

**PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND
OPEN SESSION MINUTES
MEETING – JANUARY 28, 2019
111 WEST 2ND STREET
MOORESTOWN TOWNSHIP
1:00 PM**

Meeting of 2018 Fund Commissioners called to order. Open Public Meetings notice read into record.

ROLL CALL OF 2018 FUND COMMISSIONERS:

Thomas Merchel, Chairman	Township of Moorestown	Present
Richard Brevogel, Secretary	Township of Willingboro	Present
Joseph Andl	Township of Maple Shade	Present
Michael Barth	Township of Evesham	Present

SPECIAL FUND COMMISSIONERS:

Greg Rucker, Dir. Of Public Safety	Township of Willingboro	Absent
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APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	PERMA Risk Management Services Bradford C. Stokes, Karen A. Read Rachel Chwastek
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Treasurer	Tom Tontarski
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Attorney	Kearns, Reale & Kearns, Esquires William Kearns, Esquire
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Auditor	Bowman & Company
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Claims Service	Qual Lynx Kathy Kissane
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Safety Director	J.A. Montgomery Risk Control Keith Hummel
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Managed Care Organization	QualCare Karen Beatty
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Underwriting Manager	Conner Strong & Buckelew
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ALSO PRESENT:

Maureen Mitchell, Evesham Fire District
Michael Avalone, Conner Strong & Buckelew

APPROVAL OF MINUTES: NOVEMBER 26, 2018 - Open & Closed Minutes

MOTION TO APPROVE OPEN & CLOSED MINUTES OF NOVEMBER 26, 2018:

Moved: Commissioner Barth
Second: Commissioner Brevogel
Vote: 4 Ayes – 0 Nays

CORRESPONDENCE: NONE.

MOTION TO ADJOURN:

Moved: Commissioner Barth
Second: Commissioner Brevogel
Vote: 4 Ayes – 0 Nays

Meeting of the 2019 Fund Commissioners called to order by Executive Director, Bradford C. Stokes.

ROLL CALL OF 2019 FUND COMMISSIONERS:

Thomas Merchel, Chairman	Township of Moorestown	Present
Richard Brevogel, Secretary	Township of Willingboro	Present
Joseph Andl	Township of Maple Shade	Present
Michael Barth	Township of Evesham	Present

SPECIAL FUND COMMISSIONERS:

Thomas Shanahan	Township of Evesham	Present
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MOTION TO NOMINATE TOM MERCHEL TO SERVE AS CHAIRMAN FOR FUND YEAR 2019:

Moved: Commissioner Brevogel
Second: Commissioner Andl

MOTION TO NOMINATE RICHARD BREVOGEL TO SERVE AS SECRETARY FOR FUND YEAR 2019:

Moved: Commissioner Merchel
Second: Commissioner Andl

MOTION TO CLOSE NOMINATIONS AND CONFIRM ELECTION TOM MERCHEL TO SERVE AS CHAIRMAN AND RICHARD BREVOGEL TO SERVE AS SECRETARY FOR FUND YEAR 2019

Moved: Commissioner Andl
Second: Commissioner Brevogel
Vote: 5 Ayes, 0 Nays (Roll Call)

The Fund Attorney administered the Oaths of Office to the Fund Commissioners.

EXECUTIVE DIRECTOR:

Fund Professionals & Professional Service Agreements: At the January 22, 2018 Reorganizational meeting, the Fund 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 2018, 2019 and 2020. Enclosed in the agenda was Resolution 19-1 establishing compensation for Fund Year 2019.

MOTION TO ADOPT RESOLUTION 19-1, NOTING PAGE 5 - #5 SHOULD READ KEITH HUMMEL INSTEAD OF JOANNE HALL, AND #9 THE FEE FOR QUAL LYNX SHOULD READ \$135,791.58.

Moved: Commissioner Andl
Second: Commissioner Brevogel
Vote: 4 Ayes – 0 Nays

The Executive Director reviewed Resolution 19-2 Establishment of Public Meeting Procedures, Resolution 19-3 Establishment of a Fiscal Management Plan and Resolution 19-4 2019 Risk Management Plan with the Commissioners.

MOTION TO ADOPT RESOLUTION 19-2 THROUGH 19-4

Moved: Commissioner Barth
Second: Commissioner Brevogel
Vote: 4 Ayes – 0 Nays

Residual Claims Fund 2019 Reorganization Meeting: The Residual Claims Fund’s 2019 Reorganization meeting was held on January 2, 2019 at the Forsgate Country Club. Enclosed in the agenda was a copy of Commissioner Merchel’s report on the meeting.

E-JIF 2019 Reorganization Meeting: The E-JIF 2019 Reorganization meeting was held on January 2, 2019 at the Forsgate Country Club. Enclosed in the agenda was a copy of Commissioner Merchel’s report on the meeting.

MEL 2019 Reorganization Meeting: The MEL 2019 Reorganization meeting was held on January 2, 2019 at the Forsgate Country Club. Enclosed in the agenda was a copy of Commissioner Merchel’s report on the meeting.

