

**OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND
MINUTES
JULY 9, 2015
TOMS RIVER MUNICIPAL BUILDING
3:00 P.M.**

Meeting Called to Order by Chairman Pine. Open Public Meeting Statement read into the record.

Pledge of Allegiance

ROLL CALL OF EXECUTIVE COMMITTEE::

James Pine, Chairperson, Township of Eagleswood	Present
Charlene Carney, Vice Chair, Borough of Pine Beach	Present
Paul Shives, Secretary, Township of Toms River	Absent
Diane Lapp, Township of Manchester	Absent
Veronica Laureigh, Twp. of Lacey	Absent
Dave Pawlishak, Borough of Surf City	Present
Christopher Parlow, Borough of Lavallette	Present
Joseph Gilsenan, Township of Brick, Alternate #1	Absent
Isaac Akerman, Township of Lakewood, Alternate #2	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director /Administrator	Perma Risk Management Services	Stephen Sacco	Present
Attorney	Citta, Holzapfel, Zabarsky	Steven Zabarsky, Esq.	Present
Treasurer		Bill Garofalo	Present
Claims Service	Qual-Lynx	Kathie Tyler-Schohl	Absent
Underwriting Manager	Conner Strong & Buckelew	Ed Scioli	Absent
Safety Director	JA Montgomery	Joanne Hall	Absent
Risk Management Consultants	Conner Strong & Buckelew	Mike Avalone	Present

ALSO PRESENT

Jason Thorpe, Perma
Gemma Armenia, Qual-Lynx
Jennifer Goldstein, CSG
Joe Mirarchi, JA Montgomery

APPROVAL OF MINUTES: May 14, 2015

MOTION TO APPROVE OPEN & CLOSED MINUTES FOR ABOVE REFERENCED MEETING

MOTION: Commissioner Pawlishak
SECOND: Commissioner Carney
VOTE: Unanimous

CORRESPONDENCE:

None.

COMMITTEE REPORTS:

The Claims Review Committee: Met on Monday, July 6, 2015. Minutes from that meeting were distributed prior to the meeting. A verbal report will be provided during the Closed Session portion of the meeting.

TREASURER:

Mr. Garofalo reviewed the report he distributed prior to the meeting detailing the financial portfolio of the Fund as well as the cash investments and imprest/transfers. He also reported on the Bills List for the month that was distributed prior to the meeting.

MOTION TO ACCEPT CLAIMS/IMPREST TRANSFERS FOR MAY 2015 AND JUNE 2015 AS CERTIFIED BY THE TREASURER

MOTION: Commissioner Parlow
SECOND: Commissioner Carney
ROLL CALL VOTE: Unanimous

June 2015

FUND YEAR	AMOUNT
2014	\$10,000.00
2015	\$141,468.29
TOTAL	\$151,468.29

MOTION TO APPROVE RESOLUTION # 17-15 APPROVAL FOR PAYMENT OF JUNE 2015 BILL LIST

MOTION: Commissioner Pawlishak
SECOND: Commissioner Carney
ROLL CALL VOTE: Unanimous

July 2015

FUND YEAR	AMOUNT
2014	\$9,607.00
2015	\$1,574,624.38
TOTAL	\$1,584,231.38

MOTION TO APPROVE RESOLUTION # 18-15 APPROVAL FOR PAYMENT OF JULY 2015 BILL LIST

MOTION: Commissioner Parlow
SECOND: Commissioner Pawlishak
ROLL CALL VOTE: Unanimous

Mr. Garofalo informed the Board that all May 15th assessments have been paid with the exception of 1 business district. He noted that he and Mr. Avalone have contacted the entity. Mr. Sacco suggested advising the business district that if payment is not received within 30 days the Fund will implement the 10% late fee if the Board is in agreement. Chairman Pine asked the Board if they were in agreement with the suggestion. The Board indicated that they were in agreement. Mr. Sacco advised that he and Mr. Avalone would proceed and then asked for a formal motion on the suggestion

MOTION TO SEND NOTICE TO SEASIDEHEIGHTS BID INFORMING THEM THAT A 10% INTEREST LATE PENALTY WILL BE IMPLEMENTED IF THEIR MAY 15TH ASSESSMENT IS NOT RECEIVED WITHIN 30-DAYS.

