

**PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND
OPEN SESSION MINUTES
MEETING – SEPTEMBER 24, 2012
WILLINGBORO TOWNSHIP
& VIA CONFERENCE CALL
2:00 PM**

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

ROLL CALL OF 2012 FUND COMMISSIONERS:

Gary LaVenia, Chairman	Township of Maple Shade	Present
Scott Carew, Secretary	Township of Moorestown	Absent
William Cromie	Township of Evesham	Present
Richard Brevogel	Township of Willingboro	Present

SPECIAL FUND COMMISSIONERS:

None appointed	Township of Moorestown	Absent
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FUND COMMISSIONER ALTERNATES:

Tom Shanahan	Township of Evesham	Absent
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APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	PERMA Risk Management Services Bradford C. Stokes Karen A. Read
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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	Scibal Associates Tracy Loreaux Sue Lovett
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Safety Director	J.A. Montgomery Risk Control Barry Sloane
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Managed Care Organization	QualCare Aubrie Vanduyyn
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APPROVAL OF MINUTES: JULY 23, 2012 - Open & Closed Minutes.

MOTION TO APPROVE OPEN & CLOSED MINUTES OF JULY 23, 2012:

Moved:	Commissioner Brevogel
Second:	Commissioner Cromie
Vote:	Unanimous

CORRESPONDENCE:

NONE

EXECUTIVE DIRECTOR:

2013 Renewal Process: Executive Director reported the renewal applications were electronically mailed to Fund Commissioners and were due back in the Fund office by July 16, 2012. All renewal application have been returned to the Fund office and the Executive Director thanked the members for their prompt response. Fund Commissioners will be emailed Comparison Reports to confirm data within PERMA's records.

2013 Budget – Executive Director reported the October meeting will serve as the annual budget workshop meeting and the introduction of the 2012 Budget.

Safety Expo – Executive Director reported for the seventh year, the MEL is working with the New Jersey Utility Authorities Joint Insurance Fund (NJUA) to conduct its Annual Safety Expo which includes MEL member town's water & sewer employees. The Safety Expos will be held on September 28th at the Camden County Emergency Services Training Center and November 1st at the Middlesex County Fire Academy. This is a great opportunity for the public works and water and sewer employees to obtain continuing education credits. The Executive Director said it is an excellent program and urged the members to share the information with their employees.

Residual Claims Fund RCF – Executive Director reported the Residual Claims Fund met on September 5, 2012 at 10:30 am at the Forsgate Country Club in Jamesburg, NJ. The Residual Claims Fund amended 2012 Budget and the proposed 2012 Budget (copy of both was attached to the agenda) were introduced on September 5, 2012. The public hearing on the RCF budget will be held on October 17, 2012 at 10:30am in the Forsgate Country Club. Commissioner Carew's report is included in the agenda booklet. Executive Director said the RCF proposed budget had an increase of .03%.

EJIF – Executive Director reported the EJIF met on September 5, 2012 at 10:50 am at the Forsgate Country Club in Jamesburg, NJ. Commissioner Carew's report was enclosed in the agenda. The budget was introduced and will be adopted at the October 17, 2012 meeting. Executive Director reported the proposed budget for the EJIF is at 1.7%.

MEL – Executive Director reported the MEL met on September 5, 2012 at 11:15 am at the Forsgate Country Club in Jamesburg, NJ. A report from Commissioner LaVenia is attached. The MEL's 2013 budget introduction is scheduled for October 17, 2012 at the Forsgate Country Club in Jamesburg, NJ.

Office of the State Comptroller Alert – Executive Director reported enclosed in the agenda is a copy of the Alert issued by the office of the State Comptroller concerning possible undisclosed side agreements with Third Party Administrators (TPA's). Please note that we strongly agree with the Comptroller's recommendations and in fact have been following this best practice and separating TPA fees and Managed Care fees since the beginning of WC managed care almost 20

years ago. Also, enclosed in the agenda was a letter from Scibal Associates confirming they do not receive any compensation from managed care vendors, or any other TPA vendors.

Legislative Alert – Executive Director reported attached is a joint MEL and League Legislative Alert. The League is supporting A-2681 and opposing A-2405/S-1651 concerning the statute of limitations on civil actions for sexual abuse. A2405 would remove the statute of limitations on claims for sexual abuse while A2681 would increase the time frame from 2 to 7 years against public bodies.

Attorney Kearns reported the one bill the League is supporting would increase the time frame on the statute of limitations from 2 years to 7 years. The difficulty with other legislation is that it creates no statute of limitations so you could theoretically bring a lawsuit 40 years after an incident happened and it then becomes virtually impossible to defend the case. The League and the MEL are opposed to remove all statute of limitations, they agree the statute of limitations should be increased. In the case of sexual abuse of a child the statute does not begin to run until the child becomes 18 and if you take the statute up to 7 years that would mean the child could have an action up to age 25, which seems to be a reasonable time to deal with it. Commissioner Brevogel asked if the statute of limitations is removed would it become retroactive. Attorney Kearns said yes the bills would resurrect claims of action.

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 reported on the Financial Fast Track report shows an increase in the statutory surplus over the past two months from \$23,000 to \$116,000. Executive Director pointed out to the Committee that on the Expected Loss Ratio Analysis report on the 2012 property line we have exceeded what was budgeted. This Fund is currently at 113% due to the amount property losses. The actuary will take a look at this and it could come into play with the renewals for next year. Executive Director also reported on the Loss Time Frequency Reports and said PMM is currently at 1.28% for 2012, which is well below the state average for all the Joint Insurance Funds.

Executive Director's Report Made Part of Minutes.

ATTORNEY:

NONE

TREASURER:

Payment Of August 2012 Vouchers Resolution 21-12

Fund Year 2011	\$ 0
Fund Year 2012	\$34,897.89
Total	\$34,897.89

Payment Of September 2012 Vouchers Resolution 22-12

Fund Year 2011	\$ 0
Fund Year 2012	\$33,888.23
Total	\$33,888.23

Confirmation Of Claims Payments/Certification Of Claims Transfers for the Month of August 2012:

2008	\$ 2,010.20
2009	29,506.47
2010	6,377.20
2011	9,388.93
2012	39,304.07
TOTAL	\$86,586.87

MOTION TO APPROVE RESOLUTION 21-12 VOUCHER LIST FOR THE MONTH OF AUGUST AND RESOLUTION 22-12 VOUCHER LIST FOR THE MONTH OF SEPTEMBER AS SUBMITTED AND MOTION TO APPROVE CERTIFICATION OF CLAIMS/CONFIRMATION OF CLAIM PAYMENTS FOR THE MONTHS OF AUGUST, 2012 AS PRESENTED:

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

REPORT:

Treasurer's Report Made Part of Minutes.

UNDERWRITING MANAGER REPORT: Underwriting Manager reviewed the holding report showing 1 certificates issued for the period 7/25/12 to 8/24/12.

SAFETY DIRECTOR:

REPORT: Safety Director reported they are still accepting enrollments for 2013 for Safety training through the Learning Management System. Commissioner Cromie said that Michael Grossman is the new Safety Committee Coordinator for Evesham. Mr. Sloane is aware of the new safety coordinator and is planning to meet with him next Wednesday.

Monthly Activity Report/Agenda Made Part of Minutes.

MANAGED CARE:

REPORT: May report included for information. Report indicated 7 new injury requiring medical management and a savings of 53.5% for August.

Monthly Activity Report Part of Minutes.

CLAIMS ADMINISTRATOR:

REPORT:

Report Part of Minutes.

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

Moved: Commissioner Cromie
Second: Commissioner Brevogel
Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION:

Moved: Commissioner Cromie
Second: Commissioner Brevogel
Vote: Unanimous

**MOTION TO APPROVE CLAIM PAYMENTS AS DISCUSSED IN EXECUTIVE
SESSION:**

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

OLD BUSINESS:

NONE

NEW BUSINESS:

DISCUSSION: Commissioner Brevogel said their Public Safety Police Division is going to be completing their accreditation process and asked if there are any incentives or reimbursement for them going through that process. Executive Director said there is a discount you will receive on your MEL assessment. Executive Director will send the information to Commissioner Brevogel.

PUBLIC COMMENT:

NONE

MOTION TO ADJOURN MEETING:

Moved:	Commissioner Cromie
Second:	Commissioner Brevogel
Vote:	Unanimous

MEETING ADJOURNED: 2:36 pm

NEXT REGULAR MEETING: October 22, 2012
Willingboro Township 2:00PM

Karen A. Read, Assisting Secretary for
SCOTT CAREW, SECRETARY