

**OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND
MINUTES
MARCH 11, 2021
Zoom Teleconference Call
3:00 P.M.**

Meeting Called to Order by Chairperson Lapp. Open Public Meeting Statement read into the record. Pledge of Allegiance

ROLL CALL OF 2021 EXECUTIVE COMMITTEE:

Diane Lapp, Township of Manchester	Present
Charlene Carney, Vice Chair, Borough of Pine Beach	Present
Veronica Laureigh, Secretary, Twp. of Lacey	Present
Thomas Rodgers, Township of Toms River	Present
Joanne Bergin, Township of Brick	Present
Michael Gross, Borough of Surf City	Present
Joseph Kostecki, Borough of South Toms Rivers	Absent
Senator Robert Singer, Township of Lakewood, Alternate #1	Present
Matthew von der Hayden, Township of Stafford, Alternate #2	Present

APPOINTED OFFICIALS PRESENT:

Executive Director /Administrator	Perma Risk Management Services.	Stephen Sacco	Present
Attorney	Citta, Holzapfel, Zabarsky	Steven Zabarsky, Esq.	Present
Treasurer		Julie Tarrant	Present
Claims Service	Qual-Lynx	Kathy Kissane	Present
Managed Care	Qual-Lynx	Lisa Gallo	Present
Underwriting Manager	Conner Strong & Buckelew	Ed Cooney	Present
Safety Director	JA Montgomery	Paul Shives	Present
Risk Management Consultants	Conner Strong & Buckelew	Mike Avalone	Present

ALSO PRESENT

Diane Ambrosio, Ocean Twp.
Sherry Mason, Beach Haven
Sean Asay, Island Heights
Robyn Walcoff, Perma
Jennifer Conicella, Perma
Katie Walters, Conner Strong & Buckelew
Joe Mirarchi, J.A. Montgomery
Mike Brosnan, J.A. Montgomery
Tracy Lopez, Perma

APPROVAL OF MINUTES:

January 14, 2021

MOTION TO APPROVE OPEN MINUTES FOR ABOVE REFERENCED MEETING

MOTION: Commissioner Gross
SECOND: Commissioner Rodgers
ROLL CALL VOTE: Unanimous

CORRESPONDENCE:

Executive Director referred to the MEL Helpline bulletin which has been included in the monthly agendas and further introduced Ms. Jodi Howlett of Cleary Giacobbe Alfieri, Jacobs LLC who advised that the three firms listed within the bulletin are available to assist all members with any employment related issues that may arise. Ms. Howlett noted that her firm continues to assist in questions relating to family leave and issues surrounding parents that are homeschooling due to the pandemic and are willing to assist members inclusive of harassment, termination, employee discipline, discrimination and any other employment related issue. The contact information is noted within the bulletin and also available on the MEL website and is free to all members.

TREASURER:

Fund Treasurer reviewed the financial reports distributed prior to the meeting inclusive of the Certification & Reconciliation of Claim Payments, Summary of Cash and Investments for all years combined and the Summary of Cash and Investments for the month of December 2019. Fund Treasurer also reviewed the bill lists for the months of February and March 2021 as distributed.

February 2021

FUND YEAR	AMOUNT
2020	\$79.50
2021	\$1,122,312.57
TOTAL	\$ 1,122,392.07

MOTION TO APPROVE RESOLUTION # 16-21 - FEBRUARY 2021 BILLS LIST

MOTION: Commissioner Gross
SECOND: Commissioner Rodgers
VOTE: Unanimous

March 2021

FUND YEAR	AMOUNT
2021	\$173,855.87
TOTAL	\$173,855.87

MOTION TO APPROVE RESOLUTION # 17-21 - MARCH 2021 BILLS LIST

MOTION: Commissioner Von der Hayden
SECOND: Commissioner Gross
ROLL CALL VOTE: Unanimous

MOTION TO ACCEPT THE TREASURER REPORTS OF JANUARY 2021 AND DECEMBER 2020 INCLUSIVE OF THE CLAIMS/IMPREST TRANSFERS AND THE FEBRUARY AND MARCH BILL LISTS AS CERTIFIED BY THE TREASURER

MOTION: Commissioner Gross
SECOND: Commissioner Rodgers
ROLL CALL VOTE: Unanimous

2021 ASSESSMENTS – Fund Treasurer said the first installments have been collected from members of the fund with exception of a few fire companies for which follow up will be provided.

Copy of the Treasurer's Report made a part of the Minutes.

EXECUTIVE DIRECTOR

Executive Director introduced Mr. David Grubb, Executive Director of the Municipal Excess Liability Joint Insurance Fund (MEL). Executive Director said the Fund is a member of the MEL and recognizes that in person meetings are not permissible at this time due to the pandemic, as a result, he believed it was beneficial for members to have Mr. Grubb on the call this afternoon due to the ongoing changes within Trenton which will affect the local joint insurance funds.

Mr. Grubb said normally we are very proud of the fact that we are able to keep the budget increases within the 0% -2% range, unfortunately what is occurring now are many budget increased that will converge in fund year 2022. At this time the magnitude of the affects are not known however it would be reasonable to assume that a 0%-2% increase for 2022 are simply out of the realm of reality. The single most expensive is a result of a piece of legislation noted as S-3375 (Singleton) which will increase workers compensation costs, not only for public entities, but for all employers in the 15%-20% range, perhaps even more. Mr. Grubb noted that he is meeting with the Senators staff next Friday detailing the cost impacts this piece of legislation will have should it be passed. Senator Singer agreed and noted that the caps for attorney fees would be removed adding higher costs.

Mr. Grubb said that COVID-19 is also an area which will increase workers compensation costs by 15% although that would not continue after 2022. There was also a change in pension offsets wherein the offset was previously paid by the pension system will now be transferred to workers compensation resulting in an increase of approximately 11% in addition to increased rates in the market place for excess workers compensation in the market place, we expects an increase of approximately 10%. Mr. Grubb said that the statute of limitations are beginning to take its affect and it is estimated that the claims will increase costs by approximately 6%; we currently see a 5%-10% increase each year in general liability. Mr. Grubb said due to the safety program in place and the decline in accidents this increase should balance itself out. With regards to excess general and auto liability rates, nationally, rates increase in 30%, 40% and sometimes 50% range, however we are able to avoid that by taking a higher retention by our ability to control the costs in our financials.

Mr. Grubb said with regards to Cyber Liability we all are aware of the market in this area as premiums have doubled for this line of coverage, although this is not the cost driver of the fund budgets as it represents approximately 1.5% of budgets. Mr. Grubb added that we have been seeing a steady 10%-15% increase per year however we believe it will begin to level off in 2022.

Mr. Grubb said his office is working very closely with a number of different parties to try to contain the costs and members will be informed as we move forward and added that he does not expect the worst case scenario but does not feel it right or proper to assume that somehow we will hold budgets at a 2% range or within that range for the 2022 fund year but also assured members that all professionals are working very hard this and will keep everyone informed.

Senator Singer commented on the workers compensation cases relating to COVID-19 and encouraged a further look into those cases as it has been found that many of the cases did not occur within a claimants employment but outside of the work place; contact tracing within municipalities is key when handling workers compensation claims. Senator Singer added another topic for consideration is a very serious look at, which he believes will be very effective lawsuits that are going to happen with the legalization of marijuana legislation which we are now seeing with respects to police officers; training should be provided for our departments to understand what they can and cannot do based on this legislation. Mr. Grubb agreed and advised that the Risk Control Operation is working on this issue now and fortunately we currently have four retired senior commander officers in our Risk Control program with the ability of training officers based on their experience. Senator Singer also noted additional departments such as public works which in some cases are very large in our membership. In response to Mr. Mirarchi of J.A. Montgomery, Senator Singer said we are hoping the amendment to the legislation will not list certain departments as there are many sensitive job descriptions such as an inspector who would drive a vehicle, there are many sensitive job descriptions within the state.

In response to Mr. Mirarchi regarding CDL vs. non CDL, Senator Singer said if the topic is addressed within the municipalities policy, it must be followed, you cannot drive a vehicle if under the influence of marijuana and further added, based on his experience, random drug testing is key.

MEL Bulletin – Mandatory Vaccinations

On behalf of the MEL, J.A. Montgomery issued a MEL Bulletin in response to public entities' questions concerning whether employers may mandate the COVID-19 vaccine for their employees. Matt Giacobbe, Special Council to the MEL, advises employers to proceed with extreme caution before making that decision and consulting with their local attorney. A copy of the memo was enclosed as distributed.

Employment Practices Compliance Program

Executive Director encourage member to visit the MEL webpage to review all the elements of the MEL's EPL Compliance Program; deadline for updates and training are due by June 1, 2021. Link to outline of program and model documents: <https://njmel.org/insurance/public-officials/risk-management-program/>

2020/2021 Elected Officials Seminar

The MEL's Annual Elected Officials Seminar is available through the MEL Safety Institute. Another copy of the directions to take the course was included enclosed as distributed.

