

**MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND
OPEN MINUTES
MARCH 29, 2019
PRINCETON MARRIOTT, PRINCETON NJ
9:40AM**

ROLL CALL OF 2019 BOARD OF FUND COMMISSIONERS

Richard Hirsch	Borough of Longport - Atlantic JIF	Present
Mauro Tucci	Township of Nutley – Sub Essex JIF	Absent
Joe Catenaro – alternate FC	Township of Fairfield – Sub Essex JIF	Present
Joseph Wolk	Borough of Mount Ephraim- Camden JIF	Present
Charles Cuccia	Borough of Little Falls –S. Bergen JIF	Present
Robert Law	Woodbury City - Trico JIF	Present
Jon Rheinhardt	Borough of Wharton – Morris JIF	Present
Thomas Nolan	Borough of Brielle - Monmouth JIF	Present
Joseph D’Arco	Borough of Paramus - NJMSI JIF	Present
Bernard Rutkowski	NJUA JIF – Toms River MUA	Present
Paul Tomasko	Borough of Alpine – Bergen JIF	Present
John Clarke	New Brunswick Housing Authority- PHA JIF	Present
Joy Tozzi	Township of Robbinsville - Mid-Jersey JIF	Present
Veronica Laureigh	Township of Lacey – Ocean JIF	Present
William Northgrave	Township of Edison – Central JIF	Present
Meghan Champney	City of Summit – Suburban JIF	Present
Cynthia Ege	Lambertville – PAIC JIF	Absent
Tom Merchel	Township of Moorestown- PMM JIF	Absent
Megan Jack	Riverside Twp- Burlco JIF	Absent
Dave Matchett- alternate FC	Township of Shamong – Burlco JIF	Present
Mark Antozzeski	Hamilton Township Fire District 9- FRESP JIF	Present

APPOINTED OFFICIALS PRESENT:

Executive Director/Adm	Perma Risk Management Services David N. Grubb, Joseph Hrubash, Cate Kiernan
Attorney	Dorsey & Semrau Fred Semrau, Esquire
Producer	Arthur J. Gallagher Paul Forlenza, Paul Miola
Actuary	The Actuarial Advantage Eric Bause
Excess Public Officials Claims Administrator	Dorsey & Semrau Kathleen Tyler Schohl
Ex Worker’s Comp Claims Administrator	Qual-Lynx Alice Lihou, Kathy Kissane, Chris Healy Claudia Acosta, Lisa Gallo
Safety Director	JA Montgomery Risk Control Services Paul Shives, Brian Maitland
Treasurer	Mike Zambito

Excess Liability Claims Administrator	CB Claims LLC Christopher Botta
Underwriting Manager	Conner Strong & Buckelew Edward Cooney
Lobbyist	Pathways Paul Bent
Managed Care	QualCare Steve McNamara
Marketing Coordinator	Acrisure Amy Pieroni, Gary Taffet, Lindsay Travali
Marketing Manager	Princeton Strategic Communications Norris Clark
Strategic Planning/Comms. Supervisory Training Consultant	LaMendola Associates Clark LaMendola

MEMBERS/JIF COMMISSIONERS PRESENT:

Michelle Thome, Edison – Central JIF
 Timothy Dacey, Piscataway – Central JIF
 Steve Rovell, Belleville – Suburban Essex JIF
 Robert Shannon, Wyckoff – Bergen JIF
 Sean McCarthy, Bernards – Suburban Municipal JIF
 Ivy Robinson, Plainfield MUA – NJUA JIF

PROFESSIONALS PRESENT:

Jaclyn Nowcki, Safety National
 Ezio Altamura, GJEM-Otterstedt Insurance Agency
 Tim Gosnear, Conner Strong & Buckelew
 Chas Kullmann, Aon
 Frank Covelli, P.I.A
 Rich Erickson, First Environment
 Juanita Duar, First Environment
 Charles Casagrande, Danskin Insurance Agency
 John Casagrande, Danskin Insurance Agency
 Alison Kelly, Danskin Insurance Agency
 Pauline Kontomanolis, PERMA
 Emalee Cronwell, PERMA
 Tracy Lopez, PERMA
 Jackie Cardenosa, PERMA
 Brandon Tracy, PERMA
 Joeen Ciannella, PERMA
 Dave Grubb, PERMA
 Steve Sacco, PERMA
 Jason Thorpe, PERMA
 Nancy Ghani, PERMA

MINUTES: Included in the agenda were the open minutes of January 2, 2019.

