

**PROFESSIONAL MUNICIPAL MANAGEMENT JOINT INSURANCE FUND  
 OPEN SESSION MINUTES  
 MEETING – NOVEMBER 28, 2023  
 WILLINGBORO MUNICIPAL BUILDING, NJ 08053  
 2:00 PM**

Meeting of 2023 Fund Commissioners called to order by Chairman Merchel. Open Public Meetings notice read into record.

**ROLL CALL OF 2023 FUND COMMISSIONERS:**

Thomas Merchel, Chairman	Township of Moorestown	Present
Susan Danson	Township of Maple Shade	Present
David Pfeiffer	Township of Evesham	Present
Dwyane Harris	Township of Willingboro	Absent

**ALTERNATE FUND COMMISSIONER:**

Ivy Carmichael, Clerk	Township of Willingboro	Present
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**SPECIAL FUND COMMISSIONER:**

Alex Davidson	Township of Evesham	Absent
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**APPOINTED OFFICIALS PRESENT:**

Executive Director/Administrator	PERMA Risk Management Services <b>Bradford C. Stokes,</b> <b>Karen A. Read</b> <b>Crystal Chuck</b>
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Treasurer	<b>Tom Tontarski</b>
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Attorney	Helmer, Conley & Kasselmann <b>William Kearns, Esquire</b>
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Auditor	Bowman & Company
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Claims Service	Qual Lynx <b>Kathy Kissane</b>
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Safety Director	J.A. Montgomery Risk Control <b>Harry Earl</b> <b>Glenn Prince</b>
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Managed Care Organization	QualCare
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Underwriting Manager	Conner Strong & Buckelew
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**ALSO PRESENT:**

Maureen Mitchell, Evesham Township Fire District  
 Jackie Lindsey, Conner Strong & Buckelew  
 Dwayne Harris, Willingboro Township

**APPROVAL OF MINUTES:** October 24, 2023 - Open Minutes

**MOTION TO APPROVE OPEN MINUTES OF OCTOBER 24, 2023:**

Moved: Commissioner Danson  
Second: Commissioner Carmichael  
Vote: Unanimous

**CORRESPONDENCE:** NONE.

**EXECUTIVE DIRECTOR:**

Chairman Merchel announced his retirement as Fund Commissioner for Moorestown Township and as Chairman for Professional Municipal Management JIF. Chairman Merchel stated that he will be working with Conner Strong & Buckelew. Due to his new role, Chairman Merchel will recuse himself from some of the votes.

**2024 BUDGET** – Executive Director reported at the October Fund Meeting, the Board of Fund Commissioners introduced the Budget for 2024 in the amount of \$5,018,263 that represents a 10.09% increase over last year’s budget. Executive Director stated the budget increased by \$357 since introduction as the Fund’s underwriting data was refreshed in Origami so the revised budget is \$5,018,620. In accordance with state regulations, the proposed budget has been advertised in the Fund’s official newspaper and sent to each member municipality/entity and was enclosed in the agenda, additionally the Proposed assessments were enclosed as well.

Executive Director reported the Loss Funds were down 3.29%, premium increased by 9.11% due to the primary increase of the MEL Property 34%. Majority of the Professional Service Fees increased by 2% per their RFP responses. Overall Expenses are standing at 0.92%. The RMC fee saw an increase as there will now be a single RMC serving all members in the JIF, the fee is now \$145,000. Overall JIF 2024 Budget is 10.09%

- Motion to open the Public Hearing on the 2024 Budget.**
- Discussion of Budget & Assessments.**
- Motion to close the Public Hearing.**
- Motion to adopt the 2024 Budget & Certify Assessments.**

Motion: Commissioner Danson  
Second: Commissioner Carmichael  
Vote: 3 Ayes – 0 Nays; 1 Abstain, Chairman Merchel

**2023 Dividend** – At last month’s meeting, the Board authorized a \$100,000 JIF dividend pending state approval. As discussed, the Department of Banking & Insurance (DOBI) has expressed concerns with JIF’s seeking permission on dividends as most JIF’s have seen their surplus decrease over the past several years. As of the mailing of this agenda we have not heard back from DOBI. The EJIF has not received a communication back yet either on their request for their dividend. An update will be provided at the meeting.

