

**OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND
MINUTES
SEPTEMBER 8, 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	Present
Veronica Laureigh, Secretary, Twp. of Lacey	Present
Joanne Bergin, Township of Brick	Present
Michael Gross, Borough of Surf City	Present
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

Diane Ambrosio, Ocean Twp.
 Len Grilletto, Plumsted Twp.
 John Bennett, Lavallette Bor.
 Joseph Mirarchi, J.A. Montgomery
 Mike Brosnan, J.A. Montgomery
 Meredith Storch, Conner Strong & Buckelew
 Cate Kiernan, Perma
 Tracy Lopez, Perma

APPROVAL OF MINUTES:

July 14, 2022

MOTION TO APPROVE OPEN MINUTES FOR ABOVE REFERENCED MEETING

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

CORRESPONDENCE

Executive Director referred to the two articles to be published in upcoming League magazines. The first is authored by MEL Secretary Paul Tomasko and Commissioner Cuccia and discusses the inflationary pressures on 2023 insurance budget specifically relating to the increase in health benefits, workers compensation and workers compensation associated with the pension offset, COVID19, the erosion of Title59, amendments in the sexual molestation statute of limitations, property and cyber insurance all of which are impacting municipal budgets. Executive Director encouraged members to share this information with their governing bodies. The second is by MEL Chairwoman Joy Tozzi and Ed Cooney, Underwriting Manager concerning cyber risk management. Lastly, Executive Director noted the MEL Helpline as being added each month for members as a reminder to utilize the services provided to them for assisting employment related issues members may face.

TREASURER

Fund Treasurer reviewed the bill lists for the months of August and September 2022 as distributed.

August 2022 – Resolution 24-22

FUND YEAR	AMOUNT
2022	\$172,027.63
TOTAL	\$ 172,027.63

MOTION TO APPROVE RESOLUTION # 24-22 - August 2022 BILLS LIST

MOTION: Commissioner Laureigh
SECOND: Senator Singer
VOTE: Unanimous

September 2022 – Resolution 25-22

FUND YEAR	AMOUNT
2022	\$172,220.02
TOTAL	\$172,220.02

MOTION TO APPROVE RESOLUTION # 25-22 - SEPTEMBER 2022 BILLS LIST

MOTION: Commissioner Laureigh
SECOND: Senator Singer
VOTE: Unanimous

Fund Treasurer noted that the July balance of \$34,887,449 which is approximately equal to the same amount as last year; although we are seeing increases in workers compensation, the financials are running stable.

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

EXECUTIVE DIRECTOR

2023 Renewal/Budget Process

Executive Director said members and risk management consultants received an email with a link to renewal worksheets - to begin the 2023 underwriting renewal during the month of July; the completion date was September 7, 2022. The Risk Management Consultants and Perma are currently reviewing data within the online database for accuracy toward completion of the 2023 renewal process and to begin the 2023 budget process. Executive Director said once the renewal rates are received from the MEL, we can begin working on the 2023 budget and a Finance Committee Meeting will be scheduled for the first week in October; an email will be distributed to finalize the date and time.

Residual Claims Fund (RCF) / Environmental Risk Management JIF (EJIF) Meeting Municipal Excess Liability JIF (MEL JIF) Meeting

Executive Director said each of the statewide funds met yesterday, September 7, 2022 and advised that due to timing, the reports of each meeting are not included within the agenda however they will be made available in the October agenda. Executive Director said the EJIF introduced their 2023 budget which resulted in a .5% increase and also announced a dividend increase from last year of \$3.1M to \$3.3M. Commissioner Laureigh added no additional comments.

Executive Director introduced MEL Deputy Executive Director, Cate Kiernan and asked for any additional comments. Ms. Kiernan noted the filing for the Cyber JIF was submitted and we expect that the Fund will be operational by January 1, 2023; Underwriting Manager will speak more about the communications relating to some of the changes to the program later in his report.

Fund Defense Panel RFPs

Executive Director said the Fund has released RFPs for the position of Fund Defense Panel. The return date for the proposals is September 29, 2022 at 12:00 PM via electronic platform at BidNet – www.bidnetdirect.com/OceanCountyJif. The Fund will review the responses for formal recommendation will be made during the January reorganization meeting.

Power of Collaboration

Executive Director referred to the latest in a series of Power of Collaboration advertisement to be published in the League of Municipalities magazine. The ad highlights the \$3.6 billion savings provided to NJ Taxpayers while responding to the impacts of Covid-19, cost incurred from natural disasters and legislative challenges.

2022 Coverage Documents

The Fund office has uploaded the 2022 member policies to the Fund's Risk Management Information System (Origami). Fund Commissioners and Risk Management Consultants were notified via email of the availability of same.

Statutory Bonds

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.

