

**OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND
MINUTES
NOVEMBER 10, 2022
2023 Public Hearing – 2023 Budget/Assessments
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	Present
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	Absent
Safety Director	JA Montgomery	Paul Shives	Present
Risk Management Consultants	Conner Strong & Buckelew	Mike Avalone	Present

ALSO PRESENT

Mike Brosnan, J.A. Montgomery
Len Grillo, Plumsted Township
Chris Vaz, Seaside Heights Borough
Tracy Lopez, Perma

APPROVAL OF MINUTES: October 13, 2022

MOTION TO APPROVE OPEN MINUTES FOR ABOVE REFERENCED MEETING

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

CORRESPONDENCE

Executive Director referred to correspondence outlining the MEL Helpline which provides assistance for employment related issues. This is a service that is encouraged to use and is free to members of the MEL.

TREASURER

Fund Treasurer reviewed the bill lists for the month of November 2022 as distributed.

Resolution #28-22

FUND YEAR	AMOUNT
2021	\$6,516.00
2022	\$171,132.48
TOTAL	\$177,648.48

MOTION TO APPROVE RESOLUTION # 28-22 - NOVEMBER 2022 BILLS LIST AND THE TREASURERS REPORT AS PROVIDED.

MOTION: Senator Singer
SECOND: Commissioner Stocco
VOTE: Unanimous

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

EXECUTIVE DIRECTOR

2023 Budget

Executive Director said the Fund introduced a proposed budget for the Fund year 2023 as recommended by the Finance Committee. In accordance with the regulations, the proposed budget has been advertised in the Fund's official newspaper and sent to each member municipality. The Public Hearing for the budget will be held at this meeting. A copy of the proposed 2023 Budget and assessments are included for review.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2023 BUDGET.

MOTION: Senator Singer
SECOND: Commissioner Bergin
VOTE: Unanimous

Discussion of Budget & Assessments.

Executive Director reviewed the 2023 Budget which outlined an increase of \$2,289,573 or 10.60%. The 2023 Assessments were reviewed as distributed noting the increase in the budget is applied to all member assessments, suspending assessment programs previously put in place due to the increased budget; Executive Director reminded members of the shared risk when pooling as a joint insurance fund.

Madam Chair asked if there were any questions or comments relating to the 2023 budget and assessments as introduced, hearing none;

MOTION TO CLOSE THE PUBLIC HEARING OF THE 2023 BUDGET AND ASSESSMENTS, ADOPT THE 2023 BUDGET OF \$23,883,324 AND CERTIFY THE ANNUAL ASSESSMENTS BASED UPON THE 2023 BUDGET FOR MEMBER MUNICIPALITIES.

MOTION: Senator Singer
SECOND: Commissioner Stocco
VOTE: Unanimous

Residual Claims Fund (RCF)

Executive Director said the public hearing on the RCF 2023 budget was held on October 19, 2022 at 10:30AM in the Forsgate Country Club. A copy of Commissioner Laureigh's report was reviewed as distributed.

Claim Transfers (RCF)

Executive Director said all members of the RCF Fund are being asked to adopt resolutions at their November/December meetings to transfer their 2018 claim liabilities to the RCF. Assessments to local JIFs will be determined by the valuation as of December 31, 2022. Resolution # 29-22 was reviewed as distributed for consideration by the Fund.

MOTION TO ADOPT RESOLUTION #29-22 AUTHORIZING THE OCEAN JIF MEMBERS TO TRANSFER THEIR FUND YEAR 2018 CLAIM LIABILITIES TO THE RCF.

MOTION: Senator Singer
SECOND: Commissioner von der Hayden
VOTE: Unanimous

Environmental JIF

Executive Director said the public hearing on the EJIF 2023 budget was held on October 19, 2022 at 10:50AM in the Forsgate County Club. Commissioner Laureigh's report was reviewed as distributed.

MEL Report

Executive Director said the MEL's 2023 budget introduction was held on October 19, 2022 at 11:15 AM at the Forsgate Country Club in Jamesburg NJ. A copy of Commissioner Laureigh's report inclusive of the 2023 budget as introduced was reviewed as distributed. Executive Director added that the MEL will hold their public hearing of the 2023 budget on November 16,

2022 at the Sheraton, Atlantic City, NJ (Steel Pier Room); all are welcome to attend and lunch will be provided.

Elected Officials Training

Executive Director said this year's elected officials training program will focus on Local Government Risk Management.

