

**OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND
MINUTES
MAY 12, 2022
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 2022 EXECUTIVE COMMITTEE:

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

Joseph Mirarchi, JA Montgomery
Pauline Kontomanolis, Perma
Leonard Grilleto, Plumsted
Joseph Hrubash, Perma
Sean Asay, Island Heights
Meridith Storch, CSB
Katerine Walters, CSB
Chris Vaz, Seaside Heights
Lauren Holman, HFA

Jennifer Conicella, Perma
Diane Ambrosio, Ocean Twp
Cathleen Kiernan, Perma
Tracy Lopez, Perma

APPROVAL OF MINUTES: March 10, 2022

MOTION TO APPROVE OPEN MINUTES FOR ABOVE REFERENCED MEETING

MOTION:	Senator Singer
SECOND:	Commissioner Stocco
ROLL CALL VOTE:	Unanimous

CORRESPONDENCE

Executive Director referred to the MEL Helpline bulletin which has been included in the monthly agendas for fund commissioners to review and utilize should a need for issues surrounding employment matters arise.

Executive Director referred to the Power of Collaboration wherein in the MEL and the League of Municipalities have urged all municipalities to support the budget cap relief by adopting the resolution as outlined within the article as the increase in insurance cost are caused by issues beyond local control. The resolution will be provided to members in word format via email from the Fund office.

Executive Director also referred to correspondence from the Joint Cash Management and Investment Program (JCMI) being provided on a quarterly basis; this is the first quarter report for which Ms. Kontomanolis, CFO of Perma was introduced to review. Ms. Kontomanolis noted as we all have been aware, there has been a sharp rise in interest rates across the board through the month of April which caused bond prices to decrease which is evidenced within our financial reports for unrealized gains and losses; we do not recognize or realize any of the losses because the Fund holds to maturity which does not affect the Fund in that sense, we hold our purchase yielding slightly over 1% combining all instruments that are in the JCMI. In the 2022 year, we expect that \$65M-\$70M of our instruments to mature which means we have the ability to invest in the current market with higher interest rates; as always our asset managers focus is on principle preservation in return. Ms. Kontomanolis offered to address any questions from the Board or members present in addition to contacting following the meeting. Hearing none, Executive Director thanked Ms. Kontomanolis for the summary of the correspondence provided.

Audit Report

Ms. Holman presented the 2021 audit beginning with the Independent Auditor's Report which now provides for the auditor's opinion at the top of the letter in lieu of the last page. The opinion of the audit provided was an unmodified opinion which is the best opinion provided advising that all records are in accordance with the generally accepted accounting principles with no exceptions. Ms. Holman also referred to the "Responsibilities of Management for the Financial Statements" a new paragraph to the report under SAS 134 wherein management is required to evaluate what is considered a growing concern or inability to continue one year after this opinion is release; it is our opinion along with management that we have no questions or concerns the Fund will not be here in the next year as we did evaluate with management; this is a very powerful new statement. Also new to the opinion report are bullet points which outlines the

responsibilities of the auditor. Ms. Holman further reviewed an additional opinion letter which is the Government Auditing Standard opinion addressing internal controls which includes interviewing staff and compliance confirming that monies utilized are in accordance to the Fund budget; once again this opinion is also an unmodified opinion, best opinion provided as there were no findings, material weaknesses or significant deficiencies that needed reporting. Ms. Holman reviewed high level summary of the MD & A letter (Management Discussion & Analysis provided in the comparative statement of net position which outlines comparison of assets, liabilities and net position noting the increase in 2021 in cash and cash equivalents and investments combined which is an increase of approximately \$2.4M or 4%. There is a large change between the 2020 and 2021 investments and in cash, as cash was shifted from an investment position to cash which is what Ms. Kontomanolis referred to earlier in relation to the JCMI. Ms. Holman also referred to the change in investment in joint ventures noting the decrease of \$1M or approximately 15% which is also evident in the three statewide joint insurance funds(MEL/EJIF/RCF). Ms. Holman continued with the liabilities which outlines an increase in total liabilities of \$5.1M most of which is due to an increase in reserves inclusive of Covid19 claims as confirmed with an outside actuary, compared to the prior year increase of approximately \$3.8M. The final net position for the year resulted in \$11,344,000 or decrease of \$4,751,000 or 30%.

