

**CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES
MEETING – OCTOBER 22, 2018
BERLIN TOWNSHIP 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
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	Absent
Jack Lipsett	Gloucester City	Present

EXECUTIVE COMMITTEE ALTERNATES:

Joseph Gallagher	Winslow Township	Present
Dave Taraschi	Borough of Audubon	Present

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	PERMA, Risk Management Services Brad Stokes, Joseph Hrubash Karen Read
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Attorney	Brown & Connery Joseph Nardi, Esquire
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Auditor	Bowman & Company LLC
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Claims Service	AmeriHealth Casualty Insurance Denise Hall, Cheryl Little
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Safety Director	J.A. Montgomery Risk Control Glenn Prince
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Treasurer	Elizabeth Pigliacelli
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Managed Care	Medlogix Jennifer Goldstein
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Underwriting Manager	Conner Strong & Buckelew Edward Cooney
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FUND COMMISSIONERS PRESENT:

Millard Wilkinson, Berlin Borough
Ari Messinger, Cherry Hill
Bob Mather, Pine Valley
Edward Hill, Lawnside Borough
Ken Cheeseman, Laurel Springs
Catherine Underwood, Berlin Township
Ethel Kemp, Camden Parking Authority

RISK MANAGEMENT CONSULTANTS PRESENT:

Rick Bean Henry D. Bean & Sons
Katie Osborne Conner Strong & Buckelew
Ray Corry Leonard O'Neill Insurance Group
Terry Mason M&C Insurance
Peter DiGiambattista Associated Insurance Partners
Mark von der Tann Edgewood Associates Inc.
John McCrudden Hardenbergh Insurance

WELCOME: Mayor Phyllis Magazzu welcomed everyone to the Berlin Township.

APPROVAL OF MINUTES: OPEN & CLOSED SESSION OF SEPTEMBER 24, 2018

MOTION TO APPROVE THE OPEN AND CLOSED MINUTES OF SEPTEMBER 24, 2018

Motion: Commissioner Wolk
Second: Commissioner Lipsett
Vote: Unanimous

CORRESPONDENCE: NONE

2019 BUDGET: The proposed 2019 budget is enclosed for your review (**Page 3**). The Executive Committee held a budget workshop meeting on October 10th in Collingswood to review the proposed budget, assessment strategy and available dividend. The Committee is recommending that the budget be introduced, totaling \$12,779,707 which represents a 0.20% increase over last year's budget.

The committee also reviewed the available dividend calculation and is recommending the release of \$750,000 from Closed Years accounts. The EJIF is releasing a dividend to the Camden Fund in the amount of \$116,365.00. Enclosed is Resolution **18-25** authorizing the release of a dividend representing a total of \$866,365.00. (**Page 4**)

Executive Director said in the packet you will find a revised budget that did actually go down from the prior month by a couple thousand. Executive Director reviewed the budget on Page 3 of the agenda and said there was a reduction in our loss funds by \$249,000 on the workers comp loss fund and that is a conservative number. The actuary actually gave us some numbers that could have reduced that a little bit more but the prudent thing would be to stay at the \$249,000 reduction which is a big benefit, therefore the subtotal for claims is down over 3%, this is always a great way to start the budget when the loss funds are down that much. Executive Director said the MEL Premium went up 3.6% and the property went up almost 5% due to fluctuations in the property. Overall the loss funds are down over 1%. Executive Director said the Expense and Contingency increases are contractual increases varying from 1.85% to 2% for the various

professionals. On line 27 you will see an increase which is based on the employee count at 2.77%. Executive Director said with good news on line 42 the Optional Safety Award will be doubling that from \$500 to \$1,000 to all members that qualify for that in 2019 and we have had all 34 members qualify in the past several years. Executive Director said moving on to the POL EPL Premiums there is a 3% increase which is very good - the JIF range is anywhere between 2% and 7% and we are at 3%, which shows our loss history in that line of coverage is doing very well. Row 55 is a new line item for Land Use Liability. The MEL paid for that last year which is the added \$1 million coverage for land use liability with an increase there of about \$53,000. Executive Director said the over all budget is a little different from what is in the packet at \$12,779,505 which fluctuated by a couple hundred dollars. Executive Director said it is all good news.

MOTION TO INTRODUCE THE 2019 BUDGET FOR THE CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND AND SCHEDULE A PUBLIC HEARING FOR NOVEMBER 26, 2018 AT THE COLLINGSWOOD COMMUNITY CENTER AT 5:15pm.

