

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES MEETING – MAY 9, 2018
HANOVER TOWNSHIP MUNICIPAL BUILDING
12:00 PM**

Meeting of Fund Commissioners called to order by Chairman Guarino. Open Public Meeting Notice was read into records. Chairman Guarino led Commissioners in the Pledge of Allegiance.

ROLL CALL OF 2018 EXECUTIVE COMMITTEE:

Denville	Michael Guarino, Chairman	Present
Stanhope	Brian McNeilly, Secretary	Absent
Netcong	Ralph Blakeslee	Present
Rockaway Twp.	Adam Brewer	Present
Wharton	Jon Rheinhardt	Absent
Mount Arlington	Carolyn Rinaldi	Absent
East Hanover	Joseph Tempesta	Present

ROLL CALL OF 2018 FUND COMMISSIONERS:

Andover	Diana Francisco	Absent
Bloomingtondale	Jonathan Dunleavy	Present
Boonton Town	Neil Henry	Absent
Boonton Township	Barbara Shepard	Present
Butler	Jim Lampmann	Present
Chatham	Thomas Ciccarone	Absent
Chatham Borough	Tim Day	Present
Chester	Marvin Joss	Absent
Dover	Donald Travisano	Present
Essex Fells	Francine Paserchia	Absent
Florham Park	Bill Huyler	Absent
Frelinghuysen	Donna Zilberfarb	Absent
Hanover	Silvio Esposito	Absent
Hawthorne	Eric Maurer	Present
Hopatcong	Ronald Tappan	Absent
Kinnelon	Robert Collins	Present
Lincoln Park	Perry Mayers	Absent
Long Hill	Nancy Malool	Absent
Madison	James Burnet	Present
Mendham Borough	Joyce Bushman	Present
Mendham Twp.	Karen Fornaro	Present
Millburn	Jason Gabloff	Present
Montville	Victor Canning	Absent
Morris Plains	June Uhrin	Absent
Mount Olive	Claudia Tomasello	Present
Mountain Lakes	Mitchell Stern	Absent
North Caldwell	Frank Zichelli	Absent

Pequannock	David Hollberg	Absent
Pompton Lakes	Kevin Boyle	Absent
Randolph	Darren Maloney	Absent
Ringwood	Scott Heck	Absent
Rockaway Borough	Sheila Seifert	Present
Sparta	Bill Close	Absent
Washington Twp.	Andrew Coppola	Absent
West Caldwell	Nikole Monroig	Absent
West Milford	Catherine Shanahan	Absent

2018 FUND COMMISSIONER ALTERNATES:

Maryann Frodella	Township of Andover	Present
Sherry Gallagher	Borough of Bloomingdale	Absent
Cynthia Oravits	Town of Boonton	Absent
James Kozimor	Borough of Butler	Absent
Deborah King	Township of Chatham	Absent
Stephen Williams	Borough of Chatham	Absent
Denean Probosco	Borough of Chester	Absent
Steven Ward	Township of Denville	Absent
Kelly Toohey	Town of Dover	Absent
Kenneth Huelbig	Township of East Hanover	Absent
Cindy Phillips	Borough of Florham Park	Absent
Mark Roddy	Township of Hanover	Absent
Jennifer Scully	Borough of Hawthorne	Absent
Dina Valente-Stoel	Borough of Lincoln Park	Absent
Sandy Emmerich	Borough of Madison	Absent
Alex McDonald	Township of Millburn	Absent
Debbie Bonanno	Township of Mendham	Present
June Hercek	Borough of Montville	Absent
Jason Kohn	Borough of Morris Plains	Present
Christine Stachnik	Township of Mount Olive	Absent
Valerie Egan	Borough of Mountain Lakes	Absent
Kayleen Pickering	Borough of Mount Arlington	Absent
Tami Michelotti	Borough of North Caldwell	Absent
Holly Lyon	Township of Pequannock	Present
Kelley Halewicz	Borough of Ringwood	Absent
Lisa Palmieri	Township of Rockaway	Absent
Michele Landtau	Township of Sparta	Present
Dana Mooney	Borough of Stanhope	Absent
Roger Read	Township of Washington	Absent
Antoinette Battaglia	Township of West Milford	Absent
William Wallace	Township of West Caldwell	Absent
Gabrielle Evangelista	Borough of Wharton	Absent

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
Brian Maitland

Treasurer
Liability Claims Service

Lenape Claims Management
Janine Leahy

Workers Compensation
Claim Service

Qual-Lynx
Claudia Acosta
Caty Lambe

Managed Care

FMCO
Mary Bresadola

Auditor

Nisivoccia LLP

ALSO PRESENT:

Sharon Cooper, Public Entity Advocates
Ernie Reigstad, Skylands Risk Management
Jim Humsi, Millburn Township
Frank Covelli, PIA
Patricia Esposito, Marsh USA, Inc.
Craig Josephsen, David M. Hundertmark Agency, Inc.
David Sgalia, Cupo Insurance Agency
Karen Waters, IMAC Insurance
Barry Maurillo, IMAC Insurance
Mark Todisco, Chadler Solutions
Matthew Struck, Treadstone Risk Management
Jaine Testa, PERMA

APPROVAL OF MINUTES -

April 11, 2018 Open & Closed minutes:

MOTION TO APPROVE OPEN & CLOSED MINUTES OF APRIL 11, 2018

Motion:	Commissioner Day
Second:	Commissioner Travisano
Vote:	16 Ayes, 0 Nays, 6 Abstains (Commissioners Blakeslee, Travisano, Maurer, Collins, Gabloff, Seifert)

CORRESPONDENCE – None

MONTHLY COMMITTEE REPORTS:

Membership, Marketing & Coverage Committee, John Dunleavy, Chair, Bloomingdale Borough—The committee reviewed two quasi applications submitted by Rockaway Borough and Kinnelon , and recommended both entities be approved for Class III Quasi-Municipal coverage. The board accepted the committee’s recommendation and approved both entities for coverage. The applications were distributed to commissioners in the agenda packet.

Finance Committee, Jon Rheinhardt, Chair, Wharton Borough— We will work with Committee Chairman to schedule a Finance Committee meeting prior to the June meeting to review the Audit Report as of December 31, 2017. A draft of the audit report has been prepared and the auditor will attend the June meeting.

Safety Committee, Carolyn Rinaldi, Chair, Mount Arlington Borough – No report.

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 7th at PERMA’s office in Parsippany and recommended approval of Payment authority requests for 9 workers’ compensation claims totaling \$891,388; 4 property claims totaling \$60,366 and 5 liability claims totaling \$553,751. One lien compromise that was presented for approval during executive session.

EXECUTIVE DIRECTOR/ADMINISTRATOR 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—The March surplus, at \$8.4 million is approximately unchanged from prior year end. When 2014 liabilities are transferred to the Residual Claims Fund later this year, the deficit will be funded from the closed years account—illustrating the Finance Committee’s conservative approach to maintaining surplus that allows for adequate surplus to offset any individual fund year deficit.

2018 Coverage Documents – The fund office will begin distributing the 2018 coverage documents to all Fund Commissioners and Risk Managers via email in the first weeks of May. Copies of the excess policies will also be distributed. The POL/EPL policy is still being finalized by carrier QBE and may be distributed in separate mailing to members.

2018/2019 Employment Practices Program: A copy of the correspondence mailed to Fund Commissioners and Risk Management Consultants concerning updates to member Employment Practices Programs was distributed in the agenda packet. Updated Model Personnel Manuals have been posted to the MEL’s webpage www.njmel.org. Deadline to complete program compliance is October 1, 2018. We are working with the Fund Attorney to schedule Managers & Supervisory Training

Seminars. Chief Vincent Quatrone will conduct Police and Command Staff EPL training session at Morris Public Safety Academy on June 29.. “We must respect each other in local government” video has been added to the MEL Safety Institute to meet training for “non-supervisory” employees. Those that utilize the MEL’s mobile application received a “push” notification when the program documents were posted to the website. Some users may need to adjust their MS Word “View” settings to see the version of the Model Personnel Policies and Procedures manual that has “tracked” changes visible.

Cyber Security Training – The Fund advertised Requests for Qualifications for Cyber Security Training; due date for responses is May 17th. We will schedule a sub-committee meeting with the Contracts and Rules and/or Finance committee to review the responses and will prepare a report for the June meeting.

2018 Financial Disclosures: In April, the Local Finance Board issued the annual notice regarding filing of the Financial Disclosure forms. The fund office notified all commissioners of the filing requirements and all have met the April 30th filing deadline.

Risk Management Information/Operating System (RMIS): The online underwriting database through Origami was launched mid-March; Fund Commissioners and Risk Management Consultants were provided login information, as well as, links to short training videos.

Origami is hosting training webinars on how to utilize the online platform. A copy of the notice was distributed to members announcing webinars scheduled for May 8th at 2:00 and May 10th at 9:30 am. We expect to schedule at least one more training.

Members and Risk Managers will receive an email with a link to renewal worksheets to begin the 2019 underwriting renewal – which is expected to begin in early June. Worksheets can be distributed to appropriate department personnel rather than issue individual logins.

Legislation: The bill that would expand the JIF and MEL’s investment opportunities is now on the Governor’s desk. The law would authorize certain joint insurance funds to invest in certain bonds, notes, and other obligations of State and Federal agencies and to form joint cash management and investment programs as a means to broaden the types of securities joint insurance funds may invest in and to reduce the amount of assets that must be held in short-term investments to cover the cash flow needs of the funds. If the bill is signed by the Governor, the funds will form an ad-hoc committee to set parameters for the formation of a joint cash management and investment program. Participation in the committee is open to all JIFs.

Auditor & Actuary Year-End Reports: The financial audit for the period ending December 31, 2017 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.

EJIF Stormwater Bulletin – Attached are copies of two Environmental Alerts from the EJIF—one concerning NJDEP revisions to Tier A and B Stormwater Permits; and one concerning changes to New Jersey Underground Storage Tank Regulations.

Executive Director’s Report Made Part of Minutes.

TREASURER: The following May 2018 bills lists were included for approval on the consent motion as resolutions 13-18.

May 2018	
2017	\$26,181.45
2018	\$164,444.10
Total	\$190,625.55

CLAIMS PAYMENT AND IMPREST TRANSFERS AS OF MARCH 2018:

CLOSED	\$0
2014	\$319,498.26
2015	\$67,896.59
2016	\$44,682.49
2017	\$207,753.30
2018	\$156,733.31
TOTAL	\$796,563.95

Treasurer's Report Made Part of Minutes.

ATTORNEY:

Attorney discussed a recent opinion in city of West Wildwood concerning a police officer that was terminated after numerous disciplinary charges. Officer filed a lawsuit under employment practices liability, against the town. Case was politically charged and widely reported in press. Against the advice of the MEL attorney the West Wildwood newly elected governing body reinstated police officer and appointed her Chief of Police (Chief was also housemate of new Mayor) and agreed to not disclose the nature of her termination—this action caused the MEL to withdraw coverage – since the township was not cooperating with the defense. Jury awarded officer \$1.2 million settlement which member is now responsible for. Matter was appealed and the MEL prevailed.

Attorney's report made part of minutes

UNDERWRITING MANAGER:

CERTIFICATES OF INSURANCE: List of certificates was included in agenda. 67 certificates were issued between March 22, 2018 and April 22, 2018.

Certificates List made part of minutes

Underwriting manager's report made part of minutes

SAFETY DIRECTOR:

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 Brewer
Second:	Commissioner Tempesta
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; RESOLUTION 13-18 APPROVING THE MAY BILLS LIST; TREASURER'S REPORTS; APPROVAL OF APPLICATIONS FOR QUASI COVERAGE FOR ROCKAWAY BOROUGH AND KINNELON; ATTORNEY'S REPORTS; UNDERWRITING MANAGER'S REPORTS; MONTHLY CERTIFICATES; SAFETY DIRECTOR'S REPORTS; AND MANAGED CARE PROVIDER'S REPORTS

Moved: Commissioner Dunleavy
Second: Commissioner Gabloff
Roll call Vote: Unanimous

OLD BUSINESS:

None

NEW BUSINESS:

None

PUBLIC COMMENT:

None

MOTION TO ADJOURN:

Motion: Commissioner Travisano
Second: Commissioner Burnet
Vote: Unanimous

Meeting Adjourned 12:30 PM
Jaime Testa, Assisting Secretary
For Brian McNeilly, Fund Secretary
Date prepared April 2, 2018

001491			
001491	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES - 05/2018	3,390.03
			3,390.03
001492			
001492	FRED SEMRAU, ESQUIRE	ATTORNEY FEE 05/2018	2,393.08
			2,393.08
001493			
001493	GRACE BRENNAN	TREASURER FEE 05/2018	2,064.58
			2,064.58
001494			
001494	DAILY RECORD	ACCT: ASB-70026874 - 4/26/18 CYBER TRNG	44.89
			44.89
001495			
001495	CONNER STRONG & BUCKELEW	UNDERWRITING MANAGER FEE 05/2018	981.00
001495	CONNER STRONG & BUCKELEW	POSITION BOND - 05/2018	2,953.00
			3,934.00
001496			
001496	ALLSTATE INFORMATION MANAGEMNT	ACCT: 417 - ACT & STOR - 3/31/2018	73.87
			73.87
001497			
001497	VITALE DELI	FOOD SERVICES - 03/14/18	768.96
			768.96
001498			
001498	NEWTECH SERVICES INC.	MONTHLY WEBISTE MAINTENANCE/HOSTNG 4/18	75.00
			75.00
001499			
001499	ADP/STATEWIDE INSURANCE AGENCIES, INC.	RMC FEE 1ST 2018 INSTALLMENT	2,350.75
			2,350.75
001500			
001500	BOONTON TOWN	RMC FEE 1ST 2018 INSTALLMENT BOONTON	11,111.46
			11,111.46
001501			
001501	MOUNTAIN LAKES BOROUGH	RMC FEE 1ST 2018 INSTALL MOUNTAIN LAKES	5,559.14
			5,559.14
		Total Payments FY 2018	164,444.10

TOTAL PAYMENTS ALL FUND YEARS \$ 190,625.55