

**MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
OPEN MINUTES  
MAY 1, 2020  
VIA TELECONFERENCE  
9:45AM**

**ROLL CALL OF 2020 BOARD OF FUND COMMISSIONERS**

Tom Merchel, Chairman	Township of Moorestown- PMM JIF	Present
Joy Tozzi, Secretary	Township of Robbinsville - Mid-Jersey JIF	Present
Robert Law	Woodbury City - Trico JIF	Present
Jon Rheinhardt	Borough of Wharton – Morris JIF	Present
Charles Cuccia	Borough of Little Falls –S. Bergen JIF	Present
Richard Hirsch	Borough of Longport - Atlantic JIF	Present
Joseph Wolk	Borough of Mount Ephraim- Camden JIF	Present
Joe Catenaro	Township of Fairfield – Sub Essex 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
Veronica Laureigh	Township of Lacey – Ocean JIF	Absent
William Northgrave	Township of Edison – Central JIF	Present
Meghan Champney	City of Summit – Suburban JIF	Absent
Kevin Davis	County of Hunterdon – PAIC JIF	Present
Megan Jack	Riverside Twp- Burlco JIF	Present
Steven Scholey	Bordentown Mission Fire Company - District #1	Present

**APPOINTED OFFICIALS PRESENT:**

Executive Director/Adm	Perma Risk Management Services <b>David N. Grubb, Joseph Hrubash, Cate Kiernan Nancy A. Ghani</b>
Attorney	Dorsey & Semrau <b>Fred Semrau, Esquire</b>
Producer	Arthur J. Gallagher <b>Paul Forlenza, Paul Miola</b>
Actuary	The Actuarial Advantage <b>Kyle Mrotek, Eric Bause</b>
Ex Worker’s Comp Claims Administrator	Qual-Lynx <b>Kathy Kissane</b>
Safety Director	JA Montgomery Risk Control Services <b>Paul Shives</b>
Treasurer	<b>Mike Zambito</b>
Excess Liability Claims Administrator	CB Claims LLC <b>Christopher Botta</b>

Underwriting Manager	Conner Strong & Buckelew <b>Edward Cooney</b>
Lobbyist	Pathways <b>Paul Bent</b>
Managed Care	QualCare <b>Donna Setzer, Steve McNamara</b>
Marketing Coordinator	Acrisure <b>Amy Pieroni, Lindsay Travali</b>

**JIF COMMISSIONERS/PROFESSIONALS PRESENT:**

Michael Avalone, Conner Strong & Buckelew  
 Robyn Walcoff, PERMA  
 Steve Sacco, PERMA  
 Chuck Hartsoe, PEGAS  
 Ezio Altamura, GJEM-Otterstedt Insurance Agency  
 Frank Covelli, P.I.A.  
 Barbara Murphy, RLM  
 Pauline Kontomanolis, PERMA  
 Dave Vozza, The Vozza Agency  
 Charles Casagrande, Danskin Insurance Agency  
 John Casagrande, Danskin Insurance Agency

**MINUTES:** Included in the agenda were the open minutes of March 27, 2020.

**MOTION TO APPROVE MARCH 27, 2020 OPEN MINUTES:**

Moved:	Commissioner Clarke
Second:	Commissioner Cuccia
Vote:	Unanimous

**CORRESPONDENCE:**

NONE

**EXECUTIVE DIRECTOR REPORT:**

**2021 RATE TABLE:** Executive Director said the purpose of this meeting is to introduce the 2021 Rate Table on first reading and to schedule the public hearing for the June 3, 2020 meeting.

Executive Director said a provision in the regulations states that Joint Insurance Funds (JIFs) may adopt rates as opposed to a budget, which the MEL has historically done. Executive Director reviewed the proposed 2021 budget and noted that administrative expenses are fixed costs and claims funds and premiums are generated by multiplying exposures times rates.

