

**PROFESSIONAL MUNICIPAL MANAGEMENT
JOINT INSURANCE FUND
MEETING AGENDA
JANUARY 25, 2016 – 1:00 PM**

**MOORESTOWN TOWN HALL
111 WEST 2ND STREET
MOORESTOWN, NJ 08057**

In accordance with the Open Public Meetings Act, notice of this meeting was provided by:

- I. Sending sufficient notice to the Burlington County Times**
- II. Advance written notice of this meeting was filed with the Clerk/Administrator of each member municipalities and,**
- III. Posting this notice on the Public Bulletin Board of all member municipalities**

**PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND
MEETING: JANUARY 25, 2016
MOORESTOWN TOWNSHIP**

- MEETING OF FUND COMMISSIONERS CALL TO ORDER**
- ROLL CALL OF 2015 COMMISSIONERS**
- APPROVAL OF MINUTES:**
 - November 23, 2015, Open Session **Appendix I**
 - November 23, 2015, Closed Session **To be distributed**
- CORRESPONDENCE**None
- ADJOURN MEETING**
 - Chairs vacated - Chair asks Executive Director to run meeting

- EXECUTIVE DIRECTOR CALLS MEETING TO ORDER**
- ROLL CALL OF 2016 FUND COMMISSIONERS**
- ELECTION OF CHAIR AND SECRETARY**
- ATTORNEY SWEARS IN COMMISSIONERS**

REPORTS

- EXECUTIVE DIRECTOR/ADMINISTRATOR - PERMA**
 - .Executive Director's Report **Page 1**

- ATTORNEY - William J. Kearns, Esquire**

- TREASURER - Thomas Tontarski**
 - .December 2015 Voucher List Resolution 15-29 **Page 44**
 - .January 2016 Voucher List Resolution 16-6..... **Page 46**
 - .Treasurer Reports..... **Page 48**

- UNDERWRITING MANAGER – Conner Strong & Buckelew**
 - .Monthly Certificate Report..... **Page 57**

- SAFETY DIRECTOR – J.A. Montgomery Risk Control**
 - .Monthly Report..... **Page 62**

- MANAGED CARE – QualCare**
 - .Monthly Report..... **To Be Distributed**

- CLAIMS SERVICE – Qual Lynx**

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

OLD BUSINESS

NEW BUSINESS

PUBLIC COMMENT

MEETING ADJOURNED

NEXT MEETING: February 22, 2016 - Moorestown Township Town Hall

Professional Municipal Management Joint Insurance Fund

9 Campus Drive – Suite 16
Parsippany, NJ 07054

Date: January 25, 2016
Memo to: Fund Commissioners
Professional Municipal Management Joint Insurance Fund
From: PERMA Risk Management Services
Subject: Executive Director's Report

❑ 2016 Reorganization Resolutions

Fund Professionals & Professional Service Agreements: At the January 26, 2015 Reorganizational meeting, appointed professional contracts in accordance with the fair and open process pursuant to N.J.S.A. 19:44A-20.4 et. Seq. for fund years 2015, 2016 and 2017. Enclosed with the reorganization resolutions is Resolution 16-1 reflecting re-appointments and establishing compensation for Fund Year 2016. **(Page 3)**

❑ Motion to adopt Resolution 16-1

.Resolution 16-2 Establishment of Public Meeting Procedures	Page 6
.Resolution 16-3 Establishment of a Fiscal Management Plan	Page 9
.Resolution 16-4 Appointing Defense Panel Attorneys	Page 15
.Resolution 16-5 2015 Risk Management Plan	Page 17

❑ Motion to adopt Resolutions 16-2 through 16-5.

- ❑ **Residual Claims Fund 2016 Reorganization Meeting:** The Residual Claims Fund's 2016 Reorganization meeting was held on January 6, 2016 at the Forsgate Country Club. Enclosed is a copy of Commissioner Carew's report on the meeting. **(Appendix II)**
- ❑ **E-JIF 2016 Reorganization Meeting:** The E-JIF 2016 Reorganization meeting was held on January 6, 2016 at the Forsgate Country Club. Enclosed is a copy of Commissioner Carew's report on the meeting. **(Appendix II)**
- ❑ **MEL 2016 Reorganization Meeting:** The MEL 2016 Reorganization meeting was held on January 6, 2016 at the Forsgate Country Club. Enclosed is a copy of Commissioner Carew's report on the meeting. **(Appendix II)**

- ❑ **Special Fund Commissioner:** With the Fund’s membership at four, the bylaws require the appointment of a Special Fund Commissioner in an effort to avoid tying votes. For 2016, Moorestown has this privilege and they are appointing _____.

- ❑ **2013 State Examination:** The State of New Jersey Department of Banking & Insurance performed an examination of the Fund for the 2013 Fund Year; enclosed in **Appendix III** is a copy of the report. An affidavit will be distributed for signature by the Executive Committee of the Fund certifying that each commissioner has reviewed the report respectively.
 - ❑ **Motion to approve State of New Jersey Department of Banking & Insurance Examination Report for the 2013 Fund Year and execute Group Affidavit certifying that members of the Executive Committee have read the report.**

- ❑ **2016 Assessments:** The 2016 Assessments were mailed to all member towns in mid December. First Installment payments were due to the Treasurer by January 15, 2016.

- ❑ **Environmental Engineer Service Team Change** – The EJIF has announced that a new Environmental Engineer has been appointed to service the PMM JIF. PS&S has been selected after an RFP and interview process. The attached memorandum on **Page 34** was sent out to all member municipalities.

- ❑ **Elected Officials Training:** This year, the MEL will reduce each member’s 2016 liability claims premium by \$250 for each municipal elected official and Twp. Manager who completes the course by May 31. The Fund along with Mr. Kearns office will be scheduling sessions in the coming months. The MEL is making available an on-line training program for elected officials to earn the training credit.

- ❑ **Inclement Weather Procedure:** As a reminder, PERMA has instituted a procedure for Commissioners to confirm whether or not a meeting has been canceled. The Executive Director will discuss with the Fund Chairman if the meeting should be canceled. In the event of an early morning or evening meeting(s), PERMA will provide a recorded message indicating the status of the meeting. The recorded message can be obtained by calling the Fund's main number **(201) 881-7632** at any time of the day or night. For meetings that occur during the course of normal business hours, meeting status can be obtained by utilizing the same number.

- ❑ **Due Diligence Reports:**
 - ❑ **Financial Fast Track Report** **Page 35&36**
 - ❑ **Interest Rate Summary Comparison Report** **Page 37**
 - ❑ **Expected Loss Ratio Analysis** **Page 38**
 - ❑ **Claim Activity Report** **Page 39**
 - ❑ **Lost Time Accident Frequency Report** **Page 40&41**
 - ❑ **Regulatory Affairs Checklist** **Page 42**
 - ❑ **2016 EPL/POL Status** **Page 43**

PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND
RE-APPOINTING PROFESSIONAL AND SERVICE ORGANIZATIONS

Whereas, the Professional Municipal Management Joint Insurance Fund is duly constituted as a Municipal Self Insurance Fund and is subject to certain requirements of the *Local Public Contracts Law*, and

Whereas, the Commissioners of the Professional Municipal Management Joint Insurance Fund have determined that it is in the best interest of the Professional Municipal Management Joint Insurance Fund to have the terms of appointment and contracts with its professionals begin as of February 1st each year, so that the terms begin after the annual reorganization meeting of the Professional Municipal Management Joint Insurance Fund,

Whereas, the Professional Municipal Management Joint Insurance Fund appointed Fund Professionals – noted below – to three year terms commencing on February 1, 2015 and ending on January 30, 2018, in accordance with a fair and open process pursuant to N.J.S.A. 19:44A-20.4 et. Seq.;

Now, THEREFORE, BE IT RESOLVED by the Commissioners of the Professional Municipal Management Joint Insurance Fund, assembled in a public session on January 25, 2016, that the following be re-appointed:

1. **PERMA Risk Management Services** is hereby re-appointed as **Administrator, with Bradford C. Stokes as Executive Director** and **David N. Grubb as Deputy Executive Director** and both as agent for process of service.
2. **Mr. William John Kearns, Jr** of the law firm of **Helmer, Conley & Kasselmann**, is re-appointed as the **Fund Attorney** and shall receive a retainer for administrative services, legal research and legal opinions. In addition, **William Kearns** shall provide **litigation management services** for the Fund.
3. **Thomas Tontarski** is re-appointed as **Treasurer** for the Fund.
4. **The Actuarial Advantage** is re-appointed as **Actuary** for the Fund.
5. **J.A. Montgomery Risk Control** is re-appointed as **Safety Director Coordinator** for the Fund.
6. **Bowman & Company** is re-appointed as **Auditor** for the Fund.
7. **Conner Strong & Buckelew** is re-appointed as **Underwriting Manager** for the Fund.
8. **Qual-Lynx** is re-appointed as **Claims Administrator** for the Fund.

9. **TD Bank** is re-appointed as **Asset Manager** with a “30 – day cancellation clause”.
10. **QualCare** is re-appointed as **Workers’ Compensation Managed Care Organization** for the Fund.
11. **Russo & Associates** is re-appointed as **Internal Auditor** for the Fund.

Be It Further Resolved, that the Commissioners of the Professional Municipal Management Joint Insurance Fund find and determine that the appointments herein specified require either professional services for which the individuals designated are licensed to practice a profession or for extraordinary and unspecifiable services that cannot be adequately described in specifications that would make solicitation of bids for those services meaningful or advisable, and

Be It Further Resolved, that the compensation for the services shall be in accordance with the amounts budgeted for the services and contracts hereby authorized and approved by the Commissioners of the Professional Municipal Management Joint Insurance Fund, and

Be It Further Resolved, that the Chairman and Secretary of the Professional Municipal Management Joint Insurance Fund are hereby authorized to execute Agreements with the individuals, partnerships and corporations hereby appointed for the performance of professional or for extraordinary and unspecifiable services and providing for compensation, as follows

1. PERMA as Administrator for the Professional Municipal Management Joint Insurance Fund for calendar year 2016 in the amount of \$119,700.00 as set forth specifically in the Agreement.
2. The law firm of, Helmer, Conley & Kasselmann, with William John Kearns, Jr., Esquire, an Attorney at Law of the State of New Jersey, as the designated attorney, as the Attorney (Solicitor) for the Professional Municipal Management Joint Insurance Fund for calendar year 2016 in the amount of \$19,472.00 for general legal services and the sum of \$16,586.00 for litigation management, plus expenses, as set forth specifically in the Agreement.
3. Thomas Tontarski as Treasurer for the Professional Municipal Management Joint Insurance Fund for calendar year 2016 in the amount of \$16,831.00 as set forth specifically in the Agreement.
4. The Actuarial Advantage, with Dennis R. Henry, FCAS, as its designated representative, as Actuary for the Professional Municipal Management Joint Insurance Fund for calendar year 2016 at a rate not to exceed \$37,026.00 without the specific approval of the Commissioners, as set forth specifically in the Agreement.
5. J.A. Montgomery Risk Control, with Joanne Hall and Glenn Prince as its designated representatives, as Safety Director for the Professional Municipal Management Joint Insurance Fund for calendar year 2016 with a basic fee in the amount of \$17,018.00 as Safety Director and reimbursement of expenses for postage not to exceed \$500.00 as set forth specifically in the Agreement.

6. Bowman & Company with James Miles as its designated representative, as Auditor for the Professional Municipal Management Joint Insurance Fund for calendar year 2016 on the basis of an hourly fee schedule attached to the Agreement, but not to exceed \$21,792.00 without the specific approval of the Commissioners, as set forth specifically in the Agreement.
7. TD Bank as Asset Manager for the Professional Municipal Management Joint Insurance Fund for a Contract term to be one year with a “30 – day cancellation clause” and shall be .08% of the market value of the FUND’s invested assets.
8. Qual Lynx as Claims Service Company for the Professional Municipal Management Joint Insurance Fund for calendar year 2016 in accordance with the fee schedule set forth in the Agreement in the amount of \$130,518.00 plus the actual cost of a performance bond as set forth specifically in the Agreement.
9. Conner Strong & Buckelew as Underwriting Manager for the Professional Municipal Management Joint Insurance Fund for calendar year 2016 in the amount of \$5,631.00 as set forth specifically in the Agreement.
10. QualCare as Workers’ Compensation Managed Care Organization for calendar year 2015 in the amount of \$81,521.00 as set forth specifically in the Agreement.
11. Russo & Associates as Internal Auditor for calendar year 2015 in the amount of \$4,047.00 as set forth specifically in the Agreement.

Be It Further Resolved, that all of the Agreements set forth above are subject to specific approval by the Commissioners of the Professional Municipal Management Joint Insurance Fund, and

Be It Further Resolved, that notice of the appointments and the Agreements for professional shall be published as required by law, and

This resolution was duly adopted by the Professional Municipal Management Joint Insurance Fund at a public meeting held on January 25, 2016.

CHAIRMAN

SECRETARY

RESOLUTION NO. 16-2

**PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND
ADOPTING PROCEDURES IN COMPLIANCE WITH THE
OPEN PUBLIC MEETINGS ACT**

Whereas, the Professional Municipal Management Joint Insurance Fund is duly constituted as a Municipal Self Insurance Fund and is subject to certain requirements of the Open Public Meetings Act, N.J.S.A. 10:4-6, et seq., and

Whereas, the participating Municipalities have made their respective designations of Commissioners who will collectively serve as the Board of Fund Commissioners of the Professional Municipal Management Joint Insurance Fund, and

Whereas, the Open Public Meetings Act provides that upon the adoption by a public body of a schedule of meetings to be held during the calendar year that no further notice of those meetings will be necessary, and

Whereas, it is necessary for the Commissioners of the Professional Municipal Management Joint Insurance Fund to make certain administrative and organizational determinations for the proper operation of the Professional Municipal Management Joint Insurance Fund,

Now, THEREFORE, BE IT RESOLVED by the Commissioners of the Professional Municipal Management Joint Insurance Fund, assembled in public session on this 25th day of January 2016, that:

1. The Professional Municipal Management Joint Insurance Fund hereby designates the Fourth Monday (unless otherwise noted) of each Month, in the Municipal Buildings of the member municipalities set forth for each date, specifically:

February 22, 2016	Moorestown Town Hall	1:00 PM
March 28, 2016	The Sensational Host	1:00 PM
April 25, 2016	Moorestown Town Hall	1:00 PM
May 23, 2016	“ “	1:00 PM
June 27, 2016	“ “	1:00 PM
July 25, 2016	“ “	1:00 PM
September 26, 2016	“ “	1:00 PM
October 24, 2016	“ “	1:00 PM
November 28, 2016	“ “	1:00 PM
January 23, 2017	“ “	1:00 PM

as the dates and places of its regular meetings and the meeting of January 23, 2017, shall serve as the 2017 Reorganization Meeting; unless otherwise modified by Resolution; all meetings shall begin at 1:00 PM.

2. A copy of all advance notices of special meetings of the Professional Municipal Management Joint Insurance Fund shall, at least forty-eight (48) hours in advance of the special meeting be mailed to the newspaper designated in this Resolution;

be filed with the Clerk of each of the municipalities which are members of the Professional Municipal Management Joint Insurance Fund and be posted in the Municipal Buildings of each of the member municipalities in the same manner as notices of other public meetings are posted.

3. Any person may request, in writing, that the Professional Municipal Management Joint Insurance Fund mail to him or her a copy of the schedule of meetings and/or advance written notice of regular, special or re-scheduled meetings of the Professional Municipal Management Joint Insurance Fund. Upon prepayment by such person of the applicable fee set forth in this Resolution, the schedule and/or advance notice shall be mailed to that person. All requests made pursuant to this paragraph shall terminate at midnight, December 31st of the current year, subject to renewal thereafter upon filing of a new written request to the Board together with the prepayment of the applicable fee. Notices requested by news media shall be mailed to one representative of such media free of charge.
4. The following schedule of mailing fees is hereby established:
 - a. For a copy of the schedule of meetings and revisions thereto, the sum of \$10.00 per year.
 - b. For advance written notice of a particular meeting designated in the request, the sum of \$3.00.
 - c. For advance written notice of all regular, special or re-scheduled meetings during the calendar year, the sum of \$10.00.
5. The following newspapers are hereby designated as the official newspapers for transmittal of all notices of the Professional Municipal Management Joint Insurance Fund required pursuant to the Open Public Meetings Act:

Burlington County Times and/or
Maple Shade Progress

In addition, the Fund's webpage is designated for official notices www.pmmjif.org

6. Upon the affirmative vote of three-fourths of the Commissioners present, the Professional Municipal Management Joint Insurance Fund may hold a meeting without compliance with the notice requirements of this Resolution if such a meeting is required to deal with matters of such urgency and importance that delay for the purpose of providing adequate notice would be likely to result in substantial harm to the public interest, and

Be It Further Resolved, that copies of this Resolution shall be provided, within seven (7) days of its adoption, to the newspapers designated above to receive notice of meetings and to the Clerks of the municipalities participating in the Professional Municipal Management Joint Insurance Fund for posting as required by law and to the Administrator and Treasurer of the Professional Municipal Management Joint Insurance Fund for their information and attention.

This resolution was duly adopted by the Professional Municipal Management Joint Insurance Fund at a public meeting held on January 25, 2016.

CHAIRMAN

SECRETARY

PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND

ADOPTING FISCAL POLICIES AND PROCEDURES

Whereas, the Professional Municipal Management Joint Insurance Fund has been organized in accordance with the provisions of *N.J.S.A. 40A:10-36 et seq.*, and

Whereas, the participating Municipalities have made their respective designations of Commissioners who will collectively serve as the Governing Body of the Professional Municipal Management Joint Insurance Fund, and

Whereas, the Commissioners of the Professional Municipal Management Joint Insurance Fund find that it is necessary and appropriate to make decisions regarding the operations of the Professional Municipal Management Joint Insurance Fund,

Now, Therefore, Be It Resolved by the Commissioners of the Professional Municipal Management Joint Insurance Fund, meeting in public session on January 25, 2016, that:

1. There is hereby established an interest rate to be charged on all delinquent assessments for the year 2016 of ten (10%) per cent per annum from the due date for any such assessments, except that no interest shall be charged prior to January 15, 2016.
2. Bradford C. Stokes, Executive Director and/or the Account Manager so designated by the Executive Director is designated as the person authorized to accept service of process on behalf of the Professional Municipal Management Joint Insurance Fund at 9 Campus Drive Parsippany NJ 07054 and at 401 Route 73 N, Marlton NJ 08053.
3. The Executive Director of the Professional Municipal Management Joint Insurance Fund is hereby designated as the custodian of the records which shall be maintained at the office of the Administrator located at 401 Route 73 N, Marlton NJ 08053
4. TD Bank, having principal offices within the State of New Jersey, and organized under the laws of the United States or of the State of New Jersey is hereby designated as the primary depository of the Professional Municipal Management Joint Insurance Fund and any Bank, Trust Company, Savings Bank or Savings and Loan Association, having its principal place of business in the State of New Jersey and organized under the laws of the United States of the State of New Jersey is hereby designated as an investment depository of the Professional Municipal Management Joint Insurance Fund for the term ending December 31, 2016 with a “30 – day cancellation clause”, provided that prior to the deposit of any funds in any depository authorized herein, the designated institution shall file with the Treasurer of the Professional Municipal Management Joint Insurance Fund a statement certifying that the institution is covered under the provisions of the Government Units Deposit Protection Act, N.J.S.A. 17:9-41, et seq.

5. The State of New Jersey Cash Management Fund is hereby designated as a legal depository for the Professional Municipal Management Joint Insurance Fund for the term ending December 31, 2016.
6. The following officials of the Professional Municipal Management Joint Insurance Fund are hereby authorized to sign checks or withdrawal slips where any two (2) of the following signatures are required:

	CHAIR
	SECRETARY
	COMMISSIONER
Thomas Tontarski	TREASURER

7. The Professional Municipal Management Joint Insurance Fund has determined that idle funds of the Professional Municipal Management Joint Insurance Fund should be invested in legal investment vehicles at all times and that it is occasionally necessary to transfer funds for the purpose of meeting claims, expenses of the Professional Municipal Management Joint Insurance Fund or to effect investments. The Professional Municipal Management Joint Insurance Fund hereby authorizes the Treasurer to request bids and to place orders for the investment of idle funds solely in legally authorized investment vehicles and the Treasurer is hereby authorized to transfer funds by wire solely for the following purposes and subject to pertinent laws and regulations:

- A. To and from checking or savings accounts of the Professional Municipal Management Joint Insurance Fund to other accounts of the Professional Municipal Management Joint Insurance Fund.
- B. To or from checking or savings accounts of the Professional Municipal Management Joint Insurance Fund to or from accounts specified as authorized depositories of the Professional Municipal Management Joint Insurance Fund or the State of New Jersey Cash Management Funds solely for the purpose of investing for the account of the Professional Municipal Management Joint Insurance Fund.

8. All funds of the Professional Municipal Management Joint Insurance Fund for claims payments shall be withdrawn from the official named depositories by check which shall bear the signatures of at least two (2) of the following persons who are duly authorized pursuant to this Resolution to sign claim payment checks on behalf of the Professional Municipal Management Joint Insurance Fund:

Ann L. Noble	Qual-Lynx
David S. Ruber	Qual-Lynx
Alice Lihou	Qual-Lynx
Joy DiPatri	Qual-Lynx
Janet Buggle	Qual-Lynx
John McSorley	Qual-Lynx

This resolution was duly adopted by the Professional Municipal Management Joint Insurance Fund at a public meeting held on January 25, 2016.

CHAIR

SECRETARY

**PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND
2016 CASH MANAGEMENT AND INVESTMENT POLICY**

1.) **Cash Management and Investment Objectives**

The Professional Municipal Management Joint Insurance Fund (hereinafter referred to as the FUND) objectives in this area are:

- a.) Preservation of capital.
- b.) Adequate safekeeping of assets.
- c.) Maintenance of liquidity to meet operating needs, claims settlements and dividends.
- d.) Diversification of the FUND's portfolio to minimize risks associated with individual investments.
- e.) Maximization of total return, consistent with risk levels specified herein.
- f.) Investment of assets in accordance with State and Federal Laws and Regulations.
- g.) Accurate and timely reporting of interest earnings, gains and losses by line of coverage in each Fund year.
- h.) Where legally permissible, cooperation with other local municipal joint insurance funds, and the New Jersey Division of Investment in the planning and execution of investments in order to achieve economies of scale.
- i.) Stability in the value of the FUND's economic surplus.

2.) **Permissible Investments**

Investments shall be limited to the following:

- a.) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America.
- b.) Government money market mutual funds
- c.) Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- d.) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located; or
- e.) Bonds or other obligations, having a maturity date not exceeding 397 days, approved by the Division of Investment of the Department of Treasury for investment by local units.
- f.) Debt obligations of federal agencies or government corporations with maturities not greater than five (5) years from the date of purchase, excluding mortgage backed obligations, providing that such investments are purchased through the New Jersey Division of Investment and are consistent the Division's own investment guidelines, and providing that the investment a fixed rate of interest not dependent on any index or external factors.
- g.) Repurchase agreements of fully collateralized securities, subject to rules and conditions establish by the N.J. Department of Community Affairs.
- h.) Local Government Investment Pools

No investment or deposit shall have a maturity longer than five (5) years from date of purchase.

3.) **Authorized Depositories**

In addition to the above, the FUND is authorized to deposit funds in certificates of deposit and other time deposits in banks covered by the Governmental Unit Depository Protection Act, NJSA 17:9-14 et seq. (GUDPA). Specifically authorized depositories are as follows:

TD Bank
TD Bank Asset Management
Wells Fargo Bank

The FUND is also authorized to invest its assets in the New Jersey Cash Management Fund.

4.) **Authority for Investment Management**

The Treasurer is authorized and directed to make investments, with a maturity of three months or longer, through asset managers that may be selected by the Executive Board. Such asset managers shall be discretionary trustees of the FUND.

Their actions and decisions shall be consistent with this plan and all appropriate regulatory constraints.

In executing investments, asset managers shall minimize transaction costs by querying prices from at least three (3) dealers and purchasing securities on a competitive basis. When possible, federal securities shall be purchased directly from the US Treasury. Transactions shall not be processed through brokerages which are organizationally affiliated with the asset manager. Transactions may also be processed through the New Jersey Division of Investment by the Fund's asset managers.

5.) **Preservation of Capital**

Securities shall be purchased with the ability to hold until maturity.

6.) **Safekeeping**

Securities purchased on behalf of the FUND shall be delivered electronically or physically to the FUND's custodial bank, which shall maintain custodial and/or safekeeping accounts for such securities on behalf of the FUND.

7.) **Selection of Asset Managers, Custodial Banks and Operating Banks**

Asset managers, custodial banks and operating banks shall be retained for contract periods of one (1) year. Additionally, the FUND shall maintain the ability to change asset managers and/or custodial banks more frequently based upon performance appraisals and upon reasonable notice, and based upon changes in policy or procedures.

8.) **Reporting**

Asset managers will submit written statements to the treasurer and executive director describing the proposed investment strategy for achieving the objectives identified herein. Asset managers shall also submit revisions to strategy when justified as a result of changing market conditions or other factors. Such statements shall be provided to the Treasurer and Executive Director. The statements shall also include confirmation that all investments are made in accordance with this plan.

Additionally, the Investment Manager shall include a statement that verifies the Investment Manager has reconciled and determined the appropriate fair value of the Funds portfolio based on valuation guidelines that shall be kept on file in the Executive Director's office.

The Treasurer shall report to the Executive Committee at all regular meetings on all investments. This report shall include information on the balances in all bank and investment accounts, and purchases, sales, and redemptions occurring in the prior month.

