

**PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND  
 OPEN SESSION MINUTES  
 MEETING – FEBRUARY 28, 2023  
 MOORESTOWN, NJ 08057  
 2:00 PM**

Meeting of 2023 Fund Commissioners called to order. Open Public Meetings notice read into record.

**ROLL CALL OF 2023 FUND COMMISSIONERS:**

|                          |                         |         |
|--------------------------|-------------------------|---------|
| Thomas Merchel, Chairman | Township of Moorestown  | Present |
| Susan Danson             | Township of Maple Shade | Present |
| Robert Corrales          | Township of Evesham     | Present |
| Dwyane Harris            | Township of Willingboro | Absent  |

**ALTERNATE FUND COMMISSIONER:**

|                       |                         |         |
|-----------------------|-------------------------|---------|
| Ivy Carmichael, Clerk | Township of Willingboro | Present |
|-----------------------|-------------------------|---------|

**SPECIAL FUND COMMISSIONER:**

|                |                     |        |
|----------------|---------------------|--------|
| Alex Davidson, | Township of Evesham | Absent |
|----------------|---------------------|--------|

**APPOINTED OFFICIALS PRESENT:**

|                                  |  |
|----------------------------------|--|
| Executive Director/Administrator | PERMA Risk Management Services<br><b>Bradford C. Stokes,</b><br><b>Karen A. Read</b><br><b>Crystal Chuck</b> |
|----------------------------------|--|

|           |                      |
|-----------|----------------------|
| Treasurer | <b>Tom Tontarski</b> |
|-----------|----------------------|

|          |   |
|----------|---|
| Attorney | Helmer, Conley & Kasselmann<br><b>William Kearns, Esquire</b> |
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|         |                  |
|---------|------------------|
| Auditor | Bowman & Company |
|---------|------------------|

|                |                                   |
|----------------|-----------------------------------|
| Claims Service | Qual Lynx<br><b>Kathy Kissane</b> |
|----------------|-----------------------------------|

|                 |  |
|-----------------|--|
| Safety Director | J.A. Montgomery Risk Control<br><b>Glenn Prince</b><br><b>Harry Earl</b> |
|-----------------|--|

|                           |                                     |
|---------------------------|-------------------------------------|
| Managed Care Organization | QualCare<br><b>Stephen McNamara</b> |
|---------------------------|-------------------------------------|

|                      |   |
|----------------------|---|
| Underwriting Manager | Conner Strong & Buckelew<br><b>Jonathon Tavares</b> |
|----------------------|---|

**ALSO PRESENT:**

Michael Avalone, Conner Strong & Buckelew

**APPROVAL OF MINUTES:** January 24, 2023 - Open & Closed Minutes

**MOTION TO APPROVE OPEN & CLOSED MINUTES OF JANUARY 24, 2023:**

Moved: Commissioner Corrales  
Second: Commissioner Danson  
Vote: Unanimous

**CORRESPONDENCE:** NONE.

**EXECUTIVE DIRECTOR:**

**Cyber Security Status Report:** Attached on **Page 3** is the monthly report from D2, recapping members' participation and training to date. Currently the 2023 Q1 Campaign is in process running; these phishing values will be updated when the March report is available. Executive Director said new quarterly training will begin soon and everyone will receive information on the upcoming training.

**NJ Cyber JIF:** The Cyber JIF held a meeting on February 10, 2023, via Zoom. Included on **Page 4** is Chairman Merchel's report of the meeting. All documents related to the Cyber JIF program are being posted on the MEL website until the Cyber JIF's website is created and can found at <https://njmel.org/mel-safetyinstitute/resource-center/public-officials/public-officials-cyber-risk-control/cyber-jif/>

Effective January 1, 2023, only compliance with the Cyber JIF levels will qualify for deductible recoveries if a member suffers a cyber claim – if member was not compliant with prior Tier 1 and 2 levels. Those members that were complaint will have a \$0 deductible during 2023.