MOTION TO APPROVE JANUARY 2, 2019 OPEN MINUTES:

Moved:	Commissioner Clarke
Second:	Commissioner Law
Vote:	Unanimous

CORRESPONDENCE:

NONE

MEL ANNUAL RETREAT: Executive Director said the MEL and its affiliated 19 local JIFs is a unique organization since inception over 30 years ago. Executive Director said there are many challenges an organization may face and noted the MEL/local JIFs will need to 1) continue to promote innovation and new ideas and 2) encourage involvement of the next generation.

Executive Director said the purpose of the Annual Retreat is to provide the Board and invited guests a summary of MEL sub-committee activities since the 2018 retreat. Copies of any distributed reports, charts, etc. which supplemented a committee's report are included with the minutes.

Management Committee. Committee talked about marketing efforts, branding, the mobile app and membership growth and retention. In addition, Committee provided an update on the Risk Management Information System (RMIS). The Underwriting Section is fully operational and the Claims Section is nearing completion. Claims Committee for RCF and MEL was able to produce multiple reports from the RMIS.

Legislative Committee. Committee provided an update on efforts to secure amendments to the "sexual molestation" bill and the "firefighters presumption" bill. Without amendments, the financial impact of these bills on municipalities will be significant. Fund Attorney reported the MEL submitted two amicus curiae briefs on matters related to workers' compensation.

Coverage Committee. Coverage Committee provided an overview of their historical efforts to modify coverage to meet member needs.

Investment Committee. Committee provided an update on the status of forming the MEL's Joint Cash Management Program – which is expected to be operational by July. In the first year, the statewide JIFs – MEL, RCF, EJIF, MR HIF and the Sustainable Energy Joint Meeting will be the first participants.

Safety and Education Committee. Committee highlighted the continued improvement in member JIF's Lost Time Accident Frequency, increased usage of "safety briefings" additions to leadership training and updates to the MEL Media Library. Also highlighted was the service enhancements of adding Law Enforcement Risk Control staff and MEL Safety Institute, which is in its 16th year of existence providing instructor-led training to over 425,000 municipal employees and online training to 99,000 employees.

Cyber Risk Control Task Force. In 2017, Task Force rolled out a "Minimum Standards Risk Control Program"; compliance levels has been low so Task Force is increased its focus with members. Task Force is in the process of developing standards to consider for IT personnel. Cyber Risk is continuing to evolve.

Marketing. Marketing Managers provided an update on the MEL's webpage, mobile app and membership growth and retention.

Claims Committee. Claims Committee provided a summary of MEL claim activity.

Audit Committee. Committee talked about changes to its charter. In addition, Committee Chairman said Charter requires the Committee to have frank conversation with Fund Auditor on performance of Fund Professionals. Committee briefly described the Internal Audits performed during the last year.

Local JIF Initiatives. Local JIF representatives were provided the opportunity to share their JIF's recent objectives or success stories. Chairman Hirsch of Longport provided a brief review of the Atlantic JIF's Wellness Incentive Program, which is designed to assist members in meeting their wellness objectives by providing financial reimbursement of wellness related items or programs. Commissioner Northgrave, Central JIF, highlighted a recent story involving a Woodbridge Township police officer that responded to a 911 call made by an autistic child whose teddy bear had gone missing. The officer received training from POAC Autism Services, supported by the Central Jersey JIF - which provides on-site training to improve law enforcement's response to individuals with special needs.

At 10:55AM Commissioners Wolk and Catenaro excused themselves from the meeting.

At 10:58AM Executive Director reviewed the below Executive Director and Treasurer agenda items requiring action with the Board and requested approval on included motions as a consent agenda.

EXECUTIVE DIRECTOR REPORT:

MANAGEMENT COMMITTEE: Executive Committee said the committee met via teleconference on March 19th to review the report on the MEL's procurement procedures as issued by The Canning Group. Management Committee recommends the MEL contact with Canning to serve as the Fund's Qualified Purchasing Agent (QPA). Included in the agenda was Resolution 10-19 appointing The Canning Group to serve as the MEL's QPA for an annual fee not to exceed \$15,000.

AUDIT COMMITTEE: Committee met on January 17, 2019 to review the Internal Audits on Reinsurance and Underwriting; enclosed in the agenda were the minutes of that meeting and in Appendix II were the internal audit reports for information.