9.) **Audit**

This plan, and all matters pertaining to the implementation of it, shall be subject to the FUND's annual audit.

10.) **Cash Flow Projections**

Asset maturity decisions shall be guided by cash flow factors payout factors supplied by the Fund Actuary and reviewed by the Executive Director and the Treasurer.

11.) **Cash Management**

All moneys turned over to the Treasurer shall be deposited within forty-eight (48) hours in accordance with NJSA 40A:5-15.

In the event a check is made payable to the Treasurer rather than the Fund, the following procedure is to be followed:

- a.) The Treasurer endorses the check to the Fund and deposits it into the Fund account.
- b.) The Treasurer notifies the payer and requests that in the future any check be made payable to the Fund.

Cash may be withdrawn from investment pools under the discretion of asset managers only to fund operations, claims imprest accounts, or approved dividend payments.

The Treasurer shall escheat to the State of New Jersey checks which remain outstanding for twelve or more months after the date of issuance. However, prior to implementing such procedures, the Treasurer, with the assistance of the claims agent, as needed, shall confirm that the outstanding check continues to represent a valid claim against the FUND.

TD Bank shall retain compensating balances for the purpose of offsetting account expenses.

RESOLUTION NO. 16-4

PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND

APPOINTING DEFENSE ATTORNEYS

Whereas, the Professional Municipal Management Joint Insurance Fund has been organized pursuant to *N.J.S.A. 40A:10-36 et seq.*, and

Whereas, the Professional Municipal Management Joint Insurance Fund is duly constituted as a Municipal Self Insurance Fund and is subject to certain requirements of *the Local Public Contracts Law*, and

Whereas, the Executive Committee of the Professional Municipal Management Joint Insurance Fund finds that it is necessary and appropriate to obtain certain professional services and, therefore, to appoint and designate defense attorneys so that the claims filed against the member municipalities of the Professional Municipal Management Joint Insurance Fund and for which the Professional Municipal Management Joint Insurance Fund is obligated to provide a defense may be properly defended, and

Whereas, the Professional Municipal Management Joint Insurance Fund is in the process of reviewing litigation management procedures and developing a litigation management policy,

Now, THEREFORE, BE IT RESOLVED by the Executive Committee of the Professional Municipal Management Joint Insurance Fund, assembled in a public session on January 25, 2016, that the following law firms and attorneys are hereby designated as approved defense attorneys for the Professional Municipal Management Joint Insurance Fund:

Workers Compensation Claims:

John Geaney - Capehart Scatchard

Michael Huber & William Freeman – Freeman, Barton, Huber & Sacks

Christopher Saracino – Pietras, Saracino, Smith & Meeks

General Liability Claims:

Betsy Ramos - Capehart Scatchard

John Gillespie – Parker McCay

Allen Zeller – Zeller & Wieliczko LLP

Michael Armstrong – Michael Armstrong & Associates

Louis Cappelli, Jr. – Florio, Perrucci, Steinhardt & Fader

Subrogation Litigation

Douglas Heinhold – Raymond, Coleman, Heinhold & Norman

Be It Further Resolved, that assignment of specific claims for defense shall be made by the Fund Attorney for the Professional Municipal Management Joint Insurance Fund who shall supervise and coordinate the defense of matters in cooperation with the Claims Administrator and in accordance with the policies determined by the Professional Municipal Management Joint Insurance Fund, and

Be It Further Resolved, that the compensation for the services shall be in accordance with the amounts budgeted and authorized and approved by the Commissioners of the Professional Municipal Management Joint Insurance Fund, and

This resolution was duly adopted by the Professional Municipal Management Joint Insurance Fund at a public meeting held on January 25, 2016.

CHAIRMAN

SECRETARY

Professional Municipal Management Joint Insurance Fund

(hereinafter the "Fund")

ESTABLISHING THE 2016 PLAN OF RISK MANAGEMENT

BE IT RESOLVED by the Fund's governing body that the **2016** Plan of Risk Management shall be:

1.) **The perils or liability to be insured against.**

a.) The Fund insures the following perils or liability:

- **Workers' Compensation** including Employer's Liability, USL&H and Harbor Marine/Jones Act.
- **General Liability** including Police Professional Liability, Employee Benefits Liability, Quasi Municipal Organization Liability, Garage Keeper's Liability, Failure to Supply (water and electricity), Riot, Civil Commotion or Mob Action, Good Samaritan, Disinfecting Agents Release Hazard, and Skateboard Facility.
- **Automobile Liability** including PIP and uninsured/Underinsured Motorists Coverage.
- **Blanket Crime** including public employee dishonesty; forgery or alteration; theft, disappearance and destruction; robbery and safe burglary; and computer fraud with funds transfer. Excludes Statutory Positions.
- **Property** including Boiler and Machinery
- **Public Officials and Employment Practices Liability**
- **Volunteer Directors & Officers Liability**
- **Cyber Liability**
- **Optional Tenant Users Liability Insurance (TULIP) – Coverage includes general liability and liquor liability at the limit of liability as established by the TULIP program. The policy is written in the tenant/users name with the member entity as an additional insured. Coverage goes into effect upon the member entity subscription to the program and program setup for the member entity by the TULIP program administrator.**

b.) The following coverages are provided to the Fund's member local units by their membership in the Municipal Excess Liability Joint Insurance Fund (MEL).

- **Excess Workers' Compensation**
- **Excess General Liability**
- **Non-Owned Aircraft Liability**
- **Excess Auto Liability**
- **Optional Excess Public Officials & Employments Practices Liability**
- **Optional Excess Liability**
- **Excess Property including Boiler and Machinery**
- **Crime** including (1) **excess public employee coverage**, (2) **excess public officials coverage** where the Statutory Positions coverage is insured commercially for primary coverage and (3) coverage for **Statutory Positions** insured on a primary basis with MEL (where approved).
- c.) **Environmental Impairment Liability** Coverage is provided to the Fund's member local units by the Fund's membership in the New Jersey Municipal Environmental Risk Management Fund (i.e. E-JIF.)

2.) **The limits of coverage.**

- a.) **Workers' Compensation** limits.
 - The Fund covers \$250,000 CSL.
 - The MEL covers excess claims to the following limits.
 - Workers' Compensation - statutory
 - Employer's Liability - \$6,750,000 in excess of the Fund's \$250,000
 - USL&H – Included in workers Compensation
 - Harbor Marine/Jones Act - Included in employers liability
 - Incidental Foreign Workers Compensation - included
 - Communicable Disease Coverage - included
- b.) **General Liability** limits.
 - The Fund covers \$250,000 CSL.

- The MEL covers excess liability claims as follows:
 - General Liability - \$4,750,000 CSL excess the Fund's \$250,000 the \$3,250,000 excess \$1,750,000 layer is subject to a \$3,250,000 per member local unit annual aggregate limit.
 - Police Professional - included in the MEL's excess General Liability limits.
 - Employee Benefits Liability - included in the MEL's excess General Liability limits.
 - Good Samaritan Liability - included in the MEL's excess General Liability limits.
 - Quasi Municipal Organization Liability. (Non-profit organizations included by a member local unit in the town's insurance program.)
 - Emergency Service Units and Auxiliaries - included in the MEL's excess General Liability limits.
 - Other - \$4,750,000 CSL excess of the Fund's \$250,000. The \$3,250,000 excess \$1,750,000 layer is included in the MEL's excess General Liability \$3,250,000 excess \$1,750,000 per member local unit annual aggregate limit.
 - Garage Keeper's Liability - \$1,750,000 CSL excess of the Fund's \$250,000. The \$250,000 layer excess of \$1,750,000 is included in the MEL's excess General Liability \$3,250,000 excess \$1,750,000 per member local unit annual aggregate limit.
 - Failure to Supply Liability - \$4,750,000 CSL excess of the Fund's \$250,000. The \$3,250,000 excess of the \$1,750,000 layer is included in the MEL's General Liability \$3,250,000 excess of \$1,750,000 per member local unit annual aggregate limit.
 - Riot, Civil Commotion or Mob Action - \$4,750,000 CSL excess of the Fund's \$250,000. The \$3,250,000 excess of the \$1,750,000 layer is included in the MEL's General Liability \$3,250,000 excess of \$1,750,000 per member local unit annual aggregate limit.
 - Dams (Class III and IV – Low Hazard) - \$4,750,000 CSL excess of the Fund's \$250,000. The \$3,250,000 excess of the \$1,750,000 layer is included in the MEL's General Liability \$3,250,000 excess of \$1,750,000 per member local unit annual aggregate limit.

- Dams (Class I and II – High Hazard) - \$750,000 CSL excess of the Fund's \$250,000.
- Subsidence Property Damage Liability- \$3,500,000 CSL excess of the Fund's \$250,000. The \$2,000,000 layer excess of \$1,750,000 layer is included in the MEL's General Liability and is subject to a \$2,000,000 “all members” annual aggregate limit excess of the \$1,750,000 each occurrence. There is no bodily injury liability sub-limit for subsidence.
- Sewer Back Up - \$3,500,000 CSL excess of the Fund's \$250,000. The \$2,000,000 layer excess of \$1,750,000 layer is included in the MEL's General Liability and is subject to a \$2,000,000 “all members” annual aggregate limit excess of the \$1,750,000 each occurrence. There is no bodily injury liability sub-limit for sewer back-up.
- Disinfecting Agents Release Hazard - \$750,000 CSL excess of the Fund's \$250,000.
- Skateboard Facilities - \$4,750,000 CSL excess of the Fund's \$250,000. The \$3,250,000 excess of the \$1,750,000 layer is included in the MEL's General Liability \$3,250,000 excess of the \$1,750,000 each occurrence. (Note: requires Fund approval). Skateboard liability coverage is subject to 20% member coinsurance of the first \$100,000.

c.) **Automobile Liability** limits.

- The Fund covers \$250,000 CSL for Bodily Injury Liability, Property Damage Liability and PIP.
- The Fund covers \$15,000/\$30,000/5,000 for underinsured/Uninsured Motorists Liability.
- The MEL covers Automobile Bodily Injury and Property Damage Liability claims excess of the Fund's \$250,000 CSL limit in the MEL's excess General Liability limit except that Automobile Liability claims which penetrate the excess of \$1,750,000 layer are not subject to the aggregate limitation.
- The JIF provides PIP limits of \$250,000.
- The MEL does not provide excess PIP or Uninsured/Underinsured Motorist Coverage.

d.) **Non-Owned Aircraft.** The MEL covers \$5,000,000 CSL for Bodily Injury and Property Damage Liability, and \$5,000 medical expense for each passenger.

e.) Public Officials Liability. (POL)

- The JIF, 100% commercially insured with **QBE North America**, covers \$2,000,000 in the aggregate on a claims made basis per member municipality for each Fund year subject to a deductible and coinsurance as outlined below. There is a combined POL/EPL \$2,000,000 per member local unit annual aggregate.
- \$20,000 deductible per occurrence, except that a \$75,000 deductible per occurrence applies for member local units with unfavorable loss experience.
- 20% coinsurance of the first \$250,000 of the loss

NOTE: Member local units that qualify based on certain criteria have options to purchase a lower deductible and coinsurance contribution. New members with adverse loss experience may be subject to higher deductibles and coinsurance as proved by **QBE North America**.

f.) Employment Practices Liability (EPL)

- The JIF, 100% commercially insured with **QBE North America**, covers \$2,000,000 in the aggregate on a claims made basis per member municipality for each Fund year subject to a deductible and coinsurance as outlined below. There is a combined POL/EPL \$2,000,000 per member local unit annual aggregate.
- For member local units with approved EPL Loss Control/Risk Management Programs:
 - \$20,000 deductible per occurrence, except that a \$75,000 deductible per occurrence applies for member local units with unfavorable loss experience.
 - 20% coinsurance of the first \$250,000 of the loss
- For member local units without approved EPL Loss Control/Risk Management Programs:
 - \$100,000 deductible per occurrence, except that a \$150,000 deductible per occurrence applies for member local units with unfavorable loss experience.
 - 20% coinsurance (no cap) 1st \$2 million (not imposed against optional limits).

NOTE: Member local units that qualify based on certain criteria have options to purchase a lower deductible and coinsurance contribution. New members with adverse loss experience may be subject to higher deductibles and coinsurance as proved by **QBE North America**.

g.) **Optional Directors and Officers Liability (D & O)** - Fire Companies and Emergency Service Units.

- The JIF, 100% commercially insured with **QBE North America**, provides optional \$1 million or \$2 million annual aggregate limits for Fire Companies or Emergency Service Units subject to optional deductibles of \$1,000, \$2,000 or a \$5,000 deductible.

h.) **Property** (effective 12:01 A.M. December 31, **2015**) –

The Fund covers \$50,000 per occurrence (Property & Time Element combined) less applicable member deductibles:

- Flood for locations wholly or partially within 100-year flood zone
- Boiler and Machinery
- Named Storm (Flood & Wind)

The MEL retains and provides excess property coverage at limits of **\$450,000 excess \$50,000 per occurrence** (Property (& Time Element combined) except for the following:

- Flood for locations wholly or partially within 100-year flood zone
- Boiler and Machinery
- Named Storm(Flood & Wind)

The MEL serves as the lead agency for the purchase of additional excess property at the following MEL statewide limits and sub-limits:

- Policy limit - \$125 million per occurrence for all coverage despite number of locations involved in an occurrence state-wide.
- Named Storm - \$125 million per occurrence (Property and Time Element combined - (120 Hours)
- Earth Movement - \$75 million annual aggregate (168 hours)
- Flood - \$75 million (annual aggregate) except;
- Flood for locations wholly or partially within 100-year flood zone (SFHA) –
 - \$2.5 million per location building & contents
 - \$1 million all outdoor property
 - \$2.5 million for pumping stations

- Definition of Flood includes Storm Surge
- Asbestos Cleanup - \$50,000 per occurrence
- Equipment Breakdown - \$125 million
 - Ammonia Contamination - \$5 million
 - Spoilage - \$5 million
- Time Element – included in the policy limit.
 - Time element sub-limits include:
 - Business Interruption – Included (12 Months)
 - Extra Expense - \$10 million
 - Tenant Relocation - \$750,000
 - Leasehold Interest - \$15 million
 - Tenant Prohibited Access- \$1 million (24 Hours)
 - Service Interruption - \$10 million
 - Loss of Rents - \$15 million
 - Delay in Completion -60 days
 - Extended Period of Liability – 365 days
- Utilities Member Owned – Property Damage and Time Element Combined - \$125 million
 - Time Element Pass Through Utilities – Per Policy Sub-limit
 - Time Element Power Generation Utilities – **NOT COVERED**
- Valuable Paper and Records (incl. EDP Media/Software - \$10 million)
- Accounts Receivable - \$10 million
- Increased Construction Cost - \$25 million (Incl. Demolition)
- Transit - \$1 million per occurrence
- Fine Arts - \$2.5 million
- Land and Water Contamination Cleanup (limited) - \$250,000 (annual aggregate) Including removal & disposal
- Decontamination Costs - \$250,000
- Miscellaneous Unnamed Locations - \$10 million
- New Construction & Additions - \$25 million
 - Including soft costs - \$5 million sub-limit
 - 15 Days Delay in Completion
- Computer Systems Damage - \$2.5 million (24 Hours)
- Newly Acquired Locations – \$25 million per location
 - 90 Day Period
- Ingress/Egress - \$5 million (within 1 mile-30 Day Period)
- Debris Removal - \$25 million
- Expediting Expense - \$10 million
- Civil Authority -\$5 million(within 5 miles-30 Day Period)
- Professional Fees including Architects/Engineering Fees **and loss adjustment expense-** \$1,250,000
- Errors & Omissions - \$10 million
- Miscellaneous Personal Property - \$10 million
 - Includes Outdoor Property - \$10 million (Named Perils Only)
- Watercraft - \$1 million - 32' or less – ACV in not scheduled
- Vehicles - \$15 million (Property Damage only)
- Bridges and Dams \$10 million. (Property & TE combined). Excluded for the Perils of Flood, Named Storm & Earth Movement.

- Piers, Wharfs, Docks, Boardwalks, Bulkheads, Crossovers - \$10 million - Named Peril Only
- Transmission and Distribution Lines - \$10 million (within a 1 mile radius of an insured Location for overhead lines & 5 mile radius for underground lines)
- Clogging/Blocking of pipes - \$1 million
- Off Premises Storage Under Construction - \$250,000
- Fire Department Service Charge - \$250,000
- Deferred Payments - \$1 million
- Land Improvements – **No Coverage Provided**
 - Off Premises Services Interruption - \$10 million Excluding Utilities 24 hour qualifying period
- Protection & Preservation of Property-\$10 million(48 Hrs BI)
- Research & Development - \$10 million **(12 Months)**
 - Impounded Water - \$250,000 (30 days)
- Tenant Prohibited Access - \$1 million
- Soft Costs - \$5 million
- Wind Turbine \$1 million per occurrence

FLOOD AGGREGATE NOTE: In no event shall the Zurich primary program aggregate for Flood and/or Surface Water exceed \$50,000,000 in any one policy year. The MEL has an excess flood and earth movement policy on a quota share basis with several insurers that provide a combined limit of \$25,000,000 excess of \$50,000,000. As respects to flood, the limit is excess of the \$50 million Zurich program flood aggregate. It does not drop down over any SFHA sub-limits contained in the Zurich policy such as the \$2.5 million per location sub-limit. The underlying SFHA sub-limits are the maximum amount of limit for those respective locations with loss or damage. This additional limit does not augment or add to any underlying SFHA sub-limits. Please note, however, that loss or damage from flood up to the underlying SFHA sub-limits for that respective location will be part of the \$50 million attachment point.

The total statewide program annual aggregate for the peril of flood (for locations outside & wholly or partially within areas of 100-Year flooding) is \$75,000,000.

○ Property Deductibles

- **The standard Member JIF retains and provides \$50,000 per occurrence (MELJIF Retention \$500,000 less JIF retention) (Property & Time Element Combined) less member local unit deductibles except for:**
- The standard member local unit deductible is \$2,500 per occurrence except for:
 - Flood for locations wholly or partially within 100-year flood zone

- Equipment Breakdown
 - Named Storm (Flood & Wind)
- Equipment Breakdown coverage is subject to a member local unit \$5,000 deductible per occurrence (Property & Time Element Combined).
 - Flood loss and/or surface water for locations with any part of the legal description within a SFHA (wholly or partially within the 100-year flood zone) as defined by the Federal Emergency Management Agency is subject to separate deductibles of \$500,000 each for building damage for municipal buildings, and \$500,000 each building for municipal contents damage and \$250,000 each building damage for housing authority buildings, and \$100,000 each building for housing authorities contents damage or the National Flood Insurance Plans (NFIP) maximum available limits for municipalities and housing authorities respectively, whichever is greater, regardless of whether National Flood Insurance Program coverage is purchased. Vehicles, mobile equipment, pistol ranges and pumping stations are subject to the standard member local unit deductible. “Pumping Stations” include “lift stations” and also include “wet wells” that are an integral part of the “pumping station”. The flood loss deductible outside of the SFHA (100-year flood zone) is the standard member local unit deductible. All other property not eligible for NFIP is either defined as Outdoor or addressed elsewhere in the policy.
 - Named Storm” (Wind and Flood)

Locations: As respects to covered property in **Atlantic, Ocean, Monmouth, and Burlington Counties** located east of the Garden State Parkway and any covered property in **Cape May County**.

Property Damage 1% of the scheduled location value on file with the Company, per the property insured as of the date of loss, for the Location where the direct physical loss or damage occurred, per occurrence.

Locations: As respects to covered property in **Atlantic, Ocean, Monmouth, and Burlington Counties** located east of the Garden State Parkway and any covered property in **Cape May County**.

Time Element 1% of the full 12 months Gross Earnings or Gross Profit values that would have been earned following an occurrence by use of facilities at the Location where the direct physical loss or damage occurred and all other Locations where Time Element loss ensues, per occurrence.

The above Named Storm deductibles are subject to a minimum deductible of **\$500,000** for Property Damage and Time Element Combined per Location and maximum deductible of **\$1,000,000** per occurrence.

Locations: As respects to covered property in **Atlantic, Ocean, Monmouth, and Burlington Counties** located west of the Garden State Parkway and any covered property located in the remaining counties, except **Cape May County** as noted above. **SEE PAGE 8** (JIF Retention \$50,000; MELJIF Retention \$500,000 less \$50,000).

- **The definitions of “Named Storm” and “Location” are per the definitions in the MEL policy form with Zurich.** Named Storm is defined as any storm or weather disturbance that is named by the U.S. Oceanic and Atmospheric Administration (NOAA) or the U.S. National Weather Service or the National Hurricane Center of the Center or any comparable worldwide equivalent. Named Storm includes Storm Surge. **Location** is defined as: (1) as specified in the Schedule of Locations. If not specified in the schedule of locations then : (2) A Location is a building(s) bounded on all sides by public streets, clear land space or open waterways, each not less than fifty feet wide; (3) A site tract of land occupied or available for occupancy with tangible property.
- As respects to the perils of Flood, Earth Movement and Named Storm, if there is an event or series of related events in which more than one of these perils causes direct physical damage to insured property, a single deductible shall apply to these perils involved. The single deductible will not exceed the largest applicable for the perils of Flood, Earth Movement and Named Storm. In the event of a **Joint Loss** (Property and Equipment Breakdown), the higher deductible applies.
- **Piers, wharfs, docks,** floating docks, boardwalks, buildings, bulkheads, crossovers and/or structures thereon are covered for the perils of fire, lightning, explosion, smoke, windstorm, hail, riot, civil commotion, aircraft, vehicles, vandalism, sprinkler leakage, sinkhole collapse, and volcanic action, watercraft and malicious intent.
- **Buildings constructed on pilings** that are located wholly or partially within the Special Flood Zone Hazard (SFHA) designated zones V, VE, V1-30 are excluded except fire, lightning, explosion, smoke, windstorm, hail, riot, civil commotion, aircraft, vehicles, vandalism, sprinkler leakage, sinkhole collapse, and volcanic action, watercraft and malicious intent.
- **Bridges and Dams and Equipment relating thereto** are not covered for loss caused by or resulting from Flood, Earth Movement or Named Storm regardless of any other cause or event, whether or not

insured under this Policy, contributing concurrently or in any other sequence to the loss.

- i.) **Blanket Crime** - The JIF provides a limit of \$50,000 less the member entity deductible of \$2,500. Coverage includes Public Employee Dishonesty, Forgery and Alteration, Theft, Disappearance and Destruction, Robbery and Safe Burglary, Computer Fraud with Funds Transfer. The MEL provides its member JIF's **excess public employees coverage** at limits of \$1,000,000 less the member JIF's retention of \$50,000 for Public Employee Dishonesty.
- j.) **Excess Public Officials Crime Coverage** - The MEL provides excess employee dishonesty for those employed positions which are required by law to be individually bonded and where they have not applied and have not been approved for coverage under the MELJIF Statutory Position Program at a limit of \$1,000,000 less a member local units' deductible which is the higher of the following:
 - 1) The amount said persons are required by Law to be individually bonded whether or not such individual Bond is in place, or
 - 2) The amount of the individual Bond in place.

Each member local unit that has not applied for coverage under the MELJIF Statutory Position Bond is required to continue to purchase via the commercial market individual bonds providing primary coverage up to "at least the minimum limit required by law" for those employed positions required by law to be individually bonded.

- k.) **Crime Statutory Position Coverage** - The MEL provides employee dishonesty and faithful performance coverage for those employed positions which are required by law to be individually bonded and where they have applied and have been approved for coverage at a limit of \$1,000,000 per occurrence per position less a member local units' deductible of **\$1,000**.
- l.) **Optional Excess Liability** - The MEL offers Optional Excess General Liability, including Police Professional Liability, Employee Benefits Liability, Quasi Municipal Organization Liability (Emergency Service Units and Auxiliaries only), and Automobile Liability (not including PIP or Underinsured/Uninsured Motorist Coverage) as follows:
 - o \$2 million CSL and per member local unit annual aggregate excess of \$5 million (auto liability not aggregated).
 - o \$5 million CSL and per member local unit annual aggregate excess of \$5 million (auto liability not aggregated).
 - o \$5 million CSL and per member local unit annual aggregate excess of \$10 million (auto liability not aggregated).

- \$10 million CSL and per member local unit annual aggregate excess of \$10 million (auto liability not aggregated).
- m.) **Optional Excess POL/EPL** – The MEL offers optional excess POL/EPL as follows:
- \$1 million CSL and per member local unit annual aggregate excess of \$2 million
 - \$2 million CSL and per member local unit annual aggregate excess of \$2 million
 - \$3 million CSL and per member local unit annual aggregate excess of \$2 million
 - \$4 million CSL and per member local unit annual aggregate excess of \$2 million
 - \$4 million CSL and per member local unit annual aggregate excess of \$6 million
- n.) **Environmental Impairment Liability** - The limits of liability as established in the E-JIF's Plan of Risk Management and coverage documents.
- o.) **Cyber Liability** – The JIF, 100% commercially insured with XL Insurance, provides Third Party coverage including Media Communication, Network Security Liability and Privacy Liability and First Party coverage including Extortion Threat, Crisis Management Expenses and Privacy Notification Costs. The JIF limits of liability are \$3,000,000 each/\$6,000,000 policy aggregate. The limits are JIF wide and shared amongst member local units of the JIF. There is a \$1,000,000 sub-limit each for (1) Privacy Notification Costs, (2) Regulatory Fines/Claims Expenses for Privacy Liability, (3) Extortion Damages for Extortion Threat and (4) Crisis Management Expenses. There is a \$10,000 policy deductible. There are options available at limits of \$3 million each/\$6 million policy aggregate at a \$25,000 deductible. There is a \$3,000,000 sub-limit each for (1) Privacy Notification Costs, (2) Regulatory Fines/Claims Expenses for Privacy Liability, (3) Extortion Damages for Extortion Threat and (4) Crisis Management Expenses.
- n.) **Optional Tenant Users Liability Insurance (TULIP) – Optional coverage includes general liability and liquor liability at the limit of liability as established by the TULIP program. The policy is written in the tenant/users name with the member entity as an additional insured. Coverage goes into effect upon the member entity subscription to the program and program setup for the member entity by the TULIP program administrator.**

NOTICE: The above description is a general discussion of the coverage and limits provided by the FUND. However, the actual terms and conditions are defined in the policy documents and all issues shall be decided on the policy documents.

