

**CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES
MEETING – JUNE 26, 2017
BOROUGH OF HADDONFIELD 5:15 PM**

Meeting of Executive Committee called to order by Chairman Mevoli. Open Public Meetings notice read into record.

**PLEDGE OF ALLEGIANCE
MOMENT OF SILENCE OBSERVED**

ROLL CALL OF EXECUTIVE COMMITTEE:

| | | |
|---------------------------|--------------------------|---------|
| Michael Mevoli, Chairman | Borough of Brooklawn | Present |
| M. James Maley, Secretary | Borough of Collingswood | Absent |
| Richard Michielli | Borough of Magnolia | Present |
| Louis DiAngelo | Borough of Bellmawr | Present |
| Terry Shannon | Borough of Barrington | Present |
| M. Joseph Wolk | Borough of Mount Ephraim | Present |
| Neal Rochford | Borough of Haddonfield | Present |

EXECUTIVE COMMITTEE ALTERNATES:

| | | |
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| Jack Lipsett | Gloucester City | Present |
| Joseph Gallagher | Winslow Township | Present |

APPOINTED OFFICIALS PRESENT:

| | |
|----------------------------------|--|
| Executive Director/Administrator | PERMA, Risk Management Services Bradford Stokes, Karen A. Read |
| Attorney | Brown & Connery Joseph Nardi, Esquire |
| Auditor | Bowman & Company James Miles, Dennis Skalkowski |
| Claims Service | AmeriHealth Casualty Insurance Denise Hall, Cheryl Little |
| Safety Director | J.A. Montgomery Risk Control Glenn Prince, Keith Hummel |
| Treasurer | Elizabeth Pigliacelli (left meeting at 5:25pm) |
| Managed Care | Consolidated Services Group Jennifer Goldstein |
| Underwriting Manager | Conner Strong & Buckelew |

FUND COMMISSIONERS PRESENT:

Ari Messinger, Cherry Hill Alternate
Bob Mather, Pine Valley
Millard Wilkinson, Berlin Borough
David Taraschi, Audubon Borough
Edward Hill, Lawnside Borough
Jack Flynn, Gibbsboro Borough
Eleanor Kelly, Runnemedede Borough
Ethel Kemp, Camden Parking Authority

RISK MANAGEMENT CONSULTANTS PRESENT:

Mark von der Tann Edgewood Associates
Michael Avalone Conner Strong & Buckelew
Roger Leonard Leonard O'Neill Insurance Group
Rick Bean Henry D. Bean & Sons Insurance
Walt Eife Waypoint Insurance
Terry Mason M&C Insurance
Peter DiGiambattista Associated Insurance Partners
John McCrudden Hardenbergh Insurance

WELCOME: Mayor Neal Rochford welcomed everyone to the Borough of Haddonfield.

APPROVAL OF MINUTES: OPEN & CLOSED SESSION OF MAY 22, 2017

MOTION TO APPROVE THE OPEN & CLOSED MINUTES OF MAY 22, 2017

Motion: Commissioner Michielli
Second: Commissioner DiAngelo
Vote: Unanimous

CORRESPONDENCE: NONE

AUDIT REPORT AS OF DECEMBER 31, 2016: The Auditor's Report as of December 31,2016 has been sent under separate cover to the Executive Committee. The Audit Committee also held a conference call with Mr. Jim Miles from Bowman & Company to further review the report. Mr. Miles will give a brief report at the meeting and following that, the Board will formally approve Resolution 17-16 approving year end Financials along with the Group Affidavit. (Pages 3-5)

Executive Director said the Audit Committee held a conference call on Friday and the Committee did go through the audit in detail. Mr. Jim Miles presented a brief overview of the 2016 Audit. Mr. Miles said as of December 31, 2016 the Fund had \$21,681,587 in total assets, \$10,815,481 in total liabilities resulting in a net position of \$10,866,106. The Fund had total operating revenues of \$12,415,008, non operating revenues of \$1,083,686, operating expenses of \$10,955,237, return of surplus and EJIF dividend of \$301,329 resulting in an increase in net position of \$2,242,128. Mr. Miles said there were no findings or recommendations. Chairman Mevoli thanked the auditors. Executive Director said a if the Committee wishes to do so a motion would be in order to approve the year end financials and adopt Resolution 17-16.

MOTION TO APPROVE YEAR END FINANCIALS AS OF DECEMBER 31, 2016 AS PRESENTED, ADOPT RESOLUTION 17-16 AND EXECUTE THE GROUP AFFIDAVIT INDICATED THAT MEMBERS OF THE EXECUTIVE COMMITTEE HAVE READ THE GENERAL COMMENTS SECTION OF THE AUDIT REPORT

Motion: Commissioner Wolk
Second: Commissioner DiAngelo
Roll Call Vote: 8 Ayes – 0 Nays

Board adopted a Resolution accepting the transfer of member JIF's Fund Year 2013. Enclosed you will find Resolution 17-17 authorizing the transfer of the Camden JIF's 2013 claim liabilities to the RCF.