Once we have a final decision on the dividends, the Fund Office will send out a memorandum to all members an option to receive a credit or a check.

Enclosed in the agenda was the 2024 Proposed Assessment if 2023 Dividends were applied as credit. Executive Director reported with the inclusion of the 2023 Dividends the 2024 Assessment increased by 7.89%.

Executive Director stated that he had a call with DOBI and advised that the State highly recommended two JIFs' not to distribute dividends. Nothing has been recommended for PMM JIF at this time. The state has said if dividends are distributed, to not expect approval the following year and beyond until the surplus is back in good standing. Executive Director will continue to follow up with the state on PMM JIF. If approved a special meeting will take place in December to discuss distribution.

**Defense Panel RFQ:** The Fund office has advertised for RFQ's for defense panel as appointments are up at the end of the year. Responses were due back on November 21<sup>st</sup>. A report will be provided at the meeting. Executive Director reported the Fund received several responses back, some being new. Appointments will be made at the January Reorg meeting.

**RCF 2019 Fund Year Rollover** – The Residual Claims Fund board adopted a resolution accepting the transfer of member JIF's Fund Year 2019. Enclosed in the agenda was **Resolution 23-22** authorizing the transfer of the PMM JIF's 2019 claim liabilities to the RCF.

**Motion to Approve Resolution 23-22 Authorizing the Transfer of Fund Year 2019 to the RCF**

Motion:	Commissioner Danson
Second:	Commissioner Carmichael
Vote:	4 Ayes – 0 Nays

**MEL, RCF, EJIF & Cyber Representative** - The fund should elect its representative to the MEL, RCF, EJIF & Cyber for the 2024 Fund Year. The Fund has recommended to elect Commissioner Susan Danson.

**Motion to elect \_\_\_\_\_ as the Professional Municipal Management Joint Insurance Fund's 2024 representative to the Municipal Excess Liability Joint Insurance Fund.**

**Motion to elect \_\_\_\_\_ as the Professional Municipal Management Joint Insurance Fund's 2024 representative to the Residual Claims Fund Joint Insurance Fund.**

**Motion to elect \_\_\_\_\_ as the Professional Municipal Management Joint Insurance Fund's 2024 representative to the Environmental Joint Insurance Fund.**

**Motion to elect \_\_\_\_\_ as the Professional Municipal Management Joint Insurance Fund's 2024 representative to the NJ Cyber Risk Management Fund.**

Moved:	Commissioner Merchel
Second:	Commissioner Pfeiffer
Vote:	Unanimous

**NJ Cyber JIF** - The Cyber JIF met on November 20<sup>th</sup>, a report on that meeting will be sent out via email. Executive Director reported that the 2024 Budget was adopted with a 1.99% increase. Cyber JIF website now has a member only section which was introduced by Chairman Merchel.

**MEL Meeting** – The MEL met at the League of Municipalities Convention. Chairman Merchel’s report will be sent out via email. Executive Director reported that the 2024 Budget was adopted.

**D2 CyberSecurity** – D2’s monthly report was distributed at the meeting; the 4<sup>th</sup> quarter campaign is about to conclude. The D2 Report was discussed in closed session.

**2022/2023 Employment Practices Liability (EPL) Program:** Every two years the MEL reviews applicable laws and regulations to update the Model Personnel Manual, Model Employee Handbook and Model Volunteer Handbook. Information was issued in May announcing that the updated documents can be found on the MEL’s webpage <https://njmel.org/employment-practices-risk-control-program/> . Executive Director reported that EPL Checklist have been received with 2 members outstanding and that the next deadline is December 1<sup>st</sup>.

**Power of Collaboration:** Enclosed in the agenda was the latest in a series of Power of Collaboration advertisement to be published in the League of Municipalities magazine. The ad highlights the importance and priority the MEL has placed on risk control and safety training.

**Microsoft Teams** – Executive Director reported the Fund Office is expected to eliminate the use of the Zoom application for meetings and webinars. Microsoft Teams will become the default option for audio & video conferencing beginning in January.

**December Meeting** – The JIF has historically cancelled the December Fund meeting; if the Commissioners wish to follow past procedure, Resolution 23-8 was passed in February that authorizes the Treasurer to process payments & expenses and authorizes Fund Professionals to continue services during months that the Fund does not meet.

