

**PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND
OPEN SESSION MINUTES
MEETING – JULY 27, 2021
ZOOM
1:00 PM**

Meeting of 2021 Fund Commissioners called to order. Open Public Meetings notice read into record.

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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APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	PERMA Risk Management Services Joseph Hrubash 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 Claudia Acosta
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	PERMA Jennifer Conicella
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Safety Director	J.A. Montgomery Risk Control Jonathan Czarnecki
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Managed Care Organization	QualCare Karen Beatty
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Underwriting Manager	Conner Strong & Buckelew Edward Cooney
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ALSO PRESENT:

Michael Avalone, Conner Strong & Buckelew
Larry Graham, Fairview Insurance
Tom Fitzpatrick, Fairview Insurance

APPROVAL OF MINUTES: JUNE 22, 2021 - Open & Closed Minutes

MOTION TO APPROVE OPEN AND CLOSED MINUTES OF JUNE 22, 2021:

Moved: Commissioner Corrales
Second: Commissioner Danson
Vote: 4 Ayes, 0 Nays

CORRESPONDENCE: None.

EXECUTIVE DIRECTOR: Executive Director Hrubash advised his report was mostly informational, with one potential action item.

Employment Practices Compliance Program: Executive Director Hrubash advised members to please visit the MEL webpage to review all the elements of the MEL's EPL Compliance Program. Please note the deadline to complete the program requirements has been extended to November 1, 2021. Please use the following link to view an outline of the MEL program and its model documents:

<https://njmel.org/insurance/public-officials/risk-management-program/>

This year, the Managers & Supervisors Training can be met by attending the Instructor led webinar: "*Protecting Children from Abuse – Managers/Supervisors*". The course for Managers includes an Employment Practices component. Included in the agenda was the notice distributed from JA Montgomery on classes scheduled through September.

Police Command Staff training was conducted last month, another session will be scheduled in September.

Risk Management Information/Operating System (RMIS) - Executive Director Hrubash reported Members and Risk Managers receive an email with a link to renewal worksheets - to begin the 2022 underwriting renewal during the month of July with a September 1 completion date. Mr. Hrubash advised the Underwriting Manager is looking for some new information, as due to the current hard market the renewal underwriting is a tougher process than it has been in prior years.

2020 Audit Report and Actuary Valuation Report – Executive Director Hrubash reported the 2020 Audit Report, Actuarial Certification & Statement of Actuarial Opinion has been filed with the State. The Synopsis of the Audit has been advertised in the Fund's newspaper.

2022 Underwriting Renewal Memo - Executive Director Hrubash reported the MEL Underwriting Manager released a reminder to all MEL members and Risk Management Consultants in preparation of the 2022 renewal.

The Underwriting Manager advised this memo gives a brief overview of the critical exposure collection items that are included in Origami as well as information contained in the MEL Coverage Bulletins.

MEL Cyber Task Force – Executive Director Hrubash reported included in the agenda is a news alert from the MEL Cyber Task Force highlighting recent cyber-attacks. Mr. Hrubash advised Cyber is not a large percentage of the budget, in terms of losses, but it is a high risk right now for public entities and comes with the inconvenience of a security breach.

The Underwriting Manager advised it explains three high profile news stories and dissected them into key issues and how to prevent them.

2021 Coverage Documents – The fund office is in the process of uploading member policies to the Fund’s Risk Management Information System (Origami). Executive Director Hrubash indicated Fund Office will email Fund Commissioners and Risk Management Consultants when the process is complete. The MEL RMIS system with Origami will only store policies for 3 years so it is imperative that members download the policies and save them on their local system to comply with record retention requirements.

August Meeting – Executive Director Hrubash reported the JIF has historically cancelled the August Fund meeting; if the Commissioners wish to follow past procedure, a motion to cancel the meeting would be in order. The Commissioners did pass Resolution 21-11 in February that authorizes fund professionals to continue services and process payments for the months that the Fund does not meet.

MOTION TO CANCEL AUGUST MEETING

Moved: Commissioner Danson
 Second: Commissioner Corrales
 Vote: 4 Ayes, 0 Nays

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 May 31, 2021 shows the fund’s surplus of \$3.8 million, cash balance of \$9.1 million. There was a reduction in surplus, mostly in 2019 for claims activity. The Fund’s Expected Loss Ratio Analysis for June shows 2019 is at 105% versus 94%, which correlates to the financial fast track. The Fund is also slightly ahead of the actuary in 2020, but overall very good. The Loss Time Accident Frequency is 1.02, with a three year of 1.58, which is outstanding. He asked if there were any questions and then concluded his report.

Executive Director's Report Made Part of Minutes.

ATTORNEY: Mr. Kearns advised he had nothing to report at this time.

TREASURER: Mr. Tontarski reviewed the treasurer’s report with the Fund.

Payment of July 2021 Vouchers Resolution 21-18

Closed Year	312,244.07
Aggregate Excess LFC	58,248.87
Fund Year 2021	293,702.08
Total	664,195.02

Payment of July Supplemental 2021 Vouchers Resolution 21-19

Fund Year 2021	17,663.34
Total	17,663.34

MOTION TO APPROVE RESOLUTION 21-18 AND 21-19 VOUCHER LISTS FOR THE MONTH OF JULY

Motion: Commissioner Wiest
Second: Commissioner Danson
Vote: 4 Ayes – 0 Nays

Confirmation of Claims Payments/Certification of Claims Transfers for the Month of May 2021:

2021	73,011.45
2020	51,125,35
2019	78,901.69
2018	80,343.36
2017	2,302.04
Closed	0.00
TOTAL	285,683.89

Treasurer's Report Made Part of Minutes.

SAFETY DIRECTOR:

REPORT: Mr. Czarnecki advised included in the agenda is all the risk control activities and all bulletins distributed through the month of June. He advised the MSI Live schedule includes the month of September and October will be out shortly. The full schedule is always available on the MEL website. Mr. Czarnecki asked if there were any questions and then concluded his report.

Monthly Activity Report/Agenda Made Part of Minutes.

UNDERWRITING MANAGER:

REPORT: The Underwriting Manager reminded the members of the earlier Underwriting memo for the renewal and the update from the Cyber Task Force. He advised included in the agenda was the monthly certificate report. There were two certificates issued from 5/22/2021 to 6/22/2021. He reminded all members to keep pushing forward with the Cyber Risk Management Program, as it becomes even more critical for the insurance renewals. Mr. Cooney then concluded his report.

MANAGED CARE:

REPORT: Ms. Beatty then advised there was an error in the Cumulative Savings report in the agenda. The corrected report was displayed during the meeting. Ms. Beatty reported there were 133 bills for June; totaling \$193,453.35 of that \$71,157.92 was paid, for a savings of \$122,295.43, which is a 63% savings. Also included in the agenda were the reports for Savings by Specialty and Top 10 Providers. Ms. Beatty then asked if there were any questions.

Monthly Activity Report Part of Minutes.

CLAIMS ADMINISTRATOR:

REPORT: Ms. Acosta advised the claims committee met prior to this meeting and asked for approval of the five PARS as recommended by the claims committee.

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

Motion: Commissioner Wiest
Second: Commissioner Corrales
Vote: 4 Ayes, 0 Nays

Report Part of Minutes.

OLD BUSINESS: NONE

NEW BUSINESS: Chairman Merchel asked going forward if the Commissioners would like to meet in person or continue the Zoom calls. Chairman Merchel advised Moorestown could host if September was in person.

Executive Director Hrubash advised the statewide JIFs are planning to meeting in person in September. For the other PERMA JIFs, some have scheduled in person meetings and some have scheduled Zoom meetings for September.

After some discussion, the group decided to evaluate the situation two weeks before the September meeting and decide then.

PUBLIC COMMENT: NONE

MOTION TO ADJOURN MEETING:

Motion: Commissioner Danson
Second: Commissioner Corrales
Vote: Unanimous

MEETING ADJOURNED: 1:18pm

**NEXT REGULAR MEETING: September 28, 2021
ZOOM Conference Call 1:00PM**

Rachel Chwastek, Assisting Secretary for
RICHARD BREVOGEL, SECRETARY