIZING THE CONTINUANCE OF
CONTRACTUAL AND CLAIM PAYMENTS
UNTIL THE SEPTEMBER 10, 2014 MEETING

WHEREAS, the Morris JIF has, in recent years, canceled its regular meeting schedule for the month of August; and

WHEREAS, by way of this resolution, the August 13, 2014 meeting is hereby canceled and the Treasurer is directed to continue to make, during the months of July and August, all contractual payments which customarily become due and the professionals are directed to continue to perform their services, with the understanding that any and all actions that they take shall be confirmed at the September 10, 2014 meeting, except in the case of emergency or a matter which would be deemed by General Counsel to be extraordinary, authorization shall be sought from the Chairman and/or Secretary of the Morris JIF.

WHEREAS, the Morris County Municipal Joint Insurance Fund has a Claims Review Committee that meets on a monthly basis and makes its recommendations to the Board of Fund Commissioners for payment of claims; and

WHEREAS, the Claims Review Committee has set forth a schedule for its meetings and has advertised that schedule in accordance with the Open Public Meetings Act,

BE IT RESOLVED, by the Commissioners of the Morris County Municipal Joint Insurance Fund as follows:

1. The regular scheduled meeting for August 13, 2014 is hereby canceled.
2. The Treasurer is authorized to make payment for all contracted services for August and September as same are usually paid for notwithstanding that there will not be a meeting in August to confirm those payments.
3. All professionals are directed to proceed in the normal course to take any and all steps necessary to resolve cases which are outstanding for which the Morris JIF will confirm their actions at the September 10, 2014 meeting, the only exception being if there is an item which is deemed to be extraordinary by General Counsel, authorization shall be sought either by the Chairman or the Secretary of the Morris before that action is take by the professional.
4. The Claims Review Committee is hereby authorized the approve payment authority requests submitted by the Fund's Claims Administrators at the Committee's duly scheduled and advertised August meeting.

The foregoing resolution was duly adopted by the Morris County Municipal Joint Insurance Fund at a public meeting held on July 9, 2014.

Morris County Municipal Joint Insurance Fund