

**MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND**

**\*\*PLEASE NOTE THIS MEETING STARTS AT 10:30AM\*\*  
VIA TELECONFERENCE**

**CALL-IN NUMBER: 929 205 6099  
MEETING ID#: 974 6682 9897**

**OR**

**VIDEO ACCESS:**

<https://permainc.zoom.us/j/97466829897?pwd=TDRkQWxEUy9acUdlNlk2aDdLK2tpdz09>

**MEETING ID: 974 6682 9897**

**October 21, 2020**

**10:30 AM**

**AGENDA AND REPORTS**

**MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND**

**OPEN PUBLIC MEETINGS ACT**

**STATEMENT OF COMPLIANCE WITH OPEN PUBLIC MEETINGS ACT**

The Municipal Excess Liability Residual Claims Fund will conduct its October 21, 2020 meeting electronically, in accordance with the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq. and in consideration of Executive Order No. 103, issued by Governor Murphy on March 9, 2020, declaring a State of Emergency and a Public Health Emergency in the State of New Jersey.

Notice of this meeting was given by (1) sending sufficient notice herewith to the Star Ledger, Newark, N.J.; (2) filing advance written notice of this meeting with the member joint insurance funds and (3) posting this notice on the public bulletin board of all members.

**MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND AGENDA  
MEETING: OCTOBER 21, 2020  
VIA TELECONFERENCE WITH VIDEO ACCESS**

**10:30 AM**

- ☐ **OPEN PUBLIC MEETING NOTICE READ**
- ☐ **MEETING OF FUND COMMISSIONERS CALL TO ORDER**
- ☐ **PLEDGE OF ALLEGIANCE**
- ☐ **ROLL CALL OF 2020 FUND COMMISSIONERS**
- ☐ **APPROVAL OF MINUTES** September 2, 2020 ..... **Appendix I**
- ☐ **CORRESPONDENCE:**

**None.**

**REPORTS**

- ☐ **TREASURER - Charles Cuccia**  
October 2020 Bills list, Resolution 16-20 ..... **Page 1**
- ☐ **EXECUTIVE DIRECTOR/ADMINISTRATOR – Joseph Hrubash, PERMA**  
Executive Director Report..... **Page 2**  
2021 Proposed Budget..... **Page 4**  
Resolution 17-20 Plan Fiscal Management Amendment ..... **Pages 5**  
Resolution 18-20 2020 Commissioner Attendance ..... **Page12**  
Claims Committee 9/2/2020 Minutes..... **Enclosed separately**
- ☐ **ATTORNEY - Fred Semrau, Esq.**  
Report..... **Verbal**
- ☐ **OLD BUSINESS**
- ☐ **NEW BUSINESS**
- ☐ **PUBLIC COMMENT**
- ☐ **MEETING ADJOURNED**

# MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND BILLS LIST

**RESOLUTION 16-20**

**OCTOBER 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>
001534			
001534	PERMA RISK MANAGEMENT SERVICES	POSTAGE 8/20	6.50
001534	PERMA RISK MANAGEMENT SERVICES	EXEC DIRECTOR/ADMIN 10/20	17,050.99
			<b>17,057.49</b>
001535			
001535	THE ACTUARIAL ADVANTAGE	ACTUARY FEE 10/20	3,516.17
			<b>3,516.17</b>
001536			
001536	DORSEY & SEMRAU	ATTORNEY - 4TH QTR 2020	10,143.90
			<b>10,143.90</b>
001537			
001537	CHARLES CUCCIA	TREASURER FEE 10/20	3,334.16
			<b>3,334.16</b>
001538			
001538	NJ ADVANCE MEDIA	ACCT#XMUNI0555929 - AD - 8.14.20	440.10
			<b>440.10</b>
001539			
001539	CB CLAIMS, LLC	CLAIMS SUPERVISION/ADMIN 9.24.20	5,133.61
			<b>5,133.61</b>
001540			
001540	ALLSTATE INFORMATION MANAGEMNT	ACCT#809 - ARC & STOR - 8.31.20	31.31
			<b>31.31</b>
001541			
001541	ARTHUR J. GALLAGHER RISK MSI	DEPUTY ADMIN/EXEC 10/20	5,763.97
			<b>5,763.97</b>
		<b>Total Payments FY 2020</b>	<b>45,420.71</b>
	<b>TOTAL</b>	<b>PAYMENTS ALL FUND YEARS</b>	<b>\$45,420.71</b>