Motion:	Commissioner Lipsett
Second:	Commissioner Gallagher
Roll Call Vote:	7 Ayes, 0 Nays

MOTION TO ADOPT RESOLUTION 18-25 AUTHORIZING THE RELEASE OF A DIVIDEND IN THE AMOUNT OF \$862,331.00 FROM THE EJIF AND CLOSED YEARS ACCOUNT, SUBJECT TO STATE APPROVAL.

Motion:	Commissioner Wolk
Second:	Commissioner DiAngelo
Roll Call Vote:	7 Ayes, 0 Nays

2019 RFQ: The Fund office opened Requests for Qualifications responses on October 9th. On **Page 6** is a report of the submissions received. We did not receive a timely response for the Fund's CDL Drug & Alcohol testing company so we need to advertise for that position again.

MOTION TO AUTHORIZE THE FUND OFFICE TO ADVERTISE FOR RFQ

Motion:	Commissioner Wolk
Second:	Commissioner Lipsett
Vote:	Unanimous

2018/2019 EMPLOYMENT PRACTICES PROGRAM: Members have until October 1st to submit their checklist to qualify and/or maintain deductible and co-pay incentives. Compliance includes updating Personnel Manuals, Training Managers & Supervisors, Police Command Staff and offering training to non-supervisory personnel. The Executive Director will provide a report. Executive Director said we still have two police chiefs that have not yet completed the Police Command Staff training they are registered for the last session next week. We will follow up to make sure they complete the training.

2019 UNDERWRITING RENEWAL PROCESS – The Executive Director will provide an update on the status of member input for the 2019 Renewal.

RESIDUAL CLAIMS FUND – The public hearing on the RCF budget was held on October 17th at the Forsgate Country Club. Enclosed on **Page 7** is the proposed budget as introduced. Mayor Wolk said the RCF adopted the 2019 Budget with a 1.7% increase. The Executive Director reported that all 16 funds are up for renewal in the fund and 12 have submitted their renewal documents including the Camden JIF. The next meeting will be on January 2, 2019 at Forsgate.

ENVIRONMENTAL JIF – The Fund’s budget was introduced in September and a public hearing adoption was held on October 17th. Enclosed on **Page 8** is a copy of the proposed budget. Mayor Wolk reported the 2019 budget was approved for an overall decrease of 1%. The Fund approved a 1.25 million dividend that is the highest one ever declared. The EJIF announced that calls to the Fund’s 24 hour emergency response hotline should be directed to Rich Erickson at First Environmental. The next EJIF meeting will be held on November 14th at the Sheraton in Atlantic City.

MEL – The MEL’s 2019 Budget was introduced on October 17th at the Forsgate Country Club. A copy of the budget appears on **Page 9**. Budget adoption will take place on November 15th. Mayor Wolk said the 2019 Budget was formally introduced; adoption will take place at the Fund’s next meeting, which is scheduled for 5PM at the Atlantic City Convention Center. The Executive Director reported that he is scheduled to meet with Assembly Labor Committee regarding the Firefighter’s Cancer Presumption bill. Mr. Grubb and fund Commissioners are recommending amendments to the bill. He said JIFs can expect to see large budget increases in 2019 if the bill passes without amendments.

Executive Director said with follow up on the Firefighter’s Cancer Presumption Bill Joe Hrubash who is here tonight along with Dave Grubb have worked hard with the legislators to try and get some amendments to that bill because as presented it could have an adverse effect with the paid firefighters and we could see the effect on that in 2019 or 2020. Mr. Hrubash gave a recap of the efforts to make amendments to the bill. In response to Commissioner DiAngelo, Mr. Hrubash said one of the controls they are trying to put through with the amendment is requiring firefighters to be tested prior to being hired.

Executive Director said members should have received an email from our office regarding the change for the EJIF. PS&S has lost three of their lead folks that worked on this account so the 24 hour hotline is being switched to First Environmental which is the other environmental engineer that is on board with the EJIF.

MEMBERSHIP RENEWALS – The Fund has four members up for renewal at the end of this year. Renewal documents were sent to the members and risk managers in early August. An update will be provided. Executive Director said we received all the documents back from all those towns and we are happy for that.

MEL CYBER RISK MANAGEMENT PROGRAM – As a reminder, the MEL adopted a Cyber Risk Management Program that developed minimum risk control standards for member entities. The JIF’s policies with XL Caitlin carries a \$10,000 deductible.

To encourage members to implement risk control, the MEL Board of Fund Commissioners voted to participate in a deductible based reimbursement plan based on the member’s level of compliance with minimum standards.

