

**PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND  
OPEN SESSION MINUTES  
MEETING – OCTOBER 25, 2022  
EVESHAM TOWNSHIP MUNICIPAL BUILDING  
2:00 PM**

Meeting of 2022 Fund Commissioners called to order. Open Public Meetings notice read into record.

**ROLL CALL OF 2022 FUND COMMISSIONERS:**

Thomas Merchel, Chairman	Township of Moorestown	Present
Susan Danson, Secretary	Township of Maple Shade	Present
Robert Corrales	Township of Evesham	Present
Dwyane Harris	Township of Willingboro	Absent

**ALTERNATE FUND COMMISSIONER:**

Richard Brevogel	Township of Willingboro	Absent
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**SPECIAL FUND COMMISSIONER:**

Unappointed

**APPOINTED OFFICIALS PRESENT:**

Executive Director/Administrator	PERMA Risk Management Services <b>Bradford C. Stokes, Karen A. Read Crystal M. Chuck</b>
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Treasurer	<b>Thomas J. Tontarski</b>
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Attorney	Helmer, Conley & Kasselmann <b>William Kearns, Esquire</b>
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Claims Service	Qual Lynx <b>Kathy Kissane</b>
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Safety Director	J.A. Montgomery Risk Control <b>Glenn Prince Harry Earl</b>
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**ALSO PRESENT:**

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

**APPROVAL OF MINUTES:** September 27, 2022 Open & Closed Minutes

**MOTION TO APPROVE CLOSED MINUTES OF SEPTEMBER 27, 2022:**

Moved:	Commissioner Corrales
Second:	Commissioner Danson
Vote:	3 Ayes - 0 Nays.

**CORRESPONDENCE:** NONE.

**EXECUTIVE DIRECTOR:**

**2023 Budget Introduction** – Executive Director advised in the agenda on **Page 3** was the proposed 2023 Budget for review and discussion. Executive Director reported the budget is an average 11.67% increase over the 2022 budget for a total of \$4,600,097.

Total Loss Fund reported an increase at 14.10% and Expenses maintained a contractual increase of 2%.

The Executive Director advised the increase in the POL/EPL premium is slightly higher at 5.11%, but that is based on claim activity.

**MOTION TO INTRODUCE THE 2023 BUDGET AND SCHEDULE A PUBLIC HEARING ON TUESDAY NOVEMBER 22, 2022 AT 2:00 PM**

Moved: Commissioner Danson  
Second: Commissioner Corrales  
Vote: 3 Ayes - 0 Nays.

**Closed Year Dividend** - The Fund Office has reviewed the available dividend from closed year accounts and has recommended the release of \$200,000. In addition, an EJIF dividend in the amount of \$119,999 is already in the budget as a deduction in the premiums. Enclosed on **Page 4** of the agenda was the proposed assessments and a breakdown of the distribution for the dividend.

On **Page 5** was **Resolution 22-24** authorizing the release of a dividend representing a total of \$200,000 from closed year accounts.

**MOTION TO ADOPT RESOLUTION 22-24 AUTHORIZING THE RELEASE OF A DIVIDEND IN THE AMOUNT OF \$200,000 FROM CLOSED YEAR ACCOUNTS, SUBJECT TO STATE APPROVAL**

Moved: Commissioner Corrales  
Second: Commissioner Danson  
Vote: 3 Ayes - 0 Nays.

**Professional Service Agreements** – Executive Director reported all the Fund’s professional service agreements are up for renewal in 2023. Letters to all professionals asking for a fee proposal along with other required bid forms were sent out from the fund office. They are due back this week; a report will be provided next month.

**Cyber JIF Resolution, Agreement and Representative:** Cyber Security claims has outpaced premiums almost from the outset. Our premiums have doubled the last two years. As a result, the MEL Board of Fund Commissioners worked on forming a separate Joint Insurance Fund. In order to manage this risk, we need more members to implement minimum risk control standards.

Enclosed in the agenda was a copy of the budget introduced for Cyber JIF based on all MEL members JIFs joining. Executive Director reported that in addition to funding for retained claims, excess premiums, and administration – a portion of the budget is dedicated to loss control services. The MEL asked members to execute a Resolution and Agreement to join and to appoint a representative so the interim board can hold a zoom public hearing on the budget on November 11, 2022.

**Motion to adopt Resolution #22-25 to join the Cyber Joint Insurance Fund and authorize the Fund Chairman to execute the Indemnity & Trust Agreement.**

**Motion to elect Thomas Merchel as the PMM JIF's representative to the NJ Cyber Risk Management Fund.**

Moved: Commissioner Danson  
Second: Commissioner Corrales  
Vote: 3 Ayes - 0 Nays.