### **Motion to Cancel the December Meeting**

**Due Diligence Reports:** Monthly reports submitted to Fund Commissioners including Monthly Lost Time Accident Frequency, Quarterly 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. Executive Director reported the 3<sup>rd</sup> quarter Financial Fast Track as of September 30<sup>th</sup> shows a positive increase \$3.2 million surplus with \$8m in cash. October Loss Ratio report shows the PMM JIF at 40.4% and the Actuary targeted us at 44% ; this time last year we were at 48%. Claims Activity Report showed 4 less open claims for the month of October. Loss Time Accident Frequency was distributed showing 1.51 for the month of October. Executive Director thanked Chairman Merchel for all his years of service, wished him the best in his new role, and advised the Fund is looking forward to working with him in his new capacity.

### Executive Director's Report Made Part of Minutes.

**ATTORNEY:** Attorney Kearns reported on the status of the Defense Panel RFQ and gave his recommendations. Mr. Kearns thanked Chairman Merchel for all his years of service and wished him the best.

**TREASURER:**

### **Payment of November 2023 Vouchers Resolution 23-23**

Fund Year 2023	\$43,907.17
<b>Total</b>	<b>\$43,907.17</b>

**MOTION TO APPROVE RESOLUTIONS 23-23 VOUCHER LIST FOR THE MONTH OF NOVEMBER**

Motion: Commissioner Danson  
Second: Commissioner Carmichael  
Vote: 3 Ayes – 0 Nays; 1 Abstain, Chairman Merchel

**Confirmation of Claims Payments/Certification of Claims Transfers for the Month of October 2023:**

<b>2023</b>	\$147,414.44
<b>2022</b>	\$16,314.86
<b>2021</b>	\$3,694.42
<b>2020</b>	\$916.88
<b>2019</b>	\$3,710.46
<b>Closed</b>	0.00
<b>TOTAL</b>	<b>\$168,340.60</b>

Treasurer's Report Made Part of Minutes.

**UNDERWRITING MANAGER:**

**REPORT:** Executive Director advised there was 1 certificate issued from 9/22/2023 to 10/22/2023. Also included in the agenda was the cyber compliance report for the second version of the MEL Cyber Risk Management Program with zero members approved for Tiers 1 or 2 of the new cyber compliance program. Chairman Merchel advised a best practices for banking will be sent out to the fund to help the fund be less vulnerable to threats.

**SAFETY DIRECTOR:**

**REPORT:** Safety Director Harry Earle reviewed the Safety Director's Report.

Monthly Activity Report/Agenda Made Part of Minutes.

**MANAGED CARE:**

**REPORT:** Kathy Kissane reported Managed Care Provider Karen Beaty could not make it this meeting and gave the report and said 86 bills were reviewed totaling \$90,846.72. The cumulative saving summary showing an approved savings of \$39,206.39, which is a 57% savings as of October 2023. Kathy thanked Chairmen Merchel for his service and congratulated Secretary Danson.

Monthly Activity Report Part of Minutes.

**CLAIMS ADMINISTRATOR:**

**REPORT:** Claims Manager said there are 8 PARs will be reviewed in closed session.

Report Part of Minutes.

**OLD BUSINESS: NONE.**

**NEW BUSINESS:** Chairman Merchel stated it's been a pleasure to serve his Township, his residents, to serve with his fellow commissioners and to work with all the great fund professionals. He thanks everyone.

**PUBLIC COMMENT: NONE**

**MOTION TO GO INTO EXECUTIVE SESSION**

Moved: Commissioner Danson  
Second: Commissioner Carmichael  
Vote: Unanimous

**MOTION TO GO INTO OPEN SESSION**

Moved: Commissioner Carmichael  
Second: Commissioner Danson  
Vote: Unanimous

**MOTION TO APPROVE PARS AS DISCUSSED IN EXECUTIVE SESSION**

Moved: Commissioner Danson  
Second: Commissioner Carmichael  
Vote: 4 Ayes, 0 Nays

**MOTION TO ADJOURN MEETING:**

Motion: Commissioner Danson  
Second: Commissioner Carmichael  
Vote: Unanimous

**MEETING ADJOURNED: 2:44 pm**

**NEXT REGULAR MEETING: January 23, 2024  
Moorestown Town Hall at 2:00PM**

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