

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

OPEN MINUTES

OCTOBER 15, 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

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| Paul Tomasko | Borough of Alpine – Bergen JIF | Present |
| John Clarke | Princeton Housing Authority- PHA JIF | Absent |
| Greg Franz | Edgewater – South Bergen 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 Kwesela | City of Summit- Suburban Municipal JIF | Present |
| Meghan Jack | Riverside Twp- Burlco JIF | Present |
| Adam Brewer | Pequannock Township – Morris JIF | Present |
| James Ulrich | Twp. of Clark - NJMSI JIF | Absent |
| Michael Razze | Pitman Borough - TRICO JIF | Present |
| 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 | Absent |
| Joseph Criscuolo | East Brunswick – Central JIF | Present |
| Frank Elenio | Ridgefield - PAIC JIF Representative | Absent |
| James Pacanowski | Atlantic JIF Representative | Absent |
| Vincent Quatrone | Township of Little Falls – Sub Metro JIF | Present |
| Michael Mevoli | Borough of Brooklawn – Camden JIF | Present* |

**Commissioner arrived at 10:38am. Not present for initial roll-call or budget introduction.*

APPOINTED OFFICIALS PRESENT:

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| Executive Director/Adm | PERMA Risk Management Services Joseph Hrubash, Cate Kiernan, Brandon Tracy |
| Attorney | Dorsey & Semrau Fred Semrau, Esq. |
| Producer | Risk Program Administrators Paul Forlenza, Kamini Patel |
| Actuary | The Actuarial Advantage Jamie Shooks |
| Ex Worker's Comp & Property Claims Administrator | Qual-Lynx Kathy Kissane |
| 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 |

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| Underwriting Manager | Paul Bent Conner Strong & Buckelew Edward Cooney, Jonathon Tavares |
| Managed Care | QualCare Lisa Gallo |
| Marketing Consultant | Acrisure Amy Pieroni |
| Southern NJ Marketing Consultant | PJM Consultants Paul Miola |

ALSO PRESENT:

Casey Wagner, Central JIF - Alternate MEL Commissioner
Tom Merchel, Conner Strong & Buckelew
Patti Fahy, Acrisure
Barbara Murphy, RLM
Kelly Machu, PEGAS
Matt McArow Jr., GJEM Otterstedt Agency
Chuck Casagrande, Danskin Insurance Agency
Alison Kelly, Danskin Insurance Agency
John Casagrande, Danskin Insurance Agency
David Grubb, Executive Director (Emeritus)
Robyn Walcoff, Perma Risk Management Services
Jen Conicella, Perma Risk Management Services
Brad Stokes, Perma Risk Management Services
Elizabeth Chipman, Perma Risk Management Services

MINUTES: Included in the agenda were the open minutes of September 8, 2025; there was no closed session held.

MOTION TO APPROVE THE SEPTEMBER 8, 2025 OPEN MINUTES AS PRESENTED:

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| Moved: | Commissioner Champney |
| Second: | Commissioner Franz |
| Vote: | Unanimous |

CORRESPONDENCE:

NONE

EXECUTIVE DIRECTOR REPORT:

DRAFT 2026 MEL BUDGET: Included in the agenda was the draft 2026 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 7.5%. Executive Director said the draft budget reflects municipal member JIFs only. Executive Director provided a summary review of the budget as follows:

- Loss Funds - Lines 1 through 12 are the loss funds as provided the Actuary, which reflect a 12.1% increase;
- Premiums – Lines 14 through 18 are the excess premiums based on rate estimates provided by the Underwriting Manager and reflect a 1.9% increase;
- Expenses – Lines 25 through 42 reflect the professional expenses at a 2% increase.

Executive Director concluded the review of the budget and asked if there were any comments or questions. Seeing none, Executive Director said it would be appropriate to introduce the budget for a public hearing.

MOTION TO INTRODUCE THE 2026 RATE TABLE AND SCHEDULE A PUBLIC HEARING FOR WEDNESDAY NOVEMBER 19, 2025 AT 12:30PM AT THE SHERATON HOTEL IN ATLANTIC CITY, NJ:

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| Moved: | Commissioner Nolan |
| Second: | Commissioner Brewer |
| Roll Call Vote: | 11 Ayes – 0 Nays |

MANAGEMENT COMMITTEE: Executive Director said this committee is scheduled to meet next on November 4th at 10AM via Zoom.

