

**OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND
MINUTES
MARCH 10, 2016
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 | Present |
| Diane Lapp, Township of Manchester | Present |
| Veronica Laureigh, Twp. of Lacey | Absent |
| David Pawlishak, Borough of Surf City | Present |
| Christopher Parlow, Borough of Lavellette | Absent |
| Joseph Gilsean, 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 | Present |
| Underwriting Manager | Conner Strong & Buckelew | Tim Friel | Absent |
| Safety Director | JA Montgomery | Joanne Hall | Absent |
| Risk Management Consultants | Conner Strong & Buckelew | Mike Avalone | Present |

ALSO PRESENT

Jason Thorpe, PERMA
Brian Geoghegan, Ship Bottom
William Akers, Seaside Heights
Taylor Jacob, CSG
Joe Mirarchi, JA Montgomery

APPROVAL OF MINUTES: January 14, 2016

MOTION TO APPROVE OPEN & CLOSED MINUTES FOR ABOVE REFERENCED MEETING

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

CORRESPONDENCE:

None

TREASURER:

Mr. Garofalo reported on the Bills List for the month and 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.

February 2016

| FUND YEAR | AMOUNT |
|------------------|-----------------------|
| 2015 | \$1,165.50 |
| 2016 | \$1,164,383.77 |
| TOTAL | \$1,165,549.27 |

**MOTION TO APPROVE RESOLUTION # 9-16
APPROVAL FOR PAYMENT OF FEBRUARY 2016 BILLS LIST**

MOTION: Commissioner Shives
SECOND: Commissioner Lapp
ROLL CALL VOTE: Unanimous

March 2016

| FUND YEAR | AMOUNT |
|--------------|---------------------|
| 2016 | \$144,667.69 |
| TOTAL | \$144,667.69 |

**MOTION TO APPROVE RESOLUTION # 10-16
APPROVAL FOR PAYMENT OF MARCH 2016 BILLS LIST**

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

**MOTION TO ACCEPT CLAIMS/IMPREST TRANSFERS AS OF
JANUARY 2016 AND FEBRUARY 2016 AS CERTIFIED BY THE
TREASURER**

MOTION: Commissioner Shives
SECOND: Commissioner Lapp
ROLL CALL VOTE: Unanimous

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

EXECUTIVE DIRECTOR:

EXECUTIVE SAFETY COMMITTEE – Mr. Sacco reminded the Board that the Ocean County JIF has scheduled the Safety Awards & Kick Off Breakfast Meeting for Tuesday, March 15, 2016 at 8:30 AM and noted that it will take place at the Clarion Hotel & Conference Center in Toms River, NJ.

MEL MEETING - Mr. Sacco informed the Board that the MEL met on March 2, 2016. He referred to Commissioner Shives' report of that meeting enclosed within the agenda booklet.

EPL/POL COMPLIANCE - Mr. Sacco referred to a copy of correspondence distributed to respective members announcing the 2017 POL/EPL Program. He advised that members should visit the MEL's webpage – njmel.org for changes to the MEL's Model Personnel Committee and information on training program requirements. Mr. Sacco indicated that members have until October 1st to submit checklist to qualify and/or maintain deductible and co-pay incentives. He added that compliance includes updating Personnel Manuals, Training Managers & Supervisors, Police Command Staff and offering training to non-supervisory personnel.

EPL TRAINING – Mr. Sacco reported that during the February Claims Committee meeting a discussion took place regarding utilizing David Millard, Esquire from Mr. Zabarsky's firm to conduct EPL training throughout the Ocean JIF for fund year 2016. Mr. Sacco said that a motion was needed to memorialize this action.

**MOTION TO AUTHORIZE MR. DAVID MILLARD TO CONDUCT
EPL TRAININGS FOR OCEAN JIF MEMBERS FOR A FEE NOT TO
EXCEED \$10,000**

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

2016 MEL & MR HIF EDUCATIONAL SEMINAR: Mr. Sacco informed the Board that the annual MEL & MRHIF Educational Seminar is scheduled for Friday April 15, 2016 in the National Conference Center at the East Windsor Holiday Inn. He referred to the agenda and registration form and noted that continuing Ed credits are available for CFO/CMFO, Clerks, Public Works, Insurance Producers, Purchasing Agents, Accountants, Lawyers, TCH Water Supply, Wastewater, RPPO and QPA.

RESIDUAL CLAIMS FUND - Mr. Sacco indicated that the RCF met on March 2, 2016. He referred to Commissioner Shives’ report of that meeting within the agenda.

E-JIF MEETING - Mr. Sacco reported that the E-JIF also met on March 2, 2016 and referred to a copy of Commissioner Shives’ report included in the agenda booklet.