MOTION: Commissioner Pawlishak
SECOND: Commissioner Carney
ROLL CALL VOTE: Unanimous

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

EXECUTIVE DIRECTOR:

CLAIMS REVIEW COMMITTEE: The Claims Review Committee met on Monday, July 6, 2015. Report given during closed session.

REGULATORY AFFAIRS - Mr. Sacco indicated that Perma filed the 2014 Year End Audit, Certification of the Audit adopted by the Executive Committee, Actuarial Valuation and the Actuarial Certification with the Departments of Insurance and Community Affairs. He added that the Synopsis of Audit was published in the Fund's official newspaper.

RESIDUAL CLAIMS FUND - Mr. Sacco reported that the Residual Claims Fund reviewed and adopted its year-end audit during their June 3, 2015 at the Forsgate Country Club in Jamesburg. He then referred to Commissioner Shives' report on that meeting.

CLAIM TRANSFERS (RCF) – Mr. Sacco informed the Committee that all members of the RCF Fund are being asked to adopt resolutions at their June/July meetings to transfer their 2011 claim liabilities to the RCF. Mr. Sacco then referred to Resolution # 19-15 enclosed within the agenda packet.

MOTION TO ADOPT RESOLUTION #19-15 AUTHORIZING THE TRANSFER OF THE OCEAN JIF'S 2011 CLAIM LIABILITIES TO THE RESIDUAL CLAIMS FUND.

MOTION:	Commissioner Parlow
SECOND:	Commissioner Carney
ROLL CALL VOTE:	Unanimous

MEL MEETING - Mr. Sacco informed the Committee that the MEL met on June 3, 2015 and referred to Commissioner Shives' report enclosed within the agenda booklet.

E-JIF MEETING - Mr. Sacco indicated that the E-JIF also met on June 3, 2015 and referred to Commissioner Shives' report enclosed within the agenda booklet.

2016 RENEWAL ONLINE UNDERWRITING DATABASE: Mr. Sacco reminded the Board that in 2014 the MEL contracted with Exigis to develop an underwriting database for members and/or their risk managers to add/amend schedules online thereby eliminating the annual paper Renewal Application process. He noted that the deadline to complete the schedules within the database is September 1, 2015.

PERMA OFFICE LOCATION - Mr. Sacco informed the Board that PERMA has moved offices within its current building and has an updated suite number. He added that while all other contact information remains the same, the new suite number is Suite 216.

DUE DILIGENCE REPORTS - Mr. Sacco referred to the Financial Fast Track for the month of May contained within the Agenda packet. He reported that the Fund office is continuing to monitor a small deficit in the 2015 fund year and noted that there are plenty of funds from other Fund Years to extinguish it. Mr. Sacco indicated that the deficit can mostly be attributed to claims resulting from the harsh winter. He then informed the Board of the current statutory surplus position. Commissioner

Pawlishak asked how the Fund overcomes a deficit. Mr. Sacco explained that as the claims mature, the reserves decrease and the profit increases. He further explained that the Actuary takes a conservative approach when reserving for IBNR amounts.

With nothing further, Mr. Sacco concluded his report.

ATTORNEY:

Mr. Zabarsky advised that his report would be given during closed session.

SAFETY DIRECTOR:

Mr. Mirarchi reviewed the May and June activities and the July agenda. He referred to the Safety Director Bulletins and announcements that have been sent to the membership.

Lastly, Mr. Mirarchi referred to the list of upcoming MSI training seminars and advised of the CEUs available.

Chairman Pine asked Mr. Mirarchi what takes place on a Job Site Observation. Mr. Mirarchi informed him that the Safety Director's office makes an appointment with a supervisor to see the workforce in place. He added that he observes the job site to make sure the employees are following safety requirements.

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

UNDERWRITING MANAGER:

Mr. Thorpe indicated that Mr. Scioli was unable to attend the meeting. He began by referring the Board to MEL's annual excess and reinsurance filings with the state and the MEL Property Bulletin within the agenda booklet. He then referred to the list of certificates enclosed within the agenda booklet.

