

**PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND
OPEN SESSION MINUTES
MEETING – JANUARY 26, 2021
ZOOM
1:00 PM**

Meeting of 2020 Fund Commissioners called to order. Open Public Meetings notice read into record.

ROLL CALL OF 2020 FUND COMMISSIONERS:

Thomas Merchel, Chairman	Township of Moorestown	Present
Richard Brevogel, Secretary	Township of Willingboro	Absent
Susan Danson	Township of Maple Shade	Present
Robert Corrales	Township of Evesham	Present

SPECIAL FUND COMMISSIONER:

Maryann Knell	Township of Moorestown	Present
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APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	PERMA Risk Management Services Bradford C. Stokes, Karen A. Read Rachel Chwastek
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Treasurer	Tom Tontarski
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Attorney	Helmer, Conley & Kasselmann William Kearns, Esquire
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Auditor	Bowman & Company
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Claims Service	Qual Lynx Kathy Kissane
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	PERMA Jennifer Conicella Robyn Walcoff
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Safety Director	J.A. Montgomery Risk Control Glenn Prince Keith Hummel Robert Garish Jon Czarnecki
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Managed Care Organization	QualCare Karen Beatty
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Underwriting Manager	Conner Strong & Buckelew
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ALSO PRESENT:

Maureen Mitchell, Evesham Fire District
Michael Avalone, Conner Strong & Buckelew
Tom Fitzpatrick, Fairview Insurance

APPROVAL OF MINUTES: NOVEMBER 24, 2020 - Open & Closed Minutes

MOTION TO APPROVE OPEN & CLOSED MINUTES OF NOVEMBER 24, 2020:

Moved: Commissioner Danson
Second: Commissioner Corrales
Vote: Unanimous

CORRESPONDENCE: NONE.

MOTION TO ADJOURN:

Moved: Commissioner Merchel
Second: Commissioner Corrales
Vote: Unanimous

Meeting of the 2021 Fund Commissioners called to order by Executive Director, Bradford C. Stokes.

ROLL CALL OF 2021 FUND COMMISSIONERS:

Thomas Merchel, Chairman	Township of Moorestown	Present
Richard Brevogel, Secretary	Township of Willingboro	Absent
Susan Danson	Township of Maple Shade	Present
Robert Corrales	Township of Evesham	Present

SPECIAL FUND COMMISSIONER:

Nelson Wiest	Township of Maple Shade	Present
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MOTION TO NOMINATE TOM MERCHEL TO SERVE AS CHAIRMAN FOR FUND YEAR 2021:

Moved: Commissioner Danson
Second: Commissioner Corrales

MOTION TO NOMINATE RICHARD BREVOGEL TO SERVE AS SECRETARY FOR FUND YEAR 2021:

Moved: Commissioner Danson
Second: Commissioner Corrales

MOTION TO CLOSE NOMINATIONS FOR CHAIRMAN AND SECRETARY

Moved: Commissioner Corrales
Second: Commissioner Danson
Vote: Unanimous

MOTION TO CONFIRM ELECTION TOM MERCHEL TO SERVE AS CHAIRMAN AND RICHARD BREVOGEL TO SERVE AS SECRETARY FOR FUND YEAR 2020

Moved: Commissioner Corrales
Second: Commissioner Danson
Vote: Unanimous

The Fund Attorney administered the Oaths of Office to the Fund Commissioners.

EXECUTIVE DIRECTOR:

Fund Professionals & Professional Service Agreements: In July 2020, the board authorized the advertisement of RFQ's for professional positions in accordance with the non-fair and open process pursuant to NJSA 19:44A-20.1 et. seq. for fund year 2021. Enclosed with the reorganization resolutions was Resolution 21-1 reflecting appointments and establishing compensation.

MOTION TO ADOPT RESOLUTION 21-1

Moved:	Commissioner Corrales
Second:	Commissioner Danson
Vote:	3 Ayes – 0 Nays

The Executive Director reviewed Resolution 21-2 Establishment of Public Meeting Procedures and Resolution 21-3 Establishment of a Fiscal Management Plan. The Executive Director advised Susan Danson will be added as a signing Commissioner and that the Cash Management was updated to include the new permissible investments statute.

