

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

OPEN MINUTES

JUNE 3, 2020

VIA TELECONFERENCE

9:45AM

Meeting of Board of Fund Commissioners called to order by Chairman Tom Merchel. Open Public Meetings notice read into record.

PLEDGE OF ALLEGIANCE – Chairman Merchel led Commissioners in the Pledge of Allegiance.

ROLL CALL OF 2020 BOARD OF FUND COMMISSIONERS

Tom Merchel, Chairman	Township of Moorestown- PMM JIF	Present
Joy Tozzi, Secretary	Township of Robbinsville - Mid-Jersey JIF	Present
Robert Law	Woodbury City - Trico JIF	Present
Jon Rheinhardt	Borough of Wharton – Morris JIF	Present
Charles Cuccia	Borough of Little Falls –S. Bergen JIF	Present
Richard Hirsch	Borough of Longport - Atlantic JIF	Present
Joseph Wolk	Borough of Mount Ephraim- Camden JIF	Present
Joe Catenaro	Township of Fairfield – Sub Essex JIF	Present
Thomas Nolan	Borough of Brielle - Monmouth JIF	Present
Joseph D’Arco	Borough of Paramus - NJMSI JIF	Present
Bernard Rutkowski	NJUA JIF – Toms River MUA	Present
Paul Tomasko	Borough of Alpine – Bergen JIF	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
Meghan Champney	City of Summit – Suburban JIF	Present
Kevin Davis	County of Hunterdon – PAIC JIF	Present
Megan Jack	Riverside Twp- Burlco JIF	Present
Steven Scholey	Bordentown Mission Fire Company - District #1	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director/Adm	Perma Risk Management Services David N. Grubb, Joseph Hrubash, Cate Kiernan Nancy A. Ghani
Attorney	Dorsey & Semrau Fred Semrau, Esquire
Producer	Arthur J. Gallagher Paul Forlenza, Paul Miola
Actuary	The Actuarial Advantage Kyle Mrotek, Eric Bause
Auditor	Nisivoccia Bud Jones, Jenna Bauer
Ex Worker’s Comp Claims Administrator	Qual-Lynx Kathy Kissane
Safety Director	JA Montgomery Risk Control Services Paul Shives

Treasurer	Mike Zambito
Excess Liability Claims Administrator	CB Claims LLC Christopher Botta
Underwriting Manager	Conner Strong & Buckelew Edward Cooney
Lobbyist	Pathways Paul Bent
Managed Care	QualCare Donna Setzer, Steve McNamara
Marketing Coordinator	Acrisure Amy Pieroni, Lindsay Travali

JIF COMMISSIONERS/PROFESSIONALS PRESENT:

Ezio Altamura, GJEM-Otterstedt Insurance Agency
 Charles Casagrande, Danskin Insurance Agency
 Alison Kelly, Danskin Insurance Agency
 John Casagrande, Danskin Insurance Agency
 Michael Avalone, Conner Strong & Buckelew
 Brad Stokes, PERMA
 Robyn Walcoff, PERMA
 Steve Sacco, PERMA
 Frank Covelli, P.I.A.
 Barbara Murphy, RLM
 Pauline Kontomanolis, PERMA
 Sandra Cantwell, PERMA

MINUTES: Included in the agenda were the open minutes of May 1, 2020.

MOTION TO APPROVE MAY 1, 2020 OPEN MINUTES:

Moved:	Commissioner Clarke
Second:	Commissioner Wolk
Vote:	Unanimous

CORRESPONDENCE:

NONE

AUDITOR:

AUDITOR YEAR-END REPORT: Enclosed separately from the agenda booklet was the Audit Report as of December 31, 2019. Fund Auditor referred to the Statement of Revenue, Expenses and Changes in Net Position and reviewed the operating revenue, operating expenses, non-operating income figures; the overall Net Position was approximately \$26.2 million. Fund Auditor noted the report included the Residual Claims Fund “surplus floor” trigger for an additional assessment. The RCF and MEL added this to Risk Management Plans in 2019 to protect the Fund’s financials, in response to changes in the law concerning firefighters’ cancer and sexual molestation. Fund Auditor concluded the review, said there are no findings or recommendations, and added that the Fund is in excellent financial condition.

ACTUARY YEAR-END REPORT: Fund Actuary submitted and reviewed the Valuation Report as of December 31, 2019.

MOTION TO APPROVE YEAR-END FINANCIALS, ADOPT RESOLUTION NO. 26-20 AND EXECUTE GROUP AFFIDAVIT INDICATING THAT MEMBERS OF THE EXECUTIVE COMMITTEE HAVE READ THE GENERAL COMMENTS SECTION OF THE AUDIT REPORT:

Moved: Commissioner Rheinhardt
Second: Commissioner Cuccia
Roll Call Vote: 18 Ayes – 0 Nays

EXECUTIVE DIRECTOR REPORT:

2021 RATE TABLE & BUDGET: Included in the agenda was the 2021 Rate Table and Budget. Executive Director said Governor Murphy issued an order with respect to insurance premium rollbacks due to the pandemic and the potential increase in exposure. Executive Director said the MEL/local JIF exposure may not be as severe as the commercial market, but noted there could be an impact on Workers' Compensation with respect to First Responders. Executive Director said in an effort to limit financial impact to local JIFs the MEL is capable of adopting a flat rate table for 2021. Executive Director said the budget is based on 2020 exposures against a proposed flat rate table and said taking action now will facilitate the local JIFs in planning for their budgets this Fall.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2021 BUDGET RATE TABLE.

Motion: Commissioner Rheinhardt
Second: Commissioner Cuccia
Vote: Unanimous

DISCUSSION OF BUDGET RATE TABLE

Seeing no discussion...

MOTION TO CLOSE THE PUBLIC HEARING AND APPROVE THE 2021 BUDGET RATE TABLE:

Motion: Commissioner Rheinhardt
Second: Commissioner Clarke
Roll Call Vote: 18 Ayes – 0 Nays

AUDIT COMMITTEE: The Audit Committee met on May 29, 2020 to review the Year-End Financials and the Internal Audit Report for Claims and Internal Audit Report for Contract Management/Conflict of Interest. Included separately were the reports for review.

Committee Chairman Rheinhardt said the meeting included George DeStafney, the recently confirmed corporate board member who replaced James Bollerman upon his retirement. Committee Chairman noted Internal Auditor for Contract Management favorably viewed the MEL's appointment of a Qualified Purchasing Agent. In addition, Committee Chairman Rheinhardt said the committee was provided with an overview of the Joint Cash Management & Investment Program (JCMI) and agreed to alter the Internal Audit Universe to add JCMI review to be performed in 2020.

MOTION TO ACCEPT THE INTERNAL AUDITS AS PRESENTED:

Motion: Commissioner Rheinhardt
Second: Commissioner Cuccia
Vote: Unanimous

MANAGEMENT COMMITTEE: Executive Director said the committee met on May 20, 2020 to review the following items:

Reinsurance and Excess Insurance Renewals: Underwriting Manager was asked to look at the MEL's insurance and reinsurance program structure to see if there are new opportunities for alternate programs or retention models that will help the MEL and JIFs be resilient in a difficult market. Management Committee met on May 20th which included a discussion of those alternative structures for the MEL. The MEL is now in the process of working to schedule a meeting with the Department of Banking and Insurance to discuss these alternates.

Risk Control Services: Management Committee recommends the board approve the Safety proposal to transition services as the pandemic restrictions are reduced, some of which have already been implemented. Safety Director said J.A. Montgomery developed two new delivery methods for training: 1) video online streaming; and 2) interactive webinar training. Safety Director said the proposal is revenue neutral. Executive Director said these new methods are not only helpful during the pandemic, but will create options for convenient training in the future as well.

Included in the agenda was the contract amendment, a memorandum proposal submitted by the Safety Director and Resolution 27-20 amending the contract. The vote on Resolution 27-20 will be taken during the consent agenda.

MOTION TO ADOPT RESOLUTION 27-20 AMENDING THE 2020 PROFESSIONAL SERVICE AGREEMENT WITH J.A. MONTGOMERY:

Moved: Commissioner Rheinhardt
Second: Commissioner Clarke

Professional Services: Deputy Executive Director reported the 3-year contract period for a majority of MEL professional services, various consulting firms and other services will expire at year-end. Included in the agenda was Resolution 28-20 drafted by the MEL's Qualified Purchasing Agent (QPA) for the procurement of these services. The vote on Resolution 28-20 will be taken during the consent agenda.

MOTION TO ADOPT RESOLUTION 28-20 AUTHORIZING THE USE OF COMPETITIVE CONTRACT REQUEST FOR PROPOSALS FOR VARIOUS CONSULTING, PROFESSIONAL SERVICES, CONSULTING AND OTHER SERVICES:

Moved: Commissioner Rheinhardt
Second: Commissioner Rutkowski

Specialized Legal Services: The MEL, through the Fund Attorney office, obtained a proposal from Craig Domalewski, Esq. of Dughi, Hewit & Domalewski, P.C. for specialized legal services in the area of insurance coverage analysis and advice. Fund Attorney said Mr. Domalewski had been providing this service on a couple of claims and due to the success and value added service, the Management Committee accepted Fund Attorney and Executive Director's suggestion to formalize the appointment as a professional service. Included in the agenda was Resolution 29-20 along with firm's proposal. The vote on Resolution 29-20 will be taken during the consent agenda.

MOTION TO ADOPT RESOLUTION 29-20 AUTHORIZING THE AWARD OF PROFESSIONAL SERVICES CONTRACT WITHOUT COMPETITIVE BIDDING TO DUGHI, HEWIT & DOMALEWSKI, P.C. TO PERFORM SPECIAL LEGAL COUNSEL SERVICES:

Moved: Commissioner Rheinhardt
Second: Commissioner Laureigh

ORIGAMI CONTRACT EXPANSION: Deputy Executive Director said the E-JIF engaged Origami to access its Risk Management Information System to include EJIF data, such as housing tank location information and uploading aggregate claims information. Deputy Executive Director said since Origami was able to price this contract based on the MEL's RMIS framework, Origami has asked that this be a three-party agreement between the EJIF, the MEL and Origami so that Origami's services to EJIF would terminate (or have to be renegotiated) if the MEL's agreement were to come to an end. This allows for ease of administration and significant cost savings. Fund Attorney reviewed the matter and agreed this is the best option. Included in the agenda was a copy of the agreement. Deputy Executive Director said the Management Committee recommends the board authorize its execution. This action will be added to the consent agenda.

MOTION TO AUTHORIZE FUND CHAIRMAN TO EXECUTE THE AGREEMENT:

Moved: Commissioner Hirsch
Second: Commissioner Clarke

JOINT CASH MANAGEMENT INVESTMENT (JCMI) UPDATE: In March the MEL adopted a resolution awarding Clearbrook Investment Consulting as the Asset Manager, Bank of New York as Custodian and Accounting and NW Financial as the Financial Advisor for the MEL's Joint Cash Management Program. At that time, documents were distributed, including bylaws, that participating JIFs would be asked to adopt. The JCMI Operating Committee has now drafted revised documents. In particular, the Committee determined bylaws were not necessary and has drafted a policy in its place. Copies of the agency agreement, policy and resolution for local JIFs to participate were distributed for information. Included in the agenda was Resolution 30-20 to establish an investment policy and agency agreement for participating members of the Joint Cash Management and Investment Program.

The RCF and EJIF adopted resolutions to join the JCMI in March. A meeting of Investment Committee, including all local JIF Treasurers, was held to introduce the Joint Cash Management & Investment Program to local affiliated JIFs. Local JIFs have begun to approve participation. The JCMI will stagger the process of expanding participants. The JCMI Operating Committee worked with Fund Chairman to execute contracts approved in March and authorized signatories with custodian.

Investment Committee Chairman Rheinhardt said prior investment rules would have meant earnings of 13 basis points or \$99,000; but since the JCMI became operational, earnings have been \$1,100,000 while savings for members whose bonds were purchased totaled \$150,000.

Deputy Executive Director complimented the Fund Commissioners, Professionals and Staff for their efforts and time on this initiative and noted several local JIFs have already expressed commitment to join the JCMI. The vote on Resolution 30-20 will be taken during the consent agenda.

MOTION TO ADOPT RESOLUTION 30-20 TO ESTABLISH AN INVESTMENT POLICY AND AGENCY AGREEMENT FOR PARTICIPATING MEMBERS OF THE JOINT CASH MANAGEMENT AND INVESTMENT PROGRAM:

Moved: Commissioner Rheinhardt
Second: Commissioner Wolk

MODEL PERSONNEL MANUAL AND EMPLOYEE HANDBOOK: The Model Personnel Committee met on May 4, 2020 and Mr. Giacobbe reviewed the draft manuals with the committee; the review resulted in some suggested revisions. Included separately from the agenda were the draft policies. Deputy Executive Director said the Model Personnel Committee met again on May 29th and noted there may be minor adjustments. Documents will be posted to the MEL webpage by the end of the month, if not sooner.

LEGISLATIVE COMMITTEE: The committee met on May 7, 2020; included in the agenda were the minutes of that meeting. Minutes amended to reflect the attendance of Commissioner Rheinhardt.

Committee Chairman Cuccia said the Legislative Committee reviewed Assemblymen Benson and Coughlin bill A-3971 and Senator Singleton bill S-2475 and is strongly supporting its adoption. The companion bills authorize local units to issue “coronavirus relief bonds” to allow them to borrow money, with a ten-year payback period, to cover shortfalls and unanticipated costs that are a direct result of the COVID-19 pandemic. Executive Director said the MEL Legislative Committee is asking local affiliated JIFs and member entities to adopt a supportive resolution; included in the agenda was a resolution for adoption. The vote on Resolution 31-20 will be taken during the consent agenda.

MOTION TO ADOPT RESOLUTION 31-20 SUPPORTING THE ENACTMENT OF ASSEMBLY BILL 3971 AND SENATE BILL 2475 TO AUTHORIZE THE ISSUANCE OF CORONAVIRUS RELIEF BONDS BY MUNICIPALITIES AND COUNTIES:

Moved: Commissioner Cuccia
Second: Commissioner Laureigh

COVERAGE COMMITTEE: The committee met on May 8, 2020; included in the agenda enclosed were the minutes of that meeting. Committee Chairwoman Tozzi said the committee covered a lot of topics; in particular, recommending that statutory position bond coverage be extended during any appeal process.

SAFETY & EDUCATION COMMITTEE: The committee met on May 8, 2020; included in the agenda enclosed were the minutes of that meeting. To assist members with their training needs during the public health crisis, the MEL Media Library has added a new video streaming service, called **MSI NOW**. The new service has about 130 titles available for streaming for either individual or group training basis. MSI Now will eventually replace the current MEL Media Library.

CYBER TASK FORCE: The MEL’s Cyber Task Force met on May 15th. The Task Force has begun the process of revising the MEL’s Cyber Risk Management Program. Underwriting Manager said it is expected that members already in compliance will be “grandfathered” into the program.

MARKETING COMMITTEE: The committee met on May 26, 2020; included in the agenda were the minutes of that meeting. Committee Chairman Hirsh thanked Acrisure and Princeton Strategic Communications for presenting excellent reports.

COVID-19 SPECIAL SUBCOMMITTEE MEETING: The committee met on May 1st and May 22nd; included in the agenda were the minutes of both meetings. Deputy Executive Director said the committee recommends the board adopt Resolution 32-20 (included in the agenda_ appointing Judge Carver as Special Master to the Fund for COVID-19 matters. The vote on Resolution 32-20 will be taken during the consent agenda.

MOTION TO ADOPT RESOLUTION 32-20 AUTHORIZING AWARD OF PROFESSIONAL SERVICES CONTRACT WITHOUT COMPETITIVE BIDDING TO ALEXANDER H. CARVER III, J.C.S

(RET.) OF HARWOOD LLYOD LLC TO SERVE AS SPECIAL MASTER FOR COVID-19 MATTERS:

Moved: Commissioner Wolk
 Second: Commissioner Tomasko

SPECIAL AD-HOC CLAIMS COMMITTEE- FIRE FIGHTER CANCER/SEXUAL ABUSE MOLESTATION: The committee met on May 18, 2020 to review pending claims. Deputy Executive Director reported the Committee is generating a reference list of defense panel attorneys for sexual abuse claims and has appointed Litigation Managers to address firefighter cancer claims. In addition, the committee will solicit archivist services and has reviewed training resources developed by J.A. Montgomery.

CLAIMS REVIEW COMMITTEE: The Claims Review Committee met on May 6, 2020. Copies of those minutes are distributed separately. The committee will be meeting this afternoon and is scheduled to meet next on September 3, 2020 at noon.

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

LEAGUE MAGAZINE AD: Included in the agenda was the latest in the series of “Power of Collaboration” ad that will appear in the League of Municipalities magazine. The ad highlights the resources, financial strength and collaborative power of the MEL to assist its members during a public health crisis.

2020 FINANCIAL DISCLOSURES: In light of the circumstances surrounding COVID-19, the Local Finance Board, at its meeting of April 22, 2020, voted to extend the date at which the Board would take enforcement action against non-fillers of the 2020 FDS until July 31, 2020 from the statutory deadline of April 30, 2020. The Board appreciates and recognizes the dedication of local government officers and employees during this difficult time. As of May 29th all Commissioners and Professionals have completed the filing.

AGENDA ELECTRONIC MAILING: Over the past several years, the JIFs have increasingly been moving towards providing all meeting materials electronically, saving resources of time and material, and also more environmentally conscientious. Going forward, agendas will be emailed unless otherwise requested.

UNDERWRITING MANAGER:

REPORT: Underwriting Manager provided a verbal update on the MEL Cyber Task Force noting it has been actively reviewing and updating the Cyber Risk Management Program.

TREASURER:

CONFIRMATION OF PAYMENTS

April 2020 \$433,168.99
 May 2020 \$214,953.91

RESOLUTION 33-20 FOR JUNE 2020 VOUCHERS:

June 2020 \$ 1,927,321.17

Confirmation Of March 202 Claims Payments/Certification Of Claims Transfers:

1988 WC	28362.00
CLOSED	0.00
2016	21176.31
2017	29689.82
2018	215728.81
2019	880491.78

2020	206652.25
TOTAL	\$1,382,100.97

Confirmation Of April 2020 Claims Payments/Certification Of Claims Transfers:

1988 WC	1880.78
CLOSED	0.00
2016	63538.41
2017	13172.96
2018	20169.73
2019	508144.83
2020	192475.00
TOTAL	\$799,381.71

MOTION TO CONFIRM PAYMENTS APRIL AND MAY 2020, APPROVE JUNE 2020 BILLS LIST RESOLUTION 33-20 AND TO APPROVE TREASURER’S REPORT; CURRENT AND CONFIRMING EXPENSES AS PRESENTED:

Moved: Commissioner Tomasko
 Second: Commissioner Rheinhardt

CLAIMS – EXCESS WORKERS COMPENSATION:

CLAIMS – EXCESS LIABILITY:

REPORT: Claims Administrators said there would be a MEL Claims Committee following this meeting.

ATTORNEY:

REPORT: Fund Attorney provided a brief summary report of activities since the MEL March 27th meeting noting that the organization has continued to operate and serve its’ members and local JIFs despite the pandemic. Fund Attorney acknowledged the efforts of professionals and participation of Fund Commissioners during this time.

MANAGED CARE:

REPORT: A report was included in the agenda showing the Savings and Penetration report as of April 2020. The total billed was \$2.7 million with approved bills of \$1.2 million for a total savings of 56% and network penetration of 71%.

OLD BUSINESS:

MODEL PERSONNEL MANUAL AND EMPLOYEE HANDBOOK: Deputy Executive Director clarified that the Model Personnel Committee last met on May 29th and submitted minor changes to the draft manuals. Deputy Executive Director requested the Board approve the draft manual as submitted and subject to minor adjustments. Fund Attorney agreed noting the adjustments were minor and providing approval today would avoid a delay in issuing/posting the manuals for members’ reference. The vote on the motion will be done during the consent agenda.

MOTION TO ACCEPT THE MODEL PERSONNEL MANUAL AS SUBMITTED PENDING MINOR AJUSTMENTS:

Moved: Commissioner Clarke
 Second: Commissioner Rheinhardt

NEW BUSINESS:

NONE

CONSENT AGENDA: Executive Director read the following actions for the consent agenda.

MOTION TO ADOPT RESOLUTION 27-20 AMENDING THE 2020 PROFESSIONAL SERVICE AGREEMENT WITH J.A. MONTGOMERY:

MOTION TO ADOPT RESOLUTION 28-20 AUTHORIZING THE USE OF COMPETITIVE CONTRACT REQUEST FOR PROPOSALS FOR VARIOUS CONSULTING, PROFESSIONAL SERVICES, CONSULTING AND OTHER SERVICES:

MOTION TO ADOPT RESOLUTION 29-20 AUTHORIZING THE AWARD OF PROFESSIONAL SERVICES CONTRACT WITHOUT COMPETITIVE BIDDING TO DUGHI, HEWIT & DOMALEWSKI, P.C. TO PERFORM SPECIAL LEGAL COUNSEL SERVICES:

MOTION TO AUTHORIZE FUND CHAIRMAN TO EXECUTE THE AGREEMENT REGARDING ORIGAMI CONTRACT EXPANSION FOR EJIF DATA:

MOTION TO ADOPT RESOLUTION 30-20 TO ESTABLISH AN INVESTMENT POLICY AND AGENCY AGREEMENT FOR PARTICIPATING MEMBERS OF THE JOINT CASH MANAGEMENT AND INVESTMENT PROGRAM:

MOTION TO ADOPT RESOLUTION 31-20 SUPPORTING THE ENACTMENT OF ASSEMBLY BILL 3971 AND SENATE BILL 2475 TO AUTHORIZE THE ISSUANCE OF CORONAVIRUS RELIEF BONDS BY MUNICIPALITIES AND COUNTIES:

