

**OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND
MINUTES
November 10, 2021
Zoom Teleconference Call
3:00 P.M.**

Meeting Called to Order by Chairperson Diane 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
Joanne Bergin, Township of Brick	Present
Michael Gross, Borough of Surf City	Present
Joseph Kostecki, Borough of South Toms Rivers	Present
Senator Robert Singer, Township of Lakewood, Alternate #1	Absent
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 Township
 Maryann Capasso, Lakehurstshor
 Ralph Stocco, Toms River
 Kathleen Flanagan, Ship Bottom
 Eric Sorchik, Plumsted
 Joe Mirarchi, J.A. Montgomery
 Jonathon Tavares, Conner Strong & Buckelew
 Joseph Hrubash, Perma
 Pauline Kontomanolis, Perma
 Tracy Lopez, Perma

APPROVAL OF MINUTES:

October 14, 2021

MOTION TO APPROVE OPEN ABOVE REFERENCED MEETINGS

MOTION: Commissioner Gross
SECOND: Commissioner von der Hayden

ROLL CALL VOTE: Unanimous

CORRESPONDENCE

Executive Director referred to the MEL Helpline bulletin which has been included in the monthly agendas with an emphasis of the availability of the three firms accessible for members to inquire about employment related issues that may arise.

Executive Director also referred to correspondence which outlines an ad that will appear in the NJ League of Municipalities Power of Collaboration outlining the MEL Safety Institute launch of the Safety Leadership Academy which was developed to strengthen the management skills of public sector supervisors. Open enrollment will be available beginning February 2022.

TREASURER

Fund Treasurer reviewed the financial reports inclusive of Summary of Cash and Investments for all years combined and the Summary of Cash and Investments for the month of September. Fund Treasurer also reviewed the bill list for the month of October as distributed.

Resolution 31-21 - November 2021

FUND YEAR	AMOUNT
2021	\$166,423.88
TOTAL	\$ 166,423.88

MOTION TO APPROVE RESOLUTION # 31-21 – NOVEMBER 2021 BILLS LIST AND ACCEPT THE TREASURERS REPORTS OF SEPTEMBER 2021 AS CERTIFIED BY THE TREASURER

MOTION: Chairperson Lapp
SECOND: Commissioner Laureigh
ROLL CALL VOTE: Unanimous

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

EXECUTIVE DIRECTOR

2022 Budget

Executive Director referred to the enclosed 2022 budget which was introduced during the October meeting and recommended by the Finance Committee. The budget has increased by 4.27% projecting a total budget of \$21,593,743 which is an increase of \$883,500. Executive Director said we have discussed in recent months at length, several outside factors that are driving the increases in fund budgets due to market conditions throughout the country and the state directly related to property claims, natural disasters such as storms, flooding etc. In addition, the liability and workers compensation line items are also being affected by amendment in the sexual molestation statute, firefighters cancer presumption, the decision made by the Department of Labor on pension offset for accidental disability claims and lastly, Covid19 claims. Executive Director having addressed those issues, would ask for a motion to open the public hearing of the 2022 budget.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2022 BUDGET

MOTION: Commissioner Bergin
SECOND: Commissioner Laureigh
VOTE: Unanimous

Discussion of Budget & Assessments

Executive Director referred to the loss ratio surcharge options noting that the Fund implements market adjustments based on a five year loss ratio which is a five year rolling review; this year fund years 2016-2020, next year, fund years 2017-2021 will be reviewed and so on. Executive Director identified the loss ratio of 108%, any member exceeding 108% three years out of the five year period have received a market adjustment within their assessment. The market adjustments total \$62,712 which is then spread among the good performing members

Executive Director continued with review of the 2022 annual assessments inclusive of members receiving the market adjustment, noting the Fund approved a dividend which would offset the market adjustment in most cases resulting in a minimal increase on a net basis from the expiring year. Executive Director concluded advising the 2022 budget and assessments are being recommended by the Finance Committee and encouraged questions regarding the budget or assessments from any member fund commissioner, member of the public or Executive Committee member.

