

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND  
OPEN MINUTES MEETING – May 8, 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	Absent
Netcong	Ralph Blakeslee	Absent
Wharton	Jon Rheinhardt	Absent
Mount Arlington	Carolyn Rinaldi	Present
East Hanover	Joseph Tempesta	Absent
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	Present
Butler	Jim Lampmann	Present
Chatham	Robert Hoffmann	Present
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	Absent
Hanover	Silvio Esposito	Present
Hawthorne	Eric Maurer	Present
Hopatcong	Ronald Tappan	Absent
Kinnelon	James Freda	Present
Lincoln Park	Perry Mayers	Present
Long Hill	Nancy Malool	Absent
Madison	James Burnet	Absent
Mendham Borough	Joyce Bushman	Absent
Mendham Township	Karen Fornaro	Present
Millburn	Jason Gabloff	Present
Montville	Victor Canning	Absent
Morris Plains	June Uhrin	Absent
Mount Olive	Claudia Tomasello	Absent
Mountain Lakes	Mitchell Stern	Present

North Caldwell	Kevin O'Sullivan	Present
Pompton Lakes	Kevin Boyle	Absent
Randolph	Darren Maloney	Present
Ringwood	Scott Heck	Absent
Rockaway Borough	Sheila Seifert	Absent
Rockaway Twp.	Lisa Palmieri	Present
South Orange Village	Adam Loehner	Present
Sparta	Bill Close	Absent
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	Present
Pequannock	Holly Lyon	Absent
Andover	Maryann Frodella	Present
Bloomingtondale	Sherry Gallagher	Absent
Boonton Town	Cynthia Oravits	Absent
Butler	James Kozimor	Absent
Chatham	Debra King	Absent
Chatham Borough	Tim Day	Absent
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	Present
Mount Olive	Andrew Tatarenko	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**

Attorney/Litigation Management

Dorsey & Semrau, Esq.

**Fred Semrau, Esq.**

Underwriting Manager

Conner Strong & Buckelew

Safety Director

J.A. Montgomery Risk Control

**Brian Maitland**

**Matt Genna**

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:**

Steven Parness, Methfessel & Werbel

Eric Harrison, Methfessel & Werbel

Matthew Struck, Treadstone Risk Management

Patty Esposito, Marsh USA

Karen Waters, IMAC Insurance Agency, LLC

Dominick Cinelli, Brown & Brown

Mark Todisco, Chadler Solutions

Craig Josephsen, David M. Hundertmark Agency, Inc.

Frank Covelli, P.I.A.

Sandy Cantwell, PERMA

**APPROVAL OF MINUTES -**

April 3, 2019 Open & Closed minutes:

**MOTION TO APPROVE OPEN & CLOSED MINUTES OF APRIL 3, 2019**

Motion: Commissioner Esposito

Second: Commissioner Mayers

Vote: 15 Ayes, 0 Nays, 10 Abstains

(Commissioners Shepard, Lampmann, Hoffmann, Mayers,  
Fornaro, Stern, O'Sullivan, Palmieri, Huelbig (Alt.), Kohn  
(Alt.))

**CORRESPONDENCE** – None.

**MONTHLY COMMITTEE REPORTS:**

**Membership, Marketing & Coverage Committee, John Dunleavy, Chair, Bloomingdale Borough** – No report.

**Finance Committee, Jon Rheinhardt, Chair, Wharton Borough** – A Finance Committee meeting will be scheduled prior to the June meeting to review the Audit Report as of December 31, 2018.

**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** – Chairman Guarino said the committee met on May 6<sup>th</sup> at PERMA’s office, in Parsippany and recommended approval of payment authority requests for 10 Workers’ Compensation Claims totaling Payment Authority Requests of \$769,138.78, 3 Property Claims totaling Payment Authority Requests of \$224,351.00, 1 Liability Claim totaling Payment Authority Requests of \$300,000.00 and 1 Subrogation Claim Compromise.

