

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES MEETING – September 11, 2019
HANOVER TOWNSHIP MUNICIPAL BUILDING
12:00 PM**

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

ROLL CALL OF 2019 EXECUTIVE COMMITTEE:

Denville	Michael Guarino	Absent
Stanhope	Brian McNeilly	Present
Netcong	Ralph Blakeslee	Absent
Wharton	Jon Rheinhardt	Absent
Mount Arlington	Carolyn Rinaldi	Absent
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	Present
Butler	Jim Lampmann	Absent
Chatham	Robert Hoffmann	Present
Chatham Borough	Stephen Williams	Present
Chester	Margaret Nordstrom	Present
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	Absent
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	Absent
Montville	Victor Canning	Absent
Morris Plains	June Uhrin	Absent
Mount Olive	Claudia Tomasello	Present
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	Patricia Bussow	Present
Rockaway Twp.	Lisa Palmieri	Absent
South Orange Village	Adam Loehner	Absent
Sparta	Bill Close	Absent
Washington Twp	Andrew Coppola	Absent
West Caldwell	Nikole Baltycki	Absent
West Milford	Catherine Shanahan	Absent

2019 FUND COMMISSIONER ALTERNATES:

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

Treasurer

Grace Brennan

Liability Claims Service

D&H Alternative Risk Solutions, Inc.
Theresa Loudis
Mary Ann Maitilasso

Workers Compensation
Claim Service

Qual-Lynx
Caty Lambe
Claudia Acosta

Managed Care

FMCO
Mary Bresadola
Suzanne Roysteter

Auditor

Nisivoccia LLP

ALSO PRESENT:

Matthew Struck, Treadstone Risk Management
Karen Waters, IMAC Insurance Agency, LLC
Stacy Russo, Russo & Associates
Dave Vozza, Vozza Agency
Patty Esposito, Marsh USA
David Sgalia, Cupo Insurance
Craig Josephsen, David M. Hundertmark Agency, Inc.
Mark Todisco, Chadler Solutions
Dominick Cinelli, Brown & Brown
Wayne Dietz, Skylands Risk Management
Frank Covelli, P.I.A.
Sandy Cantwell, PERMA

APPROVAL OF MINUTES –

MOTION TO APPROVE OPEN & CLOSED MINUTES OF JULY 10, 2019:

Motion: Commissioner Henry
Second: Commissioner Tempesta
Vote: 16 Ayes, 0 Nays, 11 Abstains

(Commissioners Francisco, Lampmann, Huyler, Zilberfarb, Maurer, Heck, Palmieri, Loehner, Hamilton (Alt), Kohn (Alt), Read (Alt.))

CORRESPONDENCE – Executive Director referred to correspondence written by Dave Grubb in response to a recent OPRA request.

MONTHLY COMMITTEE REPORTS:

Membership, Marketing & Coverage Committee, John Dunleavy, Chair, Bloomingdale Borough – Committee met on July 31st (minutes in Appendix II) and reviewed a number of items, including a request to consider including coverage for Dial-A-Ride to Pequannock, JIF Cyber Endorsement and Working Animals Endorsement. Committee recommends adopting the attached endorsements, including them in the Consent Agenda. The committee will be scheduling a meeting to review the redraft of the JIF’s Crime policy that the MEL Coverage Committee is working on streamlining.

Executive Director said the MEL will have the Technical Writer begin looking at the language in the MEL Excess and the Primary Statutory Bond application.

Finance Committee, Jon Rheinhardt, Chair, Wharton Borough – Executive Director said the committee met with the actuary on September 5th to review a draft 2020 budget. Final numbers from the MEL and the market have not yet been provided, but anticipating introducing a 2% increase in the budget. The committee will meet again before the October meeting, when the committee intends to present the budget.

Safety Committee, Carolyn Rinaldi, Chair, Mount Arlington Borough – The committee met today prior to the JIF meeting for their quarterly review.

Contracts and Rules Committee, Ralph Blakeslee, Chair, Netcong Borough – Executive Director said the Competitive Contract RFQs were issued for Auditor, Attorney, CDL Testing, Actuary, Payroll Auditor and Safety Director. A meeting of the committee will be scheduled to review responses, which are due September 17. The committee met on August 7th, minutes are included in Appendix III.

