

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

OPEN MINUTES

OCTOBER 16, 2024 – 10:30AM

FORSGATE COUNTRY CLUB -MONROE, NJ

Chairman Tomasko called the meeting to order and asked the Assistant Secretary to read the statement of compliance open public meeting act.

ROLL CALL OF 2024 BOARD OF FUND COMMISSIONERS

Paul Tomasko	Borough of Alpine – Bergen JIF	Present
John Clarke	Princeton Housing Authority- PHA JIF	Present
Greg Franz	Edgewater – South Bergen JIF	Present
Joseph Wolk	Borough of Mount Ephraim- Camden JIF	Present
Thomas Nolan	Borough of Brielle - Monmouth JIF	Present
Bernard Rutkowski	NJUA JIF – Toms River MUA	Present
Veronica Laureigh	Township of Lacey – Ocean JIF	Absent
Megan Champney Kweselait	City of Summit- Suburban Municipal JIF	Present
Megan Jack	Riverside Twp- Burlco JIF	Present
Adam Brewer	Pequannock Township – Morris JIF	Present
James Ulrich	Twp. of Clark - NJMSI JIF	Present
Michael Razzo	Pitman Borough - TRICO JIF	Present
Robert MacFarland	Bordentown Fire District #2 FRESP JIF	Absent
Joy Tozzi	Township of Robbinsville - Mid-Jersey JIF	Absent
Susan Danson	Maple Shade Twp- PMM JIF	Present
Joseph Criscuolo	East Brunswick Twp – Central JIF	Present
Frank Elenio	Ridgefield Borough - PAIC JIF	Absent
James Pacanowski	Ventnor City - Atlantic JIF	Absent
Vincent Quatrone	Little Falls – Suburban Metro	Present

APPOINTED OFFICIALS PRESENT:

Executive Director/Adm PERMA Risk Management Services
Joseph Hrubash, Cate Kiernan, Nancy A. Ghani

Attorney Dorsey & Semrau
Fred Semrau, Esq.

Producer Risk Program Administrators
Paul Forlenza, Kamini Patel

Actuary The Actuarial Advantage
Jamie Shooks

Underwriting Manager Conner Strong & Buckelew
Edward Cooney, Jonathon Tavares

Ex Worker’s Comp Claims Administrator Qual-Lynx
Kathy Kissane, Chris Healey

Safety Director JA Montgomery Risk Control Services
Paul Shives

Treasurer **Matt Laracy**

Excess Liability Claims Administrator CB Claims LLC
Christopher Botta

Lobbyist Pathways

Paul Bent

Marketing Coordinator/Consultant Acrisure

Amy Pieroni

Southern NJ Marketing
Consultant

PJM Consultants
Paul Miola

ALSO PRESENT:

Brian McNeilly, Morris JIF Alternate Commissioner; EJIF Chairman

David Grubb, Executive Director (Emeritus)

Don Sciolaro, P.I.A

Brad Stokes, Perma Risk Management Services

Robyn Walcoff, Perma Risk Management Services

Jennifer Conicella, Perma Risk Management Services

Zareena Majeed, Perma Risk Management Services

Alison Kelly, Danskin Insurance Agency

Chuck Casagrande, Danskin Insurance Agency

John Casagrande, Danskin Insurance Agency

Tom Merchel, Conner Strong & Buckelew

Patti Fahy, Acrisure

Ezio Altamura., GJEM Otterstedt Agency

Mathew McArow Jr., GJEM Otterstedt Agency

Brandon Tracy, Perma Risk Management Services

Pauline Kontomanolis, Perma Risk Management Services

Barbara Murphy, RLM

Charles Cuccia, RCF & EJIF Treasurer

Trevor Morris, Acrisure

MINUTES: Included in the agenda were the Open minutes of September 9, 2024 and copies of the Closed minutes of September 9, 2024 were distributed to Board members only.

MOTION TO APPROVE OPEN AND CLOSED MINUTES OF SEPTEMBER 9, 2024:

Moved: Commissioner Franz

Second: Commissioner Wolk

Vote: Unanimous

CORRESPONDENCE: NONE

EXECUTIVE DIRECTOR:

MANAGEMENT COMMITTEE: Executive Director reported the Management Committee met on October 7, 2024 to review a draft 2025 budget, a status report of the 2025 excess renewals by the Underwriting Manager and an update on the TD Bank banking contract from the Fund Attorney. Enclosed in the agenda were the committee’s meeting minutes for information.

2025 RENEWAL: Included in the agenda as part of the Underwriting Manager’s report was the 2025 renewal overview. In addition, the MEL Underwriting Manager conducted a webinar on October 8th for all members and risk management consultants which will be posted to the MEL website www.njmel.org.

DRAFT 2025 MEL BUDGET: Enclosed in the agenda was the draft 2025 budget and rate table. Executive Director said the draft budget reflects rate changes as well as exposure changes updated during the annual underwriting process – reflecting an increase of 7.7%.

Executive Director said the addition of the exposure changes increased the excess property premium line since the preliminary budget was last presented in September and noted the draft budget reflects municipal member JIFs only. Executive Director said the budget also includes funding for excess crime coverage (*line item 8 of the budget*) for \$1million per loss with \$5million annual aggregate. Included in the agenda was the Underwriting Manager’s memorandum, along with the quote, for the excess crime coverage.

Deputy Executive Director said the MEL adopts a Rate Table and that is used to produce the non-municipal JIF assessments as well as any modifications to exposures. Deputy Executive Director said the non-municipal JIFs’ equal share of administrative costs will be added to the miscellaneous contingency.

Executive Director said as part of the budget review, the Management Committee also discussed a recommendation by Baker Tilly Virchow Krause, the MEL’s Internal Auditor for Insurance Services, to strengthen the adjustment of property claims within the MEL’s retention including catastrophic claims from first dollar. Executive Director noted the internal audit report is not finalized; however, the MEL Internal Auditor indicated its claims review on property claims will include a number of recommendations to address inadequacies. Included in the agenda was the fee adjustment request from Qual-Lynx, the MEL’s Excess Property Claims Administrator, for a Property Supervisor position to manage the MEL’s excess property program and provide oversight to local JIFs that report to the MEL.

TD BANKING CONTRACT: Fund Attorney said following the last MEL meeting, he continued negotiations with TD Bank on its limit on liability and said TD Bank has now agreed to include its limit on liability for ancillary claims to \$1,000,000.

MOTION TO ACCEPT THE RECOMMENDATIONS OF THE MEL MANAGEMENT COMMITTEE AND INTRODUCE THE 2025 RATE TABLE AND SCHEDULE A PUBLIC HEARING FOR WEDNESDAY NOVEMBER 20, 2024 AT 12:30PM AT THE SHERATON HOTEL IN ATLANTIC CITY, NJ:

Moved:	Commissioner Criscuolo
Second:	Commissioner Nolan
Vote:	14 Ayes – 0 Nays

LEGISLATIVE COMMITTEE: Executive Director reported this committee met on September 27, 2024; copies of the minutes were distributed for information. Committee is scheduled to meet next on November 20, 2024 at 11:00AM at the Sheraton Hotel, Atlantic City.

SAFETY & EDUCATION COMMITTEE: Executive Director said this committee is scheduled to meet next on October 25, 2024 at 10:30AM.

COVERAGE COMMITTEE: Executive Director said a meeting of this committee will be scheduled for late October/early November.

MARKETING COMMITTEE: Executive Director said this committee last met on June 17, 2024; copies of the meeting minutes were included in the last agenda for information.

CLAIMS COMMITTEE: Executive Director said this committee last met on September 9, 2024 and met prior to this meeting; minutes of these meetings are sent to the full MEL Board separately from the agenda.

RESIDUAL CLAIMS FUND (RCF): Enclosed in the agenda was a copy of Commissioner Champney Kweselait's report on the RCF September 9, 2024 meeting. Executive Director said the RCF would be holding their public meeting today to adopt the 2025 budget.

CYBER JIF: Enclosed in the agenda was a copy of the Cyber JIF report from the September 19, 2024 meeting. Executive Director said Cyber JIF restructured their Operations and Claims Committee. The Cyber JIF is scheduled to meet on October 17, 2024 to introduce the 2025 budget.

FLOOD LEGISLATION – MEL LETTER TO GOVERNOR MURPHY: Enclosed in the agenda was a letter from MEL Executive Directors to Governor Murphy regarding the concerns in the recent jury decision of Amons v Haddonfield. In addition, MEL Fund Attorney provided the enclosed talking points regarding legislation amendments for flooding issues.

Fund Attorney outlined the various efforts the MEL and Legislative Committee are undertaking to address issues raised by the jury award in the recent flooding claim against Haddonfield. Fund Attorney said a webinar would be held in November and targeted for municipal engineers and fund commissioners and a corresponding bulletin be issued to MEL members on recommendations.

Executive Director said he, the MEL Fund Attorney and Mr. Grubb met with the New Jersey Mayors Association as they would like to lead the initiative and have been provided with information. Executive Director said the objective is to get the attention of the Senate President, Assembly Speaker as well as representatives from the Department of Banking and Insurance (DOBI) and the Department of Community Affairs (DCA). Executive Director complimented the efforts of all involved including the Fund Lobbyist and highlighted this is an important issue for the financial stability of joint insurance funds as well as taxpayers.

JIF MEMBERSHIP RENEWALS: Executive Director reported the Atlantic, Trico, Burlco, Mid-Jersey, NJSI and PAIC JIFs are set to renew their 3-year membership with the MEL on 1/1/2025. Renewal documents were sent out on 6/27/24 and the office has received three out of the six membership renewal documents. Eleven local JIFs renew on 7/1/25 and 2 local JIFs renew on 1/1/26.

DUE DILIGENCE: Submitted for information was the Regulatory Compliance Checklist as of 10/10/24

NEXT MEETING: The next meeting of the MEL JIF is scheduled for Wednesday November 20, 2024 at 12:30PM at the Sheraton Hotel-Steel Pier Room in Atlantic City, NJ.

MEL ANNUAL RETREAT: Executive Director said as per the MEL Committee Charter, each committee must report on their respective responsibilities annually to the MEL Board of Fund Commissioners. Executive Director said this requirement has recently been satisfied via the MEL Annual Retreat (usually scheduled for March), but was incorporated into the MEL Educational two-day seminar this year. Executive Director suggested an ad-hoc committee be formed on how to address and plan the 2025 annual reporting by the various MEL sub-committees. Commissioners Nolan, Criscuolo and Franz volunteered to serve.

UNDERWRITING MANAGER:

REPORT: Underwriting Manager provided an overview of the 2025 renewal saying he is expecting an overall positive renewal, but he cautioned that we are not yet through hurricane season. Underwriting Manager added that he conducted a webinar on October 8th for all members and risk management consultants - which will be posted to the MEL website www.njmel.org.

Underwriting Manager said there has been an increase in members' compliance with the cybersecurity risk control program during the annual renewal process. He also mentioned his attendance at the New Jersey Government Management Information Sciences (NJ-GMIS) conference and encouraged members' IT personnel to join for valuable resources.

TREASURER: Included in the agenda were the Confirmation of Payments from September 2024 Supplemental #1 and Resolution 39-24 October 2024 Bills List. Also included was the Confirmation of Transfers to Claims Accounts for August 2024 as well as the Joint Cash Management & Investment Portfolio as of August 2024.

CONFIRMATION OF PAYMENTS

September 2024 Supplemental #1 \$87,308.77

RESOLUTIONS 39-24 FOR OCOTBER 2024 VOUCHERS:

September 2024 \$534,786.03

CONFIRMATION OF SEPTEMBER 2024 CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS TRANSFERS:

1988 WC	23,615.03
CLOSED	0.00
2020	834,992.31
2021	24,537.48
2022	118,569.80
2023	368,777.79
2024	47,993.35
TOTAL	1,418,485.76

MOTION TO CONFIRM PAYMENTS OF SEPTEMBER 2024 SUPPLEMENTAL #1, APPROVE OCTOBER 2024 BILLS LIST RESOLUTION 39-24 AND TO APPROVE TREASURER'S REPORT; CURRENT AND CONFIRMING EXPENSES AS PRESENTED:

Moved: Commissioner Brewer
 Second: Commissioner Nolan
 Roll Call Vote: 14 Ayes – 0 Nays

CLAIMS – EXCESS WORKERS COMPENSATION & PROPERTY:

REPORT: Workers' Compensation & Property Claims Manager said there was nothing to report for the month.

CLAIMS – EXCESS LIABILITY:

REPORT: Claims Administrator said there was nothing to report for the month.

ATTORNEY:

REPORT: Fund Attorney said at the last meeting there was discussion held during executive session regarding recoveries from the prior excess workers' compensation carrier.

Fund Attorney said the issue seems to be at an impasse based on recent discussions held with the carrier. Fund Attorney recommended the MEL retain the firm Anderson Kill P.C. as special legal counsel to assist with the recoveries; copies of resolution #40-24 authorizing award of professional services were distributed.

MOTION TO ADOPT RESOLUTION 40-24 AUTHORIZING AWARD OF PROFESSIONAL SERVICE CONTRACT WITHOUT COMPETITVE

BIDDING TO ANDERSON KILL P.C. TO SERVE AS FUND'S SPECIAL COUNSEL FOR LEGAL SERVICES IN COVERAGE DISPUTE:

Moved: Commissioner Nolan
Second: Commissioner Brewer
Roll Call Vote: 14 Ayes – 0 Nays

MANAGED CARE:

REPORT: Managed Care Provider submitted a Savings and Penetration Summary report as of September 2024. Report noted total charges of \$5,433,382.36, which were approved and repriced to \$2,082,326.47 for a 62% savings.

CLOSED SESSION:

NONE

NEW BUSINESS:

NONE

PUBLIC COMMENT:

NONE

MOTION TO ADJOURN:

Moved: Commissioner Clarke
Second: Commissioner Brewer
Vote: Unanimous

MEETING ADJOURNED: 10:54AM

NEXT MEETING: Wednesday November 20, 2024 – 12:30PM
Sheraton Hotel – Steel Pier Room, Atlantic City, NJ

Nancy A. Ghani, Assisting Secretary

For

JOHN CLARKE, SECRETARY

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND BILLS LIST

Resolution No. 39-24

OCTOBER 2024

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 2023

<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
BAKER TILLY ADVISORY GROUP, LP	PROPERTY AUDIT 6/23/24-8/31/24	5,000.00
		5,000.00
	Total Payments FY 2023	5,000.00

FUND YEAR 2024

<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
QUALCARE, INC.	MANAGED CARE 10/24	48,331.14
		48,331.14
QUAL-LYNX	XS WC TPA 10/24	58,216.11
QUAL-LYNX	COMP ACCESS FEES 10/24	1,560.60
QUAL-LYNX	TPA PROPERTY 10/24	16,725.91
		76,502.62
BIS SAFETY SOFTWARE USA INC	MONTHLY FEES 8/24	5,510.90
		5,510.90
CB CLAIMS LLC	XS TPA Q3 2024	5,125.09
CB CLAIMS LLC	DISBURSEMENTS 9/24	90.00
CB CLAIMS LLC	TPA 9/24	38,791.09
		44,006.18
J. A. MONTGOMERY RISK CONTROL	MSK ADMIN 10/24	118,581.68
J. A. MONTGOMERY RISK CONTROL	MEL LEADERSHIP ACADEMY AWARDS 9.20.24	60.00
J. A. MONTGOMERY RISK CONTROL	BERGEN CO TRAINING AUG & SEPT 2024	2,308.00
J. A. MONTGOMERY RISK CONTROL	FLAGGER WORKBOOKS 10.3.24	1,800.00
		122,749.68
PERMA	POSTAGE 9/24	228.17
PERMA	ADMINISTRATOR FEE 10/24	163,887.78
PERMA	POSTAGE 8/24	102.00
		164,217.95
LARACY ASSOCIATES LLC	TREASURER 10/24	2,314.91
		2,314.91
DORSEY & SEMRAU	MEL SPECIAL LITIGATION 9/24	18,045.16
		18,045.16
NEWTECH SERVICES, INC.	INV 58212 WEBSITE SERVICES 9/24	169.50
		169.50
THE ACTUARIAL ADVANTAGE	ACTUARY 10/24	4,611.00
		4,611.00
JOSEPH M HARVEY	SHREDDING SUPERSTORM SANDY FILES 20224	24.70
		24.70
LARACY ASSOCIATES LLC	QPA 10/24	2,000.00
		2,000.00

GANNETT NEW YORK-NJ LOCALIQ	ACCT 1122517- ORD 10620219 10/3/24	42.90
GANNETT NEW YORK-NJ LOCALIQ	ACCT 1122517- ORD 10617986 10/1/24	44.72
		87.62
ACCESS	INV 11082357 DEPT 001 8/31/24	435.21
ACCESS	INV 11082356 DEPT 001-2 8/31/24	425.32
		860.53
ARTHUR J. GALLAGHER LLC dba	REINSURANCE MGR 10/24	28,106.58
		28,106.58
LaMENDOLA ASSOCIATES, INC.	SAFETY TRAINING 9/24	2,418.00
LaMENDOLA ASSOCIATES, INC.	CONSULTANT 9/24	2,823.36
		5,241.36
CONNER STRONG & BUCKELEW	UNDERWRITING MGR 10/24	7,006.20
		7,006.20
	Total Payments FY 2024	529,786.03
	TOTAL PAYMENTS ALL FUND YEARS	\$534,786.03

Chairperson

Attest:

Dated:

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

Treasurer