

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

OPEN MINUTES

JANUARY 6, 2021

VIA TELECONFERENCE - 11:15 AM

ROLL CALL OF 2020 BOARD OF FUND COMMISSIONERS

Tom Merchel	Township of Moorestown- PMM JIF	Present
Joy Tozzi	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
Joseph 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	Present
William Northgrave	Township of Edison – Central JIF	Absent
Megan Champney	City of Summit- Suburban Municipal JIF	Present
Kevin Davis	Hunterdon County – PAIC JIF	Present
Megan Jack	Riverside Twp- Burlco JIF	Present
Steven Scholey	Bordentown Fire Company - District #1- 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
Auditor	Nisivoccia LLP Bud Jones
Actuary	The Actuarial Advantage Kyle Mrotek, Eric Bause
Ex Worker’s Comp Claims Administrator	Qual-Lynx Kathy Kissane, Chris Healey
Safety Director	JA Montgomery Risk Control Services Paul Shives
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 Donna Setzer
Marketing Coordinator	Acrisure Amy Pieroni
Asset Manager	Clearbrook Fernando Garip

ALSO PRESENT:

Elizabeth Randell, MEL Audit Committee Board member
William Close,
Brian McNeilly, Stanhope
Charles Hartsoe, PEGAS
Michael Avalone, Conner Strong & Buckelew
Sue Sharpe, Esq. Dorsey & Semrau
Bradford Stokes, PERMA Risk Management Services
Ezio Altamura, GJEM Otterstedt
Barbara Murphy, RLM
Robin Racioppi, Acrisure
Roger Butler, The Barclay Group
Dan Griffiths, J. Graham Chesney
Pauline Kontomanolis, PERMA Risk Management Services
Brad Stokes, PERMA Risk Management Services
Alison Kelly, Danskin Insurance Agency
Charles Casagrande, Danskin Insurance Agency
John Casagrande, Danskin Insurance Agency
Robyn Walcoff, PERMA Risk Management Services
Jennifer Conicella, PERMA Risk Management Services
Steve Sacco, PERMA Risk Management Services
Karen Read, PERMA Risk Management Services
Jason Thorpe, PERMA Risk Management Services
Sandra Cantwell, PERMA Risk Management Services
Frank Covelli, P.I.A
Nancy Ghani, PERMA Risk Management Services

MOMENT OF SILENCE: Executive Director Grubb opened the meeting asking everyone to observe a moment of silence in memory of municipal colleagues and volunteers that passed away during 2020 as a result of COVID-19.

MINUTES: Included in the agenda were the open minutes of November 18, 2020 and December 29, 2020.

MOTION TO APPROVE NOVEMBER 18, 2020 AND DECEMBER 29, 2020 OPEN MINUTES:

Moved: Commissioner Wolk
Second: Commissioner Clarke
Vote: Unanimous – 1 Abstain (Commissioner Tozzi

abstained on the November 18, 2020 minutes)

CORRESPONDENCE: Included in the agenda was a copy of positive correspondence and feedback the fund office received regarding the recent Power of Collaboration – Risk Management for Local Officials publication.

MOTION TO ADJOURN SINE DINE MEETING:

Moved: Commissioner Wolk
Second: Commissioner Tomasko
Roll Call Vote: Unanimous

Executive Director Grubb called the meeting to order and asked for a roll call of the 2021 Fund Commissioners.

ROLL CALL OF 2021 BOARD OF FUND COMMISSIONERS

Tom Merchel	Township of Moorestown- PMM JIF	Present
Joy Tozzi	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
Joseph 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	Present
William Northgrave	Township of Edison – Central JIF	Absent
Megan Champney	City of Summit- Suburban Municipal JIF	Present
Kevin Davis	Hunterdon County – PAIC JIF	Present
Megan Jack	Riverside Twp- Burlco JIF	Present
Steven Scholey	Bordentown Fire Company - District #1- FRESP JIF	Present

ELECTION OF CHAIRMAN, SECRETARY, FIVE MEMBER EXECUTIVE COMMITTEE AND EXECUTIVE ALTERNATES. Executive Director Grubb said the MEL JIF conducts meeting as a Board of Fund Commissioners rather than Executive Committee when quorum of Board is achieved.

NOMINATIONS OPENED FOR CHAIRMAN, SECRETARY, FIVE MEMBER EXECUTIVE COMMITTEE AND SEVEN ALTERNATES.

Nominating Committee Chair Commissioner Cuccia presented its slate in the following motion:
THOMAS MERCHEL AS CHAIR, JOY TOZZI AS SECRETARY, COMMISSIONERS ROBERT LAW, JOHN RHEINHARDT, CHARLES CUCCIA, RICHARD HIRSCH AND JOSEPH WOLK AS FIVE MEMBER

EXECUTIVE COMMITTEE AND; COMMISSIONERS JOSEPH CATENARO, TOM NOLAN, JOSEPH D'ARCO, BERARD RUTKOWSKI, PAUL TOMASKO, JOHN CLARKE, VERONICA LAUREIGH AS SEVEN ALTERNATES AND; COMMISSIONERS WILLIAM NORTHGRAVE, MEGAN CHAMPNEY, KEVIN DAVIS, MEGAN JACK AND STEVEN SCHOLEY AS REMAING ALTERNATES FOR FUND YEAR 2021:

Moved: Commissioner Cuccia
 Second: Commissioner Law
 Vote: Unanimous

Hearing no other nominations

MOTION TO CLOSE NOMINATIONS AND CONFIRM ELECTIONS:

Moved: Commissioner Wolk
 Second: Commissioner Tomasko
 Vote: Unanimous

FUND ATTORNEY ADMINISTERED OATH OF OFFICE

2021 REORGANIZATION

RESOLUTION 1-21 FUND PROFESSIONAL APPOINTMENT AND PROFESSIONAL SERVICE AGREEMENTS: In 2020, the MEL authorized the use of Competitive Contracting RFPs for the majority of the MEL's contracts that were set to expire December 31, 2020. The respective committees met in either November or December to evaluate and score responses. Resolution 1-21 was included in the agenda to confirm appointments of Fund Professionals and approval of Professional Service Agreements in accordance of the competitive contract process. Resolution reflected the 2021 compensation amounts, as well as, formatted to include the estimated 3-year contract amount as per a recent NJ Local Finance Board Notice. Since not all contracts expired at year-end, enclosed was a memorandum providing a summary of other contracts in force.

List of Professional Awards and Contracts in Force

TITLE	PROFESSIONAL
EXECUTIVE DIRECTOR	PERMA Risk Management Services
ATTORNEY	Fred Semrau, Esq.
EXCESS LIABILITY CLAIMS	CB Claims LLC
ACTUARY	The Actuarial Advantage
DEPUTY ATTORNEY	Russell Huntington
ASSET MANAGER	Wilmington Trust
BANKING SERVICES MANAGER	Investors Bank
AUDITOR	Nisivoccia LLP
TREASURER	Michael Zambito
UNDERWRITING MANAGER	Conner Strong & Buckelew
PRODUCER/REINSURANCE MANAGER	Arthur J. Gallagher Risk Management Services
SAFETY CONSULTANT/TRAINING CONSULTANT	JA Montgomery Risk Control
EXCESS WC CLAIMS ADMINISTRATOR	Qual-Lynx
EXCESS PROPERTY CLAIMS ADMINISTRATOR	York Risk Services Group
CLAIMS ADMINISTRATOR CIVIL RIGHTS RUN – OFF CLAIMS	Dorsey & Semrau
MANAGED CARE PROVIDER	QualCare
LOBBYIST	Pathways Government Relations
INTERNAL AUDITOR – Financial Services	Carr, Riggs & Ingram
STRATEGIC PLANNING/ COMMUNICATIONS CONSULTANT	LaMendola Associates
SUPERVISORY TRAINING CONSULTANT	LaMendola Associates
TECHNICAL WRITER	Stradley Ronan
GRAPHIC DESIGNER	E. Fitz Art
WEBSITE MANAGER	NewTech Inc.

INTERNAL AUDITOR – Insurance Services	Baker Tilly US LLP
LEARNING MANAGEMENT SYSTEM	FirstNet Learning, Inc.
RISK MANAGEMENT INFORMATION SYSTEM/ONLINE UNDERWRITING DATABASE & CLAIMS SYSTEM	Origami Risk
MARKETING MANAGER	Princeton Strategic Communications
MARKETING COORDINATOR	Acrisure
ONLINE TRAINING WEBINARS	VCS Video
SPECIAL LEGAL SERVICES	Craig Domalewski, Esq.

RESOLUTION 2-21 ESTABLISHING A FISCAL MANAGEMENT PLAN: Resolution submitted designating Official Depositories and approving a Cash Management Plan; authorizing Signatories on Administrative Accounts; and authorizing Signatories on Claim Accounts; establishing a rate of interest for delinquent assessments; and certifying Approval Officer for all Fund expenses. Commissioner Charles Cuccia was designated as the additional MEL Commissioner signatory under item I and item III as authorized to sign checks from the official depository.

RESOLUTION 3-21 ESTABLISHING PUBLIC MEETING PROCEDURES: Resolution submitted to establish that the FUND shall hold public meetings during the year 2021 as follows:

March 26, 2021 (Friday)	Virtual Via Zoom	9:40 am
June 2, 2021 (Wed)	Virtual Via Zoom	11:15 am
September 1, 2021 (Wed)	Forsgate Country Club	11:15 am
October 20, 2021 (Wed)	Forsgate Country Club	11:15 am
November 17, 2021 (Wed)	Sheraton Hotel, Atlantic City	12:30 pm
January 5, 2022 (Wed)	Forsgate Country Club	11:15 am

The MEL Claims Committee will meet on the same days as the Board of Fund Commissioners at the above listed locations immediately following the Fund meeting with the exception of the March and November meeting dates. The MEL Claims Committee will also meet via teleconference or Zoom at 10:30AM March 3, 2021, May 5, 2021, July 7, 2021 and December 1, 2021.

The Fund newspapers are the Star Ledger (Newark) and the Courier Post (Cherry Hill). In addition, the MEL’s webpage is designated for official notices – www.njmel.org.

RESOLUTION 4-21 ESTABLISHING A FUNDS RECORDS PROGRAM: Resolution submitted to establish a Fund Records program appointing the Fund Secretary as custodian of records and Account Manager as Assistant Secretary.

RESOLUTION 5-21 2021 RISK MANAGEMENT PLAN: 2021 Risk Management Plan prepared by the MEL Underwriting Manager and was included in the agenda for review. The plan has been amended to reflect excess rates and carriers for 2021.

The MEL commercial carrier for excess workers’ compensation is Safety National, the MEL will now increase its liability retention, replacing the layer than had been provided by Brit in 2020; Munich Re will continue to provide the optional excess liability and will now also provide the optional public officials/employment practices liability; Chubb provides the optional shared aggregate; Endurance American provides the non-owed aircraft and the commercial carrier for excess property and boiler/machinery is Zurich and multiple carriers are providing excess flood coverage. Effective January 1, 2021, the MEL will participate in the primary deductible for cyber and will process premium payments to the excess cyber carriers.