Due Diligence Reports

Executive Director referred to the July financial reports as distributed reviewing the fast track which outlines the continued deficits in fund years 2018 and 2021, noting that the 2021 fund year's deficit is mostly due to Covid 19 claims. Executive Director said there is an increase in the statutory surplus for the month of \$167,164 resulting in a statutory surplus of \$3.2M which is quite low for the Ocean JIF when compared to prior years. In review of the loss ratio report most of the claims result in property and workers compensation due recent storms and Covid19; as stated previously, the Ocean JIF is one of two local JIFs that had the highest loss ratio relating to Covid19.

ATTORNEY

Fund Attorney had nothing to report at this time.

SAFETY DIRECTOR

Safety Director referred to the agenda report which outlined the July and August activities, inclusive of loss control and law enforcement surveys, followed by the listing of safety director bulletins and messages previously distributed. Safety Director also reviewed the activity associated with the MSI NOW and MSI DVDs.

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 the previously released renewal bulletin which outlined critical data for collection by members to assist in the marketing of coverages for the 2023 fund year. Underwriting Manager mentioned the upcoming Cyber Risk Management webinar scheduled for next Thursday, September 15th at 2:00PM which will detail cyber claim trends, insurance market updates and the 2023 Cyber Risk Management Program. Attendance for fund commissioners, risk managers and IT personnel is highly recommended; the invitation to the webinar was issued by the Fund office via email. Executive Director emphasized the continued process of cyber compliance with the Cyber Risk Management ProgramV2.

List of Certificates made part of the Minutes.

RISK MANAGEMENT CONSULTANT

Risk Management Consultant advised that the vast majority of underwriting schedules are completed within Origami allowing the Fund office to begin the 2023 budget process. Meredith Storch has been doing an excellent job in the absence of Katie Walters who is on maternity leave. With respects to the Cyber Risk Management Program, there are three members that have become fully compliant since the last meeting of the Fund. As stated by the Underwriting Manager, members must be compliant with at least the very minimal of Tier1, noting that members that have not met this minimum will have significant changes or no coverage in the 2023 fund year. The marketplace has become much more aggressive in addressing insureds that

have not met minimum standards. Risk Management Consultant advised members that a webinar has been scheduled for Tuesday, October 4, 2022, 10:00 AM – 11:00 AM wherein members will be updated on topics relating to the new storm water permit and renewal process presented by Rick Erickson, EJIF Engineer and liaison between members of the Fund and the Department of Environmental Protection, additional speakers will be Joe Mirarchi of J.A. Montgomery as well as himself. It is encouraged that members attend the webinar as we would like to make sure everyone is given the opportunity to meet all requirements for permit renewals and new permits. In response to Executive Director, Risk Manager noted all attendees should be appointed Fund Commissioners, individuals holding licenses for storm water permits, key personnel of the departments of public works, superintendent and of course members of top management.

Executive Director commented on an additional important topic released from the EJIF addressing concerns resulting from DEP's lower standard of water testing. It is noted that insurance carriers are now excluding coverage from their policies for PFOA/PFAS claims. During the EJIF's September meeting the Board adopted Resolution 25-22, and further outlined Endorsement #3 which will remove coverage for contamination emanating from PFOA/PFAS and related compounds but will provide a \$25,000 sub limit per claim with an annual aggregate EJIF cap of 1 million dollars. Executive Director noted that a "claim sweep" letter inclusive of Endorsement #3, will be sent to all members early next week which requests any member with known claims to be reported by December 16, 2022.

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

MANAGED CARE

Managed Care Provider referred to the reports through August 2022 which outlined the total number of bills received for the year of 4,625 with 97% network utilization. The total charges for the bills was \$6,539,837, once the Qual-Care contracted rates were applied, the bills were reduced to \$2,482,853 for a total savings of \$4,056,984 or 62%. In response to Commissioner Laureigh, Managed Care Provider noted that when compared to this time last year, total bills are running quite close and will more than likely exceed the 2021 Fund year, however included within that number are the record only claims as well.

In response to Senator Singer, Ms. Kissane noted that with respect to Covid employees, especially when relating to first responders are presumed to have contracted Covid at work until proven otherwise. Qual-Lynx performs extensive investigations inclusive of social media, surveillance, second avenues of employment etc. to make sure all claims are causally related, not all claims are accepted. In response to Mr. Shives, Senator Singer recommended pushing back more on covid claims even if it means taking the judge to task. In response to Ms. Kiernan, Ms. Kissane confirmed that unfortunately, when the motions for medical/temp are presented to the workers compensation court, the courts will typically order their office to provide treatment and the judge determines that the claim is causally related to work leaving us with a judgement on the case with no choice but to provide requested medical treatment for which there is also an award of council fees increasing the cost of the claim file.

CLAIMS ADMINISTRATION

Claims Administrator said the Claims Committee of the Fund met on Tuesday, September 6, 2022 to review a total of nineteen (19) payment authorization requests with an amendment to one

liability PAR. At this time, a motion to approve the pars as reviewed and recommended by the claims committee with the one amendment as requested.

Claim #	Type
2019157239	WC
2021234251	WC
2022276795	WC
2022272642	WC
2022275123	WC
2021232118	WC
2023279231	WC

Claim #	Type
2021239806	WC
2022270369	WC
2021215941	WC
2019149846	GL
2021224227	GL
2020184455	GL
2020181993	GL

Claim #	Type
2023279546	Prop
2018146844	GL
2020186658	AL
2020186212	GL
2022249366	GL

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUESTS AS REVIEWED AND APPROVED BY THE CLAIMS COMMITTEE WITH THE AMENDMENT TO ONE LIABILITY PAR AS RECOMMENDED BY FUND ATTORNEY DURING THEIR MEETING OF SEPTEMBER 6, 2022.

MOTION: Senator Singer
SECOND: Commissioner Laureigh
VOTE: Unanimous

Lastly, Claims Administrator referred to the updated contact Team List for the Ocean JIF resulting from the recent transfer to the new company updating emails and telephone numbers respectively.

OLD BUSINESS

In response to Chairperson Lapp, Safety Director confirmed that their office is currently finalizing the CDL “Train the Trainer” program. Information relating to this training will be issued in early November.

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: 3:30 PM
 NEXT MEETING: October 13, 2022 3:00 PM

 - Secretary

OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND BILLS LIST

Resolution No. 24-22

AUGUST 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>
002285			
002285	QUAL-LYNX	TPA 8/22	63,490.17
002285	QUAL-LYNX	OUTSIDE ADJ 8/22	6,180.75
			69,670.92
002286			
002286	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR 8/22	11,380.14
002286	J.A. MONTGOMERY RISK CONTROL	LAW ENFORCEMENT 8/22	2,500.00
			13,880.14
002287			
002287	PERMA	POSTAGE 6/22	24.69
002287	PERMA	EXEC DIRECTOR 8/22	27,037.91
002287	PERMA	LOSS FUND MGT 8/22	2,506.91
			29,569.51
002288			
002288	QualCare Inc	MANAGED CARE 8/22	25,988.75
			25,988.75
002289			
002289	THE ACTUARIAL ADVANTAGE	ACTUARY 8/22	4,168.30
			4,168.30
002290			
002290	CITTA, HOLZAPFEL & ZABARSKY PC	LITIGATION MGT 8/22	19,543.56
002290	CITTA, HOLZAPFEL & ZABARSKY PC	ATTORNEY 7/22	3,898.92
			23,442.48
002291			
002291	JULIE TARRANT	TREASURER 8/22	3,226.50
			3,226.50
002292			
002292	ASBURY PARK PRESS	AD 6.24.22	143.24
			143.24
002293			
002293	CONNER STRONG & BUCKELEW	UNDERWRITING MGR 8/22	1,063.00
			1,063.00
002294			
002294	EXECU-TECH, INC.	WEBSITE 8/22	200.00
			200.00
002295			
002295	THE CANNING GROUP LLC	QPA 7/22	583.33
			583.33
002296			
002296	ACCESS	ARC SERVICE & STORAGE 5.31.22	9.80
002296	ACCESS	ARC SERVICE & STORAGE 5.31.22	81.66
			91.46
		Total Payments FY 2022	172,027.63
		TOTAL PAYMENTS ALL FUND YEARS	\$ 172,027.63

OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND BILLS LIST

Resolution No. 25-22

SEPTEMBER 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>
002297			
002297	QUAL-LYNX	TPA 9/22	63,490.17
002297	QUAL-LYNX	OUTSIDE ADJ 9/22	6,180.75
			69,670.92
002298			
002298	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR 9/22	11,380.14
002298	J.A. MONTGOMERY RISK CONTROL	SAFETY DIRECTOR 9/22	2,500.00
			13,880.14
002299			
002299	PERMA	POSTAGE 7/22	26.75
002299	PERMA	EXEC DIRECTOR 9/22	27,037.91
002299	PERMA	LOSS FUND MGT 9/22	2,506.91
			29,571.57
002300			
002300	QualCare Inc	MANAGED CARE 9/22	25,988.75
			25,988.75
002301			
002301	THE ACTUARIAL ADVANTAGE	ACTUARY 9/22	4,168.30
			4,168.30
002302			
002302	CITTA, HOLZAPFEL & ZABARSKY PC	LITIGATION MGT 9/22	20,401.50
002302	CITTA, HOLZAPFEL & ZABARSKY PC	ATTORNEY 9/22	3,898.92
			24,300.42
002303			
002303	JULIE TARRANT	TREASURER 9/22	3,226.50
			3,226.50
002304			
002304	ASBURY PARK PRESS	AD 8.22.22	58.76
			58.76
002305			
002305	CONNER STRONG & BUCKELEW	UNDERWRITING MGR 9/22	1,063.00
			1,063.00
002306			
002306	EXECU-TECH, INC.	WEBSITE 8/22	200.00
			200.00
002307			
002307	ACCESS	ARC SERVICE & STORAGE 7.31.22	91.66
			91.66
		Total Payments FY 2022	172,220.02
		TOTAL PAYMENTS ALL FUND YEARS	\$ 172,220.02