

**CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
OPEN MINUTES  
MAY 22, 2023  
MEETING HELD ELECTRONICALLY  
AT 5:00 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 2023 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
Joseph Wolk	Borough of Mount Ephraim	Present
Joseph Gallagher	Winslow Township	Present
David Taraschi	Borough of Audubon	Present

**EXECUTIVE COMMITTEE ALTERNATES:**

Gary Passanante	Borough of Somerdale	Present
Edward Hill	Borough of Lawnside	Present
Kenneth Cheeseman	Borough of Laurel Springs	Present

**APPOINTED OFFICIALS PRESENT:**

Executive Director/Administrator	PERMA, Risk Management Services <b>Bradford Stokes, Joseph Hrubash Karen A. Read</b>
Attorney	Brown & Connery <b>Joseph Nardi, Esquire</b>
Claims Service	CompServices <b>Gladys Driggins</b>
Safety Director	J.A. Montgomery Risk Control <b>Keith Hummel, Harry Earle</b>
Treasurer	<b>Elizabeth Pigliacelli</b>
Managed Care	Consolidated Services Group <b>Jennifer Goldstein</b>
Underwriting Manager	Conner Strong & Buckelew

**FUND COMMISSIONERS PRESENT:**

Ari Messinger, Cherry Hill Alternate  
Bonnie Taft, Oaklyn  
Damon Burke, Camden City  
Brian Morrell, Gloucester City  
Elizabeth Peddicord, Pennsauken Twp  
Lorraine Azzarano, Winslow Twp Fire District

**RISK MANAGEMENT CONSULTANTS PRESENT:**

Chris Roselli	Hardenbergh Insurance
Roger Leonard	Leonard O'Neill Insurance Group
Walt Eife	Waypoint Insurance
Donald Sciolaro	PIA
Jaclyn Lindsey	Conner Strong & Buckelew
Mark von der Tann	Edgewood Associates
Robert Weil	Conner Strong & Buckelew

**APPROVAL OF MINUTES: OPEN & CLOSED SESSION OF APRIL 24, 2023**

**MOTION TO APPROVE THE OPEN AND CLOSED MINUTES OF APRIL 24, 2023**

Motion:	Commissioner Wolk
Second:	Commissioner DiAngelo
Vote:	Unanimous

**CORRESPONDENCE: NONE**

**Cyber Security Status Report:** Attached on **Page 3** is the monthly status report from D2, recapping members' participation and training to date. Currently, the 2023 1<sup>st</sup> quarter Campaign is running concurrently with the 2022 4<sup>th</sup> quarter for members who have not completed their training yet. These phishing values will be updated when the April report comes around.

Executive Director reviewed the Cyber Security Status report and discussed the current month's training showing good progress with half the members over 80% fully trained and said there is still some work that needs to be done with a few of the member entities. The far-right column reflects the fishing results. As discuss last month, the lower the better, showing good improvement over the fourth quarter of last year into the first quarter this year with a lot of folks with 0% fished.

**NJ Cyber JIF Webpage:** The Cyber JIF website has launched; the URL is: <https://cyberjif.org/>. The MEL webpage will continue to carry the same content as members familiarize themselves with the new site. A notice will be sent out to all member entities.

Executive Director Stokes said the Cyber JIF has kicked off their new webpage [cyberjif.org](https://cyberjif.org) and encouraged members to visit the website. There is a lot of good material already on the site and the MEL will continue to add more until the transition is fully complete.

**NJ Cyber JIF:** The Cyber JIF met on May 9, 2023 via Zoom, a copy of Commissioner Wolk's report appears in Appendix II.

MEL Executive Director Joseph Hrubash said the Cyber JIF had put out a procurement for vendors for cyber training, fishing, and external scanning and there were three vendors that responded to it. The responses were all over the map. The committee was talking about picking

one vendor, and then decided not to do that at the Cyber JIF meeting via closed session so they rejected the RFPs and they are rewriting the RFP based on all the knowledge that's been gained through the process. Most likely they will pick one vendor for each but decided not to do a panel set up for that.

**RCF & MEL JIF:** The RCF and MEL conducted special meetings on May 8th via Zoom. Commissioner Wolk's report of the meetings appears in Appendix II.

Executive Director Stokes said the MEL and RCF conducted a special meeting on May 8th the topic for that was to approve additional assessments on member JIFs.

**2022/2023 Employment Practices Liability (EPL) Program:** The EPL Program, which occurs every two years, has officially begun. The MEL reviews applicable laws and regulations to update the Model Personnel Manual, Model Employee Handbook and Model Volunteer Handbook. In addition, members are asked to complete training geared towards Managers & Supervisors, Non-Supervisory Employees and Police Command Staff training. For information, a memorandum is included on pages 4-9 that outlines the changes made to the current model documents.

Members submitting the required form by November 1, 2023, will qualify or continue to qualify for the deductible incentives. Members submitting this form after the deadline will become eligible for the deductible incentive upon approval of the application, but not retroactively.