3.) **The amount of risk to be retained by the Fund.**

- a.) Workers' Compensation (all coverages) - \$250,000 CSL
- b.) General Liability (all coverages) - \$250,000 CSL
- c.) Employment Practices Liability – none 100% commercially insured with **QBE North America.**
- d.) Non-Owned Aircraft - none
- e.) Automobile Liability
 - o PD & BI - \$250,000 CSL
 - o Underinsured/Uninsured - \$15,000/\$30,000 CSL
 - o PIP - \$250,000 CSL
- f.) Public Officials Liability – none 100% commercially insured with **QBE North America.**
- g.) Optional Directors and Officials Liability – none 100% commercially insured with **QBE North America.**
- h.) Property - \$50,000 per occurrence less member deductibles.
- i.) JIF Blanket Crime - \$50,000 less member deductible
- j.) Optional Excess Liability – none provided by MEL
- k.) Environmental Impairment Liability - none other than the risk of a E-JIF assessment.
- l.) Residual Claims Liability - none other than the risk of a RCF assessment.
- m.) MEL Crime Policy – none provided by MEL
- n.) Optional Excess POL\EPL – none provided by MEL
- o.) Cyber Liability – none 100% commercially insured with XL Insurance
- p.) Tenant Users Liability Insurance – none

4.) **The amount of unpaid claims to be established.**

- a.) The general reserving philosophy is to set reserves based upon the probable total cost of the claim at the time of conclusion.

Historically, on claims aged eighteen (18) months, the Fund expects the claims servicing company to set reserves at 85% accuracy. The Fund also establishes reserves recommended by the Fund's actuary for claims that have been incurred but not yet reported so that the Fund has adequate reserves to pay all claims and allocated loss adjusted expense liability.

- b.) Claims reserves are subject to regular review by the Fund's Executive Director/Administrator, Attorney, Executive Committee and claims servicing company. Reserves on large or unusual claims are also subject to review by the claims departments of the commercial insurance companies or reinsurance companies providing primary or excess coverages to the Fund.

5.) **The method of assessing contributions to be paid by each member of the Fund.**

- a.) By November 15th of each year, the actuary computes the probable net cost for the upcoming Fund year by line of coverage and for each prior Fund year. The actuary includes all budget items in these computations. The annual assessment of each participating municipality is its pro rata share of the probable net cost of the upcoming Fund year for each line of coverage as computed by the actuary.
- b.) The calculation of pro rata shares is based on each municipality's experience modified manual premium for that line of coverage. The Fund's governing body also adopts a capping formula which limits the increase of any member's assessment from the preceding year to the Fund wide average increase plus a percentage selected by the governing body. The total amount of each member's annual assessment is certified by majority vote of the Fund's governing body at least one (1) month prior to the beginning of the next fiscal year.
- c.) The treasurer deposits each member's assessment into the appropriate accounts, including the administrative account, and the claim or loss retention trust fund account by Fund year for each type of coverage in which the member participates.
- d.) If a local unit becomes a member of the Fund or elects to participate in a line of coverage after the start of the Fund year, such participant's assessments and supplement assessments are reduced in proportion to that part of the year which had elapsed.
- e.) The Fund's governing body may by majority vote levy upon the participating municipalities additional assessments wherever needed or so ordered by the Commissioner of Insurance to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations. All supplemental assessments are charged to the participating municipalities by applicable Fund year, and shall be apportioned by the year's assessments for that line of coverage.
- f.) Should any member fail or refuse to pay its assessments or supplemental assessments, or should the Fund fail to assess funds required to meet its

obligations, the chairman or in the event by his or her failure to do so, the custodian of the Fund's assets, shall notify the Commissioner of Insurance and the Director of Community Affairs. Past due assessments shall bear interest at the rate established annually by the Fund's governing body.

- g.) Fund has also adopted a loss sensitive retrospective rating plan and has filed the endorsement with the Department of Banking and Insurance and the Department of Community Affairs.

6.) **Procedures governing loss adjustment and legal expenses.**

- a.) The Fund engages a claims service company to handle all claims, except for the JIF's POL/EPL Volunteer D&O and Cyber Liability insurance which is handled by Summit Risk Services representing XL Insurance and QBE North America. The performance of the claims adjusters is monitored and periodically audited by the Executive Director's office, the Fund attorney, the MEL's attorney's office, as well as the claims department of the MEL's three major liability insurers/re-insurers [i.e. General Re and Munich Re for excess liability, and Safety National for workers' compensation]. Every three years, the MEL's internal auditors also conduct an audit.
- b.) Each member local unit is provided with claims reporting procedure and appropriate forms.
- c.) In order to control workers' compensation medical costs, the Fund has engaged a managed care organization (MCO) whose procedures are integrated into the Fund's claims process.
- d.) To provide for quality defense and control costs, the Fund has established an approved defense attorney panel with firms which specialize in Title 59 matters. The performance of the defense attorneys is overseen by the Fund attorney, as well as the various firms which audit the claims adjusters.

7.) **Coverage to be purchased from a commercial insurer, if any.**

The Fund does purchases commercial insurance for the POL/EPL, Volunteer D&O, and Cyber Liability coverage which is purchased from XL Insurance and QBE North America.

8.) **Reinsurance to be purchased.**

The Fund does not purchase reinsurance.

9.) **Procedures for the closure of Fund years, including the maintenance of all relevant accounting records.**

- a.) The Fund utilizes the Municipal Excess Liability Residual Claims Fund (RCF) to facilitate the closure of Fund years.
- b.) Upon the transfer of outstanding liabilities of a Fund year to the RCF, the Fund adopts a resolution closing that year and transfers all remaining assets to the closed Fund year account. This amount is allocated by member local units using the same procedure as is used to calculate a dividend. Each month, interest is credited to the closed Fund year account by member.
- c.) Each year, the Fund's governing body will determine if a dividend is appropriate from the closed Fund year account, and will make application to the Department of Insurance as appropriate. Further, in the event an open Fund year incurs a deficit, the Fund's governing body will consider an inter-year transfer from the closed Fund year account to offset the deficit. In either case, the dividend or inter-Fund year transfer will be calculated on a member by member basis.
- d.) A member may apply to the Fund's governing body for a return of that member's remaining share of the closed Fund year account when five (5) years have passed since the last Fund year in which the member participated has been closed. The Fund's governing body will decide on the former member's request after evaluating the likelihood of any additional assessments from the RCF.
- e.) All dividends from the RCF will be deposited in the closed Fund year account on a member by member basis.
- f.) The Fund will retain all records in accordance with the Fund's record retention program.

10.) **Assumptions and Methodology used for the calculation of appropriate reserves requirements to be established and administered in accordance with sound actuarial principles.**

- a.) The general approach in estimating the loss reserves of the Fund is to project ultimate losses for each Fund year using paid and incurred loss data. Two traditional actuarial methodologies are used: the paid loss development method and the incurred loss development method. From the two different indications resulting from these methods the Fund Actuary chooses a "select" estimate of ultimate losses. Subtraction of the paid losses from the select ultimate losses yields the loss reserve liability or funding requirement.
- b.) The following is an overview of the two actuarial methods used to project the ultimate losses.
 - o Paid Loss Development Method - This method uses historical accident year paid loss patterns to project ultimate losses for each accident year.

Because this method does not use case reserve data, estimates from it are not affected by changes in case reserving practices. However, the results of this method are sensitive to changes in the rate of which claims are settled and losses are paid, and may underestimate ultimate losses if provisions are not included for very large open claims.

- Case Incurred Loss Development Method - This method is similar to the paid loss development method except it uses historical case incurred loss patterns (paid plus case outstanding reserves) to estimate ultimate losses. Because the data used includes case reserve estimates, the results from this method may be affected by changes in case reserve adequacy.

11.) **The maximum amount a certifying and approving officer may approve pursuant to N.J.A.C. 11:15-2.22.**

- \$10,000
- With the advance approval of the Fund Attorney, the certifying and approving officer may also pay provider bills if waiting until after the next regularly scheduled FUND meeting would result in the loss of a discount on such bills. When the certifying and approving officer utilizes this authority, a report shall be made to the Commissioners at their next meeting.
- \$50,000 Emergency Court House Authority upon the joint authorization of the Fund Attorney and Executive Director. Whenever this procedure is used, the claim shall be reported to the Commissioners at their next meeting.

ADOPTED: *this 25th day of January, 2016 by the Governing Body:*

PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND

Chairman

Secretary



**New Jersey Municipal Environmental
Risk Management Fund**

9 Campus Drive, Suite 216
Parsippany, New Jersey 07054
Tel (201) 881-7632
Fax (201) 881-7633

Dear E-JIF member:

At the January 6, 2016 re-organization meeting of the E-JIF, the Executive Committee appointed a new firm to serve your community as the Environmental Engineer. We do not anticipate any disruption in service as the service team in place is your former team, which is still lead by Christopher Gulics. The only change that you should experience is the name of the firm, which is PS & S. They were carefully selected after an RFP and interview process.

Below are the JIF's that will now be serviced by PS & S and their contact information;

CAMDEN JIF
MONMOUTH JIF
OCEAN JIF
PMM JIF
SUBURBAN JIF
CENTRAL JIF
TRICO JIF
BURLCO JIF

Christopher Gulics
PS&S Engineering
Senior Director

(732) 430-7012 Work
(908) 347-7531 Mobile
cgulics@psands.com
1433 Highway 34, Building A
Wall, NJ 07727

Matthew Mee
PS & S

(856) 335-6011 Work
(201) 341-6285 Mobile
mmee@psands.com

1909 Route 70 East, Suite 307
Cherry Hill, NJ 08003

If you have any questions, or require additional information, please feel free to contact the EJIF offices.

PROFESSIONAL MUNICIPAL MANAGEMENT FUND					
FINANCIAL FAST TRACK REPORT					
AS OF October 31, 2015					
	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE	
1.	UNDERWRITING INCOME	313,059	3,126,162	66,527,425	69,653,587
2.	CLAIM EXPENSES				
	Paid Claims	189,181	1,332,759	31,808,886	33,332,581
	Case Reserves	(226,104)	(321,131)	2,851,085	2,320,181
	IBNR	56,503	86,341	1,297,416	1,311,575
	Recoveries	(4,977)	(77,075)	(217,289)	(203,345)
	TOTAL CLAIMS	14,602	1,020,893	35,740,098	36,760,991
3.	EXPENSES				
	Excess Premiums	106,811	1,068,112	17,304,378	18,372,490
	Administrative	38,760	407,270	9,000,008	9,407,278
	TOTAL EXPENSES	145,571	1,475,382	26,304,386	27,779,768
4.	UNDERWRITING PROFIT (1-2-3)	152,886	629,887	4,482,941	5,112,828
5.	INVESTMENT INCOME	3,167	22,294	4,819,429	4,841,723
6.	DIVIDEND INCOME	0	0	1,507,947	1,507,947
7.	STATUTORY PROFIT (4+5+6)	156,052	652,181	10,810,317	11,462,498
8.	DIVIDEND	0	0	10,810,926	10,810,926
9.	STATUTORY SURPLUS (7-8)	156,052	652,181	(609)	651,572
SURPLUS (DEFICITS) BY FUND YEAR					
	Closed	185	(12,360)	25,628	13,268
	2012	25,344	80,494	559,098	639,592
	2013	5,673	358,663	(195,196)	163,467
	2014	37,542	76,028	(390,139)	(314,111)
	2015	87,309	149,356		149,356
	TOTAL SURPLUS (DEFICITS)	156,052	652,181	(609)	651,572
	TOTAL CASH				4,354,802
CLAIM ANALYSIS BY FUND YEAR					
	TOTAL CLOSED YEAR CLAIMS	0	13,999	29,261,405	29,275,404
	FUND YEAR 2012				
	Paid Claims	11,943	377,135	810,890	1,188,025
	Case Reserves	(35,355)	(401,542)	535,933	134,391
	IBNR	(1,406)	(39,406)	84,860	45,454
	Recoveries	0	(4,686)	(50,323)	(55,009)
	TOTAL FY 2012 CLAIMS	(24,818)	(68,499)	1,381,360	1,312,861
	FUND YEAR 2013				
	Paid Claims	140,914	298,219	1,040,060	1,338,279
	Case Reserves	(144,141)	(474,698)	1,008,844	534,146
	IBNR	(1,796)	(153,623)	331,400	177,777
	Recoveries	(104)	(24,184)	(63,071)	(87,255)
	TOTAL FY 2013 CLAIMS	(5,126)	(354,285)	2,317,233	1,962,948
	FUND YEAR 2014				
	Paid Claims	12,140	167,416	983,916	1,151,332
	Case Reserves	(45,203)	119,794	974,684	1,094,478
	IBNR	990	(338,515)	834,376	495,861
	Recoveries	(4,873)	(41,273)	(12,876)	(54,149)
	TOTAL FY 2014 CLAIMS	(36,947)	(92,578)	2,780,100	2,687,522
	FUND YEAR 2015				
	Paid Claims	24,184	379,541		379,541
	Case Reserves	(1,405)	557,166		557,166
	IBNR	58,714	592,482		592,482
	Recoveries	0	(6,932)		(6,932)
	TOTAL FY 2015 CLAIMS	81,493	1,522,257		1,522,257
	COMBINED TOTAL CLAIMS	14,602	1,020,893	35,740,098	36,760,991

PROFESSIONAL MUNICIPAL MANAGEMENT FUND					
FINANCIAL FAST TRACK REPORT					
AS OF November 30, 2015					
	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE	
1.	UNDERWRITING INCOME	313,099	3,439,260	66,527,425	69,966,685
2.	CLAIM EXPENSES				
	Paid Claims	59,954	1,392,713	31,808,886	33,392,535
	Case Reserves	123,810	(197,321)	2,851,085	2,443,991
	IBNR	57,335	143,676	1,297,416	1,368,910
	Recoveries	(12,343)	(89,418)	(217,289)	(215,688)
	TOTAL CLAIMS	228,756	1,249,649	35,740,098	36,989,747
3.	EXPENSES				
	Excess Premiums	106,811	1,174,923	17,304,378	18,479,301
	Administrative	38,964	446,233	9,000,008	9,446,241
	TOTAL EXPENSES	145,775	1,621,156	26,304,386	27,925,542
4.	UNDERWRITING PROFIT (1-2-3)	(61,432)	568,455	4,482,941	5,051,396
5.	INVESTMENT INCOME	(481)	21,813	4,819,429	4,841,242
6.	DIVIDEND INCOME	23,020	23,020	1,507,947	1,530,967
7.	STATUTORY PROFIT (4+5+6)	(38,893)	613,287	10,810,317	11,423,604
8.	DIVIDEND	23,020	23,020	10,810,926	10,833,946
9.	STATUTORY SURPLUS (7-8)	(61,913)	590,267	(609)	589,658
SURPLUS (DEFICITS) BY FUND YEAR					
	Closed	(29)	(12,389)	25,628	13,239
	2012	376	80,870	559,098	639,968
	2013	44,092	402,755	(195,196)	207,559
	2014	(92,271)	(16,243)	(390,139)	(406,382)
	2015	(14,081)	135,275		135,275
	TOTAL SURPLUS (DEFICITS)	(61,913)	590,267	(609)	589,658
	TOTAL CASH				3,978,803
CLAIM ANALYSIS BY FUND YEAR					
	TOTAL CLOSED YEAR CLAIMS	0	13,999	29,261,405	29,275,404
	FUND YEAR 2012				
	Paid Claims	4,371	381,506	810,890	1,192,396
	Case Reserves	(4,596)	(406,138)	535,933	129,795
	IBNR	(234)	(39,640)	84,860	45,220
	Recoveries	0	(4,686)	(50,323)	(55,009)
	TOTAL FY 2012 CLAIMS	(459)	(68,958)	1,381,360	1,312,402
	FUND YEAR 2013				
	Paid Claims	4,514	302,733	1,040,060	1,342,793
	Case Reserves	(47,780)	(522,478)	1,008,844	486,366
	IBNR	(898)	(154,521)	331,400	176,879
	Recoveries	0	(24,184)	(63,071)	(87,255)
	TOTAL FY 2013 CLAIMS	(44,164)	(398,450)	2,317,233	1,918,783
	FUND YEAR 2014				
	Paid Claims	11,750	179,166	983,916	1,163,082
	Case Reserves	93,018	212,811	974,684	1,187,495
	IBNR	(247)	(338,763)	834,376	495,613
	Recoveries	(12,343)	(53,616)	(12,876)	(66,492)
	TOTAL FY 2014 CLAIMS	92,177	(401)	2,780,100	2,779,699
	FUND YEAR 2015				
	Paid Claims	39,319	418,859		418,859
	Case Reserves	83,169	640,335		640,335
	IBNR	58,714	651,197		651,197
	Recoveries	0	(6,932)		(6,932)
	TOTAL FY 2015 CLAIMS	181,202	1,703,459		1,703,459
	COMBINED TOTAL CLAIMS	228,756	1,249,649	35,740,098	36,989,747

PROFESSIONAL MUNICIPAL MGMT JIF									
Fixed Income Portfolio Summary and Rate Comparison									
					For Month End	11/30/2015			
					2012	2013	2014	Last Month	This Month
PROFESSIONAL MUNICIPAL MGMT JIF									
Total Cash Balance (millions)					3.29	3.69	3.45	4.35	3.98
Fixed Income Portfolio TD									
Investments (millions), Book Value					1.50	2.00	2.00	2.00	2.00
Avg maturity (years)					1.84	2.99	1.99	2.25	2.17
Unrealized gain/(loss) (%)					0.08	-0.23	-0.10	0.29	0.17
Purchase/Book yield (%)					0.20	0.80	0.80	1.10	1.10
Realized gain/(loss) (%)					0.00	0.00	0.00	0.00	0.00
Total Yield (Market)					0.28	0.57	0.70	1.39	1.27
M E L PORTFOLIO									
Total Cash Balance (millions)					73.43	64.22	72.15	73.83	72.98
Fixed Income Portfolio Wells Fargo 2013-2015									
Investments (millions), Book Value					56.97	50.13	48.09	62.21	62.16
Avg maturity (years) ***					2.61	2.04	1.90	1.72	1.65
Unrealized gain/(loss) (%)					0.63	-0.30	-0.06	0.13	-0.13
Purchase/Book yield (%)					0.80	0.65	0.82	0.90	0.91
Realized gain/(loss) (%)					0.00	0.00	0.00	0.00	0.00
Total Yield (Market)					1.43	0.35	0.76	1.03	0.78
COMPARATIVE RATES (%)									
Cash & Cash Equivalents									
NJ Cash Mgmt Fund *					0.06	0.06	0.69	0.13	0.15
TD Money Market					0.05	0.01	0.01	0.01	0.01
TD Bank Deposits					Unavailable **				
Treasury Issues									
1 year bills					0.17	0.13	0.12	0.26	0.48
3 year notes					0.38	0.54	0.90	0.93	1.20
5 year notes					0.76	1.17	1.64	1.39	1.67
Merrill Lynch US Govt 1-3 years ^					0.51	0.37	0.63	0.90	0.65

Professional Municipal Mgmt Joint Insurance Fund
CLAIMS MANAGEMENT REPORT
EXPECTED LOSS RATIO ANALYSIS

AS OF **December 31, 2015**

FUND YEAR 2011 -- LOSSES CAPPED AT RETENTION

	Budget	Limited	60	MONTH	59	MONTH	48	MONTH
		Incurred	Actual	TARGETED	Actual	TARGETED	Actual	TARGETED
		Current	31-Dec-15		30-Nov-15		31-Dec-14	
PROPERTY	113,000	340,677	301.48%	100.00%	301.48%	100.00%	301.48%	100.00%
GEN LIABILITY	389,824	499,178	128.05%	97.10%	128.05%	97.06%	132.64%	95.70%
AUTO LIABILITY	114,480	27,824	24.30%	96.17%	24.30%	95.94%	24.30%	92.58%
WORKER'S COMP	1,236,000	1,429,722	115.67%	99.88%	115.93%	99.86%	107.21%	99.40%
TOTAL ALL LINES	1,853,305	2,297,401	123.96%	99.07%	124.13%	99.04%	119.29%	98.24%
NET PAYOUT %	\$2,121,912		114.49%					

FUND YEAR 2012 -- LOSSES CAPPED AT RETENTION

	Budget	Limited	48	MONTH	47	MONTH	36	MONTH
		Incurred	Actual	TARGETED	Actual	TARGETED	Actual	TARGETED
		Current	31-Dec-15		30-Nov-15		31-Dec-14	
PROPERTY	128,985	141,032	109.34%	100.00%	109.34%	100.00%	105.99%	100.00%
GEN LIABILITY	430,777	520,094	120.73%	95.70%	120.73%	95.40%	93.41%	90.15%
AUTO LIABILITY	100,941	9,647	9.56%	92.58%	9.56%	92.21%	9.56%	87.18%
WORKER'S COMP	1,214,370	597,521	49.20%	99.40%	49.11%	99.34%	61.58%	98.10%
TOTAL ALL LINES	1,875,073	1,268,294	67.64%	98.23%	67.58%	98.10%	69.14%	95.81%
NET PAYOUT %	\$1,138,669		60.73%					

FUND YEAR 2013 -- LOSSES CAPPED AT RETENTION

	Budget	Limited	36	MONTH	35	MONTH	24	MONTH
		Incurred	Actual	TARGETED	Actual	TARGETED	Actual	TARGETED
		Current	31-Dec-15		30-Nov-15		31-Dec-14	
PROPERTY	143,096	111,385	77.84%	100.00%	77.73%	100.00%	77.73%	100.00%
GEN LIABILITY	471,295	208,464	44.23%	90.15%	76.40%	89.48%	83.07%	79.39%
AUTO LIABILITY	89,158	31,841	35.71%	87.18%	35.71%	86.58%	53.63%	76.44%
WORKER'S COMP	1,209,207	1,222,774	101.12%	98.10%	102.44%	97.90%	118.70%	93.51%
TOTAL ALL LINES	1,912,756	1,574,463	82.31%	95.77%	91.07%	95.46%	103.82%	89.72%
NET PAYOUT %	\$1,263,049		66.03%					

FUND YEAR 2014 -- LOSSES CAPPED AT RETENTION

	Budget	Limited	24	MONTH	23	MONTH	12	MONTH
		Incurred	Actual	TARGETED	Actual	TARGETED	Actual	TARGETED
		Current	31-Dec-15		30-Nov-15		31-Dec-14	
PROPERTY	184,000	148,770	80.85%	100.00%	80.85%	99.33%	119.36%	95.24%
GEN LIABILITY	473,408	412,137	87.06%	79.39%	91.28%	78.18%	47.52%	60.18%
AUTO LIABILITY	89,385	18,356	20.54%	76.44%	20.54%	75.06%	24.10%	51.17%
WORKER'S COMP	1,210,000	1,680,931	138.92%	93.51%	139.24%	92.71%	109.07%	64.07%
TOTAL ALL LINES	1,956,793	2,260,194	115.51%	89.92%	116.73%	89.01%	91.27%	65.47%
NET PAYOUT %	\$1,146,729		58.60%					

FUND YEAR 2015 -- LOSSES CAPPED AT RETENTION

	Budget	Limited	12	MONTH	11	MONTH	0	MONTH
		Incurred	Actual	TARGETED	Actual	TARGETED	Actual	TARGETED
		Current	31-Dec-15		30-Nov-15		31-Dec-14	
PROPERTY	191,000	83,068	43.49%	95.24%	36.82%	86.00%	N/A	N/A
GEN LIABILITY	471,685	57,933	12.28%	60.18%	11.22%	49.00%	N/A	N/A
AUTO LIABILITY	75,666	21,864	28.90%	51.17%	21.99%	45.00%	N/A	N/A
WORKER'S COMP	1,241,000	1,121,347	90.36%	64.07%	73.52%	52.00%	N/A	N/A
TOTAL ALL LINES	1,979,351	1,284,213	64.88%	65.66%	53.16%	54.30%	N/A	N/A
NET PAYOUT %	\$437,333		22.09%					

Professional Municipal Mgmt Joint Insurance Fund
CLAIM ACTIVITY REPORT

December 31, 2015						
COVERAGE LINE - PROPERTY						
CLAIM COUNT - OPEN CLAIMS						
Year	2011	2012	2013	2014	2015	TOTAL
November-15	0	1	1	1	11	14
December-15	0	1	1	2	13	17
NET CHGE	0	0	0	1	2	3
Limited Reserves						\$3,239
Year	2011	2012	2013	2014	2015	TOTAL
November-15	\$0	\$0	\$0	\$0	\$43,392	\$43,392
December-15	\$0	\$0	\$0	\$0	\$55,061	\$55,061
NET CHGE	\$0	\$0	\$0	\$0	\$11,669	\$11,669
Ltd Incurred	\$340,677	\$141,032	\$111,385	\$148,770	\$83,068	\$824,933
COVERAGE LINE - GENERAL LIABILITY						
CLAIM COUNT - OPEN CLAIMS						
Year	2011	2012	2013	2014	2015	TOTAL
November-15	1	2	6	19	24	52
December-15	1	2	3	19	23	48
NET CHGE	0	0	-3	0	-1	-4
Limited Reserves						\$11,853
Year	2011	2012	2013	2014	2015	TOTAL
November-15	\$0	\$101,190	\$219,080	\$379,564	\$45,982	\$745,816
December-15	\$0	\$101,020	\$67,390	\$349,536	\$50,985	\$568,931
NET CHGE	\$0	(\$170)	(\$151,690)	(\$30,027)	\$5,003	(\$176,885)
Ltd Incurred	\$499,178	\$520,094	\$208,464	\$412,137	\$57,933	\$1,697,806
COVERAGE LINE - AUTO LIABILITY						
CLAIM COUNT - OPEN CLAIMS						
Year	2011	2012	2013	2014	2015	TOTAL
November-15	0	0	0	0	8	8
December-15	0	0	0	0	9	9
NET CHGE	0	0	0	0	1	1
Limited Reserves						\$1,702
Year	2011	2012	2013	2014	2015	TOTAL
November-15	\$0	\$0	\$0	\$0	\$11,590	\$11,590
December-15	\$0	\$0	\$0	\$0	\$15,315	\$15,315
NET CHGE	\$0	\$0	\$0	\$0	\$3,725	\$3,725
Ltd Incurred	\$27,824	\$9,647	\$31,841	\$18,356	\$21,864	\$109,532
COVERAGE LINE - WORKERS COMP.						
CLAIM COUNT - OPEN CLAIMS						
Year	2011	2012	2013	2014	2015	TOTAL
November-15	7	1	15	16	45	84
December-15	6	1	14	14	40	75
NET CHGE	-1	0	-1	-2	-5	-9
Limited Reserves						\$25,834
Year	2011	2012	2013	2014	2015	TOTAL
November-15	\$181,373	\$28,606	\$267,286	\$807,931	\$539,371	\$1,824,567
December-15	\$175,489	\$28,606	\$244,024	\$763,929	\$725,519	\$1,937,567
NET CHGE	(\$5,884)	\$0	(\$23,262)	(\$44,002)	\$186,148	\$113,000
Ltd Incurred	\$1,429,722	\$597,521	\$1,222,774	\$1,680,931	\$1,121,347	\$6,052,296
TOTAL ALL LINES COMBINED						
CLAIM COUNT - OPEN CLAIMS						
Year	2011	2012	2013	2014	2015	TOTAL
November-15	8	4	22	36	88	158
December-15	7	4	18	35	85	149
NET CHGE	-1	0	-4	-1	-3	-9
Limited Reserves						\$17,294
Year	2011	2012	2013	2014	2015	TOTAL
November-15	\$181,373	\$129,795	\$486,366	\$1,187,495	\$640,335	\$2,625,364
December-15	\$175,489	\$129,625	\$311,414	\$1,113,465	\$846,880	\$2,576,874
NET CHGE	(\$5,884)	(\$170)	(\$174,952)	(\$74,030)	\$206,545	(\$48,490)
Ltd Incurred	\$2,297,401	\$1,268,294	\$1,574,463	\$2,260,194	\$1,284,213	\$8,684,566

2015 LOST TIME ACCIDENT FREQUENCY ALL JIFs

November 30, 2015				
	2015	2014	2013	TOTAL
	LOST TIME	LOST TIME	LOST TIME	RATE *
FUND	FREQUENCY	FREQUENCY	FREQUENCY	2015 - 2013
NJ PUBLIC HOUSING	1.41	2.72	2.34	2.18
BURLINGTON	1.61	1.62	1.59	1.61
CENTRAL	1.66	2.49	2.66	2.28
TRI-COUNTY	1.79	1.96	1.99	1.92
SUBURBAN ESSEX	1.81	2.48	2.52	2.30
MORRIS	1.83	2.00	1.65	1.83
SUBURBAN MUNICIPAL	1.85	1.70	1.91	1.82
MONMOUTH	1.97	2.21	1.42	1.86
N.J.U.A.	2.03	2.78	2.30	2.38
BERGEN	2.06	2.30	1.93	2.10
ATLANTIC	2.16	2.92	2.85	2.66
OCEAN	2.17	2.31	2.40	2.29
CAMDEN	2.45	2.04	1.95	2.13
SOUTH BERGEN	2.51	2.46	2.61	2.53
PROF MUN MGMT	3.54	2.37	2.88	2.91
AVERAGE	2.06	2.29	2.20	2.19

2015 LOST TIME ACCIDENT FREQUENCY ALL JIFs

December 31, 2015				
	2015	2014	2013	TOTAL
	LOST TIME	LOST TIME	LOST TIME	RATE *
FUND	FREQUENCY	FREQUENCY	FREQUENCY	2015 - 2013
NJ PUBLIC HOUSING	1.34	2.72	2.39	2.16
BURLINGTON	1.52	1.66	1.64	1.61
CENTRAL	1.59	2.49	2.66	2.24
TRI-COUNTY	1.70	1.99	1.99	1.89
MORRIS	1.79	2.00	1.65	1.82
MONMOUTH	1.92	2.21	1.37	1.83
BERGEN	1.94	2.30	1.93	2.06
OCEAN	2.09	2.34	2.40	2.27
N.J.U.A.	2.12	2.78	2.40	2.43
ATLANTIC	2.16	2.92	2.85	2.64
SUBURBAN MUNICIPAL	2.31	1.76	1.91	1.99
CAMDEN	2.36	2.04	1.95	2.11
SUBURBAN ESSEX	2.40	2.45	2.52	2.46
SOUTH BERGEN	2.43	2.46	2.61	2.50
PROF MUN MGMT	3.36	2.37	2.88	2.87
AVERAGE	2.07	2.30	2.21	2.19

Professional Municipal Mgmt Joint Insurance Fund											
2015 LOST TIME ACCIDENT FREQUENCY											
DATA VALUED AS OF November 30, 2015											
MEMBER_ID	MEMBER	**	# CLAIMS FOR	Y.T.D. LOST TIME ACCIDENTS	2015 LOST TIME FREQUENCY	2014 LOST TIME FREQUENCY	2013 LOST TIME FREQUENCY	MEMBER	TOTAL RATE	2015 - 2013	
1	306	MAPLE SHADE		0	2	1.64	0.00	5.09	1	MAPLE SHADE	2.29
2	307	MOORESTOWN		0	3	2.26	1.36	3.75	2	MOORESTOWN	2.42
3	305	EVESHAM TOWNSHIP FIRE		0	3	3.07	1.83	0.00	3	EVESHAM TOWNSHIP I	1.58
4	304	EVESHAM		2	7	4.25	4.69	1.55	4	EVESHAM	3.40
5	308	WILLINGBORO		2	14	4.64	2.76	3.33	5	WILLINGBORO	3.55
Totals:				4	29	3.54	2.37	2.88			2.91

Professional Municipal Mgmt Joint Insurance Fund											
2015 LOST TIME ACCIDENT FREQUENCY											
DATA VALUED AS OF December 31, 2015											
MEMBER_ID	MEMBER	**	# CLAIMS FOR	Y.T.D. LOST TIME ACCIDENTS	2015 LOST TIME FREQUENCY	2014 LOST TIME FREQUENCY	2013 LOST TIME FREQUENCY	MEMBER	TOTAL RATE	2015 - 2013	
1	306	MAPLE SHADE		0	2	1.50	0.00	5.09	1	MAPLE SHADE	2.22
2	307	MOORESTOWN		0	3	2.08	1.36	3.75	2	MOORESTOWN	2.35
3	305	EVESHAM TOWNSHIP FIRE		0	3	2.82	1.83	0.00	3	EVESHAM TOWNSHIP I	1.54
4	308	WILLINGBORO		0	14	4.25	2.76	3.33	4	WILLINGBORO	3.45
5	304	EVESHAM		1	8	4.46	4.69	1.55	5	EVESHAM	3.49
Totals:				1	30	3.36	2.37	2.88			2.87

Professional Municipal Management Joint Insurance Fund
Annual Regulatory Filing Check List
Year 2015 as of December 31, 2015

<u>Item</u>	<u>Filing Status</u>
<input type="checkbox"/> 2015 Budget	Filed 3/10
<input type="checkbox"/> Assessments	Filed 3/10
<input type="checkbox"/> Actuarial Certification	Filed 7/31
<input type="checkbox"/> Reinsurance Policies	Filed 6/3
<input type="checkbox"/> Fund Commissioners	Filed 3/10
<input type="checkbox"/> Fund Officers	Filed 3/10
<input type="checkbox"/> Renewal Resolutions	Filed
<input type="checkbox"/> New Members	None
<input type="checkbox"/> Withdrawals	None
<input type="checkbox"/> Risk Management Plan	Filed 3/10
<input type="checkbox"/> Certification of Professional Fees	Filed
<input type="checkbox"/> Unaudited Financials	Filed 2/28
<input type="checkbox"/> Annual Audit	Filed 7/31
<input type="checkbox"/> State Comptroller Audit Filing	Filed
<input type="checkbox"/> Ethics Filing	On Line Filing

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND
EMPLOYMENT PRACTICES COMPLIANCE STATUS - Professional Municipal Mgmt Joint Insurance Fund
Data Valued As of : January 15, 2016

Total Participating Members	5
Complaint	4
Percent Compliant	80.00%

Member Name	*	2014 Checklist Submitted	2015 Compliant	01/01/16 2016		Amended Deductible Date	Revised EPL Deductible	Revised POL Deductible	Co-Insurance 01/01/16
				EPL Deductible	POL Deductible				
EVESHAM		Yes	Yes	\$ 20,000	\$ 20,000				20% of 1st 250K
EVESHAM TOWNSHIP FIRE DISTRI		No	No	\$ 100,000	\$ 20,000				20% of 1st 2Mil/20% of 1st 250K POL
MAPLE SHADE		Yes	Yes	\$ 10,000	\$ 10,000				0%
MOORESTOWN		Yes	Yes	\$ 20,000	\$ 20,000				20% of 1st 250K
WILLINGBORO		Yes	Yes	\$ 20,000	\$ 20,000				20% of 1st 250K

RESOLUTION NO. 15-29

**PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND
DECEMBER 2015 BILLS LIST**

WHEREAS, the Treasurer has certified that funding is available to pay the following bills:

BE IT RESOLVED that the Professional Municipal Management Joint Insurance Fund’s Executive Board, hereby authorizes the Fund treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Fund.

FUND YEAR 2015

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
004899			
004899	MUNICIPAL EXCESS LIABILITY JIF	FAITHFUL PERFORMANCE BOND 4TH QTR 2015	894.02
			894.02
004900			
004900	MUNICIPAL EXCESS LIABILITY	MEL PROPERTY 4TH QTR 2015	56,395.19
004900	MUNICIPAL EXCESS LIABILITY	MEL 4TH QTR 2015	163,121.20
			219,516.39
004901			
004901	QUAL-LYNX	CLAIMS ADMIN - 12/2015	10,663.25
			10,663.25
004902			
004902	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES - 12/2015	1,390.35
			1,390.35
004903			
004903	PERMA	POSTAGE FEE 11/2015	36.22
004903	PERMA	EXECUTIVE DIRECTOR FEE 12/2015	9,272.29
			9,308.51
004904			
004904	THE ACTUARIAL ADVANTAGE	ACTUARY MONTHLY FEE 12/2015	3,025.00
			3,025.00
004905			
004905	QUALCARE, INC.	MANAGED CARE SERVICES - 12/2015	6,660.25
			6,660.25
004906			
004906	THOMAS TONTARSKI	TREASURER FEE 12/2015	1,375.13
			1,375.13
004907			
004907	HELMER, CONLEY & KASSELMAN, PA	LITIGATION MANAGEMENT - 12/2015	1,355.07
004907	HELMER, CONLEY & KASSELMAN, PA	ATTORNEY FEE 12/2015	1,590.81
			2,945.88
004908			
004908	CONNELL CONSULTING LLC	TRAINING - 12/12/15	100.00
			100.00
004909			
004909	MUNICIPAL EXCESS LIABILITY JIF	MSI 4TH QTR 2015	3,667.50
			3,667.50

004910			
004910	ALLSTATE INFORMATION MANAGEMNT	ACCT: 413 - ACT & STOR 11/30/2015	32.06
004910	ALLSTATE INFORMATION MANAGEMNT	ACCT: 413 - ACT & STOR 10/31/2015	32.06
			64.12
004911			
004911	CONNER STRONG & BUCKELEW	UNDERWRITING MANAGER - 12/2015	460.07
			460.07
004912			
004912	CONNER STRONG & BUCKELEW	AUTOMOBILE ID CARDS RENEWAL 2016	58.39
			58.39
		Total Payments FY 2015	260,128.86

TOTAL PAYMENTS ALL FUND YEARS \$ 260,128.86

Chairperson

Attest:

Secretary

Dated: _____

I hereby certify the availability of sufficient unencumbered funds in the proper accounts to fully pay the above claims.

Treasurer

RESOLUTION NO. 16-6

**PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND
JANUARY 2016 BILLS LIST**

WHEREAS, the Treasurer has certified that funding is available to pay the following bills:

BE IT RESOLVED that the Professional Municipal Management Joint Insurance Fund's Executive Board, hereby authorizes the Fund treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Fund.

FUND YEAR 2015

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
004913			
004913	PERMA	POSTAGE FEE 12/2015	0.49
			0.49
		Total Payments FY 2015	.49

FUND YEAR 2016

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
004914			
004914	MUNICIPAL EXCESS LIABILITY JIF	FAITHFUL PERFORMANCE BOND 1ST QTR 2016	894.01
			894.01
004915			
004915	MUNICIPAL EXCESS LIABILITY	MEL PROPERTY 1ST QTR 2016	56,395.21
004915	MUNICIPAL EXCESS LIABILITY	MEL 1ST QTR 2016	165,371.24
			221,766.45
004916			
004916	QUAL-LYNX	CLAIMS ADMIN - 01/2016	10,876.51
			10,876.51
004917			
004917	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES - 01/2016	1,418.17
			1,418.17
004918			
004918	PERMA	EXECUTIVE DIRECTOR FEE 01/2016	9,975.00
			9,975.00
004919			
004919	THE ACTUARIAL ADVANTAGE	ACTUARY MONTHLY FEE 01/2016	3,085.50
			3,085.50
004920			
004920	QUALCARE, INC.	MANAGED CARE SERVICES - 01/2016	6,793.42
			6,793.42
004921			
004921	THOMAS TONTARSKI	TREASURER FEE 01/2016	1,402.58
			1,402.58
004922			
004922	BACIO CATERING AND MARKETPLACE	MEETING EXPENSE - 01/25/2016	190.00
			190.00

004923				
004923	HELMER, CONLEY & KASSELMAN, PA	LITIGATION MANAGEMENT - 01/2016		1,382.18
004923	HELMER, CONLEY & KASSELMAN, PA	ATTORNEY FEE 01/2016		1,622.63
				3,004.81
004924				
004924	MUNICIPAL EXCESS LIABILITY JIF	MSI 1ST QTR 2016		3,667.50
				3,667.50
004925				
004925	CONNER STRONG & BUCKELEW	UNDERWRITING MANAGER - 01/2016		469.23
				469.23
		Total Payments FY 2016	263,543.18	

TOTAL PAYMENTS ALL FUND YEARS \$ 263,543.67

Chairperson

Attest:

_____ Dated: _____

I hereby certify the availability of sufficient unencumbered funds in the proper accounts to fully pay the above claims.

Treasurer

January 17, 2015

To the Members of the
Executive Board of the
Professional Municipal Management
Joint Insurance Fund

I have enclosed for your review and, in some cases consideration, documents of presentation relating to claims, transfers, and the financial condition of the Fund.

The statements included in this report are prepared on a “modified cash basis” and relate to financial activity through the two month period ending December 31, 2015 for Closed Fund Years 1987 to 2010, and Fund Years 2011, 2012, 2013, 2014 and 2015. The reports, where required, are presented in a manner prescribed or permitted by the Department of Insurance and the Division of Local Government Services of the Department of Community Affairs.

All statements contained in this report are subject to adjustment by annual audit.

A summary of the contents of these statements is presented below.

INVESTMENT INTEREST:

Interest received or accrued for the period totaled \$ 3,752.56. This generated an average annual yield of .56%. However, we have an unrealized net loss of \$3,860.00 adjusting the reported yield to -.03% for the period. The total overview of the asset portfolio for the fund shows an overall unrealized gain of \$ 1,880.00 as it relates to the market value of \$2,001,880.00 vs. the amount we have invested.

Our asset portfolio with TD Wealth Management has 1 obligation greater than two years.

RECEIPT ACTIVITY FOR THE PERIOD:

Subrogation Receipts \$1,437.60 w/YTD of \$ 79,262.54 (detailed in my report)
Overpayment Reimbursements \$1,351.85
E-JIF 2015 Dividend \$ 23,020.00

CLAIM ACTIVITY FOR THE PERIOD:

The enclosed report shows 167 claim payments issued during the period for claims paid by the fund and claims payable by the Fund at period end in the amount of \$ 148,046.00.

Loss Payments	\$	124,165.46
Expense Payments	\$	3,914.06
Legal Payments	\$	19,966.48

CASH ACTIVITY FOR THE PERIOD:

The enclosed report shows that during the reporting period the Fund's "Cash Position" changed from an opening balance of \$ 4,354,844.51 to a closing balance of \$3,655,983.45 showing a decrease in the fund of \$ 698,861.06.

BILL LIST FOR THE PERIOD:

Vouchers to be submitted for your consideration at the scheduled meeting show on the accompanying bill list.

The information contained in this summary of the document provided in this report. Other detailed information is contained in the attached documents or a more specific explanation on any question can be obtained by contacting me at 609-744-3597.

Respectfully Submitted,

Thomas J. Tontarski
Treasurer

**PROFESSIONAL MUNICIPAL MANAGEMENT JIF
SUBROGATION REPORT 2015**

DATE REC'D	CREDITED TO:	FILE NUMBER	CLAIMANT NAME	COV. TYPE	FUND YEAR	AMOUNT RECEIVED	RECEIVED Y.T.D.
1/2	EVESHAM TWP.	X71495	MICHAEL CARLIN	WC	2013	73.00	
1/2	MAPLE SHADE TWP.	X59162	BRIAN WEISS	WC	2013	25.00	
1/8	WILLINGBORO TWP.	X81896	WILLINGBORO TWP.	PR	2014	1,674.72	
1/21	WILLINGBORO TWP.	X51308	BRIAN WINKLER	WC	2013	4,211.04	
TOTAL-JAN						5,983.76	
TOTAL-YTD							5,983.76
2/2	EVESHAM TWP.	X71495	DANIEL BURDETTE	WC	2013	50.00	
2/2	MAPLE SHADE TWP.	X59162	BRIAN WEISS	WC	2013	25.00	
2/18	MAPLE SHADE TWP.	X59162	BRIAN WEISS	WC	2013	25.00	
2/18	EVESHAM TWP.	X71495	MICHAEL CARLIN	WC	2013	50.00	
TOTAL-FEB						150.00	
TOTAL-YTD							6,133.76
3/2	WILLINGBORO TWP.	X97236	WILLINGBORO TWP.	PR	2014	4,002.66	
3/2	WILLINGBORO TWP.	Z02607	WILLINGBORO TWP.	PR	2014	28,094.23	
3/25	EVESHAM TWP.	X29361	CHRISTINA HOUSEAL	WC	2012	4,511.31	
TOTAL-MAR						36,608.20	
TOTAL-YTD							42,741.96
4/1	MAPLE SHADE TWP.	X59162	BRIAN WEISS	WC	2013	25.00	
4/17	EVESHAM TWP.	X71495	MICHAEL CARLIN	WC	2013	50.00	
4/23	WILLINGBORO TWP.	X55035	JAIME JIMENEZ	WC	2013	4.29	
4/17	MAPLE SHADE TWP.	X59162	BRIAN WEISS	WC	2013	25.00	
TOTAL-APR						104.29	
TOTAL-YTD							42,846.25
5/5	EVESHAM TWP.	X71495	MICHAEL CARLIN	WC	2013	50.00	
TOTAL-MAY						50.00	
TOTAL-YTD							42,896.25
6/3	MAPLE SHADE TWP.	X10584	NICHOLAS GIANNINI	WC	2011	375.00	
6/3	MAPLE SHADE TWP.	X59162	BRIAN WEISS	WC	2013	25.00	
TOTAL-JUN						400.00	
TOTAL-YTD							43,296.25
7/1	MAPLE SHADE TWP.	X24298	ADAM WALLACE	WC	2012	174.74	
7/2	MAPLE SHADE TWP.	X59162	BRIAN WEISS	WC	2013	25.00	
7/7	MAPLE SHADE TWP.	Z16509	MAPLE SHADE TWP.	PR	2015	1,290.00	
7/14	WILLINGBORO TWP.	Z19857	WILLINGBORO TWP.	PR	2015	5,641.92	
7/15	MAPLE SHADE TWP.	X10584	NICHOLAS GIANNINI	WC	2011	375.00	
7/16	EVESHAM TWP.	X96016	EVESHAM TWP.	PR	2014	2,628.41	
7/23	MOORESTOWN TWP.	X61147	DANIEL PASCAL	WC	2013	19,314.42	
TOTAL-JUL						29,449.49	
TOTAL-YTD							72,745.74
8/14	MAPLE SHADE TWP.	X59162	BRIAN WEISS	WC	2013	25.00	
TOTAL-AUG						25.00	
TOTAL-YTD							72,770.74
9/1	MAPLE SHADE TWP.	X59162	BRIAN WEISS	WC	2013	77.00	
TOTAL-SEP						77.00	
TOTAL-YTD							72,847.74
10/19	EVESHAM TWP.	X87069	ARNOLD GIORDONO	WC	2014	4,873.20	
10/21	MAPLE SHADE TWP.	X59162	BRIAN WEISS	WC	2013	104.00	
TOTAL-OCT						4,977.20	
TOTAL-YTD							77,824.94
11/5	MOORESTOWN TWP.	Z25540	MOORESTOWN TWP.	PR	2015	886.00	
TOTAL-NOV						886.00	
TOTAL-YTD							78,710.94
12/9	MOORESTOWN TWP.	Z29877	MOORESTOWN TWP.	PR	2015	551.60	
TOTAL-DEC						551.60	
TOTAL-YTD							79,262.54

**PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND
SUMMARY OF CASH TRANSACTIONS - ALL FUND YEARS COMBINED**

Current Fund Year: 2015 Month Ending: November											
	Prop	Liab	Auto	WC	0	POL/EPL	EJIF	Future	Admin	TOTAL	
OPEN BALANCE	(19,043.38)	1,248,588.32	379,996.28	2,144,852.99	0.00	144.10	(19,630.52)	238,514.17	381,422.55	4,354,844.51	
RECEIPTS											
Assessments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Refunds	886.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	886.00	
Invest Pymnts	(106.40)	(602.91)	(183.50)	(1,038.29)	0.00	(0.07)	(0.03)	(116.09)	(184.19)	(2,231.48)	
Invest Adj	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Subtotal Invest	(106.40)	(602.91)	(183.50)	(1,038.29)	0.00	(0.07)	(0.03)	(116.09)	(184.19)	(2,231.48)	
Other *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
TOTAL	779.60	(602.91)	(183.50)	(1,038.29)	0.00	(0.07)	(0.03)	(116.09)	(184.19)	(1,345.48)	
EXPENSES											
Claims Transfers	3,759.02	4,615.46	10.00	43,595.09	0.00	0.00	0.00	0.00	0.00	51,979.57	
Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	322,714.36	322,714.36	
Other *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
TOTAL	3,759.02	4,615.46	10.00	43,595.09	0.00	0.00	0.00	0.00	322,714.36	374,693.93	
END BALANCE	(22,022.80)	1,243,369.95	379,802.78	2,100,219.61	0.00	144.03	(19,630.55)	238,398.08	58,524.00	3,978,805.10	

Report Month:	November		Balance Differences
Opening Balances:	Opening Balances are equal		\$0.00
Imprest Transfers:	Imprest Totals are equal		\$0.00
Investment Balances:	Investment Payment Balances are equal		\$0.00
	Investment Adjustment Balances are equal		\$0.00
Ending Balances:	Ending Balances are equal		\$0.00
Accrual Balances:	Accrual Balances are equal		\$0.00

SUMMARY OF CASH AND INVESTMENT INSTRUMENTS								
PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND								
ALL FUND YEARS COMBINED								
CURRENT MONTH	November							
CURRENT FUND YEAR	2015							
Description:	Instrument #1	Instr #2	Instr #3	Instr #4	Instr #5	Instr #6		
ID Number:	OPERATING	CASH MGMT	INVEST ACCT	ASSET MGR	TD CLAIMS	EXPENSE		
Maturity (Yrs)	0	0	0	0	0	0	0	
Purchase Yield:	0	0	0	0	0	0	0	
TOTAL for All Accts & instruments								
Opening Cash & Investment Balance	\$4,354,845.01	2100280.37	2560.44	195723.6	2005740	50040.6	500	
Opening Interest Accrual Balance	\$5,366.66	0	0	0	5366.66	0	0	
1 Interest Accrued and/or Interest Cost	\$1,750.00	\$0.00	\$0.00	\$0.00	\$1,750.00	\$0.00	\$0.00	
2 Interest Accrued - discounted Instr.s	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
3 (Amortization and/or Interest Cost)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
4 Accretion	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
5 Interest Paid - Cash Instr.s	\$148.54	\$240.33	\$0.14	(\$91.93)	\$0.00	\$0.00	\$0.00	
6 Interest Paid - Term Instr.s	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
7 Unrealized Gain (Loss)	(\$2,380.00)	\$0.00	\$0.00	\$0.00	(\$2,380.00)	\$0.00	\$0.00	
8 Net Investment Income	(\$481.46)	\$240.33	\$0.14	(\$91.93)	(\$630.00)	\$0.00	\$0.00	
9 Deposits - Purchases	\$389,704.39	\$6,150.33	\$0.00	\$0.00	\$0.00	\$60,839.70	\$322,714.36	
10 (Withdrawals - Sales)	(\$763,512.32)	(\$379,918.26)	\$0.00	\$0.00	\$0.00	(\$60,879.70)	(\$322,714.36)	
Ending Cash & Investment Balance	\$3,978,805.62	\$1,726,752.77	\$2,560.58	\$195,631.67	\$2,003,360.00	\$50,000.60	\$500.00	
Ending Interest Accrual Balance	\$7,116.66	\$0.00	\$0.00	\$0.00	\$7,116.66	\$0.00	\$0.00	
Plus Outstanding Checks	\$23,929.18	\$0.00	\$0.00	\$0.00	\$0.00	\$8,761.42	\$15,167.76	
(Less Deposits in Transit)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Balance per Bank	\$4,002,734.80	\$1,726,752.77	\$2,560.58	\$195,631.67	\$2,003,360.00	\$58,762.02	\$15,667.76	