Hearing none, Executive Director thanked the Finance Committee for their due diligence during a very tough budget year.

MOTION TO CLOSE THE PUBLIC HEARING

MOTION: Commissioner Laureigh
SECOND: Commissioner Bergin
VOTE: Unanimous

MOTION TO ADOPT THE 2022 BUDGET OF \$21,593,743 AND CERTIFY THE ANNUAL ASSESSMENTS FOR MEMBERS OF THE OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND AS PRESENTED.

MOTION: Commissioner Laureigh
SECOND: Chairperson Lapp
VOTE: Unanimous

2021 Dividend

Executive Director said the Executive Committee authorized the JIF to release a dividend in the amount of \$900,000 and further advised that members that have chosen to receive their dividend in the form of a check will receive their checks by year end. The Ocean JIF will also receive a dividend from the E-JIF in the amount of \$414,057 which will be applied to the EJIF assessment line of the 2022 budget.

RCF Report

Executive Director said the RCF met on October 20, 2021 at 10:30 AM via Zoom teleconference call and held its public hearing to adopt the 2022 Budget (copy attached). A copy of Commissioner Laureigh's report on the meeting was reviewed as distributed.

Claim Transfers

Executive Director said all members of the RCF Fund are being asked to adopt resolutions at their November/December meetings to transfer their 2017 claim liabilities to the RCF. Assessments to local JIFs will be determined by the valuation as of December 31, 2021. A copy of Resolution # 32-21 was reviewed as distributed.

MOTION TO ADOPT RESOLUTION #32-21 AUTHORIZING THE OCEAN JIF MEMBERS TO TRANSFER THEIR FUND YEAR 2017 CLAIM LIABILITIES TO THE RCF.

MOTION:	Commissioner Gross
SECOND:	Chairperson Lapp
VOTE:	Unanimous

E-JIF Report

Executive Director said the EJIF met on October 20, 2021 at 10:50 AM via Zoom teleconference call and held its public hearing to adopt the 2022 Budget (copy attached). A copy of Commissioner Laureigh's report on the meeting as reviewed as distributed.

MEL Special Meeting

A Special Meeting of the MEL has been scheduled for Monday, November 15, 2021 at 11:00 am. The purpose of the meeting is to provide a status on the membership of the Middlesex County Municipal Joint Insurance Fund.

MEL Report

Executive Director said the MEL also met on October 20, 2022 and introduced the 2022 budget, the public hearing will take place on November 17, 2021 at the Sheraton Hotel at 12:30 PM. (copy attached). A copy of Commissioner Laureigh's report on the meeting was reviewed as distributed. Executive Director also invited members to the MEL 2021 reception which will be held at Bally's Hotel/Casino from 6-8 PM on November 17, 2021.

Employment Practices Compliance Program

Please visit the MEL webpage to review all the elements of the MEL's EPL Compliance Program; the deadline for updates was November 1, 2021. Please use the following link to view an outline of the MEL program and its model documents:

<https://njmel.org/insurance/public-officials/risk-management-program/>

Elected Officials Training

This year's elected officials training program will focus on "Risk Management". Sessions are scheduled at the League of Municipalities Conference for Tuesday, November 16th at 3:45 pm at Caesars (Empire Room A) and on Wednesday, November 17th at 3:45 pm at the Convention Center (Room 302). Notice was emailed to Fund Commissioners and Risk Management Consultants.

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. The credit will continue to be extended to the member's CEO (i.e. municipal manager/administrator or authority executive director). The maximum credit will be capped based on member's assessment.

Qualified Purchasing Agent

Executive Director said the Board authorized the hiring of The Canning Group as the Qualified Purchasing Agent for Competitive Contract Procedures for the 2021 Fund year, enclosed you will find proposal from the QPA to provide services for the 2022 Fund year at a proposed fee of \$7,000.00.

MOTION TO ACCEPT THE PROPOSAL FROM THE CANNING GROUP FOR THE 2022 FUND YEAR AT A FEE OF \$7,000.00.

MOTION:	Chairperson Lapp
SECOND:	Commissioner Kostecki
VOTE:	Unanimous

December Meeting Cancellation

As in past years, the Executive Committee may want to consider voting to cancel the December meeting. If the Executive Committee decides to cancel the December meeting, it would be appropriate to authorize the Treasurer to process contracted expenses. The Reorganization meeting of the Fund will take place on January 13, 2022 at 3:00 via Zoom.

MOTION TO CANCEL THE DECEMBER 9, 2021 PUBLIC MEETING OF THE FUND AND AUTHORIZE THE TREASURER TO PROCESS CONTRACTED EXPENSES DURING THE MONTH OF DECEMBER.

MOTION:	Commissioner Bergin
SECOND:	Commissioner Laureigh
VOTE:	Unanimous

Due Diligence Reports

Executive Director referred to the September 30, 2021 financial fast track which outlines the decrease in statutory surplus in the amount \$1,487,749 as a result of additional actuarial projections for IBNR (incurred but not reported) for which the current claims, potential claims and settlement trends are taken into consideration and reserves are set by the actuary. Executive Director noted the current deficit years, specifically 2018 in the amount of (\$3,894,660) which has been discussed in prior months; not of great concern at this time however we will monitor the deficit years closely. Executive Director also reviewed the expected loss ratio report outlining the total budget loss fund amounts by year compared to the amounts paid out in claims; the property line in fund years 2020 and 2021 have exceeded the budgeted loss fund, property and workers compensation continue to be our higher lines of coverage which will continue to be monitored by our office as well as safety.

Ocean County CARES Grant Program

Executive Director referred to the resolution and agreement provided to the Executive Committee prior to the meeting for review which allows the Fund to execute application for funding from the County of Ocean. This agreement is a result of inquiries made by Fund Commissioners and their ability to apply for the CARES Act and apply to workers compensation claims relating to Covid19. In further review, it was realized that the Fund could not submit for CARES Act funding directly, but indirectly through the County of Ocean as proposed by Fund Treasurer. Executive Director noted that once funding is received from the County, it will be applied to the MEL which will reduce the loss ratio as a member of the MEL however, funding will not reach the member level

directly in the form of an assessment credit. Ms. Kontomanolis, CFO of Perma, said in working with Fund Treasurer, it is our understanding counties with a population of 500,000 or more received CARES Act funding, of which eight counties did receive funding under the program, there are members within the Ocean JIF that fall within Ocean County and qualify for funding which is approximately \$780,000.

Executive Director asked if there were any questions for Ms. Kontomanolis or Ms. Tarrant on the resolution or agreement. Hearing none,

**MOTION TO ADOPT RESOLUTION #33-21 ACCEPTING OCEANT COUNTY
AGGREEMENT FOR OCCARESGRANT PROGRAM**

MOTION:	Commissioner Kostecki
SECOND:	Chairperson Lapp
VOTE:	Unanimous

In response to Fund Treasurer, Executive Director's office will provide executed resolution and agreement for the County of Ocean's November 17, 2021 meeting.

ATTORNEY

Fund Attorney had nothing for the open session.

SAFETY DIRECTOR

Safety Director referred to the agenda report which outlined activities for the month of October inclusive of loss control and law enforcement surveys completed, followed by the listing of communications provided by the MEL Safety Institute in addition to the listing of participation from members utilizing MSI NOW and MSI DVD.

Mr. Shives said their office has received many inquiries requesting guidance on the OSHA emergency temporary standard that was issued on November 4th. In response, JAM had prepared a safety director bulletin however, in the interim the federal appeals court out of Louisiana issued a "stay", based on this there is no further action on the emergency temporary standard at this time and we are going to hold off on issuing guidance as the court can dismiss the standards and may start again. If the standard does go into effect, we can say this will include any municipal government with 100 or more employees and will include New Jersey. We hope to receive additional guidance sooner than later.