Members who meet certain Technical Competencies (Tier 1 or Tier 2) will be eligible for lower deductibles in the event of a covered claim. Included on **Pages 10 & 11** are the certifications that need to be completed and returned to the Underwriting office.

AMENDING FISCAL MANAGEMENT PLAN: Executive Director said we have an add on item. Lee Herzer is leaving AmeriHealth the end of the month so we will need to update the check signers so we will be replacing Lee Herzer with Michael Sullivan in the Fiscal Management Plan. Resolution 18-27 was distributed to members. Executive Director said with no questions or comments a motion would be in order to approve Resolution 18-27.

MOTION APPROVE RESOLUTION 18-27 AMENDING THE FISCAL MANAGEMENT PLAN FOR FUND YEAR 2018

Motion: Commissioner Wolk
 Second: Commissioner Lipsett
 Roll Call Vote: 7 Ayes, 0 Nays

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 reviewed the Financial Fast Track as of August 31st showing a surplus over \$11.7 million with a gain over \$141,000 from prior month - all years very much in the positive. On page 14 you will find the Loss Ratio Report where the Camden JIF stands at 31% and the actuary has us targeted at 30.5 % as of August 31st. Lost Time Accident Frequency Report for August shows us at 2.20% a slight improvement from last month. On page 24 you will find your EPL Compliance and we will be updating that report next month as the check lists start coming in.

Executive Director's Report Made Part of Minutes.

TREASURER: Treasurer Pigliacelli reviewed the reports included in the agenda.

Approving Payment of Resolution 18-26 October 2018 Vouchers

2017	\$14,245.01
2018	\$118,176.13
TOTAL	\$132,421.14

MOTION TO APPROVE RESOLUTION 18-26 OCTOBER 2018 VOUCHERS

Motion: Commissioner Shannon
 Second: Commissioner Wolk
 Roll Call Vote: 7 Ayes - 0 Nays

Confirmation of September 2018 Claims Payments/Certification of Claims Transfers:

Closed	.00
2014	25,378.92
2015	153,430.32

2016	30,070.35
2017	113,987.53
2018	101,910.86
TOTAL	424,777.98

MOTION TO RATIFY & APPROVE CERTIFICATION OF CLAIMS/CONFIRMATION OF CLAIM PAYMENTS FOR THE MONTH OF SEPTEMBER 2018 AS PRESENTED AND APPROVE THE TREASURER’S REPORT:

Motion: Commissioner Wolk
 Second: Commissioner Lipsett
 Vote: Unanimous

Treasurer's Report Made Part of Minutes.

ATTORNEY: Attorney Nardi requested coverage or defense to be provided to some of our public judges and prosecutors. We have a case that is the second or third filing from this individual in Runnemehe he has named municipal court judges and prosecutors in six of our municipalities. Coverage is not normally afforded to judges or prosecutors but we feel this is warrants special consideration because he has named 15 individuals just because they served in that capacity. Attorney Nardi discussed the details of the case.

MOTION TO APPROVE DEFENSE TO REPRESENT PROSECUTORS AND JUDGES IN THE REARDON VS RUNNEMEDE ETAL

Motion: Commissioner Wolk
 Second: Commissioner Lipsett
 Vote: Unanimous

SAFETY DIRECTOR: Safety Director Glenn Prince reviewed the Safety Director’s report.

Monthly Activity Report/Agenda Made Part of Minutes.

UNDERWRITING MANAGER: Executive Director said the Certificate of Insurance Report is located on pages 34 – 38.

List of Certificates Made Part of Minutes.

MANAGED CARE: Chairman Mevoli said the Managed Care Reports are located on Pages 39 and 40.

Monthly Activity Report Part of Minutes.

CLAIMS ADMINISTRATOR: Claims Manager Denise Hall said her report on the PARs will be in closed session.

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

Motion: Commissioner Wolk
Second: Commissioner Gallagher
Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION:

Motion: Commissioner Wolk
Second: Commissioner Gallagher
Vote: Unanimous

**MOTION TO APPROVE CLAIMS AS DISCUSSED IN EXECUTIVE SESSION
AND INCREASE THE INDEMINITY FROM \$75,000 TO \$105,000 FOR THE
REILLY/COLLINGSWOOD CLAIM**

Motion: Commissioner Taraschi
Second: Commissioner Shannon
Roll Call Vote: 7 Ayes – 0 Nays

OLD BUSINESS: NONE

NEW BUSINESS: NONE

PUBLIC COMMENT: NONE

MOTION TO ADJOURN:

Motion: Commissioner Taraschi
Second: Commissioner Shannon
Vote: Unanimous

MEETING ADJOURNED: 6:07 PM

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