List of Certificates made part of the Minutes.

CLAIMS SERVICE:

Ms. Armenia indicated that the Claims Services report would be given in Closed Session.

RISK MANAGEMENT CONSULTANT:

Mr. Avalone reported that requests for exposure changes were processed as requested by the members. He advised that it is critical for members to report property/vehicle additions and noted that lack of reporting can jeopardize coverage.

Mr. Avalone informed the Board that the 2016 Renewal Data Collection Process is now in progress. He noted that members have received existing exposure data that needs to be reviewed and returned to their Risk Manager for review and entry into the Exigis database. He requested that exposure information be returned by August 15th. If you have any questions or need any sent to you again please contact us.

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

MANAGED CARE:

Ms. Goldstein referred the Committee to her report contained in the Agenda packet. She informed the Board that during the month of May, there was a savings of \$290,512.85 resulting in 56.53% of savings. Ms. Goldstein added that during the month of June, as of June 29th, there was a savings of \$222,387.92 resulting in 58.94% of savings.

Monthly Report Made Part of Minutes.

OLD BUSINESS:

None

NEW BUSINESS:

None

MEETING OPENED TO PUBLIC FOR COMMENT:

No public comments were made.

PUBLIC COMMENT PORTION OF THE MEETING CLOSED

MOTION TO ENTER EXECUTIVE SESSION FOR THE PURPOSE OF DISCUSSING PENDING AND THREATENING LITIGATION:

MOTION:	Commissioner Parlow
SECOND:	Commissioner Pawlishak
VOTE:	Unanimous

MOTION TO ADJOURN EXECUTIVE SESSION:

MOTION:	Commissioner Parlow
SECOND:	Commissioner Carney
VOTE:	Unanimous

MOTION TO APPROVE PAYMENT OF CLAIMS AS DISCUSSED IN EXECUTIVE SESSION, THE FOLLOWING PARS WERE APPROVED:

Workers Compensation

**Z18800
Z11842
W67389
X99135
Z15690
X46484
Z17230**

GL, AL, and Property claims

**Z11980
X35025
X65059
Z11624
Z17960
Z18877
Q12610**

MOTION: Commissioner Pawlishak
SECOND: Commissioner Parlow
ROLL CALL VOTE: Unanmious

MOTION TO ADJOURN MEETING:

MOTION: Commissioner Pawlishak
SECOND: Commissioner Carney
VOTE: Unanimous

Meeting Adjourned at: 3:18 PM

NEXT MEETING: September, 2015 3:00 PM
Toms River Municipal Building
33 Washington Street
Toms River, NJ 08754

- Secretary

OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND BILLS LIST

Resolution No. 17-15

JUNE 2015

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 2014

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
000386			
000386	HOLMAN FRENIA ALLISON PC	2014 AUDITOR FEE 5/2015	10,000.00
			10,000.00
		Total Payments FY 2014	10,000.00

FUND YEAR 2015

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
000387			
000387	QUAL-LYNX	OUTSIDE ADJUSTER - 06/2015	5,380.75
000387	QUAL-LYNX	CLAIMS ADMIN - 06/2015	55,272.00
			60,652.75
000388			
000388	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES - 06/2015	9,907.10
			9,907.10
000389			
000389	PERMA	POSTAGE FEE 05/2015	37.99
000389	PERMA	EXECUTIVE DIRECTOR FEE 06/2015	23,538.00
			23,575.99
000390			
000390	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES - 06/2015	3,628.00
			3,628.00
000391			
000391	CITTA, HOLZAPFEL & ZABARSKY PC	LITIGATION MANAGEMENT - 05/2015	13,134.75
000391	CITTA, HOLZAPFEL & ZABARSKY PC	ATTORNEY FEE 05/2015	3,394.25
			16,529.00
000392			
000392	CONSOLIDATED SERVICES GRP, INC	MANAGED CARE SERVICES - 06/2015	23,190.92
			23,190.92
000393			
000393	WILLIAM GAROFALO	TREASURER FEE 06/2015	2,809.00
			2,809.00
000394			
000394	ALLSTATE INFORMATION MANAGEMNT	ACCTI 411 - ACT & STOR - 04/30/2015	50.95
			50.95
000395			
000395	CONNER STRONG & BUCKELEW	UNDERWRITING MANAGER - 06/2015	924.58
			924.58

000396
000396

EXECU-TECH, INC.