**Cyber Security Status Report:** D2 Cyber Security continues to work with member entities in the enrollment & training process of the program. Enclosed in the agenda was a report from D2 showing the status of each member.

**Residual Claims Fund (RCF)** The public hearing on the RCF budget was held on October 19, 2022. Enclosed in Appendix II was a copy of the RCF's 2023 Proposed Operating Budget. A review of that meeting will appear in next month's agenda.

**Environmental JIF-** The budget was introduced in September and a public hearing was held on October 19, 2022. Enclosed in Appendix II was a copy of the EJIF's 2023 Proposed Budget, as introduced. A review of that meeting will appear in next month's agenda.

**MEL** - The MEL's 2023 budget introduction was held on October 19, 2022. Enclosed in Appendix II was a copy of the proposed budget. A review of that meeting will appear in next month's agenda.

**Due Diligence Reports:** Monthly report submitted to Fund Commissioners including Monthly Fast-track Accident Frequency, Fast-Track Financial 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 July 31, 2022 shows the fund's surplus over \$3.5 million and \$7.3 million in cash and August 31, 2022, at \$3.4 million and \$7.0 million in cash. Executive Director reported the Claim Activity Report showed 14 more open claims for the month of September. The funds Loss Ratio Analysis is trending ahead of the actuary's projection at 36% and we stand at 42%. Claims Activity Report showed the fund's Loss Time Accident Frequency, is at 1.08 for the month of September.

Executive Director's Report Made Part of Minutes.

**ATTORNEY:** Attorney Kearns reported on the decisions made by the Supreme Court and discussed how it could affect municipalities and what Members should do to stay in compliance with statutes. Attorney Kearns discussed the Pension System case that he is currently following. Chairman Merchel discussed key points of the case.

**TREASURER:**

**Payment of October 2022 Vouchers Resolution 22-26**

Fund Year 2022	42,902.58
<b>Total</b>	<b>42,902.58</b>

**MOTION TO APPROVE RESOLUTIONS 22-26 VOUCHER LIST FOR THE MONTHS OF AUGUST & SEPTEMBER**

Moved: Commissioner Danson  
Second: Commissioner Corrales  
Vote: 3 Ayes - 0 Nays.

**Confirmation of Claims Payments/Certification of Claims Transfers for the Month of September 2022:**

<b>September</b>	
<b>2022</b>	60,495.80
<b>2021</b>	1,311.25
<b>2020</b>	5,878.53
<b>2019</b>	36,447.50
<b>2018</b>	1,684.00
<b>Closed</b>	0.00
<b>TOTAL</b>	<b>105,817.08</b>

Treasurer's Report Made Part of Minutes.

**UNDERWRITING MANAGER:**

**REPORT:** Executive Director advised there was 3 certificates issued from 8/22/2022 to 09/22/2022. Also included in the agenda was the cyber compliance report for the second version of the MEL Cyber Risk Management Program with 60% of our members approved.

**SAFETY DIRECTOR:**

**REPORT:** Glenn Prince reviewed the risk control activities through the month of September, as well as a list of MSI Training and Fast Track training information.

Monthly Activity Report/Agenda Made Part of Minutes.

**MANAGED CARE:**

**REPORT:** Ms. Beatty reported on the cumulative saving summary for the year showing a monthly savings of 67% and a year-to-date savings of 68%. Ms. Beatty then asked if there were any questions and concluded her report.

Monthly Activity Report Part of Minutes.

**CLAIMS ADMINISTRATOR:**

**REPORT:** Claims Manager Kathy Kissane said there is no report for open session and will discuss the PARs in executive session.

Report Part of Minutes.

**OLD BUSINESS: NONE.**

**NEW BUSINESS: NONE**

**PUBLIC COMMENT: NONE**

**MOTION TO GO INTO EXECUTIVE SESSION**

Moved: Commissioner Corrales  
Second: Commissioner Danson  
Vote: 3 Ayes - 0 Nays.

**MOTION TO INTO OPEN SESSION**

Moved: Commissioner Danson  
Second: Commissioner Corrales  
Vote: 3 Ayes - 0 Nays.

**MOTION TO APPROVE CLAIM PAYMENTS AS DISCUSSED AND  
RECOMMENDED BY THE CLAIMS COMMITTEE:**

Moved: Commissioner Corrales  
Second: Commissioner Danson  
Vote: 3 Ayes - 0 Nays.

**MOTION TO ADJOURN MEETING:**

Moved: Commissioner Corrales  
Second: Commissioner Danson  
Vote: 3 Ayes - 0 Nays.

**MEETING ADJOURNED: 2:44pm**

**NEXT REGULAR MEETING: November 22, 2022**

**Willingboro Township Municipal Building at 2:00PM**

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Crystal Chuck, Assisting Secretary for  
**SUSAN DANSON, SECRETARY**