MOTION TO APPROVE RESOLUTION 17-17 TRANSFERRING FUND YEAR 2013 TO THE RCF

Motion: Commissioner Wolk
Second: Commissioner Gallagher
Roll Call Vote: 8 Ayes – 0 Nays

RESIDUAL CLAIMS FUND: The RCF met on June 1, 2017 at the Forsgate Country Club in Jamesburg, NJ. Commissioner Wolk's report on the meeting is enclosed. **(Appendix II)** Commissioner Wolk reported the Draft Audit and Actuarial Analysis were presented for review. The Auditor reported he was working on an issue with the MEL's reinsurer that will financially improve the position of the Fund. It is estimated that the receivable is in excess of \$5 million. Executive Director said the Camden JIF portion of the receivable is approximately \$400,000. The RCF Board voted to accept local JIF's transfer of the 2013 Fund Year. The next meeting will be on September 6, 2017.

EJIF: The EJIF met on June 1, 2017 at the Forsgate Country Club in Jamesburg, NJ. Commissioner Wolk's report on the meeting is enclosed. **(Appendix II)** Commissioner Wolk reported the Draft Audit was reviewed and the Auditor reported the Fund is in excellent financial condition. The Board adopted and approved the Audit for 2016. A motion was approved to authorize the Fund office to issue RFQ's for all fund positions. The 2017 Budget was amended to reflect new members added to the local JIFs. The next meeting will be on September 6, 2017.

MEL JIF: The MEL met on June 1, 2017 at the Forsgate Country Club in Jamesburg, NJ. Commissioner Wolk's report on the meeting is enclosed. **(Appendix II)** Commissioner Wolk reported the MEL recognized Carol Byrne from the Bergen JIF for her long time service to the JIF and the MEL. She was one of the longest serving Commissioners to the Fund. The Director reported that the Board continues to meet with the MEL's new Marketing Consultant and Marketing Manager to continue the process of identifying goals which include new membership, membership retention and rebranding. The MEL voted to transfer Fund year 2013 liabilities to the RCF.

2017 COVERAGE DOCUMENTS: The Fund Office has distributed the 2017 coverage documents to all Fund Commissioners and Risk Managers via email.

2017 2nd ASSESSMENT BILLS: Statement of Accounts were mailed out to members with a due date of June 15th.

2017 SAFETY EXPO: The MEL continues to work with the New Jersey Utility Authorities Joint Insurance Fund to conduct its Annual Safety Expo which included MEL member town's water & sewer employees. The Safety Expo will be held on June 23rd at the Middlesex Fire Academy and September 29th at the Camden County Emergency Services Training Center. Registration is through the MEL Safety Institute. Registrations information was emailed to members and is also shown on pages 7-11.

STATE FILING NOTICE: The MEL Underwriting Manager has filed the 2017 Excess Insurance and Reinsurance Policies. Mr. Cooney's Memorandum appears on **Page 12**.

2018 RENEWAL ONLINE UNDERWRITING DATABASE: Members and Risk Managers have received notification that the database is set up to begin the 2018 underwriting renewal. The deadline for completion is August 15, 2017. This year's renewal will still be conducted in the Exigis system. The MEL awarded a contract to Origami for the online underwriting starting in 2018.

MEL 30TH ANNIVERSARY ARTICLE: A recent edition of the New Jersey League of Municipalities magazine highlighted the 30th Anniversary of the MEL. The article pointed out the long history of the Fund and how much member municipalities have saved over the years. **Page 14**

RFQ FOR PROFESSIONAL SERVICES: Executive Director said the MEL is looking into the possibility of just one Property TPA to handle all JIFs together. The MEL is asking local JIFs when advertising for TPA we do a separate RFQ for the Property section. We will report back and you will see a separation of the Third Party Claims Administrator with property carved out in the event the MEL does take that over from first dollar. In response to Commissioner Shannon, Executive Director said if the MEL does take over the Property TPA in the future the JIF will not need to do an RFQ for the property portion of Claims TPA. There is a chance the vendor could be in North Jersey.

DUE DILIGENCE REPORTS – Included in the agenda were due diligence reports as follows: the Financial Fast Track, Pure Loss Ratio Report, Claims Analysis by Fund Year, Claims Activity Report, Lost Time Frequency Report, Interest Rate Summary Comparison Report, and Regulatory Compliance Report.

Executive Director said the actuary has made some IBNR adjustments usually in our favor. Executive Director said the April 30th Financial Fast Track shows an increase of over \$181,000 with our surplus at \$8.3 million and we are still trending very well in 2017. The loss ratio report as of April 30th reflects the actuary had us targeted at 9.35% and we are at 9.72%. Lost Time Accident Frequency as of April 30th we are standing at 1.76 which is still doing great with 8 lost time accidents for the year. Executive Director said looking at the May report today we are down to 1.57 as we are trending in the right direction.

Executive Director's Report Made Part of Minutes.

TREASURER: Executive Director reviewed the reports included in the agenda.