Executive Director Stokes said every 2 years we update our handbooks and complete other mandatory training. A memorandum was sent last week a copy was included on page 4 of the agenda. As well as updating the personnel manuals the training of managers and supervisors is required and will be done via webinars and police command staff training will be set up by JA Montgomery. Pages 6 and 7 of the agenda included the sections that need to be updated in the personnel manuals. There are 11 policy updates that will need to be completed. The deadline to complete the updates and training is November 1<sup>st</sup> if anyone needs assistance please reach out to the Fund office.

**Elected Officials Training:** The MEL's Annual Elected Officials Seminar is available through the new MEL Safety Institute. Attached on Page 10 are the directions to follow to complete the course. The deadline for completing the training has been extended to May 31st.

**2023 MEL, MR HIF & NJCE JIF Educational Seminar:** The 12th annual seminar was conducted virtually over two half-day sessions on April 21st and April 28th ; the seminar had over 450 participants. The Fund Office has submitted attendance to the Department of Community Affairs and the Department of Environmental Protection. We are also in the process of generating certificates for municipal employees that earned continuing education credits. Executive Director said there were 450 participants for the seminar and certificates are in the process of being distributed to those in attendance.

**Auditor Year-End Report:** The financial audit for the period ending December 31,2022 will be ready for review and approval at the June meeting and will be filed with the Departments of Insurance and Community Affairs by the June 30th deadline.

**2022 MEL End of Year Results:** Executive Director Stokes asked the MEL and RCF Executive Director Joseph Hrubash to provide details of the 2022 MEL End of Year Results. A handout was distributed to fund commissioners.

MEL Executive Director Hrubash said the MEL put out a memorandum indicating the year end results not only for the MEL and the RCF and they identified a number of factors that have been talked about for some time which contributed to the fact that combined the MEL and the RCF needed to do a \$22 million additional assessment. In looking at the financial fast track at year end with \$3,100,000 for the Camden JIF you are in much better shape than some of the other joint insurance funds. The Camden JIF share in the MEL and RCF additional assessment is approximately \$1.6 million. So the Camden JIF still has 3.1 million and when you look at the updated financial fast track for this year, this JIF is already starting to rebound off of that.

MEL Executive Director Hrubash said 2022 fund year was difficult year due to a broad range of issues including legislative actions, adverse court decisions, a worldwide insurance industry crisis and post pandemic medical care due to the pandemic shut down in 2020. In 2022 the MEL lost \$3.6 million in surplus and finished the year with \$11.3 million in surplus. The Actuary increased the IBNR by \$15.8 million in 2022. This is a function of the factors we have touched on in the past and will review today that have created valuation uncertainty demonstrated by the Actuary's IBNR increase.

Executive Director Hrubash provided more specific details on the factors:

**Workers Compensation:** WC represents more than 50% of the program and is very sensitive. Employee accident costs increased even though the MEL reported its second-best employee safety record in its history.

- NJ increased the weekly benefit by 9.9% and New Jersey now has the highest premium rates in the country.
- NJ Court Judges are also permitting injured workers to reopen their cases years and even decades after their accidents and not just once but many cases multiple times.
- The state compounded this problem by changing the relationship between the pension system and WC for accidental disability claims. Up until 2021 the pension system paid most of the non-medical cost of some workers permanently disabled on the job. Under the new rules, worker's compensation is now the primary payer effecting open WC claims especially the old ones that are in the RCF.
- New Jersey adopted a law that requires Workers' Compensation judges to presume that COVID is work related for emergency workers. As a result, New Jersey experienced the second highest workers' compensation cost for COVID in the country only 2<sup>nd</sup> to New York state.
- New Jersey also adopted a law that requires judges to presume that cancer is job related for fire fighters.

**Liability:** Summary Judgements are harder to achieve as Judges are now reluctant to dismiss before trial cases without merit, increasing defense costs and increase the risk of a run-a-way jury award.

**Property:**

- On a national basis, Property premiums (Fire, flood, etc.) and policy retentions are increasing at double digit rates because of the higher frequency of natural disasters worldwide. In New Jersey, our program experienced significant losses from Irene in 2011, Sandy in 2012, and Ida in 2021. Our program was affected by 3 major hurricanes

in the last 12 years. Historically, these type losses occurred every 10 to 15 years. Property insurance premiums are also increasing because of an 11% jump in property values caused by supply chain issues and labor shortages.

- Cyber Premiums doubled over the past 3 years. Organizations without strong cyber risk controls are finding it difficult to purchase any coverage.

MEL Executive Director Hrubash said all this together results in a \$22 million strengthening of the financial position of the MEL and the RCF. This will not trigger an assessment for our member municipalities. Executive Director Stokes said the \$1.6 million allocated for the MEL and RCF are just booked the money is not being transferred. There will not be any additional assessments to the Camden JIF members.