FUND PROFESSIONAL – PRODUCER: In January, the Board re-appointed Arthur J. Gallagher Risk Management Services as Producer and placed a 90-day termination clause based on potential personnel changes. Executive Director said those personnel changes have subsequently been resolved and it is recommended the Fund withdraw the 90-day termination clause. Included in the agenda was Resolution 11-19 withdrawing the 90-day termination clause.

EMERGENCY RESTORATION SERVICES – REQUEST FOR QUALIFICATIONS (RFQ): The MEL issued an RFQ for Emergency Restoration Services to update the list of qualified vendors that member towns/authorities can select from for the period of 2018 through 2020. In January, the Board agreed to add firms on a rolling basis that respond following the initial deadline. Once approved a copy of each vendor's response will be posted to the MEL website. Executive Director said a response was received on 1/21/19 from [BMS CAT/Fairfield](#).

COVERAGE COMMITTEE: The committee met on March 1, 2019; included in the agenda were the minutes of that meeting. The Committee is scheduled to meet next on May 23, 2019.

LEGISLATIVE COMMITTEE: The committee met on February 22, 2019; included in the agenda were the minutes of the meeting for information. Committee is scheduled to meet next on April 26, 2019.

SAFETY & EDUCATION COMMITTEE: The committee met on February 22, 2019; included in the agenda were the minutes of that meeting for information.

CLAIMS REVIEW COMMITTEE: The Claims Review Committee met on January 2, 2019 and March 6, 2019; included in the agenda were the minutes under separate cover.

RCF: The RCF held its 2019 reorganization meeting on January 2, 2019; included in the agenda was a copy of Commissioner Clarke’s report of the meeting. Executive Director noted Fund year 2014 open liabilities have now been transferred to the Residual Claims Fund as of 12/31/18.

FINANCIAL DISCLOSURES: It is expected the Division of Local Government Services will distribute a filing notice on/about April 1st and forms will need to be filed by the April 30th deadline.

JUNE MEETING: As a reminder the next meeting is scheduled for June 5, 2019 at 11:15AM at the Forsgate Country Club.

TREASURER:

CONFIRMATION OF PAYMENTS

January 2019 Supplemental	\$14,395,861.30
March 2019	\$1,867,953.36

RESOLUTION 12-19 FOR MARCH SUPPLEMENTAL VOUCHERS:

March 2019 Supplemental	\$2,242,262.41
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Confirmation Of December 2018 Claims Payments/Certification Of Claims Transfers:

1988 WC	21,038.88
CLOSED	0.00
2014	96,501.08
2015	1,547,188.34
2016	13,135.75
2017	12,990.85
2018	308,397.65
TOTAL	\$1,999,252.55

Confirmation Of January 2019 Claims Payments/Certification Of Claims Transfers:

1988 WC	20,408.51
CLOSED	0.00
2015	9,867.38
2016	75,291.83
2017	13,093.94
2018	431,711.18
2019	0.00
TOTAL	\$550,372.84

Confirmation Of February 2019 Claims Payments/Certification Of Claims Transfers:

1988 WC	38,355.43
CLOSED	0.00
2015	802,475.45

2016	281,714.60
2017	6,091.38
2018	232,196.53
2019	10,983.00
TOTAL	\$1,371,816.39

MOTION TO ACCEPT THE PUBLIC PROCUREMENT REVIEW AND RECOMMENDATIONS REPORT ISSUED BY THE CANNING GROUP; AND

MOTION TO ADOPT RESOLUTION 10-19 APPOINT THE CANNING GROUP TO SERVE AS THE MEL'S QUALIFIED PURCHASING AGENT FOR AN ANNUAL FEE NOT TO EXCEED \$15,000; AND

MOTION TO ACCEPT THE INTERNAL AUDIT REPORTS AS PRESENTED; AND

MOTION TO ADOPT RESOLUTION 11-19 WITHDRAW THE 90-DAY TERMINATION CLAUSE WITH ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES; AND

MOTION TO UPDATE THE LIST OF QUALIFIED EMERGENCY CLEAN-UP AND RESTORATION VENDORS FOR THE 2018-2020 TERM.

MOTION TO CONFIRM PAYMENTS OF JANUARY 2019 SUPPLEMENTAL AND MARCH 2019; APPROVE MARCH 2019 SUPPLEMENTAL BILLS LIST RESOLUTION 12-19 AND TO APPROVE TREASURER'S REPORT OF CURRENT AND CONFIRMING EXPENSES AS PRESENTED:

Moved: Commissioner Clarke
 Second: Commissioner Laureigh
 Roll Call Vote: 14 Ayes – 1 Abstain; Commissioner Rheinhardt recused himself on Resolution 10-19 and voted in the affirmative for all other motions and resolutions.

At 11:00AM Commissioner Clarke excused himself the meeting.

CLAIMS – EXCESS WORKERS COMPENSATION:

REPORT: Claims Administrator said there was nothing additional to report.

CLAIMS - MANAGED CARE:

REPORT: A report was included in the agenda showing the Savings and Penetration report as of February 2019; the total billed was \$2,037,640.26 with approved bills of \$565,190.61 for a total savings of 73% and network penetration of 87%.

OLD BUSINESS:

NONE

NEW BUSINESS:

NONE

PUBLIC COMMENT:

NONE

CLOSED SESSION: There was no need for Closed Session.

MOTION TO ADJOURN:

Moved:	Commissioner Law
Second:	Commissioner Cuccia
Vote:	Unanimous

MEETING ADJOURNED: 12:14PM

NEXT MEETING: June 5, 2019

11:15AM - Forsgate Country Club, Monroe NJ

Nancy A. Ghani, Assisting Secretary

For

MAURO TUCCI, SECRETARY

RESOLUTION NO. 10-19
of the
Municipal Excess Liability Joint Insurance Fund

RESOLUTION AUTHORIZING THE AWARD OF PROFESSIONAL SERVICES CONTRACT WITHOUT COMPETITIVE BIDDING TO THE CANNING GROUP, INC, TO SERVE AS THE FUND'S QUALIFIED PURCHASING AGENT

WHEREAS, the Municipal Excess Liability Joint Insurance Fund (hereinafter “the Fund”) finds it necessary and appropriate to obtain certain professional services, as defined in the Local Public Contracts Law, (N.J.S.A. 40A-11-1 et. seq.), to serve as the Fund’s Qualified Purchasing Agent; and

WHEREAS, the Fund’s Management Committee met on March 19th, 2019 and agreed to recommend the MEL appoint a Qualified Purchasing Agent; and

WHEREAS, a proposal dated March 20, 2019 was received from The Canning Group, LLC, to provide such services for an annual amount not to exceed \$15,000; and

WHEREAS, the Fund desire to retain the services of The Canning Group, LLC; and

WHEREAS, the Fund Treasurer has indicated that sufficient funds exist for the award of these contracts in the usual and customary accounts; and

WHEREAS, the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq., requires that the resolution authorizing the award of a contract for professional services without competitive bidding, and the contract itself, be available for public inspection.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Fund Commissioners of the Municipal Excess Liability Joint Insurance Fund (“the Fund”) as follows:

1. The Fund hereby awards and authorizes execution of a professional service agreement with The Canning Group, LLC in an amount not to exceed \$15,000, per its proposal dated _____, to serve as the Fund’s Qualified Purchasing Agent.
2. The contract is awarded without competitive bidding as a professional services contract in accordance with the provisions of the Local Public Contracts Law because said services are performed by a person licensed under law to practice a recognized profession.
3. Notice of this action shall be published as required by law.
4. A copy of this resolution shall be provided to the Fund Treasurer and to The Canning Group, LLC, 45 S. Park Place 183, Morristown, NJ 07960, for their information and guidance.
5. A copy of this resolution and contract will be on file in the Fund office, located at 9 Campus Drive, Suite 216, Parsippany, NJ 07504.

Chairperson

Dated

Secretary

Dated

RESOLUTION #11-19

**RESOLUTION BY THE MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND
WITHDRAWING THE NINETY-DAY TERMINATION OF THE CONTRACT
WITH ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES**

WHEREAS, the Municipal Excess Liability Joint Insurance Fund (“Fund”) by way of Resolution #2-19 appointed the Arthur J. Gallagher Risk Management Services as Producer; and

WHEREAS, the Fund placed a ninety-day termination notice of the contract with Arthur J. Gallagher Risk Management Services in view of potential personnel changes with respect to the professionals who provide the services through said contract; and

WHEREAS, those personnel changes have been resolved within the Arthur J. Gallagher Risk Management Services’ organization; and

WHEREBY, the Executive Director of the Fund hereby recommends that the Fund withdraw its previously exercised ninety-day termination clause.