\_\_\_\_\_  
Chairperson

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

\_\_\_\_\_  
Treasurer



**Municipal Excess Liability Residual Claims Fund**  
9 Campus Drive – Suite 216  
Parsippany, NJ 07054  
Tel: 201-881-7632  
Fax: 201-881-7633

October 21, 2020

**Memo to:** Board of Fund Commissioners  
Municipal Excess Liability Residual Claims Fund

**From:** PERMA Risk Management Services

**Re:** Executive Director's Report

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- ❑ **2021 Budget (Page 4):** At the September 2<sup>nd</sup> meeting, the 2021 Budget was introduced. There have been no budget changes since introduction and the Public Hearing will be held at this meeting. Enclosed on page 4 of the agenda is the 2021 Budget
  - **Motion to open the Public Hearing on the 2021 Budget.**
  - **Discussion of Budget.**
  - **Motion to close the Public Hearing.**
  - **Motion to approve the 2021 Budget.**
  -
- ❑ **2020 FISCAL MANAGEMENT PLAN AMENDMENT (Page 5):** The Fund Office has been notified that Ms. Janet Buggle has retired from Qual-Lynx. Ms. Buggle is an authorized signer on the Qual-Lynx claims accounts therefore she should be removed. The Fund Office has spoken with Investors Bank and in order for them to remove Ms. Buggle they require an amended Fiscal Management Plan that no longer lists her as an authorized signed.
  - ❑ ***Motion to adopt Resolution 17-20 amending the Municipal Excess Liability Residual Claims Fund 2020 Fiscal Management Plan.***
- ❑ **Professional Services (Page 9):** The RFQs for professional services for the 2021-2023 contract term were released on July 22, 2020 with a response deadline of September 9, 2020.

Enclosed is a report of responses received, each position received only one response. The contract review committee will be scoring the vendors individually. Their recommendations on contract awards will be confirmed at reorganizational meeting scheduled on January 6, 2020.
- ❑ **2020 Commissioner Compensation (Page 10):** Enclosed on page 10 is the 2020 commissioner attendance record as of the September meeting. In order to be compensated, please complete and submit the enclosed voucher on page 11 of the agenda. A bills list will be produced in order to ensure that commissioners receive their checks by the end of the Fund Year. Enclosed is Resolution 18-20 authorizing the Treasurer to make payments to Fund Commissioners for 2020 meeting attendance.

- **Motion to Adopt Resolution 18-20 authorizing the Fund Treasurer to make payments to the Fund Commissioners for the 2020 Meeting Attendance.**

- ❑ **Claims Committee:** The Claims Review Committee met on September 2, 2020. The minutes of the meeting are provided in a separate e-mail. The Claims Review Committee will be meeting at 3:00 p.m. on December 2, 2020. Please note the time change.
- ❑ **Next Meeting and Format:** As a reminder, the next meeting will be our annual reorganizational meeting and is scheduled for January 6, 2021 at 10:30AM. Commissioners to discuss if the meeting should be held in person or in a virtual format.
- ❑ **Pro-Forma Monitoring Report (*Page 13*):** Regulatory Check List - as of 10/14/2020.

<b>MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND</b>				
<b>2021 PROPOSED BUDGET</b>				
	<b>2020 ANNUALIZED</b>	<b>2021 PROPOSED</b>	<b>\$</b>	<b>%</b>
	<b>BUDGET</b>	<b>BUDGET</b>	<b>CHANGE</b>	<b>CHANGE</b>
<b>APPROPRIATIONS</b>				
CLAIMS	0	0	0	
Run-in Claim Receivable	10,000	15,000	5,000	50%
LOSS FUND CONTINGENCY	0	0		
<b>SUBTOTAL LOSS FUND</b>	<b>10,000</b>	<b>15,000</b>	<b>5,000</b>	<b>50%</b>
<b>EXPENSES</b>				
ADMINISTRATOR	205,842	209,959	4,117	2%
DEPUTY ADMINISTRATOR	70,021	71,421	1,400	2%
ATTORNEY	42,615	43,467	852	2%
CLAIMS SUPERVISION & AUDIT	61,603	62,835	1,232	2%
TREASURER	40,010	40,810	800	2%
AUDITOR	23,634	24,107	473	2%
ACTUARY	42,194	43,038	844	2%
MISCELLANEOUS	24,798	25,294	496	2%
<b>SUBTOTAL</b>	<b>510,717</b>	<b>520,931</b>	<b>10,214</b>	<b>2%</b>
EXPENSE CONTINGENCY	135,283	136,639	1,356	1%
<b>TOTAL BUDGET</b>	<b>646,000</b>	<b>657,570</b>	<b>11,570</b>	<b>1.8%</b>

## RESOLUTION NO. 17-20

### MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND

(hereafter referred to as “THE FUND”)

### AMENDING FISCAL MANAGEMENT PLAN

### FOR THE 2020 FUND YEAR

**WHEREAS,** THE FUND is duly constituted as a Municipal Excess Liability Residual Claims Fund, as permitted under the laws promulgated by the State of New Jersey, (N.J.S.A. 40A-36, et.seq.); and

**WHEREAS,** THE FUND is subject to the requirements contained within the Local Fiscal Affairs Law (N.J.S.A. 40A-5, et.seq.) ; and

**NOW, THEREFORE BE IT RESOLVED,** THE FUND’s Executive Committee that:

- I. All funds for Administrative Expenses, Reinsurance, Dividends and Miscellaneous Expenses, shall be withdrawn from the Official named Depository (ies) by check, which shall bear the signatures of at least two (2) of the following persons, duly authorized pursuant to this Resolution;

Gregory Franz, CHAIRMAN

John Clarke, SECRETARY

Charles Cuccia, TREASURER

Joseph Catenaro, COMMISSIONER

- II. All funds for Claims payments handled by the applicable Claims Administrator noted below shall be withdrawn from the Official Depository(ies) by check, which shall bear the signatures of at least two (2) of the following persons, duly authorized pursuant to this Resolution. The Chairman and Secretary or designated Commissioner shall also be a signatory.

Charles Cuccia	Fund Treasurer
Fred Semrau	Dorsey & Semrau
Kathie Tyler Schohl	Dorsey & Semrau
Dave S. Ruber	Qual-Lynx
Alice H. Lihou	Qual-Lynx
Russell Huntington	JIF Claims L.L.C.
Dawn Mulligan	JIF Claims L.L.C.
Kathleen McGuire	Bergen Risk Managers
Jason Cosimano	Bergen Risk Managers
Jennifer Dittmer	Bergen Risk Managers
John Markel	Bergen Risk Managers
Christopher Botta, Esq.	CB Claims, LLC
Georganne Jussel	CB Claims, LLC
Robert Fisher	Robert Fisher, Esq.
Susan C. Hammer	Lenape Claims Management
Lauren Jensen	Lenape Claims Management
Juan Lopez	AmeriHealth Casualty Services
Michael Sullivan	AmeriHealth Casualty Services

Benjamin Hilton  
Debra Davenport  
Bob Blankenship  
Joseph House

Sedgwick CMS  
Sedgwick CMS  
Sedgwick CMS  
Sedgwick CMS

- III. FOR WIRE TRANSFERS - that the FUND does hereby require that Investors Bank obtain voice confirmation prior to executing wire transfers to external accounts from the Fund Treasurer.
- IV. The Cash and Investment Policy attached herewith, shall be adopted.
- V. The rate of interest assessed by the Fund, for delinquent assessments shall be ten (10) percent per annum, from the due date for any such assessment.
- VI. Certifying and Approval Officer for all FUND expenses shall be the FUND's Executive Director and/or the Account Manager so designated by the Executive Director.

***Adopted this 21<sup>st</sup> day of October, 2020.***

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Chairman

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Secretary



**MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND  
2020 CASH MANAGEMENT AND INVESTMENT POLICY**

1.) **Cash Management and Investment Objectives**

The Municipal Excess Liability Residual Claims Fund (hereinafter referred to as the FUND) objectives in this area are:

- a) Preservation of capital.
- b) Adequate safekeeping of assets.
- c) Maintenance of liquidity to meet operating needs, claims settlements and dividends.
- d) Diversification of the FUND's portfolio to minimize risks associated with individual investments.
- e) Maximization of total return, consistent with risk levels specified herein.
- f) Investment of assets in accordance with State and Federal Laws and Regulations.
- g) Accurate and timely reporting of interest earnings, gains and losses by line of coverage in each Fund year.
- h) Where legally permissible, cooperation with other local municipal joint insurance funds, and the New Jersey Division of Investment in the planning and execution of investments in order to achieve economies of scale.
- i) Stability in the value of the FUND's economic surplus.

2.) **Permissible Investments**

Investments shall be limited to investments authorized under N.J.S.A. 40A:5-1.1 Joint Insurance Funds and Chapter 38, Joint Insurance Funds, Subchapter 1. Investments 5:38-1.1, 5:38-1.2 and 5:38-1.3 of the New Jersey Administrative Code.

3.) **Authorized Depositories**

In addition to the above, the FUND is authorized to deposit funds in certificates of deposit and other time deposits in banks covered by the Governmental Unit Depository Protection Act, NJSA 17:9-14 et seq. (GUDPA). Specifically authorized depositories include but are not limited to:

Investors Bank

The FUND is also authorized to invest its assets in the New Jersey Cash Management Fund.

4.) **Authority for Investment Management**

The Treasurer is authorized and directed to make investments, with a maturity of three months or longer, through asset managers that may be selected by the Executive Board. Such asset managers shall be discretionary trustees of the FUND.

Their actions and decisions shall be consistent with this plan and all appropriate regulatory constraints.

In executing investments, asset managers shall identify the investment that is the most advantageous to the fund, unless otherwise directed by the FUND. Transactions may also be processed through the New Jersey Division of Investment by the Fund's asset managers.

5.) **Preservation of Capital**

Securities shall be purchased with the ability to hold until maturity.

6.) **Safekeeping**

Securities purchased on behalf of the FUND shall be delivered electronically or physically to the FUND's custodial bank, which shall maintain custodial and/or safekeeping accounts for such securities on behalf of the FUND.

7.) **Selection of Asset Managers, Custodial Banks and Operating Banks**

Asset managers, custodial banks and operating banks shall be retained for contract periods of one (1) year. Additionally, the FUND shall maintain the ability to change asset managers and/or custodial banks more frequently based upon performance appraisals and upon reasonable notice, and based upon changes in policy or procedures.

8.) **Reporting**

Asset managers will submit written statements to the treasurer and executive director describing the proposed investment strategy for achieving the objectives identified herein. Asset managers shall also submit revisions to strategy when justified as a result of changing market conditions or other factors. Such statements shall be provided to the Treasurer and Executive Director. The statements shall also include confirmation that all investments are made in accordance with this plan. Additionally, the Investment Manager shall include a statement that verifies the Investment Manager has reconciled and determined the appropriate fair value of the Funds portfolio based on valuation guidelines that shall be kept on file in the Executive Director's office.

The Treasurer shall report to the Executive Committee at all regular meetings on all investments. This report shall include information on the balances in all bank and investment accounts, and purchases, sales, and redemptions occurring in the prior month.

9.) **Audit**

This plan, and all matters pertaining to the implementation of it, shall be subject to the FUND's annual audit.

10.) **Cash Flow Projections**

Asset maturity decisions shall be guided by cash flow factors payout factors supplied by the Fund Actuary and reviewed by the Executive Director and the Treasurer.

11.) **Cash Management**

All moneys turned over to the Treasurer shall be deposited within forty-eight (48) hours in accordance with NJSA 40A:5-16.

In the event a check is made payable to the Treasurer rather than the Fund, the following procedure is to be followed:

- a.) The Treasurer endorses the check to the Fund and deposits it into the Fund account.
- b.) The Treasurer notifies the payer and requests that in the future any check be made payable to the Fund.

Cash may be withdrawn from investment pools under the discretion of asset managers only to fund operations, claims impress accounts, or approved dividend payments.

The Treasurer shall escheat to the State of New Jersey checks which remain outstanding for twelve or more months after the date of issuance. However, prior to implementing such procedures, the Treasurer, with the assistance of the claims agent, as needed, shall confirm that the outstanding check continues to represent a valid claim against the FUND.

**Residual Claim Fund  
Municipal Excess Liability Joint Insurance Fund  
RFQ Opening – September 9, 2020 10AM  
Parsippany, NJ - Fund Office**

<b>Position</b>	<b>Response from:</b>
<b>Actuary</b>	The Actuarial Advantage
<b>Auditor</b>	Wielkottz & Company, LLC.
<b>Executive Director/Administrator</b>	PERMA Risk Management Services
<b>Deputy Executive Director</b>	Risk Program Administrators (RPA)
<b>Treasurer</b>	Charles Cuccia
<b>Claims Supervisor</b>	CB Claims LLC
<b>Attorney</b>	Fred Semrau, Esq. – Dorsey & Semrau

2020 Board of Fund Commissioners - Attendance							
		January	March	June	Sept	Oct	#Mtgs
1	Gregorgy Franz - Chairman	South Bergen	1	1	1	1	4
2	John Clarke- Secretary	MEL	-	1	1	1	3
<b>Executive Committee</b>							
1	Paul Tomasko	Bergen	1	1	1	1	4
2	Tom Nolan	Monmouth	1	1	-	1	3
	Tom Rogers - alternate	Monmouth	-	-	1	-	1
3	Joseph Wolk	Camden	1	1	1	1	4
4	Brian Bigler	NJUA	1	1	1	1	4
	Bernard Rutkowski - alternate	NJUA	-	-	-	-	0
5	Joseph Catenaro	Sub Essex	1	1	1	1	4
	Mauro Tucci - alternate	Sub Essex	-	-	-	-	0
<b>Alternates</b>							
1	David Matchett	Burlco	1	1	1	1	4
2	Richard Hirsch	Atlantic	1	1	1	1	4
3	Jon Rheinhardt	Morris	1	1	1	1	4
	Michael Guarino - alternate	Morris	-	-	-	-	0
4	Tom Merchel	PMM	1	1	1	1	4
5	Sherry Sims	PHA	1	1	1	-	3
6	Veronica Laureigh	Ocean	1	1	1	-	3
	Diane Lapp - alternate	Ocean	-	-	-	-	0
7	William Northgrave	Central	1	1	1	-	3
8	Megan Champney	Suburban Municipal	1	1	1	1	4
9	Robert Law	Trico	1	1	1	1	4

## Municipal Excess Residual Claims Fund

9 Campus Drive, Suite 216  
Parsippany, NJ 07054

(201) 881-7632

Pay To :

Address :

Taxpayer Identification #: \_\_\_\_\_ Purchase Order #: \_\_\_\_\_

NOTE: All Bills Must Be Properly Certified Before Payment

[illegible]

### Claimant's Certification and Declaration

I do solemnly declare and certify under the penalties of the law that the within bill is correct in all its particulars; that the articles have been furnished or services rendered as stated therein; that no bonus has been given or received by any person or persons with the knowledge of this claimant in connection with the above claim; that the amount stated therein is justly due and owing and that the amount charged is a reasonable one. I further certify that I am an Equal Opportunity Employer and that I have complied with the Affirmative Action regulations issued by the New Jersey Department of the Treasury.

Vendor's Signature X

Title

Date

## OFFICERS CERTIFICATION

I, having knowledge of the facts, certify that the materials and supplies have been received or the services rendered; this certification being based on signed delivery slips or other reasonable procedures.

Signature:

Title:

APPROPRIATIONS OR ACCOUNTS CHARGED		PAYMENT AUTHORIZED
		Payment approved at a meeting on
		Date
		PAYMENT RECORD

**RESOLUTION 18-20**

**AUTHORIZING THE MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND  
TO PAY COMMISSIONERS FOR ATTENDANCE  
AT FUND COMMISSIONER MEETINGS  
FOR THE FUND YEAR 2020**

**WHEREAS**, N.J.S.A. 40A:10-36 permits the creation of a Joint Insurance Fund for Local Public Entities,  
and

**WHEREAS**, said Statute permits the Board of Commissioners to vote to allow those Fund Commissioners who serve on the Board of Fund Commissioners or Executive Committee to receive up to \$150 per regular Meeting attended,

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Commissioners of the Municipal Excess Liability Residual Claims Fund as follows:

Each regular and alternate member of the Board of Fund Commissioners of the Municipal Excess Liability Residual Claims Fund is permitted to receive \$150 per regular monthly Board Meetings attended by said member.

**MUNICIPAL EXCESS LIABILITY  
RESIDUAL CLAIMS FUND**

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Dated

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Dated

**Municipal Excess Liability Residual Claims Fund  
Regulatory Filing Check List  
Fund Year 2020 as of 10/14/20**

<u>Item</u>	<u>Filing Status</u>
<input type="checkbox"/> <b>Unaudited Financials</b>	<b>March 19, 2020</b>
<input type="checkbox"/> <b>Annual Audit</b>	<b>Filed June 29, 2020</b>
<input type="checkbox"/> <b>Budget Changes</b>	<b>None</b>
<input type="checkbox"/> <b>Transfers</b>	<b>FY 2015 completed as of 12/31/19</b>
<input type="checkbox"/> <b>Dividends</b>	<b>October / November agenda item</b>
<input type="checkbox"/> <b>Additional Assessments</b>	<b>To be billed on 4<sup>th</sup> Quarter</b>
<input type="checkbox"/> <b>Professional Changes</b>	<b>None</b>
<input type="checkbox"/> <b>Officer Changes</b>	<b>None</b>
<input type="checkbox"/> <b>Risk Management Plan</b>	<b>Filed 1/7/2020</b>
<input type="checkbox"/> <b>Bylaw Amendments</b>	<b>None</b>
<input type="checkbox"/> <b>New Members (list)</b>	<b>None</b>
<input type="checkbox"/> <b>Withdrawals of JIFs</b>	<b>None</b>
<input type="checkbox"/> <b>Fund Officers &amp; Commissioners</b>	<b>Filed 1/7/20</b>
<input type="checkbox"/> <b>Cash Management Plan</b>	<b>Filed 1/7/20</b>
<input type="checkbox"/> <b>Professional Contracts</b>	<b>Professional Addendums All Executed</b>

<b>Professionals</b>	<b>Received 2018-2020 Contract</b>	<b>Received 2020 Addendum</b>	<b>GL/AL/WC Insurance</b>	<b>Fidelity Crime</b>	<b>E&amp;O</b>	<b>Position Bond</b>	<b>Bankers Professional Liability</b>
Actuary	✓	✓	✓		✓	n/a	-
Administrator	✓	✓	✓	✓	✓	✓	-
Attorney	✓	✓	✓	n/a	✓	n/a	-
Auditor	✓	✓	✓	n/a	✓	n/a	-
Deputy Administrator	✓	✓	✓	n/a	✓	n/a	-
Claims Supervisor	✓	✓	✓	✓	✓	✓	-
Treasurer	✓	✓	n/a	✓	n/a	✓	-
<input type="checkbox"/> Requirement has expired and requires renewal by Fund Professional							

## **APPENDIX I**



**MUNICIPAL EXCESS RESIDUAL CLAIMS LIABILITY FUND**

**MINUTES**

**September 2, 2020**

**VIA TELECONFERENCE**

**10:30 AM**

Meeting of Executive Committee called to order by Chairman Gregory Franz.

Chairman Franz led Commissioners in the Pledge of Allegiance.

**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	Absent
Veronica Laureigh	Alternate #6	Ocean	Absent
William Northgrave	Alternate #7	Central	Absent
Megan Champney	Alternate #8	SubMuni	Present
Robert Law	Alternate #9	Trico	Present

Executive Director

PERMA Risk Management Services

**Joseph Hrubash, Cathleen Kiernan**

Deputy Executive Director

Arthur J. Gallagher RMS, Inc.

**Paul Forlenza, Paul Miola**

Attorney

Dorsey & Semrau

**Fred Semrau, Esq.,**

Treasurer

**Charles Cuccia**

Claims Supervisor

CB Claims

**Christopher Botta**

Actuary

The Actuarial Advantage

**Kyle Mrotek, Eric Bause**

Auditor

Wielkotz & Company, LLC

**Jim Cerullo**

**ALSO PRESENT:**

Ezio Altamura, GJEM Insurance Agency  
Alison Kelly, Danskin Insurance Agency  
Frank Covelli, P.I.A  
Kathy Kissane, Qual-Lynx  
Paul Shives, J.A. Montgomery  
Michael Avalone, Conner Strong & Buckelew  
Ed Cooney, Conner Strong & Buckelew  
Dave Grubb, PERMA  
Brad Stokes, PERMA  
Steve Sacco, PERMA  
Pauline Kontomanolis, PERMA  
Jennifer Conicella, PERMA  
Robyn Walcoff, PERMA  
Nancy Ghani, PERMA  
Brandon Tracy, PERMA,  
Sandra Cantwell, PERMA

**APPROVAL OF MINUTES:** June 3, 2020 Open Session

**MOTION TO APPROVE JUNE 3, 2020 OPEN MINUTES:**

Moved: Commissioner Wolk  
Second: Commissioner Catenaro  
Vote: 12 Ayes – 1 Abstention (Commissioner Nolan)

**CORRESPONDENCE:**

None.

**TREASURER:****RESOLUTION 13-20 JULY 2020 VOUCHER PAYMENTS (BILLS LIST):**

<b>2019</b>	\$126,456.12
<b>2020</b>	\$45,001.67
<b>TOTAL</b>	<b>\$171,457.79</b>

**RESOLUTION 14-20 AUGUST 2020 VOUCHER PAYMENTS (BILLS LIST):**

<b>2020</b>	\$34,830.21
<b>TOTAL</b>	<b>\$34,830.21</b>

**RESOLUTION 15-20 APPROVING SEPTEMBER 2020 VOUCHER PAYMENTS (BILLS LIST):**

<b>2020</b>	\$35,155.74
<b>TOTAL</b>	<b>\$35,155.74</b>

**MOTION TO CONFIRM RESOLUTION 13-20 JULY PAYMENTS AND  
RESOLUTION 14-20 AUGUST PAYMENTS AND TO ADOPT RESOLUTION 15-20  
APPROVING THE SEPTEMBER 2020 VOUCHER LIST, AS SUBMITTED:**

Moved: Commissioner Merchel

Second: Commissioner Wolk  
Vote: Unanimous

Treasurer said the JCMI is off to a very good start with an average rate of investment of 1.33 and a total savings to members of about \$178,000 in interest. Executive Director said there are several members joining the JCMI and they will be rolled in gradually. Commissioner Rheinhardt said the investment income is about \$1.5 million, where if they had not started the program, would have only been around \$200,000. Commissioner Tomasko noted the complimentary article in the Municipalities Magazine highlighting the JCMI program.

## **EXECUTIVE DIRECTOR REPORT**

**2019 Budget Amendment:** Executive Director said this budget amendment for Fund Year 2019 reflects the transfer of Fund Year 2015 from the local JIFs as of 12/31/19.

### **MOTION TO OPEN THE PUBLIC HEARING ON THE AMENDED 2019 BUDGET:**

Moved: Commissioner Rheinhardt  
Second: Commissioner Franz  
Vote: Unanimous

### **DISCUSSION OF AMENDMENTS TO BUDGET & ASSESSMENTS; SEEING NONE...**

### **MOTION TO CLOSE THE PUBLIC HEARING:**

Moved: Commissioner Wolk  
Second: Commissioner Clarke  
Vote: Unanimous

### **MOTION TO ADOPT THE AMENDMENTS TO THE 2019 BUDGET AND CERTIFY THE ASSESSMENTS:**

Moved: Commissioner Rheinhardt  
Second: Commissioner Clake  
Roll Call Vote: 13 Ayes – 0 Nays

**2021 Budget:** Under the conditions of the Fund, the 2021 expenses cannot be directly charged to an expense line established in the 2020 budget. As in the past, the Executive Director recommended a dividend be released from Closed Year Account in the amount of \$657,570. Additionally a motion is needed to introduce on first reading the 2021 Budget and to schedule the Public Hearing on October 21, 2020, 10:30 a.m., meeting to be held telephonically.

### **MOTION TO ADOPT RESOLUTION 16-20 RETURNING SURPLUS FROM THE CLOSED YEAR ACCOUNT AND TO INTRODUCE ON FIRST READING THE 2021 BUDGET AND TO SCHEDULE THE PUBLIC HEARING ON OCTOBER 21, 2020, 10:30 A.M.; MEETING TO BE HELD TELEPHONICALLY:**

Moved: Commissioner Catenaro  
Second: Commissioner Merchel  
Roll Call Vote: 13 Ayes – 0 Nays

**Request for Qualifications (RFQ):** Executive Director reported the RFQ for professional services for the 2021-2023 contract term was posted and the deadline to receive responses is September 9, 2020. Chairman Franz will ask for 2 or 3 commissioners to sit on the evaluation committee with him to review the proposal responses and make their recommendations to the Board.

**2019 Audit Filing.** The RCF 2019 audit was filed with the New Jersey Department of Banking and Insurance (DOBI) and the New Jersey Department of Community Affairs (DCA) on June 29, 2020.

**Facing and Embracing Crisis for your Municipality:** The MEL is offering a webinar Facing and Embracing Crisis for your Municipality on Tuesday, September 15, 10:30 a.m. – 12:30 p.m. Due to popular demand, this is an encore presentation of the webinar held on June 30 and August 4. Registered participants are eligible to receive Continuing Education Credits for this program as noted in the announcement. Notice with full details was included in the agenda.

**Claims Committee:** The Claims Review Committee met on June 3 and July 16, 2020; minutes of those meetings were enclosed under separate cover. The Claims Review Committee also met today prior to this Fund meeting. The Claims Committee will meet again at 9:00 a.m. on October 21<sup>st</sup>.

**Next Meeting:** As a reminder the next meeting is scheduled for October 21, 2020 at 10:30AM, details to be determined.

**Pro-Forma Monitoring Report:** Regulatory Check List as of 8/26/20 is included for informational purposes.

**ATTORNEY REPORT:** Fund Attorney Semrau noted that the RCF has an excellent track record with no exposure items at the next level and no disputes with the carriers. This is due to the team of professionals that handle and manage these types of older, high exposure, and sometimes unique claims,

**OLD BUSINESS:**

NONE

**NEW BUSINESS:**

Commissioner Rheinhardt said they are welcoming Mr. George Destafney to the MEL Audit Committee.

**PUBLIC COMMENT:**

NONE

**MOTION TO ADJOURN:**

Moved:	Commissioner Merchel
Second:	Commissioner Bigler
Vote:	Unanimous

**MEETING ADJOURNED: 10:49AM**

Sandra Cantwell, Assisting Secretary

for

John Clarke, SECRETARY