

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES MEETING – SEPTEMBER 9, 2020
VIA TELECONFERENCE CALL
12:00 PM**

Meeting of Fund Commissioners was called to order by Chairman McNeilly, who read the Open Public Meeting Notice as follows: In accordance with the Open Public Meetings Act, notice of this meeting was provided by:

- I. sending sufficient notice to the Daily Record and The Star Ledger
- II. advance written notice of this meeting was filed with the Clerk/Administrator of each member municipality and,
- III. posting this notice on the Public Bulletin Board of all member municipalities

Chairman McNeilly asked for Roll Call.

ROLL CALL OF 2020 EXECUTIVE COMMITTEE:

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

ROLL CALL OF 2020 FUND COMMISSIONERS:

Andover	Patricia Bussow	Absent
Bloomingtondale	Jon Dunleavy	Present
Boonton Town	Neil Henry	Present
Boonton Township	Douglas Cabana	Absent
Butler	Jim Lampmann	Present
Chatham Township	Robert Hoffmann	Present
Chatham Borough	Stephen Williams	Present
Chester	Margaret Nordstrom	Present
Dover	John Schmidt	Absent
Essex Fells	Francine Paserchia	Absent
Florham Park	Bill Huyler	Present
Frelinghuysen	Donna Zilberfarb	Absent
Hanover	Silvio Esposito	Absent
Hawthorne	Eric Maurer	Absent
Hopatcong	Ronald Tappan	Absent
Kinnelon	James Frieda	Absent
Lincoln Park	Perry Mayers	Absent
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	Present
Morris Plains	Rosanne Denman	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	Absent
Ringwood	Scott Heck	Absent
Riverdale	Paul Carelli	Absent
Rockaway Borough	Patricia Reiche	Absent
Rockaway Township	Lisa Palmieri	Present
South Orange Village	Adam Loehner	Absent
Sparta	Bill Close	Absent
Washington Twp	Andrew Coppola	Absent
West Caldwell	Nikole Baltycki	Present
West Milford	William Senande	Absent

2020 FUND COMMISSIONER ALTERNATES:

Stanhope	Dana Mooney (Alt.)	Absent
Mount Arlington	Kayleen Knight (Alt.)	Absent
Denville	Steven Ward (Alt.)	Absent
Netcong	Elmer Still	Absent
Wharton	Bill Hamilton (Alt.)	Absent
East Hanover	Kenneth Huelbig (Alt.)	Present
Andover	Toni Grisaffi (Alt.)	Absent
Bloomington	Sherry Gallagher (Alt.)	Absent
Boonton Town	Cynthia Oravits (Alt.)	Absent
Butler	James Kozimor (Alt.)	Absent
Chatham Township	Debra King (Alt.)	Absent
Chatham Borough	Thaddeus Kobylkarz	Absent
Chester	Denean Probosco (Alt.)	Absent
Florham Park	Cindy Phillips (Alt.)	Absent
Hanover	Mark Roddy (Alt.)	Absent
Hawthorne	Jennifer Scully (Alt.)	Absent
Kinnelon	Charlie Daniel	Present
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	Michael Koroski	Present
Mount Olive	Andrew Tatarenko (Alt.)	Absent

Mountain Lakes	Marcy Gianattasio (Alt.)	Absent
North Caldwell	Tami Michelotti (Alt.)	Absent
Rockaway Borough	Kimberly Cuspilich (Alt.)	Absent
Rockaway Township	Patricia Seger (Alt.)	Absent
Sparta	Michele Landtau (Alt.)	Present
Washington Twp	Roger Read (Alt.)	Absent
West Caldwell	William Wallace (Alt.)	Absent
West Milford	Catherine Shanahan	Present

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
Ed Cooney

Safety Director

J.A. Montgomery Risk Control
Brian Maitland
Keith Hummel
John Schwartz

Treasurer

Liability Claims Service

D&H Alternative Risk Solutions, Inc.
Theresa Laoudis

Workers Compensation
Claim Service

Qual-Lynx
Claudia Acosta
Caty Lambe

Managed Care

FMCO

Auditor

Nisivoccia LLP
Stacy Russo

Actuary

Actuarial Advantage

ALSO PRESENT:

