

**MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND**

**OPEN MINUTES**

**SEPTEMBER 7, 2022**

**FORSGATE COUNTRY CLUB, MONROE NJ – 11:15 AM**

Chairwoman Tozzi called the meeting to order and read the statement of compliance open public meeting act.

**ROLL CALL OF 2022 BOARD OF FUND COMMISSIONERS**

Joy Tozzi	Township of Robbinsville - Mid-Jersey JIF	Present
Paul Tomasko	Borough of Alpine – Bergen JIF	Present
Robert Law	Woodbury City - Trico JIF	Present
Greg Franz	Edgewater – South Bergen JIF	Present
Richard Hirsch	Borough of Longport - Atlantic JIF	Present
Joseph Wolk	Borough of Mount Ephraim- Camden JIF	Present
Tom Merchel	Township of Moorestown- PMM JIF	Present
Charles Cuccia	Township of Little Falls – Sub Metro JIF	Present
Thomas Nolan	Borough of Brielle - Monmouth JIF	Present
Bernard Rutkowski	NJUA JIF – Toms River MUA	Absent
John Clarke	New Brunswick Housing Authority- PHA JIF	Absent
Veronica Laureigh	Township of Lacey – Ocean JIF	Present
William Northgrave	Township of Edison – Central JIF	Present
Megan Champney	City of Summit- Suburban Municipal JIF	Absent
Kevin Davis	Hunterdon County – PAIC JIF	Absent
Meghan Jack	Riverside Twp- Burlco JIF	Absent
Steven Scholey	Bordentown Fire Company - District #1- FRESP JIF	Present
Joseph Zanga	Borough of South River – Middlesex JIF	Absent
Adam Brewer	Pequannock Township – Morris JIF	Absent
Brian McNeilly – Morris JIF Alternate	Stanhope Borough – Morris JIF	Present
James Ulrich	Clark Township – NJSI JIF	Absent
Sherry Sims	Boonton Housing Authority*	Absent

*\*Special Commissioner – to vote in the event of a tie vote.*

**APPOINTED OFFICIALS PRESENT:**

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

Excess Liability Claims Administrator	CB Claims LLC <b>Christopher Botta</b>
Underwriting Manager	Conner Strong & Buckelew <b>Edward Cooney</b>
Lobbyist	Pathways <b>Paul Bent</b>
Managed Care	QualCare <b>Lisa Gallo</b>
Marketing Coordinator	Acrisure <b>Amy Pieroni, Lindsay Travali</b>
Strategic Planning/ Management Supervisory Consultant	LaMendola Associates <b>Clark LaMendola</b>

**ALSO PRESENT:**

Kellie Seib, Atlantic JIF Commissioner – Sea Isle City  
Leonard Grilletto, JIF Commissioner – Plumsted Twp.  
John Casagrande, Danskin Agency  
Chuck Casagrande, Danskin Agency  
Frank Covelli, P.I.A  
Bob Landolfi, Landolfi Associates  
Ezio Altamura, GJEM Otterstedt  
Chuck Hartsoe, PEGAS  
Robyn Walcoff, PERMA Risk Management Services  
Pauline Kontomanolis, PERMA Risk Management Services  
Brad Stokes, PERMA Risk Management Services  
Jennifer Conicella, PERMA Risk Management Services  
Sandra Cantwell, PERMA Risk Management Services  
Barbara Murphy, RLM  
Steve Sacco, PERMA Risk Management Services  
Rich Erickson, First Environment

**MINUTES:** Included in the agenda were the open minutes of June 2, 2022.

**MOTION TO APPROVE JUNE 2, 2022 OPEN MINUTES:**

Moved:	Commissioner Laureigh
Second:	Commissioner Tomasko
Vote:	Unanimous

**CORRESPONDENCE:**

NONE

**SPECIAL ACKNOWLEDGEMENTS:** Executive Director took a moment to acknowledge the time and service of Joseph Catenaro – Suburban Metro JIF Commissioner since January 2020 and presented him with a token of appreciation. Mr. Catenaro said it has been a privilege and an honor to work with the Board members and professionals. Commissioner Cuccia will replace him as the Suburban Metro representative, Greg Franz replaces Commissioner Cuccia as the South Bergen JIF Commissioner. Executive Director said Commissioner Hirsch notified the Fund office he would be retiring at the end of November.