Two sessions are scheduled as part the League of Municipalities Conference on Tuesday, November 15, 2022 at 3:45PM in Caesars (Empire Room A) and Wednesday, November 16, 2022 at **2:00PM** at the Convention Center (Room 303); a copy of the notice that was distributed to members was reviewed.

For 2023, the MEL will reduce each member's assessment by \$250 for each municipal elected official and/or authority commissioner who completes the Elected Official course by May 2023. The maximum credit is capped based on member's assessment. The credit is also extended to the member's CEO (i.e. municipal manager/administrator or authority executive director).

Cyber JIF

Executive Director said the Cyber JIF met on November 1, 2022 to organize, adopt a 2023 Budget during the public hearing and form an interim Board to take action on specific items until formal reorganization takes place on January 6, 2023. A copy of Madam Chair's report was reviewed as distributed.

Statutory Bonds

Executive Director said the Underwriting Manager's office has contacted municipal clerks of towns that are renewing their JIF membership to secure updated bond applications for statutory positions.

December Meeting Cancellation/January Reorganization

Executive Director said 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 12, 2023, at 3:00 PM via Zoom.

MOTION TO CANCEL THE DECEMBER 8, 2022, PUBLIC MEETING OF THE FUND AND AUTHORIZE THE TREASURER TO PROCESS CONTRACTED EXPENSES DURING THE MONTH OF DECEMBER.

MOTION:	Commissioner Stocco
SECOND:	Commissioner Carney
VOTE:	Unanimous

Due Diligence Reports

Executive Director referred to the September financial reports as distributed reviewing the financial fast track which outlines an increase in surplus for the month of \$27,347 however the Fund statutory surplus has decreased by \$2.2M for the year with deficits also in the 2018, 2021 and 2022 fund years resulting in a current fund statutory balance of \$3.1M.

ATTORNEY

Fund Attorney advised that he is in receipt of the results of the RFP for 2023 defense panel and would like to request the issuance of a second RFP release to expand the respondents on the panel. Respondents from the original RFP would not have to resubmit.

MOTION: Senator Singer
SECOND: Commissioner Stocco
VOTE: Unanimous

SAFETY DIRECTOR

Safety Director referred to the agenda report which outlined the October activities, inclusive of loss control and law enforcement surveys and meetings attended including the joint safety comments meeting with the Monmouth JIF on October 4, 2022, followed by the listing of safety director bulletins and messages previously distributed. Safety Director also reviewed the activity associated with the MSI NOW (28 users) and MSI DVDs (0 usage).

Safety Director provided an update on inquiries for the CDL train-the-trainer program for entry level CDL drivers advising the training program will be advertised in December for several dates beginning in January 2023.

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

UNDERWRITING MANAGER

In the absence of the Underwriting Manager, Executive Director referred to the agenda reports which outlined the cyber compliance status report and the listing of certificates of insurance previously issued.

List of Certificates made part of the Minutes.

RISK MANAGEMENT CONSULTANT

Risk Management Consultant referred to report as distributed beginning with services across the spectrum of membership renewals, bond renewals POL/EPL Compliance, Cyber Compliance etc. As Executive Director mentioned, the elected officials Training Seminar is being held on November 15 and 16 in Atlantic City. Also, on Wednesday night the annual MEL/HIF reception at Bally's from 6PM to 8PM, members are welcome to attend.

Risk Management Consultant advised of the improved Cyber Risk Management Program, which is being improved for membership for 2023. However it is of importance to note members must meet the existing cybersecurity controls in place as the MEL will reinstitute a grandfathering program for deductibles/co-insurance, members with no compliance by year end 2022 will be subject to the new deductibles on 1/1/23; members in the current tiers 1 & 2 will be grandfathered until 1/1/24 in the minimum security group and member with current tiers 1, 2 and 3 will be grandfathered until 1/1/24 in the advanced security group.

With respect to the members not in compliance to date, we continue to follow up and work with them to achieve some level of compliance. Risk Management Consultant thanked Mr. Shives for mentioning the seminar held on October 4th; the recording and copy of the power point

presentation can be found on the EJIF website nejif.org for all members and DPW staff if you were not available on the October 4th date.

In response to Senator Singer, Risk Management Consultant advised that he would follow up with Mayor contact regarding the Cyber Risk Management Program as there will be implications for non-compliance. We are advised that the clerks as well as Mayor/Council will be made aware when notice distribution is provided.

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

MANAGED CARE

Managed Care Provider referred to the reports through October 2022 which outlined the total number of bills received for the month of 506 with 97% network utilization. The total charges for the bills were \$675,119, once the Qual-Care contracted rates were applied, the bills were reduced to \$254,306 for a total savings of \$420,813 or 62%.

CLAIMS ADMINISTRATION

Claims Administrator said the Claims Committee of the Fund met on Monday, November 7, 2022 to review a total of thirty-one (31) payment authorization requests. Unless there are any questions, we ask for a motion to approve the pars as reviewed and recommended by the Claims Committee.

Claim #	Type
2019153430	WC
2022251063	WC
2023282097	WC
2022272624	WC
2021215942	WC
2023278986	WC
2023278188	WC
2023280856	WC
2019171193	WC
2023283078	WC
2022264788	WC

Claim #	Type
2022276411	WC
2019157363	WC
2022245609	WC
2018125496	WC
2021235189	WC
2020205114	WC
2019165800	AL
2019157174	GL
2021238491	GL
2023278474	Prop
2023280723	Prop

Claim #	Type
2022274999	GL
2023281802	Prop
2020180505	GL
2020180045	AL
2020195172	GL
2022245820	GL
2019162149	AL
2023283495	Prop
2023282046	Prop
2021209467	GL

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUESTS AS REVIEWED AND APPROVED BY THE CLAIMS COMMITTEE DURING THEIR MEETING OF NOVEMBER 7, 2022.

MOTION: Senator Singer
SECOND: Commissioner Laureigh
VOTE: Unanimous

OLD BUSINESS

None

NEW BUSINESS

None.

PUBLIC COMMENT

No Public Comments were made.

Need for an Executive Session

No

MOTION TO ADJOURN MEETING:

MOTION:	Commissioner Laureigh
SECOND:	Senator Singer
VOTE:	Unanimous

Meeting Adjourned at: 3:20 PM

NEXT MEETING: January 12, 2023 3:00 PM

- Secretary

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

Resolution No. 28-22

NOVEMBER 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>
002321			
002321	HOLMAN FRENIA ALLISON, P.C.	FINAL AUDIT BILLING FOR YE 12.31.21	6,516.00
			6,516.00
		Total Payments FY 2021	6,516.00

FUND YEAR 2022

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002322			
002322	QUAL-LYNX	OUTSIDE ADJUSTER 11/22	6,180.75
002322	QUAL-LYNX	CLAIM ADJUSTING SERVICES 11/22	63,490.17
			69,670.92
002323			
002323	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR 11/22	11,380.14
002323	J.A. MONTGOMERY RISK CONTROL	LAW ENFORCEMENT 11/22	2,500.00
002323	J.A. MONTGOMERY RISK CONTROL	REIMBURSE FOR BOOKS 11/22	299.25
			14,179.39
002324			
002324	PERMA	POSTAGE 9/22	19.20
002324	PERMA	EXECUTIVE DIRECTOR FEE 11/22	27,037.91
002324	PERMA	LOSS FUND MANAGEMENT 11/22	2,506.91
			29,564.02
002325			
002325	QUALCARE, INC.	WORKERS COMP-MANAGED CARE FEES 11/22	25,988.75
			25,988.75
002326			
002326	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES 11/22	4,168.30
			4,168.30
002327			
002327	CITTA, HOLZAPFEL & ZABARSKY	PROFESSIONAL LITIGATION SERVICES 10/22	18,501.75
002327	CITTA, HOLZAPFEL & ZABARSKY	PROFESSIONAL ATTORNEY SERVICES 10/22	3,898.92
			22,400.67
002328			
002328	JULIE N. TARRANT	TREASURER FEE 11/22	3,226.50
			3,226.50
002329			
002329	CONNER STRONG & BUCKELEW	UNDERWRITER MGMT FEE 11/22	1,063.00
			1,063.00
002330			
002330	EXECU-TECH, INC.	WEBSITE MAINTENANCE 11/22	200.00
			200.00
002331			
002331	THE CANNING GROUP LLC	QPA SERVICES 10/1/22-10/31/22	583.33
			583.33
002332			
002332	ACCESS	ACCT #411 - ARC. AND STOR. - 9.30.22	87.60
			87.60
		Total Payments FY 2022	171,132.48
		TOTAL PAYMENTS ALL FUND YEARS	177,648.48

RESOLUTION NO. 29-22
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>
2018	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 12/31/22

OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND