

**CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES
MEETING – OCTOBER 28, 2019
BERLIN TOWNSHIP – MARION CONSALVI SENIOR CENTER 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 2019 EXECUTIVE COMMITTEE:

Michael Mevoli, Chairman	Borough of Brooklawn	Present
M. James Maley, Secretary	Borough of Collingswood	Present
Louis DiAngelo	Borough of Bellmawr	Present
Terry Shannon	Borough of Barrington	Present
M. Joseph Wolk	Borough of Mount Ephraim	Present
M. Neal Rochford	Borough of Haddonfield	Present
Jack Lipsett	Gloucester City	Present

EXECUTIVE COMMITTEE ALTERNATES:

Joseph Gallagher	Winslow Township	Present
David Taraschi	Borough of Audubon	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	PERMA, Risk Management Services Bradford Stokes, Karen A. Read
Attorney	Brown & Connery Joseph Nardi, Esquire
Claims Service	AmeriHealth Casualty Denise Hall, Cheryl Little
Safety Director	J.A. Montgomery Risk Control John Saville
Treasurer	Elizabeth Pigliacelli
Managed Care	Consolidated Services Group Jennifer Goldstein
Underwriting Manager	Conner Strong & Buckelew Edward Cooney

FUND COMMISSIONERS PRESENT:

Jason Asuncion, City of Camden
Glenn Werner, Gibbsboro
Ken Cheeseman, Laurel Springs

Ethel Kemp, Camden City Parking Authority
Millard Wilkinson, Berlin Borough
Ari Messinger, Cherry Hill
Lawrence Spellman, Voorhees
Mark Godfrey, Magnolia
John Foley, Cherry Hill Fire District
Edward Hill, Lawnside
Sharon Eggleston, Camden City

RISK MANAGEMENT CONSULTANTS PRESENT:

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

WELCOME: Josh welcomed everyone to the Berlin Township Marion Consalvi Senior Center.

APPROVAL OF MINUTES: OPEN & CLOSED SESSION OF SEPTEMBER 23, 2019

MOTION TO APPROVE THE OPEN AND CLOSED MINUTES OF SEPTEMBER 23, 2019

Motion:	Commissioner Lipsett
Second:	Commissioner Wolk
Vote:	Unanimous

CORRESPONDENCE: None

2020 Budget – The proposed 2020 Budget is enclosed for your review (**Page 3**). The Executive Committee held a budget workshop meeting on October 9th in Collingswood to review the proposed budget, assessment strategy and available dividend. Executive Director said at the budget workshop meeting the proposed budget was reviewed in depth and we are happy to report it has actually gone down since then. At that time the increase was at 1.18% as of now it is at 0.67%. Executive Director provided a brief recap of the budget and on the loss funds we were very fortunate the actuary worked with us and there is a big reduction on the workers comp side of -8.46% which equates to a \$310,000 decrease. However, with the pending legislation on the sexual molestation and firefighters presumption bills the actuary has given us some guidance on how to fund for this and we have done that in row five, reflecting the contingency for S 477 and FFCP. The estimate is \$262,000 which will be 100% funded and give us some protection and lead way. It is still unknown as to what claims are out there, but this will give us some framework of funding as we move forward. Executive Director said the subtotal for claims is down -0.30%. Premiums had a slight increase where the MEL property had a substantial increase statewide. Total loss funds increase is at 0.67%. Contractual obligations put most of the increases at 2%. The MEL Safety Institute has increase due to more employees, usage and increased participation. The optional safety award increase is due to the three new members. The POL EPL premiums

are very good news with decrease of -1.17%. Executive Director called on Underwriting Manager Ed Cooney to explain the statewide difference and how the Camden JIF was one of the best in performance. Executive Director distributed draft assessment sheets. The Committee is recommending that the budget be introduced, totaling \$14,719,411 which represents a 0.67% increase over last year's budget.

The Committee also reviewed the available dividend calculation and is recommending the release of \$850,000 from Closed Years accounts. The EJIF is releasing a dividend to the Camden Fund in the amount of \$197,342.00. Enclosed is Resolution **19-22** authorizing the release of a dividend representing a total of \$1,047,342. **(Page 4)**

Motion to introduce the 2020 Budget for the Camden County Municipal Joint Insurance Fund and schedule a Public Hearing for November 25, 2019 at the Collingswood Community Center at 5:15PM.

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

Motion to adopt Resolution 19-22 authorizing the release of a dividend in the amount of \$1,047,342 from the EJIF and Closed Years Account, subject to state approval.