Model Personnel Manual & Employee Handbook – Webinar

In 2020, the Municipal Excess Liability Joint Insurance Fund (MEL) prepared a new Model Personnel Manual and Employee Handbook that is more than simply updating existing model. Since the new model documents are notably different from prior models, Mr. Matt Giacobbe and Mr. Fred Semrau, the MEL Fund Attorney, have agreed to participate in a 2nd webinar to review changes and answer questions. The target audience for this webinar is Attorneys, Administrators and Executive Directors.

The seminar is scheduled for March 12, 2021 at 10:00 AM, in order to participate, you must register in advance by following the link below for which a confirmation email will follow:

Register in advance for this webinar:

https://permainc.zoom.us/webinar/register/WN_ag5LVHRGQdGHpBsRAx9rxg

Executive Director encouraged attendance to this webinar which will also address the mandatory vaccination and legalization of marijuana.

2021 MEL/RCF/EJIF March 26th Meeting & Retreat

Executive Director said the MEL, RCF and EJIF will be holding their March meetings in conjunction with the MEL Annual Retreat. This year's retreat will be held on March 26th and will be conducted virtually. The purpose of the retreat is to provide the sub-committees of the MEL an expanded opportunity to report directly to the Boards of the MEL, RCF and EJIF. Information regarding the retreat will be posted on the MEL website – www.njmel.org.

2021 MEL, Municipal Reinsurance Health Insurance Fund and NJ Counties Excess JIF Educational Seminar

Executive Director said the 10th annual seminar will be conducted virtually on 2 half day sessions: Friday, May 14th and Friday, May 21 from 9 am to 12 noon. 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. Attached is the agenda; this will also be the topic of the MEL's "Power of Collaboration" Ad in the League of Municipalities magazine. A Zoom Invite with registration instructions will be emailed to members shortly.

2021 Financial Disclosures

Fund Commissioners should anticipate the online filing of the Financial Disclosure forms inclusive of the MEL/EJIF/RCF Commissioner and any municipal related positions that require filing. We have been asked by the Division of Local Government Services to update the 2021 Fund Commissioner roster and expect a notice to be issued shortly.

DUE DILIGENCE REPORTS

Executive Director said the due diligence reports are included for review and asked if there were any questions relating to the reports. Hearing none, the meeting continued.

ATTORNEY:

Fund Attorney had nothing for the open session noting that claims were reviewed by the Claims Committee on Monday and will request authorization from the Board.

SAFETY DIRECTOR:

Safety Director referred to the agenda report which outlined the January and February activities, inclusive of loss control and law enforcement surveys completed followed by the listing of safety director bulletins and messages previously distributed, MSI NOW and MSI DVD viewed and the 2021 schedule for Managers and Supervisors training which will satisfy the mandatory requirement under the MEL EPL/POL program.

Safety Director noted that as result of speaking with different beach supervisors there were three areas of concern relating to beach personnel due to the influx of people heading to the beaches as restrictions begin to change which included protecting beaches after hours, beach employees and dealing with COVID-19 and minors 15 years old or younger getting proper training. Safety Director said they are gathering information based on what was utilized in the past and updating it; this will be available as a webinar within the near future.

Executive Director said as a result of inquiries from members regarding background checks the MEL and Mr. Shives, Safety Director are working together to release an RFP to obtain a listing of

approved companies that can provide this service due to the new requirements under the protection of minors; once completed the approved vendor listing will be available on the MEL website.

Copy of the Safety Director's Report made a part of the Minutes

UNDERWRITING MANAGER:

Underwriting Manager said the MEL Cyber Task Force has released Version 2 of the Cyber Risk Management Program and referred to the one page overview of changes for which the Task Force was very conscious of making sure any changes to Tiers 1 & 2 would not be disruptive to anyone that complied. The program is posted to the MEL website, should anyone have any questions, the underwriting department is available to answer any questions you may have. Underwriting Manager referred to the current cyber compliance report for the month as well as the listing of certificates of insurance previously issued.

Underwriting Manager said that last week Microsoft announced a major vulnerability in their email exchange server; should anyone utilize this program it was encouraged that member IT Personnel address this as there are patches and scans that Microsoft offered as this is a serious vulnerability to data and systems that need to be addressed immediately; an email was released yesterday from the Underwriting Manager which is in fact a real email.

List of Certificates made part of the Minutes.

RISK MANAGEMENT CONSULTANT:

Mr. Avalone said the Borough of Tuckerton has submitted grant agreement for their re-accreditation which has been reviewed; we are seeking approval from the Board to approve the grant of \$7,500 for re-accreditation.