MOTION TO ADOPT RESOLUTION 32-20 AUTHORIZING AWARD OF PROFESSIONAL SERVICES CONTRACT WITHOUT COMPETITIVE BIDDING TO ALEXANDER H. CARVER III, J.C.S (RET.) OF HARWOOD LLYOD LLC TO SERVE AS SPECIAL MASTER FOR COVID-19 MATTERS:

MOTION TO CONFIRM PAYMENTS APRIL AND MAY 2020, APPROVE JUNE 2020 BILLS LIST RESOLUTION 33-20 AND TO APPROVE TREASURER'S REPORT; CURRENT AND CONFIRMING EXPENSES AS PRESENTED:

MOTION TO ACCECPT THE MODEL PERSONNEL MANUAL AS SUBMITTED PENDING MINOR AJUSTMENTS:

Moved: Commissioner Northgrave
Second: Commissioner Catenaro
Roll Call Vote: 18 Ayes – 0 Nays

PUBLIC COMMENT:

NONE

CLOSED SESSION: There was no need for Closed Session.

MOTION TO ADJOURN:

Moved: Commissioner Clarke
Second: Commissioner Rheinhardt
Vote: Unanimous

MEETING ADJOURNED: 12:09PM

NEXT MEETING: September 2, 2020
11:15AM – via teleconference

Nancy A. Ghani, Assisting Secretary

For

JOY

TOZZI,

SECRETARY

Resolution No. 26-20
Resolution of Certification
Annual Audit Report for Period Ending December 31, 2019

WHEREAS, N.J.S.A. 40A:5-4 requires the governing body of every local unit to have made an annual audit of its books, accounts and financial transactions, and

WHEREAS, the Annual Report of Audit for the year 2018 has been filed by the appointed Fund Auditor with the Secretary of the Fund as per the requirements of N.J.S.A. 40A:5-6 and N.J.S.A. 40A:10-36, and a copy has been received by each member of the BOARD OF FUND COMMISSIONERS, and

WHEREAS, the Local Finance Board of the State of New Jersey is authorized to prescribe reports pertaining to the local fiscal affairs, as per R.S. 52:27BB-34, and

WHEREAS, the Local Finance Board has promulgated a regulation requiring that the BOARD OF FUND COMMISSIONERS of the Fund shall, by resolution, certify to the Local Finance Board of the State of New Jersey that all members of the BOARD OF FUND COMMISSIONERS have reviewed, as a minimum, the sections of the annual audit entitled:

General Comments
and
Recommendations

and

WHEREAS, the members of the BOARD OF FUND COMMISSIONERS have personally reviewed, as a minimum, the Annual Report of Audit, and specifically the sections of the Annual Audit entitled:

General Comments
and
Recommendations

as evidenced by the group affidavit form of the BOARD OF FUND COMMISSIONERS.

WHEREAS, such resolution of certification shall be adopted by the BOARD OF FUND COMMISSIONERS no later than forty-five days after the receipt of the annual audit, as per the regulations of the Local Finance Board, and

WHEREAS, all members of the BOARD OF FUND COMMISSIONERS have received and have familiarized themselves with, at least, the minimum requirements of the Local Finance Board of the State of New Jersey, as stated aforesaid and have subscribed to the affidavit, as provided by the Local Finance Board, and

WHEREAS, failure to comply with the promulgations of the Local Finance Board of the State of New Jersey may subject the members of the BOARD OF FUND COMMISSIONERS to the penalty provisions of R.S. 52:27BB-52 - to wit:

R.S. 52:27BB-52 - "A local officer or member of a local governing body who, after a date fixed for compliance, fails or refuses to obey an order of the director (Director of Local Government Services), under the provisions of this Article, shall be guilty of a misdemeanor

and, upon conviction, may be fined not more than one thousand dollars (\$1,000.00) or imprisoned for not more than one year, or both, in addition shall forfeit his office."

NOW, THEREFORE, BE IT RESOLVED, that the BOARD OF FUND COMMISSIONERS of the Municipal Excess Liability Joint Insurance Fund, hereby states that it has complied with the promulgation of the Local Finance Board of the State of New Jersey, dated July 30, 1968, and does hereby submit a certified copy of this resolution and the required affidavit to said Board to show evidence of said compliance.

I HEREBY CERTIFY THAT THIS IS A TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING HELD ON JUNE 3, 2020.

Joy Tozzi, MEL Fund Secretary

RESOLUTION 27-20

**MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND
AMENDING 2020 PROFESSIONAL SERVICE AGREEMENT WITH
J.A. MONTGOMERY**

WHEREAS, the Board of Fund Commissioners of the Municipal Excess Liability Joint Insurance Fund awarded and executed a Professional Service Agreement for Fund years 2018, 2019 and 2020 to J.A. Montgomery as **Fund Safety & Training Consultant** and **Administration of the MEL Video Library and MEL Safety Institute** in a public session held on January 2, 2018;

WHEREAS, the restrictions placed on New Jersey businesses and residents as a result of the Global Pandemic has created a necessity for the Administration of the MEL Video Library and MEL Safety Institute to adapt its training programs to meet the evolving need of member entities of affiliated local Joint Insurance Funds;

WHEREAS, J.A. Montgomery has researched availability of training program for streaming and reformatted its delivery system for classroom training;

NOW, THEREFORE, BE IT RESOLVED by the Board of Fund Commissioners of the Municipal Excess Liability Joint Insurance Fund that the 2020 compensation terms of the Professional Service Agreement with J.A. Montgomery as **Fund Safety & Training Consultant** and **Administration of the MEL Video Library and MEL Safety Institute** additional pricing for the webinar training, administration of webinar training and administration fee for MSI Now (streaming video training) be hereby amended to reflect additional compensation structure attached here to.

