

**PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND
 OPEN SESSION MINUTES
 MEETING – OCTOBER 27, 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	Present
Jack Layne	Township of Maple Shade	Present

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
Treasurer	Thomas Tontarski
Attorney	Kearns, Reale & Kearns, Esquires William Kearns, Esquire
Claims Service	Qual Lynx Kathy Kissane
Safety Director	J.A. Montgomery Risk Control Glenn Prince
Managed Care Organization	QualCare Aubrie Vanduyn (phone)

ALSO PRESENT:

Mary Lou Doner, PERMA

APPROVAL OF MINUTES: September 22, 2014 - Open & Closed Minutes.

MOTION TO APPROVE OPEN AND CLOSED MINUTES OF SEPTEMBER 22, 2014

Moved: Commissioner Brevogel
Second: Commissioner Layne
Vote: 3 Ayes, 0 Nays, 1 Abstain Commissioner Carew

CORRESPONDENCE: NONE

EXECUTIVE DIRECTOR:

2015 Budget – Executive Director reported enclosed in the Agenda was the Proposed 2015 Budget for review and discussion. The Executive Director reported overall there is a 2.89% increase, and then discussed the details of the increase.

Executive Director said overall we are looking at an increase of 1.65% for claims line item. This is based on the actuary's projection for loss funds next year. Executive Director said in the Expenses the Managed Care line item has shows a decrease of 3.45% due to the fact that Qual Lynx came down \$5,000 from their proposal. The Loss Fund Management fee is the fee that PERMA is asking to increase our charges to be more in line with other Executive Director's throughout the state. The average throughout New Jersey is 5% of the overall budget for the Executive Directors fee and we are currently at 2.3%. We are asking for a 3% average and we would stretch that over three years so that would be the increase would be 6.333 - with three years of phase in.

Executive Director said we have broken out the POL/EPL premium in the budget. Statewide XL has come through with some rather large increases with this line of coverage mainly due to the last half of 2013 and the first half of 2014 has shown significant losses. The PMM JIF has faired rather well where XL is only looking for a 12% increase where some other JIFs are looking at increases that range from 10% to 46% based on member experience. This increase has come after four years of no increases at all.

Executive Director distributed the proposed assessments with the XL line broken out so members could see the effect this had on the overall assessment.

MOTION TO INTRODUCE THE 2015 BUDGET AND SCHEDULE A PUBLIC HEARING ON MONDAY NOVEMBER 24, 2014 AT 2:00PM

Moved: Commissioner Layne
Second: Commissioner Carew
Vote: 4 Ayes, 0 Nays

2015 Renewal Applications – Online Underwriting Database: The new on-line underwriting database was launched the first week of August. The system – “Exigis Risk Works” issued logins to Fund Commissioners and Risk Management Consultants. In addition to training sessions conducted there were 3 webinars held after the logins were issued. Fund Commissioners will be emailed Comparison Reports to confirm the data within PERMA's records for accuracy toward completion of the 2015 Renewal Application process.

Membership Renewals – Willingboro's membership is up for renewal at the end of the year. The Fund office has received their renewal documents.

2015 RFQ for Professional Services – RFQ’s were advertised and received by the Fund office on in July. There are multiple responses for the managed care position. Executive Director said a follow-up report will be made in closed session regarding the Managed Care professional service with Mary Lou Doner from PERMA.

Elected Officials Training – Executive Director said this year’s elected officials training program will focus on Employment Practices. A session is scheduled at the League of Municipalities Conference for 3:45 pm in Atlantic City on Wednesday, November 19, 2014. Executive Director said will also be holding further session later this year and the beginning of next as well as the online webinar session that will be available. All elected officials that attend will receive at \$250 credit for their municipality.

Residual Claims Fund (RCF) - The Residual Claims Fund met on October 15, 2014 at the Forsgate Country Club in Jamesburg, NJ; enclosed is a copy of Commissioner Carew’s report on the meeting. The Residual Claims Fund reviewed and amended 2014 Budget and adopted the 2015 Budget.

Executive Director said the RCF amended their 2014 Budget to reflect the acceptance of the 2010 Fund and reviewed and adopted the 2015 Budget.

EJIF - The EJIF met on October 15, 2014 at the Forsgate Country Club in Jamesburg, NJ; enclosed is a copy of Commissioner Carew’s report on the meeting. A public hearing and adoption of the 2015 budget was held. Executive Director said the EJIF adopted their budget which had a 1.8% increase which did include the release of a \$475,000 dividend which this JIF will receive a portion.

MEL - The MEL met on October 15, 2014 at the Forsgate Country Club in Jamesburg, NJ; enclosed is a copy of Commissioner Carew’s report. The MEL’s 2015 budget introduction was held. A public hearing and adoption will be held on November 19, 2014 at the Atlantic City Convention Center. Executive Director said the MEL awarded professional contracts for workers’ compensation and managed care and a second RFQ has been issued for excess property. The MEL reviewed and introduced the 2015 Budget which has an increase of 1.6%

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 we had a claim reserves that jumped on us on a 2011 claim which is why we are showing a deficit of \$146,000 as of August 31st and we hope this will level off as we move along.

Executive Director reviewed the Expected Loss Ratio Analysis and said the actuary had us targeted at 37.11% and we are at 68% which is due to previous claims from the winter with slips and falls. Executive Director reviewed the Loss Time Accident Frequency and said the PMM JIF is at 2.10 which is an improvement and is a good sign.

Executive Director's Report Made Part of Minutes.

ATTORNEY: The Fund Attorney reported discussed information sent to members via email regarding Sovereign Citizens. The League Conference is putting together a seminar with the Municipal Prosecutor’s Association on Tuesday at 2:00 which might be well worth attending. You

should also talk to your chief's of police to see what type of training they are doing for police officers on it.

TREASURER:

Payment of October 2014 Vouchers Resolution 14-20

Fund Year 2013	\$184,887.00
Fund Year 2014	\$ 35,016.27
Total	\$219,903.67

MOTION TO APPROVE RESOLUTION 14-20 VOUCHER LIST FOR THE MONTH OF OCTOBER AS SUBMITTED

Motion: Commissioner Carew
Second: Commissioner Brevogel
Vote: 4 Ayes, 0 Nays

Confirmation of Claims Payments/Certification of Claims Transfers for the Month of September 2014:

2010	14,835.25
2011	23,096.03
2012	25,515.02
2013	14,949.88
2014	47,241.34
TOTAL	125,637.52

Treasurer's Report Made Part of Minutes.

UNDERWRITING MANAGER REPORT: Underwriting Manager's report listed 3 certificates issued for the period 08/20/14 to 09/18/14 and was included in the agenda for review.

SAFETY DIRECTOR:

REPORT: Safety Director reviewed a few items that did not make it to the Agenda. Safety Director said he spent a considerable amount of time with Maple Shade and Moorestown Township this month to teach them about their playgrounds and recreational facilities and what items need to be covered. There were some minor issues which we could find anywhere but the playgrounds were in great shape which are to be commended. We discuss what corrective actions they can take to immediately correct the conditions.

Safety Director said in his report members will find a list of training until the end of the year.

Monthly Activity Report/Agenda Made Part of Minutes.

MANAGED CARE:

REPORT: September report included for information. Report indicated 56 bills during the month totaling \$51,902.00 of that amount \$22,848.00 was paid for a savings of \$29,053.00 which is 56% savings. There were 11 new injuries in the month of September.

Monthly Activity Report Part of Minutes.

CLAIMS ADMINISTRATOR:

REPORT: Claims Manager said her report was for closed session only.

Report Part of Minutes.

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

Moved: Commissioner Layne
Second: Commissioner Brevogel
Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION:

Moved: Commissioner Layne
Second: Commissioner Brevogel
Vote: Unanimous

**MOTION TO APPROVE CLAIM PAYMENTS FOR OCTOBER AS DISCUSSED
IN EXECUTIVE SESSION**

Moved: Commissioner Layne
Second: Commissioner Brevogel
Roll Call Vote: 4 Ayes – 0 Nays

MOTION TO REAPPOINT QUAL LYNX AS THE MANAGED CARE PROVIDER

Moved: Commissioner Carew
Second: Commissioner Brevogel
Roll Call Vote: 4 Ayes – 0 Nays

OLD BUSINESS:

NONE

NEW BUSINESS:

NONE

PUBLIC COMMENT:

NONE

MOTION TO ADJOURN MEETING:

Moved:	Commissioner Carew
Second:	Commissioner Brevogel
Vote:	Unanimous

MEETING ADJOURNED: 3:29pm

NEXT REGULAR MEETING: November 24, 2014
Evesham Township 2:00PM

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