

**PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND
OPEN SESSION MINUTES
MEETING – NOVEMBER 25, 2019
111 WEST 2ND STREET
MOORESTOWN TOWNSHIP
1:00 PM**

Meeting of 2019 Fund Commissioners called to order. Open Public Meetings notice read into record.

ROLL CALL OF 2019 FUND COMMISSIONERS:

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| Thomas Merchel, Chairman | Township of Moorestown | Present |
| Richard Brevogel, Secretary | Township of Willingboro | Present |
| Charles Kauffman (Alternate) | Township of Maple Shade | Present |
| Robert Corrales | Township of Evesham | Present (<i>via teleconference</i>) |

SPECIAL FUND COMMISSIONERS:

APPOINTED OFFICIALS PRESENT:

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| 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 | Helmer Conley & Kasselmann William Kearns John Shields |
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| Auditor | Bowman & Company |
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| Claims Service | Qual Lynx Stephen McNamara |
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| Safety Director | J.A. Montgomery Risk Control Glenn Prince |
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| Managed Care Organization | QualCare Kathy Kissane |
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| Underwriting Manager | Conner Strong & Buckelew |
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ALSO PRESENT:

Lee Lieber, Moorestown PD
Walter Howard, Willingboro Township
Michael Avalone, Conner Strong & Buckelew

APPROVAL OF MINUTES: OCTOBER 28, 2019 - Open & Closed Minutes

MOTION TO APPROVE OPEN & CLOSED MINUTES OF OCTOBER 28, 2019:

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| Motion: | Commissioner Brevogel |
| Second: | Commissioner Merchel |

Vote: 3 Ayes – 0 Nays (Kauffman Abstains)

CORRESPONDENCE: None.

EXECUTIVE DIRECTOR:

2020 Budget – At the October Fund Meeting, the Board of Fund Commissioners introduced the Budget for 2020 in the amount of \$3,914,202. 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 2020 BUDGET

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

MOTION TO CLOSE THE PUBLIC HEARING ON THE 2020 BUDGET

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

MOTION TO ADOPT THE 2020 BUDGET AND CERTIFY ASSESSMENTS

Motion: Commissioner Brevogel
Second: Commissioner Kauffman
Roll Call Vote: 4 Ayes – 0 Nays

Risk Management Plan Amendment: Included in the agenda was a memorandum regarding proposed changes to the Fund’s Risk Management Plan. The changes are concerning the long term nature of the exposure from S-477 relating to sexual molestation. Specifically, this amendment minimizes the risk that the JIF may have to assess a former member, years or decades after the member has left the JIF by holding in escrow the former member’s share of dividends until the statute of limitations has tolled.

This amendment also assesses members a charge when they leave the Fund for stranded costs related to the costs that will be paid by the JIF to administer claims incurred while the former member was in the JIF. The proposed changes were included in the agenda.

There was a discussion about the nature of the claims, and how these are investigated and is expected to incur more costs than normal tort claims.

MOTION TO AMEND THE RISK MANAGEMENT PLAN

Motion: Commissioner Brevogel
Second: Commissioner Corrales
Roll Call Vote: 4 Ayes – 0 Nays

Elected Officials Training: This year’s elected officials training program will focus on “Employment Practices for Governmental Officials”. For 2020, the MEL will reduce each member’s assessment by \$250 for each municipal elected official and/or authority commissioner who completes the Elected Official course by May 1, 2020. The maximum credit is 5% of the member’s assessment. The credit is also extended to the member’s CEO (i.e. municipal manager/administrator or authority executive director).

We will be scheduling several sessions after the holidays through the offices of Mr. Kearns. The on-line version will also be available.

MEL, RCF & EJIF Representative - The fund should elect its representative to the MEL, RCF & EJIF for the 2020 Fund Year.