Frank Covelli, P.I.A.
Sharon Cooper, P.I.A.
Craig Josephsen, David M. Hundertmark Agency Inc.
Dominick S. Cinelli, Brown & Brown Metro LLC
Amy Pieroni, Acrisure
Lindsay Travali, Acrisure
David Vozza, The Vozza Agency
Matthew Struck, Treadstone Risk Management

Pat Cassidy, RD Parisi
Charlotte Wendland, Henry O. Baker Insurance Group
Sandy Cantwell, PERMA

APPROVAL OF MINUTES -

July 8, 2020 Open minutes:

MOTION TO APPROVE OPEN MINUTES OF JULY 8, 2020:

Motion: Commissioner Guarino
Second: Commissioner Rheinhardt

Vote: 18 Ayes, 7 Abstains
(Commissioners Henry, Huyler, Nordstrom, Fornaro, O'Sullivan, Palmieri,
Shanahan (Alt))

CORRESPONDENCE – The fund received letters from Dover, Florham Park and Netcong asking for late fees to be waived. Commissioner Rheinhardt said the members had been duly notified and the assessment bills should be expected. The assessments are now going to be quarterly, and would like to discourage having this conversation now a quarterly basis. Fund Attorney said Florham Park appears to have complied and late receipt appears to be mail issue and can agree that Florham Park's penalty can be waived. Executive Director said the assessments in the past have been emailed and mailed out via certified postal mail. However due to Covid restrictions on the office, the assessments were only emailed.

MOTION TO UPHOLD LATE ASSESSMENTS PENALTY FEES FOR DOVER AND NETCONG MEMBERS:

Motion: Commissioner Brewer
Second: Commissioner Dunleavy

Vote: 22 Ayes, 1 Nay (Commissioner Shanahan), 2 Abstains
(Commissioners Rheinhardt and Huyler)

MONTHLY COMMITTEE REPORTS:

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

Finance Committee, Jon Rheinhardt, Chair, Wharton Borough – Finance Committee will meet on September 14th at 1:30 via teleconference to begin the 2021 budget process.

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

Contracts and Rules Committee, Ralph Blakeslee, Chair, Netcong Borough – Competitive Contract RFPs were issued and due on September 3rd. Responses were received from Perma Risk Management Services (Executive Director); Grace Brennan (Treasurer); Fred Semrau (Litigation Management) and Conner Strong & Buckelew (Underwriting Managers). A meeting of the committee will be scheduled.

Legal Review Committee, William Close, Chair, Sparta Township – No report. Fund Attorney said there is a Legal Review meeting scheduled for Sept. 30th.

Claims Review Committee, Mitchell Stern, Chair, Mountain Lakes Borough – The committee met on August 10th via conference call and recommended approval of payment authority requests for

13 Workers' Compensation Claims totaling Payment Authority Requests of \$582,858.00 and one Subrogation Lien, 1 Property Claim totaling Payment Authority Requests of \$15,217.70 and 5 Liability Claims totaling Payment Authority Requests of \$267,410.00.

The committee also met on September 9th via conference call and recommended approval of payment authority requests for 10 Workers' Compensation Claims totaling Payment Authority Requests of \$604,935.47 and 1 Lien Compromise for \$5,000, 1 Property Claims totaling Payment Authority Requests of \$12,785.76, and 5 Liability Claims totaling Payment Authority Requests of \$374,363.35. The PARs were emailed in advance of today's meeting and any questions or concerns should be sent to the Fund Attorney or the Executive Director.

EXECUTIVE DIRECTOR/ADMINISTRATOR REPORT:

2020 Coverage Documents – The fund office has uploaded member policies to the Fund's Risk Management Information System (Origami). Fund Commissioners and Risk Management Consultants received an email announcing that documents were posted. Going forward there will be three years of member policies kept on the Origami system; members are encouraged to download their manuals so they can keep their policies on file.

EPL Compliance Program: The MEL approved the revised Personnel Manuals and Employee Handbooks at their June 3rd meeting. The revised documents have been uploaded to the MEL's webpage www.njmel.org. A notice was mailed to members in June. Deadline for members to update their EPL Compliance Program is June 1, 2021. MEL Fund Attorney will schedule an informational webinar for municipal attorneys.