Executive Director said the NJ Cyber JIF will be offering some type of similar training that this JIF is currently completing so there is a possibility our JIF will receive some type of reimbursement for that. It looks as though the Cyber JIF is encouraging everyone to stick with their current vendor if they are currently enrolled in Cyber training. Chairman Merchel said there was a meeting of the NJ Cyber JIF today and it was stated that it is becoming complicated to issue reimbursements so that will be discussed further and it is determined to be too cumbersome then everyone would stop the current and move to the Cyber JIF's training program. This is to be determined in the near future.

Chairman Merchel discussed the training programs that are in discussion with the Cyber Security JIF at this time and more information to follow. Executive Director said the website for the NJ Cyber JIF is available on the MEL website.

**Defense Panel Rates** – The Fund Attorney is recommending raising the hourly rate for General Liability cases to \$185.00 per hour and Workers Comp cases to \$140 per hour. This is the first increase in rates since 2018 and will bring the rate in line with other Joint Insurance Funds. **Page 7.**

**Motion to Adopt Resolution 23-7 increasing the hourly rate for defense attorneys for General Liability & Workers Compensation cases**

Moved: Commissioner Danson  
Second: Commissioner Corrales  
Vote: 3 votes, 1 Abstain - Carmichael

**2023 MEL, MR HIF & NJCE JIF Educational Seminar:** The 12<sup>th</sup> annual seminar will be conducted virtually on two half-day sessions: Friday, April 21<sup>st</sup> and Friday, April 28<sup>th</sup> from 9AM to

12PM. The seminar is expected to qualify for Continuing Educational Credits including CFO/CMFO, Public Works, Clerks, Insurance Producers and Purchasing Agents.

There is no fee for employees, insurance producers, as well as personnel who work for services companies associated with the Municipal Excess Liability Joint Insurance Fund (MEL JIF), Municipal Reinsurance Health Insurance Fund (MR HIF) and New Jersey Counties Excess Joint Insurance Fund (NJCE JIF). We are in the process of preparing to distribute this notice to all members and risk managers.

Enclosed on **Page 8** is the latest in a series of Power of Collaboration advertisement to be published in the League of Municipalities magazine that highlights the educational seminar.

**2023 MEL/RCF/EJIF March 24th Meeting & Retreat:** The MEL, RCF and EJIF will be holding their March meetings in conjunction with the MEL Annual Retreat. This year's retreat will be held on March 24th at the Princeton Marriott. The purpose of the retreat is to provide the sub-committees of the MEL with an expanded opportunity to report directly to the Boards of the MEL, RCF and EJIF.

**MEL JIF 2023 Renewal:** The MEL Underwriting Manager hosted an informational session on Monday February 13, 2023, at 10:00AM via Zoom to provide an overview of the MEL's 2023 Insurance Renewal, including a look back at the marketplace challenges, renewal changes and 2024 outlook. The webinar will be available on the MEL website. Jonathon Tavares of the Underwriting Managers office said property was the main challenge in 2023 and some ideas for 2024 were shared on the webinar if members have not had a chance to listen to the webinar it is available on the MEL website. Executive Director said there will be a big push on property appraisals. This JIF is ahead of the curve since property appraisals were completed approximately four years ago. It looks like the MEL will be recommending property appraisals be completed every five years.

**Elected Officials Training:** The MEL's Annual Elected Officials Seminar is available through the MEL Safety Institute. Directions on how to access the course appear on **Page 9**, these will also be distributed via email. The MEL will provide a credit of \$250 against each member's assessment for each municipal elected official and authority commissioner who completes the course by May 1, 2023. The credit will continue to be extended to the member's municipal manager/administrator or authority executive director.

**March Meeting Cancellation** – A reminder that the Fund will not be meeting in March, the next meeting will be on April 25th. Attached on **Page 10** is Resolution 23-8 authoring the Treasurer to process payments & expenses and authorizing Fund Professionals to continue services during months that the Fund does not meet.