**CERTIFICATION AND RECONCILIATION OF CLAIMS PAYMENTS AND RECOVERIES
PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND**

Month		November							
Current Fund Year		2015							
		1.	2.	3.	4.	5.	6.	7.	8.
Policy		Calc. Net	Monthly	Monthly	Calc. Net	TPA Net	Variance	Delinquent	Change
Year	Coverage	Paid Thru	Net Paid	Recoveries	Paid Thru	Paid Thru	To Be	Unreconciled	This
		Last Month	November	November	November	November	Reconciled	Variance From	Month
2015	Prop	23,341.45	4,476.32	886.00	26,931.77	26,931.77	(0.00)	(0.00)	0.00
	Liab	6,837.86	110.00	0.00	6,947.86	6,947.86	0.00	0.00	0.00
	Auto	5,039.49	10.00	0.00	5,049.49	5,049.49	0.00	0.00	0.00
	WC	337,389.95	35,608.40	0.00	372,998.35	372,998.35	0.00	0.00	0.00
	Total	372,608.75	40,204.72	886.00	411,927.47	411,927.47	0.00	(0.00)	0.00
2014	Prop	161,113.07	0.00	0.00	161,113.07	161,113.07	(0.00)	(0.00)	0.00
	Liab	51,679.71	893.47	0.00	52,573.18	52,573.18	0.00	0.00	0.00
	Auto	18,355.96	0.00	0.00	18,355.96	18,355.96	0.00	0.00	0.00
	WC	866,035.11	10,856.18	0.00	876,891.29	876,891.29	0.00	0.00	0.00
	Total	1,097,183.85	11,749.65	0.00	1,108,933.50	1,108,933.50	0.00	0.00	0.00
2013	Prop	111,234.84	0.00	0.00	111,234.84	111,234.84	0.00	0.00	0.00
	Liab	138,629.50	2,359.35	0.00	140,988.85	140,988.85	0.00	0.00	0.00
	Auto	31,840.75	0.00	0.00	31,840.75	31,840.75	0.00	0.00	0.00
	WC	969,319.81	2,154.56	0.00	971,474.37	971,474.37	(0.00)	(0.00)	0.00
	Total	1,251,024.90	4,513.91	0.00	1,255,538.81	1,255,538.81	(0.00)	(0.00)	0.00
2012	Prop	141,032.32	0.00	0.00	141,032.32	141,032.32	(0.00)	(0.00)	0.00
	Liab	414,708.76	4,195.92	0.00	418,904.68	418,904.68	0.00	0.00	0.00
	Auto	9,646.72	0.00	0.00	9,646.72	9,646.72	0.00	0.00	0.00
	WC	567,627.27	175.50	0.00	567,802.77	567,802.77	0.00	0.00	0.00
	Total	1,133,015.07	4,371.42	0.00	1,137,386.49	1,137,386.49	0.00	0.00	0.00
2011	Prop	340,676.64	0.00	0.00	340,676.64	340,676.64	0.00	0.00	0.00
	Liab	388,920.33	0.00	0.00	388,920.33	388,920.33	(0.00)	(0.00)	0.00
	Auto	27,824.08	0.00	0.00	27,824.08	27,824.08	0.00	0.00	0.00
	WC	1,247,414.67	0.00	0.00	1,247,414.67	1,247,414.67	(0.00)	(0.00)	0.00
	Total	2,004,835.72	0.00	0.00	2,004,835.72	2,004,835.72	(0.00)	(0.00)	0.00
Closed	Prop	0.00	(717.30)	0.00	(717.30)	0.00	(717.30)	0.00	(717.30)
	Liab	0.00	(2,943.28)	0.00	(2,943.28)	0.00	(2,943.28)	0.00	(2,943.28)
	Auto	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	WC	0.00	(5,199.55)	0.00	(5,199.55)	0.00	(5,199.55)	0.00	(5,199.55)
	Total	0.00	(8,860.13)	0.00	(8,860.13)	0.00	(8,860.13)	0.00	(8,860.13)
	TOTAL	5,858,668.29	51,979.57	886.00	5,909,761.86	5,918,621.99	(8,860.13)	(0.00)	(8,860.13)

SUMMARY OF CASH AND INVESTMENT INSTRUMENTS							
PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND							
ALL FUND YEARS COMBINED							
CURRENT MONTH	December						
CURRENT FUND YEAR	2015						
Description:	Instrument #1	Instr #2	Instr #3	Instr #4	Instr #5	Instr #6	
ID Number:	OPERATING	CASH MGMT	INVEST ACCT	ASSET MGR	TD CLAIMS	EXPENSE	
Maturity (Yrs)	0	0	0	0	0	0	0
Purchase Yield:	0	0	0	0	0	0	0
TOTAL for All Accts & instruments							
Opening Cash & Investment Balance	\$3,978,805.62	1726752.77	2560.58	195631.67	2003360	50000.6	500
Opening Interest Accrual Balance	\$7,116.66	0	0	0	7116.66	0	0
1 Interest Accrued and/or Interest Cost	\$1,750.00	\$0.00	\$0.00	\$0.00	\$1,750.00	\$0.00	\$0.00
2 Interest Accrued - discounted Instr.s	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3 (Amortization and/or Interest Cost)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4 Accretion	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5 Interest Paid - Cash Instr.s	\$104.02	\$194.48	\$1.36	(\$91.82)	\$0.00	\$0.00	\$0.00
6 Interest Paid - Term Instr.s	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
7 Unrealized Gain (Loss)	(\$1,480.00)	\$0.00	\$0.00	\$0.00	(\$1,480.00)	\$0.00	\$0.00
8 Net Investment Income	\$374.02	\$194.48	\$1.36	(\$91.82)	\$270.00	\$0.00	\$0.00
9 Deposits - Purchases	\$368,588.88	\$23,571.60	\$0.00	\$0.00	\$0.00	\$84,888.42	\$260,128.86
10 (Withdrawals - Sales)	(\$690,034.56)	(\$345,017.28)	\$0.00	\$0.00	\$0.00	(\$84,888.42)	(\$260,128.86)
Ending Cash & Investment Balance	\$3,655,983.96	\$1,405,501.57	\$2,561.94	\$195,539.85	\$2,001,880.00	\$50,000.60	\$500.00
Ending Interest Accrual Balance	\$8,866.66	\$0.00	\$0.00	\$0.00	\$8,866.66	\$0.00	\$0.00
Plus Outstanding Checks	\$42,983.83	\$0.00	\$0.00	\$0.00	\$0.00	\$33,077.98	\$9,905.85
(Less Deposits in Transit)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Balance per Bank	\$3,698,967.79	\$1,405,501.57	\$2,561.94	\$195,539.85	\$2,001,880.00	\$83,078.58	\$10,405.85

**CERTIFICATION AND RECONCILIATION OF CLAIMS PAYMENTS AND RECOVERIES
PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND**

Month		December							
Current Fund Year		2015							
		1.	2.	3.	4.	5.	6.	7.	8.
Policy		Calc. Net	Monthly	Monthly	Calc. Net	TPA Net	Variance	Delinquent	Change
Year	Coverage	Paid Thru	Net Paid	Recoveries	Paid Thru	Paid Thru	To Be	Unreconciled	This
		Last Month	December	December	December	December	Reconciled	Variance From	Month
2015	Prop	26,931.77	1,627.60	551.60	28,007.77	28,007.77	(0.00)	(0.00)	0.00
	Liab	6,947.86	0.00	0.00	6,947.86	6,947.86	0.00	0.00	0.00
	Auto	5,049.49	1,500.00	0.00	6,549.49	6,549.49	0.00	0.00	0.00
	WC	372,998.35	22,829.71	0.00	395,828.06	395,828.06	0.00	0.00	0.00
	Total	411,927.47	25,957.31	551.60	437,333.18	437,333.18	0.00	0.00	0.00
2014	Prop	161,113.07	0.00	0.00	161,113.07	161,113.07	(0.00)	(0.00)	0.00
	Liab	52,573.18	10,027.30	0.00	62,600.48	62,600.48	0.00	0.00	0.00
	Auto	18,355.96	0.00	0.00	18,355.96	18,355.96	0.00	0.00	0.00
	WC	876,891.29	40,111.06	0.00	917,002.35	917,002.35	0.00	0.00	0.00
	Total	1,108,933.50	50,138.36	0.00	1,159,071.86	1,159,071.86	0.00	0.00	0.00
2013	Prop	111,234.84	150.00	0.00	111,384.84	111,384.84	0.00	0.00	0.00
	Liab	140,988.85	84.98	0.00	141,073.83	141,073.83	0.00	0.00	0.00
	Auto	31,840.75	0.00	0.00	31,840.75	31,840.75	0.00	0.00	0.00
	WC	971,474.37	7,275.32	0.00	978,749.69	978,749.69	(0.00)	(0.00)	0.00
	Total	1,255,538.81	7,510.30	0.00	1,263,049.11	1,263,049.11	(0.00)	(0.00)	0.00
2012	Prop	141,032.32	0.00	0.00	141,032.32	141,032.32	(0.00)	(0.00)	0.00
	Liab	418,904.68	169.95	0.00	419,074.63	419,074.63	0.00	0.00	0.00
	Auto	9,646.72	0.00	0.00	9,646.72	9,646.72	0.00	0.00	0.00
	WC	567,802.77	1,112.50	0.00	568,915.27	568,915.27	0.00	0.00	0.00
	Total	1,137,386.49	1,282.45	0.00	1,138,668.94	1,138,668.94	0.00	0.00	0.00
2011	Prop	340,676.64	0.00	0.00	340,676.64	340,676.64	0.00	0.00	0.00
	Liab	388,920.33	0.00	0.00	388,920.33	388,920.33	(0.00)	(0.00)	0.00
	Auto	27,824.08	0.00	0.00	27,824.08	27,824.08	0.00	0.00	0.00
	WC	1,247,414.67	0.00	0.00	1,247,414.67	1,247,414.67	(0.00)	(0.00)	0.00
	Total	2,004,835.72	0.00	0.00	2,004,835.72	2,004,835.72	(0.00)	(0.00)	0.00
Closed	Prop	(717.30)	0.00	0.00	(717.30)	0.00	(717.30)	(717.30)	0.00
	Liab	(2,943.28)	0.00	0.00	(2,943.28)	0.00	(2,943.28)	(2,943.28)	0.00
	Auto	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	WC	(5,199.55)	0.00	0.00	(5,199.55)	0.00	(5,199.55)	(5,199.55)	0.00
	Total	(8,860.13)	0.00	0.00	(8,860.13)	0.00	(8,860.13)	(8,860.13)	0.00
TOTAL		5,918,621.99	84,888.42	551.60	6,002,958.81	6,002,958.81	(0.00)	(0.00)	0.00

**Professional Municipal Management Joint Insurance Fund
Certificate of Insurance Monthly Report**

Wednesday, November 18, 2015

From 10/21/2015 To 11/18/2015

Holder (H) / Insured Name (I)	Holder / Insured Address	Holder Code	Description of Operations	Issue Date	Coverage
<u>PMM JIF</u>					
H- Township of Evesham I- Township of Evesham	984 Tuckerton Road Marlton, NJ 08053 984 Tuckerton Road Marlton, NJ 08053	5054	Evidence of insurance as respects to Statutory Bond Coverage for 10/21/2015 Elizabeth Peddicord, Treasurer; effective 1/1/15.		BOND

Total # of Holders = 1

Professional Municipal Management Joint Insurance Fund Certificate Of Insurance Monthly Report

Monday, December 21, 2015

From 11/18/2015 To 12/18/2015

Holder (H) / Insured Name (I)	Holder / Insured Address	Holder Code	Description of Operations	Issue Date	Coverage
<u>PMM JIF</u>					
H- Lenape Regional School District I- Township of Willingboro	93 Willow Grove Road Shamong, NJ 08088 Municipal Complex 1 Rev. Dr. M. L. King, Jr. Drive Willingboro, NJ 08046	18826	Evidence of Insurance with respects to the Championship Games for the Panthers Football League.	11/24/2015	GL EX PR
H- Cherokee High School I- Township of Willingboro	120 Tomlinson Mill Rd Marlton, NJ 08053 Municipal Complex 1 Rev. Dr. M. L. King, Jr. Drive Willingboro, NJ 08046	20612	Evidence of Insurance with respects to the Championship Games for the Panthers Football League.	11/20/2015	GL EX WC
H- Shawnee High School I- Township of Willingboro	600 Tabernacle Rd. Medford, NJ 08055 Municipal Complex 1 Rev. Dr. M. L. King, Jr. Drive Willingboro, NJ 08046	21245	Evidence of Insurance with respects to the Championship Games for the Panthers Football League.	11/20/2015	GI EX

Total # of Holders = 3



Cyber Proposal

November 10, 2015

BROKER

Mr. Chris Townsend
 Assistant Vice President
 Apex Insurance Agency Inc.
 201 Concourse Blvd, Suite 260
 Glen Allen, VA 23059

NAMED INSURED

The Participating Members of the Professional Municipal Management Joint Insurance Fund
 9 Campus Drive
 Suite 16
 Parsippany, NJ 07054

TERMS AND CONDITIONS

Company Paper: Indian Harbor Insurance Company TCD 050 0215

OPTION 1 - PER EXPIRING

COVERAGE SCHEDULE				
Limit of Liability OPTIONS				
Combined Limits:		Combined Policy Aggregate Limit of Liability		\$6,000,000
Separate Limits:		Third Party and First Party Aggregate Limit of Liability		N/A
		Data Breach Response and Crisis Management Aggregate Limit of Liability		N/A
INSURING AGREEMENTS (a X indicates the coverage is included)				
		Sublimit	Retention/ Waiting Period	Retro Date
Third Party Liability Coverages				
• Technology & Professional Services				
• Media	X	\$3,000,000	\$10,000	1/1/13
• Privacy and Cyber Security	X	\$3,000,000	\$10,000	1/1/13
• Privacy Regulatory Defense, Awards & Fines	X	\$3,000,000	\$10,000	1/1/13
First Party Coverages				
• Business Interruption & Extra Expense	X	\$1,000,000	10 Hours	N/A
• Data Recovery	X	\$1,000,000	\$10,000	N/A
• Cyber-Extortion	X	\$1,000,000	\$10,000	N/A
Data Breach Response and Crisis Management Coverage		\$1,000,000	\$10,000	N/A
Premium: \$3,000				



Cyber Proposal

OPTION 2

COVERAGE SCHEDULE				
Limit of Liability OPTIONS				
Combined Limits:		Combined Policy Aggregate Limit of Liability		\$6,000,000
Separate Limits:		Third Party and First Party Aggregate Limit of Liability		N/A
		Data Breach Response and Crisis Management Aggregate Limit of Liability		N/A
INSURING AGREEMENTS (a X indicates the coverage is included)				
		Sublimit	Retention/ Waiting Period	Retro Date
Third Party Liability Coverages				
• Technology & Professional Services				
• Media				
		\$3,000,000	\$25,000	1/1/13
• Privacy and Cyber Security				
		\$3,000,000	\$25,000	1/1/13
• Privacy Regulatory Defense, Awards & Fines				
		\$3,000,000	\$25,000	1/1/13
First Party Coverages				
• Business Interruption & Extra Expense				
		\$3,000,000	10 Hours	N/A
• Data Recovery				
		\$3,000,000	\$25,000	N/A
• Cyber-Extortion				
		\$3,000,000	\$25,000	N/A
Data Breach Response and Crisis Management Coverage				
		\$3,000,000	\$25,000	N/A
Premium: \$4,100				

ENDORSEMENTS

1. Long Named Insured Endorsement
2. Manuscript Endorsement - Schedule of Participating Members
3. PCI Fines and Costs sublimit \$50,000 subject to \$25,000 retention

POLICY PERIOD

January 1, 2016 - January 1, 2017



Cyber Proposal

SUBJECTIVITIES

After reviewing the information submitted on the captioned risk, we are pleased to offer the following indication subject to receipt, review and acceptance of the following information:

1. None

COMMISSION

THE POLICY IS BEING ISSUED BY A CARRIER NOT LICENSED TO DO BUSINESS IN THE STATE WHERE THE INSURED IS DOMICILED. YOUR OFFICE MUST HAVE A VALID E&S LICENSE AND WILL BE RESPONSIBLE FOR THE COLLECTION AND REMITTANCE OF ANY APPLICABLE TAXES AND FEES AS WELL AS THE FILING OF ALL REQUIRED AFFIDAVITS.

Unless extended in writing this quotation will expire thirty (30) days from the date of this letter. Thank you for thinking of **XL Select Professional** for your professional liability needs. We look forward to working with you on other opportunities in the near future

Sincerely,

A handwritten signature in cursive script that reads "Scott Schleicher".

Scott Schleicher
Underwriting Manager
Cyber and Technology
Insurance
XL Catlin

301.529.2148
scott.schleicher@xcatlin.com
www.xcatlin.com

PMM JOINT INSURANCE FUND

SAFETY DIRECTOR'S REPORT

TO: Municipal Fund Commissioners
FROM: J. A. Montgomery Risk Control, JIF Safety Director
DATE: January 5, 2016

Service Team

Joanne Hall, Safety Director jhall@jamontgomery.com Office: 732-736-5286 Cell: 908-278-2792	Melissa Wade, Sr. Administrative Assistant mwade@jamontgomery.com Office: 856-552-6850 Fax: 856-552-6851
Tim Sheehan, Asst. Public Sector Director tsheehan@jamontgomery.com Office: 856-552-6862 Cell: 609-352-6378	Glenn Prince, Associate Public Sector Director gprince@jamontgomery.com Office: 856-552-4744 Cell: 609-238-3949

NOVEMBER & DECEMBER 2015 ACTIVITIES

LOSS CONTROL SERVICES

- Township of Moorestown – Conducted a Police Loss Control Survey on – November 24
- Township of Evesham – Conducted a DPW Loss Control Survey on – December 21
- Evesham Township Fire District – Conducted a Loss Control Survey on – December 28

JIF MEETINGS ATTENDED

- PMM JIF – Fund Commissioner Meeting – November 23

UPCOMING JIF MEETINGS

- PMM JIF – Reorganization Meeting – January 25

SAFETY DIRECTOR'S BULLETINS & SAFETY ANNOUNCEMENTS

- SD Bulletin – Mobile Work Zone – November 16
- SD Bulletin – Managing Slip & Falls during Winter Months – November 30
- MSI Announcement – MSI Training Schedule for December 2015 – December 3

- SD Bulletin – NIOSH Firefighter Safety Alert– December 17
- MSI Announcement – MSI Training Schedule for January 2016 – December 21

MEL VIDEO LIBRARY

There were no members who utilized the MEL Video Library in November & December.

The new MEL Video Catalog is now available on line. Please visit www.njmel.org or email the video library at melvideolibrary@jamontgomery.com. The new MEL Video Library phone number is 856-552-4900.

MSI TRAINING PROGRAMS

Listed below are upcoming MSI training programs scheduled for January, February & March 2016. ***Enrollment is required for all MSI classes.*** MSI classes are subject to cancellation or rescheduling at any time.

Members are reminded to log on to the www.njmel.org website, then click on the MSI logo to access the Learning Management System where you can enroll your employees and verify classes. Enrolling your staff ensures you will be notified of any schedule changes.

If you need assistance using the MSI Learning Management System, please call the MSI helpline at 866-661-5120.

Date	Territory	Location	Topic	Time
1/8/16	5	Borough of Runnemede	CSE-Permit Required w/Classroom Demo	8:00 - 12:00 pm
1/8/16	5	Township of Monroe #3	PPE	8:30 - 10:30 am
1/8/16	5	Township of Monroe #3	HazCom w/GHS	10:45 - 12:15 pm
1/11/16	5	Merchantville-Pennsauken SA #2	Fall Protection Awareness	8:30 - 10:30 am
1/11/16	5	Merchantville-Pennsauken SA #2	Fire Safety	10:45 - 11:45 am
1/11/16	5	Merchantville-Pennsauken SA #2	Accident Investigation	12:30 - 2:30 pm
1/11/16	5	Borough of Glassboro #1 (Fire Dept.)	HazMat Awareness w/HazCom GHS-Evening	7:00 - 10:00 pm
1/11/16	5	Borough of Glassboro #1 (Fire Dept.)	BBP-Evening	10:00 - 11:00 pm
1/12/16	5	Township of Cherry Hill #6	CMVO	8:30 - 12:30 pm
1/13/16	5	Township of Burlington #3	Snow Plow/Snow Removal	8:00 - 10:00 am
1/15/16	5	Borough of Somerdale	Jetter/Vacuum Safety	12:00 - 2:00 pm
1/19/16	5	Borough of Paulsboro #1	CDL-Drivers Safety Regulations	8:30 - 10:30 am
1/19/16	5	Borough of Paulsboro #1	BBP	10:45 - 11:45 am
1/19/16	5	Township of Mantua	Driving Safety Awareness	1:00 - 2:30 pm
1/20/16	5	Borough of Pitman	Flagger/Work Zone	10:00 - 2:30 pm w/lunch brk
1/22/16	5	Township of Franklin #2	Seasonal (Autumn/Winter) PW Operations	8:30 - 11:30 am
1/25/16	5	Township of Mantua	Sanitation/Recycling Safety	1:00 - 3:00 pm
1/26/16	5	Township of Waterford	HazCom w/GHS	8:30 - 10:00 am
1/26/16	5	Township of Waterford	BBP	10:15 - 11:15 am
1/27/16	5	Pennsauken SA #3	Back Safety/Material Handling	8:30 - 9:30 am
1/27/16	5	Pennsauken SA #3	Fire Extinguisher	9:45 - 10:45 am
1/27/16	5	Pennsauken SA #3	Hearing Conservation	11:00 - 12:00 pm
1/29/16	5	Borough of Somerdale	HazMat Awareness w/HazCom GHS	12:00 - 3:00 pm
2/1/16	5	Township of Cherry Hill #6	HazCom w/GHS	8:30 - 10:00 am

Date	Territory	Location	Topic	Time
2/1/16	5	Township of Cherry Hill #6	BBP	10:15 - 11:15 am
2/1/16	5	Township of Cherry Hill #6	Asbestos, Lead, Silica Health Overview	11:30 - 12:30 pm
2/3/16	5	Evesham Twp. MUA	Fall Protection Awareness	8:00 - 10:00 am
2/3/16	5	Evesham Twp. MUA	Hearing Conservation	10:15 - 11:15 am
2/4/16	5	Borough of Paulsboro #1	Confined Space Awareness	8:30 - 9:30 am
2/4/16	5	Borough of Paulsboro #1	Fire Extinguisher	9:45 - 10:45 am
2/4/16	5	Township of Mantua	Snow Plow/Snow Removal	1:00 - 3:00 pm
2/5/16	5	Township of Evesham #4	CMVO	8:30 - 12:30 pm
2/8/16	5	Merchantville-Pennsauken SA #2	Fall Protection Awareness	8:30 - 10:30 am
2/8/16	5	Merchantville-Pennsauken SA #2	Fire Safety	10:45 - 11:45 am
2/9/16	5	Township of Florence	Heavy Equipment	8:30 - 11:30 am
2/9/16	5	Township of Florence	Back Safety/Material Handling	11:45 - 12:45 pm
2/10/16	5	Pennsauken SA #3	CDL-Driver Safety Regulations	8:30 - 10:30 am
2/10/16	5	Pennsauken SA #3	PPE	10:45 - 12:45 pm
2/11/16	5	Township of Mantua	PPE	1:00 - 3:00 pm
2/17/16	5	Township of Burlington #3	Driving Safety Awareness	8:00 - 9:30 am
2/17/16	5	Township of Burlington #3	BBP	9:45 - 10:45 am
2/19/16	5	Borough of Somerdale	Fire Safety	12:00 - 1:00 pm
2/19/16	5	Borough of Somerdale	Fire Extinguisher	1:00 - 2:00 pm
2/22/16	5	Borough of Glassboro #1	Accident Investigation	1:00 - 3:00 pm
2/23/16	5	Logan Twp. MUA #1	Heavy Equipment	8:00 - 11:00 am
2/24/16	5	Pennsauken SA #3	Flagger/Work Zone	8:30 - 12:30 pm
2/26/16	5	Borough of Somerdale	LOTO	12:00 - 2:00 pm
2/29/16	5	Township of Voorhees #3	HazMat Awareness w/HazCom GHS	12:00 - 3:00 pm
3/1/16	5	Borough of Clementon #3	Safety Committee Practices	9:00 - 10:30 am
3/1/16	5	Borough of Clementon #3	Employee Conduct/Violence Prevention	10:45 - 12:15 pm
3/2/16	5	Township of Florence	Fire Safety	8:30 - 9:30 am
3/2/16	5	Township of Florence	Fire Extinguisher	9:45 - 10:45 am
3/2/16	5	Township of Florence	Hearing Conservation	11:00 - 12:00 pm
3/3/16	5	Township of Westampton	DDC-6	8:00 - 2:30 pm w/lunch brk
3/4/16	5	Township of Pemberton	CDL-Drivers Safety Regulations	8:00 - 10:00 am
3/4/16	5	Township of Bordentown	Fall Protection Awareness	1:00 - 3:00 pm
3/7/16	5	Township of Winslow	Excavation/Trenching/Shoring	8:00 - 12:00 pm
3/8/16	5	Township of Cherry Hill #6	Landscape Safety	8:30 - 11:30 am
3/9/16	5	Township of Burlington #3	LOTO	8:00 - 10:00 am
3/11/16	5	Borough of Runnemede	CDL-Supervisors Reasonable Suspicion	8:30 - 10:30 am
3/11/16	5	Borough of Somerdale	PPE	12:00 - 2:00 pm
3/14/16	5	Borough of Glassboro #1	HazMat Awareness w/HazCom GHS	12:00 - 3:00 pm
3/14/16	5	Borough of Glassboro #1 (Fire Dept.)	CSE-Permit Required w/Classroom Demo-Evening	7:00 - 11:00 pm
3/16/16	5	Borough of Paulsboro #1	HazCom w/GHS	8:30 - 10:00 am
3/16/16	5	Borough of Paulsboro #1	Hearing Conservation	10:15 - 11:15 am
3/17/16	5	Borough of Somerdale	Bloodborne Pathogens Train-the-Trainer	12:00 - 3:00 pm
3/18/16	5	Township of Franklin #2	Forklift Operator Certification	8:30 - 3:00 pm w/lunch brk
3/21/16	5	Borough of Glassboro #1	Flagger/Work Zone	8:00 - 12:00 pm
3/23/16	5	Borough of Pitman	Employee Conduct/Violence Prevention	1:00 - 2:30 pm
3/29/16	5	Township of Mt. Laurel #2	Driving Safety Awareness	8:30 - 10:00 am
3/30/16	5	Evesham Twp. MUA	Excavation/Trenching/Shoring	8:00 - 12:00 pm
3/31/16	5	Township of Delran	CMVO	8:00 - 12:00 pm