The Executive Director advised the Underwriting Manager was in attendance to review Resolution 21-4 2021 Risk Management Plan with the Commissioners.

The Underwriting Manager advised for this year's renewal, this is the worst insurance marketplace since the 1980s. The same type of marketplace that forced the creation of the JIFs. The MEL has been doing great since then, and it was well prepared for this one and was able to shoulder most of the issues/challenges of the marketplace. The Underwriting Manager advised he would highlight a few things for the local JIFs and additional information on the renewal process is available on the Mel website.

The Underwriting Manager advised in Workers Compensation there is coverage for Communicable Diseases. Traditionally, every person that gets a disease, even if it's the same disease in the same place, will be a separate occurrence. Previously, there was an available endorsement that would bring multiple people with the same communicable disease into one single occurrence, which saves the JIF financially because then only one retention applies. This endorsement was in place for the 2020 calendar year, however, with Covid-19, the endorsement is no longer being offered, so for 2021, each case of Covid-19, has a per person retention.

The Underwriting Manager advised there were also some changes for Cyber Coverage. He reported that do to the public entity history with cyber incidents, there are almost no insurers offering Cyber Liability to municipalities anymore. The Underwriting team worked with the current insurer, Excel, to come up with a good option for renewal. Each JIF will have their own primary cyber insurance policy, with \$3 million for each claim and a \$6 million aggregate. A difference from last year, is the retention is now \$200,000 per claim as opposed to the \$25,000 it was last year. The MEL will make up the difference between the member's \$25,000 retention and the new \$200,000 retention. For excess cyber insurance, previously each JIF had their own policy, due to changes marketplace factors, for the 2021 renewal, the MEL will purchase the excess cyber insurance policy and all the JIFs will share that one policy with a \$6 million each claim and \$9 million aggregate. In total, \$9 million each claim and a \$15 million aggregate.

The Underwriting Manger advised there were other changes at the MEL level, and that information is available on the MEL website in the Renewal Report. Mr. Cooney asked if anyone had any questions and then concluded his report.

Chairman Merchel confirmed the Cyber Limits with Mr. Cooney.

The Executive Director then reviewed Resolutions 21-5 thru 21-17, placement of POL/EPL, VDO & Cyber Security Liability Coverage. The Executive Director asked if there were any questions and then requested a motion for the resolutions.

MOTION TO ADOPT RESOLUTION 21-2 THROUGH 21-7

Moved:	Commissioner Corrales
Second:	Commissioner Danson
Vote:	3 Ayes – 0 Nays

Residual Claims Fund 2021 Reorganization Meeting: The Residual Claims Fund’s 2021 Reorganization meeting was held on January 6, 2021 via Zoom. Enclosed in the agenda was a copy of Commissioner Merchel’s report on the meeting.

E-JIF 2021 Reorganization Meeting: The E-JIF 2021 Reorganization meeting was held on January 6, 2021 via Zoom. Enclosed in the agenda was a copy of Commissioner Merchel’s report on the meeting.

MEL 2021 Reorganization Meeting: The MEL 2021 Reorganization meeting was held on January 6, 2021 via Zoom. Enclosed is a copy of Commissioner Merchel’s report on the meeting.

Special Fund Commissioner: With the Fund’s membership at four, the bylaws require the appointment of a Special Fund Commissioner in an effort to avoid tying votes. For 2021, Maple Shade has this privilege and they are appointing Mayor Nelson Wiest.

2021 Assessments: The 2021 Assessments were mailed to all member towns in mid-December. First Installment payments were due to the Treasurer by January 15, 2021.

2021 Budget: In accordance with the regulations, the budget adopted by the Fund has been advertised in the Fund’s official newspaper. In addition, PERMA has sent the budget to member municipalities and will file the same with the State.