CYBER LIABILITY – Mr. Sacco indicated that during the January 2016 meeting, the Board selected Option 2 with higher limits and a \$25,000 deductible per the recommendation of Mr. Avalone. He informed the Board that Caitlin Insurance, the Fund’s Cyber Liability carrier, has agreed to offer a third option with the higher limits at the 2015 expiring deductible of \$10,000. He noted that the increased premium cost to go from Option 2 (selected during January 2016 meeting) to Revised Option 2 being offered is \$2,214. Mr. Avalone advised that he recommends Revised Option 2 as it includes the higher 1st party limit and a lower deductible.

| JIF Member | 2015 Cyber Premium | Per Expiring Option 1 \$6M Agg / \$3M 3rd Party / \$1M 1st Party \$10,000 Deductible | Option 2 \$6M Agg / \$3M 3rd Part / \$3M 1st Party \$25,000 Deductible | Revised Option 2 \$6M Agg / \$3M 3rd Part / \$3M 1st Party \$10,000 Deductible |
|------------|--------------------|---|---|---|
| Ocean | \$18,600 | \$18,600 | \$25,110 | \$26,226 |

**MOTION TO BIND THE CYBER LIABILITY COVERAGE – REVISED
OPTION #2**

MOTION: Commissioner Shives
SECOND: Commissioner Lapp
ROLL CALL VOTE: Unanimous

2016 FINANCIAL DISCLOSURE FORMS – Mr. Sacco informed the Board that the fund office has received notification from the Division of Local Government Services indicating that online Financial Disclosure filing will be implemented again this year and the deadline to file is April 30th. Mr. Sacco indicated that the State issued fines to Fund Commissioners that did not file in 2014 and/or 2015. He added that the fund office will email instructions to commissioners on how to file once a roster is finalized.

DUE DILIGENCE REPORTS - Mr. Sacco referred the Committee to the Financial Fast Track chart contained within the agenda booklet. He reported that the Fund had a good year financially in 2015 and noted that the surplus for 2015 is 1.2 million. He then informed the Board that all fund years combined the statutory surplus position is 11.3 million. Mr. Sacco said the Fund is in excellent financial shape. Commissioner Pawlishak asked if more claims are anticipated for fund year 2012 as it will be closed out this year. Mr. Sacco advised that there are still open claims in fund year 2012 as the IBNR is approximately 582,000. He said that he would inform the Board on the number of 2012 open claims during the May meeting and noted the fund office will be working with Qual-Lynx to close out as many open claims as possible before closing out 2012.

ATTORNEY:

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

SAFETY DIRECTOR:

Mr. Mirarchi reviewed the January and February activities and the March agenda. He referred the Committee to the listing of upcoming MSI training days scheduled through May. Mr. Mirarchi then referred to the three Safety Director's bulletins enclosed within the agenda booklet. He informed the Board that his office received questions from the membership regarding the AED Safety Director's Bulletin and what the liabilities are. He noted that when municipalities have AEDs in their buildings, they are responsible for the maintenance of the machine. Chairman Pine indicated that he had a question regarding new rules from NJ DEP on tiered employees and asked Mr. Mirarchi if he has any information on the topic. Mr. Sacco advised that Mr. Thorpe would contact the Environmental Engineer for the Fund to see if he has any knowledge on the new rules.

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

UNDERWRITING MANAGER:

Mr. Thorpe referred to the list of monthly certificates contained within the agenda Packet.

List of Certificates made part of the Minutes.

CLAIMS SERVICE:

Ms. Tyler-Schohl indicated that the Claims Services report would be given in Closed Session.

RISK MANAGEMENT CONSULTANT:

Mr. Avalone informed the Board that he has been conducting Managers & Supervisors training sessions and referred to the list of upcoming trainings within his report. He advised that the deadline for compliance is October 1st. He informed the Board that a notice regarding the every other year cycle of Public Officials Liability/Employment Practices Liability (POL/EPL) Risk Management requirements of Managers and Supervisors Training, with supporting documentation was sent to the membership recently. Mr. Avalone noted that compliance in the POL/EPL Risk Management program results in lower deductibles, lower co-insurance, and lower rates for that coverage program. He added that he will be on top of this issue as it is critical. Mr. Avalone indicated that Police Command Staff training sessions have not been scheduled thus far but noted that he and the fund office are working with the Sheriff's office to have sessions scheduled.

Mr. Avalone then referred to the policy endorsement pertaining to inflatables. He noted that there is an Absolute Exclusion of coverage for inflatables even if there is a primary policy in place provided by the vendor naming the member as the Additional Insured. He emphasized that the limits on the vendor provided policy is all the coverage the member will have as the Ocean JIF, MEL, and the Reinsurers will not be excess of the vendors coverage. Mr. Avalone added that if a member were to purchase an inflatable, regardless of size, there will be no coverage at all provided by the Ocean JIF, MEL, and/or the Reinsurers.