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 2019, Evesham has this privilege and they are appointing Thomas Shanahan.

2019 Assessments: The 2019 Assessments were mailed to all member towns in mid-December. First Installment payments were due to the Treasurer by January 15, 2019.

2019 Budget: In accordance with the regulations, the budget adopted by the Fund has been advertised in the Fund’s official newspaper. In addition, PERMA has sent the budget to member municipalities and will file the same with the State.

Elected Officials Training: This year’s elected officials training program focus is on “Employment Practices Liability”. As in the past, the MEL will reduce each member’s 2019 liability claims premium by \$250 for each municipal elected official and authority commissioner who completes the course by May 1, 2019. The Fund 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. The Fund office will be sending out instructions on this training option.

Cyber Liability - During the month of December, there was a rash of ransomware attacks hitting New Jersey municipalities, including several MEL JIF members. As a result, XL Caitlin, the Fund’s carrier, asked for additional premium. The MEL JIF will assume the increase (amounting to \$100 per member) in 2019, in an effort to protect the coverage for member JIFs.

The MEL's Cyber Task Force has issued a Bulletin alerting members of these new attacks. The Task Force also established minimum standards for Cyber Security in 2017. If implemented, these standards may have prevented some of the claim activity. Members are reminded that they need to complete the MEL's minimum standard checklist as soon as possible. As of last week, two members have submitted completed checklist.

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: Monthly report submitted to Fund Commissioners including Monthly Fast-track Accident Frequency, Fast-Track Financial report, Claim Activity Report, Interest Rate Summary Comparison, Monthly Loss Ratio by fund year and line of coverage and the Monthly and Annual Regulatory Checklist. The Financial Fast Track, dated November 30, 2018 shows the fund's surplus over \$3 million. The funds Loss Ratio Analysis is on target with the actuary's projection of 65.7 and the actual at 61. The fund's Loss Time Accident Frequency is 2.69, overall not a good year in that department. The EPL Compliance is at 100%. The Executive Director asked if there were any questions and then concluded his report.

Executive Director's Report Made Part of Minutes.

ATTORNEY: None.

TREASURER: Mr. Tontarski reviewed the treasurer's report with the Fund.

Payment of December 2018 Vouchers Resolution 18-26

Fund Year 2018	60,442.00
Fund Year 2019	265,353.62
Total	325,795.62

Payment of January 2019 Vouchers Resolution 19-5

Fund Year 2018	90.56
Fund Year 2019	330,711.59
Total	330,802.15

MOTION TO APPROVE RESOLUTION 18-26 VOUCHER LIST FOR THE MONTH OF DECEMBER, RESOLUTION 19-5 VOUCHER LIST FOR THE MONTH OF JANUARY AS SUBMITTED

Motion: Commissioner Andl
 Second: Commissioner Brevogel
 Vote: 4 Ayes – 0 Nays

Confirmation of Claims Payments/Certification of Claims Transfers for the Month of December 2018:

2018	60,413.98
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2017	35,337.65
2016	55,156.71
2015	19,457.00
2014	1,662.24
Closed	0.00
TOTAL	172,027.58

Treasurer's Report Made Part of Minutes.

UNDERWRITING MANAGER:

REPORT: The Executive Director advised there was an error in the certificate report and a corrected report would be included in the next agenda.

SAFETY DIRECTOR:

REPORT: Keith Hummel thanked the fund for their reappointment and advised included in the agenda is all the risk control activities through the month of November and December, as well as a list of MSI Training and Fast Track training information. He advised a focus is on visiting the police departments in the JIF and that has been very successful. He also mentioned the Below 100 Program is coming out and is highly recommended. Mr. Hummel asked if there were any questions and then concluded his report.

Mr. Merchel advised Moorestown is due to get their accreditation in March.

Monthly Activity Report/Agenda Made Part of Minutes.

MANAGED CARE:

REPORT: Karen Beatty advised December's reports were included in the agenda. Ms. Beatty reported there were 105 bills during the month of December totaling \$58,903.12, of that amount \$19,450.11 was paid for a savings of \$39,453.01 which is a 67.0% savings. Ms. Beatty then thanked the fund for their reappointment and concluded her report.

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**

Motion: Commissioner Brevogel
Second: Commissioner Barth
Vote: Unanimous

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

Motion: Commissioner Brevogel

Second: Commissioner Barth
Vote: Unanimous

OLD BUSINESS: NONE

NEW BUSINESS: The Executive Director welcomed the new Risk Manager Michael Avalone for Evesham Township.

PUBLIC COMMENT: NONE

MOTION TO ADJOURN MEETING:

Motion: Commissioner Brevogel
Second: Commissioner Barth
Vote: Unanimous

MEETING ADJOURNED: 1:45pm

NEXT REGULAR MEETING: February 25, 2018
Moorestown Town Hall 1:00PM

Rachel Chwastek, Assisting Secretary for
RICHARD BREVOGEL, SECRETARY