We will also need to address our concern with the 2024 budget as this will be a tough one. We will continue to work with the DCA to get CAP relief. Looking at ways to address this moving forward is continuing to have a strong emphasis on claims management and we will weather this storm certainly better than any of the other non-MEL affiliated JIFs.

Executive Director said the first quarter financial fast track is showing over \$23 million in cash. Executive Director congratulated the Collingswood police department for achieving accreditation. They have joined Gloucester Township, Voorhees Township and Haddon Township and have taken advantage of the reimbursement program where the JIF gives back 25%. Chief Brian Morrell said Gloucester City has completed the accreditation process. Executive Director said he will reach out to discuss reimbursement information.

**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's Report Made Part of Minutes.

**TREASURER:** Treasurer Pigliacelli also discussed the fraudulent check discussed last month. Treasurer advised that a provisional credit in the amount of \$57,839 was deposited back into the Fund bank account as the investigation is ongoing.

**Approving Payment of Resolution 23-15 May 2023 Vouchers**

<b>CLOSED</b>	\$903,413.32
<b>TOTAL 2022</b>	\$70,487.00
<b>TOTAL 2023</b>	\$366,359.73
<b>TOTAL</b>	<b>\$1,340,260.05</b>

**MOTION TO APPROVE THE MAY 2023 VOUCHERS RESOLUTIONS 23-15**

Motion: Commissioner Maley  
 Second: Commissioner Shannon  
 Roll Call Vote: 10 Ayes - 0 Nays

**Confirmation of April 2023 Claims Payments/Certification of Claims Transfers:**

<b>Closed</b>	.00
<b>2019</b>	202,739.24
<b>2020</b>	83,355.48
<b>2021</b>	19,847.37
<b>2022</b>	152,433.33
<b>2023</b>	55,173.55
<b>TOTAL</b>	<b>513,439.86</b>

**MOTION TO RATIFY & APPROVE CERTIFICATION OF CLAIMS/CONFIRMATION OF CLAIM PAYMENTS FOR THE MONTH OF MARCH 2023 AS PRESENTED AND APPROVE THE TREASURER'S REPORT:**

Motion: Commissioner Maley  
 Second: Commissioner Wolk  
 Vote: Unanimous

Treasurer's Report Made Part of Minutes.

**ATTORNEY:** Attorney Nardi discussed the personal policies and procedures updates and said the Mel is making it very easy this year, because nothing will be live. It will all be online, so that it could all be done very quickly and easily particularly with some of the changes in legislation and case law. Attorney Nardi said particularly with cannabis in terms of employee rights he would encourage everyone to get that memo out to their municipal attorney or their labor council and to the personnel officer, so they can be updated relatively quickly so that everybody is in line early.

Attorney Nardi was speaking to some of the defense counsel, and has been very fortunate over the years to get out of a number of cases on summary judgments or motions to dismiss, or good arbitration proceedings, because the defense panel has very good experience is diligent but we have noticed that some of the judge is that traditionally we could reasonably predict where they might go on a decision based on the strength of the evidence or lack of evidence on the part of the plaintiff. In some cases we have been a bit surprised at some of the decisions. Attorney Nardi said to echo what Mr. Hrubash said what we have seen locally is what's been being reflected throughout the State.

**SAFETY DIRECTOR:**

Associate Public Sector Director Keith Hummel reviewed the Safety Directors report. Chairman Mevoli thanked Mr. Hummel for speaking at the Safety Breakfast.

Monthly Activity Report/Agenda Made Part of Minutes.

**UNDERWRITING MANAGER:**

The Certificate Report for the period 2/22/23 to 3/22/23 was included in the agenda on pages 34 – 38. Executive Director reviewed the Cyber Compliance report showing Camden JIF is in the most compliance. Gloucester Township has submitted their minimum standards checklist. Anyone who needs assistance can reach out to the Underwriting Manager's office.

List of Certificates Made Part of Minutes.

**MANAGED CARE:** Managed Care Provider Jennifer Goldstein reviewed the enclosed reports for April 2023 where there was a savings of 71% for April and YTD Savings of 55%.

Monthly Activity Report Part of Minutes.

**CLAIMS ADMINISTRATOR:** Chairman Mevoli said the Claims Committee held a Zoom Phone meeting on Friday, where all claims were reviewed and discussed and minutes that would normally be reviewed in the Executive Session.

**MOTION TO APPROVE CLAIMS:**

Motion:	Commissioner Taraschi
Second:	Commissioner Shannon
Roll Call Vote:	10 Ayes, 0 Nays

**OLD BUSINESS:** NONE

**NEW BUSINESS:** NONE

**PUBLIC COMMENT:** NONE

**MOTION TO ADJOURN:**

Motion:	Commissioner Taraschi
Second:	Commissioner Cheeseman
Vote:	Unanimous

**MEETING ADJOURNED: 5:39 PM**

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