MOTION TO ELECT THOMAS MERCHEL AS THE CENTRAL JERSEY JOINT INSURANCE FUND'S 2020 REPRESENTATIVE TO THE MUNIICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

MOTION TO ELECT THOMAS MERCHEL AS THE CENTRAL JERSEY JOINT INSURANCE FUND'S 2020 REPRESENTATIVE TO THE RESIDUAL CLAIMS FUND JOINT INSURANCE FUND

MOTION TO ELECT THOMAS MERCHEL AS THE CENTRAL JERSEY JOINT INSURANCE FUND'S 2020 REPRESENTATIVE TO THE ENVIRONMENTAL JOINT INSURANCE FUND

Motion: Commissioner Brevogel
Second: Commissioner Kauffman
Roll Call Vote: 4 Ayes – 0 Nays

December Meeting – The JIF has historically cancelled the December Fund meeting; if the Commissioners wish to follow past procedure, a motion to cancel the meeting would be in order. The Commissioners did pass Resolution 19-7 in February that authorizes fund professionals to continue services and process payments for the months that the Fund does not meet.

MOTION TO CANCEL DECEMBER MEETING

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

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 September Financial Fast Track was included in the agenda. It shows a \$3,100,000 surplus, with a nice gain of \$200,000 over the last month. 2019 is running a deficit, we are seeing this JIF-wide, and think it will turn. The funds Loss Ratio Analysis has the actuary's projection of 45% and the actual at 50%, right on target. The fund's Loss Time Accident Frequency is 1.50, a little above the MEL average, with only 1 new lost time accident. A new Personnel Manual will be coming out, it is currently under review by an attorney. We are now in 100% compliance for the cyber program, as we received Willingboro's checklist.

The Executive Director asked if there were any questions and then concluded his report.

Executive Director's Report Made Part of Minutes.

ATTORNEY: Mr. Kearns just advised again that there is a number of lawsuits around the country regarding website accessibility. He suggests the members have their IT department review their sites and make sure the sites are compliant.

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

Payment of November 2019 Vouchers Resolution 19-23

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| Fund Year 2019 | 40,036.24 |
| Total | 40,036.24 |

MOTION TO APPROVE RESOLUTION 19-23 VOUCHER LIST FOR THE MONTH OF NOVEMBER AS SUBMITTED

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

Confirmation of Claims Payments/Certification of Claims Transfers for the Month of October 2019:

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|---------------|-------------------|
| 2019 | 51,586.13 |
| 2018 | 30,216.45 |
| 2017 | 9,856.89 |
| 2016 | 59,952.55 |
| 2015 | 0.00 |
| Closed | 0.00 |
| TOTAL | 136,701.26 |

Treasurer's Report Made Part of Minutes.

SAFETY DIRECTOR:

REPORT: Safety Director advised included in the agenda is all the risk control activities through the month of October, as well as a list of MSI Training and Fast Track training information. Also included in the agenda were a few safety director bulletins; one on police vehicles, written by Chief Hummel and one on the new Clearinghouse rules. Mr. Prince asked if there were any questions and then concluded his report.

Commissioner Brevogel then asked about if past violations are supposed to be included or if it's only violations going forward. Mr. Kearns and Mr. Prince were going to look into the matter.

Monthly Activity Report/Agenda Made Part of Minutes.

UNDERWRITING MANAGER:

REPORT: The certificate report was in the agenda for the period 9/22/2019 to 10/22/2019 and 1 certificate was issued.

MANAGED CARE:

REPORT: Stephen McNamara advised October's reports were included in the agenda. Mr. McNamara reported there were 119 bills during the month of October totaling \$178,650.01, of that amount \$58,385.05 was paid for a savings of \$120,264.96 which is a 67.3% savings. Mr. McNamara asked if there were any questions and concluded his report.

Monthly Activity Report Part of Minutes.

CLAIMS ADMINISTRATOR:

REPORT: The Claims Manager advised a Maple Shade Police Captain won their basket from the League of Municipalities and the remaining report was for closed session.

Report Part of Minutes.

OLD BUSINESS: NONE

NEW BUSINESS: Police Chief Lieber started a discussion about the new 9-1-1 system, which was continued in closed session.

PUBLIC COMMENT: NONE

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

Motion: Commissioner Brevogel
Second: Commissioner Kauffman
Vote: Unanimous

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

Motion: Commissioner Brevogel
Second: Commissioner Corrales
Vote: Unanimous

MOTION TO ADJOURN MEETING:

Motion: Commissioner Brevogel
Second: Commissioner Kauffman
Vote: Unanimous

MEETING ADJOURNED: 1:45pm

**NEXT REGULAR MEETING: January 27, 2019
Moorestown Town Hall 1:00PM**

Rachel Chwastek, Assisting Secretary for
RICHARD BREVOGEL, SECRETARY