Legal Review Committee, William Close, Chair, Sparta Township - The committee met on July 31st at PERMA, minutes are included in Appendix IV. Fund Attorney said the committee is recommending adopting a revised resolution for defense panel attorney, naming Peter King’s firm to complete the work of Matt Petracca, who no longer practices in the state of New Jersey. Committee is scheduled to meet on September 20th at 8:30 am with members of the defense panel. Executive Director said the resolution is amending the current resolution, established in January of this year.

Claims Review Committee, Brian McNeilly, Chair, Stanhope Borough –The committee met on September 9th at PERMA’s office, in Parsippany and recommended approval of payment authority requests for 10 Workers’ Compensation Claims totaling Payment Authority Requests of \$722,312.52, 4 Property Claims totaling Payment Authority Requests of \$74,154.32, 6 Liability Claims totaling Payment Authority Requests of \$915,502.18 and one Subrogation Compromise Request with a balance due amount of \$1,567.40. Executive Director said Claims Review Committee was authorized to approved August Claims

payments. August PARs should have been distributed for ratification at today's meeting but were inadvertently omitted. Will be distributed in October.

EXECUTIVE DIRECTOR/ADMINISTRATOR REPORT:

Statutory Bonds: Underwriting Manager's office has contacted municipal clerks of towns that are renewing their JIF membership to secure updated bond applications for statutory positions

MEL Report: The MEL met on September 4, 2019 at the Forsgate Country Club; a copy of Commissioner Rheinhardt's report is enclosed. Executive Director said the MEL Board reviewed a draft 2020 budget and anticipate a 2% increase. Rates for workers' compensation will be reduced by 12% which offsets increases in property – result of property market and is not specific to MEL JIFs - and liability claims fund increases. Loss Fund Contingency account is being kept at a conservative level to cover potential risk from the Fireman's Cancer Presumption bill and the expansion of the Sexual Molestation bill. The MEL is looking at a task force to help prepare us to handle potential claims resulting from the Sexual Molestation bill.

The MEL appointed a law firm to review the MEL's Model Personnel and Employee Handbooks – which have not undergone a complete review since 2003. Members will be asked to update their EPL Compliance Programs during 2020. At Commissioner Reinhardt's request, the MEL will consider addressing volunteers in personnel manuals/handbooks.

RCF Report: The RCF also met on September 4th at the Forsgate Country Club; a copy of Commissioner Rheinhardt's report is enclosed. Their budget was adopted and the residual risk of 2014 was transferred over to the RCF. In addition, enclosed is Resolution 21-19 authorizing the transfer of the Morris County Municipal JIF's Fund Year 2015 liabilities to the Residual Claims Fund as of December 31, 2019 valuation, to be included in the Consent Agenda.

EJIF Report: The EJIF met on September 4th at the Forsgate Country Club; a copy of Chairman Guarino's report is enclosed. Board introduced its budget with a 2% reduction. There will also be a increase in dividend distribution. In response to Commissioner McNeilly question on how the EJIF owned property, Executive Director said the EJIF purchased a property to remove their liability and enable them to clean up the property and now finally sell it.

2019 Coverage Documents – The fund office distributed the 2019 coverage documents to all Fund Commissioners and Risk Managers via email in the first weeks of July.

2020 Membership Renewals –Twenty-nine members are scheduled to renew as of January 1, 2020. Membership documents were mailed to those members following the July meeting. To date the fund office has received 19 renewal documents.

Risk Management Information/Operating System (RMIS):-Members and Risk Managers received an email with a link to renewal worksheets - to begin the 2020 underwriting renewal during the month of July with a September 15th completion date. We need this data to complete the budget. The Fund Office is contacting members that have not completed their renewal.

Crossing Guard training – The 2019 Annual Crossing Guard Training Seminar was held on August 21st at the Morris County Public Safety Training Academy. A total of 135 guards attended from 20 member towns.

Power of Collaboration Brochure: The MEL is distributing copies of a brochure highlighting the savings to taxpayers and significant improvement to the safety record since its inception. The savings calculated reflects the savings achieved over the commercial market, the dividend, net position and claims that loss control has prevented. Based on past claims the savings is realized by preventing the claims through loss control.

League Magazine Ad: The latest in the series of “Power of Collaboration” ad (copy attached) will also highlight the savings to taxpayers.

NJSLOM Ethics Seminar: The NJSLOM has asked the JIFs to help spread the word on its upcoming League Ethics Seminars scheduled for October (attached). Many of the State-issued certifications (i.e., Construction Officials, Subcode Officials, CMFO, etc.) require CEU’s under the Ethics category; the League seminar will help to satisfy those requirements.

D2 Cybersecurity – Status Report – Attached is monthly status report from the cyber security provider which recaps member participation and training to date. ‘Successful’ means the system was hacked, so a lower percentage is the goal.

Due Diligence: The Financial Fast Track for July 31, 2019 shows a surplus of \$6 million, down from prior year end. The claims show 2018 and 2019 as difficult years as reflected in reserves and IBNR, however there is opportunity for improvement. There is funding in close year accounts to offset difficult years. Claims Management report shows years 2016 and 2018 are slightly above what the actuarial targets would be, which an average development.

Lost Time Accident Frequency report shows a total of 61 claims for the year, with this year tracking at 1.46. All three years are showing below 2, as well as in the over JIFs average. The best way to reduce costs is to reduce the accident rate.

EPL/ POL Rates are shown in the EPL Compliance Status report. QBE reserves the right to look at loss experience and decide if any member should be at a higher deductible but the JIF’s experience over the rolling 5 years will keep the JIF at the better end of costs for 2020.

Executive Director’s Report Made Part of Minutes.

TREASURER:

August 2019 Confirmation of Payments	
Closed	\$26,317.21
2018	\$10,000.00
2019	\$193,442.03
Total	\$229,759.24

September 2019	
2018	\$0
2019	\$195,085.51
Total	\$195,085.51

CLAIMS PAYMENT AND IMPREST TRANSFERS AS OF JUNE 2019:

CLOSED	\$0.00
2015	\$33,888.80
2016	\$136,103.96
2017	\$29,211.73
2018	\$51,627.36
2019	\$407,801.32
TOTAL	\$658,633.17

CLAIMS PAYMENT AND IMPREST TRANSFERS AS OF JULY 2019:

CLOSED	\$0.00
2015	\$27,903.55
2016	\$1,050.09
2017	\$64,077.46
2018	\$100,713.65
2019	\$532,017.27
TOTAL	\$805,762.02

Treasurer's Report Made Part of Minutes.

ATTORNEY:

Case law is developing resulting from Facebook. Elected Officials are making comments on their public Facebook page, and there are concerns for the conflict with the Public Meeting Act, especially if the officials are blocking people from their page and postings. A memo has been drafted and will be distributed for feedback. Please do not further distribute the draft until it is finalized. Commissioner McNeilly asked if this topic could be a focal point at the local officials training seminar next spring. Fund Attorney said he would mention this request to Dave Grubb as that would be the right audience and it had increasing complications. Executive Director said the Elected Officials seminars are expected to focus on the new law concerning sexual molestation. Commissioner McNeilly said the newly elected officials that come in the beginning of the year are not aware of the changes and ramifications of social media.

Fund Attorney gave an update on a claim in Hopatcong for a claimant that fell on the steps and needed hip surgery. She filed a law suit however it was with late notice. The claim was still accepted by the judge and after several defenses, finally was denied by the appellate division. The outcome was in our favor and honors that tort notice is important.

Fund Attorney said he had one matter to discuss in executive session.

UNDERWRITING MANAGER:

Certificates Report is included in the monthly agenda.

Underwriting manager's report made part of minutes

SAFETY DIRECTOR:

Safety Director's Report Made Part of Minutes.

MANAGED CARE: Provider introduced Suzanne Roysteter as the new account manager.

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 Dunleavy
Second: Commissioner Stern
Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION:

Motion: Commissioner Dunleavy
Second: Commissioner Stern
Vote: Unanimous

Motion to Approve Claim Authority Payments as Presented in Executive Session; Executive Director's Report; Resolution 21-19 authorizing the transfer of fund year 2015 liabilities to the Residual Claims Fund; Resolution 22-19 approving the September 2019 Bills List; Resolution 23-19 Amending the Defense Panel for Year 2019; Treasurer's Reports; Attorney's Reports; Underwriting Manager's Reports; Monthly Certificates; Safety Director's Reports; and Managed Care Provider's Reports:

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

OLD BUSINESS:

None

NEW BUSINESS:

None.

PUBLIC COMMENT:

None

MOTION TO ADJOURN:

Moved: Commissioner Dunleavy

Second: Commissioner Mayers
Vote: Unanimous

Meeting Adjourned: 12:44 PM
Sandy Cantwell, Assisting Secretary
For Brian McNeilly, Secretary
Date prepared: September 26, 2019

MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND BILLS LIST

Resolution 24-19

October 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>
001841			
001841	FIRST MCO	MANAGED CARE SERVICES FEE 9/19	23,757.57
			23,757.57
001842			
001842	FRED SEMRAU ESQ.	LITIGATION FEE 10/19	16,007.05
			16,007.05
001843			
001843	QUAL-LYNX	CLAIM ADJUSTING SERVICES 10/19	23,179.92
			23,179.92
001844			
001844	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES 10/19	18,284.86
			18,284.86
001845			
001845	LENAPE CLAIMS MANAGEMENT INC.	CLAIMS FEES W/ EXPENSES 10/19	20,009.52
			20,009.52
001846			
001846	PERMA RISK MANAGEMENT SERVICES	POSTAGE 9/19	90.60
001846	PERMA RISK MANAGEMENT SERVICES	ADMIN FEE 10/19	28,564.65
			28,655.25
001847			
001847	THE ACTUARIAL ADVANTAGE	ACTUARY FEE 10/19	3,457.83
			3,457.83
001848			
001848	FRED SEMRAU, ESQUIRE	ATTORNEY FEE 10/19	2,440.97
			2,440.97
001849			
001849	GRACE BRENNAN	TREASURER FEE 10/19	2,105.88
			2,105.88
001850			
001850	THE RODGERS GROUP, LLC	POL ACCRED MAIN PROG 3/4	3,000.00
			3,000.00
001851			

001851	CONNER STRONG & BUCKELEW	UNDERWRITING FEE 10/19	1,001.00
			1,001.00
001852			
001852	ALLSTATE INFORMATION MANAGEMENT	ACCT#417 - ARC & STOR - 8.31.19	86.50
			86.50
001853			
001853	NEWTECH SERVICES INC.	WEB MAINT/HOST & DR 10/19	175.00
			175.00
001854			
001854	SKYLANDS RISK MANAGEMENT INC	RMC FEE - 2ND INSTALL 2019 - STANHOPE	4,459.00
			4,459.00
		Total Payments FY 2019	146,620.35
		TOTAL PAYMENTS ALL FUND YEARS	\$146,620.35

RESOLUTION 25-19

**RESOLUTION OF THE COMMISSIONERS OF THE
MORRIS COUNTY MUNICIPAL JOINT INSURANCE
FUND REVISING THE LEGAL DEFENSE PANEL FOR
THE YEAR 2019**

WHEREAS, the Morris County Joint Insurance Fund (hereinafter “the Fund”) finds it necessary and appropriate to obtain certain professional services, as defined in the Local Public Contracts Law, (N.J.S.A. 40A-12 et. seq.), to review the Fund’s procurement procedures; and

WHEREAS, the Commissioners of the Morris Joint Insurance Fund traditionally establish a defense panel of attorneys to handle the various claims and litigation asserted against the insured of the Morris Joint Insurance Fund, and

WHEREAS, the Commissioners of the Morris Joint Insurance Fund established the 2019 Defense Panel in January of 2019 and revised the Defense Panel in September of 2019; and

WHEREAS, the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq., requires that the resolution authorizing the award of a contract for professional services without competitive bidding, and the contract itself, be available for public inspection.

NOW, THEREFORE, BE IT RESOLVED, by the Commissioners of the Morris County Municipal Joint Insurance Fund that the following attorney is hereby added to the JIF’s defense panel for the year 2019 at the rates herein specified:

General Liability

TIER THREE

Thomas Ryan, Esq. (Sussex County) at the rate of \$160 per hour

Adopted by the Governing Body this 9th day of October, 2019.

Morris County Municipal Joint Insurance Fund