**EXECUTIVE DIRECTOR/ADMINISTRATOR REPORT:**

**Webpage** - NewTech hosts the Fund’s website, along with four other MEL affiliated JIFs, and is recommending updates, reflected in the proposal included in the agenda. This proposal is recommended and if in agreement, will be added to the consent agenda to authorize payment.

**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. Attorneys will accept calls from member’s administrator or attorney, or town may adopt resolution to designate someone other than administrator or attorney. Executive Director said the needs of the members will be better served by offering local municipal and JIF fund attorneys who have experience with EPL issues. Fund Attorney said that as the helpline is structured to assist town members on how to handle claims, they want to avoid possible calls from employees or others looking for general counsel.

**Legislation** – The MEL, NJ League of Municipalities and NJAC have been monitoring Senate bill no. S-477 for some time. The bill extends the statute of limitations in civil actions for sexual abuse claims. Recently the bill was fast tracked and could be approved as early as May 2019. In late April, the draft bill was amended whereas eliminating public entity immunities under Title 59. The implications of this bill if not amended to add back Title 59 immunities for public entities, public officials, elected officials and all levels of government employees are significant. The MEL is working on a comprehensive program to address and Executive Director would like to continue discussion in closed session.

**MEL Cyber Task Force** – The MEL’s Cyber Task Force met on April 1st and is reviewing member compliance with risk control, claims experience and next steps. Task Force will be developing recommendations concerning what to look for in IT professionals. Chairman Guarino said Homeland Security has contacted him to offer intrusion testing at no charge, he will forward information to Executive Director for distribution.

**D2 Cybersecurity Status Report** – Executive Director reviewed the attached monthly status report from the cyber security provider which recaps member participation and training to date. A lower score on

the phishing report is good, as it indicates a low probability that a hacker would be successful. D2 should have emailed phishing examples first, then training exercises, and then additional phishing examples. However for some members this process was reversed. D2 will be contacting those members to discuss their training. Any members who are not participating in cyber security training and would like to should contact the fund office.

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

**NJUA Safety Expo 2019:** The New Jersey Utility Authorities JIF (NJUA) and the Municipal Excess Liability Joint Insurance Fund (MEL) have announced training courses for the 27th annual Safety Expo. Courses are planned for June 28<sup>th</sup> at the Middlesex Fire Academy in Sayreville, and September 27<sup>th</sup> at the Camden County Emergency Services Training Center in Blackwood. Attendance is open to all MEL JIF members. A “Save the Date” notice was emailed May 1<sup>st</sup> to fund commissioners and risk managers; a copy is included in the agenda. A registration packet will be sent in a few weeks.

**2019 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. All Fund Commissioner have completed their filing.

**Auditor & Actuary Year-End Reports -** The financial audit for the period ending December 31, 2018 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. As stated, the Finance Committee will schedule a meeting to review report prior to the June Board meeting.

**Member Manuals** – are in the final stages and should be distributed in late May / early June.

**Due Diligence:** March financial Fast Track report shows surplus is down by approximately \$800,000 from last month, due to three large claims in the first 3 months that have been reserved at the JIF’s SIR of \$300,000. Typically there are only three claims per year at this mark, so it remains to be seen if there are to be more claims at this level for the year. Executive Director said the Fund manages its financial picture in a calendar year but incurred claims and claims development don’t necessarily track in that fashion. One of the benefits of being part of the Residual Claims Fund is that the Fund transfers it’s outstanding liabilities at the end of 4 ½ years. The Fund is able to use its surplus to offset these transfers when the Fund is in a deficit position – so each year does not stand on its own. Executive Director also said the closed years surplus is maintained per member and in relationship to its assessments. The Loss Ratio report is still within the target range of expected development. Executive Director said the development numbers are used for all JIFs, and are not specific to each JIF’s development. The Lost Time Accident Frequency Report shows 29 claims as of March 31<sup>st</sup>; last year at this time there were 12 claims, which was an unusually low number. Many of this years’ claims were ice related, which is not unexpected as Morris JIF has the most members located in the northern part of the state.