MOTION TO APPROVE THE GRANT AGREEMENT FROM THE BOROUGH OF TUCKERTON FOR POLICE RE-ACCREDITATION IN THE AMOUNT OF \$7,500.

MOTION:	Senator Singer
SECOND:	Commissioner Von der Hayden
VOTE:	Unanimous (1 Abstain/Commissioner Rodgers)

Mr. Avalone noted several key dates which included the compliance of the MEL EPL/POL program which has been extended from June 1, 2021 to November 1, 2021 but encourage all members to continue their due diligence with respects to the elements of the program as noted by Executive Directors reminder of the schedule webinar on the employee handbook tomorrow, March 12, 2021 at 10:00 AM. In addition the elected officials training deadline is May 1, 2021 for which members can secure a credit towards their 2022 assessment; instructions to obtain the training were released on several occasions, anyone needing additional assistance is encouraged to reach out to the appropriate professionals to enroll elected officials.

Mr. Avalone said with regards to police command staff training, a session has been scheduled for March 25, 2021 in Stafford Township with a blend of Ocean and Monmouth JIF command staffers with plenty of capacity for attendance.

As discussed by the Underwriting Manager, the Cyber Risk Management Version 2 was released; those members that achieved compliance status are grandfathered in the program until January 1, 2022 under the new guidelines; members that are currently not in full compliance professionals are available to assist should you have any questions.

Mr. Avalone noted the deadline of March 2, 2021 for the adoption of the revised municipal storm water ordinances. Please reach out to Rich Erickson should you need assistance.

Copy of the Risk Manager's Report made a part of the Minutes.

MANAGED CARE

Managed Care Provider referred to the reports outlined within the agenda beginning with the medical savings and network utilization report which indicates that within the first two months as managed care provider, Qual-Care was able to deliver a savings of 64% with a 99% network utilization. Managed Care provider also noted that once appointed in 2021 there were 283 files transferred from the prior managed care provider, after completing an in depth evaluation of the claims and setting up treatment plans, 34% of those files were closed within the first two months; currently there are 186 open files receiving medical management for the Fund.

Managed Care provider reviewed next report which outlined Covid-19 related claims for February and March totaling 77 reported claims. The report following outlines Covid-19 exposure by type meaning we have received a total of 87 cases which were report only once the nurse case manager reviewed the Covid-19 questionnaire with the employee it was determined that no treatment was necessary, 13 required medical treatment only and 9 required indemnity.

In response to Senator Singer, Ms. Kissane agreed that any claim can be reported, but a thorough investigation is completed by the adjuster to make the final determination of compensability inclusive of requests for work logs, if employee had vacation time, social media checks etc. just because a claim is reported is not automatically compensable.

OLD BUSINESS

None.

NEW BUSINESS

None.

MEETING OPENED TO PUBLIC FOR COMMENT

No Public Comments were made.

CLAIMS ADMINISTRATION

Claims Administrator said the Claims Committee of the Fund met on Monday March 8, 2021 to review a total of nineteen (19) payment authorization requests. All questions were addressed during the meeting and supported by the Claims Committee. At this time we would ask for a motion to approve the pars as reviewed and recommended by the claims committee.

WC Claim #	Prop/GL Claim #
2019150199	2018130756
2020180582	2021218250
2020193917	2021228845
2020208662	2018119836
2019159032	2020188487
2019152992	2021214082
2021218966	2021228372
2021215673	2020202858

WC Claim #	Prop/GL Claim #
2019151972	
2021221386	
2019166206	

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUESTS AS REVIEWED
AND APPROVED BY THE CLAIMS COMMITTEE DURING THEIR MEETING OF
MARCH 8, 2021.**

MOTION: Senator Singer
SECOND: Commissioner Gross
VOTE: Unanimous

MOTION TO ADJOURN MEETING:

MOTION: Commissioner Gross
SECOND: Commissioner Laureigh
VOTE: Unanimous

Meeting Adjourned at: 3:40 PM

NEXT MEETING: May 13, 2021 3:00 PM

**OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND
BILLS LIST**

Resolution No. 16-21

FEBRUARY 2021

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

BE IT RESOLVED that the Ocean County Municipal 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 2020

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002007			
002007	ALLSTATE INFORMATION MANAGEMNT	ARC SERVICE&STORAGE 12/20	79.50
			79.50
		Total Payments FY 2020	79.50

