

**MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
OPEN MINUTES**

**SEPTEMBER 15, 2023 – 11:15AM**

**FORSGATE COUNTRY CLUB – MONROE TWP, NJ**

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

**ROLL CALL OF 2023 BOARD OF FUND COMMISSIONERS**

Joy Tozzi	Township of Robbinsville - Mid-Jersey JIF	Present
Paul Tomasko	Borough of Alpine – Bergen JIF	Present
Greg Franz	Edgewater – South Bergen 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	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	Present
Megan Champney	City of Summit- Suburban Municipal JIF	Present
Kevin Davis	Hunterdon County – PAIC JIF	Absent
Megan Jack	Riverside Twp- Burlco JIF	Present
Adam Brewer	Pequannock Township – Morris JIF	Present
James Ulrich	Twp. of Clark - NJMSI JIF	Present
Michael Razze	Pitman Borough TRICO JIF	Present
Robert MacFarland	Bordentown Fire District #2 FRESP JIF	Absent
Lisa McLaughlin	Margate City - Atlantic JIF	Present

**APPOINTED OFFICIALS PRESENT:**

Executive Director/Adm	PERMA Risk Management Services <b>David N. Grubb, Joseph Hrubash, Cate Kiernan Nancy A. Ghani</b>
Attorney	Dorsey & Semrau <b>Fred Semrau, Esq.</b>
Producer	Risk Program Administrators <b>Paul Forlenza, Kamini Patel</b>
Actuary	The Actuarial Advantage <b>Kyle Mrotek, Jamie Shooks</b>
Excess Worker’s Comp Claims Administrator	Qual-Lynx <b>Claudia Acosta</b>
Safety Director	JA Montgomery Risk Control Services <b>Paul Shives, Brian Maitland</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, Jonathon Tavares</b>

Managed Care

QualCare  
**Lisa Gallo**

Marketing Coordinator

Acrisure  
**Lindsay Klein**

South Marketing Coordinator

PJM Consultants  
**Paul Miola**

**ALSO PRESENT:**

Don Sciolaro, P.I.A  
Matt McArow Jr., GJEM-Otterstedt Agency  
Ezio Altamura,  
GJEM-Otterstedt Agency  
Alison Kelly, Danskin Agency  
Charles Casagrande, Danskin Agency  
John Casagrande, Danskin Agency  
Barbara Murphy, RLM Inc.  
Steve Sacco, PERMA Risk Management Services  
Brad Stokes, PERMA Risk Management Services  
Robyn Walcoff, PERMA Risk Management Services  
Jennifer Conicella, PERMA Risk Management Services  
Pauline Kontomanolis, PERMA Risk Management Services  
Michael Avalone, Conner Strong & Buckelew  
Zareena Majeed, PERMA Risk Management Services  
Sandra Cantwell, PERMA Risk Management Services

**MINUTES:** Included in the agenda were the open minutes of June 2, 2023.

**MOTION TO APPROVE JUNE 2, 2023 OPEN MINUTES:**

Moved: Commissioner  
Second: Commissioner  
Vote: Unanimous

**CORRESPONDENCE:**

NONE

**EXECUTIVE DIRECTOR REPORT:**

**MANAGEMENT COMMITTEE:** Executive Director Grubb reported the Management Committee met on September 12<sup>th</sup> to review preliminary options on the 2024 Budget as well as review professional contracts set to expire at year-end. Copies of the meeting minutes were distributed for information.

Executive Director Grubb provided a summary on the following discussion items:

**2024 BUDGET:** Enclosed in the agenda were three versions of the MEL 2024 preliminary budget before increases in exposures are applied.

- Option 1 - Loss Funds at normal actuarial confidence plus an increase of \$2 million in the Loss Fund Contingency (LFC). This scenario increases the budget \$8.8 million (15.3%).
- Option 2 - Loss Funds at normal actuarial confidence with no increase in the LCF. This scenario increases the budget \$6.8 million (11.8%).
- Option 3 - Loss Funds at high actuarial confidence with no increase in the LFC. This scenario increases the budget \$9.8 million (17.0%). (Note - The ultimate losses can still exceed “high actuarial confidence.”)

Executive Director Grubb said the committee reviewed all the options and recommended Option #3 which reflected the highest actuarial confidence. Executive Director Grubb said this option would best address the various factors impacting the JIF and MEL – such as, Covid 19, increased storm activity, change in permanency awards for employees receiving an accidental disability, the expanded time frame to file a claim arising out of sexual molestation and the firemen’s cancer presumption regulation.

