

**OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND
MINUTES
October 8, 2020
Via 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 2020 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
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
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

Christopher Vaz, Seaside Heights
 Kyle Mroteck, The Actuarial Advantage
 Paul C. Williams
 Jennifer Goldstein, Medlogix
 Joe Mirarchi, J.A. Montgomery
 Mike Bronson, J.A. Montgomery
 Jonatan Tavares, Conner Strong & Buckelew
 Joseph Hrubash, Perma
 Robyn Wycoff, Perma
 Jennifer Conicella, Perma
 Tracy Lopez, Perma

APPROVAL OF MINUTES:

September 10, 2020

MOTION TO APPROVE THE OPEN MINUTES FOR ABOVE REFERENCED MEETING

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

CORRESPONDENCE:

None

TREASURER:

Fund Treasurer reviewed the October bill list as distributed for final review and approval.

October, 2020 – Resolution #29-20

FUND YEAR	AMOUNT
2020	\$324,707.92
TOTAL	\$324,707.92

MOTION TO APPROVE RESOLUTION # 29-20 - OCTOBER 2020 BILLS LIST

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

EXECUTIVE DIRECTOR

Ad-hoc Finance Committee / 2021 Budget

Executive Director said the Finance Committee held a 2021 Budget workshop on October 5, 2020 and reviewed same as distributed. Executive Director said the budget increased by 1.51% from 2020 noting the driving factors for the increase are the Employment Practices/Public Officials Liability and Cyber Liability premiums due to claim activity. Executive Director said the overall budget total is \$20,710,196; an increase of \$307,553 or 1.51%. Madam Chair thanked the professionals for the presentation of a great budget. Executive Director asked if there were any further comments from the Finance Committee or from the public; hearing none,

MOTION TO INTRODUCE THE 2021 BUDGET FOR THE OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND IN THE AMOUNT OF \$20,710,196 AND SCHEDULE A PUBLIC HEARING FOR NOVEMBER 12, 2020 AT 3:00 PM VIA ZOOM TELECONFERENCE.

MOTION: Commissioner Laureigh
SECOND: Commissioner Gross
VOTE: Unanimous

2020 Dividend

Executive Director said the Finance Committee has also recommended release of a dividend to members of the Fund in the amount of \$1,000,000.00 an increase of \$100,000 from last year's dividend. Resolution #30-20 was reviewed as distributed for Board authorization.

MOTION TO ADOPT RESOLUTION #30-20 AUTHORIZING A TOTAL RETURN DIVIDEND OF \$1,000,000.00.

MOTION:	Commissioner Laureigh
SECOND:	Commissioner Kostecki
VOTE:	Unanimous

MEL 2021 Representative

Executive Director said the MEL's nominating committee will be beginning its deliberations for the November meeting and requested nominations of the Funds 2021 representative and alternate to the MEL. Currently, Commissioner Laureigh is the Fund's MEL representative and Chairperson Lapp is the alternate representative.

MOTION TO NOMINATE VERONICA LAUREIGH TO SERVE AS THE FUND'S REPRESENTATIVE TO THE MEL.

MOTION TO NOMINATE DIANE LAPP TO SERVE AS THE FUND'S ALTERNATE REPRESENTATIVE TO THE MEL.

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

E-JIF 2021 Budget Meeting

Executive Director said the public hearing to adopt the E-JIF's 2021 budget will be held October 21st at 10:50AM via Zoom teleconference. The Fund should nominate its 2021 representative and alternate to the E-JIF. Currently, Commissioner Laureigh is the E-JIF representative and Chairperson Lapp is the alternate representative.

MOTION TO NOMINATE VERONICA LAUREIGH TO SERVE AS THE FUND'S REPRESENTATIVE TO THE E-JIF.

MOTION TO NOMINATE DIANE LAPP TO SERVE AS THE FUND'S ALTERNATE REPRESENTATIVE TO THE E-JIF.

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

Residual Claims Fund

Executive Director said the public hearing to adopt the Residual Claims Fund's 2021 budget will be held October 21st at 10:30AM via Zoom teleconference. The Fund should nominate its 2021 representative and alternate to the RCF. Currently, Commissioner Laureigh is the RCF representative and Chairperson Lapp is the alternate representative.

MOTION TO NOMINATE VERONICA LAUREIGH TO SERVE AS THE FUND'S REPRESENTATIVE TO THE RCF.