CEU's for Certified Publics Works Managers			
MSI Course	CEU's/Cat.	MSI Course	CEU's/Cat.
Accident Investigation	2 / M	Hazard Identification - Making Your Observations Count	1 / T,M
Advanced Safety Leadership	10 / M	Hearing Conservation	1 / T,G
Asbestos, Lead & Silica Industrial Health Overview	1 / T,G	Heavy Equipment Safety	1 / G - 2 / T
Back Safety / Material Handling	1 / T	Hoists, Cranes and Rigging	2 / T
Bloodborne Pathogens Training	1 / G	Housing Authority Safety Awareness	3 / T
Bloodborne Pathogens Train- the- Trainer	1 / T	Jetter Safety	2 / T
BOE Safety Awareness	3 / T	Landscape Safety	2 / T
CDL – Supervisors Reasonable Suspicion	2 / M	Leaf Collection Safety Awareness	2 / T
CDL - Drivers' Safety Regulations	2 / G	Lockout Tagout	2 / T
Coaching the Maintenance Vehicle Operator	2 / T,M	Personal Protective Equipment (PPE)	2 / T
Confined Space Entry – Permit Required	3.5 / T	Playground Safety	2 / T
Confined Space Awareness	1 / T,G	Sanitation and Recycling Safety	2 / T
Driving Safety Awareness	1.5 / T	Safety Committee Best Practices	1.5 / M
Employee Conduct and Violence in the Work Place	1.5 / E	Safety Coordinator's Skills Training	3 / M,G
Excavation Trenching & Shoring	2 / T,M	Shop and Tool Safety	1 / T
Fast Track to Safety	4 / T	Seasonal Public Works Operations	3 / T
Flagger / Workzone Safety	2 / T,M	Snow Plow Safety	2 / T
HazCom with Globally Harmonized System	1 / T,G	Special Events Management	2 / M
Hazardous Materials Awareness w/ HazCom & GHS	3 / T	Toolbox Talk Essentials	1 / M
CEU's for Registered Municipal Clerks			
MSI Course	CEU's/Cat.	MSI Course	CEU's/Cat.
Asbestos, Lead & Silica Industrial Health Overview	1 / P	Hazard Identification - Making your Observations Count	2 / P
Bloodborne Pathogens Training	1 / P	Safety Committee Best Practices	1.5 / P
Employee Conduct and Violence in the Work Place	1.5 / E	Safety Coordinator's Skills Training	6 / P
		Special Event Management	2 / P
TCH's For Water/ Wastewater			
MSI Course	TCH's/Cat.	MSI Course	TCH's/Cat.
Accident Investigation	1.5 / S	Hazardous Materials Awareness w/ HazCom & GHS	3 / S
Advanced Safety Leadership	10 / S	Heavy Equipment Safety	3 / S
Asbestos, Lead & Silica Industrial Health Overview	1 / S	Housing Authority Safety Awareness	3 / S
Back Safety / Material Handling	1 / S	Hazard Identification - Making your Observations Count	1.5 / S
Bloodborne Pathogens Training	1 / S	Hearing Conservation	1 / S
Bloodborne Pathogens Train- the- Trainer	2.5 / S	Hoists, Cranes and Rigging	2 / S
BOE Safety Awareness	3 / S	Jetter Safety	2 / S
CDL – Supervisors Reasonable Suspicion	1.5 / S	Ladder Safety/Walking Working Surfaces	2 / S
CDL - Drivers' Safety Regulations	2 / S	Landscape Safety	2 / S
Confined Space Awareness	1 / S	Leaf Collection Safety Awareness	2 / S
Confined Space Entry - Permit Required	3.5 / S	Lockout Tagout	2 / S
Defensive Driving-6-Hour	5.5 / S	Shop and Tool Safety	1 / S
Driving Safety Awareness	1.5 / S	Office Safety	2 / S
Excavation Trenching & Shoring	4 / S	Personal Protective Equipment (PPE)	2 / S
Fall Protection Awareness	2 / S	Safety Committee Best Practices	1.5 / S
Fast Track to Safety	5 / S	Safety Coordinator's Skills Training	5 / S
Fire Extinguisher	1 / S	Seasonal Public Works Operations	3 / S
Fire Safety	1 / S	Snow Plow Safety	2 / S
Flagger / Workzone Safety	2 / S	Special Event Management	2 / S
HazCom with Globally Harmonized System	1.5 / S	Toolbox Talk Essentials	1 / S
CEU's for Tax Collectors		CEU's for County/Municipal Finance Officers	
MSI Course	CEU's/Cat.	MSI Course	CEU's/Cat.
Employee Conduct and Violence in the Work Place	1.5 / E	Employee Conduct and Violence in the Work Place	1.5 / E
CEU's for Qualified Purchasing Agents			
Employee Conduct and Violence in the Work Place	1.5 / E		
***Category			
E- Ethics			
T- Technical			
G- Governmental			
S- Safety			
P- Professional Development			
M- Management			

A Message from the Safety Director

The National Institute for Occupational Safety and Health (NIOSH) recently issued a Safety Advisory recommending fire departments immediately take four actions to protect firefighters from being injured or killed while operating on roofs that contain translucent corrugated roof panels. The Advisory is attached for your convenience.



Please forward this Message to the appropriate fire official.



November 20, 2015

SAFETY ADVISORY

Fire Fighter Fatality Investigation and Prevention Program



Translucent Corrugated Roof Panels May Contribute to Increased Fall Risk during Roof Operations

The National Institute for Occupational Safety and Health (NIOSH) recommends that all fire departments immediately take the following actions to reduce the risk of fire fighters being injured or killed while operating on roofs that contain translucent corrugated roof panels:

- Ensure that all fire fighters, company officers and chief officers are aware of and are trained to recognize translucent corrugated roof panels.
- Establish policies and procedures to ensure that fire fighters do not walk or stand on translucent corrugated roof panels.
- Ensure fire fighters immediately inform the incident commander and other fire fighters when translucent corrugated roof panels are identified.
- Ensure fire fighters follow safe roof operating practices including sounding the roof, having enough ladders for safe exit and always wearing the proper PPE, including self-contained breathing apparatus.



Photos. Top photo shows the panel where a fire fighter fell through a translucent corrugated roof panel. The panel was flush with the surrounding roof surface. Bottom photo shows an aerial view of the building where incident occurred. The translucent roof panels appear grey against the white metal roof. At night, the panels are difficult to detect and typically do not include a frame.



Map data: Google, DigitalGlobe

U.S. Department of Health and Human Services
Centers for Disease Control and Prevention
National Institute for Occupational Safety and Health



NIOSH Safety Advisory: Translucent Roof Panels May Contribute to Increased Risk during Roof Operations

The NIOSH Fire Fighter Fatality Investigation and Prevention Program is currently investigating a July 15, 2015 fire fighter line-of-duty-death that illustrates the hazard to fire fighters when operating on roofs containing translucent corrugated panels. These panels are designed to transfer natural light and heat into a building's interior and in some cases may be painted or tinted to blend in with the existing roof. These panels are designed in a variety of shapes, sizes, and colors and may be difficult to recognize, especially at night. Preliminary findings indicate that these panels are typically not designed to be walked upon, will not support the weight of a fire fighter (with or without personal protective equipment and tools), and may degrade when exposed to UV, water and other chemicals. These roof panels can be found in a variety of buildings including, manufacturing facilities, warehouses, storage buildings, restaurants, carports, canopies, barns and covered walkways in both commercial and residential settings.

Circumstances of the incident under investigation by NIOSH

On June 28, 2015, at approximately 2130 hours, a 46-year-old career fire fighter/engineer was seriously injured, and eventually died, when he fell through a translucent corrugated roof panel while his crew was searching the roof for fire extension from an exterior dumpster fire. The fire department was dispatched for a report of a multi-family commercial structure fire. The first arriving crews found a fire burning in a dumpster located against the exterior wall of a 300 feet x 60 feet, one-story, metal frame commercial building located in a warehouse district. The first arriving crews pulled the dumpster away from the building and quickly extinguished the fire using tank water. Scorch marks on the exterior wall near a window raised the possibility of fire extension inside the building. The incident commander directed crews to force entry into the building and search for fire extension and occupants. He also directed a truck company to ladder the roof and search for fire extension. Four fire fighters climbed onto the roof, where one used a thermal imager to check for signs of fire extension while the other three, including the fire fighter/engineer, sized up the roof conditions. While operating on the roof, the fire fighter/engineer stepped on a translucent corrugated roof panel and fell approximately 17 feet onto a concrete

floor. The fire fighter was seriously injured and died 17 days later on July 15, 2015. This fire department experienced a similar incident in 2012 in which a translucent corrugated roof panel broke under the weight of a fire fighter who fortunately did not receive a serious injury. A NIOSH investigation report of this fatality providing additional details about the incident and recommendations for preventing falls through these types of roof panels will be available at a later date.

NIOSH would like to bring this information to the attention of all U.S. fire departments; fire fighters; fire service trainers; building officials; local, city and state authorities having jurisdiction and building code organizations. Translucent corrugated roof panels are widely used across the United States. Fire departments should identify structures within their jurisdiction that have translucent corrugated roof panels and include this information in pre-incident plans. This information should be shared with mutual aid departments and added into the caution notes of CAD dispatch systems where possible. Incident commanders should strongly consider the risk benefit analysis of permitting rooftop operations on identified buildings.

Fire fighters may not be aware of and may not fully appreciate the hazards and risks associated with these panels. Fire fighters should always inform the incident commander and other fire fighters when translucent corrugated roof panels are identified and should not walk or stand on them. Fire fighters should constantly sound the roof to gauge structural integrity and changes in roof construction. Translucent corrugated roof panels can be difficult to identify and seldom have frames or other features that identify their location.

References

NIOSH [2004]. NIOSH ALERT: Preventing Falls of Workers through Skylights and Roof and Floor Openings. Cincinnati OH. DHHS (NIOSH) Publication Number 2004-156. <http://www.cdc.gov/niosh/docs/2004-156/>

For More Information

This document is in the public domain and may be freely copied or reprinted. NIOSH encourages all readers of the Safety Advisories to make them available to all interested employers and workers.

To obtain information about other occupational safety and health topics, contact NIOSH at

Telephone: 1-800-CDC-INFO (1-800-232-4636)
TTY: 1-888-232-6348 E-mail: cdcinfo@cdc.gov
or visit the NIOSH Web site at www.cdc.gov/niosh

For a monthly update on news at NIOSH, subscribe to *NIOSH eNews* by visiting www.cdc.gov/niosh/eNews.

Mention of any company or product does not constitute endorsement by NIOSH.

DHHS (NIOSH) Publication No. 2016-110

The **NIOSH Fire Fighter Fatality Investigation and Prevention Program** is conducted by the National Institute for Occupational Safety and Health (NIOSH). The purpose of the program is to investigate fire fighter line-of-duty-deaths and formulate recommendations for preventing future deaths and injuries. The program does not seek to determine fault or place blame on fire departments or individual fire fighters but to learn from these tragic events and prevent future similar events. For more information, visit the program website at www.cdc.gov/niosh/fire.



APPENDIX I -Minutes

**PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND
 OPEN SESSION MINUTES
 MEETING – NOVEMBER 23, 2015
 111 WEST 2ND STREET
 MOORESTOWN TOWNSHIP
 1:00 PM**

Meeting of 2015 Fund Commissioners called to order by Chairman Carew. Open Public Meetings notice read into record.

ROLL CALL OF 2015 FUND COMMISSIONERS:

Scott Carew, Chairman	Township of Moorestown	Present
Richard Brevogel, Secretary	Township of Willingboro	Present
Thomas Czerniecki	Township of Evesham	Absent
Joseph Andl	Township of Maple Shade	Present

SPECIAL FUND COMMISSIONERS:

Thomas 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 Rachel Chwastek
Treasurer	Tom Tontarski
Attorney	Kearns, Reale & Kearns, Esquires William Kearns, Esquire
Auditor	Bowman & Company
Claims Service	Qual Lynx (via telephone) Kathy Kissane
Safety Director	J.A. Montgomery Risk Control Glenn Prince
Managed Care Organization	QualCare Steve McNamara
Underwriting Manager	Conner Strong & Buckelew

APPROVAL OF MINUTES: OCTOBER 26, 2015 - Open & Closed Minutes.

MOTION TO APPROVE OPEN & CLOSED MINUTES OF OCTOBER 26, 2015:

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

CORRESPONDENCE: NONE.

EXECUTIVE DIRECTOR:

2016 Budget –The Executive Director reported at the October Fund Meeting, the Board of Fund Commissioners introduced the Budget for 2016 in the amount of \$3,812,363 – representing a budget based on an average increase of 1.95 %. In accordance with state regulations, the proposed budget has been advertised in the Fund’s official newspaper and sent to each member municipality/entity.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2016 BUDGET

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

MOTION TO CLOSE THE PUBLIC HEARING ON THE 2016 BUDGET

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

MOTION TO ADOPT THE PUBLIC HEARING AND CERTIFY THE ASSESSMENTS

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

EPL/POL Renewal – The Executive Director reported the Underwriting Manager had been negotiating the Public Officials/Employment Practices renewal for 2016. The incumbent, XL Insurance had indicated a 15% increase in the program whereas QBE North America quoted 5%. It is their recommendation that MEL Member JIFs move the EPL/POL Program to QBE North America. Summit Risk Services will remain the claims adjusters.

MOTION TO AUTHORIZE THE UW MANAGER TO MOVE THE FUND’S EPL/POL PROGRAM TO QBE NORTH

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

Claims Sweep for Public Officials/Employment Practice Claims - The Executive Director reported it is imperative that any existing POL/EPL claims and/or facts or circumstances be reported to the current carrier prior to the policy's expiration on December 31, 2015.

MEL Report - The Executive Director reported the MEL met on October 21, 2015 at the Forsgate Country Club to introduce the 2016 Budget. Enclosed in the agenda was a copy of Commissioner Carew's report. The MEL Investment Committee issued a Joint RFP for Banking & Asset Management and made its recommendation to the MEL Board. The Board accepted the Investment Committee recommendation to award the Banking contract to Investors Bank and the Asset Manager contract to Wilmington Trust. Local Affiliated JIFs can participate in this program with the same terms. The MEL also met on November 18th in Atlantic City and adopted its 2016 Budget.

E-JIF Report - The Executive Director reported the EJIF met on October 21, 2015 at the Forsgate Country Club and held a public hearing to review the proposed 2015 Budget. Enclosed in the agenda was a copy of Commissioner Carew's report on the meeting. The EJIF also met on November 18th in Atlantic City and adopted its 2016 budget.

RCF Report - The Executive Director reported the RCF met on October 21, 2015 at the Forsgate Country Club and held a public hearing to adopt the amended 2015 Budget and the 2016 Budget. Enclosed in the agenda was a copy of Chairman Carew's report on the meeting.

MEL, RCF & EJIF Representative - The Executive Director advised the fund should elect its representative to the MEL, RCF & EJIF for the 2016 Fund Year.

MOTION TO ELECT SCOTT CAREW AS THE PROFESSIONAL MUNICIPAL MANAGEMENT JIF'S 2016 REPRESENTATIVE TO THE MUNICIPAL EXCESS LIABILITY JIF, THE RESIDUAL CLAIMS FUND JIF AND THE ENVIRONMENTAL JIF.

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

Elected Officials Training: The Executive Director advised this year's elected officials training program will focus on Public Officials & Employment Practices, specifically personal liability of the elected officials. A session was held at the League of Municipalities Conference last week in Atlantic City. We will schedule a few sessions with Mr. Kearns after the holidays. The on-line version is available at njmel.org. This program will satisfy requirements that elected officials take employment practices training and ethics training & qualifies for the MEL's \$250 credit for each elected official and municipal administrator/manager.

December Meeting – The Executive Director advised traditionally, the JIF has voted to cancel the December meeting and to process any necessary claim payments and professional fees for the month. Should the Commissioners wish to follow past procedures, **Resolution 15-27** authorizing this action is part of the agenda.

MOTION TO APPROVE RESOLUTION 15-27 CANCELLING THE DECEMBER MEETING

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

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.

The Executive Director then concluded his report.

Executive Director's Report Made Part of Minutes.

ATTORNEY: Closed session only.

TREASURER:

Payment of November 2015 Vouchers Resolution 15-28

Fund Year Closed	281,953.63
Fund Year 2014	4,800.00
Fund Year 2015	35,960.73
Total	322,714.36

MOTION TO APPROVE RESOLUTION 15-28 VOUCHER LIST FOR THE MONTH OF NOVEMBER AS SUBMITTED

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

Confirmation of Claims Payments/Certification of Claims Transfers for the Month of October 2015:

2011	0.00
2012	11,942.51
2013	140,914.47
2014	12,140.02
2015	25,535.41
TOTAL	190,532.41

Treasurer's Report Made Part of Minutes.

UNDERWRITING MANAGER REPORT: The Underwriting Manager reported there were 4 certificates issued for the period 09/24/15 to 10/20/15 included in the agenda for review.

SAFETY DIRECTOR:

REPORT: Safety Director advised included in his report is all the risk control activities through the month of October, as well as a list of MSI Training and Fast Track training information. The Safety Director advised included in the report were two safety director bulletins, Safety Director's Alert – Recent Crossing Guard Accidents and Leaf Collection Time. The Safety Director asked if there were any questions and then concluded his report.

Monthly Activity Report/Agenda Made Part of Minutes.

MANAGED CARE:

REPORT: Steve McNamara advised October's reports were distributed. Mr. McNamara reported there were 111 bills during the month of October totaling \$56,796.68, of that amount \$23,790.96 was paid for a savings of \$33,005.72 which is a 58.1% savings. There were 8 new injuries in the month of October.

Monthly Activity Report Part of Minutes.

CLAIMS ADMINISTRATOR:

REPORT: The Claims Manager advised the report was for closed session.

Report Part of Minutes.

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

Moved: Commissioner Brevogel
Second: Commissioner Andl
Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION:

Moved: Commissioner Brevogel
Second: Commissioner Andl
Vote: Unanimous

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

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

OLD BUSINESS: NONE

NEW BUSINESS: NONE

PUBLIC COMMENT: NONE

MOTION TO ADJOURN MEETING:

Moved: Commissioner Brevogel
Second: Commissioner Andl
Vote: Unanimous

MEETING ADJOURNED: 2:08pm

NEXT REGULAR MEETING: January 25, 2016
Moorestown Town Hall 1:00PM

Rachel Chwastek, Assisting Secretary for
RICHARD BREVOGEL, SECRETARY

APPENDIX II

RCF, EJIF & MEL REPORTS



Municipal Excess Liability Residual Claims Fund

9 Campus Drive – Suite 16
Parsippany, New Jersey 07054
Tel (201) 881-7632
Fax (201) 881-7633

January 6, 2016

Memo to: Fund Commissioners
Professional Municipal Management Insurance Fund

From: Commissioner Scott Carew

Re: Topics Discussed at the RCF Reorganization Meeting

Correspondence: The Fund received correspondence from the Department of Banking & Insurance, which noted items that did not appear on the fund's website as per N.J.S.A. 40A:10-38.14 Internet Website Documentation. Executive Director reported the fund office responded by the deadline indicating where the documentation could be located.

Reorganization: The Residual Claims Fund reorganized on January 6, 2016. Although the RCF conducts its meetings as a Board of Commissioners, regulations require the election of an Executive Committee.

Below is a listing of the Executive Committee.

2016 Executive Committee
David Matchett, Burlco JIF, Chairman
William Close, Morris JIF, Secretary
Brian Bigler, NJUA JIF
Tom Nolan, Monmouth JIF
William Cottman, MEL JIF
Paul Shives, Ocean JIF
Madeline Cook, NJPHA JIF

The Fund also elected the following alternates for the 2016 Fund Year:

2016 Alternate Executive Committee
Richard Hirsch, Atlantic JIF
Joseph Wolk, Camden JIF
Joseph Catenaro, Suburban Essex, JIF
James Gildea, Suburban Muni JIF
Scott Carew, PMM JIF
Robert Landolfi, Central JIF

Robert Law, Trico JIF
Gregory Franz, South Bergen JIF
To Be Determined, Bergen JIF

Reorganizational Resolutions: The Board adopted the following resolutions as part of the reorganization process:

- Resolution 1-16 Fund Professionals & Professional Service Agreements
- Resolution 2-16 Fiscal Management Plan
- Resolution 3-16 Public Meeting Procedures
- Resolution 4-16 Fund Records Program and Resolution 5-16 Risk Management Plan.

Fund Professionals & Professional Service Agreements: The Board resolved to award professional service agreements in accordance with a fair and open process pursuant to N.J.S.A. 19:44A-20.4 et. seq. for fund years 2015, 2016 and 2017. In October, the Board accepted a recommendation reflecting professional compensation for Fund Year 2016; annual amounts were reflected in Resolution 1-16.

The Board of Fund Commissioners confirmed the following appointments:

2016 Fund Professionals	
Administrator	Joseph Hrubash, PERMA Risk Mgmt. Services
Deputy Administrator	Paul Miola, Arthur J. Gallagher Risk Mgmt. Services
Attorney	Fred Semrau, Esq of Dorsey & Semrau
Excess Claims Supervisor	CB Claims LLC
Treasurer	Charles Cuccia
Actuary	The Actuarial Advantage
Auditor	Ferraioli, Wielkotz, Cerullo & Cuva, P.A.
Asset Manager	Wilmington Trust
Banking Manager	Investors Bank
Claims Data Consultant	Qual-Lynx

Fiscal Management Plan: Resolution submitted designating Official Depositories and approving a Cash Management Plan; authorizing Signatories on Administrative Accounts; and authorizing Signatories on Claim Accounts; establishing a rate of interest for delinquent assessments; and certifying Approval Officer for all Fund expenses. Commissioner Gregory Franz was designated as the additional RCF Commissioner signatory.

Public Meeting Procedures: The Board of Fund Commissioners confirmed the following meeting schedule:

2016 Meeting Schedule & 2017 Reorganization			
March 2, 2016	Forsgate Country Club	10:50 am	
June 1, 2016	Forsgate Country Club	10:50 am	
September 7, 2016	Forsgate Country Club	10:50 am	

October 19, 2016	Forsgate Country Club	10:50 am
January 4, 2017	Forsgate Country Club	10:50 am

The RCF Claims Committee will meet on the same day as the Executive Committee at the above listed locations at 9:00AM before the Fund meeting. The RCF Claims Committee will not be meeting in November.

The Fund newspaper is The Star Ledger (Newark). In addition, the MEL's webpage is designated for official notices – www.njmel.org.

Fund Records: The Board confirmed the establishment of a Fund Records program appointing the Fund Secretary as custodian of records and Account Manager as Assistant Fund Secretary.

Risk Management Plan: The Board adopted the 2016 Risk Management Plan which detailed coverage, assessment methodology and procedure for closure of fund years.

Committee Appointments: Chairman Matchett made the following appointments to the RCF Committees:

Urban Centers JIF Committee Chairman Matchett and Commissioners Rheinhardt, Landolfi, Hirsch, Cook and Shives.

Management Committee Chairman Matchett and Commissioners Rheinhardt and Landolfi.

Claims Committee No change – Chairman Matchett and Commissioners Hirsch, Cook, Shives, Gildea and Law will continue to serve.

2013 DOBI Examination: The State of New Jersey Department of Banking & Insurance performed an examination of the Fund for the 2013 Fund Year. The examination contained no negative findings or recommendations. The Board approved the Examination Report and executed the Group Affidavit.

Claims Committee: The Claims Committee met at 9:00 am on the day of the Commissioners' meeting and the next meeting is scheduled for March 4, 2015 at 9:00 am.