EPL Compliance includes training requirements for Managers & Supervisors, Police Command Staff and non-supervisory employees.

- J.A. Montgomery has already begun holding webinars titled: "Protecting Children from Abuse - For Managers/Supervisors/Elected Officials" This course also addresses employment practices & meets this training requirement. Fred Semrau will also conduct one or two of these webinars.
- Police Command training is expected to be 3 hours. At this time, J.A. Montgomery will wait to see if course can be "in-person" or whether it too needs to be instructor led webinar.
- Non-supervisory training program has been completed and is in the process of being added to the MSI's Learning Management System.

In response to Commissioner Rheinhardt, Executive Director said if a member elects to have one document to serve as their personnel manual and employee handbook, that will still accepted.

Commissioner Rheinhardt said he would like to acknowledge J.A. Montgomery (JAM) for doing a great job transitioning their training in lieu of Covid restrictions. Executive Director said that JAM has expanded their online training opportunities, creating a method to deliver online training courses that also earns CEU and TCH credits. The response has been very positive and they are seeing an increase in training this year, which is always the goal. They will continue to maintain and expand their online training offerings. There are some classes that still require in-person training and they will be offering them when restrictions allow.

2020 Financial Disclosures: The Division of Local Government Services distributed a notice that online filings could begin on Monday March 30th for JIF Commissioners, as well as, any other municipal related positions that require filing. Emails were sent to Fund Commissioners and Professionals. The Local Finance Board has indicated they would not take any enforcement action until July 31, 2020. All commissioners and required fund professionals submitted their filing prior to July 31st.

2021 Membership Renewals – Twelve members are scheduled to renew as of January 1, 2021, and they are listed in the agenda. Membership documents were mailed to those members following the July meeting.

Risk Management Information/Operating System (RMIS): Members and Risk Managers received an email with a link to renewal worksheets - to begin the 2021 underwriting renewal during the month of July with a September 15th completion date. We are in the process of following up with members to make sure everyone meets the deadline. It is the first step of the budget process and very important members complete their review on time.

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.

Cyber Task Force: The MEL's Cyber Task Force has begun the process of revising the MEL's Cyber Risk Management Program.

MEL JIF –MEL met on Wednesday, September 2, 2020 via teleconference. Commissioner Rheinhardt's report is enclosed. Commissioner Rheinhardt said the Cyber Task Force is going to introduce a third tier, which when met, will have provide a complete reimbursement of the policy's deductible. Fund Attorney said this a great incentive, so if there is a breach, a member will have no deductible in addition to knowing they did all they could do. Commissioner Reinhardt said multifactor authentication will be added to compliance, and it is not a large expense. Executive Director said the cost of resolving the matter is second to the disruption. Commissioner Reinhardt said the state Best Practices checklist is expected to include maintaining continuous backup to the cloud, however that is expensive and they are working with government services to make it a suggested practice, or modify to daily backups.

Residual Claims Fund –RCF met on Wednesday, September 2, 2020 via teleconference. Commissioner Rheinhardt's report is enclosed. Executive Director said they had a large claim from 2006 and the excess carrier was able to recover almost \$1 million for the 2006 year.

EJIF- EJIF met on Wednesday, September 2, 2020, via teleconference. Commissioner Rheinhardt's report is enclosed.

Facing and Embracing Crisis for Your Municipality: The third installment of the previously held Webinar on 6/30 & 8/4 focuses on the response to a crisis, and will be held on September 15, 2020 from 10:30 AM until 12:30 PM. There are CEU credits.

League Magazine Ad: The latest in the series of "Power of Collaboration" ad will appear in the League of Municipalities magazine. The ad highlights savings to NJ taxpayers through issuance of dividends since the MEL's inception, as well as, MEL purchases of \$100 million of member debt securities and a rate freeze for 2021 budget.

Due Diligence Reports: Both June and July reports are included in the agenda for members' review. The July Financial Fast Track shows the Fund at \$7.6m, which is up \$1M from this time last year. Any year showing a deficit will be offset with the year(s) showing surplus, as we continue to monitor and adjust monies using a multi-year view. The Loss Ratio report shows the Fund is at or below the actuarial target for each year except 2016. The LTAF reports do not include the Covid claims. Generally speaking, other than Covid related claims, there have been less workers' compensation claims as a result of pandemic restrictions.

Executive Director's Report Made Part Of Minutes.

TREASURER:

Executive Director said the 2020 August bills list and June claims transfer is included for approval on the consent motion, along with Resolution 33-20 September Bills list and the imprest transfers for the month of July. An additional report from Clearbrook on JCMI is also included in the agenda.

August 2020	
Closed	\$6,581.07
2019	\$750.00
2020	\$206,426.65
Total	\$213,757.72

September 2020	
2019	\$246.00
2020	\$150,045.14
Total	\$150,291.14

CLAIMS PAYMENT AND IMPREST TRANSFERS AS OF JUNE 2020:

CLOSED	\$0
2016	\$278,170.42
2017	\$63,279.47
2018	\$37,281.50
2019	\$60,439.01
2020	\$111,950.14
TOTAL	\$551,120.54

CLAIMS PAYMENT AND IMPREST TRANSFERS AS OF JULY 2020:

CLOSED	\$0
2016	\$117,379.47
2017	\$270,640.57
2018	\$47,551.75
2019	\$67,718.04
2020	\$375,625.04
TOTAL	\$878,914.87

Treasurer's Report Made Part of Minutes.

ATTORNEY:

Fund Attorney said there will be additional training offered to municipal attorneys and perhaps administrators in regards to best practices and the new employment handbook. This training will be offered as a webinar and will help members as they begin now to work to meet the June 2021 compliance deadline. Training is targeted for October.

A meeting is being scheduled with the Executive Director and the carrier that handles the Fund EPL claims and Public Officials liability matters. They will review the status of all the cases the carrier is handling that affects the Fund.

Fund Attorney gave an update on 3 decisions, and they all had positive outcomes:

- East Hanover – plaintiff had an issue over a parking ticket, claiming discriminatory action and sought to certify a class action. The case was dismissed on all counts and although it took some time, it was needed to reduce exposure.
- Lincoln Park - resident did not get a Certificate of Occupancy because they failed to get construction permits, and took their case to the Superior Court where it was dismissed and sent back to Lincoln Park
- Dover - resident made comments at a public meeting and was later terminated, case dismissed.

The MEL Helpline continues to be available for administrators with questions. Currently they are getting an uptick in questions concerning Covid.

UNDERWRITING MANAGER:

Underwriting Manager said the Cyber updates will be out soon and noted that updates to Tier 1 and Tier 2 are minor changes. Claims in general are up this year and more so with police department claims. We are in the renewal process, and it is a tough market but they have good ideas on the MEL side that will be of benefit to the JIFs. A reminder that the EPL helpline is a custom helpline for our members and to take advantage of this service.

CERTIFICATES OF INSURANCE: Report on Certificates issued and Cyber report submitted for information.

Underwriting manager’s report made part of minutes

SAFETY DIRECTOR:

Safety Director said they have been able to start catching up with on-site visits and are 60% complete, and anticipate reaching 100% by the end of the year. A new section in the report highlights MSI now, which has 170 streamable safety videos. The MEL Media library gives access to 560+ videos and DVDs that can be ordered from the JAM office and a return envelope will be provided. JAM appreciates the positive feedback on the new webinar classes. People are particularly pleased to not have to travel and or wait to have topics presented locally. September has 62 webinars scheduled and the goal is have their entire catalog available via webinar by the end of the year. The 2021 catalog will be released in October, and the plan for 2021 is to continue webinar format.

Keith Hummel, JAM Law Enforcement Division, introduced John Schwartz, retired Police Chief from Kinnelon. Mr. Schwartz will support the Morris JIF as Law Enforcement Consultant and will be actively involved in visitations and training.

Two training programs have been set up at Morris County Police Academy; they are “Below 100” and “Risk Management for First Line Supervisors”. Additionally they have developed a new program called “Building a Constitutionally Sound Police Department” and the target audience are elected officials, CFOs and administrators.

Mr. Schwartz said he was looking forward to working with the JIF.

Safety Director’s Report Made Part of Minutes.

MANAGED CARE: Managed Care provider apologized for not being able to join the meeting sooner and said that her submitted reports stand with no additional notations.

Managed Care Provider’s Report Made Part of Minutes

MOTION TO APPROVE CLAIM AUTHORITY PAYMENTS AS DISTRIBUTED ELECTRONICALLY, EXECUTIVE DIRECTOR’S REPORT, RESOLUTION 33-20 APPROVING THE SEPTEMBER BILLS LIST, ATTORNEY’S REPORTS,

**UNDERWRITING MANAGER'S REPORTS, SAFETY DIRECTOR'S REPORTS, AND
MANAGED CARE PROVIDER'S REPORTS**

Moved: Commissioner Rheinhardt
Second: Commissioner Guarino
Roll call Vote: Unanimous

OLD BUSINESS:

Fund Treasurer apologized for not being able to join the meeting on time. In response to Commissioner Guarino, Treasurer said she review the detail to determine the date checks were drafted for members asking to have their delinquent fees waived.

Managed Care provider apologized for not being able to join the meeting sooner and said that her submitted reports stand with no additional notations.

NEW BUSINESS:

None.

PUBLIC COMMENT:

None.

MOTION TO ADJOURN:

Moved: Commissioner Guarino
Second: Commissioner Brewer
Vote: Unanimous

Meeting Adjourned: 12:46 PM
Sandy Cantwell, Assisting Secretary
For Carolyn Rinaldi, Secretary
Date prepared: September 29, 2020

MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND BILLS LIST

Resolution No. 33-20

September 2020

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>
002080			
002080	APPLIEDINFO PARTNERS, INC.	CYBERSECURITY TRAINING 11/19-5/20	246.00
			246.00
		Total Payments FY 2019	246.00

FUND YEAR 2020

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002081			
002081	FRED SEMRAU ESQ.	LITIGATION MANAGEMENT 9/20	16,473.45
			16,473.45
002082			
002082	QUAL-LYNX	CLAIM ADJ SERVICES 9/20	23,872.49
			23,872.49
002083			
002083	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR 9/20	17,857.50
002083	J.A. MONTGOMERY RISK CONTROL	LAW ENFORCEMENT 9/20	1,250.00
			19,107.50
002084			
002084	LENAPE CLAIMS MANAGEMENT INC.	CLAIM FEES 9/20	20,585.64
			20,585.64
002085			
002085	PERMA RISK MANAGEMENT SERVICES	POSTAGE 8/20	56.90
002085	PERMA RISK MANAGEMENT SERVICES	ADMIN FEE 9/20	29,369.63
			29,426.53
002086			
002086	THE ACTUARIAL ADVANTAGE	ACTUARY FEE 9/20	3,527.08
			3,527.08
002087			
002087	FRED SEMRAU, ESQUIRE	ATTORNEY FEE 8/20	2,083.33
			2,083.33
002088			
002088	GRACE BRENNAN	TREASURER FEE 9/20	2,147.99
			2,147.99
002089			

002089	DAILY RECORD	ACCT: ASB-70026874 - AD - 8.13.20	44.03 44.03
002090			
002090	CONNER STRONG & BUCKELEW	UNDERWRITING FEE 9/20	1,021.00 1,021.00
002091			
002091	ALLSTATE INFORMATION MANAGEMNT	ACCT#417 - ARC & STOR - 7.31.20	94.20 94.20
002092			
002092	NEWTECH SERVICES INC.	WEB MAINT 9/20	175.00 175.00
002093			
002093	NJ ADVANCE MEDIA	ACCT#1000909712 - AD - 8.14.20	27.90 27.90
002094			
002094	APPLIEDINFO PARTNERS, INC	CYBERSECURITY TRAINING 6/20-5/21	16,872.00 16,872.00
002095			
002095	CUPO INSURANCE AGENCY	CHATHAM - 2ND RMC 2020	11,202.00
002095	CUPO INSURANCE AGENCY	BOONTON - 2ND RMC 2020	3,385.00 14,587.00
		Total Payments FY 2020	150,045.14
		TOTAL PAYMENTS ALL FUND YEARS	\$150,291.14

Brian McNeilly

Chairperson