

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES MEETING – APRIL 3, 2019
HANOVER TOWNSHIP MUNICIPAL BUILDING
12:00 PM**

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

ROLL CALL OF 2019 EXECUTIVE COMMITTEE:

Denville	Michael Guarino	Present
Stanhope	Brian McNeilly	Present
Netcong	Ralph Blakeslee	Present
Wharton	Jon Rheinhardt	Absent
Mount Arlington	Carolyn Rinaldi	Present
East Hanover	Joseph Tempesta	Present
Pequannock	Adam Brewer	Present

ROLL CALL OF 2019 FUND COMMISSIONERS:

Andover	Diana Francisco	Absent
Bloomingtondale	Jon Dunleavy	Present
Boonton Town	Neil Henry	Present
Boonton Township	Barbara Shepard	Absent
Butler	Jim Lampmann	Absent
Chatham	Robert Hoffmann	Absent
Chatham Borough	Stephen Williams	Absent
Chester	Marvin Joss	Absent
Dover	Donald Travisano	Absent
Essex Fells	Francine Paserchia	Absent
Florham Park	Bill Huyler	Absent
Frelinghuysen	Donna Zilberfarb	Present
Hanover	Silvio Esposito	Present
Hawthorne	Eric Maurer	Present
Hopatcong	Ronald Tappan	Absent
Kinnelon	James Freda	Present
Lincoln Park	Perry Mayers	Absent
Long Hill	Nancy Malool	Absent
Madison	James Burnet	Absent
Mendham Borough	Joyce Bushman	Absent
Mendham Township	Karen Fornaro	Absent
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	Kevin O'Sullivan	Absent
Pompton Lakes	Kevin Boyle	Absent
Randolph	Darren Maloney	Present
Ringwood	Scott Heck	Absent
Rockaway Borough	Sheila Seifert	Present
Rockaway Twp.	Lisa Palmieri	Absent
South Orange Village	Adam Loehner	Present
Sparta	Bill Close	Present
Washington Twp	Andrew Coppola	Absent
West Caldwell	Nikole Baltycki	Present
West Milford	Catherine Shanahan	Absent

2019 FUND COMMISSIONER ALTERNATES:

Denville	Steven Ward	Absent
Stanhope	Dana Mooney	Absent
Wharton	Bill Hamilton	Present
Mount Arlington	Kayleen Pickering	Absent
East Hanover	Kenneth Huelbig	Absent
Pequannock	Holly Lyon	Absent
Andover	Maryann Frodella	Present
Bloomingtondale	Sherry Gallagher	Absent
Boonton Town	Cynthia Oravits	Absent
Butler	James Kozimor	Present
Chatham	Debra King	Absent
Chatham Borough	Tim Day	Present
Chester	Denean Probosco	Absent
Dover	Kelly Toohey	Absent
Florham Park	Cindy Phillips	Absent
Hanover	Mark Roddy	Absent
Hawthorne	Jennifer Scully	Absent
Lincoln Park	Dina Valente-Stoel	Absent
Mendham Borough	Jeff Cooper	Present
Mendham Township	Debra Bonanno	Absent
Millburn	Alex McDonald	Absent
Montville	June Hercek	Absent
Morris Plains	Jason Kohn	Absent
Mount Olive	Andrew Tatarenko	Absent
Mountain Lakes	Valerie Egan	Absent
North Caldwell	Tami Michelotti	Absent
Rockaway Borough	Patricia Reiche	Absent
Rockaway Twp.	Patricia Seger	Absent
Sparta	Michele Landtau	Present
Washington Twp	Roger Read	Present
West Caldwell	William Wallace	Absent
West Milford	Antoinette Battaglia	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator

PERMA Risk Management Services

Cathleen Kiernan
Joseph Hrubash

Attorney/Litigation Management

Dorsey & Semrau, Esq.
Fred Semrau, Esq.