Elected Officials Training: The MEL’s Annual Elected Officials Seminar was held as part of the League of Municipalities Virtual Conference. The program has now been uploaded and can be accessed through the MEL Safety Institute. Enclosed in the agenda were the directions to take the course. The Executive Director advised the course takes about a half hour and the members receive a credit for completing it.

Inclement Weather Procedure: As a reminder, PERMA has instituted a procedure for Commissioners to confirm whether or not a meeting has been canceled. The Executive Director will discuss with the Fund Chairman if the meeting should be canceled. In the event of an early morning or evening meeting(s), PERMA will provide a recorded message indicating the status of the meeting. The recorded message can be obtained by calling the Fund's main number (201) 881-7632 at any time of the day or night. For meetings that occur during the course of normal business hours, meeting status can be obtained by utilizing the same number.

Due Diligence Reports: Monthly report submitted to Fund Commissioners including Monthly Fast-track Accident Frequency, Fast-Track Financial report, Claim Activity Report, Interest Rate Summary Comparison, Monthly Loss Ratio by fund year and line of coverage and the Monthly and Annual Regulatory Checklist. The Financial Fast Track, dated November 30, 2020 shows the fund’s surplus over \$3.7 million, showing a reduction of \$74,000, because of the dividend. The funds Loss Ratio Analysis is trending very well, the actuary’s projection of 54% and the actual is 25%. This time

last year the fund was at 52%. This is reflected in the fund's Loss Time Accident Frequency, which in November was 0.79, dipped slightly in December to 1.04, still well below MEL average. The Executive Director advised the checklist would be updated with the budget filing, and the compliance status report is 100%. Last year, a new program for employment practices was rolled out, and there will be an update in the February agenda regarding compliance. The Executive Director thanked the commissioners for the reappointment for 2021, asked if there were any questions and then concluded his report.

Executive Director's Report Made Part of Minutes.

ATTORNEY: Mr. Kearns thanked the fund for his reappointment and advised it is a pleasure to work with this group of people. Mr. Kearns reported everyone should be monitoring the nj.gov website, if you are not already, for copies of the Executive Orders from the Governor regarding the Pandemic. One was just issued on how people will get their petitions filed to run in the primary election and he hoped each member is aware because they will have an impact. Mr. Kearns then concluded his report.

TREASURER: Mr. Tontarski thanked the Fund for his reappointment and then reviewed the treasurer's report with the Fund. He added another \$1 million would be added to the JCMI investment at the end of this or next month.

Chairman Merchel asked the Treasurer if he had seen any returns on the JCMI investment.

Mr. Tontarski advised yes, he cannot provide a yield yet, he needs to work through their format, but the initial \$4 million has returned \$9,706 and he'll have more information in the next report.

Payment of December 2020 Vouchers Resolution 20-28

Fund Year 2020	271,238.99
Total	271,238.99

Payment of Dividends Bills List Resolution 20-29

Fund Year Closed	46,665.00
Total	46,665.00

Payment of January 2021 Vouchers Resolution 21-8

Fund Year 2020	205.48
Fund Year 2021	344,861.91
Total	345,067.39

MOTION TO APPROVE RESOLUTION 20-28 VOUCHER LIST FOR THE MONTH OF DECEMBER, RESOLUTION 20-29 PAYMENT OF THE DIVIDEND BILLS LIST, RESOLUTION 21-8 VOUCHER LIST FOR THE MONTH OF JANUARY

Motion:	Commissioner Corrales
Second:	Commissioner Merchel
Vote:	3 Ayes – 0 Nays

Confirmation of Claims Payments/Certification of Claims Transfers for the Month of November 2020:

2020	32,357.48
2019	97,195.78
2018	4,314.29
2017	7,560.64
2016	1,926.47
Closed	0.00
TOTAL	143,354.66

Treasurer's Report Made Part of Minutes.

UNDERWRITING MANAGER:

REPORT: The Underwriting Manager advised there was 1 certificate issued from 10/22/2020 to 11/22/2020. Also included in the agenda was the cyber compliance report and the second version of the MEL Cyber Risk Management Program will soon be released.