Fund Attorney: The Fund Attorney reported there are 24 EPL/POL claims - down from 400 - left to be settled since that line of coverage was transferred out of the MEL.

Inclement Weather Procedure: A procedure has been instituted for Commissioners to confirm whether a meeting has been cancelled. The Executive Director will talk to the Chairman to determine if a meeting should be cancelled. In the case of an early morning or evening meeting, PERMA will leave a message which can be obtained by dialing the Fund's main number (201) 881-7632. For meetings that occur during normal business hours, meeting status can also be obtained by dialing the Fund office.

Next Meeting: The next meeting of the RCF will be March 2, 2016 at 10:30 AM at the Forsgate Country Club in Jamesburg, NJ.



**New Jersey Municipal Environmental
Risk Management Fund**

9 Campus Drive, Suite 216
Parsippany, New Jersey 07054
Tel (201) 881-7632

DATE: January 6, 2016
TO: Fund Commissioners
Professional Municipal Management Insurance Fund
FROM: Commissioner Scott Carew
SUBJECT: Summary of Topics Discussed at E-JIF Meeting

2016 REORGANIZATION- The election of the slate was confirmed. Below is a listing of the 2016 Executive Committee and the 2016 Fund Professionals.

Chairman:	Ocean	Paul Shives
Secretary:	Central	Robert Landolfi
Executive Committee:	Sub Essex JIF	Joe Catenaro
	Monmouth	Thomas Nolan
	Camden	Joe Wolk
	Sub-Muni	Jim Gildea
	PMM	Scott Carew
	Trico	Robert Law
Alternates:		
#1	South Bergen	Greg Franz
#2	Bergen	Paul Tomasko
#3	Morris	Jon Rheinhardt
#4	Burlco	Meghan Jack
#5	NJUA	Bernie Rutkowski

REORGANIZATIONAL RESOLUTIONS – The Resolutions necessary to undertake the 2016 Reorganization of the Fund were reviewed and adopted by the Board.

FUND PROFESSIONALS & PROFESSIONAL SERVICE AGREEMENTS – At the January 2015 meeting, the EJIF board awarded professional service agreements in accordance with a fair and open process pursuant to N.J.S.A. 19:44A-20.4 et. Seq. for fund years 2015, 2016

and 2017. Contract Addendums will be forwarded to each Fund Professional which will outline adjustments to compensation for Fund year 2016. During the October 21, 2015 EJIF meeting, the Board of Fund Commissioners adopted the 2016 Budget which included a 2% increase for certain professional's compensation for the 2016 fund year.

The Board of Fund Commissioners made the following appointments:

Executive Director	James Kickham, Perma Risk Management Services
Fund Attorney	Fred Semrau, Esquire
Fund Treasurer	Charles Cuccia
Asset Manager	Wilmington Trust
Fund Auditor	Nisivoccia LLP
Underwriting Manager	Danskin Insurance Agency and Conner Strong & Buckelew
Actuary	AON Worldwide, Inc.
Environmental Engineer	PS&S Engineering and First Environment (<i>As per the agreed pricing as a result of the 2016 RFQ process for the 2016 fund year. This will be a 1 year appointment with the Fund reserving the right to renew for one and/or two more years.</i>)
Claims Administrator	Peter King, Esquire
Legislative Liaison	Kevin Hagan, PPAG (1/1/16 – 12/31/16)

ENVIRONMENTAL ENGINEER ASSIGNMENTS- As in the past, EJIF awarded contracts to two engineering firms, PS&S Engineering and First Environment for the position of Environmental Engineer. The service of the EJIF membership has been divided between the two firms by geographic location. The list of Environmental Engineer assignments by JIF is included in this report.

2016 STANDING COMMITTEES - Five standing committees were established for the 2016 Fund year. The five (5) committees are Coverage committee, Rules & Contracts committee, Budget & Finance committee, Nominating committee, and Claims committee.

REVISED BUDGET- The revised 2016 budget was included in the agenda. The revisions reflect members that are no longer with the local JIFs and new members added to the local JIFs for 2016. A motion was adopted approving the revisions to the 2016 budget.

2013 STATE EXAMINATION - The State of New Jersey Department of Banking & Insurance performed an examination of the Fund for the 2013 Fund Year. The examination contained no negative findings or recommendations. The Executive Board approved the Examination Report and executed the Group Affidavit.

NEW ENVIRONMENTAL LEGAL LIABILITY POLICY – Resolution #12-16 authorizing the implementation of a new environmental legal liability policy which will be in effect January 1, 2016 was adopted by the Executive Board. The fund professionals have researched and worked with the fund's excess insurer to rewrite the policy for a period of three years. The new policy will simplify the policy form, and change certain provisions to correctly express the intent of the Fund for coverage.

REINSURANCE - The Underwriting Manager indicated that we are renewing our reinsurance coverage with Liberty IU. The Executive Committee authorized the fund's Underwriting Managers to purchase \$3,000,000 in increased limits for a total limit of \$8,000,000. A summary is as follows:

REINSURANCE RENEWAL

COVERAGE: Follow Form Excess Pollution Liability – Claims Made Coverage

COMPANY: Liberty Insurance Underwriters Inc., A, XV Best Rated

LIMIT OF LIABILITY: \$ 8,000,000 Pollution Incident Limit
\$ 8,000,000 Aggregate Limit

SELF INSURED RETENTION: \$3,000,000 Aggregate of All Losses Incurred

2016 MEETING SCHEDULE:

2016 Meeting Schedule		
March 2, 2016	Forsgate Country Club	10:50 am
June 1, 2016	Forsgate Country Club	10:50 am
September 7, 2016	Forsgate Country Club	10:50 am
October 19, 2016	Forsgate Country Club	10:50 am
November 16, 2016	Sheraton Hotel-Atlantic City	12:00 pm
January 4, 2017	Forsgate Country Club	10:50 am



Municipal Excess Liability Joint Insurance Fund

9 Campus Drive – Suite 216
 Parsippany, NJ 07054
Tel (201) 881-7632
Fax (201) 881-7633

Date: January 6, 2016

To: Fund Commissioners
 Professional Municipal Management Joint Insurance Fund

From: Scott Carew

Subject: January MEL Report

25th Anniversary Presentations: The meeting began with presentations between Munich Reinsurance and the MEL JIF commemorating 25 years of a very successful partnership. In addition, David Grubb was recognized for serving as MEL Executive Director for 25 years and Cate Kiernan as Account Manager.

2016 Reorganization - The MEL conducted its 2016 Reorganization. The Board of Fund Commissioners held elections for officers and board members, noted below.

Chairman	1	Jon Rheinhardt	Morris Fund
Secretary	2	Robert Landolfi	Central Fund
	3	Richard Hirsh	Atlantic Fund
	4	Carol Byrne	Bergen Fund
	5	Joseph Wolk	Camden Fund
	6	Charles Cuccia	South Bergen
	7	James Gildea	Suburban Fund
	1	Robert Law	Trico JIF
	2	Thomas Nolan	Monmouth JIF
	3	William Cottman	NJPHA Fund
	4	Joseph D'Arco	NJSI
	5	Paul Shives	Ocean Fund
	6	Scott Carew	PMM Fund
	7	Mauro Tucci	Suburban Essex Fund
		Meghan Jack	Burlco JIF
		Cynthia Ege	PAIC
		Andrew Brannen	Mid Jersey JIF

	James Carbin	First Responders JIF
	Bernie Rutkowski	NJUA Fund

2016 MEETING SCHEDULE:

2016 Meeting Schedule		
March 2, 2016	Forsgate Country Club	11:15 am
February 19, 2016	Princeton Marriott	9:00 am
June 1, 2016	Forsgate Country Club	11:15 am
September 7, 2016	Forsgate Country Club	11:15 am
October 19, 2016	Forsgate Country Club	11:15 am
November 16, 2016	Convention Center	5:00 pm
January 4, 2017	Forsgate Country Club	11:15 am

2016 Fund Professionals & Professional Service Agreements – The MEL board awarded professional service agreements in accordance with a fair and open process for Fund years 2015, 2016 & 2017. Resolution reflected professional fees and appointments.

Purchase of Excess Insurance – The Board of Fund Commissioners adopted a resolution confirming the placement of excess coverage. The MEL commercial carrier for excess workers’ compensation is Safety National, Genesis is the excess liability and optional pol/epl carrier, Munich Reinsurance provides the optional excess liability; Caitlin provides the non-owned aircraft and the commercial carrier for excess property and boiler/machinery is Zurich. Underwriting Manager’s memorandum on the renewal is attached to this report.

Underwriting Manager reported that biggest change on the renewal is the MEL is increasing its self-insurance retention on property to \$500,000 less the member JIF’s retention and Zurich will attach at \$500,000.

Risk Management Plan - The Board of Fund Commissioners adopted the 2016 MEL Risk Management Plan. The plan has been amended to reflect excess rates and carriers for 2016 as well as other changes - as noted in Underwriting Manager’s renewal memorandum.

POL/EPL Settlements –At its September meeting, the Management Committee discussed the importance of continuing the practice allowing towns to reimburse the MEL over time for their share of large employment practices claim settlements. This facilitates the settlement of complex cases and reduces legal bills. It also reduces the potential for costly litigation over what is or is not covered. A Resolution was adopted formalizing a procedure to address these matters

2013 State Examination - The State of New Jersey Department of Banking & Insurance performed an examination of the Fund for the 2013 Fund Year. Members of the Board were asked to execute an affidavit for signature by the Executive Committee of the Fund certifying

that each has reviewed the report respectively. There were no findings or recommendations in the examination.

Coverage Committee: Coverage Committee met on December 4th; minutes of the meeting are attached. Committee is recommending the Board accept the attached Cyber Liability exclusion requested by General Reinsurance – since the Funds now purchase this coverage from the commercial market. The Board accepted the Coverage Committee’s recommendation and approved a Cyber Liability Endorsement for the excess casualty document.

MEL Financial Advisor: As previously reported the MEL is exploring options for expanding the scope of investments and will need an Investment Advisor to assist with developing a new investment plan for consideration by DCA and DOBI. The Board authorized the release of an RFP for Financial Advisor.

Legislative Committee: The committee met on November 18, 2015: enclosed are the minutes of that meeting.

Committee Chairman Hirsch updated the Board on Assembly Bill 1347 and Senate Bill 264 (commonly referred to as the Firefighter’s Presumption bill) noting that it has passed in the Assembly and the Senate and is now on the Governor’s desk. The MEL adopted a position to oppose this bill. Board of Fund Commissioners adopted a Resolution urging the Governor to veto the bill. For information, a copy of the MEL and the League’s correspondence to the Labor Committee outlining their concerns with the legislation.

EPL Compliance: The Model Personnel Committee will meet on January 11, 2016 to finalize changes to Personnel Manuals.

Elected Officials Seminars: VCS is in the process of converting this year’s Elected Officials Seminar to an “online” version, pursuant to the MEL’s contract for the preparation of “online” courses. The Board extended the MEL’s Elected Officials Seminar credit to Elected Officials and Chief Operating Officers that complete the Online Elected Officials Seminar Training.

Insurance Industry Internship Program: The Management Committee considered a suggestion for a program to improve minority access to careers in the insurance industry. The MEL also had discussions with DOBI and DCA – with both expressing interest in moving further with the concept – including the possibility of state grants for the program. The Board approved the release of a Request for Proposal (RFP) for a consultant to spearhead this initiative.

Best Practices Cyber Liability: Rutgers completed its contract with the MEL to develop material on Cyber Liability Practices. The following materials were posted to the MEL webpage and distributed to all members in November: 1) Leadership Summary Pamphlet; 2) Executive Summary; and 3) Best Practices & Resource Guides.

Since additional Cyber Liability loss control efforts for members are warranted, the Board voted to award a contract to Rutgers not to exceed \$25,000 (MEL will ask commercial Cyber Liability carrier to contribute to cost) to:

- Research and provide options for MEL member employee Cyber-Hygiene program for implementation in 2017
- Consideration and recommendations for development of an RFP for intrusion testing (e.g., the emergency recovery contract)
- Develop recommendations on how entities can implement Technological Proficiency for each profile
- Develop education program for elected officials and chief administrators on importance of Tech Proficiency
- Compile model policy templates
- Provide informal technology risk support (email, phone calls) as needed

RCF: The Residual Claims Fund scheduled its 2016 Reorganization meeting for Wednesday, January 6, 2016 at 10:30 am in the Forsgate Country Club located in Jamesburg, NJ. William Cottman was elected to representative to the Residual Claims Fund for the 2016 Fund Year.

Online & Webinar Training: The MEL's contract with VCS to prepare On-line & Webinar Training programs will expired at the end of December. The Board awarded the contract to the one vendor that responded to the RFQ – VCS Video, not to exceed \$8,532.50 per course for Online Training and a fee not to exceed \$7,838.75 for Webinar Producer – as noted on Fund Professional Resolution.

Safe Patient Lifting for Emergency Responders: The MEL issued a Request for Qualifications for a Safe Lifting for Emergency Responders Video Presentation. We received on response (appendix III) from VCS Video for a cost not to exceed \$35,910 including Spanish version. The Board adopted Resolution 8-16 awarding the contract for the online production of Safe Lifting to VCS Video for a cost not to exceed \$35, 910.

Emergency Cleanup and Restoration Services: We received an additional response to the MEL RFQ for qualified vendors for Emergency Cleanup and Restoration Services. As noted in October, we expect to periodically add vendors to the existing list – posted to the MEL webpage. During December, Servpro of Haddon Heights/Voorhees submitted a response to the RFQ.

Annual Retreat: The Board of Fund Commissioners annual one-day retreat has been scheduled for 9:00 am on February 19, 2016 in the Princeton Forrestal Marriott.

Claims Committee – Claims Committee submitted the minutes of its December meeting. Committee will meet again following the MEL's reorganization.

Date: December 29, 2015

**To: Board of Fund Commissioners
Municipal Excess Liability Joint Insurance Fund**

**From: MEL Deputy Underwriting Manager
Conner Strong & Buckelew Companies, Inc.**

Re: MEL Reinsurance/Excess Insurance Renewal Status as of 12/29/15

This memo will serve as update since our November Report on the renewal marketing for MEL's excess and reinsurance program for 2016:

Property/BM - Zurich

The renewal for the excess **Property/BM** with Zurich was bound at the expiring rate. However, the one change in coverage to the 2015/2016 policy year will be in an increase in the AOP Deductible from \$250,000 to \$500,000, along with the increase to the Equipment Breakdown deductible from \$5,000 to \$50,000. (The MEL has funded for this additional deductible so the individual JIF retentions and member town retentions will remain as expiring)

Excess Flood and Earthquake – Quota Share

For 2015/2016, the MEL has once again purchased stand alone **excess flood and earthquake** coverage at limits of \$25 million excess of the \$50 million underlying annual aggregate flood limit under the Zurich program. We had previously reported that the renewal premium would be at a 5% premium decrease. The 2015/2016 renewal premium for this coverage has been bound for \$405,000 which represents a 10% premium decrease over expiring. The 2015 Budget for Excess Flood and Earthquake was \$427,500. There were no changes to the "quota share" insurers from the expiring carriers. The coverage was bound on December 31, 2015.

As part of their marketing effort for the excess flood and earthquake insurance, the insurance intermediary utilized by Conner Strong & Buckelew, completed a CAT modeling analysis for prospective insurers. The results of the modeling have been submitted and it should be noted the Probable Maximum Loss (PML) for the perils of named storm and wind for the MEL portfolio based on the Risk Management Solutions (RMS) model and 250 year return period is \$75,650,207. The MEL currently purchases \$125 million limit per occurrence for named storm and wind which is sufficient to cover the MEL's PML based on the results of the study. The cost for this study is \$10,000 and will be added to the premium for the excess coverage.

Excess Liability and Optional Excess POL/EPL (\$8 Million x \$2 Million) – Genesis

The renewal for the **excess liability** and **optional excess POL/EPL** with Genesis was previously reported at a rate increase of 2.5%; The final renewal rate came in at a 2% rate increase. This 2% has been reflected in the 2016 budget. Per expiring, the reinsurance per occurrence aggregate as respects all member entities involved in one occurrence for “*other than an Act of Terrorism*” is \$35 million. The per occurrence aggregate for “*losses resulting from an Act of Terrorism*” will remain at \$10,000,000.

Optional Excess Liability (\$15 Million x \$5 Million) – Munich Re

The renewal for the “**optional**” **excess liability** was bound at a 1% rate reduction over last year’s rate. This rate reduction was reflected in the 2016 budget. There were no changes in the coverage terms and conditions since our November Report.

Excess Workers Compensation – Safety National

The 2016 renewal for the **excess workers compensation** with Safety National has been bound on a two year agreement with guaranteed rates for 2016 and 2017. The rate for the 2016 renewal represents a 5% rate reduction over the expiring rate. The guaranteed rate for the 2017 excess workers compensation will be a 2.5% rate reduction. The coverage terms and conditions are as expiring.

Non Owned Aircraft Liability – Catlin

The **non-owned aircraft liability** was renewed for 1/1/16 and 1/1/17 on a 2 year program. The same terms and conditions, including the rate, will be in place for both years of the two year plan. The program will once again include “drones” as covered non owned aircraft. The premium for 2016 will be **\$41,651.00**.

Primary POL/EPL (JIF) – QBE North America

It was recommended to the MEL Board of Commissioners in November that the Primary POL/EPL for 2016 be moved to QBE North America from XL Insurance. XL was seeking a 15% average program premium increase statewide and would not commit to the MELJIF renewal beyond 2016. Coverage has been bound with QBE NA on a two year program at 5% statewide program increase for 2016 and 5% for 2017.

Volunteer Directors & Officers Liability – QBE NA

The Volunteer Directors and Officers liability policy will be bound with QBE NA for 2016 and 2017 at the expiring annual premiums, policy terms and conditions.

Cyber Liability– XL Insurance

The **cyber liability** coverage is a member JIF program once again for 2015. The coverage was bound at the expiring terms and conditions.

APPENDIX III

2013 State Examination

REPORT ON EXAMINATION
AS TO CONDITION OF THE
PROFESSIONAL MUNICIPAL MANAGEMENT
JOINT INSURANCE FUND
PARSIPPANY, NEW JERSEY, 07054

Filed

November 25, 2015

**Commissioner
Department of Banking &
Insurance**

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State of New Jersey

DEPARTMENT OF BANKING AND INSURANCE
OFFICE OF SOLVENCY REGULATION
PO BOX 325
TRENTON, NJ 08625-0325

CHRIS CHRISTIE
Governor

RICHARD J. BADOLATO
Acting Commissioner

KIM GUADAGNO
Lt. Governor

TEL (609) 292-5350
FAX (609) 292-6765

PETER L. HARTT
Director

September 30, 2015

Honorable Richard J. Badolato
Acting Commissioner of Banking and Insurance
New Jersey Department of Banking and Insurance
20 West State Street
P.O. Box 325
Trenton, New Jersey 08625

Commissioner:

In accordance with the authority vested in you by the Revised Statutes of New Jersey, an examination has been made of the assets, liabilities, method of conducting business and other affairs of the:

**PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND
PARSIPPANY, NEW JERSEY 07054.**

Hereinafter referred to in this report as the "Fund."

SCOPE OF EXAMINATION

This financial condition examination was called by the Commissioner of Banking and Insurance of the State of New Jersey pursuant to the authority granted by N.J.S.A. 40A: 10-47.

The examination was made as at December 31, 2013. The Fund was last examined at December 31, 1999. The examination was conducted at the office of the Fund's

Executive Director, PERMA Risk Management Services, 9 Campus Drive, Suite 216, Parsippany, New Jersey 07054.

The conduct of the examination was governed by the procedures outlined in the N.A.I.C. Financial Condition Handbook and followed accepted procedures of regulatory authorities and generally accepted insurance company examination standards. In determining the emphasis to be placed on specific accounts, consideration was given to the Company's system of internal control, the nature and size of each account, its relative importance to solvency and the results of the previous financial condition examination.

In the verification of matters as shown in this report, limited test checks were made, some complete and others partial. Consideration was allowed for limiting the verification on certain accounts at a point where they were determined to be substantially correct or the account under review was considered insignificant and not crucial to the Company' solvency.

COMPLIANCE WITH PRIOR REPORT RECOMMENDATIONS

It was recommended that the TPA obtain surety coverage as required by regulation.

The Fund has complied with this recommendation.

HISTORY AND KIND OF BUSINESS

The Fund was established February, 1,1987 in accordance with Public Law 1983, C. 372 entitled " An act concerning joint insurance funds for local units of government and supporting Chapter 10 of Title 40A of the New Jersey Statutes. The Fund is both a self-insured and self- administered group of municipalities established for the purpose of insuring against property damage, general liability, motors vehicles and equipment liability and workers compensation.

Organization

The Professional Municipal Management Joint Insurance Fund commenced operations on April 1, 1987 with three charter members. At December 31, 2013 the Fund consisted of the following six members:

	Date Joined
* Evesham Township	4/1/87
* Maple Shade Township	4/1/87
* Willingboro Township	4/1/87
Moorestown Township	1/1/89
Bernards Township	8/12/92 - 12/31/95
Sayreville	4/1/93 - 12/31/95
* Denotes Charter Member	

The registered agent upon whom process may be served is PERMA, 9 Campus Drive, Parsippany, New Jersey.

TERRITORY AND PLAN OF OPERATION

The Fund was formed to provide local governing bodies with an economical means of obtaining insurance coverages. The coverage provided includes property, boiler and machinery, automobile liability and physical damage, general liability, public official liability, contractors equipment, public employees blanket bond, law enforcement liability, educators legal liability, environmental liability and excess liability.

Any municipality seeking membership into the Fund shall submit an application for membership along with the necessary resolution and copies of current policies, five-year historical claim information, latest budget, latest auditor's report and an application fee of \$1,500. If the applicant becomes a member of the Fund, any unexpired moneys from the application fee will be credited against its first assessment.

Membership should meet the following criteria:

- (a) The population of the applicant municipality shall be not less than 10,000 and not more than 50,000 at the time of application.
- (b) The governmental structure of the applicant municipality should provide for professional management by either a municipal Manager or Council form of government or such other form as would meet the following criteria:
 - i. The municipality should have effective staff support including a full-time professional staff with effective management, including, at a minimum a professional Administrator or Manager, a finance director and a chief of police.
 - ii. The municipal Administrator or Manager should be responsible for preparation and recommendation of the budget and for administration of the adopted budget.
 - iii. The Administrator or Manager should have the effective authority to hire and fire employees; to establish personnel policies and to negotiate contracts, although such action may be subject to the approval of the elected governing body.
 - iv. The Administrator or Manager should have the authority to establish and implement administrative policies, applicable to all departments, including loss management procedures.

- c)* The applicant municipality should be located within Burlington County. An exception may be made for good cause and exceptional circumstances where the Commissioners of the Professional Municipal Management Joint Insurance Fund determine that it is in the best interests of the PMMJIF to admit a municipality not located in Burlington County.
- d)* Be compatible in size and governmental operations to the member municipalities.
- e)* Show a favorable Loss History and have demonstrated a proven dedication to Loss Prevention.
- f)* Show a favorable five-year Claim History with no demonstrated high-risk factors and a demonstrated reasonable dedication to claim review in order to prevent claims and losses.
- g)* Submit a five-year history of all tort claim notices filed with the municipality, with an analysis of each claim including the basis of the claim, an evaluation of the tort liability exposure, and actions taken, if any, to prevent similar claims in the future. (NOTE: This requirement is separate and distinct from the requirement for submitting a report of loss history, because tort claim notices may not have resulted in actual losses. The history of tort claims provides a tool for analysis of municipal operations in order to determine whether those operations are conducted in a manner that encourages claims, or whether there has been an effective management program to reduce potential claims, where they can reasonably be reduced).
- h)* Show a willingness to participate in the activities and development of the PMMJIF, including a willingness to implement risk management policies and recommendations adopted by the PMMJIF Commissioners.
- i)* Agree to comply with all laws and regulations that governs the activities of the PMMJIF, the by-laws of the PMMJIF and the regulations and policies adopted by the PMMJIF.

The Executive Director/Administrator reviews applications for completeness, accuracy and compliance with established underwriting guidelines. The Executive Director/Administrator then forwards the necessary underwriting information to the Fund's actuary who will develop annualized loss projections by line of coverage based on the applicant's loss experience and exposures. In addition, the Executive Director/Administrator simultaneously requests the Fund's safety director to undertake a comprehensive physical inspection on the applicant's locations.

Once the process is completed the Executive Director/Administrator presents the new applicants to the Executive Committee for approval consideration. The Commissioners will review such items as:

- New member data summary
- Compatibility studies
- Loss information
- Safety Inspection Reports
- Proposed Annual Assessments

The application requires a two-thirds vote of the Fund Commissioners.

Fire Districts

Revisions made to N.J.S.A. 40A:10-36 now allow fire districts to join a joint insurance fund. The Fund has adopted the following membership criteria for fire districts:

(a) Sponsorship: Only fire districts sponsored by a member municipality will be considered.

(b) Financial Responsibility: The sponsoring member municipality must accept all financial responsibility arising from participation of the fire district including assessments, supplemental contributions, additional assessments and return dividends.

(c) Billing & Vouchering: The Executive Director/Administrator will bill each fire district separately from that of the member municipality.

(d) Representation: The fire district will be represented solely by the Fund Commissioner of the sponsoring member municipality.

(e) Underwriting Guidelines: Fire districts will be underwritten as if they were applying as a new member. This process includes completion of a full application, actuarial review and safety inspection as well as payment of any established new member review fees.

(f) Acceptance of a Fire District: Fire districts may only be admitted by a two-thirds vote of the Fund Commissioners following membership review. The criteria for admission will be the compatibility of the fire district to other fire service exposure currently insured by the Fund.

