

**PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND
OPEN SESSION MINUTES
MEETING – JUNE 23, 2014
984 TUCKERTON ROAD, MARLTON, NJ
EVESHAM TOWNSHIP
2:00 PM**

Meeting of Fund Commissioners called to order by Chair William Cromie. Open Public Meetings notice read into record.

ROLL CALL OF 2014 FUND COMMISSIONERS:

William Cromie, Chairman	Township of Evesham	Present
Richard Brevogel, Secretary	Township of Willingboro	Present
Scott Carew	Township of Moorestown	Absent
Jack Layne	Township of Maple Shade	Present (telephone)

ALTERNATE FUND COMMISSIONERS:

Rosemary Flaherty	Township of Maple Shade	Absent
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SPECIAL FUND COMMISSIONERS:

Joanne Diggs	Township of Willingboro	Absent
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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	Thomas Tontarski
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Attorney	Kearns, Reale & Kearns, Esquires William Kearns, Esquire
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Claims Service	Qual Lynx Tracey Loreaux
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Safety Director	J.A. Montgomery Risk Control Glenn Prince
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Managed Care Organization	QualCare Aubrie Vanduyn
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Underwriting Manager	Conner Strong & Buckelew Joseph Hrubash
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ALSO PRESENT:

Paul Thomas, Evesham Fire District

APPROVAL OF MINUTES: MAY 19, 2014 - Open & Closed Minutes.

MOTION TO APPROVE OPEN MINUTES OF MAY 19, 2014:

Moved:	Commissioner Brevogel
Second:	Commissioner Layne
Vote:	Unanimous

CORRESPONDENCE:

NONE

EXECUTIVE DIRECTOR:

EMPLOYMENT PRACTICES LIABILITY 2014/2015 PROGRAM – Executive Director said in order to maintain current deductibles and co-payment provisions, members must update their EPL Programs and submit the checklist to the Fund office. The fund office has been months into this process and we are almost complete. The final file has been submitted to XL. All four members of this fund have submitted their checklist, we are still working with the Evesham Fire District. The Executive Director will reach out to Deputy Chief Westcott to check in on their progress and get them in compliance, which will bring the fund into 100% compliance.

AUDIT AND ACTUARIAL VALUATION YEAR-END REPORTS – Executive Director said the financial audit for the period ending December 31, 2013 was reviewed at the May meeting by Mr. Jim Miles. Approval of the report, both Resolution 14-12 and Group Affidavit must be executed.

MOTION TO APPROVE RESOLUTION 14-12 AND GROUP AFFIDAVIT

Moved: Commissioner Layne
Second: Commissioner Brevogel
Vote: 3 Ayes – 0 Nays

RESIDUAL CLAIMS FUND – The RCF met on June 4, 2014 at the Forsgate County Club in Jamesburg, NJ. Commissioner Carew’s report on the meeting is part of the Agenda. The RCF Board adopted a Resolution accepting the transfer of member JIF’s Fund Year 2010. Enclosed you will find Resolution 14-13 authorizing the transfer of the Camden JIF’s 2010 claim liabilities to the RCF.

MOTION TO APPROVE RESOLUTION 14-13 TRANSFER CLAIM LIABILITIES TO RCF

Moved: Commissioner Brevogel
Second: Commissioner Layne
Vote: 3 Ayes – 0 Nays

EJIF- The Executive Director reported that the EJIF met on June 4, 2014 at the Forsgate Country Club in Jamesburg, NJ. Commissioner Carew’s report on the meeting was included in the Agenda.

MEL JIF – The MEL met on June 4, 2014 at the Forsgate Country Club in Jamesburg, NJ. Commissioner Carew’s report on the meeting was included in the Agenda. The Executive Director reported that all the funds had authorized RFQs, as PMM will be in a little while, and all had their audits approved.

Amending the Plan of Risk Management – An amendment of the Plan is necessary reflecting final changes to the property policy. The revised plan has been sent under separate cover. The new policy limits for Cyber Liability have also been revised.

The Underwriting Manager reported that back in January the 2014 Risk Management Plan was approved, subject to final negotiations with the property insurer. The Underwriting Manager was now comfortable with the negotiated property changes and they have been finalized with the

insurer. There has also been an update to the Cyber Liability policy reflecting the higher limits purchased by the JIF for 2014.

MOTION TO APPROVE RESOLUTION 14-14 AMEND PLAN OF RISK MANAGEMENT

Moved: Commissioner Layne
Second: Commissioner Brevogel
Vote: 3 Ayes – 0 Nays

2015 RENEWAL APPLICATINS – ONLINE UNDERWRITING DATABASE – Executive Director said as previously reported, the MEL contracted with Exigis to develop an online underwriting database for members and/or their risk managers to add/amend schedules online thereby eliminating the annual paper Renewal Application process. Currently, the MEL's underwriting data is being uploaded to the online database and will be reviewed for accuracy. Seminars are being scheduled throughout the state to training Risk Management Consultants and Fund Commissioners on the new program. This seminar will be combined with the Underwriting Managers review of the 2014 property program and reporting requirement changes that will be implemented for the 2015 property program. The Executive Director strongly suggested that the person or people who will be designated as the expert in the renewal and using the software attend one of these training sessions.

The Underwriting Manager reported that the new policy form puts more emphasis on scheduling locations, so attendance of this class is very important to understand how to use the system so nothing falls through the cracks. In addition to online training, these sessions will contain a half hour session on the new items in the property policy.

2015 RFQ – Fair & Open Process – The Executive Director reported that all of the Funds professional positions are up for renewal. The fund office will advertise Request for Qualifications for professional services for the period commencing on February 1, 2015 through January 31, 2018.

MOTION TO AUTHORIZE THE FUND OFFICE TO ADVERTISE FOR PROFESSIONAL POSITIONS

Moved: Commissioner Brevogel
Second: Commissioner Layne
Vote: Unanimous

DUE DILIGENCE REPORTS: Included in the agenda were 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 said the statutory surplus for the month of April the surplus was at \$73,760, which is down about \$80,000 from last month. This is due to the continuation of payments for claims, which was discussed last month.

Executive Director reviewed the Expected Loss Ratio Analysis and said the actuary had us targeted at 13.12% and we are at 41% which is due to the property claims from the winter.

Executive Director's Report Made Part of Minutes.

ATTORNEY: The Fund Attorney reported on two recent court decisions. Hamilton Township, Atlantic County adopted an ordinance for the licensing of rental units and were challenged by

apartment houses. The argument is there is no authorization for towns to authorize rental units for longer than 175 days. It's a statute designed for the shore areas in order to do the summer rental licensing. The Fund Attorney reports this is really about code inspection and code enforcement. The other case was from Galloway Township and a request came in for a log of emails of the township clerk and the police chief. Galloway Township's response was they did not have a log of the emails, they have the emails. The request was turned down on the basis that no such document exists. The court ordered them to create the document, which is really contrary to what OPRA says. The court's reasoning was it's not that great of difficulty to create it, so it must be created. This is coming up on appeal. The Fund Attorney suggested that the Commissioners make sure their municipal attorney is aware of these current cases.

TREASURER: The Fund Treasurer reported that interest received or accrued for the period totaled \$ 1,259.50. This generated an average annual yield of .33%. However, we have an unrealized gain of \$ 580.00 adjusting the reported yield to .49% for the period. The total overview of the asset portfolio for the fund shows an overall unrealized loss of \$ 1,160.00 as it relates to the market value of \$1,998,840.00 vs. the amount we have invested. Our asset portfolio with TD Wealth Management consists of 2 obligations with a maturity greater than two years. The Fund Treasurer reported subrogation receipts \$ 21,304.69 w/YTD of \$ 92,468.28 (detailed in his report), overpayment reimbursements \$ 276.99, 2014 premium assessments \$1,717,806.76. The Fund Treasurer reported 128 claim payments during the period for claims paid by the fund and claims payable by the Fund at period end in the amount of \$ 200,294.12. The Fund Treasurer reported that during the reporting period the Fund's "Cash Position" changed from an opening balance of \$ 3,772,512.79 to a closing balance of \$5,266,567.98 showing an increase in the fund of \$ 1,494,055.19. He also reported for the Fund's consideration the Agenda includes a bills list for \$254,313.77.

Payment Of June 2014 Vouchers Resolution 14-15

Fund Year 2014	\$254,313.77
Total	\$254,313.77

MOTION TO APPROVE RESOLUTION 14-15 VOUCHER LIST FOR THE MONTH OF JUNE AS SUBMITTED

Motion: Commissioner Brevogel
 Second: Commissioner Layne
 Vote: 3 Ayes – 0 Nays

Treasurer's Report Made Part of Minutes.

UNDERWRITING MANAGER REPORT: Underwriting Manager's report listed 2 certificates issued for the period 04/22/14 to 05/19/14 included in the agenda for review.

SAFETY DIRECTOR:

REPORT: Safety Director reviewed the Safety Director report and pointed out the list of training available through the months of June, July and August. Included in his report was the dates of the Fast Track to Safety Training, held annually. The Safety Director also reported on the newly made available online course, "Attention & Distraction" driver training, from Safety National. He also informed the members of increased activity from the state, citing that Evesham received two visits, regarding Right to Know and a PEOSH inspection at DPW facilities. The Safety Director advised that the members be vigilant and compliant about their facilities, and feel free to contact the Safety Director with any questions or concerns.

Monthly Activity Report/Agenda Made Part of Minutes.

MANAGED CARE:

REPORT: April report included for information. Report indicated 104 bills in the month of May totaling \$91,883.52. \$51,015.43 was approved for a savings of \$40,868.09 which is 44.5% savings. There were also 6 new injuries in the month of May. April asked if there were any questions and concluded her report.

Monthly Activity Report Part of Minutes.

CLAIMS ADMINISTRATOR:

REPORT: Claims Manager's said her report was for closed session to discuss four payment authorization requests.

Report Part of Minutes.

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

Moved: Commissioner Brevogel
Second: Commissioner Layne
Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION:

Moved: Chairman Brevogel
Second: Commissioner Layne
Vote: Unanimous

**MOTION TO APPROVE CLAIM PAYMENTS FOR MAY AS DISCUSSED IN
EXECUTIVE SESSION AND REAFFIRMING THE APPROVAL OF APRIL
CLAIM PAYMENTS:**

Moved: Commissioner Brevogel
Second: Commissioner Layne
Roll Call Vote: 3 Ayes – 0 Nays

OLD BUSINESS:

NONE

NEW BUSINESS: Mr. Brevogel reported that Willingboro's Director of Public Safety had asked the following question be posed at this meeting. The Director of Public Safety has been receiving information about police officers wearing audible devices when they approach a person. They currently have a camera that comes on when they stop the car. The Director of Public Safety would like to know what the experience has been with other police departments as far as reducing their liability in legal cases.

A discussion ensued that the audible devices, in their limited availability, have been beneficial for the police departments, as it avoids he said/she said arguments. The Fund Attorney mentioned a particular incident where a father came in livid that his daughter had been arrested. The father was shown the tape, end of claim.

PUBLIC COMMENT:

NONE

MOTION TO ADJOURN MEETING:

Moved:	Commissioner Brevogel
Second:	Commissioner Layne
Vote:	Unanimous

MEETING ADJOURNED: 2:48pm

NEXT REGULAR MEETING: July 28, 2014

Evesham Township 2:00PM

Karen A. Read, Assisting Secretary for
RICHARD BREVOGEL, SECRETARY