Executive Director’s Report Made Part of Minutes.

**TREASURER:**

The following May 2019 bills list was included for approval on the consent motion as Resolution 13-19.

<b>May 2019</b>	
<b>Closed</b>	\$1,757,706.08
<b>2018</b>	\$9,499.84
<b>2019</b>	\$1,405,178.76
<b>Total</b>	\$3,172,384.68

**CLAIMS PAYMENT AND IMPREST TRANSFERS AS OF MARCH 2019:**

<b>CLOSED</b>	\$0.00
<b>2015</b>	\$53,620.93
<b>2016</b>	\$42,524.22
<b>2017</b>	\$64,214.76
<b>2018</b>	\$131,576.06
<b>2019</b>	\$156,315.25
<b>TOTAL</b>	\$448,251.22

Treasurer's Report Made Part of Minutes.

**ATTORNEY:**

No report for open session; topics reserved for closed session.

**UNDERWRITING MANAGER:** Executive Director said the Underwriting Manager has been contacted by the FBI to start developing a working relationship on cyber.

Certificates Report is included in the monthly agenda.

Underwriting manager's report made part of minutes

**SAFETY DIRECTOR:** Safety Director said the CDL and Non-CDL policy templates are now available online on the MEL webpage. Please make sure after you download the templates to update them to your town's specifics and review them with your labor attorney before making them policy. At the NJ Safety Expo in Middlesex County there will be a 4-hour training available on responding to indoor air quality complaints, which is required training for all municipalities. If anyone needs Below 100 training they can contact the Safety Director and he will get them set up with Chief Hummel. There are sporadic trainings scheduled throughout the year as well.

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 Brewer  
Second: Commissioner Dunleavy  
Vote: Unanimous

**MOTION TO RETURN TO OPEN SESSION:**

Motion: Commissioner Esposito  
Second: Commissioner Brewer  
Vote: Unanimous

**MOTION TO APPROVE CLAIM AUTHORITY PAYMENTS, EXECUTIVE DIRECTOR'S REPORT, RESOLUTION 13-19 APPROVING THE MAY BILL LISTS, TREASURER'S REPORTS, ATTORNEY'S REPORTS, UNDERWRITING MANAGER'S REPORTS, SAFETY DIRECTOR'S REPORTS, MANAGED CARE PROVIDER'S REPORTS, AND AUTHORIZATION TO APPROVE PROPOSSAL FOR WEBSITE UPDATES:**

Moved: Commissioner Brewer  
Second: Commissioner Mayers  
Roll call Vote: Unanimous

**OLD BUSINESS:**

None

**NEW BUSINESS:**

None.

**PUBLIC COMMENT:**

None

**MOTION TO ADJOURN:**

Moved: Commissioner Brewer  
Second: Commissioner Mayers  
Vote: Unanimous

Meeting Adjourned: 12:39 PM  
Sandy Cantwell, Assisting Secretary  
For Brian McNeilly, Secretary  
Date prepared: May 9, 2019

# MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND BILLS LIST

Resolution No. 13-19

MAY 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 CLOSED**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
001705			
001705	MUNICIPAL EXCESS LIABILITY RCF	2018 ASSESSMENT - CLOSURE OF FY '14	1,754,069.75
			<b>1,754,069.75</b>
001706			
001706	MUNICIPAL EXCESS LIABILITY RCF	JIF ACTIVITY 2017 - 2018	3,636.33
			<b>3,636.33</b>
<b>Total Payments FY Closed</b>			<b>1,757,706.08</b>