RESOLUTION 6-21 NAMED STORM DEDUCTIBLE: Included in the agenda was a resolution of the MEL entering into an agreement as respects loss or damage caused by or resulting from named storm and is specific to covered properties in certain Counties and JIFs.

RESOLUTION 7-21 ESTABLISHING REMOTE MEETING PROCEDURES DURING A DECLARED STATE OF EMERGENCY: Included in the agenda was a resolution establishing remote meeting procedures for public comment during a declared state of emergency.

Executive Director Grubb requested to review the other contract related resolutions to be taken as one action item with the 2021 reorganization resolutions; the Board of Fund Commissioners agreed.

RESOLUTION 8-21 AUTHORIZING THE AWARD OF PROFESSIONAL SERVICES CONTRACT TO THE CLEARBROOK TO SERVE AS THE FUND’S ASSET MANAGER; BANK OF NEW YORK FOR CUSTODIAL SERVICES AND ACCOUNTING AND NW FINANCIAL SERVICES AS FINACIAL ADVISOR;

RESOLUTION 9-21 DESIGNATING INVESTORS BANK AS THE OFFICIAL DEPOSITORY OF THE FUND;

RESOLUTION 10-21 RESOLUTION AUTHORIZING AN AGREEMENT FOR PROFESSIONAL SERVICES WITH SEAN P. CANNING, QPA OF THE CANNING GROUP LLC;

RESOLUTION 11-21 AUTHORIZING THE AWARD OF AN INTERLOCAL AGREEMENT TO STATE UNIVERSITY OF RUTGERS - BLOUSTEIN LOCAL GOVERNMENT RESEARCH CENTER TO PERFORM SPECIAL CYBER LIABILITY RISK MANAGEMENT RELATED GUIDANCE AND RESOURCE INFORMATION SERVICES FOR THE MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND.

MOTION TO ADOPT RESOLUTIONS 1-21 THRU 11-21:

Moved: Commissioner Cuccia
Second: Commissioner Tomasko
Vote: 18 Ayes – 0 Nays

2021 COMMITTEE APPOINTMENTS: Fund Commissioners and Risk Management Consultants are encouraged to volunteer on standing committees. Chairman Merchel said the standing Committee Chairs shall serve for 2021:

Management Committee	Thomas Merchel
Marketing Committee	Richard Hirsch
Coverage Committee	Joy Tozzi
Investment Committee	Jon Rheinhardt
Legislative Committee	Charles Cuccia
Nominating Committee	Charles Cuccia
Safety & Education Committee	Bernard Rutkowski
Audit Committee	Jon Rheinhardt
Claims Review Committee	Richard Hirsh

Chairman Merchel noted there were spots available in the Marketing and Claims Review and said anyone wishing to join, switch or be removed from any committee should contact the Fund office.

EXECUTIVE DIRECTOR REPORT: Executive Director Grubb provided a summary update of MEL achievements in 2020 despite the challenges faced due to the COVID-19 pandemic, as well as, the current market - the hardest it has been since 1980s, which led to the formation of joint insurance funds.

Executive Director Grubb highlighted the Joint Cash Management Investment program, the formation of a Special COVID-19 Claims Committee to oversee any issues that may arise, the successful transition of instructor-led safety trainings to online webinars and resources by J.A. Montgomery and the efforts of the Underwriting Manager to bind the 2021 renewal despite the hard market.

Executive Director Grubb said in 2020, the excess workers' compensation policy had an endorsement that treats all claims arising out of a communicable disease as "one occurrence". For the 2021, Safety National is no longer providing that endorsement. To date, they have not confirmed that they will view Covid 19 claims as one occurrence. The MEL may have to book the entirety of this claim while pursuing clarification. Executive Director Grubb said the total cost is only a fraction of the JIF and MEL system-wide surplus.

DESIGNATION OF PROFESSIONAL SERVICES:

SPECIAL COUNSEL: Resolution #12-21 appoints a professional services agreement to Tom Germinario, Esquire as Special Counsel in land use matters for a fee not to exceed \$7,500 – as recommended by the Fund Attorney. Fund Attorney said MEL members have faced some difficult land use litigation and he recommended Mr. Germinario as Special Counsel, noting he has been helpful in providing advice, oversight, legal strategy, etc but will not serve as defense counsel.

MOTION TO ADOPT RESOLUTION #12-21 AWARDED PROFESSIONAL SERVICE AGREEMENT TO TOM GERMINARIO, ESQUIRE AS SPECIAL COUNSEL IN LAND USE MATTERS:

Moved:	Commissioner Catenaro
Second:	Commissioner Clarke
Vote:	18 Ayes – 0 Nays

2021 RENEWAL OF EXCESS AND REINSURANCE COVERAGES: The MEL Reinsurance Committee met on December 29, 2020 to confirm the renewal of excess and reinsurance coverage. Immediately following that meeting, the Board of Fund Commissioner held a special meeting to authorize the renewal of coverage. Included in appendix I were copies of the resolutions; resolution format complies with state comptroller's office requirements.

The MEL commercial carrier for excess workers' compensation is Safety National, the MEL will now increase its liability retention, replacing the layer than had been provided by Brit in 2020; Munich Re will continue to provide the optional excess liability and will now also provide the optional public officials/employment practices liability; Chubb provides the optional shared aggregate; Endurance American provides the non-owed aircraft and the commercial carrier for excess property and boiler/machinery is Zurich and multiple carriers are providing excess flood coverage. Effective January 1, 2021, the MEL will participate in the primary deductible for cyber and will process premium payments to the excess cyber carriers.

2021 MEMBERSHIP: Effective January 1st, the Borough of Haddon Heights rejoined the Camden JIF and the Township of South Brunswick joined Central Joint Insurance Fund.

2020/2021 ELECTED OFFICIALS SEMINAR: The MEL's Annual Elected Officials Seminar was held as part of the League of Municipalities Virtual Conference. The program has now been uploaded and can be accessed through the MEL Safety Institute. Enclosed in the agenda were directions on how to take the course.

RCF: The Residual Claims Fund held its 2021 Reorganization meeting for Wednesday January 6, 2021 at 10:30AM via Zoom audio/video. Commissioner John Clarke is the designated MEL representative for the 2021 Fund Year.

LEGISLATIVE COMMITTEE: Committee is scheduled to meet on February 5, 2021 at 10:30AM.

SAFETY & EDUCATION COMMITTEE: Committee is scheduled to meet next on January 22, 2021.

COVERAGE COMMITTEE: Committee met on December 23, 2020 at 11:15AM; enclosed in the agenda were the minutes for information.

CYBER TASK FORCE: The MEL's Cyber Task Force met on October 30th to finalize clarifications on Tier 1 and Tier 2 of the Cyber Risk Management Program, as well as, review a third Tier option. Committee anticipates release of the updated program during 1st quarter of 2021.

CLAIMS COMMITTEE: The Claims Review Committee met on December 2nd and is scheduled to meet immediately following today's board meeting.

UNDERWRITING MANAGER:

REPORT: Included in Appendix II of the agenda was the Underwriting Manager's final marketing report.

Underwriting Manager said the hard market prompted the changes in retentions; noting the cost to self-insure additional layers of coverage was less than requested premium increases. Executive Director Grubb said the market is the hardest it has been since the condition of the market in the 1980s -that resulted in the formation of the Joint Insurance Funds. Executive Director Hrubash said the MEL has faced hard markets over its life but those were single coverage lines; this year the hard market impacted all lines of coverage. Executive Directors thanked Underwriting Manager and his team for all their efforts. Fund Attorney added that Underwriting Manager also documented his marketing efforts and was able to get pre-approval from the comptroller's office for the placement of policies in excess of \$2,000,000 and \$10,000,000.

TREASURER:

CONFIRMATION OF PAYMENTS

December 2020 \$1,096,725.74

December 2020 Supplemental \$78,367.22

RESOLUTION 13-21 FOR JANUARY 2021 VOUCHERS & RESOLUTION 14-21 FOR JANUARY 2021 SUPPLEMENTAL VOUCHERS: A copy of these bills list were distributed prior to the meeting.

Resolution 13-21 January 2021 \$277,931.36

Resolution 14-21 January 2021 Supplemental \$17,177,953.63

Confirmation Of October 2020 Claims Payments/Certification Of Claims Transfers:

1988 WC	2,061.96
CLOSED	0.00
2016	50,344.22
2017	66,686.09
2018	649,156.61
2019	140,774.40
2020	401,614.77
TOTAL	1,310,638.05

Confirmation Of November 2020 Claims Payments/Certification Of Claims Transfers:

1988 WC	40,282.77
CLOSED	0.00
2016	50,082.60
2017	12,585.01
2018	413,238.74
2019	157,557.38
2020	589,079.49
TOTAL	1,262,825.99

MOTION TO CONFIRM PAYMENTS OF DECEMBER 2020, APPROVE JANUARY 2021 BILLS LIST RESOLUTIONS 13-21 AND 14-21 19-20 AND TO APPROVE TREASURER’S REPORT; CURRENT AND CONFIRMING EXPENSES AS PRESENTED:

Moved: Commissioner Catenaro
 Second: Commissioner Law
 Roll Call Vote: 18 Ayes – 0 Nays

CLAIMS – EXCESS WORKERS COMPENSATION:

REPORT: Workers’ Compensation Claims Manager took a moment to recognize the efforts of her staff, the MEL Fund Commissioners, Fund Professionals and member entities in managing workers’ compensation Covid claims.

CLAIMS – EXCESS LIABILITY:

REPORT: Supervisor of Excess Claims reported he is looking forward to continuing servicing the fund.

ATTORNEY:

REPORT: Fund Attorney provided the board with an overview of 2020 highlighting the MEL’s participation in a Supreme Court matter; the members, the local JIFs and the MEL’s handling of covid-19 claims and related matters; efforts to strengthen state comptroller’s office filings; the formation of the MEL’s Joint Cash Management and Investment Program and the update of the Personnel Manual and Employee Handbook.

Executive Director Hrubash requested Fund Attorney comment on the status of the employment manual for volunteers Fund Attorney said Mr. Giacobbe has a manual for volunteers in draft form and it is expected to be ready to provide to the board at its March meeting.

Fund Attorney also said that he had contacted Mr. Giacobbe to research the matter of vaccinations and the workplace and expects to have a report shortly. Commissioner Rheinhardt said employers faced workers' compensation issues in the 1918 pandemic when some employees suffered a reaction to vaccinations after employers required them to be vaccinated.

Deputy Executive Director requested the Fund Attorney comment on Resolution 15-21 authorizing award of Professional Services for Special Legal Services Brown & Connery, which was distributed prior to the meeting.

Fund Attorney said the firm is working on matter of Richter vs Jersey City Board of Education and agreed to submit an amicus brief on behalf of the MEL for a flat fee of \$10,000. Fund Attorney said it is the best interest of members of the MEL that New Jersey Law Against Discrimination (LAD) claims be subject to the exclusive remedy provision of Workers' Compensation and whether employees making such LAD claims must prove an intentional wrong pursuant to the Workers' Compensation Claims Act.