STORMWATER MANAGEMENT PROGRAM: Included in the agenda was another copy of the revised copy of the notice distributed to MEL members announcing the Stormwater/Flood Risk Control Program where MEL members are eligible for specialized legal and engineering consultation. Members are encouraged to take advantage of this program and reach out the Methfessel & Werbel, P.C. to engage in the process by. The deadline to participate was initially 7/31/25 and has been extended to 12/31/25. Fund Attorney encouraged members to participate said members should consider the draft resolution included with the notice and take the steps noted in it.

COVERAGE COMMITTEE: Executive Director said this committee will be scheduling a meeting in November. Included as part of the Underwriting Manager's report was a memorandum on the coverage changes to be effective 1/1/26.

LEGISLATIVE COMMITTEE: Executive Director said this committee met on September 19, 2025; minutes of the meeting were included in the agenda.

MARKETING COMMITTEE: Executive Director said this committee met on September 5, 2025; minutes of the meeting were included in the agenda.

SAFETY & EDUCATION COMMITTEE: Executive Director said this committee is scheduled to meet next on October 24th at 11AM via Zoom.

CLAIMS COMMITTEE: Executive Director said this committee last met on September 8th and this morning. Minutes of these meetings are sent to the full MEL Board separately from the agenda.

EMPLOYMENT PRACTICES COMPLIANCE PROGRAM: Executive Director said every two years, the MEL asks its members to update their Employment Practices Compliance Program consisting of personnel manual, employment manual and training program. Included in the agenda was a copy of the April 16th memorandum (excluding the other attachments) that was distributed to members.

Deputy Executive Director said J.A. Montgomery completed a series of instructor-led webinars on the Managers & Supervisors Training and have since made the training available on-demand. The on-demand training can track viewers' engagement. Deputy Executive Director said the deadline to submit the signed checklist is November 1, 2025 and was initially established a month prior to year-end to provide additional time for members to submit the checklist before the coverage policy renews.

Commissioner Criscuolo recommended including policies for volunteer Board of Commissioners in training as they are quasi government employees. Commissioner Champney

agreed and said her municipality's mayor and governing body are volunteers who may question if they are subject to the model policies. In response to Commissioners' request, Fund Attorney and Executive Director will work together to emphasize the need for volunteers serving on various town boards need to complete employment practices training.

RESIDUAL CLAIMS FUND (RCF): Included in the agenda was a copy of Commissioner Clarke's report on the RCF September meeting.

NJ CYBER JIF: The NJ Cyber JIF met on September 18th; included in the agenda was the meeting report for information. Cyber JIF is scheduled to meet next on October 16th.

MEL RISK MANAGER ACCREDITATION: Executive Director said the MEL held its second Risk Manager Accreditation Program on October 3rd and October 10th at the National Conference Center in East Windsor; there were a total of 55 participants.

POWER OF COLLABORATION: Included in the agenda was the latest in a series of advertisements to appear in the League Magazine. The ad highlights the MEL Safety Institute providing training to MEL members at no additional cost with over 80,700 participants attending MSI training programs last year. MSI offers members a variety of live and easy to access in-person instructor-led courses or streaming training videos on demand.

DUE DILIGENCE: A copy of the Regulatory Compliance Checklist as of 10/8/25 was submitted for information. The report shows the status of regulatory filings and contract compliance.

NEXT MEETING: The next meeting of the MEL JIF is scheduled for Wednesday November 19, 2025 at 12:30PM at the Sheraton Hotel (Steel Pier Room) in Atlantic City, NJ

TREASURER: Included as part of the Treasurer's reports were the confirmation of payments from September 2025 Supplemental, Resolution 36-25 October 2025 Bills List and the Confirmation of Transfers to Claims Accounts for July 2025. Also included was a copy of the September 2025 monthly report of the Joint Cash Management & Investment Program (JCMI). Fund Treasurer distributed copies of Resolution 37-25 October 2025 Supplemental Bills list.