### **Motion to Adopt Resolution 23-8**

|         |                       |
|---------|-----------------------|
| Moved:  | Commissioner Corrales |
| Second: | Commissioner Danson   |
| Vote:   | Unanimous             |

**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 December 31, 2022 shows the fund's surplus down \$150,000 at \$3.4 million. The funds Loss Ratio Analysis is trending ahead of the actuary's projection at 66% and we are at 54% and this time last year we were at 65%. The fund's

Loss Time Accident Frequency, for December 2022 at 0.93% which is great to report and 8 lost time accidents in December. In response to Chairman Merchel, Claims Manager Kathy Kissane said the property is trending high it could be a lot of smaller claims that added up and exceeded what the actuary project but it wasn't one large claim or storm. Claims Manager said she would look at the property claims and report back. Executive Director said January 2023 shows no loss time accidents.

Executive Director's Report Made Part of Minutes.

**ATTORNEY:** None

**TREASURER:**

**Payment of February 2023 Vouchers Resolution 23-9**

|                |                   |
|----------------|-------------------|
| Fund Year 2022 | 29.38             |
| Fund Year 2023 | 241,802.40        |
| <b>Total</b>   | <b>241,831.78</b> |

**MOTION TO APPROVE RESOLUTION 23-9 VOUCHER LIST FOR THE MONTH OF FEBRUARY**

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

**Confirmation of Claims Payments/Certification of Claims Transfers for the Month of January 2023:**

|               |                  |
|---------------|------------------|
| <b>2023</b>   | 0.00             |
| <b>2022</b>   | 47,293.76        |
| <b>2021</b>   | 1,399.71         |
| <b>2020</b>   | 4,401.50         |
| <b>2019</b>   | 11,349.00        |
| <b>Closed</b> | 0.00             |
| <b>TOTAL</b>  | <b>59,910.99</b> |

Treasurer's Report Made Part of Minutes.

**UNDERWRITING MANAGER:**

**REPORT:** The Underwriting Manager advised there was 1 certificate issued from 12/22/2022 to 01/22/2023. Also included in the agenda was the cyber compliance report for the second version of the MEL Cyber Risk Management Program with 80% of our members approved for the months of January.

**SAFETY DIRECTOR:**

**REPORT:** Harry Earle reviewed the Safety Directors report. Please let the safety director's office know if any member has changed their safety coordinators so they can added to the email distribution list for all relevant safety and risk control resources. A new bulletin has

been issued on Drug Testing in Law Enforcement which is a controversial topic right now in law enforcement.

Monthly Activity Report/Agenda Made Part of Minutes.

**MANAGED CARE:**

**REPORT:** Mr. McNamara reported on the cumulative saving summary reported for the year showing a monthly savings of 80% in January 2023 and total savings of 68% for 2022. Mr. McNamara then asked if there were any questions and concluded her report.

Monthly Activity Report Part of Minutes.

**CLAIMS ADMINISTRATOR:**

**REPORT:** Ms. Kissane reported there were 5 claims to review in closed session.

**MOTION TO GO INTO EXECUTIVE SESSION**

|         |                       |
|---------|-----------------------|
| Moved:  | Commissioner Corrales |
| Second: | Commissioner Danson   |
| Vote:   | Unanimous             |

**MOTION TO GO INTO OPEN SESSION**

|         |                       |
|---------|-----------------------|
| Moved:  | Commissioner Danson   |
| Second: | Commissioner Corrales |
| Vote:   | Unanimous             |

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

|         |                       |
|---------|-----------------------|
| Motion: | Commissioner Danson   |
| Second: | Commissioner Corrales |
| Vote:   | 4 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: 2:44 pm**

**NEXT REGULAR MEETING: April 25, 2023**  
**Moorestown Town Hall at 2:00PM**

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Karen A. Read, Assisting Secretary for  
**SUSAN DANSON, SECRETARY**