**MUNICIPAL EXCESS LIABILITY
JOINT INSURANCE FUND**

Attest:

Thomas Merchel, CHAIRMAN

Joy Tozzi, SECRETARY

RESOLUTION 28-20

**MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND
RESOLUTION AUTHORIZING THE HIRING
OF VARIOUS CONSULTING, PROFESSIONAL SERVICES, CONSULTING AND
OTHER SERVICES THROUGH THE COMPETITIVE CONTRACTING PROCESS**

WHEREAS, the Municipal Excess Liability Joint Insurance Fund (Hereinafter the “Fund”) has a need for the following services to be provided for the efficient operation of the Fund;

ACTUARY
EXECUTIVE DIRECTOR
AUDITOR
CLAIMS ADMINISTRATOR (EXCESS PROPERTY)
CLAIMS SERVICE PROVIDER (Excess Liability Litigation other than Civil Rights):
CLAIMS SERVICE PROVIDER (Civil Rights Litigation):
CLAIMS SERVICE PROVIDER (Excess Workers Compensation)
DEPUTY FUND ATTORNEY
FUND ATTORNEY
GRAPHIC DESIGNER
INTERNAL AUDITOR (Financial Review)
INTERNAL AUDITOR (Insurance Review)
LEGISLATIVE AGENT
MANAGED CARE
SAFETY DIRECTOR
STRATEGIC PLANNING/COMMUNICATIONS CONSULTANT
TECHNICAL WRITER
TREASURER
UNDERWRITING MANAGER
PRODUCER/REINSURANCE MANAGER

and

WHEREAS, the Fund under the authority of (N.J.S.A. 11:15-2.4) is subject to the auspices of the New Jersey Local Publics Contract Law for its procurement at (N.J.S.A.40A:11-1); and

WHEREAS, such desired services are currently available to be provided through the competitive contracting process under the New Jersey Local Publics Contract Law, (N.J.S.A. 40A:11-4.1(a) through (n)).; and

WHEREAS, the Fund desires to evaluate such service offerings from Vendors within the procedures as set forth in the New Jersey Local Publics Contract Law (N.J.S.A.40A:11-4.1 et. seq. and N.J.A.C. 5:34-4 et. Seq.); and

WHEREAS, the competitive contracting process satisfies the fair and open requirement as established under (N.J.S.A. 19:44A-20.4 et. Seq.), and

WHEREAS, the Fund desires to enter into a contract that will satisfy the needs of the Fund; and

WHEREAS, as per statute the process will be administered by the Qualified Purchasing Agent (N.J.S.A 40A:11-4.5(d));

NOW, THEREFORE, BE IT RESOLVED by the Board of Fund Commissioners of the Municipal Excess Liability Joint Insurance Fund resolve to authorize the Qualified Purchasing Agent to procure the Professional Services, Consulting, and other services through the competitive contacting process in accord with (N.J.S.A. 40A:11-4.1 et. Seq.), as follows:

ACTUARY
EXECUTIVE DIRECTOR
AUDITOR
CLAIMS ADMINISTRATOR (EXCESS PROPERTY)
CLAIMS SERVICE PROVIDER (Excess Liability Litigation other than Civil Rights):
CLAIMS SERVICE PROVIDER (Civil Rights Litigation):
CLAIMS SERVICE PROVIDER (Excess Workers Compensation)
DEPUTY FUND ATTORNEY
FUND ATTORNEY
GRAPHIC DESIGNER
INTERNAL AUDITOR (Financial Review)
INTERNAL AUDITOR (Insurance Review)
LEGISLATIVE AGENT
MANAGED CARE
SAFETY DIRECTOR
STRATEGIC PLANNING/COMMUNICATIONS CONSULTANT
TECHNICAL WRITER
TREASURER
UNDERWRITING MANAGER
PRODUCER/REINSURANCE MANAGER

**MUNICIPAL EXCESS LIABILITY
JOINT INSURANCE FUND**

Attest:

Thomas Merchel, CHAIRMAN

Joy Tozzi, SECRETARY

Resolution 29-20
RESOLUTION AUTHORIZING THE AWARD OF A
PROFESSIONAL SERVICES CONTRACT WITHOUT
COMPETITIVE BIDDING TO DUGHI, HEWIT &
DOMALEWSKI, P.C. TO PERFORM
SPECIAL LEGAL COUNSEL SERVICES FOR THE
MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

WHEREAS, there exists a need for special legal counsel services to be rendered to the Municipal Excess Liability Joint Insurance Fund (MEL) in connection with certain pending litigation involving the MEL; and

WHEREAS, the MEL wishes to retain Dughi, Hewit & Domalewski, P.C. to perform such services; and

WHEREAS, the fee for services under this contract shall be \$195 per hour for all lawyers and \$95 per hour for all paralegals; and

WHEREAS, funds are available for this purpose; and

WHEREAS, the Local Public Contracts Law (N.J.S.A. §40A:11-1 *et seq.*) requires that the Resolution authorizing the award of contracts for “Professional Services” without competitive bids and the contract itself be available for public inspection.

NOW, THEREFORE, BE IT RESOLVED by the Board of Fund Commissioners of the Municipal Excess Liability Joint Insurance Fund that

1. The contract with Dughi, Hewit & Domalewski, P.C. is awarded without competitive bidding as a “Professional Service” in accordance with N.J.S.A. §40A:11-5(1)(a) of the Local Public Contracts Law because the contract is for a service performed by a person(s) authorized by law to practice a recognized profession that is regulated by law.
2. Dughi, Hewit & Domalewski, P.C. shall provide special legal counsel services to the MEL as set forth in its proposal of May 6, 2020.
3. A notice of this action shall be printed once in the legal newspaper of the MEL as required by law.
4. A copy of this Resolution shall be provided to Michael Zambito, Treasurer, and to Dughi, Hewit & Domalewski, P.C., 340 North Avenue East, Cranford, New Jersey 07016, for their information and guidance.