Commissioner Tomasko said the Management Committee recognized that this is a substantial increase but added that it is important for the MEL to adequately fund for the changing landscape. Chairwoman Tozzi said the Management Committee had a robust discussion on all options presented and noted that all committee members agreed with the recommendation of option #3.

**Professional Contracts:** Enclosed in the agenda was a list of professional contracts procured via competitive contract and are set to expire at year-end. Unless otherwise noted, the current contract terms are January 1, 2020 to December 31, 2023 with two 1-year options to renew. Executive Director Grubb said Management Committee recommended these contracts be extended for a 4<sup>th</sup> and 5<sup>th</sup> year; the action would be officially taken at the January 2024 Reorganization meeting. Chairwoman Tozzi reported the committee also noted there were no service issues with any current contracting professional.

**Actuarial Proposal:** Enclosed in the agenda was a proposal from Actuarial Advisors Inc. to provide a secondary actuarial analysis for a fee not to exceed \$30,000. Fund Actuary noted that many organizations periodically seek a second review. Executive Director Grubb said he is recommending this secondary review in particular due to the uncertainty brought about by all the various factors affecting the MEL and local JIFs.

**MSI Access by School Board Pools:** Executive Director Grubb reported that in July, the Fund office sought approval to expand school board JIF access to the MSI. Included in the agenda was a memorandum with recommendations to modify J.A. Montgomery’s compensation to reflect all school board participation. Enclosed in the agenda was a memorandum noting the changes.

**MOTION TO ACCEPT THE RECOMMENDATIONS OF THE MANAGEMENT COMMITTEE:**

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

**SAFETY & EDUCATION COMMITTEE:** Committee met on August 11<sup>th</sup>; enclosed in the agenda were the minutes for information.

**LEGISLATIVE COMMITTEE:** Committee met on July 18<sup>th</sup>; enclosed in the agenda were the minutes for information. Committee Chairman Cuccia said governor signed bills increasing the cost of Independent Medical Exams and legal fees. Chairman Cuccia said he hopes the MEL will have some input on the regulations.

**CLAIMS COMMITTEE:** Committee met on June 2<sup>nd</sup> and July 12<sup>th</sup>; minutes of these meetings are sent to the full MEL Board separately from the agenda. The committee is scheduled to meet immediately following this meeting.

**AUDIT COMMITTEE:** Committee met on May 31<sup>st</sup> to review the year-end financial audit and internal audits, which were reviewed and approved at the June MEL meeting. The year-

end financial audit was filed with the appropriate state agencies by the June 30<sup>th</sup> deadline. Enclosed in the agenda for information were the May 31<sup>st</sup> minutes for information.

**RCF:** Enclosed is a copy of Commissioner Clark’s report on the RCF June 2, 2023 meeting. Committee met prior to today’s MEL meeting.

**CYBER JIF:** The Cyber JIF met on June 22<sup>nd</sup> and on August 25<sup>th</sup>; enclosed in the agenda were reports on both meetings. The Cyber JIF Board approved the revisions to the Competitive Contracting RFPs for Training & Phishing and for External Scanning. The Cyber JIF awarded *D2 Cybersecurity* for Training & Phishing and for External Scanning services.

Chairwoman Tozzi said Risk Control Committee put in a great effort in drafting RFP and reviewing responses, particularly Commissioner Merchel and Brewer, and thanked them for their efforts.

Deputy Executive Director reported that the Cyber JIF website will have a “member only” password protected area of this JIF’s website to access various Cyber JIF resources and reports. The Cyber JIF will consider a reimbursement process for local JIFs already engaged with vendors for these services. In addition, two webinars have been scheduled to outline the implementation process for members.

**EMERGENCY RESTORATION SERVICES:** In 2020, the MEL QPA issued a bid for Emergency Restoration Services and confirmed it may serve as a “rolling” list where responders that comply with bid specification will be posted to the MEL website. The Fund office received a response from *CSS Building Services* whose response meets the bid specifications.

**MOTION TO ACCEPT THE RESPONSE AND LIST THE VENDOR ON THE MEL’S WEBSITE:**

Moved:	Commissioner Nolan
Second:	Commissioner Rutkowski
Vote:	Unanimous

**SUBURBAN METRO JOINT INSURANCE FUND:** At the June meeting, it was reported that two member-town school boards of this JIF have excess coverages through the School Pool for Excess Liability Limits (SPELL), which were set to expire on July 1, 2023. The MEL Board of Fund Commissioner authorized the MEL to provide temporary excess coverage if not placed by expiration. To provide a status update, the Suburban Metro Joint Insurance Fund is now placing its excess program through membership in the Schools Excess Liability (SEL). Executive Director Hrubash said the paragraph in the Executive Director’s report inadvertently noted the excess program was through the SAIF JIF.

**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.

**2024 PRE-RENEWAL WEBINAR:** Ed Cooney and Jonathon Taveras, MEL Underwriting Manager Team will be hosting an overview presentation of the 2024 pre-renewal via an interactive Webinar on Monday September 18, 2023 at 10:00AM.

**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. The ad also discusses the purchase of over \$135 million in debt securities by the MEL that stabilized the bond market disrupted by COVID-19.

**COMMUNITY RISK MANAGEMENT BOOKLET:** Copies of a Community Risk Management booklet were distributed for information. Executive Director Grubb said copies will be distributed to all MEL members.

**UNDERWRITING MANAGER:**

**REPORT:** Underwriting Manager reported negotiations have been ongoing with the marketing process for the 2024 renewal.

**TREASURER:** Included in the agenda were the Confirmation of Payments from June 2023 Supplemental #1, June 2023 Supplemental #2, July 2023, August 2023 and Resolution 31-23 September 2023 Bills list. Also included was the Confirmation of Transfers to Claims Accounts for May, June and July 2023.

**CONFIRMATION OF PAYMENTS**

June 2023 Supplemental #1	\$386,020.23
June 2023 Supplemental #2	\$41,828.69
July 2023	\$537,374.41
August 2023	\$751,896.00

**RESOLUTIONS 31-23 FOR VOUCHERS:**

September 2023	\$697,245.03
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**CONFIRMATION OF MAY 2023 CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS TRANSFERS:**

<b>1988 WC</b>	42,302.18
<b>CLOSED</b>	0.00
<b>2019</b>	164,609.14
<b>2020</b>	418,026.47
<b>2021</b>	332,501.38
<b>2022</b>	1,471,395.48
<b>2023</b>	46,932.30
<b>TOTAL</b>	<b>2,475,766.95</b>

**CONFIRMATION OF JUNE 2023 CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS TRANSFERS:**

<b>1988 WC</b>	23,090.67
<b>CLOSED</b>	0.00
<b>2019</b>	12,949.66
<b>2020</b>	97,334.83
<b>2021</b>	2,709,637.86
<b>2022</b>	959,846.54
<b>2023</b>	1,486,679.29
<b>TOTAL</b>	<b>5,289,538.85</b>

**MOTION TO CONFIRM PAYMENTS OF JUNE 2023 SUPPLEMENTAL #1 AND #2, JULY 2023, AUGUST 2023 AND APPROVE SEPTEMBER 2023 BILLS RESOLUTION 31-23 AND TO APPROVE TREASURER’S REPORT; CURRENT AND CONFIRMING EXPENSES AS PRESENTED:**

Moved: Commissioner Merchel  
 Second: Commissioner Cuccia  
 Roll Call Vote: 17 Ayes – 0 Nays

**CLAIMS – EXCESS WORKERS COMPENSATION:**

**REPORT:** Workers’ Compensation Claims Manager 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 complimented the Management Committee, the MEL Board of Commissioners and the Fund Professionals for the transparent and thought-out process in not only the actions taken today with respect to the 2024 budget, but historically to protect MEL and JIF members.

In addition, Fund Attorney briefly reported on a successful recovery on a matter involving a wire transfer for a member repaying a bond note.

Commissioner Northgrave echoed the comments of the Fund Attorney, thanked the Management Committee and complimented the management personnel of the MEL.

**MANAGED CARE:**

**REPORT:** Managed Care Provider submitted a Savings and Penetration Summary report as of August 2023. Report noted total charges of \$6,068,450.64, which were approved and repriced to \$2,363,468.41 for a 61% savings.

**OLD BUSINESS:**

NONE

**NEW BUSINESS:**

**INTRODUCTIONS:** Fund Actuary introduced Mr. Jamie Shooks, recently hired by The Actuarial Advantage with 15 years of experience who would be working on the MEL and JIF accounts.

Underwriting Manager introduced representatives from MunichRe who attended the meeting.

**PUBLIC COMMENT:**

NONE

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

**MOTION TO ADJOURN:**

Moved:	Commissioner
Second:	Commissioner
Vote:	Unanimous

**MEETING ADJOURNED:** 11:40AM

**NEXT MEETING:** Wednesday October 18, 2023 – 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. 31-23

SEPTEMBER 2023

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 CLOSED**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
003405			
003405	MUNICIPAL EXCESS LIABILITY RCF	CLAIM ACTIVITY DUE TO RCF7.16.20-6.30.23	193,250.70
			<b>193,250.70</b>
		<b>Total Payments FY CLOSED</b>	<b>193,250.70</b>

**FUND YEAR 2022**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
003406			
003406	J. A. MONTGOMERY RISK CONTROL	LEADERSHIP ACADEMY PLAQUES-2022	890.09
			<b>890.09</b>
003407			
003407	PERMA	POSTAGE 11/22	88.35
			<b>88.35</b>
003408			
003408	SHERATON ATLANTIC CITY	EVENT ORDER # 999574 11/16-11/17/2022	143.35
003408	SHERATON ATLANTIC CITY	EVENT ORDER # 999647 11/16-11/17/2022	2,948.98
			<b>3,092.33</b>
		<b>Total Payments FY 2022</b>	<b>4,070.77</b>

**FUND YEAR 2023**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
003409			
003409	CONNER STRONG & BUCKELEW	A. ZURICH- PREM. EXT BERGENFIELD BUILD	6,121.46
			<b>6,121.46</b>
003410			
003410	QUALCARE, INC.	MANAGED CARE 9/23 INV 69664	47,383.47
			<b>47,383.47</b>
003411			
003411	QUAL-LYNX	PROPERTY TPA 9/23	15,172.50
003411	QUAL-LYNX	COMPUTER ACCESS FEES 9/23 INV 52828	1,530.00
003411	QUAL-LYNX	XS WC TPA 9/23	57,074.61
			<b>73,777.11</b>
003412			
003412	CB CLAIMS LLC	TPA 8/23	38,030.48
003412	CB CLAIMS LLC	DISBURSEMENTS 8/23	90.00
			<b>38,120.48</b>
003413			
003413	J. A. MONTGOMERY RISK CONTROL	MSI ADMIN 9/23	116,256.55
			<b>116,256.55</b>
003414			
003414	PERMA	POSTAGE 08/23	36.30
003414	PERMA	ADMIN FEE 9/23	160,674.29
003414	PERMA	POSTAGE 05/23	229.46
			<b>160,940.05</b>
003415			
003415	MICHAEL S. ZAMBITO	TREASURER Q3 2023	6,808.77
			<b>6,808.77</b>
003416			
003416	DORSEY & SEMRAU	LINDEN HA 8/23	62.00
003416	DORSEY & SEMRAU	MEL SPECIAL LITIGATION 8/23	1,095.05
003416	DORSEY & SEMRAU	MEL EPL ROLLOFF 8/23	954.10

			<b>2,111.15</b>
003417			
003417	NEWTECH SERVICES, INC.	WEB SERV 8/23 AND HOST/STREAM 9/23	169.50
			<b>169.50</b>
003418			
003418	PRINCETON PUBLIC AFFAIRS GROUP INC.	RETAINER 9/23	5,000.00
			<b>5,000.00</b>
003419			
003419	NJ ADVANCE MEDIA	ACCT 1000867512 AD 5/03/23	36.12
			<b>36.12</b>
003420			
003420	ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, LLC	REINSURANCE MGR 9/23	27,555.43
			<b>27,555.43</b>
003421			
003421	THE ACTUARIAL ADVANTAGE	ACTUARY 9/23	4,520.59
			<b>4,520.59</b>
003422			
003422	BENCHMARK SOLUTIONS, LLC	IMPACT 10/23 SERVICES INV. 2207	3,291.67
			<b>3,291.67</b>
003423			
003423	THE CANNING GROUP LLC	QPA 8/23	1,250.00
			<b>1,250.00</b>
003424			
003424	LaMENDOLA ASSOCIATES, INC.	CONSULTATION SUPPORT 8/23	529.38
			<b>529.38</b>
003425			
003425	CONNER STRONG & BUCKELEW	UNDERWRITING MGR FEE 9/23	6,051.83
			<b>6,051.83</b>
		<b>Total Payments FY 2023</b>	<b>499,923.56</b>
		<b>TOTAL PAYMENTS ALL FUND YEARS</b>	<b>\$697,245.03</b>

\_\_\_\_\_  
Chairperson

Attest:

Dated:

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

\_\_\_\_\_  
Treasurer