NOW, THEREFORE, BE IT RESOLVED by the Municipal Excess Liability Joint Insurance Fund that the ninety-day termination clause exercised by the Fund as to Arthur J. Risk Management Services’ contract for Producer is hereby withdrawn.

BE IF FURTHER RESOLVED that all other provisions and terms of the Producer’s contract which is therefor awarded to Paul Forlenza and Arthur J. Gallagher Risk Management Services remain in full force and effect.

BE IT FURTHER RESOLVED that a copy of this Resolution will be provided to Arthur J. Gallagher Risk Management Services.

ADOPTED:
this day before the Governing Body:

Chairman

Dated

Secretary

Dated

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND BILLS LIST - 2

Resolution No. 12-19

MARCH 2019

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

BE IT RESOLVED that the Municipal Excess Liability 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 2018

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002055			
002055	CONNER STRONG & BUCKELEW	SFTY NTL CASUALTY - ADJUSTMENT 2018	12,719.00
			12,719.00
002056			
002056	THE CANNING GROUP LLC	PROCUREMENT REVIEW BALANCE 3/19	5,000.00
			5,000.00
		Total Payments FY 2018	17,719.00

FUND YEAR 2019

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002057			
002057	CONNER STRONG & BUCKELEW	OPT EX LIAB - ACE 2019	112,538.00
002057	CONNER STRONG & BUCKELEW	EXCESS LIABILITY - 2ND QTR 2019	863,731.80
			976,269.80
002058			
002058	CONNER STRONG & BUCKELEW	WC: SAFETY NAT'L CASUALTY CORP 2019	903,248.66
			903,248.66
002059			
002059	CONNER STRONG & BUCKELEW	OPTION EXCESS POL/EPL REINS - BRIT 3/19	159,833.40
			159,833.40
002060			
002060	QUAL-LYNX	PERFORMANCE BOND # 106451935 2019	530.00
002060	QUAL-LYNX	CLAIM ADJUSTING SERVICES 1/19	52,352.93
			52,882.93
002061			
002061	MICHAEL S. ZAMBITO	TREASURER FEE - 1ST QTR 2019	6,416.05
			6,416.05
002062			
002062	DORSEY & SEMRAU ESQ.	MEL EPL ROLLOFF 2/19	579.72
002062	DORSEY & SEMRAU ESQ.	MEL SPECIAL LITIGATION 2/19	4,196.75
			4,776.47
002063			
002063	NEWTECH SERVICES, INC.	WEB MAINT/HOST 3/19	77.00
			77.00
002064			
002064	COURIER POST	ACCT:CHL-071051 - NOTICE - 3.7.19	7.04
002064	COURIER POST	ACCT:CHL-071051 - MTG DATES - 2.28.19	21.12

			28.16
002065			
002065	ASBURY PARK PRESS	ACCT:ASB-102902 - NOTICE - 2.28.19	25.92
			25.92
002066			
002066	E. FITZ ART, INC.	PROFESSIONAL SERVICES 2.28.19	2,955.00
			2,955.00
002067			
002067	FORSGATE COUNTRY CLUB	MEL CYBER TASK FORCE 2.1.19	693.27
002067	FORSGATE COUNTRY CLUB	MEL LEGISLATIVE SAFETY & ED 2.22.19	1,670.07
002067	FORSGATE COUNTRY CLUB	MTG 3.1.19	2,178.70
			4,542.04
002068			
002068	PRINCETON STRATEGIC COMMUNICATIONS GROUP LLC	MARKETING FEE & EXPENSES 3/19	6,357.03
			6,357.03
002069			
002069	ALLSTATE INFORMATION MANAGEMNT	ACCT#224 - ARC & STOR - 2.28.19	325.45
			325.45
002070			
002070	LaMENDOLA ASSOCIATES, INC.	TRAVEL TIME 3/19	150.00
002070	LaMENDOLA ASSOCIATES, INC.	CONSULTANT SUPPORT 3/19	653.80
			803.80
002071			
002071	CONNER STRONG & BUCKELEW	OCEAN - 1ST RMC INSTALLMENT 2019	106,001.50
			106,001.50
		Total Payments FY 2019	2,224,543.21

TOTAL PAYMENTS ALL FUND YEARS \$2,242,262.21

Chairperson

Attest: _____ Dated: _____

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

Treasurer