SAFETY DIRECTOR:

REPORT: Glenn Prince thanked the fund for their reappointment and advised included in the agenda is all the risk control activities through the month of December, as well as a list of MSI Training and Fast Track training information. He reported February 1st all OSHA logs and summaries are required to be posted. If anyone has any questions, a safety director's bulletin has been posted on the website, and also Mr. Prince can email that directly if requested. All the training has been placed on the MEL website, and Mr. Prince encouraged all members to visit www.njmel.org if they have any training or webinar interests. Mr. Prince asked if there were any questions and then concluded his report.

Monthly Activity Report/Agenda Made Part of Minutes.

MANAGED CARE:

REPORT: Karen Beatty wished everyone a happy new year and thanked the fund for their reappointment. Ms. Beatty then advised December's reports were included in the agenda. Ms. Beatty reported there were 873 bills for 2020, totaling \$1,409,314.64, of that amount \$526,525.39 was paid for a savings of \$882,789.21 which is a 63% savings. Ms. Beatty added the Virtua Urgent Care in Voorhees is temporarily closed, as personnel from that location has been tasked to assist with the Covid-19 Pandemic in other locations. Also, Med Express has been taken over by Riverside Urgent Care and we have confirmed the JIF can continue to use the facility. A new contract is being worked out, but they have agreed to the previously agreed rates in the interim. Ms. Beatty then asked if there were any questions and concluded her report.

Chairman Merchel confirmed Virtua's temporary closing, they are running the Moorestown Mall, one of the six super sites for the vaccination program in NJ.

Monthly Activity Report Part of Minutes.

CLAIMS ADMINISTRATOR:

REPORT: The Claims Manager thanked the fund for their reappointment. Ms. Kissane advised 2020 put the entire Fund through their paces for the Covid-19 claims. Through the end of 2020, the PMM JIF received 81 Covid-19 related claims. That is less than 2% of what they have through the MEL system and advises it's a testament to the Safety Program at the local JIF level. She advised the members to keep up whatever they are doing, mask up and keep numbers down. Also included in the agenda was the Qual-Lynx team contact information, both claims and managed care teams are working remotely, and are scheduled to stay remote until at least the spring. There is essential staff on site to handle check payments and ensure timely mailings.

Ms. Kissane advised the claims committee met prior to this meeting and asked for approval of the eight PARS as recommended by the claims committee.

Chairman Merchel asked if employers should force police officers or other employees to get the vaccine. He doesn't think they can without taking on liability, but he knows they have a lot of police officers who are going to decline vaccination and asked if Qual Lynx had a stance on that.

Ms. Kissane advised they do not have a stance on that. They recommend the members speak to their health professionals in the health departments as well as each member's solicitor.

Ms. Kissane did advise if you do make it mandatory and someone has an adverse reaction they can file a workers compensation claim. So there could potentially be increased workers compensation claims on a mandatory program, but other than that, that needs to be a local decision and each members needs to speak to their counsel.

Chairman Merchel then asked if the vaccination was declined and then the employee contracted Covid-19 if they could file a workers compensation claim.

Ms. Kissane confirmed they could and advised that each case would be investigated on an individual basis.

MOTION TO APPROVE CLAIM PAYMENTS AS DISCUSSED AND RECOMMENDED BY THE CLAIMS COMMITTEE:

Motion: Commissioner Danson
Second: Commissioner Corrales
Vote: 3 Ayes, 0 Nays

Report Part of Minutes.

OLD BUSINESS: NONE.

NEW BUSINESS: NONE.

PUBLIC COMMENT: NONE

MOTION TO ADJOURN MEETING:

Motion:	Commissioner Corrales
Second:	Commissioner Danson
Vote:	Unanimous

MEETING ADJOURNED: 1:36pm

NEXT REGULAR MEETING: February 23, 2021
ZOOM Conference Call 1:00PM

Rachel Chwastek, Assisting Secretary for
RICHARD BREVOGEL, SECRETARY