This Resolution shall take effect immediately.

ADOPTED this day:

Tom Merchel, Chairman

date

Joy Tozzi, Secretary

date

RESOLUTION 30-20

A RESOLUTION OF THE MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND ESTABLISHING AN INVESTMENT POLICY AND AGENCY AGREEMENT FOR PARTICIPATING MEMBERS OF THE JOINT CASH MANAGEMENT AND INVESTMENT PROGRAM

WHEREAS, the Municipal Excess Liability Joint Insurance Fund (hereinafter, “the Fund”) has established a Joint Cash Management and Investment Program (hereinafter, “JCMI”) pursuant to Chapter 40 of the laws of the State of New Jersey; and

WHEREAS, the program provides investment opportunities for participating Joint Insurance Funds (hereinafter “JIFs”) to have an opportunity to provide for a better yield on their investments; and

WHEREAS, the JCMI has proposed agency agreement terms for each program participant, which agency agreement is attached hereto as Exhibit A, as well as an investment policy, attached hereto as Exhibit B; and

WHEREAS, it is recommended by the Fund Attorney, Executive Director and Fund Investment Committee, that the terms of the agency agreement and investment policy be ratified by the Board of Fund Commissioners to be binding on all participants in the JCMI program.

NOW, THEREFORE, BE IT RESOLVED, by Board of Fund Commissioners of the Municipal Excess Liability Joint Insurance Fund that the Fund’s JCMI program shall be guided by the following documents:

1. The agency agreement as set forth in Exhibit A
2. The JCMI policy as set forth in Exhibit B

BE IT FURTHER RESOLVED that all participants shall acknowledge and affirm participation by way of the agency agreement and be provided with a copy of the approved JCMI investment policy.

**MUNICIPAL EXCESS LIABILITY
JOINT INSURANCE FUND**

Attest:

Thomas Merchel, CHAIRMAN

Joy Tozzi, SECRETARY

RESOLUTION 31-20

A RESOLUTION OF THE MUNICIPAL EXCESS LIABILITY (MEL) JOINT INSURANCE FUND SUPPORTING THE ENACTMENT OF ASSEMBLY BILL NO. 3971 AND SENATE BILL NO. 2475 TO AUTHORIZE THE ISSUANCE OF CORONAVIRUS RELIEF BONDS BY MUNICIPALITIES AND COUNTIES

WHEREAS, municipalities and counties throughout New Jersey are facing unprecedented financial challenges, including significant loss of revenue and unanticipated spending, due to the ongoing COVID-19 State of Emergency and Public Health Emergency; and

WHEREAS, without relief, local government may have to significantly reduce services and layoff personnel; and

WHEREAS, in response to these conditions, Assemblymen Benson and Coughlin introduced A-3971 and Senator Singleton introduced S-2475, which authorizes local units to issue “coronavirus relief bonds” to allow them to borrow money, with a ten-year payback period, to cover shortfalls and unanticipated costs that are a direct result of the COVID-19 pandemic; and

WHEREAS, such bonds will provide local units with the flexibility to ensure continuation of essential services; and

WHEREAS, the NJMEL, through its member Joint Insurance Funds, provides insurance coverage to almost 65% of municipalities throughout the State, which has resulted in savings to taxpayers of over \$3 billion dollars over three decades; and

WHEREAS, to assist members in this emergency, the MEL is purchasing up to \$100 million in short term bonds to help stabilize the bond market for its members; and

WHEREAS, at its upcoming meeting on June 3rd, the MEL plans to adopt an insurance rate freeze for 2021 that will help its member JIFs plan their 2021 budgets.

NOW, THEREFORE BE IT RESOLVED, that the MEL hereby affirms its support for the enactment of A-3971 and S-2475.

BE IT FURTHER RESOLVED that the MEL Secretary shall be directed to transmit a copy of this Resolution to the Governor, Senate President and Assembly Speaker.

Adopted this 3rd day of June 2020.

Charles Cuccia, MEL Legislative Chairman

Joy Tozzi, MEL Secretary

RESOLUTION No 32-20
of the
Municipal Excess Liability Joint Insurance Fund

RESOLUTION AUTHORIZING THE AWARD OF PROFESSIONAL SERVICES CONTRACT WITHOUT COMPETITIVE BIDDING TO ALEXANDER H. CARVER III, J.C.S. (RET.) OF HARWOOD LLOYD LLC TO SERVE AS THE FUND'S SPECIAL MASTER TO ADDRESS ISSUES RELATED TO COVID-19

WHEREAS, the Municipal Excess Liability Joint Insurance Fund (hereinafter “the Fund”) has established a Covid-19 Subcommittee (hereinafter “the Subcommittee”) to address for its participating members, Fund issues and matters regarding COVID-19 and the associated State of Emergency and Public Health Emergency; and

WHEREAS, the Subcommittee has established certain procedures to address such issues and matters, concerns and/or claims; and

WHEREAS, the Subcommittee has finds it necessary and appropriate to obtain certain professional services, as defined in the Local Public Contracts Law, (N.J.S.A. 40A-11-1 et. seq.), to regarding these COVID-19 matters; and

WHEREAS, the Subcommittee has received a proposal dated March 26, 2020 from Alexander H. Carver III, J.S.C. (Ret.) of Harwood Lloyd, LLC, who has previously served as a New Jersey Superior Court judge and as a mediator and an arbitrator, to serve as Special Master for COVID-19 matters, at a rate not to exceed \$450.00 per hour; and