In response to Chairwomen Lapp, Fund Treasurer confirmed the decision of the Executive Committee to invest in the JCMI was authorized in May of 2020 by resolution and agreement.

Ms. Holman referred to the comparative statements of revenues, expenses and changes in net position which outlined a slight increase in operating revenue, an increase in expenses which included claim expenses, the call back of the MEL premium deferral and the RCF and MEL surplus trigger assessments resulting in an operating loss of \$2.7M. the non-operating revenue outlines the investment in joint ventures, investment income, dividend income and return of surplus of \$900,000 which outlines the loss in net position of \$4,751,063. Overall net position at year end is \$11,344,479 vs. the beginning position of \$16,095,542. Ms. Holman requested any questions regarding the audit. Hearing none, Executive Director referred Resolution #20-22 for consideration.

MOTION TO APPROVE 2021 YEAR-END FINANCIALS, ADOPT RESOLUTION #20-22 AND EXECUTE GROUP AFFIDAVIT INDICATING THAT MEMBERS OF THE EXECUTIVE COMMITTEE HAVE READ THE GENERAL COMMENTS SECTION OF THE AUDIT REPORT.

MOTION: Commissioner Laureigh
SECOND: Commissioner Bergin
VOTE: Unanimous

TREASURER

Fund Treasurer reviewed the bill lists for the months of April and May 2022 as distributed.

April 2022

FUND YEAR	AMOUNT
2021	\$46,037.00
2022	\$2,706,988.99
TOTAL	\$ 2,753,025.99

MOTION TO APPROVE RESOLUTION # 18-22 - APRIL 2022 BILLS LIST

MOTION: Senator Singer
SECOND: Commissioner Stocco
VOTE: Unanimous

May 2022

FUND YEAR	AMOUNT
2022	\$187,038.06
TOTAL	\$187,038.06

MOTION TO APPROVE RESOLUTION # 19-22 - MAY 2022 BILLS LIST

MOTION: Commissioner Laureigh
SECOND: Commissioner Stocco
VOTE: Unanimous

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

EXECUTIVE DIRECTOR

2022 MEL/RCF/EJIF March 25th Meeting & Retreat

The MEL, RCF and EJIF held their March meetings in conjunction with the MEL Annual Retreat on March 25th. A copy of Commissioner Laureigh's reports were reviewed as distributed.

MEL and RCF Year-end Financials

Executive Director added comments relative to the memo distributed to the Board and included within the agenda which outlines the 2021 MEL and RCF strategy to strengthen their financials and further welcomed the MEL Executive Directors, David Grubb and Joseph Hrubash in addition to Deputy Director Cathleen Kiernan to the meeting as we discuss the financials. Executive Director referred to the memo which outlined the MEL and RCF action to do away with the surplus trigger and retrospective rating programs. This is due to a culmination of events that are outside the control of the Ocean JIF as well as all JIF's in the MEL system namely, the Dept of Labor changed the rules concerning the coordinating workers' compensation with the pension system on accidental pensions, Hurricane Ida proving to be the second most expensive storm in MEL history and Covid claims. Executive Director noted the Ocean JIF had one of the worst loss ratios regarding Covid which included several deaths and current remaining long Covid patients that continue to be very sick. The total cost for the Fund has reached \$3,473,055.