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

UNDERWRITING MANAGER

Underwriting Manager referred to the listing of certificates of insurance as previously issued in addition to the latest cyber risk management status report reminding members to become compliant with the version two of the cyber risk management program as version one of the program will expire on January 1, 2022 and further reminded member that the standards within version two are minimum standards that everyone will need to meet to be cyber secure. Underwriting Manager said cyber costs are increasing exponentially and will more than likely see the impact within future budgets for cyber coverage and also encouraged members that may have questions or need guidance to please reach out to the underwriting team.

Underwriting Manager said the MEL excess renewal is being finalized and additional information will follow in the coming months.

RISK MANAGEMENT CONSULTANT

Risk Manager said they are encouraged to report the possibility of adding a new addition to their team due to the July retirement of Ms. Ilene Laursen; the Board will be updated as the process takes place. With regards to the EPL/POL program, most members have submitted or will submit their checklist to meet compliance of the program effective January 1, 2022 in addition to the Cyber Risk Management Program V2. With respects to the Cyber program, there are initiatives being undertaken to service members of the Fund inclusive of bringing outside IT professionals to meet with a group of members in the southern end of the Fund in addition to the gathering pricing from the organization KnowB4 in an effort to roll out a program for members of the fund.

Risk Manager noted an action item of good news associated with police departments and efforts to obtain accreditation; the Borough of Point Pleasant Beach has submitted appropriate documentation for the police accreditation grant.

MOTION TO AUTHORIZE THE RELEASE OF POLICE ACCREDITATION GRANT IN THE AMOUNT OF \$20,000 ON BEHALF OF THE BOROUGH OF POINT PLEASANT BEACH.

MOTION:	Commissioner Kostecki
SECOND:	Commissioner Gross
VOTE:	Unanimous

In response to Risk Management Consultant, Commissioner Bergin thanked Risk Management Consultant and Safety Director for their assistance and efforts in having Brick Township become becoming compliant under the law having worked with Ocean County Landfill, Inc.

Risk Management Consultant wished everyone wished everyone a very respective Veterans Day tomorrow and wished everyone much joy and to enjoy the approaching Holiday Season to the fullest.

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

MANAGED CARE

Managed Care Provider referred to the year to date medical saving and network utilization reports which outlines a total of 417 bills received during the month of October with a network utilization of 96%. The total charges for those bills was \$566,386 repriced through the network for \$215,005 for a total savings of \$351,381 or 62%.

OLD BUSINESS

None.

NEW BUSINESS

None.

PUBLIC COMMENT

None

CLAIMS ADMINISTRATION

Claims Administrator said the Claims Committee of the Fund met on November 8, 2021 to review a total of eighteen (18) payment authorization requests, the consensus was to approve the PARs

and submit for approval from Executive Committee as recommended by the Claims Committee. If there are no objections or questions relating to the PARs we ask for a motion for approval.

Claim #	Type	Claim #	Type
2022247527	WC	2022247565	Prop
2021212133	WC	2022249349	Prop
2022247348	WC	2022247865	Prop
2022244372	WC	2022245104	Prop
2021240000	WC	2020189319	AL
2022245313	WC	2020187100	GL
2021232143	WC	2022243584	Prop
2020184106	WC	2020190930	GL
2021235624	WC	2022252562	Prop

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

MOTION: Commissioner Gross
SECOND: Chairperson Lapp
VOTE: Unanimous

Executive Session

None

ADJOURN MEETING:

MOTION: Chairperson Lapp
SECOND: Commissioner
VOTE: Unanimous

Meeting Adjourned at: 3:32 PM

NEXT MEETING: January 13, 2022 3:00 PM

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

Resolution No. 31-21

NOVEMBER 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.

<u>FUND YEAR 2021</u>			
<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002128			
002128	QUAL-LYNX	TPA 11/21	62,245.22
002128	QUAL-LYNX	OUTSIDE ADJ 11/21	6,059.55
			68,304.77
002129			
002129	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR 11/21	11,157.00
002129	J.A. MONTGOMERY RISK CONTROL	POLICE RISK MGT 11/21	2,500.00
			13,657.00
002130			
002130	PERMA	LOSS FUND MGT 11/21	2,457.78
002130	PERMA	EXEC DIRECTOR 11/21	26,507.76
			28,965.54
002131			
002131	QualCare Inc	MANAGED CARE 11/21	25,479.16
			25,479.16
002132			
002132	THE ACTUARIAL ADVANTAGE	ACTUARY 11/21	4,086.50
			4,086.50
002133			
002133	CITTA, HOLZAPFEL & ZABARSKY PC	LITIGATION MGT 11/21	16,809.75
002133	CITTA, HOLZAPFEL & ZABARSKY PC	ATTORNEY 11/21	3,822.50
			20,632.25
002134			
002134	JULIE TARRANT	TREASURER 11/21	3,163.25
			3,163.25
002135			
002135	ASBURY PARK PRESS	AD 10.26.2021	62.00
002135	ASBURY PARK PRESS	AD CDL DRUG & ALCOHOL MONITOR 10.22.2021	62.00
002135	ASBURY PARK PRESS	AD 10.13.2021	44.00
002135	ASBURY PARK PRESS	AD AUDITORY TESTING 10.22.2021	62.00
			230.00
002136			
002136	CONNER STRONG & BUCKELEW	UNDERWRITING MGR 11/21	1,042.00
			1,042.00
002137			
002137	EXECU-TECH, INC.	WEBSITE 11/21	200.00
			200.00
002138			
002138	THE CANNING GROUP LLC	QPA 10/21	583.33
			583.33
002139			
002139	ACCESS	ARC SERVICE & STORAGE 9.30.2021	80.08
			80.08
		Total Payments FY 2021	166,423.88
		TOTAL PAYMENTS ALL FUND YEARS	\$ 166,423.88

RESOLUTION NO. 32-21
OF THE
OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND
TO TRANSFER TO
MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND

WHEREAS, the Municipal Excess Liability Residual Claims Fund was organized pursuant to N.J.S.A. 40A:10-36, et seq., to provide residual risk coverage to its member joint insurance funds; and,

WHEREAS, the Board of Fund Commissioners of the **Ocean County Municipal Joint Insurance Fund** determined that membership in the Residual Claims Fund is in the best interest of the member local units and joined the Residual Claims Fund.

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 transfer the following residual risks.

<u>Fund Year</u>	<u>Lines of Coverage</u>	<u>Member Fund S.I.R.</u>
2017	WC/GL/AL & PROPERTY	Varies

BE IT FURTHER RESOLVED that the actual transfer of claim liabilities to the Municipal Excess Liability Residual Claims Fund shall be based upon the following formula:

Case Reserves and IBNR as of 12/31/21

OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND

RESOLUTION #33-21

**RESOLUTION FOR ACCEPTING OCEAN COUNTY AGREEMENT FOR
OCCARESGRANT PROGRAM
FOR THE
OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND**

WHEREAS, The United States of America, the State of New Jersey, County of Ocean and it's Municipalities have become victims of the COVID-19 Virus and the Pandemic ("Coronavirus") : and

WHEREAS, the Coronavirus has caused economic damage and hardship to states, counties and municipalities throughout the United States of America; and

WHEREAS, on March 27, 2020 the Coronavirus Aid Relief and Economic Security Act (the Cares Act) was signed by President Donald Trump; and

WHEREAS ,the Ocean County Municipal Joint Insurance Fund has as its members municipalities throughout Ocean County; and

WHEREAS, the Ocean County Municipal Joint Insurance Fund has applied to the County of Ocean for available Stimulus Funds; and

NOW THEREFORE, be it resolved as follows:

1. The Ocean County Municipal JIF understands and agrees that its eligibility for the receipt of any Stimulus Funds shall be determined by the terms of the "Coronavirus Relief Fund- Guidance for State, Territorial, Local and Tribal Governments.
2. The Executive Committee of the Ocean County Municipal Joint Insurance Fund shall be and is hereby authorized to execute the agreement to proceed with applying to the County for approved Stimulus Funds.

This Resolution agreed to this 10th day of November, 2021 by a vote

Of: 7 Affirmative
 Negative