MOTION TO NOMINATE DIANE LAPP TO SERVE AS THE FUND'S ALTERNATE REPRESENTATIVE TO THE RCF.

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

DUE DILIGENCE REPORTS

Executive Director reviewed the Financial Fast Track as of August 31, 2020 noting that the Fund's statutory surplus position stands at an increase of \$66,298 resulting in a total statutory surplus of \$10,174,366. Executive Director noted the deficit in the 2018 year of \$3,105,543 which has improved. The claims reports indicate that we are showing an improvement which is allowing for the increased dividend release.

Agenda Add- On Item -2020 Fiscal Management Plan Amendment

Executive Director said the Fund Office has been notified that Ms. Janet Buggle has retired from Qual-Lynx. Ms. Buggle is an authorized signer on the Qual-Lynx claims accounts therefore she should be removed. The Fund Office has spoken with Investors Bank and in order for them to remove Ms. Buggle they require an amended Fiscal Management Plan that no longer lists her as an authorized signer.

MOTION TO ADOPT RESOLUTION #31-20 AMENDING THE OCEAN COUNTY MUNICIPAL JIF 2020 FISCAL MANAGEMENT PLAN.

MOTION: Commissioner Kostecki
SECOND: Commissioner Gross
VOTE: Unanimous

ATTORNEY

Fund Attorney noted that he had nothing to report at this time.

SAFETY DIRECTOR

Safety Director referred to the agenda report which outlined loss control and law enforcement surveys completed during the month of September, the listing of safety director bulletins and notices issued to our Fund Commissioners, Safety Coordinators and Risk Management Consultant. Safety Director referred to the listing of scheduled trainings during the month of October specifically the scheduled trainings for Protecting our Children from Abuse for Managers/Supervisors and elected officials which are also being offered as evening trainings. In response to Chairperson Lapp, Safety Director said webinar activity is slow with some members due to IT issues in some towns however, as part of the safety visits the webinars training is being emphasized because all 2021 training will be via webinar training and members have to have the access in order to attend. Mr. Shives noted, that the training for the Protecting Children from Abuse has been well attended averaging 140 on each training, the highest was 280. In response to Mr. Avalone, an attendance report by member can be run and sent out to him.

In response to Chairperson Lapp, Mr. Shives noted the program for Protecting our Children from Abuse is the mandatory training for the Managers/Supervisors under the MEL EPL/POL program.

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

UNDERWRITING MANAGER

Mr. Tavares referred to the listing of certificates of insurance as previously issued in addition to the Cyber Liability compliance status. Mr. Tavares noted that their office continues to finalize the 2021 marketing of the MEL program and encouraged all members to review underwriting detail.

List of Certificates made part of the Minutes.

RISK MANAGEMENT CONSULTANT

Mr. Avalone referred to their report as distributed noting the member client services contact previously completed, notably the inquiries made for the MEL EPL/POL compliance training. Mr. Avalone said that although the deadline for the program is June 1, 2021, we are working diligently to make sure all members complete respective trainings for their managers/supervisors and elected officials.

Mr. Avalone noted exposure changes with regards to underwriting data for the 2021 Fund year have been processed as requested by members and encouraged that if there are any additional changes to exposure these should be reported for updating; lack of reporting changes can jeopardize coverage.

Lastly, Mr. Avalone said the Borough of Point Pleasant Beach has constructed a new skate park and requests approval of coverage; the Underwriting Manager and JA Montgomery have completed their review of the required steps, they agree that the Borough has successfully complied with JIF requirements.

MOTION TO APPROVE COVERAGE FOR THE BOROUGH OF POINT PLEASANT BEACH SKATE PARK

MOTION:	Commissioner Carney
SECOND:	Commissioner Laureigh
VOTE:	Unanimous

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

MANAGED CARE

Managed Care provider referred to the agenda report as distributed noting the updated information for the month of September. The total provider billed amount through September, 2020 was \$649,724.25 repriced for \$430,098.14 for a reduction of \$219,626.61 or 33.80%.

Managed Care provider said there was an adverse affect on the billing due two large surgery bills with Jersey Shore Medical Center in the amounts of \$186,872 and the over for over \$93,000 for which the hospital was unwilling to negotiate pricing.