Mr. Hrubash said with the assistance of our CFO and professionals we had to finalize the MEL/RCF 2021 financials in preparation of the year-end audit. Mr. Hrubash continued noting Executive Directors prior comments as the perfect storm of events, referring to the pension offset which was amended by memo after approximately twenty years, now making workers compensation primary in lieu of accidental disability under pension system, impacting the MEL system by approximately \$13M. Hurricane Ida was another large hurricane experienced in the State of New Jersey, as we all remember hurricanes Floyd, Irene and Sandy in particular which was very sizable. Although compared to Sandy, Ida did not reach those levels in terms of

numbers, however it proved to be a bit more complicated due to the change in the structure of our program since Sandy; the out-of-pocket costs were more expensive; lastly the weakening of Title 59 within the court system. Mr. Hrubash concluded with the workers compensation claims relating to Covid 19 advising of the 2020 endorsement when interpreted would cover all covid claims as one occurrence; we continue to work with the carrier as they did not quite interpret the endorsement as we did however, we have made several strides with meetings with Safety National. We anticipated that the carrier would remove the endorsement for fund year 2023 and prior to formulating the 2021 budgets, the MEL decided to assume all Covid Claims, to complete the balance of the MEL financials, they're reverting claims back to the local JIFs. As Executive Director mentioned, the claims for the Ocean JIF are high in relation to Covid19.

In response to Senator Singer, Claims Administrator confirmed proper vetting inclusive of medical records, employee status and testing were completed for the accepted Covid 19 claims for members of the Ocean JIF. Mr. Hrubash confirmed that the Claims Administrator went through a series of questions and processes, in addition to the hiring of additional attorneys with an expertise in this field prior to granting coverage. (Council John Geaney and Jim Pietras)

Executive Director asked if there were any questions relating to the memo distributed or comments of Mr. Hrubash. No additional comments were made.

MEL Membership Renewal

Executive Director said he Fund is scheduled to renew their MEL membership effective July 1, 2022. Resolution #21-22, as well as, the Indemnity and Trust Agreement, renewing the Fund's membership in the Municipal Excess Liability Joint Insurance Fund for the period of July 1, 2022, through July 1, 2025 was reviewed for consideration.

MOTION TO ADOPT RESOLUTION #21-22 AND EXECUTE THE AGREEMENT RENEWING THE FUND'S MEMBERSHIP IN THE MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND FOR THE PERIOD OF JULY 1, 2022 THROUGH JULY 1, 2025.

MOTION:	Senator Singer
SECOND:	Commissioner Laureigh
VOTE:	Unanimous

2021/2022 Elected Officials Seminar

The MEL's Annual Elected Officials Seminar is available through the MEL Safety Institute. Directions on how to access the course are enclosed.

The MEL will provide a credit of \$250 against each member's assessment for each municipal elected official and authority commissioner who completes the course by May 1, 2022. *Please note our office will accept attendance and apply applicable credits through the month of May.* The credit will continue to be extended to the member's CEO (i.e. municipal manager/administrator or authority executive director). The maximum credit is capped at approximately 5% of the member's MEL assessment. Enclosed is a copy of the flyer with instructions to complete the course; flyer has been distributed via email.

Resolution to amend Budget Cap Law

Executive Director said current regulations state that a municipality should limit any increase to its levy to 2% and limit any increase to appropriations to 2.5%, whatever is less over last year’s final budget. Municipalities will face difficulties in meeting the budget cap due to incurred workers’ compensation claims due to COVID-19, changes to the pension offset and a recent amendment to the sexual molestation statute of limitation. These factors plus other costs to municipalities will not allow budgets to be capped at the current 2%. As commented on earlier, we are urging our members to adopt and submit the resolution to their legislative agent as outlined as a correspondence item.

Police Accreditation Grant – Borough of Harvey Cedars

The Borough has submitted executed documentation requesting the police accreditation grant of \$3,333.

MOTION TO APPROVE THE REQUEST FOR RELEASE OF THE POLICE ACCREDITATION GRANT IN THE AMOUNT OF \$3,333 FOR THE BOROUGH OF HARVEY CEDARS.

