

Memorandum

MEL Underwriting Manager Team

CONNER
STRONG &
BUCKLEW

The Underwriting Manager wants to release a reminder to all MEL members and Risk Management Consultants in preparation of the 2022 renewal. All exposure collection items noted below are already included in Origami, but we want to make special note of these critical items.

Underwriting Information

- ✓ **Property** – COPE (Construction Occupancy Protection Exposure) information for buildings has never been more valuable to the MEL than it is in the current environment. Critical items are square footage, number of stories, occupancy, construction and sprinklers. Buildings over \$10 million without sprinkler information may not receive coverage. Members should review their Property schedules to ensure all buildings are accurately listed.
- ✓ **Vehicles** – Please remember the valuation provision for emergency vehicles has shifted the vehicle age from 15 years to 10 years, whereby any vehicles under 10 years receive Replacement Cost and any over 10 years receive the lesser of Replacement Cost or Scheduled Value. As such, please ensure the valuations are updated to reflect such.
- ✓ **Liability** – Two growing and crucial exposures we need to be aware of are Aging Infrastructure and Sexual Abuse/Molestation.
 - **Aging Infrastructure** – Bridges and Dams are required by state/federal regulations to be inspected every 2-4 years, and all of the underwriting information needed is included in such reports. Be sure to schedule the Dams and Bridges (and answer Dam questionnaire) and provide the most recent reports.
 - **Sexual Abuse/Molestation** – While Sexual Abuse/Molestation is a concerning exposure all around, the most emphasis is on programs involving minors. Ensure you provide the data points on member-sponsored programs involving minors, such as type of program, number of minors and number of staff. It is also important to perform background checks and give training to staff.
- ✓ **Workers' Compensation** – As requested in the past, please ensure you are making note of what locations employees are assigned. This is especially important for locations with over 100 employees.
- ✓ **Cyber** – We need to provide a complete picture of cybersecurity controls as the exposure continues to grow and the insurance market for Cyber continues to drastically contract/harden. The Cyber Questionnaire must be completed by all regardless of response to each item. The most critical items requested by insurers are Multi-Factor Authentication for any remote access, offline back-ups, endpoint detection and prevention, and employee training.
- ✓ **Statutory Bonds** – The MEL has a special underwriting procedure for certain positions requiring statutory bonds; all others are automatically covered. Such positions are Treasurer, Tax Collector, Utility Collector, Library Treasurer and Chief Financial Officer (ONLY if assuming the role of a Treasurer). Renewal applications are required every three years aligning with the member's renewal with the JIF.

Memorandum

MEL Underwriting Manager Team

CONNER
STRONG &
BUCKELEW

Other Reminders

All of the following items are in our MEL Coverage Bulletins:

<https://njmel.org/insurance/coverage/coverage-bulletins/>

- ✓ **Fireworks & Amusements** – The MEL has a special underwriting program of approving any member-sponsored firework displays and amusement rides. No coverage is provided without such approval, and your submission should be provided well in advance of the event (not the day before).
- ✓ **Skateboard Parks** – The MEL excludes skateparks until formal underwriting review is conducted, which begins during the design phase.
- ✓ **Vacant Property** – Please be reminded, Vacant Properties are only covered for Actual Cash Value unless otherwise formally requested and favorably reviewed by the JIF. Debris Removal Only and Replacement Cost are available after review.
- ✓ **Builder's Risk** – Any projects with new square footage qualify for Builder's Risk. All such projects over \$10m project value must be separately underwritten, so submit the application early.
- ✓ **Shared Services** – Shared Service Agreements are a great tool, but we must remember that these are still service contracts. If you are receiving a professional service, such as Information Technology (IT) or Accounting/Finance, you should be requesting evidence of Professional Liability coverage to protect you from financial harm.
- ✓ **Renewal Certificates** – Renewal certificates are released in December. As such, it is crucial to review your Certificate Holder lists now.
- ✓ **Automobile ID Cards** – The quantity of Auto ID Cards issued per member is determined based upon your schedule of vehicles in Origami. Ensure your records are updated to reflect all active Vehicles.
- ✓ **Contact Information** – All renewal documents are distributed based upon the contact information in Origami. Ensure your records are updated so documents are sent to the appropriate place.
- ✓ **Special Flood Hazard Area (SFHA)** – The JIF does not determine flood zones and has coverage limitations for locations within SFHAs. Specifically, the member's deductible in an SFHA is the maximum available limit from the NFIP, which is typically \$500,000.

Conner Strong & Buckelew

Insurance, Risk
Management
& Employee Benefits

Camden, New Jersey
1-877-861-3220
connerstrong.com



CONTACT

CONNER
STRONG &
BUCKELEW

Edward Cooney

VP, Account Executive
Underwriting Manager
973-659-6424

ecooney@connerstrong.com

Jonathon Tavares

Account Manager
856-614-4493

jtavares@connerstrong.com

Crystal Chuck

Account Analyst
856-479-2115

cchuck@connerstrong.com

Rachel Perry

Technical Assistant
856-479-2128

rperry@connerstrong.com