**FUND YEAR  
2018**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
001707			
001707	PEQUANNOCK TOWNSHIP	2018 SAFETY INCENTIVE AWARD	400.00
			<b>400.00</b>
001708			
001708	POMPTON LAKES BORO	2018 SAFETY INCENTIVE AWARD	500.00
			<b>500.00</b>
001709			
001709	BLOOMINGDALE BORO	2018 SAFETY INCENTIVE REFUND	330.00
			<b>330.00</b>
001710			
001710	HAWTHORNE BORO	2018 SAFETY INCENTIVE AWARD	250.00
001710	HAWTHORNE BORO	EXTRA CREDIT AWARD 2018	150.00
			<b>400.00</b>
001711			
001711	FLORHAM PARK BORO	2018 SAFETY INCENTIVE AWARD	800.00
			<b>800.00</b>
001712			
001712	EAST HANOVER TOWNSHIP	2018 SAFETY INCENTIVE AWARD	250.00
			<b>250.00</b>
001713			
001713	CHESTER BOROUGH	2018 SAFETY INCENTIVE AWARD	1,250.00
			<b>1,250.00</b>
001714			
001714	PERMA RISK MANAGEMENT SERVICES	POSTAGE 12/18	409.84
			<b>409.84</b>
001715			



001715	DENVILLE TOWNSHIP	2018 SAFETY INCENTIVE AWARD	500.00
			<b>500.00</b>
001716			
001716	FRELINGHUYSEN TOWNSHIP	2018 SAFETY INCENTIVE AWARD	750.00
			<b>750.00</b>
001717			
001717	WASHINGTON TOWNSHIP	2018 SAFETY INCENTIVE AWARD	860.00
			<b>860.00</b>
001718			
001718	BUTLER BOROUGH	2018 SAFETY INCENTIVE AWARD	250.00
001718	BUTLER BOROUGH	2018 EXTRA CREDIT AWARD	150.00
			<b>400.00</b>
001719			
001719	KINNELON BOROUGH	EXTRA CREDIT 2018	150.00
001719	KINNELON BOROUGH	SAFETY INCENTIVE PROGRAM 2018	250.00
			<b>400.00</b>
001720			
001720	MOUNTAIN LAKES BOROUGH	2018 SAFETY INCENTIVE AWARD	500.00
			<b>500.00</b>
001721			
001721	DOVER TOWN	2018 SAFETY INCENTIVE AWARD	250.00
			<b>250.00</b>
001722			
001722	MORRIS PLAINS BOROUGH	2018 SAFETY INCENTIVE AWARD	250.00
			<b>250.00</b>
001723			
001723	RANDOLPH TOWNSHIP	2018 SAFETY INCENTIVE AWARD	250.00
			<b>250.00</b>
001724			
001724	SPARTA TOWNSHIP	2018 SAFETY INCENTIVE AWARD	250.00
			<b>250.00</b>
001725			
001725	WHARTON BOROUGH	2018 SAFETY INCENTIVE AWARD	250.00
			<b>250.00</b>
001726			
001726	MONTVILLE TOWNSHIP	2018 SAFETY INCENTIVE AWARD	250.00
			<b>250.00</b>
001727			
001727	CHATHAM BOROUGH	2018 SAFETY INCENTIVE AWARD	250.00
			<b>250.00</b>

**Total Payments FY 2018 9,499.84**

**FUND YEAR**  
**2019**

<b><u>Check Number</u></b>	<b><u>Vendor Name</u></b>	<b><u>Comment</u></b>	<b><u>Invoice Amount</u></b>
001728			
001728	FIRST MCO	MANAGED CARE SERVICES 4/19	23,757.57
001728	FIRST MCO	MANAGED CARE FEE 3/19	1,206.41
001728	FIRST MCO	ADJ FOR 1/19 CREDIT MEMO	-656.83
001728	FIRST MCO	ADJ. FOR 1/19 MANAGED CARE FEE 3/19	1,863.24
001728	FIRST MCO	ADJ FOR 2/19 MANAGED CARE FEE	1,206.41
			<b>27,376.80</b>
001729			
001729	APEX INS SERV c/o QBE INSURANCE	QBE/VOL D & O 20F2 2019	7,719.50

001729	APEX INS SERV c/o QBE INSURANCE	XL/TECH ERR & OM INS 2OF2 2019	26,970.00
001729	APEX INS SERV c/o QBE INSURANCE	QBE/POL&EPL 2OF2 2019	1,124,424.00
001729	APEX INS SERV c/o QBE INSURANCE	BEAZLEY/XS CYBER 2OF2 2019	14,100.00
			<b>1,173,213.50</b>
001730			
001730	QUAL-LYNX	CLAIM ADJUSTING SERVICES 5/19	23,179.93
			<b>23,179.93</b>
001731			
001731	VALLEY MEDICAL GROUP	DOT TESTING, TRAINING & MRO 1ST QTR 2019	10,980.92
			<b>10,980.92</b>
001732			
001732	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES 5/19	18,284.86
			<b>18,284.86</b>
001733			
001733	LENAPE CLAIMS MANAGEMENT INC.	CLAIMS FEES W/ EXPENSES 5/19	20,009.52
			<b>20,009.52</b>
001734			
001734	PERMA RISK MANAGEMENT SERVICES	POSTAGE 3/19	145.40
001734	PERMA RISK MANAGEMENT SERVICES	ADMIN FEE 5/19	28,564.65
			<b>28,710.05</b>
001735			
001735	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES 5/19	3,457.83
			<b>3,457.83</b>
001736			
001736	FRED SEMRAU, ESQUIRE	LITIGATION MANAGEMENT 5/19	16,007.50
001736	FRED SEMRAU, ESQUIRE	ATTORNEY FEE 5/19	2,440.97
001736	FRED SEMRAU, ESQUIRE	CREDIT 5/19	-2,596.52
			<b>15,851.95</b>
001737			
001737	GRACE BRENNAN	TREASURER FEE 5/19	2,105.88
			<b>2,105.88</b>
001738			
001738	DAILY RECORD	ACCT: ASB-70026874 - NOTICE - 1.25.19	117.56
			<b>117.56</b>
001739			
001739	CONNER STRONG & BUCKELEW	UNDERWRITING FEE 5/19	1,001.00
001739	CONNER STRONG & BUCKELEW	POSITION BOND 5/19	2,990.00
			<b>3,991.00</b>
001740			
001740	ALLSTATE INFORMATION MANAGEMNT	ACCT#417 - ARC & STOR - 3.31.19	81.08
			<b>81.08</b>
001741			
001741	VITALES DELI	MEETING 4.3.19	729.96
001741	VITALES DELI	MEETING 3.13.19	729.96
001741	VITALES DELI	MEETING 2.13.19	729.96
			<b>2,189.88</b>
001742			
001742	NEWTECH SERVICES INC.	WEB MAINT/HOST 4/19	75.00
			<b>75.00</b>
001743			
001743	ADVENT INSURANCE SERVICES	FLORHAM PARK - RMC FEE - 1ST INSTALL '19	14,565.00
			<b>14,565.00</b>

001744			
001744	WEST MILFORD TOWNSHIP	SEMI ANNUAL RMC FEE 5/19	26,944.00
			<b>26,944.00</b>
001745			
001745	BOONTON TOWN	RMC FEE - 1ST INSTALL 2019	11,155.00
			<b>11,155.00</b>
001746			
001746	MOUNTAIN LAKES BOROUGH	RMC FEE - 1ST INSTALL 2019	5,750.00
			<b>5,750.00</b>
001747			
001747	RINGWOOD BOROUGH	SEMI ANNUAL RMC FEE 5/19	13,845.00
			<b>13,845.00</b>
001748			
001748	SB ONE INSURANCE AGENCY INC	FRELINGHUYSEN - RMC FEE - 1ST 2019	979.00
			<b>979.00</b>
001749			
001749	LISA A PFENNINGER INSURANCE AGENCY, LLC	RMC FEE - 1ST INSTALL - 2019	2,315.00
			<b>2,315.00</b>
		<b>Total Payments FY 2019</b>	<b>1,405,178.76</b>

**TOTAL PAYMENTS ALL FUND YEARS      \$3,172,384.68**