

Meeting of Executive Committee called to order by Chairman Gregory Franz  
**ROLL CALL OF 2020 EXECUTIVE COMMITTEE/FUND COMMISSIONERS:**

Gregory Franz	Chairman	South Bergen	Present
John Clarke	Secretary	MEL	Present
Paul Tomasko	Executive Committee	Bergen	Present
Tom Nolan	Executive Committee	Monmouth	Present
Joseph Wolk	Executive Committee	Camden	Present
Brian Bigler	Executive Committee	NJUA	Present
Joseph Catenaro	Executive Committee	Sub Essex	Present
David Matchett	Alternate #1	Burlco	Present
Richard Hirsch	Alternate #2	Atlantic	Present
Jon Rheinhardt	Alternate #3	Morris	Present
Tom Merchel	Alternate #4	PMM	Present
Sherry Sims	Alternate #5	PHA	Present
Veronica Laureigh	Alternate #6	Ocean	Present
William Northgrave	Alternate #7	Central	Present
Megan Champney	Alternate #8	SubMuni	Present
Robert Law	Alternate #9	Trico	Present

Actuary

The Actuarial Advantage  
**Kyle Mrotek**

Dave Grubb, PERMA  
Brad Stokes, PERMA  
Steve Sacco, PERMA  
Kathy Kissane, Qual-Lynx  
Charles Casagrande, Danskin Insurance Agency  
John Casagrande, Danskin Insurance Agency  
Alison Kelly, Danskin Insurance Agency  
Ezio Altamura, GJEM-Otterstedt Insurance Agency  
Michael Avalone, Conner Strong and Buckelew

**APPROVAL OF MINUTES:** January 6, 2020 Open Session

**MOTION TO APPROVE JANUARY 6, 2020 OPEN MINUTES:**

Moved:	Commissioner Sims
Second:	Commissioner Wolk
Vote:	Unanimous

**CORRESPONDENCE:**

NONE

**TREASURER:**

**CONFIRMATION OF PAYMENT – FEBRUARY 2020**

<b>2019</b>	\$106.15
<b>2020</b>	\$38,407.42
<b>TOTAL</b>	<b>\$38,407.42</b>

**RESOLUTION 7-20, CONFIRMING MARCH 2020 VOUCHER PAYMENTS  
(BILLS LIST):**

<b>2020</b>	\$34,828.24
<b>TOTAL</b>	<b>\$34,828.24</b>

**MOTION TO CONFIRM FEBRUARY 2020 AND TO ADOPT RESOLUTION 7-20  
APPROVING THE MARCH 2020 VOUCHER LIST, AS SUBMITTED:**

Moved:	Commissioner Nolan
Second:	Commissioner Champney
Roll Call Vote:	16 Ayes – 0 Nays

**EXECUTIVE DIRECTOR:**

**Joint Cash Management Investment Program.** Executive Director reported that in 2019, the MEL board authorized the release of a Professional Services RFP for an Asset Manager and a Financial Advisor to manage investments of the Municipal Excess Liability Fund Joint Cash Management Program. Executive Director indicated that today, the MEL will adopt a resolution awarding Clearbrook as the Asset Manager, Bank of New York as Custodian & Accounting and NW Financial as the Financial Advisor. The MEL is inviting the NJ Municipal Excess Liability Residual Claims Fund (RCF), the NJ Environmental Risk Management Fund and the Sustainable Energy Joint Meeting to start with investment opportunities. Once operational, the offer will be extended to all MEL affiliated local Joint Insurance Funds. Executive Director recommended the RCF participate in the MEL's Joint Cash Management Program which requires the authorization of the Executive Board. The resolution and participation application as well as a memorandum from the JCMI Committee and copies of the formation documents were emailed with the agenda. At the request of the Executive Director, the Fund Attorney gave an overview of the JCMI and the benefits to participate. He reported that JCMI will provide the opportunity to use the Joint Insurance Fund's available cash to invest long term to achieve a hopefully higher rate of return. Currently 50% of the investment portfolio is limited to long term investments in state municipal bond issuances. The three vendors being recommended for approval have responded to the RFQs and been interviewed. Today the MEL will approve those vendors and the JCMI will go 'live'. The RCF participation will hopefully allow the fund to maximize their return on investments within the limits permitted by law.

Executive Director said the Fund Attorney, the Treasurer Mr. Cuccia and Commissioner Rheinhardt have been very instrumental in moving towards this end. Commissioner Rheinhardt said the idea dates back to 2008 when the municipal bond market was unfavorable, which coincidentally, is reoccurring now. This month a list was compiled of members that are expected to issue short term debt in the next 3 to 5 months. In April, there are 21 members with a total of \$93M that will need bids to purchase the debt. In May there are 32 more members with \$201M of debt to purchase.

At Executive Director's request, Commissioner Rheinhardt said that in speaking to a contact at the DCA, he learned they are expecting to have half a billion dollars of debt that needs to be bought in the next 2 to 3 months. The JCMI is positioned to cover approximately half of that, however only for our current members, leaving other consortiums to cover the rest of the local debt. This also shows the benefit of membership and our ability to be there to support our members when they need help.

**Motion to adopt Resolution 8-20** to authorize RCF's participation in the Municipal Excess Liability Fund Joint Cash Management and Investment Program (JCMI) effective today.

Moved:	Commissioner Rheinhardt
Second:	Commissioner Laureigh
Roll Call Vote:	16 Ayes – 0 Nays

**Fund Operations:** Executive Director said in the event the JIF is not able to assemble at the next scheduled meeting either in person or via teleconference, a motion is requested from the commissioners to authorize the Executive Director and Fund Attorney to make necessary decisions to keep the fund operational, including the payment of claims and expenses.

Moved:	Commissioner Franz
Second:	Commissioner Laureigh
Vote:	Unanimous

**CLAIMS COMMITTEE:** Executive Director said that the Claims Review Committee met on January 6, 2020 and March 5, 2020; minutes of those meetings are enclosed under separate cover.

**Financial Disclosures:** Executive Director reported that the JIF Commissioners should anticipate the online filing of the Financial Disclosure forms inclusive of any other municipal related positions that require filing. It is anticipated the Division of Local Government Services will distribute a notice with filing instruction in March with a deadline to file by April 30<sup>th</sup>.

**June Meeting:** Executive Director reported that the next meeting is scheduled for June 3, 2020 at 10:30AM at the Forsgate Country Club.

**Pro-Forma Monitoring Reports -** Executive Director referred to the Regulatory Check List as of 3/19/20 is included in the agenda.

#### **ATTORNEY:**

Fund Attorney said he will defer the majority of his comments until the MEL meeting concerning the Coronavirus. Notably there will be a request at the MEL meeting to establish a subcommittee, similar to the subcommittee formed after Super Storm Sandy, to aid in streamlining an approach to any issues that arise with respect to the Coronavirus.

#### **OLD BUSINESS:**

NONE

**NEW BUSINESS:**

NONE

**PUBLIC COMMENT:**

NONE

Executive Director reminded the committee the EJIF meeting will be held at 9:20 via teleconference using a different call in number. The MEL meeting will be held at 9:40 via teleconference, using the same call in number that was used for the RCF meeting.

**MOTION TO ADJOURN:**

Moved:	Commissioner Laureigh
Second:	Commissioner Wolk
Vote:	Unanimous

**MEETING ADJOURNED: 9:14AM**

Sandra Cantwell, Assisting Secretary  
for  
John Clarke, SECRETARY

# MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND BILLS LIST

Resolution No. \_\_\_\_07-20

MARCH 2020

WHEREAS, the Treasurer has certified that funding is available to pay the following bills:

BE IT RESOLVED that the Municipal Excess Liability Residual Claim 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 2020**

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
001485			
001485	PERMA RISK MANAGEMENT SERVICES	POSTAGE 1/20	0.50
001485	PERMA RISK MANAGEMENT SERVICES	EXEC DIRECTOR/ADMIN 3/20	17,050.99
			<b>17,051.49</b>
001486			
001486	THE ACTUARIAL ADVANTAGE	ACTUARY FEE 3/20	3,516.17
			<b>3,516.17</b>
001487			
001487	CHARLES CUCCIA	TREASURER FEE 3/20	3,334.16
			<b>3,334.16</b>
001488			
001488	CB CLAIMS, LLC	CLAIMS ADMIN FEE 2/20	5,133.61
			<b>5,133.61</b>
001489			
001489	ALLSTATE INFORMATION MANAGEMNT	ACCT#809 - ARC & STOR - 2.29.20	28.84
			<b>28.84</b>
001490			
001490	ARTHUR J. GALLAGHER RISK MSI	EXECUTIVE DIRECTOR 3/20	5,763.97
			<b>5,763.97</b>
		<b>Total Payments FY 2020</b>	<b>34,828.24</b>
		<b>TOTAL PAYMENTS ALL FUND YEARS</b>	<b>\$34,828.24</b>

\_\_\_\_\_  
Chairperson

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

\_\_\_\_\_  
Treasurer

## RESOLUTION 8-20

### ***New Jersey Municipal Excess Liability Residual Claims Fund*** (RCF)

#### A RESOLUTION REQUESTING PERMISSION TO PARTICIPATE IN THE MUNICIPAL EXCESS LIABILITY FUND

#### JOINT CASH MANAGEMENT AND INVESTMENT POOL

(In compliance with P.L.2018, Chapter 40)

**WHEREAS**, participation in the Municipal Excess Liability Fund Joint Cash Management and Investment Program (JCMI) requires the authorization of the Executive Board of the New Jersey Municipal Excess Liability Residual Claims Fund; and,

**WHEREAS**, the executive board of the New Jersey Municipal Excess Liability Residual Claims Fund has determined that it would be advantageous for the fund to participate with the MEL in this joint investment program; and,

**WHEREAS**, P.L. 2018 Chapter 40 provides that the commissioners of a Joint Insurance Fund may invest and reinvest the funds, including workers' compensation funds, as authorized under the provisions of subsection b. of N.J.S.40A:10-10. The commissioners may, subject to the cash management plan of the joint insurance fund adopted pursuant to N.J.S.40A:5-14, delegate any of the functions, powers and duties relating to the investment and reinvestment of these funds, including the purchase, sale or exchange of any investments, securities or funds to an investment or asset manager. Any transfer of investment power and duties made pursuant to this subsection shall be detailed in a written contract for services between the joint insurance fund and an investment or asset manager; and,

**WHEREAS**, in addition to the powers otherwise conferred by law, the commissioners of a joint insurance fund established pursuant to P.L.1983, c.372 (C.40A:10-36 et seq.), and the trustees of a joint insurance fund established pursuant to 18 P.L.1983, c.108 (C.18A:18B-1 et seq.) may amend the plan of risk management of their respective funds to participate in a joint cash management and investment program with other joint insurance funds similarly established pursuant to P.L.1983, c.372 (C.40A:10-22 36 et seq.), and P.L.1983, c.108 (C.18A:18B-1 et seq.).

**NOW, THEREFORE, BE IT RESOLVED**, by Executive Board of the New Jersey Municipal Excess Liability Residual Claims Fund (RCF) as follows:

1. The RCF does hereby request permission to participate in the JCMI Program established by the New Jersey Municipal Excess Liability Fund,
2. The RCF authorizes its Treasurer to make formal application pursuant to the JCMI By-Laws and requirements.
3. The Secretary of the RCF is hereby directed to forward two certified copies of this Resolution to the Executive Director of the New Jersey Municipal Excess Liability Fund.

**ADOPTED:**    *this 27th day of March, 2020 by the Governing Body:*

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Fund Chair

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Fund Secretary