MOTION: Commissioner Stocco
SECOND: Senator Singer
VOTE: Unanimous

Auto IDs/WC Posters/Certificates

Executive Director said the 2022 documents have been uploaded into Origami for members to download on an as-needed basis. To access please follow these steps after logging in:

- Click on Members (ignore menu that appears)
- Click on MEL ID (orange color)
- On Right-hand panel look for Files and click on All Files

2022 Financial Disclosures

JIF Commissioners were advised to complete the online filing of the Financial Disclosure forms, inclusive of any other municipal related positions that require filing by the April 30, 2022 deadline. Follow up was completed for the two members that are outstanding.

Due Diligence Reports

Executive Director referred to the February financial reports as distributed reviewing the fast track which outlines deficits in fund years 2018 and 2021 and recognizing the closed year surplus of \$7.4M to extinguish those deficits if needed; the month ended with a total statutory surplus of \$5.1M. Executive Director reviewed the loss ratio analysis report which outlined high loss ratios within the property and workers compensation lines for the 2020 and 2021 fund years.

ATTORNEY

Fund Attorney had nothing to report at this time.

SAFETY DIRECTOR

Safety Director referred to the agenda report which outlined the March and April activities, inclusive of loss control and law enforcement surveys completed by Mr. Bronson, followed by the listing of safety director bulletins and messages previously distributed, in addition to the

increase activity associated with the MSI NOW and MSI DVDs. Safety Director also noted the first Safety Committee meeting since pre-covid had taken place in May which Matt Gemma provided intensive reminders of the MSI website, MSI NOW, DVD and all that is offered through the website. The meeting was well attended.

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

UNDERWRITING MANAGER

Underwriting Manager referred to the agenda report outlining the cyber compliance status report, the listing of certificates of insurance previously issued and a bulletin from the MEL Cyber Task Force. The Bulletin topic was recommended by one of the South Jersey JIFs and outlines lessons learned from our members relating to Cyber events and what the experience is like inside of a cyber claim. Underwriting Manager encouraged members to review as it can assist in the understanding of what other members had experienced.

List of Certificates made part of the Minutes.

RISK MANAGEMENT CONSULTANT

Risk Management Consultant referred to the agenda report reviewing considerable time with members relating to cyber compliance and further advised that there is a bit of lag between the cyber compliance report and the current status to date for members for each tier. Risk Management Consultant continued advising the emphasis of the reporting of exposure changes for members, as a lack in timely reporting can jeopardize coverage should a claim arise and further added that a lack in timely reporting a claim can be brought into question and compromise coverage. Risk Management Consultant reminded members that our next meeting will be held in July and the renewal date collection process for the 2023 fund year will begin, based on prior comments and the budget challenges ahead this process is now more important than in prior years. The EPLPOL compliance report was also reviewed noting the continued reminder to one member which remains out of compliance pending the submission of the EPL/POL checklist. The elected officials training has been extended until the end of May for members to complete and receive appropriate credit under the program. In response to Executive Committee members, the member listing of completed training will be provided.

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

MANAGED CARE

Managed Care Provider referred to the reports as of April 2022 which outlined the total number of bills received for the month was 540 with 96% network utilization. The total charges for the bills was \$779,559, once the Qual-Care contracted rates were applied, the bills were reduced to \$257,842 for a total savings of \$521,718 or 67%. Managed Care Provider outlined the Covid19 exposure report which indicates a total of 25 reported claims, two of which were covid related.

OLD BUSINESS

None.

NEW BUSINESS

None.

PUBLIC COMMENT

No Public Comments were made.

Need for an Executive Session

No

CLAIMS ADMINISTRATION

Claims Administrator referred to the agenda which outlined the updated Ocean JIF Claims Administration Team listing with contact information and further noted the promotion of Robin McDonough as WC Assistant Supervisor.

Claims Administrator said the Claims Committee of the Fund met on Monday May 9, 2022 to review a total of ten (10) payment authorization requests with an amendment to one PAR. At the direction of Fund Attorney one liability PAR was modified for additional research. At this time, a motion to approve the pars as reviewed and recommended by the claims committee with the one modification was requested.

Claim #	Type
2021229200	WC
2022244056	WC
2020203564	WC
2020198119	WC
2022264788	WC

Claim #	Type
2022259476	Prop
2020204573	GL
2019149846	GL
2020190728	AL
2022268598	Prop

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUESTS AS REVIEWED AND APPROVED BY THE CLAIMS COMMITTEE WITH THE MODIFICATION TO ONE LIABILITY PAR DURING THEIR MEETING OF MAY 9, 2022.

MOTION:	Commission Bergin
SECOND:	Commissioner Stocco
VOTE:	Unanimous

Fund Attorney commented on a substantial case involving Toms River Township wherein an accident occurred involving serious injuries. A deer carcass remains where spread on the roadway, which our officer found and could not remove. He notified proper authorities and the NJ DOT responded. A driver exited the parkway onto route 37 ramp hitting the back of the truck which resulted in serious injuries. Claimant sued the NJ DOT (settled) and Toms River for which defense council Tom Monahan represented the town during two-week jury trial resulting in a no cause case for the Fund. Fund Attorney wanted to thank the Claims Committee, Executive Committee, Mr. Monahan of the Dasti, Murphy & McGuckin Law firm as well as Mr. Botta, MEL Fund Attorney for their support in trying this case.

MOTION TO ADJOURN MEETING:

MOTION:	Commissioner Bergin
SECOND:	Commissioner Laureigh
VOTE:	Unanimous

Meeting Adjourned at: 3:45 PM

NEXT MEETING: July 14, 2022 3:00 PM

OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND BILLS LIST

Resolution No. 18-22

APRIL 2022

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>
002225			
002225	J.A. MONTGOMERY RISK CONTROL	RIGHT TO KNOW 2021	46,037.00
			46,037.00
		Total Payments FY 2021	46,037.00

FUND YEAR 2022

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002226			
002226	MUNICIPAL EXCESS LIABILITY JIF	FPB Q2 2022	5,337.75
			5,337.75
002227			
002227	MUNICIPAL EXCESS LIABILITY JIF	MEL PROP Q2 2022	322,901.25
002227	MUNICIPAL EXCESS LIABILITY JIF	MEL Q2 2022	1,046,868.48
			1,369,769.73
002228			
002228	APEX INS SVS, c/o QBE INSURANCE	VDO POL/EPL INSTALL 2 2022	10,516.50
002228	APEX INS SVS, c/o QBE INSURANCE	POL/EPL 2ND INSTALL 2022	941,634.50
			952,151.00
002229			
002229	QUAL-LYNX	TPA 4/22	63,490.17
002229	QUAL-LYNX	OUTSIDE ADJ 4/22	6,180.75
			69,670.92
002230			
002230	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR 4/22	11,380.14
002230	J.A. MONTGOMERY RISK CONTROL	POLICE RISK MGT 4/22	2,500.00
			13,880.14
002231			
002231	PERMA	POSTAGE 4/22	25.19
002231	PERMA	ED 4/22	27,037.91
002231	PERMA	LOSS FUND MGT 4/22	2,506.91
			29,570.01
002232			
002232	QualCare Inc	MANAGED CARE 4/22	25,988.75
			25,988.75
002233			
002233	THE ACTUARIAL ADVANTAGE	ACTUARY 4/22	4,168.30
			4,168.30
002234			
002234	CITTA, HOLZAPFEL & ZABARSKY PC	LITIGATION MGT 4.1.22	25,850.00
002234	CITTA, HOLZAPFEL & ZABARSKY PC	ATTORNEY FEE 4/22	3,898.92
			29,748.92
002235			
002235	JULIE TARRANT	TREASURER 4/22	3,226.50
			3,226.50
002236			
002236	MUNICIPAL EXCESS LIABILITY JIF	MSI Q2 2022	27,777.50
			27,777.50
002237			
002237	CONNER STRONG & BUCKELEW	SELECTIVE INS - SURETY BOND 2022	2,528.00
			2,528.00
002238			
002238	CONNER STRONG & BUCKELEW	UNDERWRITING MGR 4/22	1,063.00
			1,063.00

002239			
002239	EXECU-TECH, INC.	WEBSITE 4/22	200.00
			200.00
002240			
002240	THE CANNING GROUP LLC	QPA 4/22	583.33
			583.33
002241			
002241	ACCESS	ARC SERVICE & STORAGE 2.28.22	9.13
002241	ACCESS	ARC SERVICE & STORAGE 2.28.22	77.76
			86.89
002242			
002242	CONNER STRONG & BUCKELEW	RMC 2ND INSTALL 2022	171,238.25
			171,238.25
		Total Payments FY 2022	2,706,988.99
		TOTAL PAYMENTS ALL FUND YEARS	\$ 2,753,025.99

Chairperson

Attest:

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

Dated:

Treasurer

OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND BILLS LIST

Resolution No. 19-22

MAY 2022

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 2022

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002243			
002243	QUAL-LYNX	TPA 5/22	63,490.17
002243	QUAL-LYNX	OUTSIDE ADJ 5/22	6,180.75
			69,670.92
002244			
002244	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR 5/22	11,380.14
002244	J.A. MONTGOMERY RISK CONTROL	LAW ENFORCEMENT 5/22	2,500.00
			13,880.14
002245			
002245	SEASIDE PARK BOROUGH	POLICE ACCREDITATION GRANT 2022	20,000.00
			20,000.00
002246			
002246	PERMA	POSTAGE 3/22	17.85
002246	PERMA	EXEC DIRECTOR 5/22	27,037.91
002246	PERMA	LOSS FUND MGT 5/22	2,506.91
			29,562.67
002247			
002247	QualCare Inc	MANAGED CARE 5/22	25,988.75
			25,988.75
002248			
002248	THE ACTUARIAL ADVANTAGE	ACTUARY 5/22	4,168.30
			4,168.30
002249			
002249	CITTA, HOLZAPFEL & ZABARSKY PC	LITIGATION MGT 4/22	15,294.50
002249	CITTA, HOLZAPFEL & ZABARSKY PC	ATTORNEY 4/22	3,898.92
			19,193.42
002250			
002250	JULIE TARRANT	TREASURER 5/22	3,226.50
			3,226.50
002251			
002251	CONNER STRONG & BUCKELEW	UNDERWRITING MGR 5/22	1,063.00
			1,063.00
002252			
002252	EXECU-TECH, INC.	WEBSITE 5/22	200.00
			200.00
002253			
002253	ACCESS	ARC SERVICE & STORAGE 3.31.22	8.97
002253	ACCESS	ARC SERVICE & STORAGE 3.31.22	75.39
			84.36
		Total Payments FY 2022	187,038.06
		TOTAL PAYMENTS ALL FUND YEARS	\$ 187,038.06

Chairperson

Attest: _____

Dated: _____

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

Treasurer

GROUP AFFIDAVIT FORM
CERTIFICATION OF FUND COMMISSIONERS
of the
OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND

We the Fund Commissioners of the **Ocean County Municipal Joint Insurance Fund** of full age, being duly sworn according to law, upon our oath depose and say:

1.) We are duly elected Fund Commissioners of the **Ocean County Municipal Joint Insurance Fund**.

2.) In the performance of our duties, and pursuant to the Local Finance Board Regulation, we have familiarized ourselves with the contents of the Annual Fund Audit filed with the Secretary of the Fund pursuant to N.J.S.A. 40A:5-6 and N.J.S.A. 40A:10-36 for the year 2021.

3.) We certify that we have personally reviewed and are familiar with, as a minimum, the sections of the Annual Report of Audit entitled:

GENERAL COMMENTS - RECOMMENDATIONS

_____	(L.S.)
_____	(L.S.)
_____	(L.S.)
_____	(L.S.)
_____	(L.S.)
_____	(L.S.)
_____	(L.S.)
_____	(L.S.)
_____	(L.S.)
_____	(L.S.)

Attest:

Secretary to the Fund

The Secretary of the Fund shall set forth the reason for the absence of signature of any members of the Executive Committee.

Important: This certificate must be sent to the Division of Local Government Services, CN 803, Trenton, NJ 08625.

Resolution No. 20-22

**Resolution of Certification
Annual Audit Report for Period Ending December 31, 2021**

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 2021 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 Fund Commissioner, 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 Fund Commissioners of the Fund shall, by resolution, certify to the Local Finance Board of the State of New Jersey that all Fund Commissioners have reviewed, as a minimum, the sections of the annual audit entitled:

General Comments
and
Recommendations

and

WHEREAS, the 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 Fund Commissioners.

WHEREAS, such resolution of certification shall be adopted by the 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 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 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 Fund Commissioners of the **Ocean County Municipal Joint Insurance Fund**, hereby state that they have 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: MAY 12, 2022

RESOLUTION NO. 21-22
OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND
RESOLUTION TO RENEW
MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

WHEREAS, the **Ocean County Municipal Joint Insurance Fund**, a nonprofit public entity in the State of New Jersey, was formed pursuant to N.J.S.A. 40A:10-36 et seq. to provide risk management to its member municipalities in the form of General Liability, Auto Liability, Property and Workers' Compensation coverage; and

WHEREAS, it has been determined that excess coverage is available from the Municipal Excess Liability Joint Insurance Fund, hereinafter referred to as MEL, as established pursuant to N.J.S.A. 40A:10-36 et seq., provided in accordance with N.J.S.A. 40A:10-42; and

WHEREAS, the purchase of such coverage by the MEL is exempt from public advertising and bidding requirements pursuant to N.J.S.A. 40A:11-5(1)(a)(ii) and 40A:11-5(1)(m) as an extraordinary unspecifiable service ("EUS") so long as the contract entered into is awarded in accordance with the requirements for EUSs; and

WHEREAS, pursuant to N.J.S.A. 40A:65-14, the governing bodies of two or more Local Units may enter into an agreement to provide for the formation of the joint operation of any public services, public improvements, works, facilities, or undertakings which the local units are empowered to operate; and

WHEREAS, pursuant to N.J.S.A. 40A:65-9 et seq. the MEL shall obtain coverage on behalf of its members JIFs in accordance with the Local Public Contracts Law; and

WHEREAS, in accordance with N.J.S.A. 40A:10-36 et seq., a JIF wishing to join the MEL to obtain the benefits of joint public entity membership may do so by adopting a resolution; and

WHEREAS, the Board of Fund Commissioners of the **Ocean County Municipal Joint Insurance Fund** has determined that membership in the MEL is in the best interests of the member municipalities:

NOW THEREFORE BE IT RESOLVED that the Board of Fund Commissioners of the **Ocean County Municipal Joint Insurance Fund** does hereby resolve and agree to renew membership in the MEL for a period of three (3) years, the commencement of which shall be **July 1, 2022** and

BE IT FURTHER RESOLVED that the application for membership is for the purpose of obtaining the following types of coverages:

- 1) Excess Workers' Compensation and Employers' Liability Insurance and,
- 2) Excess Liability Insurance excess of the Primary Liability provided by the above mentioned Joint Insurance Fund as indicated on the application previously submitted and,
- 3) Excess Property, including Crime.

BE IT FURTHER RESOLVED that the **Ocean County Municipal Joint Insurance Fund** hereby adopts the Bylaws of the MEL and in accordance therewith, it is understood that coverage is not effective until membership is approved by the MEL Commissioners/Executive Committee, State Department of Banking & Insurance and State Department of Community Affairs and that coverage is subject to the terms, conditions and limitations as contained in the MEL's Coverage Manual and its Commercial Excess Insurance, if any; and,

BE IT FURTHER RESOLVED that the Board of Fund Commissioners, or other authorized representative, is authorized and directed to execute any and all written agreements necessary for membership in the MEL including, but not limited to, the Indemnity and Trust Agreement in order to implement membership by the **Ocean County Municipal Joint Insurance Fund** in the MEL according to its Bylaws, N.J.S.A. 40A:10-36 et seq., N.J.A.C. 11:15-2 and any other statutes or regulations pertaining thereto.

OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND

**MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND
INDEMNITY AND TRUST AGREEMENT**

THIS AGREEMENT made this 12TH day of May, 2022, in the County of Ocean by and Between: The **Municipal Excess Liability Joint Insurance Fund**, hereinafter referred to as MEL, and the **Ocean County Municipal Joint Insurance Fund**, hereinafter referred to as the FUND.

WITNESSETH:

WHEREAS, several local governmental units have collectively formed an Excess Liability Joint Insurance Fund as such entity is authorized and described in N.J.S.A. 40A:10-36 et seq. and the administrative regulations promulgated pursuant thereto and;

WHEREAS, the FUND has agreed to become a member of the MEL and to share in the obligations and benefits flowing from such membership with other members of the MEL in accordance with and to the extent provided for in the bylaws of the MEL and in consideration of such obligations and benefits to be shared by the membership of the MEL.

NOW THEREFORE, be it agreed as follows:

1. The FUND accepts the MEL's bylaws as approved and adopted and agrees to be bound by and to comply with each and every provision of the said bylaws, the pertinent Statutes and Administrative Regulations pertaining to same and as set forth in the Risk Management Plan.
2. The FUND agrees to participate in the MEL with respect to the types of insurance listed in the FUND's resolution.
3. The FUND agrees to renew its membership in the MEL for a period of three (3) years, the commencement of which shall be **July 1, 2022**.
4. The FUND certifies that it has not defaulted on any claims if self-insured and has not been canceled for non-payment of insurance premiums for a period of at least two (2) years prior to the date hereof.
5. In consideration of membership in the MEL, the FUND agrees that it shall jointly and severally assume and discharge the liability of each and every member of the MEL, all of whom as a condition of membership in the MEL shall execute a verbatim counterpart of this Agreement and by execution hereof the full faith and credit of the FUND is pledged to the punctual payment of any sums which shall become due to the MEL in accordance with the bylaws thereof, this Agreement, the MEL's Risk Management Plan or any applicable statute.
6. If the MEL in the enforcement of any part of this Agreement shall incur necessary expense or become obligated to pay attorney's fees and/or court costs, the FUND agrees to reimburse the MEL for all such reasonable expenses, fees and costs on demand.
7. The FUND and the MEL agree that the MEL shall hold all monies paid by the FUND to the MEL as fiduciaries for the benefit of MEL claimants, all in accordance with N.J.A..C 11:15-2.1 et seq.

8. The MEL shall establish separate Trust Accounts for each of the following categories of risk and liability, if applicable:
 - a) Workers Compensation and Employers Liability
 - b) Liability, other than motor vehicle
 - c) Property Damage, other than motor vehicle
 - d) Motor Vehicle
 - e) Primary Statutory Bonds & Excess Public Officials Bonds

The MEL shall maintain Trust Accounts aforementioned in accordance with N.J.S.A. 40A:10-36, N.J.A.C. 11:15-2 et seq., N.J.S.A. 40A:5-1 and such other Statutes as may be applicable. More specifically, each of the aforementioned separate Trust Accounts shall be utilized solely for the payment of claims, allocated claim expense and excess insurance or reinsurance premiums for each such risk or liability or as "surplus" as such term is defined by N.J.A.C. 11:15-2.2 et seq.

9. Each FUND who shall become a member of the MEL shall be obligated to execute this Agreement.

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND