

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES MEETING – APRIL 8, 2020
VIA TELECONFERENCE CALL
12:00 PM**

Meeting of Fund Commissioners 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	Absent
Wharton	Jon Rheinhardt	Present
East Hanover	Joseph Tempesta	Present
Pequannock	Adam Brewer	Present

ROLL CALL OF 2020 FUND COMMISSIONERS:

Andover	Diana Francisco	Present
Bloomingtondale	Jon Dunleavy	Present
Boonton Town	Neil Henry	Present
Boonton Township	Douglas Cabana	Present
Butler	Jim Lampmann	Present
Chatham Township	Robert Hoffmann	Present
Chatham Borough	Stephen Williams	Present
Chester	Margaret Nordstrom	Present
Dover	Carlos N. Sanchez	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	Present
Kinnelon	James Frieda	Absent
Lincoln Park	Perry Mayers	Present
Long Hill	Nancy Malool	Present
Madison	James Burnet	Absent
Mendham Borough	Joyce Bushman	Absent
Mendham Township	Karen Fornaro	Absent

Millburn	Jason Gabloff	Absent
Montville	Victor Canning	Present
Morris Plains	June Uhrin	Present
Mount Olive	Claudia Tomasello	Present
Mountain Lakes	Mitchell Stern	Present
North Caldwell	Kevin O'Sullivan	Absent
Pompton Lakes	Kevin Boyle	Absent
Randolph	Darren Maloney	Present
Ringwood	Scott Heck	Absent
Riverdale	Paul Carelli	Absent
Rockaway Borough	Patricia Bussow	Present
Rockaway Township	Lisa Palmieri	Present
South Orange Village	Adam Loehner	Present
Sparta	Bill Close	Present
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.)	Absent
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
Dover	John Schmidt (Alt.)	Present
Florham Park	Cindy Phillips (Alt.)	Absent
Hanover	Mark Roddy (Alt.)	Absent
Hawthorne	Jennifer Scully (Alt.)	Absent
Kinnelon	Charlie Daniel	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	Michael Koroski	Present

Mount Olive	Andrew Tatarenko (Alt.)	Absent
Mountain Lakes	Marcy Gianattasio (Alt.)	Absent
North Caldwell	Tami Michelotti (Alt.)	Absent
Rockaway Township	Patricia Seger (Alt.)	Absent
Sparta	Michele Landtau (Alt.)	Absent
Washington Twp	Roger Read (Alt.)	Absent
West Caldwell	William Wallace (Alt.)	Absent
West Milford	Catherine Shanahan	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

Ed Cooney

Safety Director

J.A. Montgomery Risk Control

Brian Maitland

Matt Genna

Mike Palsi

Keith Hummel

Treasurer

Grace Brennan

Liability Claims Service

D&H Alternative Risk Solutions, Inc.

Theresa Laoudis

Workers Compensation
Claim Service

Qual-Lynx

Claudia Acosta

Caty Lambe

Managed Care

FMCO

Suzanne Rajsteter

Auditor

Nisivoccia LLP

ALSO PRESENT:

Dominic Cinelli, Brown & Brown Insurance
 Karen Waters, IMAC Insurance Agency, LLC
 Wayne F. Deitz, Skylands Risk Management, Inc.
 Frank Covelli, Public Entity Advocates
 David Voza, The Voza Agency
 Patty Esposito, Marsh USA
 Charlotte Wendland, Henry O. Baker Inc
 Jennifer Matos, Henry O. Baker Inc

David Sgalia, Cupo Insurance Agency
Matthew Struck, Treadstone Risk Management
Robyn Walcoff, PERMA
Sandy Cantwell, PERMA

APPROVAL OF MINUTES -

March 11, 2020 Open & Closed minutes:

MOTION TO APPROVE OPEN & CLOSED MINUTES OF MARCH 11, 2020

Motion: Commissioner Rheinhardt
Second: Commissioner Guarino

Commissioner Schmidt said the March Closed Minutes were emailed out but it appeared the attachment was the February Closed Minutes. Fund Attorney said we can move to amend the motion to exclude the Closed minutes and add them next month. Motion to amend was accepted.

Commissioner Schmidt asked that March Open minutes be amended to include the full sunshine statement. Executive Director said that was requested at our last meeting but the change was missed; however, it will be added to the minutes going forward. Mover and Seconder of the motion elected not to amend their motion to approve the minutes and accepted the addition of the sunshine statement to future minutes.

MOTION TO APPROVE OPEN MINUTES OF MARCH 11, 2020

Vote: 21 Ayes, 1 Nay (Commissioner Schmidt(Alt.), 9 Abstains
(Commissioners Williams, Zilberfarb, Mayers, Malool, Canning, Uhrin, Bussow,
Palmieri, Close)

CORRESPONDENCE – None.

MONTHLY COMMITTEE REPORTS:

Membership, Marketing & Coverage Committee, John Dunleavy, Chair, Bloomingdale Borough
Coverage Committee met via conference call on April 7th at 9:30 to review endorsements approved by the MEL Coverage Committee. At Committee Chairman Dunleavy's request, Underwriting Manager gave an overview of the 6 endorsements, as outlined in Executive Directors' report, and included in the agenda in Appendix II. Committee Chairman Dunleavy asked to have the endorsements added to the consent agenda.

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

Safety Committee, Carolyn Rinaldi, Chair, Mount Arlington Borough – Committee
Chairwoman Rinaldi said the Safety Incentive Program Scorecard for 2019 is included in the agenda and vouchers have been submitted to the members.

Contracts and Rules Committee, Ralph Blakeslee, Chair, Netcong Borough –Executive Director said Competitive Contract RFPs were issued for Safety Director and Cyber Security Training. The Fund received three responses for Cyber Security Training: D2 Cybersecurity Awareness Training, Stronger International Inc., and Reflare America; and one response from J.A. Montgomery for the Safety Director. We are scheduling a meeting of the Rules & Contracts Review Committee to review the responses.

Legal Review Committee, William Close, Chair, Sparta Township – No report. Fund Attorney said they continue to review cases with the legal review committee, including the general liability and worker’s compensation matters.

Claims Review Committee, Mitchell Stern, Chair, Stanhope Borough – The committee met on April 6th via conference call and recommended approval of payment authority requests for 17 workers’ compensation claims totaling \$780,917.98, 4 property claims totaling \$87,836.00, and 2 liability claims totaling \$100,703.83.

EXECUTIVE DIRECTOR/ADMINISTRATOR REPORT:

MEL Notices: Executive Director said the MEL distributed two notices to members, and they are included in the agenda. The first notice discusses the handling of workers’ compensation claims related to the Coronavirus for public safety and non-public safety workers.

The second notice informs members of a MEL special committee formed to resolve matters related to coronavirus, and the establishment of the JCMI member municipal bond issuance. The special committee has not met yet, but will function much like the special committee that was formed to handle Super Storm Sandy issues. Brian McNeilly has agreed to serve on the committee on behalf of the Morris JIF. An outline of the JCMI will be given later in the agenda.

MEL, RCF, EJIF March 27, 2020 Meetings: Due to the current public health emergency, the MEL decided to forego the annual reporting of MEL sub-committees; however, each fund held their respective meetings via teleconference. Commissioner Rheinhardt’s reports of the meetings are included in the agenda.

JIF Coverage Committee Items: The six endorsements were reviewed in the committee report by the Underwriting Manager.

MEL’s Joint Cash Management Investment Program: In 2019, the MEL Board of Fund Commissioners authorized the release of a Professional Services RFP for an Asset Manager and a Financial Advisor to manage investments of the Municipal Excess Liability Fund Joint Cash Management Program. At its March 27th meeting, the MEL Board of Fund Commissioners adopted a resolution awarding Clearbrook as the Asset Manager, Bank of New York as Custodian & Accounting and NW Financial as the Financial Advisor.

The Residual Claims Fund and the Environmental Joint Insurance Fund executed agreements to participate at their March 27th meetings. At this time, the JCMI is also extending invitations to local affiliated Joint Insurance Funds. The Resolution to participate, the Application, the JCMI Bylaws, JCMI Overview and Q&A were sent as separate attachments.

At the Morris JIF’s reorganization meeting, the Fund extended its contract with Wilmington Trust as Asset Manager on a month-to-month basis. If the JIF decides to join the JCMI, the first step would be to issue a 30-day notice to Wilmington Trust.

Executive Director asked Commissioner Rheinhardt as the MEL Investment Committee Chairman to give an overview. Commissioner Rheinhardt said the conversations for this began in 2008, and in early 2019 legislation passed to allow joint insurance funds to invest in long term municipal debt. Many contributors have worked in the months following to create the framework and regulations for this program and it was adopted at the MEL meeting in late March. The program allows the MEL to buy our own members debt, which is especially beneficial when the bond market is not favorable. To date they have bought four notes. The opportunity is only for members, and the MEL has already declined a non-member’s request. Ringwood was the first note purchased. They had four bids, and Ringwood saved \$9,378. Joining the JCMI as an equal member will allow Morris JIF to see a

significant increase in the yield we return to the members by stabilizing their rates. The JCMI allows us to create our own cash management fund, much like New Jersey has, but keeping it just within the JIFs.

Executive Director said that the JCMI Operating Committee would be meeting to clear up language in the By-laws and the JCMI Agency Agreement, and will be re-issuing them once updated.

Fund Attorney said that this is historical moment for the funds to be able to invest in this manner, and is accomplishing an almost 10-year goal. The MEL has hired a custodian, a financial advisor and an asset manager and with the expertise and hard work of Chuck Cucci (RCF/EJIF Treasurer), John Rheinhardt and Mike Zambito (MEL Treasurer) from the JCMI committee, this is a highly beneficial program to both to the members and to the investments of the funds. The timing could not be better; as is the time when our members could need it the most.

Executive Director said the JCMI would stagger the process of adding participant JIFs.

Motion to adopt Resolution 21-20 to authorize Morris County Municipal JIF's participation in the Municipal Excess Liability Fund Joint Cash Management and Investment Program (JCMI).

Motion: Commissioner Rheinhardt
Second: Commissioner Stern

Chairman McNeilly asked if all were in favor of moving the roll call vote to the consent agenda.

Vote: Unanimous

MEL, MRHIF and NJCE Educational Seminar: This annual seminar originally scheduled for May 1st has been cancelled and will be rescheduled for a date later in the year.

Online Elected Officials Training: 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 31st. This year's elected officials training program will focus on Preventing Child Abuse and Protecting Public Entities from the liabilities imposed by new legislation concerning sexual molestation. Instructions on how to access the course online is included in the agenda.

EPL Compliance Program: A memorandum outlining this year's Employment Practices Liability Program, including manual/handbook updates and training requirements, is included in the agenda. The MEL contracted with a law firm to conduct a comprehensive review of the model personnel manual/handbook. As a result, the compliance deadline for all elements of the compliance program have been pushed back to June of 2021. Manuals are expected to be ready at the MEL's June meeting. Managers & Supervisors and Police training will be scheduled as soon as deemed possible.

Employees and Volunteers protecting Children Training: The MEL developed a new training program on protecting children which is already on the Learning Management System. Directions to take the course are included in the agenda. Please visit the MEL's webpage – www.njmel.org to read more on this topic, which includes this training, model documents and resource guide.

D2 Cybersecurity Status Report—The monthly status report for March from the cyber security provider recaps member participation and training to date.

League Magazine Ad: The latest in the series of “Power of Collaboration” ads highlights the benefits on online training, especially since most people are working from home.

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; please note the deadline to file is April 30th and the Local Finance Board has issued violations in the past for not filing.

Due Diligence Reports: Included in the agenda for members’ review.

Executive Director’s Report Made Part of Minutes.

TREASURER:

The following April 2020 bills list was included for approval on the consent motion as Resolution 22-20 and the imprest transfers for the month of February.

April 2020	
2019	\$3,229.00
2020	\$179,998.08
Total	\$183,227.08

CLAIMS PAYMENT AND IMPREST TRANSFERS AS OF JANUARY 2020:

CLOSED	\$0
2016	\$143,254.35
2017	\$107,648.60
2018	\$142,794.70
2019	\$314,252.27
2020	\$77,995.49
TOTAL	\$785,945.41

Treasurer’s Report Made Part of Minutes.

ATTORNEY:

Fund Attorney said there is good news to everyone staying at home as the number of claims at March 31st compared to January is less, and he is expecting April to also be low. The MEL is putting out a lot of very good information and is working to be a resource in a wide variety of areas.

UNDERWRITING MANAGER:

Underwriting Manager said an email has gone out to everyone in the past couple months providing a status of the cyber compliance. Also members please make note of the bulletin recently distributed that highlights the increase of cyber-attacks using the Corona virus as a phishing scam. There have been a couple claims for this in the MEL system. The bulletin provides information on how to prepare and prevent these attacks.

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 currently MSI instructor led classes are canceled until May 17th. Online classes continue to be available.

Safety Director’s Report Made Part of Minutes.

MANAGED CARE:

Managed Care Provider’s Report Made Part of Minutes

Chairman McNeilly said an email had been sent out prior to the meeting with respect to the April Payment Authorization Requests (PARS) that typically would be addressed in executive session. In response to Chairman McNeilly, the Fund Attorney confirmed there were no questions concerning the April PARS. Executive Director said one question was received and has already been addressed.

At the request of the Executive Director, PERMA Claims Manager reported there are numerous Coronavirus exposure claims being reported every day. At the beginning of this week there were approximately 330 claims reported; most are exposure and report only and generally expected to be closed. There is one claim that is serious and has been reported to the MEL’s Claims Adjuster and the MEL excess carrier, and additionally another 8-10 cases that have tested positive for Covid-19. The Claims team is working very closely with the TPAs and giving continuous updates to the Executive Directors. Everyone is encouraged to continue social distancing, and continue reporting claims so they can collect and evaluate data. Members should contact Claims and the Fund Attorney with any questions. Executive Director said the MEL has contracted with a worker’s compensation attorney with expertise to provide consultation as needed. Claims Manager said each claim is being evaluated on an individual basis, giving attention to circumstances and providing the best result consistently and within the guidelines of the law.

MOTION TO STAY IN OPEN SESSION:

Motion: Commissioner Guarino
Second: Commissioner Stern
Vote: Unanimous

MOTION TO APPROVE CLAIM AUTHORITY PAYMENTS AS DISTRIBUTED ELECTRONICALLY, EXECUTIVE DIRECTOR’S REPORT, RESOLUTION 21-20 AUTHORIZING THE MORRIS JIF TO PARTICIPATE IN THE JCMI, RESOLUTION 22-20 APPROVING THE APRIL BILLS LIST, ATTORNEY’S REPORTS, UNDERWRITING MANAGER’S REPORTS, SAFETY DIRECTOR’S REPORTS, AND MANAGED CARE PROVIDER’S REPORTS

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

OLD BUSINESS:

None

NEW BUSINESS:

None.

PUBLIC COMMENT:

Frank Covelli thanked Jon Rheinhardt and the JCMI committee for allowing Ringwood to be the first participant in the JCMI; they are very appreciative.

Wayne Dietz thanked the MEL and Executive Director for the quality of materials being sent out to members.

MOTION TO ADJOURN:

Moved: Commissioner Rheinhardt

Second: Commissioner Stern

Vote: Unanimous

Meeting Adjourned: 12:50 PM
Sandy Cantwell, Assisting Secretary
For Carolyn Rinaldi, Secretary
Date prepared: April 10, 2020

MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND BILLS LIST

Resolution No. 22-20

APRIL 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>
001953			
001953	CHESTER BOROUGH	2019 SIP AWARD	250.00
			250.00
001954			
001954	BUTLER BOROUGH	2019 SIP AWARD	750.00
			750.00
001955			
001955	SPARTA TOWNSHIP	2019 SIP AWARD	500.00
			500.00
001956			
001956	STANHOPE BOROUGH	2019 SIP AWARD	500.00
			500.00
001957			
001957	ROCKAWAY BOROUGH	2019 SIP AWARD	250.00
			250.00
001958			
001958	SB ONE INSURANCE AGENCY INC	FRELINGHUYSEN - RMC FEE - 2ND 2019	979.00
			979.00
		Total Payments FY 2019	3,229.00

FUND YEAR

2020

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
001959			
001959	FIRST MCO	MANAGED CARE FEE 4/20	24,460.74
			24,460.74
001960			
001960	FRED SEMRAU ESQ.	LITIGATION 4/20	16,473.45
			16,473.45
001961			
001961	QUAL-LYNX	CLAIM ADJ SERVICES 4/20	23,872.49
			23,872.49

001962			
001962	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES 4/20	18,284.86
			18,284.86
001963			
001963	LENAPE CLAIMS MANAGEMENT INC.	CLAIMS FEES 1/20	20,585.64
			20,585.64
001964			
001964	PERMA RISK MANAGEMENT SERVICES	ADMIN FEE 4/20	29,369.63
			29,369.63
001965			
001965	THE ACTUARIAL ADVANTAGE	ACTUARY FEE 4/20	3,527.08
			3,527.08
001966			
001966	FRED SEMRAU, ESQUIRE	ATTORNEY FEE 4/20	2,083.33
			2,083.33
001967			
001967	GRACE BRENNAN	TREASURER FEE 4/20	2,147.99
			2,147.99
001968			
001968	CONNER STRONG & BUCKELEW	UNDERWRITING FEE 4/20	1,021.00
			1,021.00
001969			
001969	ALLSTATE INFORMATION MANAGEMNT	ACCT#417 - ARC & STOR - 2/20	135.67
			135.67
001970			
001970	VITALES DELI	MEETING 3/20	672.35
001970	VITALES DELI	MEETING 2/20	770.85
			1,443.20
001971			
001971	MENDHAM TOWNSHIP	MENDHAM TOWN - RMC - 1/2 2020	8,522.00
			8,522.00
001972			
001972	BROWN & BROWN METRO INC.	S ORANGE - RMC - 1/2 2020	27,058.00
			27,058.00
001973			
001973	SB ONE INSURANCE AGENCY INC	FRELINGHUYSEN - RMC - 1/2 2020	1,013.00
			1,013.00
		Total Payments FY 2020	179,998.08
		TOTAL PAYMENTS ALL FUND YEARS	\$183,227.08

Brian McNeilly
Chairperson

Attest:

Carolyn Rinaldi, Secretary

Dated: April 8, 2020

I hereby certify the availability of sufficient unencumbered funds in the proper accounts to fully pay the above claims.

Grace Brennan
Treasurer