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

MANAGED CARE:

Ms. Jacob referred the Committee to her report contained in the agenda booklet. She informed the Committee that through the month of February, there has been a savings of \$393,017.64 or 61.23% on the medical billing for Workers' Compensation claims.

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 Pawlishak |
| SECOND: | Commissioner Lapp |
| VOTE: | Unanimous |

MOTION TO ADJOURN EXECUTIVE SESSION:

| | |
|----------------|---------------------|
| MOTION: | Commissioner Shives |
| SECOND: | Commissioner Lapp |
| VOTE: | Unanimous |

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

Workers Compensation

- Z33586
- Z32616
- Z07291
- Z34149
- Z32818
- W82758
- Z28043
- X90311
- Z32046
- Z31177
- X09271

GL, AL, and Property claims

- Z02595

X42731
Z34290
Z20277

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

MOTION TO ADJOURN MEETING:

MOTION: Commissioner Lapp
SECOND: Commissioner Pawlishak
VOTE: Unanimous

Meeting Adjourned at: 3:25 PM

NEXT MEETING: May, 2016 3:00 PM
Toms River Municipal Building
33 Washington Street
Toms River, NJ 08754

OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND BILLS LIST

Resolution No. 9-16

FEBRUARY 2016

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 2015

| <u>CheckNumber</u> | <u>VendorName</u> | <u>Comment</u> | <u>InvoiceAmount</u> |
|------------------------|--------------------------------|-------------------------------------|----------------------|
| 000514 | | | |
| 000514 | BALADY PROMOTIONS, INC. | SIP: BLACK MAGNETIC FLAHLIGHT | 806.11 |
| | | | 806.11 |
| 000515 | | | |
| 000515 | PERMA | AATRIX - E-FILING 2015 1099'S | 14.95 |
| | | | 14.95 |
| 000516 | | | |
| 000516 | CITTA, HOLZAPFEL & ZABARSKY PC | LITIGATION MANAGEMENT - 12/2015 | 290.00 |
| | | | 290.00 |
| 000517 | | | |
| 000517 | ALLSTATE INFORMATION MANAGEMNT | ACCT: 411 - ACT & STOR - 12/31/2015 | 54.44 |
| | | | 54.44 |
| Total Payments FY 2015 | | | 1,165.50 |

FUND YEAR 2016

| <u>CheckNumber</u> | <u>VendorName</u> | <u>Comment</u> | <u>InvoiceAmount</u> |
|--------------------|---------------------------------|--|----------------------|
| 000518 | | | |
| 000518 | SEASIDE HEIGHTS BOROUGH | POLICE ACCREDIATION GRANT - 01/2016 | 20,000.00 |
| | | | 20,000.00 |
| 000519 | | | |
| 000519 | N.J. MUNICIPAL ENVIRONMENTAL | EJIF - 1ST INSTALLMENT 2016 | 249,668.21 |
| | | | 249,668.21 |
| 000520 | | | |
| 000520 | APEX INSURANCE SVS, c/o XL INS | TECH ERRORS & OMISSION - 1OF2 INSTALL'16 | 9,300.00 |
| | | | 9,300.00 |
| 000521 | | | |
| 000521 | APEX INS SVS, c/o QBE SPECIALTY | VOLNTR EMERG SERVICE - 1 OF 2 INSTALL'16 | 5,455.00 |
| 000521 | APEX INS SVS ,c/o QBE SPECIALTY | POL & EPL - 1 OF 2 INSTALLMENT 2016 | 731,070.00 |
| | | | 736,525.00 |
| 000522 | | | |
| 000522 | QUAL-LYNX | OUTSIDE ADJUSTER - 02/2016 | 5,488.33 |
| 000522 | QUAL-LYNX | CLAIMS ADMIN - 02/2016 | 56,377.42 |
| | | | 61,865.75 |
| 000523 | | | |
| 000523 | J.A. MONTGOMERY RISK CONTROL | LOSS CONTROL SERVICES - 02/2016 | 10,105.25 |
| | | | 10,105.25 |
| 000524 | | | |
| 000524 | PERMA | POSTAGE FEE 01/2016 | 37.38 |