MOTION TO ADOPT RESOLUTION 15-21 AUTHORIZING AWARD OF PROFESSIONAL SERVICES FOR SPECIAL LEGAL SERVICES TO BROWN & CONNERY AS PRESENTED:

Moved:	Commissioner Hirsch
Second:	Commissioner Clarke
Roll Call Vote:	18 Ayes – 0 Nays

MANAGED CARE:

REPORT: A copy of the Savings and Penetration report as of December 2020 was distributed for information. The total billed was \$9.2 million with approved bills of \$4.4 million for a total savings of 51% and network penetration of 77%.

OLD BUSINESS:

2021 EXCESS RATES: Deputy Executive Director said at the special meeting on December 29, 2020, the MEL Board authorized the renewal of coverage and adopted resolutions with 2021 premiums amounts noted in each resolution. Deputy Executive Director said the premiums were established at a moment in time based on underwriting data as of October 2020. Deputy Executive Director said it would be appropriate to adopt the 2021 excess premium rate table, as presented and negotiated by the Underwriting Manager, to process adjustments to premiums. Executive Director Hrubash said the delay in approving a final rate table is due the hard market where some negotiations were finalized at the 11th hour. Copies of the 2021 rate table were distributed for information.

MOTION TO ADOPT THE 2021 EXCESS RATE TABLE AS PRESENTED:

Moved:	Commissioner Tomasko
Second:	Commissioner Cuccia
Roll Call Vote:	18 Ayes – 0 Nays

NEW BUSINESS:

NONE

PUBLIC COMMENT:

NONE

CLOSED SESSION: There was no need for Closed Session.

MOTION TO ADJOURN:

Moved:	Commissioner Clarke
Second:	Commissioner Cuccia
Vote:	Unanimous

MEETING ADJOURNED: 12:00PM

NEXT MEETING: March 26, 2021 at 9:40AM via Zoom

Nancy A. Ghani, Assisting Secretary

For

JOY TOZZI, SECRETARY

RESOLUTION #1-21
of the
MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND
AWARDING COMPETITIVE CONTRACT 20-04 VARIOUS PROFESSIONALS AND
INSURANCE RELATED SERVICES

WHEREAS the Municipal Excess Liability Joint Insurance Fund (hereinafter the Fund) authorized the competitive contract process to be administered by the Qualified Purchasing Agent through resolution 28-20 on June 3, 2020 for the positions of:

ACTUARY
EXECUTIVE DIRECTOR
AUDITOR
CLAIMS ADMINISTRATOR (EXCESS PROPERTY)
CLAIMS SERVICE PROVIDER (Excess Liability Litigation other than Civil Rights):
CLAIMS SERVICE PROVIDER (Civil Rights Litigation):
CLAIMS SERVICE PROVIDER (Excess Workers Compensation)
DEPUTY FUND ATTORNEY
FUND ATTORNEY
GRAPHIC DESIGNER
INTERNAL AUDITOR (Financial Review)
INTERNAL AUDITOR (Insurance Review)
LEGISLATIVE AGENT
MANAGED CARE
SAFETY DIRECTOR
STRATEGIC PLANNING/COMMUNICATIONS CONSULTANT
TECHNICAL WRITER
TREASURER
UNDERWRITING MANAGER
PRODUCER/ REINSURANCE MANAGER

and

WHEREAS services were procured according to the competitive contracting process under N.J.S.A. 40A:11-4.1 et. Seq., and

WHEREAS a notice advising of competitive contracts was published in the July 8, 2020 edition of the Star Ledger, Courier Post, Asbury Park Press and The Press of Atlantic City and posted on the MEL website www.njmel.org under the Public Bids section.

WHEREAS the Fund received Competitive Contract responses were received from professional service providers and service organizations on September 9, 2020 at 9:00AM.

WHEREAS the Fund's Management, Claims Review and Safety & Education Committees served as the Evaluation Committees for the respective Professional Service Provider and Service Organization to rate the proposals upon the standards of factors being Technical, Managerial and Cost factors in accord with N.J.A.C.5:34-4.3(d); and

WHEREAS the Evaluation Committees made recommendations on the award of contracts to the below listed Professional Service Providers and Service Organizations based on a review of their January 6, 2021

responses, experience and prior service provided at the rates established by the Board of Fund Commissioners; and

WHEREAS, the report produced by the committee, recommending the below was made available to the public and governing body at least 48 hours prior to the meeting of the governing body in accord with N.J.S.A 40A:11-4.1 and N.J.A.C 5:34-4; and

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

WHEREAS the Board of Fund Commissioners of the Municipal Excess Liability Joint Insurance Fund resolves to appoint the Fund Professionals – noted below – to three-year terms commencing on January 1, 2021 and ending on December 31, 2023 (unless otherwise noted) at its January 2021 Reorganization Meeting in accordance with a fair and open process pursuant to N.J.S.A. 19:44A-20.4 et. Seq.

- 1) **PERMA Risk Management Services as Administrator, David N. Grubb and Joseph P. Hrubash** are appointed as **Executive Directors, Cathleen Kiernan as Deputy Executive Director** and as **agents for process of service**. \$4,171,402.63 is the estimated dollars that will be expended in connection with this contract over its three-year term. The annual amount of \$1,363,025.30 has been appropriated in the Administration Line Item of the 2021 budget.
- 2) **Fred Semrau, Esq. of Dorsey & Semrau as Fund Attorney providing General Counsel, Litigation Management and OPRA requests.** \$133,729.69 is the estimated dollars that will be expended in connection with the General Counsel contract over its three-year term. The annual amount of \$43,696.80 has been appropriated in the Attorney Line Item of the 2021 budget. \$57,312.72 is the estimated dollars that will be expended in connection with OPRA requests over the three-year term. The annual amount of \$18,727.20 has been appropriated in the OPRA Line Item of the 2021 budget. \$360,000 is the estimated dollars that will be expended in connection with Litigation Management over the three-year term. The annual amount of \$120,000 has been appropriated in the Liability Claims Fund Line Item of the 2021 budget.
- 3) **Christopher Botta, Esq. of CB Claims LLC as Administrator of Excess Liability Claims. \$1,342,427.88** is the estimated dollars that will be expended in connection with the Excess Liability Claims Administrator contract over its three-year term. The annual fee of \$438,644.58 plus hourly rate of \$197 for excess crime and expenses (estimated at \$7,000) has been appropriated in the Claims Administration Line Item of the 2021 budget.
- 4) **Russell R. Huntington, Esq. of Huntington Bailey as Deputy Fund Attorney.** \$4,792.43 is the estimated dollars that will be expended in connection with the Deputy Attorney contract over its three-year term. The annual amount of \$1,565.95 has been appropriated in the Deputy Attorney Line Item of the 2021 budget.
- 5) **Michael Zambito as Fund Treasurer.** \$80,113.63 is the estimated dollars that will be expended in connection with the Treasurer contract over its three-year term. The annual amount of \$26,177.50 has been appropriated in the Treasurer Line Item of the 2021 budget.

- 6) **The Actuarial Advantage as Fund Actuary.** \$159,571.36 is the estimated dollars that will be expended in connection with the Actuary contract over its three-year term. The annual amount of \$52,140.69 has been appropriated in the Actuary Line Item of the 2021 budget.
- 7) **Nisivoccia LLP as Fund Auditor.** \$91,904.01 is the estimated dollars that will be expended in connection with the Auditor contract over its three-year term. The annual amount of \$30,030.06 has been appropriated in the Auditor Line Item of the 2021 budget.
- 8) **Conner Strong & Buckelew Companies as Underwriting Manager.** \$1,684,402.81 is the estimated dollars that will be expended in connection with the Underwriting Manager contract over its three-year term. The annual amount of \$550,386.49 has been appropriated in the Underwriting Manager Line Item of the 2021 budget.
- 9) **Arthur J. Gallagher Risk Management Services, Inc as Producer/ Reinsurance Manager.** \$972,671.99 is the estimated dollars that will be expended in connection with the Producer contract over its three-year term. The annual amount of \$317,825.10 has been appropriated in the Reinsurance Manager Line Item of the 2021 budget.
- 10) **JA Montgomery Risk Control as Fund Safety Director.** \$4,103,708.72 is the estimated dollars that will be expended in connected with the Safety Director contract over its three-year term. The annual amount of \$1,340,906 has been appropriated in the Safety Consultant, Video Library and MEL Safety Institute Line Items of the 2021 budget.
- 11) **Qual-Lynx as the Claims Administrator for Excess Workers Compensation.** \$2,014,661.46 is the estimated dollars that will be expended in connection with the Claims Administrator for Excess Workers Compensation contract over its three-year term. The annual amount of \$658,300.05 has been appropriated in the Claims Administration Line Item of the 2021 budget.
- 12) **Sedgwick Claims Management Service as Excess Property Adjuster.** \$723,148.04 is the estimated dollars that will be expended in connection with the Claims Administrator for Excess Property contract over its three-year term. Contract includes one (1) license for FOCUS Risk Management Information System Platform and additional licenses are \$750 per license per year. The annual amount of \$136,292 plus time and expense for catastrophic claims – estimated to be \$100,000 has been appropriated in the Claims Administration Line Item of the 2021 budget.
- 13) **Dorsey & Semrau as Claims Administrator Civil Rights Litigation** run-off claims at an hourly rate of \$195.28 for Partners, hourly rate of \$160.81 for Associates and hourly rate of \$86.15 for Paralegal/Claims Adjuster. \$45,000 is the estimated dollars that will be expended in connection with this contract over its three-year term. The annual amount of \$15,000 has been appropriated in the Claims Administration Line Items of the 2021 budget.
- 14) **QualCare as Managed Care Provider.** \$1,672,576.30 is the estimated dollars that will be expended in connection with the Managed Care Provider contract over its three-year term. The annual amount of \$546,522.12 has been appropriated in the Workers Compensation Claims Fund Line Item of the 2020 budget.
- 15) **Pathways Government Relations, LLC as Lobbyist.** \$83,269.02 is the estimated dollars that will be expended in connection with the Lobbyist contract over its three-year term. The annual

amount of \$27,208.54 has been appropriated in the Legislative Committee Line Item of the 2021 budget.

- 16) **Stradley Ronan as Technical Writer.** \$75,000 is the estimated dollars that will be expended in connection with the Technical Writer contract over its three-year term. Contract is at an hourly fee of \$322.52 not to exceed \$25,000 annually. The annual amount of \$25,000 has been appropriated in the Coverage Committee Line Item of the 2021 budget.
- 17) **LaMendola Associates as Strategic Planning/Communications Consultant.** \$98,705.24 is the estimated dollars that will be expended in connection with the Strategic Planning/Communications Consultant contract over its three-year term. The annual not to exceed amount of \$32,252.40 at an hourly rate of \$169.59 has been appropriated in the Strategic Planning Committee and Communications Committee Line Items of the 2021 budget.
- 18) **E. Fitz Art for Graphics Design.** \$17,750.32 is the estimated dollars that will be expended in connection with the Graphics Design contract over its three-year term. The 2021 contract is at an hourly rate of \$119.65 not to exceed \$4,500 for the annual report and not to exceed \$1,300 for newsletters. The annual not to exceed amount of \$5,800 has been appropriated in the Communications Committee Line Item of the 2021 budget.
- 19) **Baker Tilly Virchow Krause as Internal Auditor of Insurance Services** for a fee not to exceed \$13,000 for Actuarial Second Opinion; \$6,000 Actuarial Peer Review on Reserves; \$14,750 for Actuarial Peer Review on Pricing; \$18,750 for Underwriting; \$25,750 for Reinsurance Audit; \$38,850 for Claims Audit; \$4,150 for Reinsurance Checklist and \$6,000 General Planning/Board/Committee Meetings and Administration over the term of the contract. \$127,250 is the estimated dollars that will be expended in connection with the Internal Auditor Insurance Services contract over its three-year term. The annual amount of \$127,250 has been appropriated in the Internal Audit Committee Line Item of the 2021 budget.
- 20) **Carr, Riggs & Ingram LLC as Internal Auditor for Financial Services** at a fee of \$11,444.40 per Internal Audit for: Contract Management/Conflict of Interest, Electronic Data Process, Treasury & Investment, and Accounting & Reporting over the term of the contract. \$45,776 is the estimated dollars that will be expended in connection with the Internal Auditor Financial Services contract over its three-year term. The annual amount of \$45,776 has been appropriated in the Internal Audit Committee Line Item of the 2021 budget.