Approving Payment of Resolution 17-18 June 2017 Vouchers

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|--------------|----------------------|
| 2016 | \$23,500.00 |
| 2017 | \$195,467.81 |
| TOTAL | \$218, 967.81 |

Confirmation of May 2017 Claims Payments/Certification of Claims Transfers:

| | |
|---------------|-------------------|
| Closed | .00 |
| 2013 | 20,101.91 |
| 2014 | 53,534.99 |
| 2015 | 56,992.44 |
| 2016 | 37,406.48 |
| 2017 | 169,450.63 |
| TOTAL | 337,486.45 |

MOTION TO APPROVE RESOLUTION 17-18 JUNE 2017 VOUCHERS

Motion: Commissioner DiAngelo
Second: Commissioner Lipsett
Roll Call Vote: 8 Ayes - 0 Nays

MOTION TO RATIFY & APPROVE CERTIFICATION OF CLAIMS/CONFIRMATION OF CLAIM PAYMENTS FOR THE MONTHS OF MAY 2017 AS PRESENTED AND APPROVE THE TREASURER'S REPORT:

Motion: Commissioner DiAngelo
Second: Commissioner Wolk
Vote: Unanimous

Treasurer's Report Made Part of Minutes.

ATTORNEY: Attorney Nardi discussed the Cherry Hill case where the gentleman was mowing the lawn was killed by a falling limb. This case settled last week for \$60,000 which was certainly less than what was reserved. Attorney Nardi said he has two other cases to discuss in closed session.

Attorney Nardi reported on a New Jersey Supreme Court decision last Tuesday which made a big change to the interpretation to OPRA. As you know what has always been accepted is that you are not required to create documents. If you do not have a document that was specifically requested you are not suppose to try to interpret or guess what somebody may want. In this case a specific request was made but there was not any kind of log that really complied with that request. The Supreme Court held that because the information is contained within the database for the municipality it is a violation of OPRA if you do not spend the minimum amount of time necessary to provide responses. In a sense you create a document but with the distinction the court made you

are not creating a government record. The record already exists within the data system but is not a document that is too hard or cumbersome to create. So this is important for everyone to realize and at this point no one can really answer how far do you have to go and what is too much of a burden so you will have to decide this on a case to case basis. Attorney Nardi said this will have impact on the litigation of cases we may encounter.

SAFETY DIRECTOR: Safety Director Glenn Prince reviewed the Safety Director’s report. A Safety Director’s Bulletin was included on Training Summer and Season Employees. Mr. Prince introduced Keith Hummel a new Risk Control Consultant recently added to the JA Montgomery staff. Keith Hummel is a retired police Chief from Voorhees Township and we are proud to bring on another Camden County “guy” on to the staff. Chief brings a variety of knowledge to our program and he has been exclusively providing some supervisory Risk Control Programs to some of our supervisors as well as our Career Survival Programs.

Monthly Activity Report/Agenda Made Part of Minutes.

UNDERWRITING MANAGER:

Executive Director reviewed the monthly Certificate Report on page 41 for the period 4/22/17 to 5/21/17 with 14 certificates issued. Chairman Mevoli said he received the email regarding the fireworks and inflatables. Chairman Mevoli said the towns should not be operating the inflatables at all and should be manned by the vendor the entire time. Executive Director said we sent the information to all towns several times and the towns that do have the inflatables have purchased there own coverage.

List of Certificates Made Part of Minutes.

MANAGED CARE: Managed Care Provider Jennifer Goldstein reviewed the enclosed report as of May 2017 where there was a savings of 37.46% for the month and a total of 51.86 % for the year. On page 46 there is a press release and as of May 15, 2017 CSG has entered into a partnership with Excellere Partners based out of Denver Colorado.

Monthly Activity Report Part of Minutes.

CLAIMS ADMINISTRATOR: Denise Hall said her report is for closed session.

**RESOLUTION - EXECUTIVE SESSION FOR CERTAIN SPECIFIED PURPOSES:
PERSONNEL - SAFETY & PROPERTY OF PUBLIC LITIGATION:**

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| Motion: | Commissioner Lipsett |
| Second: | Commissioner Michielli |
| Vote: | Unanimous |

MOTION TO RETURN TO OPEN SESSION:

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| Motion: | Commissioner Michielli |
| Second: | Commissioner Wolk |
| Vote: | Unanimous |

MOTION TO APPROVE CLAIMS AS DISCUSSED IN EXECUTIVE SESSION:

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| Motion: | Commissioner Michielli |
| Second: | Commissioner Shannon |
| Roll Call Vote: | 8 Ayes – 0 Nays |

OLD BUSINESS: NONE

NEW BUSINESS: NONE

PUBLIC COMMENT: NONE

MOTION TO ADJOURN:

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| Motion: | Commissioner Michielli |
| Second: | Commissioner Gallagher |
| Vote: | Unanimous |

MEETING ADJOURNED: 5:54 PM

Karen A. Read, Assisting Secretary for
M. JAMES MALEY, SECRETARY