Lastly, Managed Care provider reminded members due to the increase in COVID cases, to report them as soon as identified.

OLD BUSINESS

None.

NEW BUSINESS

None

PUBLIC COMMENT

None.

EXECUTIVE SESSION

No.

Claims Service

Claims Administrator said there were 7 PARs reviewed by the Claims Committee on October 5, 2020 and requested a motion to approve the PARs as recommended by the Claims Committee.

MOTION TO APPROVE PAYMENT OF CLAIMS AS RECOMMENDED BY THE CLAIMS COMMITTEE:

2021209823	WC	001256602	GL
2020195660	WC	2021211162	Prop
2019169677	WC	001264212	GL
2020204579	WC	2021209427	Prop
2021208839	WC	2020208538	Prop
2020208147	WC	2018115407	GL
20201962828	WC		
MLT- 2020196930	WC		
2020204215	WC		
2019172517	WC		

MOTION: Commissioner Laureigh
SECOND: Commissioner Gross
VOTE: Unanimous

MOTION TO ADJOURN MEETING:

MOTION: Commissioner Laureigh
SECOND: Commissioner Gross
VOTE: Unanimous

Meeting Adjourned at 3:20 PM

NEXT MEETING: November 12, 2020 / 3:00 PM

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

Resolution No. 29-20

OCTOBER 2020

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 2020</u>			
<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
001930			
001930	QUAL-LYNX	OUTSIDE ADJUSTER 10/20	5,940.74
001930	QUAL-LYNX	CLAIM ADJ SERVICES 10/20	61,024.73
			66,965.47
001931			
001931	J.A. MONTGOMERY RISK CONTROL	POLICE RISK MANAGEMENT 10/20	2,500.00
001931	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES 10/20	10,938.25
			13,438.25
001932			
001932	PERMA	LOSS FUND MGMNT 10/20	2,409.58
001932	PERMA	EXEC DIRECTOR 10/20	25,988.00
			28,397.58
001933			
001933	THE ACTUARIAL ADVANTAGE	ACTUARY FEE 10/20	4,006.33
			4,006.33
001934			
001934	CITTA, HOLZAPFEL & ZABARSKY PC	PROFESSIONAL SERVICES 9/20	14,355.03
001934	CITTA, HOLZAPFEL & ZABARSKY PC	PROFESSIONAL SERVICES 9/20	3,747.58
			18,102.61
001935			
001935	MEDLOGIX	MANAGED CARE FEE 10/20	24,489.75
			24,489.75
001936			
001936	JULIE TARRANT	TREASURER FEE 10/20	3,101.25
			3,101.25
001937			
001937	ASBURY PARK PRESS	ACCT:ASB-028930 - AD - 9.4.20	41.75
001937	ASBURY PARK PRESS	ACCT:ASB-028930 - AD - 9.3.20	40.85
			82.60
001938			
001938	ALLSTATE INFORMATION MANAGEMNT	ACCT#411 - ARC & STOR - 8.31.20	79.50
			79.50
001939			
001939	CONNER STRONG & BUCKELEW	UNDERWRITING FEE 10/20	1,021.00
			1,021.00
001940			
001940	EXECU-TECH, INC.	2020 WEB HOSTING & MONTHLY FEE 10/20	200.00
			200.00
001941			
001941	CONNER STRONG & BUCKELEW	RMC - 4TH QTR 2020	164,823.58
			164,823.58
		Total Payments FY 2020	324,707.92
		TOTAL PAYMENTS ALL FUND YEARS	\$324,707.92

RESOLUTION NO. 30-20

**RESOLUTION OF THE EXECUTIVE COMMITTEE
OF THE OCEAN COUNTY MUNICIPAL
JOINT INSURANCE FUND
AUTHORIZING REFUND OF THE CLOSED FUND YEAR ACCOUNT**

WHEREAS, N.J.A.C. 11:15-2.21 provides that a FUND may seek approval from the Commissioner of Insurance for a refund of excess monies from any FUND year upon compliance with certain requirements; and

WHEREAS, the FUND has obtained a calculation from its Actuary and Executive Director as to the amount of money which is available for distribution consistent with the aforementioned regulations, and the financial integrity of the FUND; and

WHEREAS, the Executive Committee has determined that it would be in the best interest of the FUND and its member municipalities to make certain refunds;

NOW, THEREFORE, BE IT RESOLVED by the Executive Committee of the **Ocean County Joint Insurance Fund**, As Follows:

1. Section B of N.J.A.C. 11:15-2.21 provides that the FUND may seek approval for refunds from any claim fund which has been completed for not less than twenty-four months. Based upon this requirement and the closure of old Fund Years, surplus monies in the Closed Fund Year Account is eligible for refunds.

2. The Executive Committee has balanced the interests of the member municipalities in obtaining the benefit of such monies as are available for refund against the need for the FUND to protect and preserve its financial integrity. Because the reserve figures and the IBNR figures utilized by the FUND Actuary are conservative, The Executive Committee has balanced the interests of the member municipalities in obtaining the benefit of such monies as are available for refund against the need for the FUND to protect and preserve its financial integrity. Because the reserve figures and the IBNR figures utilized by the FUND Actuary are conservative, It is the conclusion of the Executive Committee that the following amount can be refunded at this time:

Closed Fund Year Account	<u>\$ 1,000,000.00</u>
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3. The Executive Director is, therefore, authorized and directed to submit such documents as the regulations require to the Department of Insurance and the Department of Community Affairs for the approval of the refunds in the amounts set forth above.

4. This authorization is based upon the Auditor's Report of the Historical Operating Results as of December 31, 2019. The aforementioned refund monies shall be allocated, as required and necessary, from the Closed Fund year Account.

5. The FUND Treasurer is authorized to prepare and execute checks for the pro-rated amount of the aforementioned refunds due to each member municipalities for the years in question, provided, however, the FUND Treasurer shall deduct the amount owed by the member local unit for any outstanding balances without regard for Fund year, upon receipt of written documentation of approval or acquiescence of these refunds from the Department of Insurance and the Department of Community Affairs. Said refunds shall be made to the municipalities which were members of the

FUND for the years in question in the same ratio as said municipalities were assessed for the years in question.

**OCEAN COUNTY MUNICIPAL
JOINT INSURANCE FUND**

RESOLUTION NO: 31-20

OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND
(hereafter referred to as "THE FUND")

ESTABLISHING A FISCAL MANAGEMENT PLAN

FOR THE 2020 FUND YEAR

WHEREAS, THE FUND is duly constituted as a Municipal Joint Insurance Fund, as permitted under the laws promulgated by the State of New Jersey, (N.J.S.A. 40A-36, et.seq.); and

WHEREAS, THE FUND is subject to the requirements contained within the Local Fiscal Affairs Law (N.J.S.A. 40A-5, et.seq.) ; and

NOW, THEREFORE BE IT RESOLVED, THE FUND's Executive Committee that:

- I.** All funds for Administrative Expenses, Reinsurance, Dividends and Miscellaneous Expenses, shall be withdrawn from the Official named Depository (ies) by check, which shall bear the signatures of at least two (2) of the following persons, duly authorized pursuant to this Resolution, shall be required:

DIANE LAPP	CHAIRPERSON
VERONICA LAUREIGH	SECRETARY
JULIE TARRANT	TREASURER
CHARLENE CARNEY	COMMISSIONER

- II.** All funds for Claims payments shall be withdrawn from the Official Depository(ies) by check, which shall bear the signatures of at least two (2) of the following persons, duly authorized pursuant to this Resolution,

Julie Tarrant	Treasurer
Alice H. Lihou	Qual-Lynx
David S. Ruber	Qual-Lynx

FOR WIRE TRANSFERS - that the FUND does hereby require that Investors Bank obtain voice confirmation prior to executing wire transfers to external accounts from the Fund Treasurer.

- III.** The Cash and Investment Policy attached herewith, shall be adopted.
- IV.** The rate of interest assessed by the Fund, for delinquent assessments shall be ten (10) percent per annum, from the due date for any such assessment with a grace period for the first (1st) assessment installment paid to be January 31, and the second (2nd) assessment installment paid to be July 31.

- V. Certifying and Approval Officer for all FUND expenses shall be the FUND's Executive Director and/or the Account Manager so designated by the Executive Director.
- VI. In accordance with the MEL's Retrospective Rating Program, the FUND does hereby transfers the aggregate excess contingency line item collected with 2020 Fund assessments to the Aggregate Loss Fund Contingency Account.

ADOPTED: *this day before the Governing Body:*