

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND  
OPEN MINUTES MEETING – May 14, 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	Absent
Robert Kalafut	Borough of Madison	Present
Ralph Blakeslee	Borough of Netcong	Present
Michael Guarino	Township of Denville	Absent
Greg Poff	Rockaway Township	Present
Brian McNeilly	Borough of Stanhope	Absent

**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	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	Absent
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
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	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	Absent
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
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	Present
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
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.  
**Fred Semrau, Esq.**

Underwriting Manager

Conner Strong & Buckelew  
**Joseph Hrubash**

Safety Director

J.A. Montgomery Risk Control  
**John Zengel**

Treasurer

Liability Claims Service

D&H Alternative Risk Solutions, Inc.  
**Paul Messerschmidt**

Workers Compensation  
Claim Service

Qual-Lynx  
**Robert Fox**

Managed Care

FMCO  
**Anchulee Carranza**

Auditor

Nisivoccia LLP

**ALSO PRESENT:**

Karen Waters, IMAC Insurance Agency, LLC  
Dave Sgalia, Henry O. Baker  
Mark Todisco, The Chadler Group  
John Whitley, Skylands Risk Management  
Frank Covelli, PIA  
Steve Reichman, ADP Statewide  
Jeff Pasek, Esq.  
Cate Kiernan, PERMA  
Jaine Testa, PERMA

**APPROVAL OF MINUTES -**

April 9, 2014 Open & Closed minutes:

**MOTION TO APPROVE OPEN & CLOSED MINUTES OF APRIL 9, 2014**

Motion:  
Second:  
Vote:

Commissioner Blakeslee  
Commissioner Levine  
14 Ayes, 0 Nays, 9 Abstentions  
(Chairman Rheinhardt and Commissioners  
Poff, , Toohey, Shephard, Marsala, Rinaldi,  
Mayers, Sandman and Canning)

**CORRESPONDENCE – None**

## **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.** – No report

**Safety Task Force Committee, Chief Scott Thompson, Chair, Borough of Morris Plains.** Chairman Rheinhardt said that the Police Accreditation program was progressing on schedule.

**Contract Review Committee --** Ralph Blakeslee, Chair, Borough of Netcong – Commissioner Blakeslee said the committee will meet in June prior to the next board meeting to review new software designed to help members track certificates of insurance. A report will be given at the June meeting.

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

**Claims Committee, William Close, Chair, Sparta** –Commissioner Levine said the committee met on May 12, 2014 and recommended payment authority approval for 12 Workers' Compensation claims totaling \$907,350.45, 3 Workers Compensation claim PARS were removed for further review and were not included in the recommended list of payment authority requests. 5 Property claims totaling \$172,596.52 and 1 Liability Claim totaling \$17,455.87.

## **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 said the 2013 Audit will be presented at the June meeting; Finance committee will be meeting to review the audit before the next meeting. He also said the fund's statutory surplus stands at \$3.5 million dollars. Commissioner Kalafut, explained for the benefit of new members, surplus was approximately \$8 million four years ago. The Fund has used surplus to fund the Police Accreditation grant program – putting through five agencies each the last four years.

The 2013 property loss ratio was 21% compared to 67% for 2014- , which can be attributed to the harsh winter. The Worker's Compensation loss ratio increased 13% from last year also due to the hard winter, with additional large losses each in worker's compensation and in auto.

**Elected Officials Seminars:** To supplement live presentations of this year's Elected Officials seminar, the MEL placed an on-line version on NJMEL.ORG. To date, over 500 MEL member officials have already used this option; eighty of which are from Morris JIF members.. The MEL will process seminar credits for any elected officials completing this course by May 31<sup>st</sup>. Directions to access the training were distributed.

**Employment Practices Program:** In order to maintain current deductibles and co-payment provisions, members must update their EPL Programs and submit the checklist to the Fund office. XL Insurance has indicated any checklist submitted to the Fund office by the end of May will meet the deadline. Several checklists have been submitted to the Fund office but will not be processed until after the final Police Training – scheduled for May 13<sup>th</sup> in Jamesburg.. However, the Fund's three new members have through July to set up and complete their program. Perma continues to follow up with members that have not yet submitted a checklist.

If you have not completed your program, please visit the MEL webpage for complete details – [www.njmel.org](http://www.njmel.org) and work with your municipal attorney to complete the Attorney Certification form by the end of May.

**Financial Disclosure Form:** Executive Director distributed copies of the April and May notices on the new process for completing your Financial Disclosure. The state has asked local public entities to stagger the distribution of personal identification numbers (PINs) to their officials; JIFs will begin their process after May 16<sup>th</sup>. The deadline for filing is June 13<sup>th</sup> Perma emailed commissioners a listing of how the JIF spelled their name on the roster (to make filing easier) and will be emailing commissioners their PIN once the roster has been completed. Commissioners were asked to contact PERMA if they experience any problems filing their statement.

**New E-JIF Emergency Reporting Posters** –a copy of the new E-JIF Emergency Reporting poster - to be placed in every member municipality -was distributed to commissioners. T&M Associates and First Environment, will be distributing these posters to the membership. To request posters, contact your designated Environmental Engineer. The EJIF JIF has also posted on their website. Executive Director encouraged posting by members in DPW departments.

**Parades** – Munich Reinsurance has shared its “Focus on Parades” with the MEL for information. A copy was distributed to commissioners and the Safety Director's office will also distribute. The Executive Director suggested the information might be beneficial to member's police department.

**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 will be reviewed for accuracy. The MEL is funding the cost of this database program. Training, both live and via the web will be scheduled close to the rollout date. Members will be given a log on and will be able to designate the appropriate employee(s) who will have access to the program and who can then assign their risk manager access as well.

Executive Director's Report Made Part of Minutes.

**TREASURER:**

The following May 2014 bills list was included for approval on the consent motion as Resolution 13-14.

<b>May 2014</b>	
<b>2013</b>	\$23,238.48
<b>2014</b>	\$220,180.04
<b>Total</b>	\$243,418.52

**CLAIMS PAYMENT AND IMPREST TRANSFERS AS OF MARCH 2014:**

<b>CLOSED</b>	\$0.00
<b>2010</b>	\$74,241.92
<b>2011</b>	\$57,312.32
<b>2012</b>	\$28,612.75
<b>2013</b>	\$237,662.30
<b>2014</b>	\$184,354.82
<b>TOTAL</b>	\$582,184.11

Treasurer's Report Made Part of Minutes.

**ATTORNEY:**

Fund Attorney reported on the completion of the elected officials and managers and supervisors training sessions and noted that questions frequently raised by members centered on procedures regarding volunteer organizations. In response to this, by late June, the fund expects to draft "best practices procedures" as a way to address volunteer organization issues (i.e. purchase of a new fire truck, accepting donations). The attorney asked if anyone has any questions to contact him. In response to Commissioner Levine, regarding the Senior Service Program For Senior High School Students, Executive Director said that students are considered "casual labor" under the workers compensation code and, therefore, are not covered for workers' compensation but would be covered is

under the member's general liability policy. He further said that the act of volunteering does not override child labor laws and members need to be aware of the volunteer's minor status when assigning work projects to minors.

**UNDERWRITING MANAGER:**

**CERTIFICATES OF INSURANCE:** List of certificates was included in the agenda. 62 certificates were issued during April.

**UNDERWRITING MANAGER.** Coverage committee will be reviewing the redraft of the JIF Crime policy. Changes are mostly cosmetic since any more immediate changes were made at the onset of the MEL Coverage Committee's review of the JIF and MEL Crime policies. The coverage committee will meet in June and will report at the next meeting.

Underwriting Manager distributed and reviewed MEL Bulletin 14-03--*Property /Equipment Breakdown Program* – which will also be posted on the MEL website. The MEL JIF's objective for 2014 is to protect the flood aggregate that was pierced during Hurricane Sandy. Some highlights of the program are: The MEL has authorized the purchase of \$25 million in excess of \$50 million for a combined total aggregate for flood and earth movement of \$75,000,000. In particular, Underwriting Manager drew attention to the newly established sub limits for property in the open. Underwriting Manager said the Risk Management Plan will be revised to reflect final property negotiations and will be on the June agenda for adoption.

Certificates List made part of minutes

**SAFETY DIRECTOR:**

Safety Director noted 329 members have completed online training through the MSI program as of April 30, 2014. Bloodborne Pathogens, Hazardous Communications and New Employee Orientation are among the most attended courses. The Management of Special Events training session held on April 30<sup>th</sup> was attended by 50 employees.

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 Tempesta

Second: Commissioner Day  
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 13-14 APPROVING THE MAY 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 Levine  
Vote: Unanimous

**OLD BUSINESS:**

MEL, EJIF AND RCF COMMISSIONERS: In December, the Fund appointed two alternates each to represent the Morris JIF on the MEL, RCF and EJIF Boards – but the bylaws for those Funds only allow for one alternate. The fund amended its appointment of the 2014 alternate commissioners to the MEL, EJIF and RCF, as follows:

The following alternates are appointed:

William Close	MEL
William Close	EJIF
Jon Rheinhardt	RCF

**MOTION TO AMEND ALTERNATE APPOINTMENTS TO THE MEL, RCF AND EJIF FUNDS.**

Moved: Commissioner Blakeslee  
Second: Commissioner Levine

**NEW BUSINESS:**

Chairman Rheinhardt announced that Commissioner Ellen Sandman, Mendham Borough has accepted the position of Administrator for Parsippany and, as a result, will no longer



be a Fund Commissioner of the Morris County Joint Insurance Fund; June will be her last meeting.

Commissioner Sandman is the only remaining charter member. Fund Commissioner. Commissioner Sandman said it was a pleasure to be involved with the Joint Insurance Fund.

**PUBLIC COMMENT:**

None

**MOTION TO ADJOURN:**

Moved:	Commissioner Brewer
Second:	Commissioner Levine
Vote:	Unanimous

Meeting Adjourned: 12:35 PM

Jaine Testa, Assisting Secretary

For

William Close, Secretary

Date prepared: May 28, 2014

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

**Resolution No. 13-14**

**MAY 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>000135</b>			
000135	VALLEY MEDICAL GROUP	DOT TESTING, TRAINING & MRO - 4TH QTR'14	9,071.82
			<b>9,071.82</b>
<b>000136</b>			
000136	THE RODGERS GROUP, LLC	SPECIALIZED SERVICES - 5/2014 - 7TH INST	14,166.66
			<b>14,166.66</b>
		Total Payments FY 2013	23,238.48

**FUND YEAR 2014**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
<b>000137</b>			
000137	FIRST MANAGED CARE OPTION	MANAGED CARE SERVICES - 05/2014	20,634.85
000137	FIRST MANAGED CARE OPTION	MANAGED CARE SERVICES - 04/2014	20,634.85
			<b>41,269.70</b>
<b>000138</b>			
000138	FRED SEMRAU ESQ.	LITIGATION MANAGEMENT - 05/2014	15,518.91
			<b>15,518.91</b>
<b>000139</b>			
000139	QUAL-LYNX	CLAIMS ADMIN - 05/2014	24,093.84
000139	QUAL-LYNX	CLAIMS ADMIN - 04/2014	24,093.84
			<b>48,187.68</b>
<b>000140</b>			
000140	VALLEY MEDICAL GROUP	DOT TESTING, TRAINING & MRO 03/31/14	10,101.72
			<b>10,101.72</b>
<b>000141</b>			
000141	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES - 05/2014	16,319.89
			<b>16,319.89</b>
<b>000142</b>			
000142	D & H ALTERNATIVE RISK	CLAIMS ADMIN - 05/2014	18,308.01
			<b>18,308.01</b>
<b>000143</b>			
000143	PERMA	POSTAGE FEE 04/2014	67.80
000143	PERMA	EXECUTIVE DIRECTOR - 05/2014	21,143.32
			<b>21,211.12</b>
<b>000144</b>			
000144	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING FEE 05/2014	3,131.00
			<b>3,131.00</b>
<b>000145</b>			
000145	FRED SEMRAU, ESQUIRE	ATTORNEY FEE 05/2014	2,167.50
			<b>2,167.50</b>
<b>000146</b>			

000146	GRACE BRENNAN	TREASURER FEE 05/2014	1,945.55
			<b>1,945.55</b>
<b>000147</b>			
000147	THE RODGERS GROUP, LLC	POLICE ACCRED MAINTENANCE - 05/14	3,000.00
000147	THE RODGERS GROUP, LLC	TRAINING FOR CHIEFS&POLICE EXEC 3/11/14	600.00
			<b>3,600.00</b>
<b>000148</b>			
000148	HOPATCONG BOROUGH	RMC FEE 1ST INSTALLMENT 2014 - HOPALCONG	13,302.25
			<b>13,302.25</b>
<b>000149</b>			
000149	CONNER STRONG & BUCKELEW	UNDERWRITING MANAGER FEE 05/2014	906.00
000149	CONNER STRONG & BUCKELEW	POSITION BOND - 2014	3,122.00
			<b>4,028.00</b>
<b>000150</b>			
000150	ALLSTATE INFORMATION MANAGEMNT	DEPT: 417 - ACT & STOR 03/31/2014	66.19
			<b>66.19</b>
<b>000151</b>			
000151	VITALE'S DELI	MEETING - 04/25/2014	580.97
			<b>580.97</b>
<b>000152</b>			
000152	NEWTECH SERVICES INC.	MONTHLY WEBSITE MAINTENANCE/HOSTING 5/14	75.00
000152	NEWTECH SERVICES INC.	MONTHLY WEBSITE MAINTENANCE/HOSTING 4/14	75.00
			<b>150.00</b>
<b>000153</b>			
000153	BOONTON TOWN	RMC FEE 1ST INSTALLMENT 2014 - BOONTON	10,251.25
			<b>10,251.25</b>
<b>000154</b>			
000154	MOUNTAIN LAKES BOROUGH	RMC FEE 1ST INSTALL 2014 - MOUNT LAKES	5,704.34
			<b>5,704.34</b>
<b>000155</b>			
000155	SKYLANDS RISK MANANAGEMENT INC	RMC FEE 1ST INSTALL 2014 - STANHOPE	4,335.96
			<b>4,335.96</b>
		Total Payments FY 2014	220,180.04

**TOTAL PAYMENTS ALL FUND YEARS \$ 243,418.52**