**CYBER JOINT INSURANCE FUND:** Executive Director said the MEL submitted an initial filing of the necessary documents for approval of the formation of the Cyber Joint Insurance Fund; target date to be operational is 1/1/23. DOBI reviewed that filing and followed up for some additional information & clarification, which has been compiled for the second filing that was recently made. Executive Director said the MEL Underwriting Manager has been working with the Chertoff Group, who were awarded a contract in June to review the current program. Executive Director said a meeting of the Cyber Sub-Committee will be scheduled to review revised minimum standards and coverage recommendations for the new JIF. Underwriting Manager added that he has scheduled a webinar for members on September 15th to outline modifications to minimum standards.

**JIF MEMBERSHIP RENEWALS:** The NJPHA JIF and First Responders JIFs are set to renew their 3-year membership on 1/1/2024. The other eighteen local JIFs renewed on 1/1/2022 or 7/1/2022. Middlesex JIF has a 1-year membership, which expires 12/31/22.

**SAFETY & EDUCATION:** Committee met on August 19<sup>th</sup>; included in the agenda were the minutes for information. J.A. Montgomery is working with BIS on the implementation of the new Learning Management System – which will be functional as of January 2023.

**LEGISLATIVE COMMITTEE:** Committee met on July 13<sup>th</sup>; included in the agenda were the minutes for information. The next meeting is scheduled for November 16, 2022 at 10:30 AM at the Sheraton Hotel, Atlantic City, NJ.

**INVESTMENT COMMITTEE:** Committee met on June 23<sup>rd</sup>; included in the agenda were the minutes for information.

**COVERAGE COMMITTEE:** Coverage committee met on July 26, 2022; included in the agenda were the minutes for information.

The Claims Review Committee has been debating the best way to manage these costs & asked the Coverage Committee to review. Coverage Committee reviewed over multiple meetings and recommends the following:

**Vehicles (Rental Reimbursement)**

The Member JIFs and MEL JIF provide Rental Reimbursement coverage. Claims will be adjusted based upon the current standard Insurance Services Office (ISO) language approved in New Jersey at the time of loss (CA 99 23 10 13 and as updated). The following limits of insurance shall apply:

- Per Occurrence: \$100,000
- Monthly Aggregate, Per Occurrence: \$10,000
- Member Coinsurance: 20%

Underwriting Manager said the rental costs have been escalating and noted there are opportunities for members to enter into shared services arrangements with other towns to meet the temporary need for use of vehicles while repairs are underway.

**MOTION TO ACCEPT THE RECOMMENDATIONS OF THE COVERAGE COMMITTEE AS PRESENTED:**

- Moved: Commissioner Tomasko
- Second: Commissioner Wolk
- Roll Call Vote: 13 Ayes – 0 Nays

**RCF REPORT:** Included in the agenda was a copy of Commissioner Clarke’s report of the RCF June meeting.

**MARKETING COMMITTEE:** Committee is finalizing their next meeting – likely to be October 7<sup>th</sup>.

**CLAIMS COMMITTEE:** The Claims Review Committee met on June 2<sup>nd</sup>; minutes of these meetings are sent to the full MEL Board separately from the agenda. Committee is scheduled to meet immediately following today’s meeting.

**LEAGUE ARTICLES:** Included in the agenda were two articles to be published in upcoming League magazines. The first is authored by Secretary Paul Tomasko and Commissioner Cuccia and discusses the inflationary pressures on 2023 insurance budgets. The second is by MEL Chairwoman Joy Tozzi and Ed Cooney, Underwriting Manager concerning cyber risk management.

**POWER OF COLLABORATION:** Enclosed in the agenda was the latest in a series of Power of Collaboration advertisement to be published in the League of Municipalities magazine. The ad highlights the \$3.6 billion savings provided to NJ Taxpayers while responding to the impacts of Covid-19, cost incurred from natural disasters and legislative challenges.

**UNDERWRITING MANAGER:**

**REPORT:** Underwriting Manager submitted a verbal report that 2023 renewal negotiations are underway and more information will be provided at the next meeting.

**TREASURER:** Included as part of the Treasurer’s reports were confirmation of payments from June, July and August, September payment as Resolution 33-22, Claims Payments/Certification of Transfers for May, June and July. Also included was the Joint Cash Management & Investment (JCMI) 2<sup>nd</sup> Quarter 2022 Review.

**CONFIRMATION OF PAYMENTS**

June 2022 Supplemental	\$5,575,826.09
June 2022 Supplemental #2	\$1,500.00
July 2022	\$1,543,402.12
August 2022	\$4,975,176.10

**RESOLUTION 33-22 FOR SEPTEMBER 2022 VOUCHERS:**

September 2022	\$823,718.37
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**CONFIRMATION OF MAY 2022 CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS TRANSFERS:**

<b>1988 WC</b>	22372.07
<b>CLOSED</b>	0.00
<b>2018</b>	59235.63
<b>2019</b>	501242.73
<b>2020</b>	14671.08
<b>2021</b>	2075577.17
<b>2022</b>	133033.78
<b>TOTAL</b>	<b>\$2,806,132.46</b>

**CONFIRMATION OF JUNE 2022 CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS TRANSFERS:**

<b>1988 WC</b>	20836.28
<b>CLOSED</b>	0.00
<b>2018</b>	323333.96
<b>2019</b>	26926.69

<b>2020</b>	24391.59
<b>2021</b>	344936.45
<b>2022</b>	221315.66
<b>TOTAL</b>	<b>\$961,740.63</b>

**CONFIRMATION OF JULY 2022 CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS TRANSFERS:**

<b>1988 WC</b>	137865.78
<b>CLOSED</b>	0.00
<b>2018</b>	922944.76
<b>2019</b>	126886.37
<b>2020</b>	118524.51
<b>2021</b>	70086.06
<b>2022</b>	6468.75
<b>TOTAL</b>	<b>\$1,382,776.23</b>

**MOTION TO CONFIRM PAYMENTS OF MAY 2022, JUNE 2022 AND JULY 2022; APPROVE SEPTEMBER 2022 BILLS LIST RESOLUTIONS 33-22 AND TO APPROVE TREASURER’S REPORT; CURRENT AND CONFIRMING EXPENSES AS PRESENTED:**

Moved: Commissioner Cuccia  
 Second: Commissioner Merchel  
 Roll Call Vote: 13 Ayes – 0 Nays

**CLAIMS – EXCESS WORKERS COMPENSATION:**

**REPORT:** Claims Administrator said there was nothing to report for this meeting.

**CLAIMS – EXCESS LIABILITY:**

**REPORT:** Claims Administrator said there was nothing to report for this meeting.

**ATTORNEY:**

**REPORT:** Fund Attorney said there was nothing to report for this meeting.

**MANAGED CARE:**

**REPORT:** Managed Care Provider submitted a Savings and Penetration Summary report as of July 2022. Report noted total charges of \$6.0 million, which were approved and repriced to \$1.8 million for a 70% savings.

**OLD BUSINESS:**

NONE

**NEW BUSINESS:**

**PROMOTION:** Executive Director Hrubash said in June 2022, the MEL Board accepted the recommendations of the Management Committee to provide additional claims supervision to respond to the increased workers’ compensation claims experience. Executive Director Hrubash reported Jennifer Conicella of PERMA Risk Management Services has been promoted to Workers’ Compensation Claim Supervisor to fill that need.

**PUBLIC COMMENT:**

NONE

**CLOSED SESSION:** Fund Attorney said there was a need for Closed Session to discuss three matters: 1) Negotiations with Safety National concerning 2020 Covid-19 Workers' Compensation Recovery, 2) MEL Membership of the Middlesex County Municipal Joint Insurance Fund and 3) Cyber situation that occurred during a JCFI bond repayment transaction.

Commissioner Northgrave indicated he would stay for discussion regarding Safety National and the JCFI but would recuse himself from any Closed Session discussion involving Middlesex. All other individuals were asked to vacate the room; only MEL Board members, Local JIF Executive Directors and PERMA staff were permitted to stay.

*Commissioner Northgrave left the meeting at 12:20PM; Commissioner Nolan left the meeting at 12:44PM.*

**MOTION TO RETURN TO OPEN SESSION:**

Moved: Commissioner Laureigh  
Second: Commissioner Merchel  
Vote: Unanimous

Fund Attorney summarized the actions needed based on Closed Session as follows:

- 1) Negotiations with Safety National concerning 2020 Covid-19 Workers' Compensation Recovery.** In March, the Fund extended its contract with Anderson Kill to work with the Fund in its recovery of Covid-19 claims from Safety National. Contract was not to exceed \$100,000. In order to keep the effort moving, actual costs in 2022 have reached \$197,000. Since the matter is not yet fully resolved, board agreed to increase the 2022 not to exceed amount to \$250,000. The bills list reflects the payment of \$197,000.

**MOTION TO APPROVE INCREASE TO ANDERSON KILL CONTRACT COMPENSATION TO NOT TO EXCEED COSTS TO \$250,000.**

Moved: Commissioner Wolk  
Second: Commissioner Laureigh  
Vote: 11 Ayes – 0 Nays

- 2) MEL Membership of the Middlesex County Municipal Joint Insurance Fund**

**RESOLUTION 34-22 AUTHORIZING VARIOUS ACTIONS TO ASSIST FORMER MEMBER OF THE MIDDLESEX COUNTY MUNICIPAL JOINT INSURANCE FUND THAT ARE CURRENT MEMBERS OF THE MUNICIPAL EXCESS LIABILITY JIF:**

Moved: Commissioner Tomasko  
Second: Commissioner Laureigh  
Vote: 11 Ayes – 0 Nays

**RESOLUTION 35-22 OF THE BOARD OF FUND COMMISSIONERS OF THE MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND AUTHORIZING THE TERMINATION AND/OR NONRENEWAL OF THE MIDDLESEX JOINT INSURANCE FUND:**

Moved: Commissioner Merchel  
Second: Commissioner Cuccia  
Vote: 11 Ayes – 0 Nays

- 3) Cyber situation that occurred during a JCFI bond repayment transaction.**

**MOTION TO AUTHORIZE THE OPERATING COMMITTEE OF THE JOINT CASH MANAGEMENT & INVESTMENT PROGRAM (JCFI) TO WORK WITH FUND ATTORNEY AT THE APPROPRIATE TIME TO FILE TERMINATION**

**NOTICE WITH CLEARBROOK/ASSET MANAGER AND AUTHORIZE THE JCMi OPERATING COMMITTEE TO SEEK/ENGAGE A QUALIFIED ASSET MANAGER, IF NECESSARY.**

Moved: Commissioner Merchel  
Second: Commissioner Tomasko  
Vote: 11 Ayes – 0 Nays

**MOTION TO ADJOURN:**

Moved: Commissioner Laureigh  
Second: Commissioner Merchel  
Vote: Unanimous

**MEETING ADJOURNED:** 12:55PM

**NEXT MEETING:** October 19, 2022 – 11:15AM  
Forsgate Country Club – Monroe, NJ

Nancy A. Ghani, Assisting Secretary

For

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PAUL TOMASKO, SECRETARY

# MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND BILLS LIST

Resolution No. 33-22

SEPTEMBER 2022

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

BE IT RESOLVED that the Municipal Excess Liability Joint Insurance Fund's Executive Board, hereby authorizes the Fund treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Fund.

**FUND YEAR 2021**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
003075			
003075	ANDERSON KILL PC	LITIGATION MGT 2021	48,445.00
003075	ANDERSON KILL PC	LITIGATION MGT 2021	53,806.00
003075	ANDERSON KILL PC	LITIGATION MGT 2021	16,959.50
003075	ANDERSON KILL PC	LITIGATION MGT 2021	7,166.50
003075	ANDERSON KILL PC	LITIGATION MGT 2021	36,522.00
003075	ANDERSON KILL PC	LITIGATION MGT 2021	34,830.50
			<b>197,729.50</b>
		<b>Total Payments FY 2021</b>	<b>197,729.50</b>

**FUND YEAR 2022**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
003024			
003024	FIRSTNET LEARNING, INC.	VOID & REISSUE	21,250.00
			<b>21,250.00</b>
003076			
003076	CONNER STRONG & BUCKELEW	RUTHERFORD BUILDERS RISK JUL-NOV 2022	6,047.07
			<b>6,047.07</b>
003077			
003077	QUALCARE, INC.	MANAGED CARE 9/22	46,454.38
			<b>46,454.38</b>
003078			
003078	QUAL-LYNX	XS WC TPA 9/22	56,464.45
003078	QUAL-LYNX	XS WC TPA 6/22	54,468.00
003078	QUAL-LYNX	COMPUTER ACCESS FEES 9/22	1,500.00
003078	QUAL-LYNX	PROP TPA 6/22	14,875.00
003078	QUAL-LYNX	PROP TPA 9/22	15,420.22
			<b>142,727.67</b>
003079			
003079	CB CLAIMS LLC	CLAIMS ADMIN 9/22	38,651.41
003079	CB CLAIMS LLC	DISBURSEMENTS 9/22	90.00
			<b>38,741.41</b>
003080			
003080	J. A. MONTGOMERY RISK CONTROL	MSI ADMIN 9/22	127,106.28
			<b>127,106.28</b>
003081			
003081	FIRSTNET LEARNING, INC.	MEL ELECTED OFFICIAL SEMINAR 2021-2022	250.00
003081	FIRSTNET LEARNING, INC.	MELJIF & FNL COURSE CREDITS	21,250.00
003081	FIRSTNET LEARNING, INC.	FNL COURSE CREDITS 2022	11,700.00
			<b>33,200.00</b>
003082			
003082	PERMA	MIDDLESEX ADJ 9/22	7,980.93
003082	PERMA	ADMIN FEE 9/22	115,857.15
			<b>123,838.08</b>
003083			
003083	MICHAEL S. ZAMBITO	TREASURER Q3 2022	6,675.26
			<b>6,675.26</b>
003084			
003084	VISTA CONVENTION SERVICES	MEL BOOTH # 1136 - LOM 2022	1,571.10
			<b>1,571.10</b>
003085			
003085	DORSEY & SEMRAU ESQ.	LINDEN HA 6/22	279.00
003085	DORSEY & SEMRAU ESQ.	MEL SPECIAL LITIGATION 6/22	5,337.11



003085	DORSEY & SEMRAU ESQ.	MEL EPL ROLLOFF 6/22	127.80
			<b>5,743.91</b>
003086	PRINCETON STRATEGIC COMMUNICATIONS GROUP LLC	MARKETING & APP FEE 8/22	5,922.33
003086			<b>5,922.33</b>
003087	ARTHUR J. GALLAGHER RMS, INC.	REINSURANCE MGR 9/22	27,015.14
003087			<b>27,015.14</b>
003088	THE ACTUARIAL ADVANTAGE	ACTUARY 9/22	4,686.64
003088			<b>4,686.64</b>
003089	ACCESS	ARC SERVICE & STORAGE 5.31.22	287.43
003089			<b>287.43</b>
003090	CONNER STRONG & BUCKELEW	UNDERWRITING MGR 9/22	46,784.00
003090			<b>46,784.00</b>
003091	PATHWAYS GOVERNMENT RELATIONS	GOV RELATIONS SERVICES JULY-SEPT 2022	6,938.17
003091			<b>6,938.17</b>
003092	MARGATE CITY	REIMB. COMPLETION OF POLICE ACCRED 6/22	1,000.00
003092			<b>1,000.00</b>
003093	THE CANNING GROUP LLC	QPA 8/22	1,250.00
003093			<b>1,250.00</b>
		<b>Total Payments FY 2022</b>	<b>625,988.87</b>
		<b>TOTAL PAYMENTS ALL FUND YEARS</b>	<b>\$823,718.37</b>

\_\_\_\_\_  
Chairperson

Attest:

Dated:

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

\_\_\_\_\_  
Treasurer