FUND YEAR 2021

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002008			
002008	APEX INS SVS, c/o QBE INSURANCE	QBE POL/EPL PREM. 2021 1 OF 2	895,481.00
002008	APEX INS SVS, c/o QBE INSURANCE	QBE VOL. PO./EPL PREM. 2021 1 OF 2	10,516.50
			905,997.50
002009			
002009	QUAL-LYNX	TPA 2/21	62,245.22
002009	QUAL-LYNX	OUTSIDE ADJ 2/21	6,059.55
			68,304.77
002010			
002010	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR 1/21	11,157.00
002010	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR 2/21	11,157.00
002010	J.A. MONTGOMERY RISK CONTROL	POLICE RISK MGMT 1/21	2,500.00
002010	J.A. MONTGOMERY RISK CONTROL	POLICE RISK MGMT 2/21	2,500.00
			27,314.00
002011			
002011	PERMA	LOSS FUND MGMT 2/21	2,457.78
002011	PERMA	ED 2/21	26,507.76
			28,965.54
002012			
002012	QualCare Inc	MANAGED CARE 2/21	25,479.16
002012	QualCare Inc	MANAGED CARE 1/21	25,479.16
			50,958.32
002013			
002013	CITTA, HOLZAPFEL & ZABARSKY PC	LITIGATION MGMT 1/21	12,120.06
002013	CITTA, HOLZAPFEL & ZABARSKY PC	ATTORNEY 1/21	3,822.50
			15,942.56
002014			
002014	JULIE TARRANT	TREASURER 2/21	3,163.25
			3,163.25
002015			
002015	ASBURY PARK PRESS	AD 1.12.2021	41.30
			41.30
002016			
002016	CONNER STRONG & BUCKELEW	UNDERWRITING MGR 2/21	1,042.00
			1,042.00
002017			
002017	SHIP BOTTOM BOROUGH	POLICE ACCRED GRANT 1/21	20,000.00
			20,000.00
002018			
002018	THE CANNING GROUP LLC	QPA 1/21	583.33
			583.33
		Total Payments FY 2021	1,122,312.57
		TOTAL PAYMENTS ALL FUND YEARS	\$1,122,392.07

**OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND
BILLS LIST**

Resolution No. 17-21

MARCH 2021

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

BE IT RESOLVED that the Ocean County Municipal 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 2021

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002019			
002019	QUAL-LYNX	TPA 3/21	62,245.22
002019	QUAL-LYNX	OUTSIDE ADJ 3/21	6,059.55
			68,304.77
002020			
002020	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR 3/21	11,157.00
002020	J.A. MONTGOMERY RISK CONTROL	POLICE RISK MGT 3/21	2,500.00
			13,657.00
002021			
002021	PERMA	POSTAGE JAN & FEB 2021	27.62
002021	PERMA	ED - 3/21	26,507.76
002021	PERMA	LOSS FUND MGT 3/21	2,457.78
			28,993.16
002022			
002022	QualCare Inc	MANAGED CARE 3/21	25,479.16
			25,479.16
002023			
002023	THE ACTUARIAL ADVANTAGE	ACTUARY 3/21	4,086.50
002023	THE ACTUARIAL ADVANTAGE	ACTUARY 1/21	4,086.50
002023	THE ACTUARIAL ADVANTAGE	ACTUARY 2/21	4,086.50
			12,259.50
002024			
002024	CITTA, HOLZAPFEL & ZABARSKY PC	LITIGATION MGT 3/21	15,763.00
002024	CITTA, HOLZAPFEL & ZABARSKY PC	ATTORNEY 3/21	3,822.50
			19,585.50
002025			
002025	JULIE TARRANT	TREASURER 3/21	3,163.25
			3,163.25
002026			
002026	ASBURY PARK PRESS	AD 1.27.21	67.40
002026	ASBURY PARK PRESS	AD 1.08.21	41.30
			108.70
002027			
002027	ALLSTATE INFORMATION MANAGEMNT	ARC SERVICE&STORAGE 1/21	79.50
			79.50
002028			
002028	CONNER STRONG & BUCKELEW	UNDERWRITING MGR 3/21	1,042.00
			1,042.00
002029			
002029	EXECU-TECH, INC.	WEBSITE 3/21	200.00
002029	EXECU-TECH, INC.	WEBSITE 1/21	200.00
002029	EXECU-TECH, INC.	WEBSITE 2/21	200.00
			600.00
002030			
002030	THE CANNING GROUP LLC	QPA 2/21	583.33
			583.33
		Total Payments FY 2021	173,855.87
		TOTAL PAYMENTS ALL FUND YEARS	\$173,855.87