

MUNICIPAL EXCESS RESIDUAL CLAIMS LIABILITY FUND
MINUTES
MARCH 26, 2021
VIA TELECONFERENCE
9:00 AM

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

At the request of the Chairman, Executive Director read the Open Public Meetings Act and the Statement of Compliance With Open Public Meetings Act.

ROLL CALL OF 2021 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	Absent
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

Executive Director PERMA Risk Management Services
Joseph Hrubash

Attorney Dorsey & Semrau
Fred Semrau, Esq.

Treasurer **Charles Cuccia**

Claims Supervisor	CB Claims
	Christopher Botta

Actuary

The Actuarial Advantage
Kyle Mrotek

ALSO PRESENT:

Michael Guarino, Denville
Don Sciolaro, Waldwick Borough
Megan Champney, Summit
Cate Kiernan, PERMA
Dave Grubb, PERMA
Brad Stokes, PERMA
Steve Sacco, PERMA

Paul Forlenza, Arthur J. Gallagher, RMS, Inc.
Paul Miola, Arthur J. Gallagher, RMS, Inc
Kathy Kissane, Qual-Lynx
Chris Healey, Qual-Lynx
Claudia Acosta, 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 & Buckelew
Russell Huntington, Esq., Huntington Bailey LLP
Stacey Ehling, Princeton Strategic Communications
Ed Cooney, Conner Strong & Buckelew
Jonathon Tavares, Conner Strong & Buckelew
Paul Shives, J.A. Montgomery Consulting
Kyle Mrotek, The Actuarial Advantage
Eric Bause, The Actuarial Advantage
Pauline Kontomanolis, PERMA
Nancy Ghani, PERMA
Robyn Walcoff, PERMA
Jennifer Conicella, PERMA
Sandy Cantwell, PERMA

APPROVAL OF MINUTES: January 6, 2021 Open Session

MOTION TO APPROVE JANUARY 6, 2021 OPEN MINUTES:

Moved: Commissioner Clarke
Second: Commissioner Tomasko
Vote: 14 Ayes, 0 Nays, 1 Abstain (Commissioner Northgrave)

CORRESPONDENCE:

NONE

TREASURER:

RESOLUTION 11-21 CONFIRMING FEBRUARY 2021 VOUCHER BILLS LIST

2020	\$207.57
2021	\$35,546.05
TOTAL	\$35,753.62

RESOLUTION 12-21, CONFIRMING MARCH 2021 BILLS LIST:

2020	\$31.31
2021	\$35,700.22
TOTAL	\$35,731.53

MOTION TO ADOPT RESOLUTION 11-21 FEBRUARY 2021 BILLS LIST AND RESOLUTION 12-21 APPROVING THE MARCH 2021 BILLS LIST AS SUBMITTED:

Moved: Commissioner Tomasko
Second: Commissioner Wolk
Roll Call Vote: 15 Ayes – 0 Nays

EXECUTIVE DIRECTOR REPORT:

2021 FISCAL MANAGEMENT PLAN AMENDMENT: Executive Director said the Fund Office has been notified that Ms. Lauren Jensen, an authorized signer on the Lenape Claims Management claims accounts, is no longer with the company and she should be removed. Resolution 13-21 amends the Fiscal Management Plan and removes Ms. Jensen as an authorized signatory.

Moved:	Commissioner Hirsch
Second:	Commissioner Rheinhardt
Vote:	15 Ayes – 0 Nays

2021 MEL/RCF/EJIF March 26th Virtual Meeting & Retreat: Executive Director said today after the RCF, EJIF and MEL meetings the annual the MEL Retreat will be held via Zoom. The purpose of the retreat is provide the sub-committees of the MEL an expanded opportunity to report directly to the Boards of the MEL, RCF and EJIF. The same call in number will be used for the MEL meeting and the Retreat.

2021 MEL, MRHIF and NJCE Educational Seminar: Executive Director said the 2021 10th Annual Educational Seminar sponsored by the MEL Joint Insurance Fund (MEL), the Municipal Reinsurance Health Insurance Fund (MRHIF) and the New Jersey Counties Excess Joint Insurance Fund (NJCE JIF) seminar will be held virtually on the mornings of Friday, May 14th and Friday, May 21. The seminar includes two ethics courses, presentations on implicit bias, insurance market conditions, proposals to change the Workers' Compensation law and a discussion of proposed changes to the Affordable Care Act. The seminar qualifies for Continuing Educational Credits including CFO/CMFO, Public Works, Clerks, Insurance Producers and Purchasing Agents. There is no fee for employees and insurance producers associated with MEL and Municipal Reinsurance Health Insurance Fund (MR HIF) members as well as personnel who work for service companies that are engaged by MEL member JIFs and MR HIF member HIFs.

2021-2022 Insurance Crisis and Accidental Disability Pensions: Executive Director referred to two memorandums included the agenda prepared by David Grubb, MEL Executive Director. The memos address a number of factors that may result in a 15% to 20% increase to the 2022 budget. In addition to the current hard market and the legislation that passed the last 2 years concerning sexual molestation and firefighter cancer presumption, other factors include Senate Bill 3375, COVID claims, and the change made by the Department of Labor eliminating the offset for accidental disability pension making workers compensation primary. Mr. Grubb stated he would be addressing these topics in detail at the MEL Management Committee report at today's MEL retreat.

Cannabis Legalization: Executive Director said the recent adoption of the cannabis legislation in New Jersey has raised a number of critical issues and questions. The MEL Fund Attorney is preparing a bulletin that will list the various issues, which each respective member should address and confer with its legal counsel.

EJIF Environmental Alert: Executive Director noted an EJIF Environmental Alert was released this month addressing the environmental impacts of cannabis legislation, and is included in the agenda.

RCF Professionals Contracts: Executive Director said the professional contracts were reviewed and cosmetic updates and clarifications were made. None of the changes modified the contract's intent. Contracts are currently being distributed for signatures.

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 instructions in March with a deadline to file by April 30th.

Claims Committee: Executive Director said that the Claims Review Committee met on January 6, 2022 and March 3, 2021; January minutes are enclosed under separate cover.

June Meeting: Executive Director reported that the next meeting is scheduled for June 2, 2021 at 10:30AM. The meeting is currently scheduled to be held in person at the Forsgate Country Club. In response to Ms. Kiernan, Mr. Grubb suggested the June meeting be held virtually. Executive Director asked for Commissioners input, and there was agreement to hold June meetings virtually, and reevaluate for the September meetings in June.

Pro-Forma Monitoring Reports - Executive Director referred to the Regulatory Check List as of 3/17/21, which is included in the agenda.

Mr. Grubb added that MEL would be working to contain the anticipated increases for next year.

ATTORNEY:

NONE

OLD BUSINESS:

NONE

NEW BUSINESS:

Commissioner Clarke said as reported in the news yesterday, Rutgers University has mandated that all students returning to any of their onsite schools in the fall must have a Covid vaccine. New Brunswick City has begun discussions with their Emergency Management department and the union about mandating the vaccine. These discussions are going to become more prevalent for members. Fund Attorney said a memorandum was released about a month ago discussing the issues surrounding mandating the vaccine. Executive Director said we can re-distribute the memo, and it has been posted on the MEL website. Ms. Kiernan said that later today the MEL will be presented with a bulletin concerning cannabis legislation and if there are no further comments, the Fund office will distribute the cannabis bulletin and include the memo concerning mandating vaccines. Commissioner Rheinhardt commented that in a recent webinar he attended there are risks to mandating the vaccine. Fund Attorney said in the case of Rutgers University, they are mandating students get the vaccine, however they are 'highly encouraging' staff to receive the vaccine and this will be an evolving topic. Executive Director agreed, saying that this information will continue to be circulated and will be posted prominently on the MEL website. Commissioner Guarino asked if there are ways to limit workers compensation payments for employees who decline the vaccine and Mr. Grubb confirmed there is not.

PUBLIC COMMENT:

NONE

Executive Director reminded 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 a different call in number.

MOTION TO ADJOURN:

Moved:	Commissioner Rheinhardt
Second:	Commissioner Clarke
Vote:	Unanimous

MEETING ADJOURNED: 9:14AM

Sandra Cantwell, Assisting Secretary
for
John Clarke, SECRETARY

MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND

BILLS LIST

Resolution No. 11-21

FEBRUARY 2021

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>
001579			
001579	PERMA RISK MANAGEMENT SERVICES	POSTAGE 12/20	14.10
001579	PERMA RISK MANAGEMENT SERVICES	AATRIX 1099 2020	43.02
			57.12
001580			
001580	NJ ADVANCE MEDIA	AD 11.23.2020	119.14
			119.14
001581			
001581	ALLSTATE INFORMATION MANAGEMNT	ARC SERVICE&STORAGE 11/20	31.31
			31.31

Total Payments FY 2020 **207.57**

FUND YEAR 2021

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
001582			
001582	PERMA RISK MANAGEMENT SERVICES	ADMIN 2/21	17,392.01
			17,392.01
001583			
001583	THE ACTUARIAL ADVANTAGE	ACTUARY 2/21	3,586.51
			3,586.51
001584			
001584	CHARLES CUCCIA	TREASURER 2/21	3,400.84
			3,400.84
001585			
001585	NJ ADVANCE MEDIA	AD 1.04.2021	51.15
			51.15
001586			
001586	CB CLAIMS, LLC	CLAIMS ADMIN 2/21	5,236.29
			5,236.29
001587			
001587	ARTHUR J. GALLAGHER RISK MSI	DEPUTY ED 2/21	5,879.25
			5,879.25

Total Payments FY 2021 **35,546.05**

TOTAL PAYMENTS ALL FUND YEARS **\$35,753.62**

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 BILLS LIST

Resolution No. 12-21
MARCH 2021

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>
001566			
001566	THE ACTUARIAL ADVANTAGE	VOID	-3,516.13
			-3,516.13
001588			
001588	THE ACTUARIAL ADVANTAGE	ACTUARY FEE 12/20	3,516.13
			3,516.13
001589			
001589	ALLSTATE INFORMATION MANAGEMNT	ARC SERVICE&STORAGE 12/20	31.31
			31.31
Total Payments FY 2020			31.31

FUND YEAR

2021

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
001590			
001590	PERMA RISK MANAGEMENT SERVICES	POSTAGE 2/21	7.60
001590	PERMA RISK MANAGEMENT SERVICES	ADMIN 3/21	17,392.01
001590	PERMA RISK MANAGEMENT SERVICES	POSTAGE 1/21	5.60
			17,405.21
001591			
001591	THE ACTUARIAL ADVANTAGE	ACTUARY 3/21	3,586.51
			3,586.51
001592			
001592	CHARLES CUCCIA	TREASURER 3/21	3,400.84
			3,400.84
001593			
001593	NJ ADVANCE MEDIA	AD 2.1.2021	64.40
001593	NJ ADVANCE MEDIA	AD 1.27.2021	65.10
			129.50
001594			
001594	CB CLAIMS, LLC	CLAIMS ADMIN 3/21	5,236.29
			5,236.29
001595			
001595	ALLSTATE INFORMATION MANAGEMNT	ARC SERVICE&STORAGE 2/21	31.31
001595	ALLSTATE INFORMATION MANAGEMNT	ARC SERVICE&STORAGE 1/21	31.31

			62.62
001596			
001596	ARTHUR J. GALLAGHER RISK MSI	DEPUTY ADMIN 3/21	5,879.25
			5,879.25
		Total Payments FY 2021	35,700.22
		TOTAL PAYMENTS ALL FUND YEARS	35,731.53

Chairperson

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

RESOLUTION NO. 13-21

MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND

(hereafter referred to as “THE FUND”)

AMENDING FISCAL MANAGEMENT PLAN

FOR THE 2021 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 Governing Body hereby appoints the following professionals for the 2021 Fund Year:

- 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 Dittermer	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
Patricia Muldoon
Juan Lopez
Michael Sullivan
Benjamin Hilton
Debra Davenport
Bob Blankenship
Joseph House

Lenape Claims Management
Lenape Claims Management
AmeriHealth Casualty Services
AmeriHealth Casualty Services
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 26th day of March, 2021.

Chairman

Secretary