MONTHLY WEBSITE MAINTENANCE FEE 06/2015

200.00

200.00

Total Payments FY 2015

141468.29

TOTAL PAYMENTS ALL FUND YEARS \$ 151,468.29

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

Resolution No. 18-15

JULY 2015

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 2014

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
000397			
000397	HOLMAN FRENIA ALLISON PC	FINAL BILLING FOR 2014 YEAR END AUDIT	9,107.00
			9,107.00
000398			
000398	BRICK TOWNSHIP	SAFETY PARTICIPATION AWARD - 03/2015	250.00
			250.00
000399			
000399	LAKEWOOD TOWNSHIP	SAFETY PARTICIPATION AWARD - 03/2015	250.00
			250.00

Total Payments FY 2014 9,607.00

FUND YEAR 2015

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
000400			
000400	MUNICIPAL EXCESS LIABILITY JIF	FAITHFUL PERFORMANCE BOND 3RD QTR 2015	5,102.52
			5,102.52
000401			
000401	MUNICIPAL EXCESS LIABILITY JIF	MEL PROPERTY 3RD QTR 2015	192,681.80
000401	MUNICIPAL EXCESS LIABILITY JIF	MEL 3RD QTR 2015	812,442.29
			1,005,124.09
000402			
000402	N.J. MUNICIPAL ENVIRONMENTAL	EJIF - 2ND INSTALLMENT 2015	247,996.98
			247,996.98
000403			
000403	QUAL-LYNX	OUTSIDE ADJUSTER - 07/2015	5,380.75
000403	QUAL-LYNX	CLAIMS ADMIN - 07/2015	55,272.00
			60,652.75
000404			
000404	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES - 07/2015	9,907.10
			9,907.10
000405			
000405	PERMA	POSTAGE FEE 06/2015	1.19
000405	PERMA	EXECUTIVE DIRECTOR FEE 07/2015	23,538.00
			23,539.19
000406			
000406	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES - 6/2015	3,628.00

			3,628.00
000407			
000407	CITTA, HOLZAPFEL & ZABARSKY PC	LITIGATION MANAGEMENT - 06/26/15	10,991.75
000407	CITTA, HOLZAPFEL & ZABARSKY PC	ATTORNEY FEE 06/26/2015	3,394.25
			14,386.00
000408			
000408	CONSOLIDATED SERVICES GRP, INC	MANAGED CARE SERVICES - 07/2015	23,190.92
			23,190.92
000409			
000409	WILLIAM GAROFALO	TREASURER FEE 07/2015	2,809.00
			2,809.00
000410			
000410	ASBURY PARK PRESS	ACCT: ASB - 028930 - 06/17/15 - SYNOPSIS	129.50
			129.50
000411			
000411	MUNICIPAL EXCESS LIABILITY JIF	MSI 3RD QTR 2015	29,931.55
			29,931.55
000412			
000412	ALLSTATE INFORMATION MANAGEMNT	ACCT: 411 - ACT & STOR - 5/31/2015	50.95
			50.95
000413			
000413	CONNER STRONG & BUCKELEW	UNDERWRITING MANAGER - 07/2015	924.58
			924.58
000414			
000414	EXECU-TECH, INC.	MONTHLY WEBSITE MAINTENANCE - 07/2015	200.00
			200.00
000415			
000415	CONNER STRONG & BUCKELEW	RMC FEE 3RD QTR 2015	147,051.25
			147,051.25
		Total Payments FY 2015	1,574,624.38

TOTAL PAYMENTS ALL FUND YEARS \$ 1,584,231.38

**RESOLUTION NO. 19-15
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>
2011	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 6/30/15

OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND