

**MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND
OPEN MINUTES
MARCH 21, 2025**

DOUBLETREE BY HILTON, MONROE TWP– 10:30AM

Chairman Commissioner Tomasko called the meeting to order, the Assistant Secretary to read the statement of compliance open public meeting act and the pledge of allegiance was conducted.

ROLL CALL OF 2025 BOARD OF FUND COMMISSIONERS

Paul Tomasko	Borough of Alpine – Bergen JIF	Present
John Clarke	Princeton Housing Authority- PHA JIF	Absent
Greg Franz	Edgewater – South Bergen JIF	Present
Joseph Wolk	Borough of Mount Ephraim- Camden JIF	Absent
Thomas Nolan	Borough of Brielle - Monmouth JIF	Present
Bernard Rutkowski	NJUA JIF – Toms River MUA	Present
Veronica Laureigh	Township of Lacey – Ocean JIF	Present
Megan Champney Kwesela	City of Summit- Suburban Municipal JIF	Present
Meghan Jack	Riverside Twp- Burlco JIF	Absent
Adam Brewer	Pequannock Township – Morris JIF	Present
James Ulrich	Twp. of Clark - NJMSI JIF	Present
Michael Rasse	Pitman Borough - TRICO JIF	Absent
Robert MacFarland	Bordentown Fire District #2 FRESP JIF	Absent
Joy Tozzi	East Windsor Twp - Mid-Jersey JIF	Present
Susan Danson	Maple Shade Twp- PMM JIF	Present
Joseph Criscuolo	East Brunswick – Central JIF	Present
Frank Elenio	Ridgefield - PAIC JIF Representative	Absent
James Pacanowski	Atlantic JIF Representative	Present
Vincent Quatrone	Township of Little Falls – Sub Metro JIF	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	Arthur J. Gallagher Paul Forlenza
Actuary	The Actuarial Advantage Jamie Shooks
Ex Worker's Comp Claims Administrator	Qual-Lynx Chris Healey
Safety Director	JA Montgomery Risk Control Services Brian Maitland
Treasurer	Laracy Associates LLC Matt Laracy
Excess Liability Claims Administrator	CB Claims LLC Christopher Botta

Lobbyist

Pathways

Paul Bent

Underwriting Manager

Conner Strong & Buckelew

Edward Cooney, Jonathon Tavares

Muhammad Hernandez

Managed Care

QualCare

Lisa Gallo

Marketing Manager

Princeton Strategic Communications

Stacey Ehling

ALSO PRESENT:

Patti Fahy, Acrisure

Pauline Kontomanolis, Perma Risk Management Services

Alison Kelly, Danskin Insurance Agency

Chuck Casagrande, Danskin Insurance Agency

Charles Hartsoe, PEGAS

Jennifer Conicella, Perma Risk Management Services

Robyn Walcoff, Perma Risk Management Services

Brandon Tracy, Perma Risk Management Services

Ezio Altamura GJEM Otterstedt Agency

Tom Merchel, Conner Strong & Buckelew

Brian McNeilly, Morris JIF Alternate Fund Commissioner & EJIF Chair

Charles Cuccia, RCF & EJIF Treasurer

David Grubb, Executive Director (Emeritus)

Brad Stokes, Perma Risk Management Services

Steve Sacco, Perma Risk Management Services

Zareena Majeed, Perma Risk Management Services

Sandra Cantwell, Perma Risk Management Services

MINUTES: Included in the agenda were the open minutes of January 6, 2025; there was no closed session held on January 6, 2025.

MOTION TO APPROVE THE JANUARY 6, 2025 OPEN MINUTES AS PRESENTED:

Moved:	Commissioner Laureigh
Second:	Commissioner Brewer
Vote:	Unanimous

CORRESPONDENCE:

NONE

EXECUTIVE SESSION: Fund Attorney requested Executive Session to discuss contract matters. All members of the public were asked to vacate the meeting room except for Executive Directors of the local MEL-affiliated joint insurance funds (JIFs).

MOTION TO ENTER INTO EXECUTIVE SESSION FOR DISCUSSION ON CONTRACT MATTERS:

Moved:	Commissioner Nolan
Second:	Commissioner Laureigh
Vote:	Unanimous

Closed Session began at 10:35AM.

At 10:44AM all local JIF Executive Directors and the Assistant Secretary vacated the room; the only individuals present were the Fund Commissioners and the Fund Attorney.

At 10:48AM executive session concluded, and all individuals and members of the public were allowed back into the room.

Fund Attorney said as discussed in executive session, there was consensus to proceed with the presented bylaw amendments. In addition, the Board of Fund Commissioners agreed to waive the 45-day requirement to schedule a public hearing upon receipt of the amendment to eliminate scheduling a special meeting and instead hold it on June 9, 2025 at 10:30AM.

Fund Attorney distributed copies of Resolution #24-25 to amend the MEL Bylaws and noted the two amendments to Article III, Organization, Servicing Organizations, sub-section 3.d) and subsection 3.e) were as follows (amendments are underlined for reference):

d.) No individual, partnership or corporation retained by the Fund to act as a producer to secure excess or reinsurance for the Fund, including its employees, officers or directors shall have either a direct or indirect financial interest in the administrator of the Fund unless notice of such interest has been provided to the fund commissioners and members.

e.) No administrator of the Fund, or its employees, officers or directors shall have either a direct or indirect financial interest in any individual, partnership or corporation retained by the Fund to act as a producer to secure excess or reinsurance for the Fund unless notice of such interest has been provided to the fund commissioners and members.

**MOTION TO AMEND THE MEL BYLAWS AS PRESENTED AND
SCHEDULE A PUBLIC HEARING FOR JUNE 9, 2025 AT 10:30AM**

Moved: Commissioner Criscuolo
Second: Commissioner Nolan
Roll Call Vote: 13 Ayes – 0 Nays

EXECUTIVE DIRECTOR REPORT:

MEL, EJIF AND RCF MEETING SCHEDULES: Included in the agenda for information was a revised meeting notice modifying the location for three meetings of the MEL, EJIF and RCF.

SAFETY & EDUCATION COMMITTEE: Executive Director reported this committee met on February 28, 2025 at 11:00AM; copies of the meeting minutes were included in the agenda for information.

- **POLICE ACCREDITATION** – Mr. Maitland said representatives from PERMA and J.A. Montgomery met with Benchmark Analytics to kick off the 2nd phase of the police accreditation study. Mr. Maitland added that the Safety Director's office is working with Benchmark Analytics to review the data, develop questions related to police operations and is also collaborating with the NJ State Association of Chiefs of Police (NJSACOP) to identify the top 20 agencies in the state to compare operations.
- **RISK MGMT. INFORMATION SYSTEM (RMIS)** - The current contract with Origami Risk is set to expire and a competitive contract was issued on February 28th with responses due by March 20th. Deputy Executive Director said the Qualified Purchasing Agent (QPA) confirmed only one response from the incumbent firm was received and submitted fee increases of 7%, 10% and 8% over a three-year contract period. Deputy Executive Director said Commissioners that serve on the Safety & Education Committee will be asked to score the responses to take action to award services at the next meeting

LEGISLATIVE COMMITTEE: Executive Director said the committee met on February 14, 2025 at 11:00AM; included in the agenda were the minutes of the meeting. Committee is scheduled to meet next on April 4, 2025 at 11:00AM. Enclosed in the agenda was a copy of proposed legislation A-2145 (Moen) which provides employment protections for paid first responders diagnosed with post-traumatic stress disorder under certain conditions. Also submitted was a copy of the League Article written by Chairman Tomasko and David Grubb concerning this bill; the article notes the MEL's opposition to this bill as it is completely unnecessary and will only serve to open the workers' compensation system to lawsuits that include civil fines and attorney fees. Executive Director said he, Chairman Tomasko and Mr. Grubb recently met with Assemblywoman Swain for a productive discussion and plan to continue discussions on with Senator Beach on this matter.

ANNUAL RETREAT AD-HOC COMMITTEE: Executive Director said Commissioners Nolan, Criscuolo and Franz met on January 10, 2025 and recommended each committee annually provide the Board with a summary written report on their activities in March of the following year. Included in the agenda were the meeting minutes for information.

CLAIMS COMMITTEE: Executive Director reported this committee last met on January 6, 2025; minutes of these meetings are sent to the full MEL Board separately from the agenda. Committee met the morning of March 21st.

2024/2025 ELECTED OFFICIALS SEMINAR: Executive Director said the MEL's Annual Elected Officials Seminar was held as part of the League of Municipalities Conference. The course has now been uploaded into the MEL's Learning Management System. Included in the agenda were directions to access the program.

2025 MEL, MR HIF & NJCE JIF EDUCATIONAL SEMINAR: Executive Director said the 15th annual seminar will be conducted virtually on 2 half-day sessions: Friday April 25th and Friday May 2nd from 9:00 am to 12:00 pm. The seminar is expected to qualify for Continuing Educational Credits including CFO/CMFO, Public Works, Clerks, Insurance Producers and Purchasing Agents. There is no fee for employees, insurance producers, as well as personnel who work for services companies associated with the Municipal Excess Liability Joint Insurance Fund (MEL JIF), Municipal Reinsurance Health Insurance Fund (MR HIF) and New Jersey Counties Excess Joint Insurance Fund (NJCE JIF). A notice to all members and risk managers including a registration link was sent via email on February 19, 2025 and has been posted to the MEL website.

Executive Director noted the keynote speaker for Friday April 25th is Michael Chertoff, former US Secretary of Homeland Security. Included in the agenda was the latest in the series of Power of Collaboration advertisements published in the League of Municipalities magazine which highlights the educational seminar.

EMPLOYMENT PRACTICES COMPLIANCE PROGRAM: Deputy Executive Director said during 2025, members will be asked to update their Personnel Manuals and complete training. Deputy Executive Director said the drafts of the expected modifications to the manual are being reviewed and the Fund office is on target to distribute the changes to members in April which will include information on training for Managers & Supervisors, Non-Managerial staff and Police Chief & Command staff training.

RESIDUAL CLAIMS FUND (RCF): The RCF conducted its 2025 Reorganization meeting on January 6, 2025; included in the agenda was Commissioner Clarke's report on the meeting.

NJ CYBER JIF: The NJ Cyber JIF conducted its 2025 Reorganization on January 16, 2025; included in the agenda was a copy of the meeting report.

Executive Director said the Cyber JIF met on March 20th at 3:30PM and a verbal report was provided on the major discussion items. Underwriting Manager said for 2025, the focus will be on historical cyber claim experience as well as development of an information campaign to highlight basic security controls for members. Executive Director added there was an in-depth discussion on cause of claims and discussions will be held with the cyber carriers and vendors to obtain greater understand the cause of cyber claims.

STORMWATER MANAGEMENT PROGRAM: In January, the MEL Board of Fund Commissioners adopted a resolution to create a procedure to support MEL members with stormwater management claims. As previously reported, the MEL's commercial carriers have agreed to provide funding for assistance with design immunity to reduce the risk of stormwater claims being filed against members. The law firm of Methfessel and Werbel will provide up to 3 hours of professional time to members requesting assistance including sub-contracting with an engineering firm. The program is no cost to the MEL or its members.

Fund Attorney said a task force met to review the procedure and draft applicable documents to be distributed to MEL members as part of the Stormwater Professional Assistance Program. In addition, Methfessel and Werbel conducted a presentation for the local JIF Executive Directors on the anticipated services to be provided including registration process, which if used will be subject to attorney-client privileges. Mr. Grubb said an effective defense against these claims is design immunity, but noted important records are often misplaced or lost over time. The documents to be distributed to MEL members will include a model resolution evoking scarce resources defense, which ties into new regulations introduced by the NJ Department of Environmental Protection.

Mr. Merchel said it is recommended that governmental entities adopt resolutions to provide design immunity; however, this is often done at the governing body level and many of these systems are ultimately approved by local planning boards since these projects are completed by private developers and later accepted by the municipality. Mr. Merchel asked if the task force considered the inclusion of local planning boards as part of the Stormwater approved design process. In response, Fund Attorney said the task force discussed this at length and confirmed that any authorization by local planning boards should be included.

PROTECTING OUR CHILDREN: Submitted for information was a copy of an article written by David Grubb and Paul Shives concerning a recent \$25 million dollar jury award resulting from the sexual abuse of a child in foster care. Executive Director noted there are currently 135 sexual molestation claims in the MEL-wide system with a total incurred of approximately \$2 million.

2025 FINANCIAL DISCLOSURES: Commissioners should anticipate the online filing of the Financial Disclosure forms inclusive of any other municipal-related positions that require filing. Based on past precedent, it is expected the Division of Local Government Services will distribute a notice in March including filing instructions with a deadline to file by April 30th.

DUE DILIGENCE: Included in the agenda was the Regulatory Compliance Checklist as of 3/14/25 which tracks regulatory and compliance requirements.

UNDERWRITING MANAGER:

2025 POST-RENEWAL WEBINAR: Underwriting Manager said a webinar was held on March 14, 2025 to detail the successes marketing the program and coverage changes to be

aware of for 2025. There were 122 attendees and copies of the presentation may be obtained from the Fund office or downloaded from MEL Coverage Bulletin #25-02.

TREASURER: Included as part of the Treasurer's reports were the confirmation of payments from January 2025 Supplemental #1, February 2025, March 2025, Resolution 23-25 March 2025 Supplemental #1, December 2024 certification of claims. Fund Treasurer said in addition to usual reports, a copy of the 4th quarter Joint Cash Management & Investment Program (JCMI) and Portfolio was submitted by Eagle Asset Management.

CONFIRMATION OF PAYMENTS

January 2025 Supplemental #1	\$33,217,808.24
February 2025	\$2,204,328.83
March 2025	\$630,462.18

RESOLUTION 23-25 FOR MARCH 2025 VOUCHERS:

March 2025 Supplemental #1	\$2,234,919.46
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Confirmation Of December 2024 Claims Payments/Certification Of Claims Transfers:

1988 WC	12,867.31
CLOSED	0.00
2020	67,551.80
2021	181,312.35
2022	263,527.00
2023	221,977.27
2024	1,235,848.68
TOTAL	1,983,084.41

MOTION TO CONFIRM PAYMENTS OF JANUARY 2025 SUPPLEMENTAL #1, FEBRUARY 2025, MARCH 2025, APPROVE MARCH 2025 SUPPLEMENTAL #1 BILLS LIST RESOLUTION 23-25 AND TO APPROVE TREASURER'S REPORT; CURRENT AND CONFIRMING EXPENSES AS PRESENTED:

Moved:	Commissioner Tozzi
Second:	Commissioner Laureigh
Roll Call Vote:	13 Ayes – 0 Nays

CLAIMS – EXCESS WORKERS COMPENSATION:

REPORT: Claims Administrator said there was nothing additional to report.

CLAIMS – EXCESS LIABILITY:

REPORT: Claims Administrator said there was nothing additional to report.

ATTORNEY:

REPORT: Fund Attorney said for 2025, efforts continue to resolve recoveries owed from the MEL's prior excess workers' compensation carrier from 1991-2002 via the special counsel authorized by the MEL Board during October 2024.

MANAGED CARE:

REPORT: A copy of the Savings and Penetration report as of February 2025 was included in the agenda for information. To date, the total billed was \$1,878,254.58 million

with approved bills of \$796,054.65 for a total savings of 58% and network penetration of 78%.

OLD BUSINESS:

NONE

NEW BUSINESS:

NONE

PUBLIC COMMENT:

NONE

MOTION TO ADJOURN:

Moved:	Commissioner Nolan
Second:	Commissioner Brewer
Vote:	Unanimous

MEETING ADJOURNED: 11:10AM

NEXT MEETING: Monday June 9, 2025 – 10:30AM
Forsgate Country Club, Monroe NJ.

Nancy A. Ghani, Assisting Secretary

For

JOHN CLARKE, SECRETARY