

**MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND
OPEN MINUTES
DECEMBER 30, 2019
9 CAMPUS DRIVE – SUITE 216, PARSIPPANY NJ 07054 & TELECONFERENCE
10:45AM**

**MEETING CALLED TO ORDER BY CHAIRMAN HIRSCH
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
Joseph Wolk	Borough of Mount Ephraim- Camden JIF	Present
Charles Cuccia	Borough of Little Falls –S. Bergen JIF	Absent
Robert Law	Woodbury City - Trico JIF	Present
Jon Rheinhardt	Borough of Wharton – Morris JIF	Absent
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	Absent
Meghan Champney	City of Summit – Suburban JIF	Present
Cynthia Ege	Lambertville – PAIC JIF	Absent
Tom Merchel	Township of Moorestown- PMM JIF	Present
Megan Jack	Riverside Twp- Burlco JIF	Absent
Mark Antozzeski	Hamilton Township Fire District 9- FRESP JIF	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director/Adm	Perma Risk Management Services David N. Grubb, Joseph Hrubash, Cate Kiernan
Attorney	Dorsey & Semrau Fred Semrau, Esq.
Producer	Arthur J. Gallagher Paul Miola
Underwriting Manager	Conner Strong & Buckelew Edward Cooney

ALSO PRESENT:

Barbara Murphy, Risk and Loss Managers
Nancy Ghani, PERMA

2020 RENEWAL EXCESSS AND REINSURANCE: Executive Director said the purpose of this meeting to review and confirm the 2020 renewal excess and reinsurance coverages as negotiated by the Underwriting Manager. Enclosed separately from this agenda was a presentation on the renewal program by the Underwriting Manager. The agenda included a coverage summary, a certification of extraordinary unspecifiable services and Resolution 24-19 authorizing the purchase.

Executive Director said per regulatory compliance the renewal coverages require a specific resolution format, which would be drafted by the Fund Attorney and distributed at the January 6, 2020 Reorganization Meeting for adoption. No action was taken on Resolution 24-19.

Underwriting Manager provided a brief overview of the marketing efforts and noted the following:

- **Property** – primary layer insured with Zurich resulted in an increased rate. Excess Flood renewed better than expected with a 7% increase as compared to the greater market.
- **Casualty** – flat renewal with Brit, 4% increase with Munich and small adjustment to rate with Chubb.
- **Workers’ Compensation** – entering into the 2nd year of a two-year contract with Safety National
- **Non-Owned Aircraft** – renewed with Endurance at a 1% increase.

Executive Director said as per NJ Office of the State Comptroller (OSC) compliance, contracts that are in excess of \$10 million required advanced approval or a pre-award notification.

Executive Director said the current Total Insurable Value (TIV) for the 2020 renewal is being reviewed as it may exceed the \$10 million threshold and seeking advanced approval may not be possible. Executive Director said the MEL has two options to consider to address this: 1) negotiate a higher property retention, which is currently \$500,000 or 2) the MEL participate in a quota share of the carrier’s layer. Discussion ensued and it was agreed that the best option for the MEL was to participate in a quota share of the program.

Fund Attorney said the action now being requested is to authorize the Underwriting Manager to bind the 2020 coverages as discussed and presented the following resolutions verbally:

RESOLUTION OF THE MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND AWARDING AN EXTRAORDINARY UNSPECIFIABLE SERVICES CONTRACT WITH ZURICH AMERICAN INSURANCE COMPANY (HEREINAFTER “ZURICH”) FOR **EXCESS PROPERTY** COVERAGE NOT TO EXCEED \$9,500,000.

RESOLUTION OF THE MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND AWARDING AN EXTRAORDINARY UNSPECIFIABLE SERVICES CONTRACT WITH SAFETY NATIONAL WORKER’S COMPENSATION CORP. (HEREINAFTER “SAFETY”) FOR **EXCESS WORKER’S COMPENSATION** INSURANCE IN THE AMOUNT OF 2,628,247.00

RESOLUTION OF THE MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND AWARDING AN EXTRAORDINARY UNSPECIFIABLE SERVICES CONTRACTS FOR **EXCESS INSURANCE COVERAGE (FLOOD)**

RESOLUTION OF THE MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND AWARDING AN EXTRAORDINARY UNSPECIFIABLE SERVICES CONTRACT WITH ENDURANCE AMERICAN INSURANCE CO. (HEREINAFTER “ENDURANCE”) FOR **NON-OWNED AIRCRAFT** COVERAGE; WITH MUNICH REINSURANCE AMERICA, INC. (HEREINAFTER “MUNICH”) FOR **EXCESS CASUALTY INSURANCE**

Moved: Commissioner Wolk
Second: Commissioner Tomasko
Roll Call Vote: 12 Ayes – 0 Nays

Fund Attorney said resolutions would be drafted and distributed at the January 6, 2020 meeting for formal ratification.

MOTION TO OPEN THE MEETING TO THE PUBLIC FOR COMMENT:

Moved: Commissioner Merchel
Second: Commissioner Laureigh
Vote: Unanimous

MOTION TO CLOSE THE MEETING TO THE PUBLIC FOR COMMENT:

Moved: Commissioner Laureigh
Second: Commissioner Wolk
Vote: Unanimous

MOTION TO ADJOURN:

Moved: Commissioner Tomasko
Second: Commissioner Wolk
Vote: Unanimous

MEETING ADJOURNED: 11:02AM

NEXT MEETING: January 6, 2020

11:15AM

Forsgate Country Club – Monroe, NJ

Nancy A. Ghani, Assisting Secretary

For

MAURO TUCCI, SECRETARY