| | | | |
|---------------|--------------------------------|--|------------------|
| 000524 | PERMA | EXECUTIVE DIRECTOR FEE 02/2016 | 24,009.00 |
| | | | 24,046.38 |
| 000525 | | | |
| 000525 | THE ACTUARIAL ADVANTAGE | ACTUARIAL CONSULTING SERVICES - 02/2016 | 3,701.25 |
| 000525 | THE ACTUARIAL ADVANTAGE | ACTUARIAL CONSULTING SERVICES - 01/2016 | 3,701.25 |
| | | | 7,402.50 |
| 000526 | | | |
| 000526 | CITTA, HOLZAPFEL & ZABARSKY PC | LITIGATION MANAGEMENT - 02/2016 | 14,195.70 |
| 000526 | CITTA, HOLZAPFEL & ZABARSKY PC | ATTORNEY FEE 01/2016 | 3,462.16 |
| | | | 17,657.86 |
| 000527 | | | |
| 000527 | CONSOLIDATED SERVICES GRP, INC | MANAGED CARE SERVICES - 02/2016 | 23,654.75 |
| | | | 23,654.75 |
| 000528 | | | |
| 000528 | WILLIAM GAROFALO | TREASURER FEE 02/2016 | 2,865.00 |
| | | | 2,865.00 |
| 000529 | | | |
| 000529 | CONNER STRONG & BUCKELEW | UNDERWRITING MANAGER FEE 02/2016 | 943.07 |
| | | | 943.07 |
| 000530 | | | |
| 000530 | EXECU-TECH, INC. | WEB HOSTING 01/2016 & DOMAIN NAME RENEWL | 350.00 |
| | | | 350.00 |
| | | Total Payments FY 2016 | 1,164,383.77 |

TOTAL PAYMENTS ALL FUND YEARS \$ 1,165,549.27

OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND BILLS LIST

Resolution No. 10-16

MARCH 2016

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 2016

| <u>CheckNumber</u> | <u>VendorName</u> | <u>Comment</u> | <u>InvoiceAmount</u> |
|--------------------|--------------------------------|---|----------------------|
| 000531 | | | |
| 000531 | QUAL-LYNX | OUTSIDE ADJUSTER - 03/2016 | 5,488.33 |
| 000531 | QUAL-LYNX | CLAIMS ADMIN - 03/2016 | 56,377.42 |
| | | | 61,865.75 |
| 000532 | | | |
| 000532 | J.A. MONTGOMERY RISK CONTROL | LOSS CONTROL SERVICES - 03/2016 | 10,105.25 |
| | | | 10,105.25 |
| 000533 | | | |
| 000533 | PERMA | POSTAGE FEE 02/2016 | 44.02 |
| 000533 | PERMA | EXECUTIVE DIRECTOR FEE 03/2016 | 24,009.00 |
| | | | 24,053.02 |
| 000534 | | | |
| 000534 | THE ACTUARIAL ADVANTAGE | ACTUARIAL CONSULTING SERVICES - 03/2016 | 3,701.25 |
| | | | 3,701.25 |
| 000535 | | | |
| 000535 | CITTA, HOLZAPFEL & ZABARSKY PC | LITIGATION MANAGEMENT - 03/2016 | 12,330.00 |
| 000535 | CITTA, HOLZAPFEL & ZABARSKY PC | EMPLOYMENT LAW TRAINING 02/25/16 | 1,000.00 |
| 000535 | CITTA, HOLZAPFEL & ZABARSKY PC | ATTORNEY FEE 03/2016 | 3,462.16 |
| | | | 16,792.16 |
| 000536 | | | |
| 000536 | CONSOLIDATED SERVICES GRP, INC | MANAGED CARE SERVICES - 03/2016 | 23,654.75 |
| | | | 23,654.75 |
| 000537 | | | |
| 000537 | WILLIAM GAROFALO | TREASURER FEE 03/2016 | 2,865.00 |
| | | | 2,865.00 |
| 000538 | | | |
| 000538 | NATIONAL WASTE&RECYCLING ASSOC | INV-05970B-K6H6L0 - 1/27/16 | 300.00 |
| | | | 300.00 |
| 000539 | | | |
| 000539 | PERRY TROPHY CO. | PLAQUES - 2/22/16 | 133.00 |
| | | | 133.00 |
| 000540 | | | |
| 000540 | ALLSTATE INFORMATION MANAGEMNT | ACCT: 411 - ACT & STOR - 1/31/2016 | 54.44 |
| | | | 54.44 |

| | | | |
|---------------|--------------------------|----------------------------------|---------------|
| 000541 | | | |
| 000541 | CONNER STRONG & BUCKELEW | UNDERWRITING MANAGER FEE 03/2016 | 943.07 |
| | | | 943.07 |
| 000542 | | | |
| 000542 | EXECU-TECH, INC. | MONTHLY WEBSITE FEE - 03/2016 | 200.00 |
| | | | 200.00 |
| | | Total Payments FY 2016 | 144,667.69 |

TOTAL PAYMENTS ALL FUND YEARS \$ 144,667.69