CONFIRMATION OF PAYMENTS

September 2025 \$99,173.46

RESOLUTION 36-25 FOR OCTOBER 2025 VOUCHERS & RESOLUTION 37-25 OCTOBER 2025 SUPPLEMENTAL BILLS LIST:

October 2025 \$415,035.41

October 2025 Supplemental \$4,756.25

CONFIRMATION OF JULY CLAIMS PAYMENTS/CERTIFICATION OF CLAIMS TRANSFERS:

| | |
|------------------------|-----------------------|
| SURPLUS TRIGGER | 0.00 |
| 1988 WC | 23367.98 |
| CLOSED | 0.00 |
| 2021 | 3776696.51 |
| 2022 | 22236.35 |
| 2023 | 173954.04 |
| 2024 | 278747.16 |
| 2025 | 761244.05 |
| TOTAL | \$5,036,246.09 |

**MOTION TO CONFIRM PAYMENTS OF SEPTEMBER 2025
SUPPLEMENTAL, APPROVE BILLS LIST RESOLUTION 36-25
OCTOBER 2025 AND RESOLUTION 37-25 OCTOBER 2025
SUPPLEMENTAL AND TO APPROVE TREASURER'S REPORT;
CURRENT AND CONFIRMING EXPENSES AS PRESENTED:**

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| Moved: | Commissioner Brewer |
| Second: | Commissioner Champney |
| Roll Call Vote: | 12 Ayes – 0 Nays |

UNDERWRITING MANAGER:

REPORT: Included as part of the Underwriting Manager's report was a memorandum on the coverage changes to be effective 1/1/26. Underwriting Manager summarized the anticipated coverage changes for the 2026 renewal. These updates address Workers' Compensation, Crime, and Public Officials Liability policies, reflecting trends in claims and recent legal developments. The key changes were as follows:

Workers' Compensation: The Intentional Injury Exclusion language is being updated to align with recent court decisions and NJ DOBI standards. The exclusion's intent remains unchanged.

Crime: Due to increased banking-related crime claims (ex-wires and check whitewashing), compliance with the MEL's JCMI Banking Best Practices will dictate the member's co-pay of any claim. Non-compliance will result in the normal deductible plus 20% coinsurance on the first \$500,000 of loss.

Public Officials Liability: Rising claims for vacant properties, land use, and administrative code licensing have led to a new sublimit of \$150,000 for vacant property and licensing claims. Vacant property claims often involve plaintiffs alleging inappropriate fees charged by the municipalities, which are largely indefensible and costly, especially in class action cases. To address these trends, the MEL's insurer plans to introduce a sublimit of \$150,000 for vacant property and administrative code licensing claims. Furthermore, reducing the land-use claims sub-limit to \$150,000 is under consideration. Updates will be provided following negotiations with the Insurance Carriers.

CLAIMS – EXCESS WORKERS COMPENSATION & PROPERTY:

REPORT: Claims Administrator said Michelle Naraine, Qual-Lynx property adjustor recently subrogated a difficult claim and recovered approximately \$270,000. In addition, Claims Administrator said their firm continues to monitor legislative changes that may affect claim adjustment, such as, A5792 which allows first responders to direct their own care after a critical incident.

CLAIMS – EXCESS LIABILITY:

REPORT: Claims Administrator reported there were no excess liability claims to present for claims committee.

ATTORNEY:

REPORT: Fund Attorney reported on a successful dismissal on 80% of a claim against Cherry Hill involving flooding confirming that notice of intent to sue must be met on flooding claims.

Fund Attorney also reported on a positive matter where the MEL engaged an archiving firm that successfully identified Margate's general liability policy that predated their JIF

membership. As a result, town was covered by that policy and the costs for the archivist will also be recovered.

Lastly, Fund Attorney also reported on an abandoned property claim against Dover that was dismissed with the assistance of Jim Maley, Esq, who has worked on several class-action lawsuits. MEL will share the briefs and information.

MANAGED CARE:

REPORT: A copy of the Savings and Penetration report as of September 2025 was included in the agenda for information. To date, the total billed was \$13,602,978.51 with approved bills of \$5,062,702.20 for a total savings of 63% and network penetration of 77%.

OLD BUSINESS:

NONE

NEW BUSINESS:

NONE

PUBLIC COMMENT:

NONE

MOTION TO ADJOURN:

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|---------|-----------------------|
| Moved: | Commissioner Champney |
| Second: | Commissioner Brewer |
| Vote: | Unanimous |

MEETING ADJOURNED: 11:13AM

NEXT MEETING: Wednesday October 15, 2025 – 10:30AM
DoubleTree by Hilton, Monroe NJ.

Nancy A. Ghani, Assisting Secretary

For

JOHN CLARKE, SECRETARY