NOW, THEREFORE, BE IT RESOLVED by the Municipal Excess Liability Fund as follows: The Fund's Executive Director is hereby authorized to enter into a contract with the above professionals for a period of three (3) years with an option to renew for a 4th and 5th year encompassing the scope of work as outlined within CC#20-04.

BE IT FURTHER RESOLVED, all Professional Service Providers and Service Organizations appointed pursuant to this Resolution shall service the Fund in accordance with the terms and conditions of the Professional Service Agreements.

BE IT FURTHER RESOLVED, that in accordance with NJSA 19:44A-20.7, the decision of the Fund's Board of Fund Commissioners that the procurement process utilized, constitutes a fair and open process, shall be final.

ADOPTED:
this day before the Governing Body:

Chairman

date

Secretary

date

RESOLUTION NO: #2-21
MUNICIPAL EXCESS LIABILITY MUNICIPAL JOINT INSURANCE FUND
(hereafter referred to as "THE FUND")
ESTABLISHING A FISCAL MANAGEMENT PLAN
FOR THE 2021 FUND YEAR

WHEREAS, THE FUND is duly constituted as a Municipal Joint Insurance Fund, as permitted under the laws promulgated by the State of New Jersey, (N.J.S.A. 40A-36, et.seq.); and

WHEREAS, THE FUND is subject to the requirements contained within the Local Fiscal Affairs Law (N.J.S.A. 40A-5, et.seq.); and

NOW, THEREFORE BE IT RESOLVED, THE FUND’s Governing Body hereby appoints the following professionals for the 2021 Fund Year:

- I. All funds for Administrative Expenses, Reinsurance, Dividends and Miscellaneous Expenses, shall be withdrawn from the official named Depository (ies) by check, which shall bear the signatures of at least two (2) of the following persons, duly authorized pursuant to this resolution.

CHAIRMAN

SECRETARY

MICHAEL ZAMBITO, TREASURER

_____, MEL FUND COMMISSIONER

- II. All funds for Claims payments handled by **Qual-Lynx** shall be withdrawn from the Official Depository(ies) by check, which shall bear the signatures of at least two (2) of the following persons, duly authorized pursuant to this Resolution.

Dave S. Ruber, Qual-Lynx
Alice H. Lihou, Qual-Lynx
Michael Zambito, Fund Treasurer

- III. All funds for Claims payments handled by **CB Claims** shall be withdrawn from the Official Depository(ies) by check, which shall bear the signatures of at least two (2) of the following persons, duly authorized pursuant to this Resolution.

Christopher Botta, Esquire
Georganne Jussel
Michael Zambito, Fund Treasurer

- IV. All funds for Claims payments handled by **Sedgwick CMS** shall be withdrawn from the Official Depository(ies) by check, which shall bear the signatures of at least two (2) of the following persons, duly authorized pursuant to this Resolution.
 - Benjamin Hilton Sedgwick CMS
 - Debra Davenport Sedgwick CMS
 - Robert Blankenship Sedgwick CMS
 - Joseph House Sedgwick CMS
 - Michael Zambito, Fund Treasurer
- V. FOR WIRE TRANSFERS - that the FUND does hereby require that Investors Bank obtain voice confirmation prior to executing wire transfers to external accounts from the Fund Treasurer
- VI. The Cash and Investment Policy attached herewith, shall be adopted.
- VII. The rate of interest assessed by the Fund, for delinquent assessments shall be ten (10) percent per annum, from the due date for any such assessment.
- VIII. Certifying and Approval Officer for all FUND expenses shall be the FUND's Executive Director and/or the Account Manager so designated by the Executive Director.

ADOPTED:

this day before the Governing Body:

Chairman

date

Secretary

date

RESOLUTION NO: #3-21

**MUNICIPAL EXCESS LIABILITY MUNICIPAL JOINT INSURANCE FUND
(hereafter the “FUND”)**

ESTABLISHING PUBLIC MEETING PROCEDURES

WHEREAS, the FUND must establish meeting procedures for Fund Year 2021, and

NOW, THEREFORE BE IT RESOLVED BY the Fund’s Governing Body

- I.** That the FUND shall hold public meetings during the year 2021 as follows: 9:40AM on Friday March 26, 2021 via Zoom and a MEL Retreat at 10:00AM on Friday March 26, 2021 via Zoom. Meetings for June 2, 2021, September 1, 2021 and October 20, 2021 will be held at 11:15AM at the Forsgate Country Club-Monroe, Twp. NJ, as well as, November 17, 2021 at 12:30PM at the Steel Pier Room - Sheraton Hotel Atlantic City. The 2022 Reorganization is scheduled for Wednesday January 5, 2022 at 11:15AM in the Forsgate Country Club, Monroe Twp. NJ.

- II.** The MEL Claims Committee will meet on the same days as the Board of Fund Commissioners at the above listed locations immediately following the Fund meeting with the exception of the March and November meeting dates. The MEL Claims Committee will also meet via teleconference or Zoom at 10:30AM March 3, 2021, May 5, 2021, July 7, 2021 and December 1, 2021.

- III.** The following is hereby designated the official newspaper (s) of the FUND:
The Star Ledger, Newark, NJ and the Courier Post, Cherry Hill, NJ. In addition, the MEL’s webpage is designated for official notices – www.njmel.org.

- IV.** The FUND Secretary or designated assistant shall provide notice of any and all meetings, including special or emergency meetings, to each official newspaper and shall issue all official notices required to be published in at least one of the official newspapers.

ADOPTED this day;

Chairman

date

Secretary

date

RESOLUTION NO: #4-21

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND
(Hereinafter the "FUND")

ESTABLISHING A FUND RECORDS PROGRAM

WHEREAS: The FUND must establish a formal record retention program for the 2021 fund year.

NOW, THEREFORE BE IT RESOLVED, by the Board of Fund Commissioners that:

- I.** _____, **Fund Secretary**, is hereby designated as custodian of the FUND records, which shall be kept at the office of the Fund Administrator, located at 9 Campus Drive, Suite 216, Parsippany, NJ 07054.
- II.** The Account Manager designated by the Executive Director is hereby appointed as **Assistant Fund Secretary**.
- III.** The records of the FUND shall be retained in accordance with the municipal records retention schedule as promulgated by the New Jersey Division of Archives and Records Management, and/or otherwise specified by the New Jersey Department of Insurance and Community Affairs.
- IV.** Each fund professional and service organization shall have the duty and obligation to maintain such records as are entrusted to him/her and to relinquish such records to the Fund Secretary upon termination of services or otherwise upon request.

Records and files not required to support current operations, but which must otherwise be retained, shall be stored in the record retention facility, located at Allstate Archives, 24 Beckwith Avenue, Paterson, New Jersey. The FUND's Executive Director shall coordinate the archive process and shall insure that all records are properly indexed and accessible.

ADOPTED this day by the Board of Fund Commissioners

Chair

date

Secretary

date

Resolution #5-21

Municipal Excess Liability Joint Insurance Fund

(hereinafter the "Fund" or the "MEL")

ESTABLISHING THE 2021 PLAN OF RISK MANAGEMENT

BE IT RESOLVED by the Fund's Executive Committee the 2021 Plan of Risk Management shall be:

Definitions

Commissioners mean: The Board of Fund Commissioners or the Executive Committee thereof as appropriate.

Member means: A Joint Insurance Fund that is a member of the MEL.

Insurance Coverages

The following coverages are provided to the Fund's member joint insurance funds, effective January 1, 2021:

1. Excess Workers' Compensation
2. Excess Liability
3. Optional Excess Liability
4. Non-Owned Aircraft Liability
5. Crime including excess public employee coverage, excess public officials coverage and Statutory Positions coverage
6. Optional Excess Public Officials Liability / Employment Practices Liability
7. Annual Aggregate Stop Loss
8. Excess Property & Equipment Breakdown (effective December 31, 2020)
9. NJHMFA Excess Insurance
10. Cyber
11. Excess Cyber

Limits of Coverage

Unless otherwise stated, all limits shown apply less any local member JIFs' and local member units' SIRs/deductibles, or excess of 125% of the member JIFs' actuarial projected loss funds as respects Annual Aggregate Stop Loss. **Please note, other coverages, limits, sublimits deductibles, SIRs, terms or conditions may apply; please refer to the policy documents for full details.**

1. **Excess Workers' Compensation**
 - Workers' Compensation: Statutory
 - Employer's Liability: \$7,000,000
 - USL&H: Included in Workers' Compensation
 - Harbor Marine/Jones Act: Included in Employer's Liability
 - Incidental Foreign Workers Compensation: Included
 - Communicable Disease Coverage: Per Person
2. **Excess Liability** (*includes General, Automobile and Law Enforcement Liability*)
 - Excess Limit: \$5,000,000 annual aggregate per member entity
 - The annual aggregate does not apply to Business Automobile Liability
 - An occurrence involving multiple member entities: \$35,000,000; and
 - An occurrence involving multiple member entities for Certified Acts of Terrorism: \$10,000,000
 - Sublimits: The following sublimits are part of, and not in addition to, the Excess limit:
 - Fungus or Spores: \$1,000,000
 - Disinfectants Release Hazard Coverage: \$1,000,000
 - Dam and Reservoir: \$5,000,000

- a. \$5,000,000 for any dam or reservoir owned, operated, maintained, constructed or controlled by any member entity;
 - b. Included for premises owned, occupied or controlled by the member entity on which a dam or reservoir is located, or from the operations conducted on such premises;
 - c. \$5,000,000 per occurrence for any member entity owned dams defined as Class III or IV in New Jersey Administrative Code, Title 7, Department of Environmental Protection, Chapter 20, 7:20-1.8;
 - d. \$2,000,000 per occurrence for any member entity owned dam defined as Class I or II in New Jersey Administrative Code, Title 7, Department of Environmental Protection, Chapter 20, 7:20-1.8; and
 - e. \$2,000,000 per occurrence for any Class III or IV member entity owned dam involved with a Class I or II member entity owned dam.
- Garagekeepers Liability: \$2,000,000 Per Occurrence.
 - Sanitary/Storm Water System Sewerage Backup and/or Sanitary System Sewerage Backup, Escape or Release: \$3,000,000 Per Occurrence and \$4,000,000 Annual Aggregate for all member entities.
 - Subsidence: \$3,000,000 Per Occurrence and \$4,000,000 Annual Aggregate for all member entities.
 - Quasi Entities Coverage: \$5,000,000 Per Occurrence.
 - Skateboard Facilities: \$5,000,000 Per Occurrence.
 - Riot, Civil Commotion or Mob Action: \$5,000,000 Per Occurrence.
 - Failure to Supply Utility: \$5,000,000 Per Occurrence.