(g) Termination of Coverage: A fire district may be terminated by the Fund Commissioners from coverage for failure to follow safety and loss control guidelines set forth by the safety director. Termination of a fire district will not effect membership of sponsoring member municipality. However, the fire district's membership will be concurrently terminated if the sponsoring member municipality terminates its membership for any reason.

(h) Legal Requirement: As a condition to membership by the fire district, a resolution must be received from the sponsoring member municipality evidencing its agreement with the PMM Fund as respects its financial responsibility for the fire district. Likewise, a resolution by the fire district must be executed evidencing representation by the sponsoring member municipality and compliance to safety directives.

(i) Agree to comply with all laws and regulations that govern the activities of the PMMJIF, the bylaws of the PMMJIF and the regulations and policies adopted by the PMMJIF.

The Executive Director/Administrator reviews applications for completeness, accuracy and compliance with established underwriting guidelines. The Executive Director/Administrator then forwards the necessary underwriting information to the Fund's actuary who will develop annualized loss projections by line of coverage based on the applicant's loss experience and exposures. In addition, the Executive Director/Administrator simultaneously requests the Fund's safety director to undertake a comprehensive physical inspection on the applicant's locations.

Once the process is completed the Executive Director/Administrator presents the new applicants to the Fund Commissioners for approval consideration. The Commissioners will review such items as:

- New member data summary
- Safety Inspection Reports
- Compatibility studies
- Proposed Annual Assessments
- Loss information

The application requires a two-thirds vote of the Fund Commissioners.

The following is a listing of Fund Professionals serving at December 31, 2013:

Administrator: PERMA Risk Management Services ---The Administrator shall act as the executive director of the Fund to carry out the policies established by the commissioners or executive committee. He shall be experienced in risk management matters and shall not be a commissioner of the Fund.

The Administrator shall perform the following:

1. The Administrator shall carry out the day to day operation of the Fund.
2. Shall advise on risk management matters and prepare draft modifications to the Fund's Risk Management Plan.
3. Shall maintain underwriting data.
4. Shall draft bid specifications for services as necessary.

5. Shall monitor the performance of service companies.
6. Shall write a draft budget for review by the Commissioners.
7. Shall perform such other duties as provided for by the Fund Commissioners, the by-laws and New Jersey Statutes.

Fund Actuary: Dennis Henry of The Actuarial Advantage – The Actuary shall certify the actuarial soundness of the Fund and shall provide such actuarial reports and reviews as required by the Fund and the New Jersey Department of Banking and Insurance.

Fund Auditor: James Miles of Bowman & Company – The Auditor shall be an independent certified public accountant or a registered municipal accountant and not a commissioner. The Auditor shall conduct the annual audit of the Fund and shall perform such other duties as provided for by the Fund commissioners or executive committee, the By-laws and the laws and regulations of the State of New Jersey.

Fund Attorney: William Kearns of Esq. of Kearns, Reale & Kearns – The Fund Attorney shall be admitted to the Bar of the State of New Jersey and have the following responsibilities:

1. Advise the Fund on legal matters, attend the Fund’s regular monthly meetings to advise the Fund on legal matters and consult with counsel representing the Fund in defense of claims.
2. Advise the Fund on selection of counsel to represent the Fund in the defense of claims.
3. Perform such other duties as provided for by the Fund Commissioners, the Fund By-laws and the laws and regulations of the State of New Jersey.

Treasurer : Thomas J. Tontarski-- The Treasurer shall be a certified municipal finance officer, not be a commissioner and shall have the following duties and responsibilities:

1. Be the custodian of Fund assets and maintenance of various trust funds.
2. Approve receipts, disbursements and financial records.
3. Prepare cash management plan and invest funds
4. Perform other related duties as designated by the Fund Commissioners in accordance with the By-laws of the Fund and laws and regulations of the State of New Jersey.

Managed Care Provider: Aubrie Vanduyn of QualCare – The Managed Care Provider will establish and maintain an adequate network of hospitals, physicians, laboratories and other appropriate facilities and provide notification, within one business day, to the Fund’s TPA of all new losses. Other services provided include provider and facility credentialing, pre-authorization of all medical treatment, establishment of treatment schedules and concurrent reviews and discharge coordination for inpatient hospitalization.

Safety Director/Right to Know Provider: Joanne Hall of J.A. Montgomery Risk Control - As Safety Director this professional will provide safety and loss prevention services on behalf of the Fund. As Right to Know Provider this professional will provide a technically qualified instructor to provide right to know training the Fund’s members.

Underwriter: Joseph Hrubash of Conner Strong – Services provided by the Underwriter include the following:

1. Assist in ongoing coordination, updating and preparation of coverage documents detailing all lines and limits of coverage provided by the Fund to the member municipalities as well as coordinating the drafts of these documents.
2. Respond to questions related to coverage from members, insurance producers or the Executive Director.
3. Calculate excess insurance/reinsurance premiums based on rates negotiated with insurer/reinsurer for each member based upon renewal exposure data provided by the Executive Director.
4. Market, negotiate and place excess property insurance and reinsurance coverage in conjunction with the Executive Director and as authorized by the Fund’s Executive Committee.

Asset Manager: Fernando Garip of TD Bank, – The Asset Manager provides custodial services and ensures the safekeeping of all security holdings of the Fund acting as a discretionary trustee over the assigned assets of the Fund in a manner which is consistent with the Fund’s Cash and Investment Management Plan.

In settling claims the Fund utilizes the services of a third party administrator Qual-Lynx

MANAGEMENT AND CONTROL

Each participating municipality shall appoint one commissioner to the Fund. Each participating municipality shall select either a member of its governing body or one of its municipal employees. In addition each participating municipality shall have the right to appoint one (1) alternate to attend either regular or special meetings on behalf of the municipality in the absence of the Fund Commissioner. The alternate Commissioner must be either an elected official or an employee of the appointing municipality.

In the event that the number of participating municipalities is an even number, one additional commissioner shall be appointed annually by a participating municipality on a rotating basis determined alphabetically.

All terms of office shall expire on January 1st or until a successor is duly appointed and qualified. A Commissioner, other than the special commissioner, who is a member of the appointing municipality's governing body shall hold office for two years or for the remainder of his/her term of officer as a member of the governing body whichever shall be less. Commissioners who are employees of the appointing municipality shall hold office at the pleasure of the municipality and can be removed by the municipality at any time without cause. The special commissioner, if any, shall serve until January 1st or the year following appointment provided, however, that if the special commissioner is an employee of the appointing municipality, he can be removed by the appointing municipality at any time without cause.

The unexpired term of a commissioner other than the special commissioner, shall be filled by the appointing municipality in the manner generally prescribed by law. In the event of a vacancy of the special commissioner caused by reason other than the expiration of the term of office, the municipality, which appointed the commissioner, shall appoint the replacement for the unexpired term. Any commissioner can be removed from office for cause by two-thirds vote of the full membership of the Fund commissioners. Upon such a vote it shall be incumbent upon the member municipality to replace the commissioner.

The commissioners are hereby authorized and empowered to operate the Fund in accordance with these By-laws and appropriate state laws and regulations.

Each commissioner shall have one vote, provided however, that the special commissioner shall only vote in the event of a tie.

The following is listing of commissioners serving at December 31, 2013:

Member	Commissioner
Maple Shade Township	Gary LaVenia
Moorestown Township	Scott Carew
Evesham Township	William Cromie
Willingboro Township	Richard Brevogel

2013 Executive Committee

Chairman Gary LaVenia, Township Manager

Secretary Scott Carew, Township Manager
Moorestown Township

Richard Brevogel, Asst. Township Manager
Willingboro Township

William Cromie, Township Manager
Evesham Township

Special Fund Commissioner

To be appointed by Maple Shade Township

If the total number of commissioners exceeds seven (7), as soon as possible after the beginning of the year they shall meet and elect five (5) commissioners to serve with the Chairperson and the Secretary as the executive committee of the Fund. During their terms of office, members of the executive committee shall exercise the full power and authority of the commissioners except as otherwise provided.

The executive committee shall serve until January 1st of the following year, or until their successors are duly elected and qualified.

In the event the Commissioners shall elect an Executive Committee as provided for above, they shall also elect two (2) Commissioners to serve as alternate members of the Executive Committee to attend either regular or special meetings to serve in the absence of a member, or members, of the Executive Committee. An alternate or alternates serving in the absence of a member, or members, of the Executive Committee shall exercise the full power and authority of that absent member or members

The Commissioners of the Fund serve as the Executive Committee.

As soon as possible after the beginning of each year the commissioners shall meet to elect officers of the Fund from their own membership including a chairperson and a secretary who shall be elected annually.

Officers will serve until January 1st of the following year or until a successor is duly elected and qualified.

The Chairperson shall preside at all meetings of the commissioners and shall perform such other duties provided for in the By-laws and the laws and regulations of the State of New Jersey.

The Secretary shall preside over meeting of the commissioners in the absence of the Chairperson, maintains minutes of meetings, retain all books, records, files and other documents of the Fund, and shall perform such other duties as provided for in the By-laws.

In the event of vacancy in any of the officer positions caused by other than the expiration of the term of office, the commissioners shall by majority vote, fill the vacancy for the unexpired term. Any officer can be removed without cause by two-thirds vote of the full membership of Fund commissioners. In this event the full membership of Fund commissioners shall fill the vacancy for the unexpired term.

At December 31, 2013, the Chairperson was Gary LaVenia and the Secretary was Scott Carew.

A review of the minutes indicates the transactions and events of the Fund are adequately reviewed.

INSURANCE COVERAGE AND EXCESS INSURANCE

The following is a summary of insurance coverages the Fund provides to its members:

PROPERTY

Property coverage is provided by Zurich American Insurance for a \$125,000,000 limit with a \$250,000 per occurrence deductible. The \$125,000,000 per occurrence limit is shared by all member entities of the Municipal Excess Liability Joint Insurance Fund (MEL) member JIFS. The \$250,000 deductible is covered by the Fund for \$50,000 per occurrence, less a member deductible. The standard member deductible is \$2,500 per occurrence. The MEL provides coverage for \$200,000 per occurrence in excess of \$50,000 per occurrence.

The policy with Zurich provides a sublimit for flood of \$50,000,000 per occurrence and in the aggregate. There is also a limitation of \$2,500,000 per location for loss or damage arising from flood for locations wholly or partially within Special Flood Hazard Area, areas of 100 year flooding as defined by the Federal Emergency Management Agency. In addition the policy contains a per occurrence deductible for municipalities of \$500,000 per building and \$500,000 per building contents for locations within the Special Flood Hazard Area.

Other sub-limits contained in the Zurich Policy are as follows:

Peril	Limit
Earthquake	\$50,000,000 annual aggregate
Builders Risk	\$25,000,000 per occurrence
Demolition and Increased cost of Construction	\$25,000,000 per occurrence
Newly Acquired Real and Personal Property (90 days)	\$25,000,000 per occurrence
Leasehold Interest	\$15,000,000 per occurrence
Loss of Rents	\$15,000,000 per occurrence
Debris Removal	\$15,000,000 per occurrence or 25% of the cost whichever is less
Valuable Papers and Records	\$10,000,000 per occurrence
Extra Expense	\$10,000,000 per occurrence
Accounts Receivable	\$10,000,000 per occurrence
Expediting Expense	\$10,000,000 per occurrence
Miscellaneous Unnamed Locations	\$5,000,000 per occurrence
Civil Authority	\$5,000,000 per occurrence time element coverages only for revenue producing properties
Business Interruption	\$5,000,000 per occurrence time element coverages only for revenue producing properties
Service Interruption	\$10,000,000 per occurrence property damage and time element combined
Ingress/Egress	\$5,000,000 per occurrence or (30) days whichever is less
Soft Costs	\$5,000,000 per occurrence
Fine Arts	\$2,500,000 for Fine Arts owned and non-owned
Cyber Secure	\$1,000,000 per occurrence
Transit	\$1,000,000 per conveyance/occurrence
Tenant Relocation	\$750,000 per occurrence
Pollution and Contamination Clean up	\$250,000 per occurrence and in the aggregate
Loss Adjustment Expenses	\$250,000 per occurrence and \$500,000 annual aggregate
Asbestos Clean up	\$50,000 per occurrence and in the aggregate

The JIF and -MEL do not retain any risk for flood damage to ~~insure~~ building and building contents for locations within the Special Flood Hazard Area, areas of 100 year flooding as defined by the Federal Emergency Management Agency.

PROPERTY PROGRAM EXCEPTIONS

There is a program exception for named storms which is defined as a storm system that has been declared a hurricane, typhoon, tropical cyclone or tropical storm by the National Hurricane Center of the National Oceanic and Atmospheric Administration’s National Weather Service. This exception applies to the peril of windstorm and flood resulting from a Named Storm for any covered property in Atlantic, Ocean, Monmouth and Burlington Counties East of the Garden State Parkway and for all covered property in Cape May County.

The MEL does not provide coverage for the perils of flood and windstorm for named storm at the above locations. Zurich American provides named storm coverage up to the policy per occurrence limit of \$125,000,000 subject to a deductible. This deductible requires all member entities of each MEL member located in the locations noted above to retain 1% of the total insurable values of all covered locations (excluding automobiles) reporting loss of damage, subject to a \$250,000 minimum per occurrence deductible and a \$1,000,000 maximum per occurrence deductible.

Based on this exception each JIF may determine the extent of coverage for the Named Storm within its funding level. The Atlantic, Burlington, Central, Mid New Jersey, Monmouth, New Jersey Public Housing Authority and Ocean JIFs participate in a program to share the first \$50,000 of loss less an entity member deductible of \$5,000. These JIFs also agree to share in any loss excess of \$250,000 up to a maximum deductible of \$1,000,000.

Neither the member JIF nor the MEL provide boiler and machinery coverage. Coverage for boiler and machinery is provided by Zurich American at a sub-limit of \$125,000,000 excess of the \$5,000 member entity deductible. The sub-limit is on a per accident basis and is reinstated after every accident.

WORKERS COMPENSATION

Workers compensation coverage is provided as follows:

Professional Municipal Management JIF	Limit
Workers Compensation	\$300,000
Employers Liability	\$300,000
Municipal Excess Liability JIF	
Workers Compensation	\$1,700,000 excess \$300,000
Employers Liability	\$1,700,000 excess \$300,000
Safety National (Rated A+ AM Best)	

Workers Compensation	Statutory Limits excess \$2,000,000
Employers Liability	\$5,000,000 excess \$2,000,000

GENERAL LIABILITY

General liability includes general liability, auto liability, law enforcement professional liability and employee benefits liability.

The JIF provides coverage for General Liability which includes Commercial General Liability and Law Enforcement Professional Liability for \$300,000 CSL. The MEL provides excess insurance coverage for general liability as follows:

\$1,450,000 excess \$300,000 CSL per occurrence
 \$3,250,000 excess of \$1,750,000 per occurrence and in the aggregate

In addition member towns may purchase coverage in excess of \$5,000,000 per occurrence and in the aggregate (business auto is unaggregated). Member entities in the Professional Municipal Managers JIF purchased optional coverage ranging from \$0 to \$2,000,000.

It is noted that for coverage in excess of \$1,750,000 the MEL has purchased reinsurance from A+ rated carriers.

The JIF provides underinsured/uninsured motorist liability for \$15,000/\$30,000/\$5,000 and Personal Injury Protection Coverage of \$250,000.

PUBLIC OFFICIALS/EMPLOYMENT PRACTICES LIABILITY

Coverage for Public Official and Employment Practices Liability is provided by Indian Harbor Insurance Company. Indian Harbor Insurance Company is an eligible surplus lines writer in New Jersey and is a member of the XL Group which is A rated by AM Best.

The coverage provided is for \$2,000,000 in the aggregate on a claims made basis per member municipality for each fund year.

For the Public Officials Liability Coverage there is a \$20,000 deductible per occurrence except that a \$75,000 deductible per occurrence applies for local units with unfavorable loss experience. The same deductible applies for Employment Practices Liability Coverage for member entities which have an approved EPL Loss Control/Risk Management Program. There is also a 20% co-insurance of the first \$250,000 of loss.

For member entities without an approved EPL Loss Control/Risk Management Programs for Employment Practices Liability Coverage there is a \$100,000 deductible per

occurrence and a \$150,000 deductible per occurrence of member entities with unfavorable loss experience.

Individual member entities can purchase additional coverage in excess of the \$2,000,000 limit from the MEL. Member entities in the Professional Municipal Managers JIF purchased additional coverage ranging from \$0 to \$2,000,000. The MEL has reinsured this coverage with A+ rated reinsurers.

EXCESS PUBLIC OFFICIALS BOND

The MEL provides coverage for excess employee dishonesty and faithful performance coverage for those employed positions which are required by law to be individually bonded at limit of \$1,000,000 less a local member units' deductible. The deductible is the higher of the amount said persons are required by law to be individually bonded whether or not such bond is in place or the amount of the individual bond in place.

NON-OWNED AIRCRAFT

The MEL through Catlin Insurance Company, Inc. which has an A rating from AM Best provided non-owned aircraft coverage for \$5,000,000 combined single limit for bodily injury and property damage liability and \$5,000 medical expenses for each passenger

OPTIONAL DIRECTORS AND OFFICERS LIABILITY

The JIF provides to its members the option to purchase Directors and Officers Liability Coverage for Fire Companies and Emergency Service Units. The coverage is for a \$1,000,000 to \$2,000,000 annual aggregate and the policy is issued by Indian Harbor Insurance Company. There are optional deductibles of \$1,000, \$2,000 or \$5,000.

BLANKET CRIME

The JIF provides blanket crime coverage to \$50,000 less a member entity deductible of \$2,500. The MEL provides \$1,000,000 in coverage less the member JIF's retention coverage of \$50,000. The coverages insured by this policy are forgery or alteration, theft, disappearance, destruction, robbery and safe burglary, computer fraud and public employee dishonesty

ENVIRONMENTAL IMPAIRMENT LIABILITY

Environmental Impairment Liability Coverage is by the New Jersey Municipal Impairment Risk Management Fund (EJIF).

The EJIF provides the following coverage to the JIF;

- Third party limit of liability for \$1,000,000 per loss per local unit and \$1,000,000 aggregate per local unit. This coverage is subject to the JIF annual aggregate limit as stated below
- First party limit of liability \$50,000 per loss per local unit and a \$100,000 annual aggregate per local unit.
- Foreclosed property with a limit of liability for \$1,000,000 per loss per local unit and \$1,000,000 annual aggregate per local unit.
- Public Officials Liability with a \$1,000,000 per loss per local unit and a \$1,000,000 annual aggregate per local unit limit of liability subject to the JIF annual aggregate limit as stated below.
- De Minimus Abandoned Property with a limit of \$50,000 per local unit and subject to the JIF annual aggregate as stated below.
- Legal Services with a \$500,000 per loss per local unit and \$500,000 annual aggregate per local unit subject to the JIF annual aggregate limit as stated below.

There is a deductible of \$5,000 per loss and the JIF annual aggregate limit of liability is \$1,148,940.

UNDERGROUD STORAGE TANK

Coverage related to underground storage tanks is provided by EJIF to the following limits:

\$1,000,000 Each Incident
\$1,000,000 Each Corrective Action
\$1,000,000 Aggregate Limit
\$100,000 Aggregate Defense Limit
Deductible \$5,000 Each Incident

CYBER LIABILITY

Coverage for Cyber Liability is provided by XL Insurance. The policy provides for third party coverage including Communication, Network Security Liability and Privacy Liability. First Party protection includes Extortion Threat, Crisis Management Expenses and Privacy Notification Costs.

The limits of liability are \$1,000,000 per occurrence and \$3,000,000 aggregate with a \$10,000 deductible. The limits are JIF wide and shared among the local member units. The policy also contains a \$500,000 sub-limit each for the following:

- Privacy Notification Costs
- Regulatory Fines/Claims Expenses for Privacy Liability
- Extortion Damages for Extortion Threat
- Crisis Management Expenses

FIDELITY BOND AND OTHER INSURANCE COVERAGES

The Fund is required by N.J.S.A. 11:15-2.6 to maintain the following minimum insurance coverage:

1. A fidelity bond for all persons handling Fund assets
2. A surety bond for the claims administrator
3. Errors and omissions coverage for any servicing organization who negates excess insurance or reinsurance on behalf of the Fund.

Review indicated insurance coverages as required by contract and by statute were carried by Fund Professionals.

ACCOUNTS AND RECORDS

The record keeping of the Fund is comprised of three areas as follows:

1. PERMA handles all of the processing of the general ledger and the accounts payable functions. The system used to control these functions is the MAS 90 Accounting Software which is a product of State of the Art, Inc. This system produces a cumulative general ledger, whereby all of the activity in an account is recorded together with its current balance. The accounts payable function under this system, produces a history of payments made to individual vendors with amounts outstanding.
2. The Treasurer of the Fund is responsible for the tracking of cash and investments. PERMA developed a tracking system for both of these areas and supplied it to the Treasurer to use. This system uses Microsoft Excel and allows for the tracking of both cash and investment activity.
3. The third party administrators are responsible for the tracking of all claim activity.

The accounting procedures are based on fund accounting, whereby, all financial activity is allocated to the fund year to which it relates.

Pursuant to N.J.S.A. 18A:18B-1, N.J.A.C. 11:15-5.1 and the Fund's By-laws , an annual audit was performed by an independent certified public accounting firm Bowman and Company, LLP and an audited report was filed with the Commissioner of the Department of Banking and Insurance.

FINANCIAL STATEMENTS

Comparative Balance Sheet As of December 31, 2013 and 2012

Comparative Statement of Revenue, Expenses and Changes in Fund Equity As of December 31, 2013 and 2012

EXHIBIT I

COMPARATIVE BALANCE SHEET
FOR YEARS ENDING DECEMBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
<u>ASSETS</u>		
Cash & Cash Equivalents	\$ 1,691,615	\$ 1,791,762
Investments	1,995,360	1,499,835
Accrued Interest Receivable	167	373
Dividends Receivable	-	28,774
Excess Insurance Receivable	15,172	-
Residual Claims Fund Reimbursement Receivable	-	18,455
Deposit Due From Burlco	130	-
Prepaid Expenses	2,052	-
Total Assets	<u>3,704,496</u>	<u>3,339,199</u>
<u>LIABILITIES</u>		
Case Reserves	1,648,948	1,754,897
IBNR Reserves	888,663	904,460
Total Reserves	<u>2,537,611</u>	<u>2,659,357</u>
Accrued Expenses	34,979	30,286
Excess Insurance Premiums Payable	197,901	-
Other Payables	10,755	-
Dividend Reserve	23,771	23,774
Authorized and Unpaid Return of Surplus	20,837	-
Total Non-Claim Liabilities	<u>288,243</u>	<u>54,060</u>
Total Liabilities	<u>2,825,854</u>	<u>2,713,417</u>
<u>NET POSITION</u>		
Net Statutory Surplus - Unrestricted	878,642	625,782
Total Liabilities and Surplus	<u>\$ 3,704,496</u>	<u>\$ 3,339,199</u>

EXHIBIT II

COMPARATIVE STATUTORY INCOME STATEMENT FOR YEARS ENDING DECEMBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
<u>OPERATING REVENUE</u>		
Assessments	\$ 3,571,689	\$ 3,510,941
Environmental JIF Dividend	20,718	28,774
Total Operating Revenue	<u>3,592,407</u>	<u>3,539,715</u>
<u>EXPENSES</u>		
Provision for Claims and Claims Adj. Expenses	1,579,242	1,320,186
Insurance Premiums	1,165,985	1,148,856
Administrator	100,863	95,881
Claims Adjustment	122,990	120,578
Safety Programs	41,034	40,797
Professional Services	194,001	191,567
Miscellaneous	10,360	8,495
Total Expenses	<u>3,214,475</u>	<u>2,926,360</u>
Operating Income (Loss)	<u>377,932</u>	<u>613,355</u>
<u>NON-OPERATING REVENUE (EXPENSE)</u>		
Investment Income (Loss)	<u>(583)</u>	<u>7,809</u>
Total Nonoperating Revenues	(583)	7,809
Change in Net Position	<u>377,349</u>	<u>621,164</u>
Net Position - Beginning of Year	625,782	4,662
Less: Distribution to Participating Members	(124,492)	-
Plus: Change in Dividend Reserve	3	(44)
Net Position - End of Year	<u>\$ 878,642</u>	<u>\$ 625,782</u>

NOTE 1 - LOSS RESERVES

The loss reserves reported by the Fund at December 31, 2013 were \$1,648,948 for case reserves and \$888,663 for IBNR reserves. A review by an actuary from the New Jersey Department of Banking and Insurance indicated the reserves established by the Fund were reasonable.

Data supporting the Fund's actuarial calculation was reconciled to supporting records without exception. Samples of paid and outstanding losses were traced to claim files without material exception.

ACKNOWLEDGEMENT

The examination was completed at the office of the Fund's Executive Director, PERMA Risk Management Services (PERMA), 9 Campus Drive, Parsippany, New Jersey 07054. The courteous cooperation extended to the examiners by Fund Management is acknowledged.

Respectfully submitted

A handwritten signature in cursive script that reads "Nancy Lee Chice".

Nancy Lee Chice, CFE
Insurance Examiner

PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND

I, Nancy Lee Chice, do solemnly swear that the foregoing report of examination is hereby represented to be a full and true statement of the condition and affairs of the subject joint insurance fund as of December 31, 2013 to the best of my information, knowledge and belief.

Respectfully Submitted,



Nancy Lee Chice CFE
Examiner-In-Charge
New Jersey Department of Banking and Insurance

State of New Jersey
County of Mercer

Subscribed and sworn to before me,
on this *4th* day of *November* **2015**



Sheila M. Lucas
Notary Public of New Jersey

My commission expires: *July 2020*