Motion:	Commissioner Lipsett
Second:	Commissioner Gallagher
Roll Call Vote:	8 Ayes, 0 Nays

Executive Director said the Fund Office will be sending out the dividend selection form to all members. Please complete the form and indicate if you would like to receive the dividend in the form of a check or as a credit on your 2020 assessment.

2019 RFQ – The fund office opened Requests for Qualifications responses on October 9th. On **Page 6** is a report of the submissions received.

RCF Report: The RCF met on October 16, 2019 at the Forsgate Country Club; a copy of Commissioner Wolk's report is enclosed in **Appendix II**. The Residual Claims Fund 2020 Budget was adopted. Commissioner Wolk reported the Board reviewed and adopted the 2020 budget. The adopted budget is -0.8% lower than last year. The Risk Management Plan was amended to address the uncertainty of potential losses from the sexual molestation and Firefighter Presumption bills. If certain surplus levels are not maintained, the fund may need to collect additional assessments from member JIFs. Any additional billings would be payable over a 10 year period. The next meeting is on January 2nd at Forsgate.

EJIF Report: The EJIF met on October 16, 2019 at the Forsgate Country Club; a copy of Commissioner Wolk's report is enclosed in **Appendix II**. The 2020 budget was adopted. Commissioner Wolk reported a public hearing and adoption of the 2020 budget was held. The adopted budget is 2% less than last year. The Finance Committee recommended and the board adopted a record \$2 million dividend to be distributed to its members. The board authorized the renewal of the Canning Group's contract to serve as the Funds QPA for 2020. The next meeting is on November 20th at noon at the Sheraton Hotel in Atlantic City.

MEL Report: The MEL met on October 16, 2019 at the Forsgate Country Club; a copy of Commissioner Wolk's report is enclosed in **Appendix II**. The MEL's 2020 budget was introduced. Commissioner Wolk reported the proposed budget was introduced reflecting a 0.4% increase. The public hearing and adoption is scheduled at the Fund's next meeting to be held on November 20th at 12:30 at the Sheraton Hotel in AC. The Board accepted the management Committee's recommendation to amend the Risk Management Plan adopting a policy to declare an additional assessment should the statutory surplus not equal or exceed 12.5% of open reserves. Based on year-end financials, the MEL's statutory surplus is well in excess of that bar but the Residual Claim Fund may need to collect additional assessments from member JIFs. The board adopted a resolution appointing the laws firm of Cleary Alfieri LLC to review and revise the Fund's model employment documents and manual.

2020 Renewal - 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. Perma is currently confirming data within the online database for accuracy toward completion of the 2020 renewal process.

Membership Renewals – The fund has twenty five members that are up for renewal at the end of this year. Renewal documents were sent to members and risk managers in early August. Executive Director said we have received 21 renewals back out of the 25 as of this date. Please execute and return the documents to the fund office as soon as possible. We have requested documents be returned by October 1, 2019.

MEL EPL Helpline: Enclosed is a copy of the bulletin issued earlier in the year concerning the Fund's EPL Hotline. We encourage members to contact any of the three firms when they need guidance. The MEL worked with QBE to restructure the helpline so that assistance is now provided by New Jersey law firms with municipal and JIF experience. **(Page 8)**

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 31, 2019 with \$10.3 million in surplus with all years in the positive position we took a little reserve hit of \$189,000 and down over the prior month. It looks as though 2017 had some adverse reserve changes but still very financially sound. Executive Director also reviewed the Expected Loss Ratio Analysis as of September 31, 2019 where the actuary projected us at 37% we are currently at 39% which is pretty much on target. Executive Director said we are going to withdrawal the Lost Time Accident Frequency Reports this month. After reviewing the numbers we found 2.12 is not correct as well as the number of new claims on page 13, update reports will be sent out. The Camden JIF compliance for EPL Compliance Report is on page 14. Executive Director said we received the Winslow Fire District. Checklist and they are now fully compliant. We are just waiting for Camden City as they have everything complete it is just a matter of them getting the completed list over to us which will bring the JIF back to 100% compliance.

Executive Director's Report Made Part of Minutes.

TREASURER: Treasurer Pigliacelli reviewed the reports.