3. **Optional Excess Liability Limit**

The MEL offers Optional Excess Liability Limits excess of the Excess Limit.

- No aggregate applies to Business Automobile Liability.
- The following limits are the Optional Excess Limits:
 - \$2,000,000 (equals \$7,000,000 total);
 - \$5,000,000 (equals \$10,000,000 total);
 - \$10,000,000 (equals \$15,000,000 total); and
 - \$15,000,000 (equals \$20,000,000 total).
- **Terrorism Aggregate, Per Occurrence, All Entities: \$20,000,000**
- Annual aggregate: \$50,000,000

The MEL also offers Optional JIF Shared Aggregate Excess Liability Limits excess of \$20,000,000.

- **\$10,000,000 aggregate (equals \$30,000,000 total)**

4. **Non-Owned Aircraft Liability**

- \$5,000,000; and
- Medical Expense for each passenger: \$5,000

5. **Crime**

- MEL Crime Excess:
 - \$1,000,000
 - Coverage includes employee dishonesty; forgery or alteration; theft, disappearance and destruction; robbery and safe burglary; and computer fraud with funds transfer
- MEL Crime Statutory Position:
 - The MEL provides primary employee dishonesty and faithful performance coverage for those employed positions which are required by law to be individually bonded and where they have applied and have been approved for coverage at a limit of \$1,000,000 per occurrence per position
 - The MEL will provide MEL Crime Statutory Position limits, based on underwriting and via endorsement, above \$1,000,000, matching the member's auditor's recommendation, but no more than \$2,000,000.
- MEL Crime Excess Public Officials:

- The MEL provides excess employee dishonesty and faithful performance coverage for those employed positions which are required by law to be individually bonded and where they have not applied and have not been approved for coverage under the MELJIF Statutory Position Program at a limit of \$1,000,000
- Each member local unit that has not applied for coverage under the Fund's Statutory Position Bond is required to continue to purchase via the commercial market individual bonds providing primary coverage up to "at least the minimum limit required by law" for those employed positions required by law to be individually bonded

6. Optional Excess Public Officials Liability / Employment Practices Liability

The MEL offers Optional Excess Public Officials Liability / Employment Practices Liability limits excess of the local member units' primary \$2,000,000 Public Officials Liability / Employment Practices Liability policies with QBE Specialty Insurance Company.

- The following limits are the Optional Excess Limits:
 - \$1,000,000 (equals \$3,000,000 total);
 - \$2,000,000 (equals \$4,000,000 total);
 - \$3,000,000 (equals \$5,000,000 total);
 - \$4,000,000 (equals \$6,000,000 total); and
 - \$8,000,000 (equals \$10,000,000 total).

7. Annual Aggregate Stop Loss

- Suburban Municipal JIF: \$1,000,000
- First Responder Joint Insurance Fund: \$1,000,000

8. Excess Property

- \$125,000,000, including certain sublimits, including, but not limited, to:
 - Aggregate, Earth Movement: \$100,000,000
 - Aggregate, Flood (includes Storm Surge): \$100,000,000
 - a. Per Location, Special Flood Hazard Area (SFHA): \$52,500,000
 - b. Per Occurrence, Pumping Stations: \$2,500,000
 - c. Per Occurrence, Property Located Outside Building or Structure, but Not Defined as Outdoor Property: \$1,000,000
 - Named Storm: Included
 - Miscellaneous Personal Property: \$10,000,000
 - Vehicles:
 - a. Physical Damage: \$15,000,000
 - b. Time Element: \$500,000
 - Terrorism: Included
 - Unmanned Aircraft Systems: Excluded

9. NJHMFA Excess Insurance

The Municipal Excess Liability Joint Insurance Fund (MEL) provides excess insurance coverages with respect to those properties financed by the New Jersey Housing and Mortgage Finance Agency (NJHMFA) or are subject to requirements contained within a Financing, Deed Restriction and Regulatory Agreement with the NJHMFA and are insured by the New Jersey Public Housing Authority Joint Insurance Fund (NJPHA JIF) and/or the MEL so that all applicable insurance coverages with respect to such properties shall be in full compliance with all applicable NJHMFA Insurance Specifications / Minimum Requirements (NJHMFA Insurance Requirements), as may be amended from time to time, on a per property/per occurrence basis, except the NJPHA JIF does not provide primary flood insurance for properties in flood zones A, V and shaded X as defined by the Federal Emergency Management Agency (FEMA) (including all variations of A, V and shaded X), if applicable. In such cases, it is the property owner's responsibility to obtain primary flood coverages through the National Flood Insurance Program (NFIP) to the maximum extent of coverages available under the NFIP. The MEL provides flood coverage in excess of the NFIP maximum coverage limits up to a per property sub-limit of \$2.5 million. The NJPHA JIF and the MEL are not responsible for determining whether or not a property is located in a flood zone or for procuring primary flood insurance for such property. Except with respect to the requirement

for a property owner to obtain primary flood insurance through NFIP as noted herein, should any insurance coverages, including excess flood coverages, provided by the NJPHA JIF and/or the MEL not meet any of the applicable NJHMFA Insurance Requirements, the NJPHA JIF and/or the MEL will provide insurance coverages, excess insurance coverages and/or difference-in-conditions coverages (DIC) as applicable to meet all applicable NJHMFA Insurance Requirements to the sole satisfaction of the NJHMFA.

10. Cyber

- \$175,000 excess of member's \$25,000 deductible.

11. Excess Cyber

Excess limits above primary limits of \$3,000,000 Each / \$6,000,000 Aggregate with AXA XL.

- 1st Excess Layer: \$3m Each / \$6m Aggregate
- 2nd Excess Layer: \$3m Each / \$3m Aggregate

NOTICE: The above description is a general discussion of the coverage and limits provided by the FUND. However, the actual terms and conditions are defined in the policy documents and all issues shall be decided on the policy documents.

The Amount of Risk to be Retained by the Fund

Unless otherwise stated, all limits shown apply less any local member JIFs' and local member units' SIRs/deductibles, or excess of 125% of the member JIFs' actuarial projected loss funds as respects Optional Annual Aggregate Stop Loss.

1. **Workers' Compensation:** \$2,000,000
2. **Excess Liability:** \$5,000,000
 - ~~Quota Share: 20% of \$3,000,000 excess of \$2,000,000~~
3. **Optional Excess Liability:** \$0
4. **Non-Owned Aircraft Liability:** \$0
5. **Crime:**
 - MEL Crime Excess: \$1,000,000
 - MEL Crime Excess Public Officials: \$1,000,000
 - Deductible: The greater of:
 1. the amount said persons are required by law to be individually bonded, whether or not such individual bond is in place; or
 2. the amount of the individual bond in place.
 - MEL Crime Statutory Position: \$1,000,000
 - Deductible: \$1,000
 - The MEL will provide MEL Crime Statutory Position limits, based on underwriting and via endorsement, above \$1,000,000, matching the member's auditor's recommendation, but no more than \$2,000,000.
6. **Optional Public Officials Liability / Employment Practices Liability:** \$0
 - Does not cover any of the coverages with sublimits in the primary policy, including Land Use Claims
 - ~~Quota Share: 20%~~
7. **Annual Aggregate Stop Loss:**
 - Suburban Municipal JIF: \$1,000,000
 - First Responder Joint Insurance Fund: \$1,000,000
8. **Excess Property:**
 - All Other: \$1,000,000
 - Equipment Breakdown: \$50,000
 - Flood for Locations in a Special Flood Hazard Area: Excess of maximum NFIP limit available, but no less than:
 - All Other: \$500,000
 - Housing Authorities and Related Non-Profit Buildings: \$250,000
 - Named Storm for locations in Monmouth, Ocean, Atlantic and Burlington counties east of the Garden State Parkway and all locations in Cape May County: \$0
 - Unmanned Aircraft Systems: Excluded

- Quota Share: 90%
- 9. **NJHMFA Excess Insurance:** Unlimited less all other valid and collectible insurance (including any bond or other mechanism for funding of loss)
- 10. **Cyber:** \$175,000 excess of \$25,000
- 11. **Excess Cyber:** \$0

Commercial Insurance / Reinsurance Purchased

The insurance/reinsurance listed below may contain sublimits, retentions and deductibles in addition to such already stated.

1. **Excess Workers' Compensation:** The MEL purchases an excess workers' compensation policy from Safety National, as follows:
 - a. Workers' Compensation: Statutory;
 - b. Employer's Liability: \$5,000,000; and
 - c. Self-Insured Retention: \$2,000,000
2. **Non-Owned Aircraft Liability:** The MEL purchases a non-owned aircraft liability policy from Endurance with a limit of \$5,000,000
3. **Excess Property & Equipment Breakdown** (effective December 31, 2019): **The MEL purchases an excess property policy from Zurich with a limit of 90% of \$125,000,000**
4. **Excess Flood and Earth Movement** (effective December 31, 2019): The MEL purchases excess Flood/Earth Movement policies from numerous insurers with limits totaling \$50,000,000 excess of Zurich's respective sublimits
5. **Optional Excess Public Officials Liability / Employment Practices Liability:** up to \$8,000,000
 - a. Underlying Limit: \$2,000,000
 - b. Does not cover any sublimits in the primary policy, including Land Use Claims
 - c. ~~Quota Share: 20% of \$3,000,000 excess of \$2,000,000~~
6. **Optional Excess Liability:** The MEL has entered into a reinsurance treaty:
 - a. With Munich for up to \$15,000,000
 - b. **With Chubb for the \$10,000,000 excess \$20,000,000 layer**
7. **Excess Cyber:** The MEL purchases a MEL-wide shared excess Cyber program as follows, excess of the primary \$3,000,000 Each / \$6,000,000 Aggregate policies with AXA XL:
 - a. Cowbell Cyber: \$3,000,000 Each / \$6,000,000 Aggregate
 - b. Great American: \$3,000,000 Each / \$3,000,000 Aggregate

The Amount of Unpaid Claims to be Established

1. The general reserving philosophy is to set reserves based upon the probable total cost of the claim at the time of conclusion. Historically, on claims aged eighteen (18) months, the Fund expects the claims servicing company to set reserves at 85% accuracy. The Fund also establishes reserves recommended by the Fund's actuary for claims that have been incurred but not yet reported so that the Fund has adequate reserves to pay all claims and allocated loss adjusted expense liability.
2. Claims reserves are subject to regular review by the Fund's Executive Director/Administrator, Attorney, Executive Committee and claims servicing company. Reserves on large or unusual claims are also subject to review by the claims departments of the commercial insurance companies or reinsurance companies providing primary or excess coverages to the Fund.