Underwriting Manager

Conner Strong & Buckelew

Safety Director

J.A. Montgomery Risk Control
Brian Maitland

Treasurer

Grace Brennan

Liability Claims Service

D&H Alternative Risk Solutions, Inc.
Theresa Loudis

Workers Compensation
Claim Service

Qual-Lynx
Caty Lambe
Claudia Acosta

Managed Care

FMCO
Mary Bresadola
Allyson Cronk

Auditor

Nisivoccia LLP

ALSO PRESENT:

Karen Waters, IMAC Insurance Agency, LLC
Wayne F. Deitz, Skylands Risk Management, Inc.
David Vozza, The Vozza Agency
Patty Esposito, Marsh USA
David Sgalia, Cupo Insurance Agency
Frank Covelli, P.I.A.
Craig Josephsen, David M. Hundertmark Agency, Inc.
Sandy Cantwell, PERMA

APPROVAL OF MINUTES -

March 13, 2019 Open & Closed minutes:

MOTION TO APPROVE OPEN & CLOSED MINUTES OF MARCH 13, 2019

Motion: Commissioner Dunleavy
Second: Commissioner Gabloff
Vote: 20 Ayes, 0 Nays, 6 Abstains
(Commissioners Freda, Gabloff, Loehner, Close, Frodella (Alt.),
Kozimor (Alt.))

CORRESPONDENCE – None.

MONTHLY COMMITTEE REPORTS:

Membership, Marketing & Coverage Committee, John Dunleavy, Chair, Bloomingdale Borough – Executive Director said the MEL Coverage Committee has been discussing covering working animals. The MEL Committee recognized that this coverage would be within the JIF self-insured retention. If any JIFs want the coverage they can make it for their own retention. A meeting will be scheduled to discuss.

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

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 Township — No report.

Claims Review Committee, Brian McNeilly, Chair, Stanhope Borough – The committee met on April 1st at PERMA’s office, in Parsippany and recommended approval of payment authority requests for 5 Workers’ Compensation Claims totaling Payment Authority Requests of \$684,277.53, 1 Lien Compromise, 3 Property Claims totaling Payment Authority Requests of \$78,386.50, 3 Liability Claims totaling Payment Authority Requests of \$272,860.00 and 3 Subrogation Claim Compromises.

EXECUTIVE DIRECTOR/ADMINISTRATOR REPORT:

Shared Aggregate Liability Limits – Notices were issued to members announcing the availability and associated cost to participate in the Shared Aggregate Limits excess of full optional liability limits. Attached is a list of members that have elected to purchase as of March 28th. There is no deadline, however the coverage is not retroactive. Correction to Bloomingdale, as their coverage start date is Feb. 15, 2019.

Workers’ Compensation Tool Box – The Claims Review Committee reviewed some “tool box” items that may help members control of workers’ compensation claims. Memorandum, sample agreement between employer and employee and physical job restriction form distributed to Commissioners.

FMCO has identified a vendor that can provide telephonic physical therapists to work with claimants during their time out of work to provide specific exercises that would not aggravate injury. Executive Director suggested this should be considered a claims allocated expense for the initial evaluation. Additional sessions would be at the cost of the town.

The sample agreement would provide town with an opportunity to identify employees obligations while on workers’ compensation. Each member should consult with their own labor council to ensure there are no conflicts with any current union or labor contracts. Before general distribution, a disclaimer will be added to the agreement stating that all statements made in the documents are true, and disciplinary action is possible for false statements.

The enclosed checklist that might provide more guidance to the provider on what employee’s actual physical requirements are. Some towns have this information included in their job description – but not all do. We have seen problems when the provider otherwise relies on the injured employee to provide this type of information.

Executive Director also it may be possible for employers to initiate The Family Leave Act (FMLA) when a claimant begins a leave of absence for their claim, however consult with your labor counsel.

In response to Commissioner Blakeslee, Executive Director said that suggested program would include ability, upon request of member, to access telephonic health coach. In response to Commissioner Frodella, Executive Director said the professional providing exercise evaluations would be in addition to any prescribed physical therapy.

MEL Helpline – The MEL Safety Institute has established the new MEL Employment Practices Helpline (EPL); a dedicated resource to guide members on employment related issues. A copy of that announcement is enclosed in the agenda. The fund office will be contacting members to identify 2 **representatives** per town that will have access to the Helpline. Fund Attorney said this there is no fee to utilize this service, and provides a limited attorney-client relationship that allows members to research and ask questions without being subject to litigation or discovery tools.

MEL Cyber Task Force – The MEL’s Cyber Task Force met on April 1st. Report included in agenda for Morris JIF status of participation in the minimum standards for Cyber risk control. D2 reports included in the agenda show the members that have contacted the fund and are participating in the testing program. Note that some members not listed may have contracted with another service. Contact the fund office if you would like to participate in the training. In response to Commissioner Dunleavy, Executive Director said there are four trainings that should have been sent, and she will follow up with D2 in regards to Bloomingdale.

2019 MEL/RCF/EJIF March 29th Meeting & Retreat – The MEL, RCF and EJIF held their March meeting and Annual MEL Retreat on Friday, March 29th.

2019 MEL & MR HIF Educational Seminar: The 9th annual seminar is scheduled for Friday, May 3, 2019, beginning at 9:00 AM at the National Conference Center in East Windsor, NJ. 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 Municipal Reinsurance Health Insurance Fund (MR HIF) members as well as personnel who work for service companies that are engaged by MEL member JIFs and MR HIF member HIFs. Attached is the enrollment form. An electronic fillable form has been distributed via email to fund commissioners and risk managers.

Online Elected Officials Training Course: Every year, the MEL holds training seminars for elected officials and reduces a member’s assessment by \$250 for each municipal elected official completing the course by May 1st. Instructor-led session locations and dates are posted on the MEL website at njmel.org. This course is now available online; instructions are enclosed. The course covers ways to prevent employment practices lawsuits.

League Magazine: Enclosed is the latest in the series of “Power of Collaboration” to appear in the League magazine. Each of the MEL advertisements highlights activities of the MEL and JIFs as well as people who have rendered significant service. These advertisement highlights the Sustainable Energy Joint Meeting and MEL Safety Institute’s online and classroom training.

Financial Disclosures: Commissioners should have received an email from the Fund office for the online filing of the Financial Disclosure forms inclusive of the MEL/EJIF/RCF

Commissioner and any municipal related positions that require filing. The 2019 Fund Commissioner rosters are posted and Commissioners are required by the Division of Local Government Services to file.

Due Dilligence: January and February Fast Track reports are enclosed; 2019 is starting off similar to 2018. Reserves are being posted early. Lost Ratio report is still within the target range of expected development. Claims Activity shows 50 worker’s comp claims, which is on the high side, however only 12 of those claims have lost time associated with them. Lost Time Accident report again shows the significant work that has been done to manage worker’s compensation claims. The Fund first started tracking this in 1991 and the JIF average was over five, and the report has been under two for the past three years. Note the Fund office requires a copy of the executed Risk Management Agreement before we can pay first installments. The process of collecting contract addendums for the Fund Professionals is underway.

Executive Director’s Report Made Part of Minutes.

TREASURER:

The following April 2019 bills list was included for approval on the consent motion as Resolution 12-19.

April 2019	
2019	\$120,500.28
Total	\$120,500.28

CLAIMS PAYMENT AND IMPREST TRANSFERS AS OF FEBRUARY 2019:

CLOSED	\$0.00
2015	\$124,570.13
2016	\$64,873.66
2017	\$105,104.56
2018	\$399,003.43
2019	\$68,514.23
TOTAL	\$762,066.01

Treasurer’s Report Made Part of Minutes.

ATTORNEY:

Fund Attorney reviewed a worker’s compensation case Caraballo v. City of Jersey City Police Department. The case was important because it challenged the current rule that worker’s compensation is the exclusive remedy for injured workers regarding medical benefits. The officer was injured on the job and filed a worker’s compensation claim, but never followed through with treatment. After he could no longer perform the accommodated work offered, he retired, and subsequently settled his workers compensation claim. Caraballo then brought a civil suit stating his rights were violated under ADA. The trial court ruled against Caraballo, and the Appellate court reversed the ruling. The case then went to the NJ Supreme Court, which upheld the initial ruling that does not allow employees in a workers compensation case start to leverage potential claims for employment practices. The League of Municipalities asked the MEL to submit an amicus brief on this matter since it would impact all towns.

At the request of the Executive Directory, the Fund Attorney discussed the legislation on sexual molestation extending the statute of limitations. At the time they were ready to adopt the legislation, there was a last minute amendment that removed Title 59 defenses in these cases. The MEL lobbyist assisted and Dave Grubb was able to speak to this sensitive topic. The sponsor committed to addressing the MEL's concerns after the bill is signed. . The League of Municipalities and the School Board also stood up on this concern. The concern is not for the perpetrator, but on the municipalities that cannot offer any defense. The protections also extends to the county and the state level. Mr. Hrubash said the MEL is participating at the forefront of these issues, and the Fund Attorney stated that the MEL through Dave Grubb has a presence and our concerns were well articulated and taken seriously by the courts.

UNDERWRITING MANAGER:

Certificates Report is included in the monthly agenda.

Underwriting manager's report made part of minutes

SAFETY DIRECTOR:

March 1st a new bulletin for NJ Public Entity Drug & Alcohol Model Program; contact Fund Attorney to participate. Also additional dates for MEL Leadership classes have been added.

Safety Director's Report Made Part of Minutes.

MANAGED CARE:

Report is distributed today.

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 Tempesta
Second: Commissioner Gabloff
Vote: Unanimous

MOTION TO APPROVE CLAIM AUTHORITY PAYMENTS, EXECUTIVE DIRECTOR'S REPORT, RESOLUTION 12-19 APPROVING THE MARCH BILL LISTS, TREASURER'S REPORTS, ATTORNEY'S REPORTS, UNDERWRITING MANAGER'S REPORTS, SAFETY DIRECTOR'S REPORTS, AND MANAGED CARE PROVIDER'S REPORTS

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

OLD BUSINESS:

None

NEW BUSINESS:

None.

PUBLIC COMMENT:

None

MOTION TO ADJOURN:

Moved: Commissioner Blakeslee

Second: Commissioner Gabloff

Vote: Unanimous

Meeting Adjourned: 12:46 PM
Sandy Cantwell, Assisting Secretary
For Brian McNeilly, Secretary
Date prepared: April 4, 2019

MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND BILLS LIST

Resolution No. 12-19

APRIL 2019

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 2019

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
001693			
001693	FRED SEMRAU ESQ.	LITIGATION MANAGEMENT 4/19	16,007.50
001693	FRED SEMRAU ESQ.	CREDIT 4/19	-2,596.52
			13,410.98
001694			
001694	QUAL-LYNX	CLAIM ADJUSTING SERVICES 4/19	23,179.93
			23,179.93
001695			
001695	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES 4/19	18,284.86
			18,284.86
001696			
001696	LENAPE CLAIMS MANAGEMENT INC.	CLAIMS FEES W/ EXPENSES 4/19	20,009.52
			20,009.52
001697			
001697	PERMA RISK MANAGEMENT SERVICES	ADMIN FEE 4/19	28,564.65
			28,564.65
001698			
001698	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES 4/19	3,457.83
001698	THE ACTUARIAL ADVANTAGE	ACTUARIAL FEE 3/19	3,457.83
			6,915.66
001699			
001699	FRED SEMRAU, ESQUIRE	ATTORNEY FEE 4/19	2,440.97
			2,440.97
001700			
001700	GRACE BRENNAN	TREASURER FEE 4/19	2,105.88
			2,105.88
001701			
001701	DAILY RECORD	ACCT:ASB-70026874 - MTG 4-1 - 3.19.19	45.75
			45.75
001702			
001702	CONNER STRONG & BUCKELEW	UNDERWRITING FEE 4/19	1,001.00
			1,001.00
001703			
001703	ALLSTATE INFORMATION MANAGEMNT	ACCT#417 - ARC & STOR - 2.28.19	81.08
			81.08
001704			
001704	SKYLANDS RISK MANANAGEMENT INC	RMC FEE - 1ST INSTALL 2019 - STANHOPE	4,460.00
			4,460.00
		Total Payments FY 2019	120,500.28

TOTAL PAYMENTS ALL FUND YEARS \$120,500.28