WHEREAS, the Subcommittee and Fund Attorney have recommended the hiring of a Judge Carver as Special Master to provide guidance on COVID-19 matters; and

WHEREAS, the Fund desires to retain the services of Judge Carver to serve as Special Master as to COVID-19 matters; and

WHEREAS, the Fund Treasurer has indicated that sufficient funds exist for the award of these contracts in the usual and customary accounts; and

WHEREAS, the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq., requires that the resolution authorizing the award of a contract for professional services without competitive bidding, and the contract itself, be available for public inspection.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Fund Commissioners of the Municipal Excess Liability Joint Insurance Fund (“the Fund”) as follows:

1. The Fund hereby awards and authorizes execution of a professional service agreement with Alexander H. Carver III, J.S.C. (Ret.) of Harwood Lloyd, LLC at a rate not to exceed \$450 per hour to serve as the Special Master to the Fund for COVID-19 matters.
2. The contract is awarded without competitive bidding as a professional services contract in accordance with the provisions of the Local Public Contracts Law because said services are performed by a person licensed under law to practice a recognized profession.
3. Notice of this action shall be published as required by law.

4. A copy of this resolution shall be provided to the Fund Treasurer and to Harwood Lloyd, LLC, for their information and guidance.
5. A copy of this resolution and contract will be on file in the Fund office, located at 9 Campus Drive, Suite 216, Parsippany, NJ 07504.

Chairperson

Dated

Secretary

Dated

**MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND
BILLS LIST**

Resolution No. 33-20

JUNE 2020

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 2019

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002383			
002383	ACRISURE LLC	RENEW RETAIN-SUB ESX-SECAUCUS 2019	5,000.00
002383	ACRISURE LLC	NEW MEM-METU & MIDDLESEX BORO 2019	10,000.00
			15,000.00
		Total Payments FY 2019	15,000.00

FUND YEAR 2020

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002384			
002384	CONNER STRONG & BUCKELEW	2ND RMC FEE 2020	104,093.00
002384	CONNER STRONG & BUCKELEW	EXCESS LIABILITY PREMIUMS 6/20	876,029.20
002384	CONNER STRONG & BUCKELEW	OPTIONAL EXCESS LIABILITY 6/20	167,194.20
			1,147,316.40
002385			
002385	QUALCARE, INC.	MANAGED CARE FEE 6/20	45,543.51
002385	QUALCARE, INC.	MANAGED CARE FEE 5/20	45,543.51
			91,087.02
002386			
002386	QUAL-LYNX	CLAIM ADJ 6/20	53,400.00
002386	QUAL-LYNX	CLAIM ADJ 5/20	53,400.00
			106,800.00
002387			
002387	CB CLAIMS LLC	CLAIMS SERVICES 5/20	33,936.00
			33,936.00
002388			
002388	J. A. MONTGOMERY RISK CONTROL	SAFETY & EDUCATION 6/20 - CONSULTING	8,600.00
002388	J. A. MONTGOMERY RISK CONTROL	SAFETY & EDUCATION 5/20 - VIDEO	1,000.00
002388	J. A. MONTGOMERY RISK CONTROL	SAFETY & EDUCATION 6/20 - VIDEO	1,000.00
002388	J. A. MONTGOMERY RISK CONTROL	MSI 5/20	88,200.00
002388	J. A. MONTGOMERY RISK CONTROL	MSI 6/20	88,200.00
002388	J. A. MONTGOMERY RISK CONTROL	SAFETY & EDUCATION 5/20 - CONSULTING	8,600.00
			195,600.00
002389			
002389	PERMA	EXEC DIRECTOR 6/20	113,585.44
			113,585.44
002390			
002390	MICHAEL S. ZAMBITO	TREASURER - 2ND QTR 2020	6,551.87
			6,551.87
002391			
002391	DORSEY & SEMRAU ESQ.	2ND QTR RETAINER 2020	10,924.00
002391	DORSEY & SEMRAU ESQ.	2ND QTR RETAINER OPRA 2020	4,681.75
			15,605.75
002392			
002392	THE PRESS OF ATLANTIC CITY	PROPOSED 2021 BUDGET 6.3.20	23.52
			23.52
002393			
002393	PRINCETON STRATEGIC COMMUNICATIONS GROUP LLC	MONTHLY FEE 5/20	5,922.33
			5,922.33

002394			
002394	ARTHUR J. GALLAGHER RMS, INC.	REINSURANCE 6/20	26,485.42
002394	ARTHUR J. GALLAGHER RMS, INC.	REINSURANCE 5/20	26,485.42
			52,970.84
002395			
002395	THE ACTUARIAL ADVANTAGE	ACTUARY FEE 6/20	4,345.00
002395	THE ACTUARIAL ADVANTAGE	ACTUARY FEE 5/20	4,345.00
			8,690.00
002396			
002396	CONNER STRONG & BUCKELEW	UNDERWRITING FEE 6/20	45,866.00
002396	CONNER STRONG & BUCKELEW	UNDERWRITING FEE 5/20	45,866.00
			91,732.00
002397			
002397	ACRISURE LLC	RENEW MEM RETA-MONMOUTH-REDBANK 20	5,000.00
002397	ACRISURE LLC	MARKETING FEE - 1ST & 2ND QTR 20	32,500.00
002397	ACRISURE LLC	NEW MEMEBR-CENTRAL-DUNELLEN 20	5,000.00
			42,500.00
		Total Payments FY 2020	1,912,321.17
		TOTAL PAYMENTS ALL FUND YEARS	\$1,927,321.17

Chairperson

Attest:

Dated: _____

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

Treasurer