Executive Director said local JIF Executive Directors held initial discussions to review a possible rate freeze given the current public health crisis. Executive Director said the MEL has already begun working with the Underwriting Manager to confirm excess and reinsurance coverages, as well as, the Actuary. Executive Director said there are additional confidence levels with the Lost Time Accident Frequency, which has been trending positively due to favorable weather and reduced workforce activities. In addition, a review of the workers' compensation coverage policy indicates the COVID-19 claims among MEL

members may be covered as a single occurrence with one retention. Executive Director said given all these factors the MEL is able to facilitate a freeze on 2021 rates to assist local JIFs and member entities. Executive Director noted taking action to adopt a budget earlier in June will allow JIFs to better plan for their budgets this coming Fall.

Commissioner Tozzi thanked the MEL and professionals for this initiative stating it was the right thing to do for member entities.

**MOTION TO INTRODUCE ON FIRST READING THE 2021 BUDGET AND RATE TABLE AND TO SCHEDULE A PUBLIC HEARING FOR JUNE 3, 2020 AT 11:15AM AT THE FORSGATE COUNTRY CLUB – MONROE, NJ.**

Moved: Commissioner Catenaro  
Second: Commissioner Tozzi  
Vote: 17 Ayes – 0 Nays

**PREMIUM PAYMENT GRACE PERIOD:** Executive Director submitted a copy of the Governor’s order requiring insurance carriers to provide for a 90-day grace period to make premium payment. Executive Director said this order pertains to property and casualty carriers noting the MEL and local JIFs are not insurance carriers; Fund Attorney confirmed this and said the MEL is not subject to the requirement.

Executive Director said the MEL effectively adopted a premium holiday 20+ years ago that remains in force to date. Executive Director noted the MEL JIF issues a bill to its members with quarterly due dates: third quarter is due July 31<sup>st</sup> and 4<sup>th</sup> quarter is due January 31<sup>st</sup> of the following year. The MEL adopted this premium collection process and left it up to local JIFs on how to address their member assessments. Executive Director said the Board could adopt an official 90-day grace period despite one already built in place. Board discussed and consensus was to take no action.

**COVID-19 SPECIAL SUBCOMMITTEE:** Deputy Executive Director reported in March, the Board of Fund Commissioners authorized the formation of a committee to review claims and consider inquiries as respects COVID-19. Included in the agenda was the draft charter the subcommittee will review at their initial meeting scheduled for May 1, 2020 at 11AM.

**MOTION TO APPROVE THE CHARTER OF THE COVID-19 SPECIAL SUBCOMMITTEE.**

Moved: Commissioner Nolan  
Second: Commissioner Cuccia  
Vote: 17 Ayes – 0 Nays

**POWER OF COLLABORATION:** Enclosed in the agenda was the latest in the series of “Power of Collaboration” ad that will appear in the League of Municipalities magazine. The ad highlights the resources, financial strength and collaborative power of the MEL to assist its members during a public health crisis.

**EJIF INSPECTION PROGRAM:** Deputy Executive Director said in an effort to continue inspection services to EJIF members during the current health crisis, the Environmental Engineer submitted a proposal on how they will provide services to members via remote support. Included in the agenda was a copy of their proposal for information only.

**MARCH MONTH-END 4-YEAR LOST TIME ACCIDENT FREQUENCY:** Enclosed in the agenda was a report noting the month-end LTAF rate as of March for a 4-year period.

**COMMITTEE MEETINGS:** The Model Personnel Committee is scheduled to Meet on May 4<sup>th</sup>, the Claims Review Committee on May 6<sup>th</sup>, the Legislative Committee will meet May 7<sup>th</sup>, the Safety & Education and the Coverage Committee will both meet on May 8<sup>th</sup>.

**OLD BUSINESS:**

NONE

**NEW BUSINESS:**

NONE

**PUBLIC COMMENT:**

NONE

**CLOSED SESSION:** There was no need for Closed Session.

**MOTION TO ADJOURN:**

Moved:	Commissioner Clarke
Second:	Commissioner Rheinhardt
Vote:	Unanimous

**MEETING ADJOURNED:** 10:49am

**NEXT MEETING:** June 3, 2020  
11:15AM – via teleconference

Nancy A. Ghani, Assisting Secretary

For

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JOY TOZZI, SECRETARY