Approving Payment of Resolution 19-23 October 2019 Vouchers

2018	\$7,106.00
2019	\$135,725.73
TOTAL	\$142,831.73

Confirmation of September 2019 Claims Payments/Certification of Claims Transfers:

Closed	0.00
2015	35,679.80
2016	88,255.27
2017	15,503.11
2018	63,730.48
2019	271,438.77
TOTAL	474,607.43

MOTION TO APPROVE RESOLUTION 19-21 VOUCHER PAYMENTS FOR OCTOBER 2019:

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

MOTION TO APPROVE CERTIFICATION OF CLAIMS/CONFIRMATION OF CLAIM PAYMENTS FOR THE MONTHS OF SEPTEMBER 2019 AS PRESENTED AND APPROVE THE TREASURER’S REPORT:

Motion: Commissioner Wolk
 Second: Commissioner Gallagher
 Vote: Unanimous

Treasurer's Report Made Part of Minutes.

ATTORNEY: Attorney Nardi reported on a case that was discussed last year regarding municipal prosecutors and municipal judges which not typically covered by the JIF. Attorney Nardi said last year he had asked for permission to cover them in a case out of Runnemede that has had ongoing litigation with the Borough for literally 20 years and keeps refileing his complaint against the Governor, Attorney General and various others including a number of our municipal prosecutors and judges. They are typically covered by the Attorney General’s office but in this instance we had a couple retired and one deceased municipal court judge. Last year we asked for permission to assign the case out and we are pleased to announce that through the efforts of the two firms that were assigned Zeller & Wieliczko, LLP and Platt & Riso, PC all charges have been dismissed and the case was dismissed with prejudice. The judge entered a Litigation Preclusion Order so the plaintiff would have to enter a request to the court as to why the order should not be entered against him. So he would have to ask permission from the court first to file additional complaints. Attorney Nardi said the JIF did a good job in providing assistance to those municipalities and thanked the JIF for that.

SAFETY DIRECTOR: John Saville reviewed the Safety Director's report. All MSI training is scheduled on pages 28 thru 30. Mr. Saville reviewed the safety bulletins and training included in the agenda.

Monthly Activity Report/Agenda Made Part of Minutes.

UNDERWRITING MANAGER: Executive Director said the Certificate Report for the period 8/22/19 to 9/22/19 is included in the agenda packet with 7 Certificates being issued.

Underwriting Manager Edward Cooney discussed the renewal on the MEL Excess Renewal program two hot items are property and cyber for this year. The property market for the last couple of years has been in a turmoil due to natural catastrophes across the entire world all of the insurance companies are experiencing. We have had losses but we are only at 5% increase over the past three years which is very good compared to 20% increase other markets have experienced. On the cyber side we know we have had a lot of cyber losses over the last two years and there potentially will be a large increase however we are trying to ward that off with retention increases. Right now we have \$10,000 retention for each claim we are looking at increasing that to \$25,000 per claim. If you are compliant with the MEL Cyber Plan that will reduce your retention. We will have a definitive answer on that shortly, so we will keep everyone apprised of the outcome. Mr. Cooney discussed the firework and amusement guidelines with a tragic incident that occurred in Cumberland County last month these are the exact reasons why we have these procedures in place one is for safety and the other is to get rid of those costs off our balance sheets. We want to make sure the vendor is responsible for all of those things. In response to Commissioner DiAngelo, Underwriting Manager said they will notify member towns of the increase in retention for cyber once it is determined. In response to Chairman Mevoli, Underwriting Manager said the deductible is per claim. Executive Director said maybe we can organize a meeting for IT folks so they know exactly what is needed to get the checklist completed in the future.

List of Certificates Made Part of Minutes.

MANAGED CARE: Managed Care Provider Jennifer Goldstein reviewed the enclosed report as of September 2019 where there was a savings of 52.42% for the month and a total of 56.00% for the year. Ms. Goldstein also reviewed the 3rd Quarter 2019 Workers' Comp Injury Review.

Monthly Activity Report Part of Minutes.

CLAIMS ADMINISTRATOR: Claims Administrator said their report will be in closed session to discuss the PARs.

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

Motion:	Commissioner Wolk
Second:	Commissioner Lipsett
Vote:	Unanimous

MOTION TO RETURN TO OPEN SESSION:

Motion:	Commissioner Wolk
Second:	Commissioner DiAngelo
Vote:	Unanimous

MOTION TO APPROVE CLAIMS AS DISCUSSED IN EXECUTIVE SESSION:

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

OLD BUSINESS: NONE

NEW BUSINESS: NONE

PUBLIC COMMENT: NONE

MOTION TO ADJOURN:

Motion:	Commissioner Shannon
Second:	Commissioner DiAngelo
Vote:	Unanimous

MEETING ADJOURNED: 5:59 PM

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