The Method of Assessing Contributions to be Paid by Each Member of the Fund

1. The actuary computes the probable net cost for the upcoming Fund year by line of coverage and for each prior Fund year by November 15th of each year. The actuary includes all budget items in these computations. The annual assessment of each participating municipality is its pro rata share of the probable net cost of the upcoming Fund year for each line of coverage as computed by the actuary.
2. The calculation of pro rata shares is based on each municipality's experience modified manual premium for that line of coverage. The total amount of each member's annual assessment is certified by majority vote of the Fund's Executive Committee at least one (1) month prior to the beginning of the next fiscal year (usually at the MEL's budget hearing at the League of Municipalities Convention).

3. The treasurer deposits each member's assessment into the appropriate accounts, including the administrative account, and the claim or loss retention trust fund account by Fund year for each type of coverage in which the member participates.
4. A participant's assessments and supplement assessments are reduced in proportion to that part of the year which had elapsed if such local unit becomes a member of the Fund or elects to participate in a line of coverage after the start of the Fund year.
5. The Fund's Executive Committee may, by majority vote, levy upon the participating municipalities additional assessments wherever needed or so ordered by the Commissioner of Insurance to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations. All supplemental assessments are charged to the participating municipalities by applicable Fund year, and shall be apportioned by the year's assessments for that line of coverage.
6. The Fund chairman, or in the event by his or her failure to do so the custodian of the Fund's assets, shall notify the Commissioner of Insurance and the Director of Community Affairs should any member fail or refuse to pay its assessments or supplemental assessments, or should the Fund fail to assess funds required to meet its obligations. Past due assessments shall bear interest at the rate established annually by the Fund's Executive Committee.
7. After the end of the year before the Fund has finalized its year end accounting, the Fund's Commissioners shall levy an additional supplementary assessment so that the Fund's statutory surplus for all fund years combined is no less than 12.5 percent of unpaid claims including IBNR.
8. At the discretion of the Commissioners, any supplemental assessments may be payable in equal annual installments for up to ten years. Deferred assessments shall become due and immediately payable if a member leaves the Fund.

Procedures Governing Loss Adjustment and Legal Expenses

1. The Fund engages a claims service company to handle all claims. The performance of the claims adjusters is monitored and periodically audited by the Executive Director's office, the MEL attorney's office, and the claims department of the MEL's three major excess liability insurers/reinsurers (i.e. Genesis and Munich for liability and Safety National for workers' compensation). The MEL's internal auditors also conduct an audit every three years.
2. Each member local unit is provided with claims reporting procedures and appropriate forms.
3. To provide for quality defense and control costs, the Fund has established an approved defense attorney panel with firms specializing in Title 59 matters. The performance of the defense attorneys is overseen by the Fund attorney, as well as the various firms which audit the claims adjusters.
4. The Fund may establish a separate contract with a claims service company specializing in sexual abuse claims and may require members to also utilize this service company at the MEL's expense to administer sexual abuse claims that are within the member's retention. In this event, The Fund Attorney shall establish a committee of member fund attorneys, commissioners or MEL professionals to periodically review the performance to periodically review the performance of a special panel of defense attorneys appointed by the MEL for sexual abuse claims.

Procedures for the Closure of Fund Years, including the Maintenance of All Relevant Accounting Records

1. The Fund utilizes the Municipal Excess Liability Residual Claims Fund (RCF) to facilitate the closure of Fund years.
2. The Fund adopts a resolution closing that year and transfers all remaining assets to the closed Fund year account upon the transfer of outstanding liabilities of a Fund year to the RCF. This amount is allocated by member local units using the same procedure as is used to calculate a dividend. Each month, interest is credited to the closed Fund year account by member.
 - a. Each year, the Fund's Executive Committee will determine if a dividend is appropriate from the closed Fund year account, and will make application to the Department of Insurance as appropriate. Further, in the event an open Fund year incurs a deficit, the Fund's Executive Committee will consider an inter-year transfer from the closed Fund year account to offset the deficit. In either case, the dividend or inter-Fund year transfer will be calculated on a member by member basis.
 - b. A member may apply to the Fund's Executive Committee for a return of that member's remaining share of the closed Fund year account when five (5) years have passed since

the last Fund year in which the member participated has been closed. The Fund's Executive Committee will decide on the former member's request after evaluating the likelihood of any additional assessments from the RCF.

- c. All dividends from the RCF will be deposited in the closed Fund year account on a member by member basis.
- d. The Fund will retain all records in accordance with the Fund's record retention program.

Assumptions and Methodology Used for the Calculation of Appropriate Reserve Requirements to be Established and Administered in Accordance with Sound Actuarial Principles

- 1. The general approach in estimating the loss reserves of the Fund is to project ultimate losses for each Fund year using paid and incurred loss data. Two traditional actuarial methodologies are used: the paid loss development method and the incurred loss development method. From the two different indications resulting from these methods the Fund Actuary chooses a "select" estimate of ultimate losses. Subtraction of the paid losses from the select ultimate losses yields the loss reserve liability or funding requirement.
- 2. The following is an overview of the two actuarial methods used to project the ultimate losses.
- 3. Paid Loss Development Method - This method uses historical accident year paid loss patterns to project ultimate losses for each accident year. Because this method does not use case reserve data, estimates from it are not affected by changes in case reserving practices. However, the results of this method are sensitive to changes in the rate of which claims are settled and losses are paid, and may underestimate ultimate losses if provisions are not included for very large open claims.
- 4. Case Incurred Loss Development Method - This method is similar to the paid loss development method except it uses historical case incurred loss patterns (paid plus case outstanding reserves) to estimate ultimate losses. Because the data used includes case reserve estimates, the results from this method may be affected by changes in case reserve adequacy.
- 5. The following shall be the payment schedule for assessments:

Mail Bill	Due Date	Amount Due
December 15th	January 31 st	1st quarter
	April 30 th	2nd quarter
	July 31 st	3rd quarter
December 15th	January 31 st	4th quarter plus any adjustments
	Etc.	

The Maximum Amount a Certifying and Approving Officer May Approve Pursuant to N.J.A.C. 11:15-2.22.

- 1. With the advance approval of the Fund Attorney, the certifying and approving officer may also pay hospital bills if waiting until after the next regularly scheduled FUND meeting would result in the loss of a discount on such bills. When the certifying and approving officer utilizes this authority, a report shall be made to the Commissioners at their next meeting.
- 2. General Liability, Auto Liability, Workers' Compensation and Property: Any claim in excess of \$10,000 must be reviewed by the Fund's Executive Director/Administrator, and approved by the Board of Fund Commissioner/Executive Committee. The Board of Fund Commissioners has established a claims subcommittee comprised of at least three of its members to exercise this power. This subcommittee may meet telephonically when required.
- 3. Public Officials and Employment Practices Liability: Any claim in excess of \$10,000 must be approved by the Fund Attorney and Executive Director. All such approvals shall be reported to the claims sub-committee at their next meeting.
- 4. Property Claims from Super Storm Sandy: Authority to approve claims from Super Storm Sandy shall be exercised by a special claims committee comprised of one representative appointed by each of the following JIFs: Atlantic, Central, Monmouth, Mid Jersey, New Jersey Housing Authorities, Ocean and South Bergen. The Committee shall be chaired by the Fund Chairperson, or designee who shall only vote in case of a tie. The Special Committee shall have the following powers:
- 5. Appoint Counsel and other professional support as needed
 - a. Establish timelines for the filing of claims

- b. Take appropriate actions to maximize the recovery for the members from all sources
 - c. Apportion the aggregate recovery in an equitable manner among eligible flood claims.
 - d. Hear appeals in accordance with the FUND's bylaws.
6. The Fund Attorney and the Executive Director are authorized to approve claim settlements in the event it is not possible to convene a meeting of the Claims Committee in a time fashion. A summary of all such emergency approvals shall be provided to the Claims Committee when practical.
7. Issues and claim appeals relating to COVID-19 commonly known as the Coronavirus wherever possible will be considered by a Special Committee comprised of five representatives appointed by the MEL Chair who shall be Commissioners of MEL affiliated Joint Insurance Funds. The Committee shall be chaired by the MEL Fund Chairperson or designee who will only vote in the event of a tie. The Committee shall have the following authority:
- (a) Appoint counsel and other professional support as needed;
 - (b) Establish timelines for the filing of any claims or issues or direction, if necessary;
 - (c) Take appropriate action to maximize and protect members of the Fund;
 - (d) Hear appeals in accordance with the Fund's bylaws;
 - (e) Appoint a retired New Jersey Judge to act as arbitrator for all claim disputes not resolved by the Committee. The decisions of the arbitrator shall be binding except in liability and workers compensation cases.
 - (f) Take necessary action to effectuate the review, determination and processing of any policies, procedures, responses or claims.

ADOPTED this _____ day of _____, _____;

MEL Chairman

Date

MEL Secretary

Date

RESOLUTION NO: #6-21
MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND
NAMED STORM DEDUCTIBLE RISK SHARING PROGRAM

A RESOLUTION OF THE MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND ENTERING INTO AN AGREEMENT WITH RESPECT TO NAMED STORM DEDUCTIBLES.

WHEREAS, The Municipal Excess Liability Joint Insurance Fund (hereinafter the “MEL”) provides excess property coverage underwritten by Zurich Insurance Company to various member Joint Insurance Funds.

WHEREAS, as respects loss or damage caused by or resulting from “Named Storm”, any covered property in Atlantic, Ocean, Monmouth, and Burlington Counties located east of the Garden State Parkway, and any covered property in Cape May County is subject to a Property Damage deductible of 1% of the value per the Schedule of Values for the “Location” where the direct physical loss or damage occurred, per “occurrence”.

WHEREAS, as respects loss or damage caused by or resulting from “Named Storm”, any covered property in Atlantic, Ocean, Monmouth, and Burlington Counties located east of the Garden State Parkway, and any covered property in Cape May County is subject to a Time Element deductible of 1% of the full 12 months Gross Earnings or Gross Profit values that would have been earned following the “Occurrence” by use of the facilities at the “Location” where the direct physical loss or damage occurred and all other “Locations” where Time Element loss ensues, per “occurrence”.

The above deductibles (hereinafter the “NAMED STORM DEDUCTIBLE RISK SHARING PROGRAM”) are subject to a minimum deductible of \$1,000,000 for Property Damage and Time Element, combined, per Location, and a maximum deductible of \$2,500,000 per occurrence.

WHEREAS, for purposes of this resolution, “Named Storm” means: Any storm or weather disturbance that is named by the U.S. National Oceanic and Atmospheric Administration (NOAA) or the U.S. National Weather Service or the National Hurricane Center or any comparable worldwide equivalent. Named Storm also includes “Storm Surge”.

WHEREAS, for purposes of this resolution, covered property shall not include Vehicles.

WHEREAS, the Atlantic, Burlington, Central, FIRST, Mid Jersey, Monmouth, NJPHA, and Ocean JIFs have members subject to this deductible.

WHEREAS, the Executive Committees of these Joint Insurance Funds recognize that its members could bear a financial hardship in event of a “Named Storm” as a result of this deductible.

NOW, THEREFORE BE IT RESOLVED that the Board of Fund Commissioners of the **Municipal Excess Liability Joint Insurance Fund** resolves to act as a lead agency to administer an agreement amongst other members JIFs subject to the NAMED STORM DEDUCTIBLE RISK SHARING PROGRAM subject to the following provisions:

1. In the event of a covered loss subject to the NAMED STORM DEDUCTIBLE RISK SHARING PROGRAM, the JIFs that are parties to this agreement shall contribute to the total amount of the deductible pro rata based on each JIFs reported values for all properties subject to the NAMED STORM DEDUCTIBLE RISK SHARING PROGRAM. The reported values for all properties subject to the NAMED STORM DEDUCTIBLE RISK SHARING PROGRAM will be established in May of each year.
2. The first \$5,000 of loss from each member location shall not be subject to this sharing provision.
3. This sharing provision shall be subject to only insured property at insured locations.
4. To be eligible for reimbursement under this agreement, the member shall file a claim with FEMA and the reimbursement under this agreement shall be reduced by the amount of the FEMA reimbursement.
5. This agreement is contingent on the JIFs joining the agreement, adopting a mutually acceptable indemnification agreement and upon the MEL adopting an appropriate resolution agreeing to be the lead agency to administer this agreement.

**Municipal Excess Liability
Joint Insurance Fund:**

Attest:

Chairman

Secretary

RESOLUTION NO. #7-23

RESOLUTION OF THE MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND TO ESTABLISH REMOTE MEETING PROCEDURES APPLICABLE DURING A DECLARED STATE OF EMERGENCY

WHEREAS, on March 9, 2020 in response to COVID-19, Governor Phil Murphy issued Executive Order 103, which declared a state of emergency that has been extended by the Governor and remains in full force to this day; and

WHEREAS, by way of additional Executive Orders, the Governor has established extensive social distancing protocols to protect the health, safety and welfare of New Jersey citizens; and

WHEREAS, in accordance with the Executive Orders relating to COVID-19 and the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq. (“OPMA”), local government units, including the Municipal Excess Liability Joint Insurance Fund (“Fund”), have continued to hold public meetings via remote platforms to ensure the continued operation of local government with participation by the public, in a way that limits public health risk; and

WHEREAS, in March 2020, the New Jersey Department of Community Affairs, Division of Local Government Services (“DLGS”) issued “Local Operational Guidance – COVID-19: Guidance for Remote Public Meetings in New Jersey,” which provided specific guidance regarding holding remote public meetings under the OPMA; and

WHEREAS, on September 24, 2020, the DLGS issued Local Finance Notice 2020-21 (“LFN 2020-21”), which provided a synopsis of newly promulgated emergency regulations N.J.A.C. 5:39-1.1 through 1.7, which establish standard protocols for remote public meetings governed by the OPMA and held during a Governor-declared state of emergency; and

WHEREAS, LFN 2020-21 additionally stated that the emergency regulations presently in effect are proposed for permanent adoption in the October 19, 2020 New Jersey Register, with comments submitted no later than November 18, 2020; and

WHEREAS, under emergency regulation N.J.A.C. 5:39-1.4(h), a local government unit is required to adopt by resolution standard procedures and requirements for public comment made during remote public meetings, as well as for public comments submitted in writing ahead of the remote public meeting.

NOW THEREFORE BE IT RESOLVED that the Executive Director’s Office of the Fund, does hereby resolve and agree to adopt the following procedures regarding public comments during remote public meetings:

1. Public comments for a remote public meeting shall be limited to 5 minutes for each speaker and may be made during the designated public comment section of the meeting or submitted in writing to the Executive Director’s Office of the Fund no later than four (4) hours prior to published start time of the remote meeting. Written public comments must be emailed to the Executive Director’s Office at: catek@permainc.com & nancyg@permainc.com or mailed to the Executive Director’s Office at: 9 Campus Drive – Suite 216, Parsippany, NJ 07054. Written public comments may not be submitted via any other form of electronic

communication.

2. Written public comments submitted via email or mail must include the individual's name, full address and contact information (telephone number and/or email address), as the Executive Director's Office reserves the right to verify the submitter's identity.
3. Written public comments submitted in accordance with this resolution shall be read into the remote meeting record at the end of the last public comment section, subject to the time limit in place for in-person comments. Written public comments containing profanity or vulgarity will not be read into the record. The chair and/or presiding officer of the remote meeting reserves the right to read similar or duplicative comments into the record in a summary fashion and will do so uniformly for all similar/duplicative comments.
4. Members of the public who submit written public comments regarding a specific agenda item that is scheduled for public hearing (such as a budget or bylaws amendment, etc.), should designate the agenda item and title to which their written public comments apply. Written public comments received after the four (4) hour deadline set forth by this resolution will not be read into the record or become part of the meeting record.
5. The procedures and requirements for making public comments during a remote meeting, along with an explanation of the audio muting function of the electronic communications platform being used, shall be announced at the beginning of the remote public meeting.
6. With respect to public participation at a remote public meeting, the following procedures shall be incorporated:
 - a. A member of the public who has submitted written comments prior to the meeting in accordance with this resolution, attends the remote public meeting, and wishes to participate during the public comment portion, will be deemed and treated as having already had the floor once.
 - b. If a member of the public disrupts a remote public meeting, the chair and/or presiding officer of the remote public meeting shall facilitate a dialogue with that member of the public to the extent reasonably permitted by the electronic communications technology.
 - c. The chair and/or presiding officer of the meeting shall mute or continue muting, or direct appropriate staff to mute or continue muting, the disruptive member of the public and warn them that continued disruption may result in their being prevented from speaking during the remote public meeting or removed from the remote public meeting. Disruptive conduct includes sustained inappropriate behaviors such as, but not necessarily limited to, shouting, interruption and use of profanity.
 - d. A member of the public who continues to act in a disruptive manner after receiving an initial warning shall be muted while other members of the public are allowed to proceed with their questions or comments. If time permits, the disruptive individual shall be allowed to speak after all other members of the public have been given the opportunity to make comment. Should the person remain disruptive, the individual may be muted or kept on mute for the remainder of the remote public meeting, or removed from the remote public meeting.

- e. The chair and/or presiding officer of the remote meeting shall reserve the right to take necessary action to protect the rights of the public to participate in the remote public meeting.
7. If this resolution conflicts with any other policy or procedures of the Fund, the terms herein shall prevail.

This Resolution shall take affect immediately.

Chairman

Secretary

RESOLUTION No. #8-21
MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND
AUTHORIZING THE AWARD OF PROFESSIONAL SERVICES CONTRACT TO THE
CLEARBROOK TO SERVE AS THE FUND’S ASSET MANAGER; BANK OF NEW YORK
FOR CUSTODIAL SERVICES AND ACCOUNTING AND NW FINANCIAL SERVICES AS
FINANCIAL ADVISOR

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 Asset Manager, Custodian and Financial Advisor; and

WHEREAS, the ad-hoc sub-committee reviewed all responses and conducted interviews and recommends appointing Clearbrook Investment Consultants as the Asset Manager, Bank of New York for Custodial Services and JCMI Accounting and NW Financial Services as Financial Advisor at a fee of 3 basis points

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 **Clearbrook Investment Consultants** in an amount of 7 basis points of the market value of the FUND’s invested assets to serve as the Asset Manager; and
2. The Fund hereby awards and authorizes execution of a professional service agreement with **Bank of New York** in an amount of 3 basis points of the market value of the FUND’s invested assets to serve as the Custodian; and
3. The Fund hereby awards and authorizes execution of a professional service agreement with **NW Financial Services** in an amount of 3 basis points of the market value of the FUND’s invested assets to serve as Financial Advisor, and
4. These contracts are awarded for a 1-year term effective March 27, 2021.
5. These contracts are awarded without competitive bidding as a professional services contract in accordance with the provisions of the Local Public Contracts Law at N.J.S.A.40A:11-5.
6. Notice of this action shall be published as required by law.
7. A copy of this resolution shall be provided to the Fund Treasurer.
8. 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.

Chairman

Dated

Secretary

Dated

RESOLUTION #9-21
of the
MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

WHEREAS, the Municipal Excess Liability Joint Insurance Fund (hereinafter the Fund), finds it necessary for the proper conduct and order of business that official depositories for the Fund be designated and named; and

WHEREAS Investors Bank for Banking Manager - at an earnings rate based on a combined average balance of \$20,000,000 of participating joint insurance funds which will earn the higher end federal funds rate less .25% with a floor of .50%. - is hereby proposed by the Board of Fund Commissioners as the official designated depository in accord with N.J.S.A. 40A:11-5-15.1(f)

NOW, THEREFORE, BE IT RESOLVED, by the Municipal Excess Liability Joint Insurance Fund, that Investors Bank for Banking Manager - at an earnings rate based on a combined average balance of \$20,000,000 of participating joint insurance funds which will earn the higher end federal funds rate less .25% with a floor of .50%. - is hereby approved by the Board of Fund Commissioners as the official designated depository in accord with N.J.S.A. 40A:11-5-15.1(f) and that sums so deposited may be withdrawn upon a check, draft or order of the Board of Fund Commissioners; and

BE IT FURTHER RESOLVED that a certified copy of this Resolution, duly executed, be delivered to the proper officers of Investor Bank

ADOPTED:
this day before the Governing Body:

Chairman

date

Secretary

date

Resolution #10-21
MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND
RESOLUTION AUTHORIZING AN AGREEMENT FOR PROFESSIONAL SERVICES
WITH SEAN P. CANNING, QPA OF THE CANNING GROUP LLC

WHEREAS, the Municipal Excess Liability Joint Insurance Fund (Hereinafter the Fund) has a need for a Qualified Purchasing Agent duly licensed through the State of New Jersey as a professional services agreement in accord with N.J.S.A. 40A:11-5; and

WHEREAS Sean P. Canning, QPA of The Canning Group LLC, has submitted a proposed contract indicating that he will provide the professional services; and

WHEREAS the availability of funds for said Professional Services Contract to be awarded herein have been certified by the Treasurer; and

WHEREAS, the Local Public Contract Law (N.J.S.A. 40A:11-1, et seq.) requires that the Resolution authorizing the award of contract for Professional Services without competitive bidding and the contract itself must be available for public inspection; and

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

1. That Sean P. Canning, QPA of The Canning Group LLC is hereby appointed as the Qualified Purchasing Agent for the Fund in the amount of \$15,000.00

Chairman

Dated

Secretary

Dated

Resolution #11-21

AUTHORIZING THE AWARD OF AN INTERLOCAL AGREEMENT TO STATE UNIVERSITY OF RUTGERS - BLOUSTEIN LOCAL GOVERNMENT RESEARCH CENTER TO PERFORM SPECIAL CYBER LIABILITY RISK MANAGEMENT RELATED GUIDANCE AND RESOURCE INFORMATION SERVICES FOR THE MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

WHEREAS, the Uniform Shared Services and Consolidation Act, *N.J.S.A. 40A:65-1 et seq.* (the “Act”), authorized local units of this State to enter into agreements with any other local unit or units to provide or receive any service that each local unit participating in the agreement is empowered to provide or receive in its own jurisdiction; and

WHEREAS, the Municipal Excess Liability Joint Insurance Fund and the Bloustein Local Government Research Center (State University of Rutgers) are desirous to enter an Interlocal Services agreement to provide Cyber Liability Guidance and Resource Information Services; and

WHEREAS, the Municipal Excess Liability Joint Insurance Fund and the Bloustein Local Government Research Center (State University of Rutgers) have reached an agreement for an hourly rate of \$150 not to exceed \$15,000 as to the terms and conditions associated with said agreement; and

WHEREAS, it is in the best interest of both entities to enter into this Interlocal Services Agreement for the period beginning January 1, 2021 and terminating December 31, 2021.

NOW, THEREFORE, BE IT RESOLVED by the Board of Fund Commissioners of the Municipal Excess Liability Joint Insurance Fund do hereby authorize the execution of an Interlocal Agreement between Municipal Excess Liability Joint Insurance Fund and the Bloustein Local Government Research Center (State University of Rutgers) to provide Cyber Liability Guidance and Resource Information Services; and

BE IT FURTHER RESOLVED that a certified copy of this Resolution, duly executed, be delivered to the proper officers of Bloustein Local Government Research Center (State University of Rutgers)

ADOPTED:

this day before the Governing Body:

Chairman

date

Secretary

date

**RESOLUTON #12-21
AUTHORIZING THE AWARD OF A PROFESSIONAL SERVICES
CONTRACT WITHOUT COMPETITIVE BIDDING TO THOMAS J.
GERMINARIO, ESQ,
TO PERFORM SPECIAL LEGAL COUNSEL SERVICES FOR THE
MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND IN
CONNECTION WITH LAND USE MATTERS**

WHEREAS, there exists a need for special legal counsel services to be rendered to the Municipal Excess Liability Joint Insurance Fund (“MEL”) in connection with land use matters; and

WHEREAS, the MEL wishes to retain Thomas J. Germinario, Esq. to perform such services; and

WHEREAS, the fee for services under this contract shall be \$180 per hour, not to exceed a total of \$7,000; and

WHEREAS, funds are available for this purpose; and

WHEREAS, the Local Public Contracts Law (N.J.S.A. §40A:11-1 et seq.) requires that the resolution authorizing the award of contract for professional services without competitive bids 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 that:

1. A contract with Thomas J. Germinario, Esq. is awarded without competitive bidding as a professional service in accordance with N.J.S.A. 40A:11-5(1)(a)(i) of the Local Public Contracts Law because the contract is for a service performed by a person authorized by law to practice a recognized profession that is regulated by law.
2. Thomas J. Germinario, Esq. shall provide special legal counsel services to the MEL in connection with land use matters.
3. A notice of this action shall be printed once in the legal newspaper of the MEL as required by law.
4. A copy of this Resolution shall be provided to Fund Treasurer and to Thomas J. Germinario, Esq., 154 Route 206 S, Chester, NJ 07930, for their information and guidance.

This Resolution shall take effect immediately.

ADOPTED this day:

Chairman

date

Secretary

date

**MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND
BILLS LIST**

Resolution No. 13-21

JANUARY 2021

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.

<u>FUND YEAR 2018</u>			
<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002563			
002563	BLOUSTEIN SCHOOL OF PLANNING	TECH MNGMNT & CYBERSEC GUID 2018	437.50
			437.50
		Total Payments FY 2018	437.50
<u>FUND YEAR 2019</u>			
<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002564			
002564	BLOUSTEIN SCHOOL OF PLANNING	TECH MNGMNT & CYBERSEC GUID 2019	875.00
			875.00
		Total Payments FY 2019	875.00
<u>FUND YEAR 2020</u>			
<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002565			
002565	CB CLAIMS LLC	CLAIM 12/20	37,324.40
			37,324.40
002566			
002566	J. A. MONTGOMERY RISK CONTROL	EMPLOYEE REP TRAINING 10.15.20	1,113.60
002566	J. A. MONTGOMERY RISK CONTROL	REVISED VOUCHER 12.28.20	-75.00
			1,038.60
002567			
002567	PERMA	REIMB DOMAIN NAME FOR NJSI	130.65
002567	PERMA	POSTAGE 8/20	52.20
002567	PERMA	POSTAGE 11/20	5.90
			188.75
002568			
002568	BAKER TILLY VIREHOW KRAUSE LLP	PROFESSIONAL SERVICES 1.22.20	5,000.00
002568	BAKER TILLY VIREHOW KRAUSE LLP	PROFESSIONAL SERVICES 1.22.2019	225.00
002568	BAKER TILLY VIREHOW KRAUSE LLP	PROFESSIONAL SERVICES 11.22.20	225.00
			5,450.00
002569			
002569	NJ ADVANCE MEDIA	ACCT#1000867512 - AD - 12.8.20	48.05
			48.05
002570			
002570	CITY OF NORTH WILDWOOD	REIMBURSE POL ACCRED 3/20	1,000.00
			1,000.00
002571			
002571	BLOUSTEIN SCHOOL OF PLANNING	TECH MNGMNT & CYBER SEC GUIDE 2020	2,281.25
			2,281.25
		Total Payments FY 2020	47,331.05
<u>FUND YEAR 2021</u>			
<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002572			
002572	FIRSTNET LEARNING, INC.	COURSE CREDITS 12.4.20	25,000.00
			25,000.00
002573			
002573	PERMA	RETURN OF LOM BOOTH DEPOSIT 2020	-1,600.00
002573	PERMA	EXEC DIRECTOR FEE 1/21	113,585.44
			111,985.44
002574			
002574	DORSEY & SEMRAU ESQ.	1ST QTR RETAINER 2021	10,924.20
002574	DORSEY & SEMRAU ESQ.	1ST QTR RETAINER OPRA 2021	4,681.75
			15,605.95
002575			
002575	ARTHUR J. GALLAGHER RMS, INC.	REINSURANCE MNGR 1/21	26,485.42
			26,485.42
002576			
002576	THE ACTUARIAL ADVANTAGE	ACTUARY FEE 1/21	4,345.00
			4,345.00
002577			
002577	CONNER STRONG & BUCKELEW	UNDERWRITING 1/21	45,866.00
			45,866.00
		Total Payments FY 2021	229,287.81
		TOTAL PAYMENTS ALL FUND YEARS	277,931.36

Chairperson

Attest:

Dated:

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

Treasurer

**MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND
SUPPLEMENTAL BILLS LIST**

Resolution No. 14-21

JANUARY 2021

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.

<u>FUND YEAR 2020</u>			
<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002578			
002578	CONNER STRONG & BUCKELEW	POLICY #: ERP9806157-09	10,958,400.00
002578	CONNER STRONG & BUCKELEW	EXCESS PROP - DIFF IN COND 2020	916,874.60
			11,875,274.60
002579			
002579	DORSEY & SEMRAU ESQ.	MEL EPL ROLLOFF 12/20	466.03
002579	DORSEY & SEMRAU ESQ.	MEL SPEC LITIGATION 12/20	4,462.64
			4,928.67
002580			
002580	DUGHI, HEWIT & DOMALWESKI, P.C.	COVERAGE COUNSEL 1.4.21	1,209.00
			1,209.00
002581			
002581	THE CANNING GROUP LLC	QPA SERVICES 12/20	1,250.00
			1,250.00
002582			
002582	LaMENDOLA ASSOCIATES, INC.	TRAINING 12/20	624.24
002582	LaMENDOLA ASSOCIATES, INC.	CONSULTATION 12/20	1,995.12
			2,619.36
		Total Payments FY 2020	11,885,281.63
<u>FUND YEAR 2021</u>			
<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002583			
002583	CONNER STRONG & BUCKELEW	EXCESS CYBER - 2021	695,250.00
			695,250.00
002584			
002584	CONNER STRONG & BUCKELEW	NONOWNED AIR - END AMER INS COMP 2021	39,480.00
			39,480.00
002585			
002585	CONNER STRONG & BUCKELEW	OPTIONAL EX LIAB - ACE AM INS COMP 2021	235,133.00
			235,133.00
002586			
002586	CONNER STRONG & BUCKELEW	OPT EX LIAB - MUNICH RE 2021	2,361,333.00
			2,361,333.00
002587			
002587	CONNER STRONG & BUCKELEW	EX WC SNCC 2021	1,091,558.00
			1,091,558.00
002588			
002588	CONNER STRONG & BUCKELEW	OPT EX POL/EPL REINS - MUNICH RE 2021	869,841.00
			869,841.00
002589			
002589	NEWTECH SERVICES, INC.	STREAMED VID-DEDICATED SERVER 1.1.21	77.00
			77.00
		Total Payments FY 2021	5,292,672.00
		TOTAL PAYMENTS ALL FUND YEARS	17,177,953.63

Chairperson

Attest:

Dated:

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

Treasurer

RESOLUTION 15-21

RESOLUTION AUTHORIZING THE AWARD OF A PROFESSIONAL SERVICES CONTRACT WITHOUT COMPETITIVE BIDDING TO BROWN & CONNERY, LLP TO PROVIDE SPECIAL LEGAL COUNSEL SERVICES FOR THE MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

WHEREAS, there exists a need for special legal counsel services to be rendered to the Municipal Excess Liability Joint Insurance Fund (MEL) in connection with certain pending litigation of critical importance to the MEL; and

WHEREAS, Richter v. Oakland Board of Education, 459 N.J. Super. 400 (App. Div. 2019), on appeal before the New Jersey Supreme Court, involves whether New Jersey Law Against Discrimination (“LAD”) claims filed by an employee against an employer for workplace bodily injuries are subject to the exclusive remedy provision of the Worker’s Compensation Act (“WCA”), and whether the employee making such LAD claims must prove an intentional wrong pursuant to the WCA; and

WHEREAS, the MEL wishes to retain Brown & Connery, LLP to submit an amicus brief advocating that such claims are subject to the WCA’s exclusive remedy provisions and that the employee must meet the intentional wrong standard, to avoid an inevitable increase in LAD claims and potential inequitable double recovery under both the WCA and LAD; and

WHEREAS, advocating this position on behalf of the MEL is of critical importance to the MEL’s public entity members; and

WHEREAS, the fee for services under this contract shall be a flat rate of \$10,000, in accordance with Brown & Connery, LLP’s proposal dated October 22, 2020; and

WHEREAS, the Chief Financial Officer of the MEL has certified that funds are available for this purpose; and

WHEREAS, the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq., requires that the resolution authorizing the award of contracts for “Professional Services” without competitive bids 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 that:

1. A contract with Brown & Connery, LLP is awarded without competitive bidding as a “Professional Service” in accordance with N.J.S.A. 40A:11-5(1)(a) of the Local Public Contracts Law because the contract is for a service performed by a person(s) authorized by law to practice a recognized profession that is regulated by law.

2. Brown & Connery, LLP shall provide special legal counsel services to the MEL as set forth in its proposal of October 22, 2020.

3. A notice of this action shall be printed once in the legal newspaper of the MEL as required by law.

4. A copy of this Resolution shall be provided to the MEL's Chief Financial Officer, and to Brown & Connery, LLP, 360 Haddon Avenue, Westmont, NJ 08108, for their information and guidance.

This Resolution shall take effect immediately.

ADOPTED this day:

Chairman

date

Secretary

date