

**OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND  
MINUTES  
JANUARY 11, 2018  
TOMS RIVER MUNICIPAL BUILDING  
3:00 P.M.**

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**SINE DIE MEETING**

Meeting Called to Order by Chairperson Lapp. Open Public Meeting Statement read into the record.

Pledge of Allegiance

**ROLL CALL OF 2017 EXECUTIVE COMMITTEE:**

Diane Lapp, Township of Manchester	Present
Charlene Carney, Vice Chair, Borough of Pine Beach	Absent
Paul Shives, Secretary, Township of Toms River	Present
Veronica Laureigh, Twp. of Lacey	Present
Joseph Gilsean, Township of Brick	Present
Michael Gross, Borough of Surf City	Present
Joseph Kostecki, Borough of South Toms Rivers	Present
William Akers, Borough of Seaside Heights, Alternate #1	Present
Thomas Henshaw, Township of Lakewood, Alternate #2	Absent

**APPOINTED OFFICIALS PRESENT:**

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

**ALSO PRESENT**

Jason Thorpe, PERMA  
Daina Dale, Harvey Cedars  
Jack Trotta, Plumsted  
Patricia Applegate, Bay Head  
Brenda Kuhn, Barnegat Light  
Donnelly Amico, Lavallette  
Lydia D’Amore, Long Beach Twp.  
Katie Osborne, CS&B  
Taylor Jacob, CSG  
Joe Mirarchi, JA Montgomery

**APPROVAL OF MINUTES:** November 9, 2017

**MOTION TO APPROVE OPEN & CLOSED MINUTES FOR ABOVE REFERENCED MEETING**

**MOTION:** Commissioner Gilsenan  
**SECOND:** Commissioner Kostecki  
**ROLL CALL VOTE:** Unanimous

**CORRESPONDENCE:**

Mr. Sacco referred to the letter from DOBI approving the 2017 dividend request for \$1.25 million.

**OLD BUSINESS:**

None.

**MOTION TO ADJOURN SINE DIE MEETING:**

**MOTION:** Commissioner Shives  
**SECOND:** Commissioner Gross  
**VOTE:** Unanimous

Chairperson requested the Executive Director, Mr. Sacco to chair the meeting. Mr. Sacco began by saying goodbye to Commissioner Shives and informed the Board that Commissioner Shives was retiring. He thanked him for his years of service and wished him well. Mr. Sacco then indicated that in accordance with the By-Laws of the Fund, it is necessary to elect a Chairperson, Secretary, Executive Committee and Fund Alternates. He requested that Mr. Thorpe call the roll of Fund Commissioners to determine if a quorum was present to proceed with a reorganization of the Fund.

**ROLL CALL OF FUND COMMISSIONERS:**

2018 Roll Call	FC	Alternate	PRESENT	ABSENT
Barneгат Light Borough	Brenda Kuhn	Kathleen Flanagan	x	
Barneгат Township	Martin Lisella	Thomas Lombarski	x	
Bay Head Borough	Patricia Applegate		x	
Beach Haven Borough	Sherry Mason	Shari Boehler		x
Beachwood Borough	Ed Zakar			x
Brick Township	Joseph Gilsenan		x	
Eagleswood Borough	Debra Rivas	Cindy Maresca		x
Harvey Cedars Borough	Michael Garafalo	Daina Dale	x	
Island Heights Borough	Joseph Kostecki			x
Jackson Twp	Helene Schlegel			x
Lacey Township	Veronica Laureigh	Mark Dykoff	x	
Lakehurst Borough	Bernadette Dugan	Maryanne Capasso		x
Lakewood Township	Senator Singer	Menashe Miller/Meir Lichtenstein	x	
Lavallette Borough	Donnelly Amico	Michael Stogdill	x	
Little Egg Harbor Township	Garrett Loesch			x
Long Beach Township	Lydia D'Amore	Lynda Wells	x	
Manchester Township	Diane Lapp		x	
Ocean Gate Borough	Paul Kennedy			x
Ocean Township	Diane Ambrosio		x	
Pine Beach Borough	Charlene Carney			x
Plumsted Township	Eric Sorchik	Jack Trotta	x	
Point Pleasant Borough	Robert Forsyth			x
Pt. Pleasant Beach Boro	Christine Riehl	Eileen Farrell		x
Seaside Heights Borough	William Akers	Christopher Vaz	x	
Seaside Park Borough	Fund Commissioner - TBD			x
Ship Bottom Borough	Mark Pino	Kathleen Flanagan		x
South Toms River Borough	Joseph Kostecki		x	
Stafford Township	John Spodofora	James Moran		x
Surf City Borough	Michael Gross		x	
Toms River Twp	Thomas Rodgers		x	
Tuckerton Borough	Jenny Gleghorn			x

It was established a quorum of the Fund Commissioners was present, thus Mr. Sacco indicated the Reorganization of the Fund would continue. He further explained that in accordance with the by-laws, the Fund elects a Chairperson, Secretary, Five (5) member Executive Committee, and Alternates.

**MOTION TO OPEN FLOOR FOR NOMINATIONS OF CHAIRPERSON, SECRETARY, EXECUTIVE COMMITTEE, AND ALTERNATES:**

MOVED: Commissioner Gilsenan  
 SECOND: Commissioner Kostecki  
 VOTE: Unanimous

**NOMINATING COMMITTEE REPORT:** Commissioner Gilsenan said the Nominating Committee would recommend the following slate:

Diane Lapp, Chairperson, Township of Manchester  
Charlene Carney, Vice Chairperson, Borough of Pine Beach  
Veronica Laureigh, Secretary, Township of Lacey  
Thomas Rodgers, Township of Toms River  
Joseph Gilsenan, Township of Brick  
Michael Gross, Borough of Surf City  
Joseph Kostecki, Borough of South Toms River  
Senator Robert Singer, Township of Lakewood, Alternate #1  
William Akers, Borough of Seaside Heights, Alternate #2

Mr. Sacco asked for additional nominations. Hearing none, Mr. Sacco asked for a motion to close nominations and confirm elections as presented by the nominating committee.

**MOTION TO CLOSE NOMINATIONS AND CONFIRM THE ELECTION  
AS PRESENTED BY THE NOMINATING COMMITTEE**

MOVED: Commissioner Gilsenan  
SECOND: Commissioner Kostecki  
VOTE: Unanimous

Mr. Sacco asked Mr. Zabarsky to swear in the 2018 Executive Committee and complete the Oaths of Office.

Oaths of Office made a part of the Minutes.

Mr. Sacco requested a roll call of the newly elected Executive Committee and Alternates.

**ROLL CALL OF 2018 EXECUTIVE COMMITTEE:**

**Diane Lapp**, Chairperson, Township of Manchester - Present  
**Charlene Carney**, Vice Chairperson, Borough of Pine Beach - Absent  
**Veronica Laureigh**, Secretary, Township of Lacey - Present  
**Thomas Rodgers**, Township of Toms River - Present  
**Joseph Gilsenan**, Township of Brick - Present  
**Michael Gross**, Borough of Surf City - Present  
**Joseph Kostecki**, Borough of South Toms River - Present  
**Senator Robert Singer**, Township of Lakewood, Alternate #1 - Present  
**William Akers**, Borough of Seaside Heights, Alternate #2 - Present

Mr. Sacco indicated that he would review the reorganization resolutions with the committee. He then requested the following Resolutions be considered for adoption with one motion as a consent agenda, unless a Fund Commissioner or Executive Committee member objected:

Resolution No. 1-18 Certifying the Election of Chairman and Secretary.

2-18 Appointing Certain Professionals and Service Organizations.

3-18 Establishing Public Meeting Procedures.

4-18 Establishing a Fiscal Management Plan. Commissioner Carney was chosen for the additional check signatory.

5-18 Establishing a Fund Records Program

6a-18, 6b-18, and 6c-18 Appointing approved counsel

7-18 Establishing the 2018 plan of risk management.

8-18 Named Storm Deductible Risk Sharing Program

Upon conclusion, the acting Chairman asked if there were any questions on the resolutions. Hearing none, Mr. Sacco asked for a motion to approve Resolutions 1-18 through 8-18

**MOTION TO ADOPT RESOLUTIONS 1-18 THROUGH 8-18 AS PRESENTED**

MOVED: Commissioner Kostecki  
SECOND: Commissioner Gilsenan  
ROLL CALL VOTE: Unanimous

Mr. Sacco then turned the meeting over to Chairperson Lapp.

**TREASURER:**

Mr. Garofalo thanked the Committee for re-appointment. He went on to review the report he distributed prior to the meeting detailing the financial portfolio of the Fund as well as the cash investments and imprest/transfers. Mr. Garofalo also reported on the Bills List for the month that was enclosed within the agenda booklet.

December 2017

FUND YEAR	AMOUNT
2017	\$1,201,468.93
<b>TOTAL</b>	<b>\$ 1,201,468.93</b>

**MOTION TO APPROVE RESOLUTION # 30-17  
APPROVAL FOR PAYMENT OF DECEMBER 2017 BILLS LIST**

**MOTION:** Commissioner Laureigh  
**SECOND:** Commissioner Gross  
**ROLL CALL VOTE:** Unanimous

December 2017

<b>FUND YEAR</b>	<b>AMOUNT</b>
Closed Years	\$ 933,404.04
<b>TOTAL</b>	<b>\$ 933,404.04</b>

**MOTION TO APPROVE RESOLUTION # 31-17  
APPROVAL FOR PAYMENT OF DIVIDENDS LIST**

**MOTION:** Commissioner Laureigh  
**SECOND:** Commissioner Gross  
**ROLL CALL VOTE:** Unanimous

January 2018

<b>FUND YEAR</b>	<b>AMOUNT</b>
2017	\$19,966.02
2018	\$502,471.74
<b>TOTAL</b>	<b>\$522,437.76</b>

**MOTION TO APPROVE RESOLUTION # 9-18  
APPROVAL FOR PAYMENT OF JANUARY 2018 BILLS LIST**

**MOTION:** Commissioner Laureigh  
**SECOND:** Commissioner Gross  
**ROLL CALL VOTE:** Unanimous

**MOTION TO ACCEPT CLAIMS/IMPREST TRANSFERS FOR  
NOVEMBER AND DECEMBER 2017 AS CERTIFIED BY THE  
TREASURER**

**MOTION:** Commissioner Laureigh  
**SECOND:** Commissioner Gross  
**ROLL CALL VOTE:** Unanimous

**2018 ASSESSMENTS** – Mr. Garofalo reminded the Board that first installment payments are due and payable by January 15, 2018.

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

**EXECUTIVE DIRECTOR:**

**POLICE ACCREDITATION GRANT PROGRAM** – Mr. Sacco said that Lakehurst Borough has recently requested approval for a police accreditation grant to have the police department accredited and all the paperwork was in order. He added that Pine Beach has also requested approval for a police accreditation grant but has not submitted the necessary paperwork yet. Mr. Sacco noted that upon approval, the grant will not be released to Pine Beach until all paperwork is submitted.

**MOTION TO APPROVE THE ISSUANCE OF THE POLICE ACCREDITATION GRANTS TO LAKEHURST BOROUGH AND PINE BEACH BOROUGH IN THE AMOUNT OF \$20,000 AS PER THE POLICE ACCREDITATION GRANT PROGRAM.**

<b>MOTION:</b>	Commissioner Kostecki
<b>SECOND:</b>	Commissioner Laureigh
<b>ROLL CALL VOTE:</b>	6 ayes, 0 nays, 2 abstentions
	Commissioner Singer
	Commissioner Rodgers

**MEL/ E-JIF/ RCF 2018 REORGANIZATION MEETINGS** - Mr. Sacco reported that the MEL, E-JIF, and RCF all held their Reorganization Meetings on January 3, 2018. He then referred to Commissioner Laureigh’s reports on the meetings enclosed within the agenda booklet.

**PROPERTY APPRAISER RFP** – Mr. Sacco reported that the Fund advertised an RFP for the position of Property Appraiser, as authorized by the Board. He advised that the return date was January 3, 2018 and said that one response was received, from AssetWorks. Mr. Sacco then asked for a motion to award a 2 year contract to AssetWorks. Enclosed are the results of the proposal opening.

**MOTION TO AWARD A 2-YEAR CONTRACT TO ASSETWORKS FOR THE POSITION OF PROPERTY APPRAISER**

<b>MOTION:</b>	Commissioner Singer
<b>SECOND:</b>	Commissioner Gross
<b>ROLL CALL VOTE:</b>	Unanimous

**DUE DILIGENCE REPORTS** - Mr. Sacco referred the Committee to the Financial Fast Track chart contained within the agenda booklet. He reported that after booking the 2017 dividend the statutory surplus position is 12.2 million. He added that the Fund’s excellent financial condition.

Lastly, Mr. Sacco thanked the Committee for Perma’s re-appointment.

**ATTORNEY:**

Mr. Zabarsky advised that his report will be conducted during closed session and thanked the Committee for reappointment.

**SAFETY DIRECTOR:**

Ms. Mirarchi reviewed the December activities and the January agenda. He then referred to the Safety Director's bulletins that were recently released enclosed within the agenda booklet. Lastly, Mr. Mirarchi informed the audience that the Annual Safety Breakfast is scheduled for March 21<sup>st</sup> and asked that everyone mark their calendars.

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

**UNDERWRITING MANAGER:**

Mr. DeLuccia referred to MEL Bulletins 17-34 pertaining to POL/EPL changes for 2018 and 17-35 pertaining to the MEL Cyber Risk Management program.

Mr. DeLuccia reported that the MEL was successful in obtaining \$1 million in land use coverage and noted that it is a coverage enhancement on the Public Officials Liability. He further noted that previously there was \$150,000 in land-use coverage, but has been increased to \$1 million.

Mr. DeLuccia reported that the MEL Cyber Risk Management program has been released and can be found on the MEL website. He encouraged the Commissioners to review the Cyber Risk Management program details. Mr. DeLuccia added that if members follow the recommendations they will be approximately 90% protected from the usual cyber-attacks. Mr. DeLuccia informed the Board that there is a deductible reimbursement incentive in conjunction with the Cyber Risk Management program. He advised that there is a \$10,000 deductible per cyber claim and there are two tiers of reimbursement available. Mr. DeLuccia explained that if members comply with the first tier, there is a \$5,000 reimbursement and if they comply with the second tier, there is a \$7,500 reimbursement.

Lastly, Mr. DeLuccia reported that the property coverage marketplace has been volatile due to the recent storms and wildfires. He noted that most property carriers are seeking an increase of at least 10% but informed the Board that the MEL property program had an increase of less than 1% program wide for 2018.

*List of Certificates made part of the Minutes.*



**RISK MANAGEMENT CONSULTANT:**

Mr. Avalone began by thanking the Board for reappointment on behalf of Conner Strong & Buckelew. He reported that the every 2 year cycle of Managers & Supervisors training and Police Command Staff training will take place this year. He noted that a set schedule has not been created as the training platform has not been provided yet. Mr. Avalone advised that once the training platform is received, he will begin scheduling training sessions.

Mr. Avalone informed the Board that the online version of Elected Officials’ training will be available during the month of February.

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

**MANAGED CARE:**

Ms. Jacob began by thanking the Board for reappointment on behalf of CSG. She then referred to her report contained in the agenda booklet. She informed the Committee that through the month of December, there has been a savings of \$3,002,712.73.22 or 52.95% 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,

Chairperson Lapp indicated that the claims were reviewed by the Executive Committee prior to the meeting and advised that entering into closed session was unnecessary. Ms. Kissane asked for a motion to approve the claims.

**MOTION TO APPROVE PAYMENT OF CLAIMS AS RECOMMENDED BY THE EXECUTIVE COMMITTEE, THE FOLLOWING PARS WERE APPROVED:**

- Workers Compensation
- 001255799
- 2018118665
- 2018110611
- 2018110612
- 2018110610

2018110613  
2018118051  
001193464  
001016589  
001215739  
2018122671

**GL, AL, and Property claims**

001217785  
001218521  
001247828  
001233215  
2017104630  
001244394  
2018119620  
2018112678  
2018122226

<b>MOTION:</b>	Commissioner Kostecki
<b>SECOND:</b>	Commissioner Gross
<b>ROLL CALL VOTE:</b>	Unanmious

**MOTION TO ADJOURN MEETING:**

<b>MOTION:</b>	Commissioner Laureigh
<b>SECOND:</b>	Commissioner Gilsenan
<b>VOTE:</b>	Unanimous

Meeting Adjourned at: 3:27 PM

NEXT MEETING: March, 2018 3:00 PM  
Toms River Municipal Building  
33 Washington Street  
Toms River, NJ 08754

# OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND BILLS LIST

Resolution No. 30-17

DECEMBER 2017

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 2017**

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
<b>001355</b>			
001355	MUNICIPAL EXCESS LIABILITY JIF	FAITHFUL PERFORMANCE BOND 4TH QTR 2017	5,175.44
			<b>5,175.44</b>
<b>001356</b>			
001356	HARVEY CEDARS BOROUGH	POLICE RE-ACCREDITATION GRANT - 12/2017	7,500.00
			<b>7,500.00</b>
<b>001357</b>			
001357	MUNICIPAL EXCESS LIABILITY JIF	MEL PROPERTY 4TH QTR 2017	223,083.87
001357	MUNICIPAL EXCESS LIABILITY JIF	MEL 4TH QTR 2017	791,239.91
			<b>1,014,323.78</b>
<b>001358</b>			
001358	QUAL-LYNX	OUTSIDE ADJUSTER - 12/2017	5,598.10
001358	QUAL-LYNX	CLAIMS ADJUSTING SERVICES - 12/2017	57,504.91
			<b>63,103.01</b>
<b>001359</b>			
001359	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES - 12/2017	10,307.34
			<b>10,307.34</b>
<b>001360</b>			
001360	PERMA	POSTAGE FEE 11/2017	42.21
001360	PERMA	EXECUTIVE DIRECTOR FEE 12/2017	24,489.00
			<b>24,531.21</b>
<b>001361</b>			
001361	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES - 12/2017	3,778.00
			<b>3,778.00</b>
<b>001362</b>			
001362	CITTA, HOLZAPFEL & ZABARSKY PC	LITIGATION MANAGEMENT - 12/4/2017	16,815.00
001362	CITTA, HOLZAPFEL & ZABARSKY PC	ATTORNEY FEE 12/2017	3,531.41
			<b>20,346.41</b>
<b>001363</b>			
001363	CONSOLIDATED SERVICES GRP, INC	MANAGED CARE SERVICES - 12/2017	24,127.81
			<b>24,127.81</b>
<b>001364</b>			
001364	WILLIAM GAROFALO	TREASURER FEE 12/2017	2,922.33
			<b>2,922.33</b>
<b>001365</b>			
001365	ASBURY PARK PRESS	ACCT: ASB-028930 - 11/30/17 - PUBL NOTIC	42.70

001365	ASBURY PARK PRESS	ACCT: ASB-028930 - 11/30/17 - PUBL NOTIC	61.40
001365	ASBURY PARK PRESS	ACCT: ASB-028930 - 10/23&30/17 - PUBL NO	217.60
001365	ASBURY PARK PRESS	ACCT: ASB-028930 - 10/28/17 - BUDGET	60.30
			<b>382.00</b>
<b>001366</b>			
001366	MUNICIPAL EXCESS LIABILITY JIF	MSI 4TH QTR 2017	23,744.71
			<b>23,744.71</b>
<b>001367</b>			
001367	ALLSTATE INFORMATION MANAGEMNT	ACCT: 411 - ACT & STOR 10/31/2017	64.98
			<b>64.98</b>
<b>001368</b>			
001368	CONNER STRONG & BUCKELEW	UNDERWRITING MANAGER FEE 12/2017	961.91
			<b>961.91</b>
<b>001369</b>			
001369	EXECU-TECH, INC.	WEBSITE DEVELOPER MONTHLY FEE 12/2017	200.00
			<b>200.00</b>
		Total Payments FY 2017	1,201,468.93

**TOTAL PAYMENTS ALL FUND YEARS \$ 1,201,468.93**

# OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND DIVIDENDS LIST

Resolution No. 31-17

DECEMBER 2017

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 CLOSED**

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
<b>001370</b>			
001370	BARNEGAT LIGHT BOROUGH	2017 DIVIDENDS	4,900.95
			<b>4,900.95</b>
<b>001371</b>			
001371	TOMS RIVER TOWNSHIP	2017 DIVIDENDS	249,060.94
			<b>249,060.94</b>
<b>001372</b>			
001372	MANCHESTER TOWNSHIP	2017 DIVIDENDS	96,610.64
			<b>96,610.64</b>
<b>001373</b>			
001373	PINE BEACH BOROUGH	2017 DIVIDENDS	9,608.95
			<b>9,608.95</b>
<b>001374</b>			
001374	SOUTH TOMS RIVER BOROUGH	2017 DIVIDENDS	9,328.49
			<b>9,328.49</b>
<b>001375</b>			
001375	JACKSON TOWNSHIP	2017 DIVIDENDS	56,763.03
			<b>56,763.03</b>
<b>001376</b>			
001376	BARNEGAT TOWNSHIP	2017 DIVIDENDS	30,566.31
			<b>30,566.31</b>
<b>001377</b>			
001377	BEACHWOOD BOROUGH	2017 DIVIDENDS	22,293.49
			<b>22,293.49</b>
<b>001378</b>			
001378	BRICK TOWNSHIP	2017 DIVIDENDS	117,146.81
			<b>117,146.81</b>
<b>001379</b>			
001379	PLUMSTED TOWNSHIP	2017 DIVIDENDS	9,016.94
			<b>9,016.94</b>
<b>001380</b>			
001380	POINT PLEASANT BEACH BORO	2017 DIVIDENDS	32,000.83
			<b>32,000.83</b>
<b>001381</b>			
001381	LITTLE EGG HARBOR TOWNSHIP	2017 DIVIDENDS	26,444.53
			<b>26,444.53</b>
<b>001382</b>			
001382	SHIP BOTTOM BOROUGH	2017 DIVIDENDS	17,051.65

			<b>17,051.65</b>
<b>001383</b>			
001383	SEASIDE HEIGHTS BOROUGH	2017 DIVIDENDS	68,762.15
			<b>68,762.15</b>
<b>001384</b>			
001384	SEASIDE PARK BOROUGH	2017 DIVIDENDS	53,287.69
			<b>53,287.69</b>
<b>001385</b>			
001385	ISLAND HEIGHTS BOROUGH	2017 DIVIDENDS	6,713.95
			<b>6,713.95</b>
<b>001386</b>			
001386	LAKWOOD TOWNSHIP	2017 DIVIDENDS	106,068.26
			<b>106,068.26</b>
<b>001387</b>			
001387	SURF CITY BOROUGH	2017 DIVIDENDS	17,778.43
			<b>17,778.43</b>
		Total Payments Closed Year	933,404.04

**TOTAL PAYMENTS ALL FUND YEARS \$ 933,404.04**



## RESOLUTION NO. 2-18

### OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND

(Hereinafter referred to as the "FUND")

#### APPOINTING CERTAIN PROFESSIONALS AND SERVICE ORGANIZATIONS

**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 found it necessary and appropriate to obtain certain professional services and other extraordinary and other unspecifiable services, as defined in the Local Public Contracts Law, (N.J.S.A. 40A-12 et. seq.) for the 2018, 2019 & 2020 Fund years; and,

**WHEREAS**, NJSA 40a11-15 (6) allows for a contract duration of three (3) years; and,

**WHEREAS**, a notice soliciting proposals was published in the Fund's official newspaper and on the Fund's website; and,

**WHEREAS**, responses were received from professional service providers and service organizations as listed below on July 26, 2017 at 2:00 PM; and,

**WHEREAS**, the Fund's Operations Committee recommended the award of contracts to the below listed Professional Service Providers and service organizations based on a review of their; responses, experience and prior service provided at the rates established by the Fund Executive Committee; and,

**WHEREAS**, the Fund's Executive Committee resolve to appoint the Fund Professionals – noted below – to three year terms commencing on January 1, 2018 and ending on December 31, 2020 (unless otherwise noted) at its January 2018 Reorganization Meeting in accordance with a fair and open process pursuant to N.J.S.A. 19:44A-20.4 et. Seq.;

- I. **PERMA Risk Management Services as Administrator, Stephen Sacco** is hereby appointed as **Executive Director, Joseph P. Hrubash** and **David Grubb** as **Deputy Executive Directors** and as **agents for process of service**. \$1,002,400 is the estimated dollars that will be expended in connection with this contract over its three-year term. The annual amount of \$299,746 has been appropriated in the Administrator Line Item of the 2018 budget and the amount of \$27,793 is appropriated to the Loss Fund Management Line item in the 2018 budget.
- II. **Mr. William Garofalo** is hereby appointed as **Fund Treasurer**. \$109,469 is the estimated dollars that will be expended in connection with the Treasurer contract over its three-year term. The annual amount of \$35,770 has been appropriated in the Treasurer Line Item of the 2018 budget.
- III. **Wilmington Trust** is hereby appointed as **Asset Manager** to the FUND. –At an annual fee of 5 basis points on market value of assets. Contract term 1/1/16- 12/31/18.



- IV. **Mr. Robert Allison of Hutchins, Farrell, Meyer & Allison, P.A.** is hereby appointed as **Fund Auditor**. \$63,294 is the estimated dollars that will be expended in connection with the Auditor contract over its three-year term. The annual amount of \$20,681 has been appropriated in the Auditor Line Item of the 2018 budget.
- V. **Michael Avalone of Conner Strong and Buckelew** is hereby appointed as **Risk Management Consultant** for the FUND. \$1,910,324 is the estimated dollars that will be expended in connection with this contract over its three-year term. The annual amount of \$624,207 has been appropriated in the Risk Manager Line Item of the 2018 budget.
- VI. **Qual-Lynx** is hereby appointed as the **Claims Service Organization** for the FUND to adjust all claims for current and prior Fund Years. \$2,363,796 is the estimated dollars that will be expended in connection with the Claims Administrator contract over its three-year term. The annual amount of \$703,861 has been appropriated in the Claims Administration Item of the 2018 budget and the amount of \$68,521 has been appropriated in the Additional WC adjuster line item of the 2018 Budget.
- VII. **Consolidated Services Group, Inc. (CSG)** is hereby appointed as the **Managed Care Provider for Workers Compensation Claims**. \$903,810 is the estimated dollars that will be expended in connection with the Managed Care contract over its three-year term. The annual amount of \$295,324 has been appropriated from the Managed Care Line Item of the 2018 budget.
- VIII. **The Actuarial Advantage** is hereby appointed to serve as the FUND's **Actuary**. \$141,418 is the estimated dollars that will be expended in connection with the Actuary contract over its three-year term. The annual amount of \$46,209 has been appropriated in the Actuary Line Item of the 2018 budget.
- IX. **J.A. Montgomery Risk Control** is hereby appointed to provide **Loss Control Services and Right-to-Know (RTK) Services** to the FUND. \$490,751 is the estimated dollars that will be expended in connection with the Safety Director and RTK contracts over its three-year term. The annual amount of \$126,162 has been appropriated in the Safety Director Line Item of the 2018 budget and the amount of \$34,193 has been appropriated to the Right to Know line item of the 2018 budget.
- X. **Conner Strong and Buckelew** is hereby appointed **Underwriting Manager** for the FUND. \$36,033 is the estimated dollars that will be expended in connection with the Underwriting Manager contract over its three-year term. The annual amount of \$11,774 has been appropriated in the Underwriting Manager Line Item of the 2018 budget.
- XI. **Execu-Tech, Inc.** is hereby is appointed to serve as the FUND's **Web Site Development & Hosting Manager**. The annual amount of \$2,750 has been appropriated in the Miscellaneous Line Item of the 2018 budget.
- XII. **Steven A. Zabarsky, Esq. of Citta, Holzapfel, & Zabarsky** is hereby appointed as **Fund Attorney**. The annual amount of \$43,224 has been appropriated in the Attorney Line Item of the 2018 budget. The amount of \$231,068 is also designated for the Fund Attorney for Litigation Management and is appropriated in the Litigation Management Line Item of the 2018 budget. *Contract term to be one year (1/1/18 – 12/31/18)*

**BE IT FURTHER RESOLVED**, all Professional Service Providers and Service Organizations appointed pursuant to this Resolution shall service the Fund in accordance with the terms and conditions of the Professional Service Agreements

**BE IT FURTHER RESOLVED**, that in accordance with NJSA 19:44A-20.7, the decision of the Fund’s Executive Committee that the procurement process utilized, constitutes a fair and open process, shall be final.

**ADOPTED:** *this day by the Governing Body,*

**RESOLUTION NO: 3-18**

**OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND  
(hereafter the “FUND”)**

**ESTABLISHING PUBLIC MEETING PROCEDURES**

**WHEREAS**, the FUND must establish meeting procedures for Fund Year 2018, and

**NOW, THEREFORE BE IT RESOLVED**, by the Governing Body of the FUND that:

- I. The Governing Body shall conduct Public Meetings at the Toms River Municipal Building, 33 Washington Street, Toms River, New Jersey 08754 to conduct the official business of the FUND on the **second Thursday of January, March, May, July, September, October, November, December at 3:00 P.M.** for the 2018 Fund Year including January 11, 2018.
- II. In addition, **the Ocean County Municipal Joint Insurance Fund Claims Committee** will meet on the Monday before the second Thursday of every month at 11 AM at the Conner Strong & Buckelew Office, Toms River, NJ.
- III. Each Public Comments session is limited to thirty (30) minutes; any one person may address the Chairperson for a maximum of five (5) minutes; once a particular topic has been addressed by a member of the public, subsequent comments on that same topic by other people is limited to a maximum of two (2) minutes; citizens who have spoken once during the session will not be recognized a second time; and speakers are required to state their names and addresses.
- IV. The following is hereby designated the official newspaper (s) of the Fund:  
  
**THE ASBURY PARK PRESS**  
[www.NJMEL.org](http://www.NJMEL.org)  
**Fund Website – www.ocjif.org**
- V. The FUND Secretary or designated assistant shall provide notice of any and all meetings, including special or emergency meetings, to each official newspaper and shall issue all official notices required to be published in at least one of the official newspapers.

**ADOPTED:** *this day by the Governing Body,*

OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND

**RESOLUTION NO: 4-18**

**OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND**  
(hereafter referred to as “THE FUND”)

**ESTABLISHING A FISCAL MANAGEMENT PLAN**

**FOR THE 2018 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
WILLIAM GAROFALO	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,

Alice H. Lihou	Qual-Lynx
David S. Ruber	Qual-Lynx
Janet Buggle	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 2018 Fund assessments to the Aggregate Loss Fund Contingency Account.

**ADOPTED:** *this day before the Governing Body:*

## OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND

### 2018 CASH MANAGEMENT AND INVESTMENT POLICY

#### 1.) Cash Management and Investment Objectives

The Ocean County Municipal Joint Insurance Fund (hereinafter referred to as the FUND) objectives in this area are:

- a.) Preservation of capital.
- b.) Adequate safekeeping of assets.
- c.) Maintenance of liquidity to meet operating needs, claims settlements and dividends.
- d.) Diversification of the FUND's portfolio to minimize risks associated with individual investments.
- e.) Maximization of total return, consistent with risk levels specified herein.
- f.) Investment of assets in accordance with State and Federal Laws and Regulations.
- g.) Accurate and timely reporting of interest earnings, gains and losses by line of coverage in each Fund year.
- h.) Where legally permissible, cooperation with other local municipal joint insurance funds, and the New Jersey Division of Investment in the planning and execution of investments in order to achieve economies of scale.
- i.) Stability in the value of the FUND's economic surplus.

#### 2.) Permissible Investments

Investments shall be limited to the following:

- a.) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America.
- b.) Government money market mutual funds.
- c.) Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- d.) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located.
- e.) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Local Government Services of the Department of Community Affairs for investment by local units.

- f.) Debt obligations of federal agencies or government corporations with maturities not greater than ten (10) years from the date of purchase, excluding mortgage backed obligations, providing that such investments are purchased through the New Jersey Division of Investment and are consistent the Division's own investment guidelines, and providing that the investment a fixed rate of interest not dependent on any index or external factors.
- g.) Local Government Investment Pools
- h.) Repurchase agreements of fully collateralized securities, subject to rules and conditions establish by the N.J. Department of Community Affairs.

No investment or deposit shall have a maturity longer than ten (10) years from date of purchase. At any given time, the Fund's investment portfolio shall conform to the following criteria:

- a) Any bonds or other obligations held by the FUND shall have a minimum long-term investment grade underlying credit rating, or equivalent rating provided by a Nationally Recognized Statistical Rating Organization as outlined by the U.S. Securities and Exchange Commission, with the exception of bonds issued pursuant to the Municipal Qualified Bond Act, which may have an underlying credit rating below investment grade so long as the Municipal Qualified Enhanced Rating is investment grade, or equivalent rating provided by NRSO.
- b) A minimum of thirty-five (35) percent of aggregate total par amount of bonds and other obligations shall have a minimum long-term, underlying credit rating of AA-, or equivalent rating by an NRSRO.
- c) The aggregate par amount of bonds or other obligations with a long-term underlying credit rating below A-, or equivalent rating by an NRSRO, shall not exceed thirty (30) percent of the aggregate total par amount of bonds, investments and other obligations held by the Fund.
- d) The aggregate par amount of bonds or other obligations with maturities longer than five (5) years shall not exceed sixty (60) percent of the aggregate total par amount of bonds, investments and other obligations held by the FUND.

Any exception to or deviations from the above criteria must be approved by the New Jersey Division of Local Governmental Services and the New Jersey Division of Investment.

3.) **Authorized Depositories**

In addition to the above, the FUND is authorized to deposit funds in certificates of deposit and other time deposits in banks covered by the Governmental Unit

Depository Protection Act, NJSA 17:9-14 et seq. (GUDPA). Specifically authorized depositories are as follows:

Wells Fargo Bank  
Investors Bank  
Wilmington Trust

The FUND is also authorized to invest its assets in the New Jersey Cash Management Fund.

4.) **Authority for Investment Management**

The Treasurer is authorized and directed to make investments, with a maturity of three months or longer, through asset managers that may be selected by the Executive Board. Such asset managers shall be discretionary trustees of the FUND.

Their actions and decisions shall be consistent with this plan and all appropriate regulatory constraints.

In executing investments, asset managers shall minimize transaction costs by querying prices from at least three (3) dealers and purchasing securities on a competitive basis. When possible, federal securities shall be purchased directly from the US Treasury. Transactions shall not be processed through brokerages which are organizationally affiliated with the asset manager. Transactions may also be processed through the New Jersey Division of Investment by the Fund's asset managers.

5.) **Preservation of Capital**

Securities shall be purchased with the ability to hold until maturity.

6.) **Safekeeping**

Securities purchased on behalf of the FUND shall be delivered electronically or physically to the FUND's custodial bank, which shall maintain custodial and/or safekeeping accounts for such securities on behalf of the FUND.

7.) **Selection of Asset Managers, Custodial Banks and Operating Banks**

Asset managers, custodial banks and operating banks shall be retained for contract periods of one (1) year. Additionally, the FUND shall maintain the ability to change asset managers and/or custodial banks more frequently based upon performance appraisals and upon reasonable notice, and based upon changes in policy or procedures.

8.) **Reporting**



Asset managers will submit written statements to the treasurer and executive director describing the proposed investment strategy for achieving the objectives identified herein. Asset managers shall also submit revisions to strategy when justified as a result of changing market conditions or other factors. Such statements shall be provided to the Treasurer and Executive Director. The statements shall also include confirmation that all investments are made in accordance with this plan.

Additionally, the Investment Manager shall include a statement that verifies the Investment Manager has reconciled and determined the appropriate fair value of the Funds portfolio based on valuation guidelines that shall be kept on file in the Executive Director's office.

The Treasurer shall report to the Executive Committee at all regular meetings on all investments. This report shall include information on the balances in all bank and investment accounts, and purchases, sales, and redemptions occurring in the prior month.

9.) **Audit**

This plan, and all matters pertaining to the implementation of it, shall be subject to the FUND's annual audit.

10.) **Cash Flow Projections**

Asset maturity decisions shall be guided by cash flow factors payout factors supplied by the Fund Actuary and reviewed by the Executive Director and the Treasurer.

11.) **Cash Management**

All moneys turned over to the Treasurer shall be deposited within forty-eight (48) hours in accordance with NJSA 40A:5-17.

In the event a check is made payable to the Treasurer rather than the Fund, the following procedure is to be followed:

- a.) The Treasurer endorses the check to the Fund and deposits it into the Fund account.
- b.) The Treasurer notifies the payer and requests that in the future any check be made payable to the Fund.

Cash may be withdrawn from investment pools under the discretion of asset managers only to fund operations, claims imprest accounts, or approved dividend payments.

The Treasurer shall escheat to the State of New Jersey checks which remain outstanding for twelve or more months after the date of issuance. However, prior to implementing such procedures, the Treasurer, with the assistance of the claims agent, as needed, shall confirm that the outstanding check continues to represent a valid claim against the FUND.

**RESOLUTION NO. 5-18**

**OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**(Hereinafter the "FUND")**

**ESTABLISHING A FUND RECORDS PROGRAM**

**WHEREAS:** The FUND must establish a formal record retention program for the 2018 Fund Year.

**NOW, THEREFORE BE IT RESOLVED,** by the FUND's Governing Body that:

- I.** Veronica Laureigh, **Fund Secretary**, is hereby designated as custodian of the FUND records, which shall be kept at the office of the Fund Administrator, located at 9 Campus Drive, Suite 216, Parsippany, NJ 07054.
- II.** Jason Thorpe, **Account Manager** for PERMA Risk Management Services is hereby designated as **Assistant Fund Secretary**.
- III.** The records of the FUND shall be retained in accordance with the municipal records retention schedule as promulgated by the New Jersey Division of Archives and Records Management, and/or otherwise specified by the New Jersey Department of Insurance and Community Affairs.
- IV.** Each fund professional and service organization shall have the duty and obligation to maintain such records as are entrusted to him/her and to relinquish such records to the Fund Secretary upon termination of services or otherwise upon request.

Records and files not required to support current operations, but which must otherwise be retained, shall be stored in the record retention facility, located at Route 80, Business Archives, 24 Beckwith Avenue, Paterson, New Jersey. The FUND's Executive Director shall coordinate the archive process and shall make sure that all records are properly indexed and accessible.

**ADOPTED:** *this day before the Governing Body*

**RESOLUTION NO. 6A-18**

**RESOLUTION OF THE OCEAN COUNTY MUNICIPAL  
JOINT INSURANCE FUND  
APPOINTMENT OF APPROVED PANEL OF ATTORNEYS TO DEFEND  
GENERAL LITIGATION CASES ON BEHALF OF THE FUND  
FOR  
FUND YEAR 2018**

**WHEREAS**, the Ocean County Municipal Joint Insurance Fund is constituted as a Municipal Self Insurance Fund and is subject to certain requirements of the Local Public Contracts Law; and

**WHEREAS**, the Executive Committee finds that it is necessary and appropriate to obtain the services of legal counsel to defend general litigation actions on behalf of the Ocean County Municipal Joint Insurance Fund; and

**WHEREAS**, the appointment of such professionals is required and necessary to meet the purposes of the Ocean County Municipal Joint Insurance Fund; and

**WHEREAS**, although the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq., authorizes the award of contracts for "Professional Services" without competitive bids, the Ocean County Municipal Joint Insurance Fund published a request for proposals for professional service contracts in accordance with a competitive negotiation procedure which satisfies the requirements of a fair and open process under N.J.S.A. 19:44A:20.4 et seq.; and

**WHEREAS**, pursuant to the recommendation of the Fund Committee on Professional Services, the Ocean County Municipal Joint Insurance Fund has established as approved.

- 1) Cases assigned for a defense on or after January 1, 2018, \$145.00 per hour, plus actual out-of-pocket costs as approved by the Fund attorney;

**NOW, THEREFORE, BE IT RESOLVED** by the Executive Committee of the Ocean County Municipal Joint Insurance Fund assembled in a public session on January 11, 2018, that it does hereby establish and adopt as approved attorneys to handle general litigation on behalf of the Fund, at the established rate, the attorneys listed on the annexed Schedule A.

**OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND**

**SCHEDULE A  
LIST OF COUNSELORS  
OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND – GENERAL LITIGATION**

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**RESOLUTION NO. 6B-18**

**RESOLUTION OF THE OCEAN COUNTY MUNICIPAL  
JOINT INSURANCE FUND  
APPOINTMENT OF APPROVED PANEL OF ATTORNEYS TO DEFEND  
WORKER'S COMPENSATION CASES ON BEHALF OF THE FUND  
FOR  
FUND YEAR 2018**

**WHEREAS**, the Ocean County Municipal Joint Insurance Fund is constituted as a Municipal Self Insurance Fund and is subject to certain requirements of the Local Public Contracts Law; and

**WHEREAS**, the Executive Committee finds that it is necessary and appropriate to obtain the services of legal counsel to defend worker's compensation actions on behalf of the Ocean County Municipal Joint Insurance Fund; and

**WHEREAS**, the appointment of such professionals is required and necessary to meet the purposes of the Ocean County Municipal Joint Insurance Fund; and

**WHEREAS**, although the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq., authorizes the award of contracts for "Professional Services" without competitive bids, the Ocean County Municipal Joint Insurance Fund published a request for proposals for professional service contracts in accordance with a competitive negotiation procedure which satisfies the requirements of a fair and open process under N.J.S.A. 19:44A:20.4 et seq.; and

**WHEREAS**, pursuant to the recommendation of the Fund Committee on Professional Services, the Ocean County Municipal Joint Insurance Fund has established as approved attorney billing rates for worker's compensation litigation, the following schedule:

Cases assigned for a defense on or after January 1, 2018, shall be paid on a fee of \$700.00 flat rate through the first day of trial, and \$125.00 per hour for any trial, plus actual out-of-pocket costs, approved by the Fund.

**NOW, THEREFORE, BE IT RESOLVED** by the Executive Committee of the Ocean County Municipal Joint Insurance Fund assembled in a public session on January 11, 2018, that it does hereby establish and adopt as approved attorneys to handle worker's compensation litigation on behalf of the Fund, at the established rate, the attorneys listed on the annexed Schedule A.

**OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND**

**SCHEDULE A  
LIST OF COUNSELORS  
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**RESOLUTION NO. 6C-18**

**RESOLUTION OF THE OCEAN COUNTY MUNICIPAL  
JOINT INSURANCE FUND  
APPOINTMENT OF APPROVED ATTORNEY TO LITIGATE  
SUBROGATION CASES ON BEHALF OF THE FUND  
FOR  
FUND YEAR 2018**

**WHEREAS**, the Ocean County Municipal Joint Insurance Fund is constituted as a Municipal Self Insurance Fund and is subject to certain requirements of the Local Public Contracts Law; and

**WHEREAS**, the Executive Committee finds that it is necessary and appropriate to obtain the services of legal counsel to litigate subrogation cases on behalf of the Ocean County Municipal Joint Insurance Fund; and

**WHEREAS**, the appointment of such a professional is required and necessary to meet the purposes of the Ocean County Municipal Joint Insurance Fund; and

**WHEREAS**, although the Local Public Contracts Law, N.J.S.A. 40A:11-1 *et seq.*, authorizes the award of contracts for "Professional Services" without competitive bids, the Ocean County Municipal Joint Insurance Fund published a request for proposals for professional service contracts in accordance with a competitive negotiation procedure which satisfies the requirements of a fair and open process under N.J.S.A. 19:44A:20.4 *et seq.*; and

**WHEREAS**, pursuant to the recommendation of the Fund Committee on Professional Services, the Ocean County Municipal Joint Insurance Fund has established as approved attorney billing rates for litigating subrogation cases, the following schedule:

Cases assigned for a defense will be compensated at one-third (1/3) of the actual recovery amount, plus actual out-of-pocket costs as approved by the Fund attorney.

**NOW, THEREFORE, BE IT RESOLVED** by the Executive Committee of the Ocean County Municipal Joint Insurance Fund assembled in a public session on January 11, 2018 that it does hereby establish and adopt as an approved attorney to litigate subrogation on behalf of the Fund, at the established rate, James J. Gluck, Esq., Gluck & Allen, LLC, 217 Washington Street, Toms River, New Jersey 08753.

**OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND**

**RESOLUTION NO. 07-18**  
**Ocean County Municipal Joint Insurance Fund**  
**(hereinafter the "Fund" or the "Ocean JIF")**

**ESTABLISHING THE 2018 PLAN OF RISK MANAGEMENT**

BE IT RESOLVED by the Fund's governing body the 2018 Plan of Risk Management shall be:

## Section I – Coverage

### Insurance Coverages

The following coverages are provided to the Fund's members, effective January 1, 2018:

- Workers' Compensation
- Liability (including optional excess)
- Public Officials Liability / Employment Practices Liability (including optional excess)
- Optional Volunteer Directors & Officers Liability
- Crime
- Non-Owned Aircraft Liability
- Environmental Impairment Liability
- Cyber
- Property & Equipment Breakdown (effective December 31, 2017)

### Limits of Coverage

Unless otherwise stated, all limits shown apply less any local member unit's SIRs/deductibles, or excess of 125% of the JIFs' actuarial projected loss funds as respects Annual Aggregate Stop Loss. All references to the "MEL" stand for the "Municipal Excess Liability Joint Insurance Fund". **Please note, the following is a general discussion of the coverages and limits provided via the Fund; however, the actual terms and conditions are defined in the policy documents and all issues shall be decided on such. Please also note, additional coverages, limits and conditions may apply.**

1. **Workers' Compensation**

- Workers' Compensation: \$300,000
- Employer's Liability: \$300,000
- USL&H, Harbor Marine/Jones Act, Incidental Foreign Workers' Compensation, Communicable Disease: Included
- MEL Excess Limit: Statutory
- Employer's Liability Excess Limit: \$6,700,000

2. **Liability** (*includes General, Automobile, Employee Benefits and Law Enforcement Liability*)

- Fund Limit: \$300,000
- MEL Excess Limit: \$4,700,000
  - The \$3,250,000 layer excess of \$1,750,000 is subject to a \$3,250,000 per local member unit annual aggregate (Automobile Liability is not aggregated)
- Sublimits: The following sublimits are part of, and not in addition to, the limits above:
  - Good Samaritan Liability: Included
  - Quasi Municipal Organization Liability: Included (if approved)
  - Fungus or Spores: \$1,000,000
  - Disinfectants Release Hazard Coverage: \$1,000,000
  - Dam and Reservoir: \$5,000,000
    - a. \$5,000,000 per occurrence for any member entity owned dams defined as Class III or IV in New Jersey Administrative Code, Title 7, Department of Environmental Protection, Chapter 20, 7:20-1.8;

- b. Included for premises owned, occupied or controlled by the member entity on which a dam or reservoir is located, or from the operations conducted on such premises;
  - c. \$1,750,000 per occurrence for any member entity owned dam defined as Class I or II in New Jersey Administrative Code, Title 7, Department of Environmental Protection, Chapter 20, 7:20-1.8; and
  - d. \$1,750,000 per occurrence for any Class III or IV member entity owned dam involved with a Class I or II member entity owned dam.
- Sanitary/Storm Water System Sewerage Backup and/or Sanitary System Sewerage Backup, Escape or Release: \$2,750,000 Per Occurrence and \$3,750,000 Annual Aggregate for all member entities
  - Subsidence: \$2,750,000 Per Occurrence and \$3,750,000 Annual Aggregate for all member entities
  - Skateboard Facilities: \$5,000,000 Per Occurrence (where approved)
    - a. Subject to 20% member coinsurance of the first \$100,000
  - Riot, Civil Commotion or Mob Action: \$5,000,000 Per Occurrence
  - Failure to Supply Utility: \$5,000,000 Per Occurrence
  - Garagekeepers Liability: \$2,000,000 Per Occurrence
  - New Jersey Personal Injury Protection (NJ PIP): \$250,000
  - New Jersey Uninsured/Underinsured Motorist (NJ UM/UIM): \$15,000 / \$30,000 / \$5,000

### 3. **Optional Excess Liability Limit**

The MEL offers Optional Excess Liability Limits excess of the MEL Excess Limit.

- The following limits are the Optional Excess Limits:
  - \$2,000,000 (equals \$7,000,000 total);
  - \$5,000,000 (equals \$10,000,000 total);
  - \$10,000,000 (equals \$15,000,000 total); and
  - \$15,000,000 (equals \$20,000,000 total).

### 4. **Public Officials Liability / Employment Practices Liability**

Each local member unit is 100% commercially insured with QBE Specialty Insurance Company for \$2,000,000 in the aggregate per member on a claims made basis for each Fund year.

- Deductibles and Coinsurance:
  - \$20,000 is the standard deductible per claim and 20% of the first \$250,000 of the loss is the standard coinsurance, although other deductibles and coinsurances may apply.
  - Local member units may qualify based on certain criteria to have options to purchase a lower deductible and/or coinsurance contribution.
  - Members with adverse loss experience may be subject to higher deductibles and/or coinsurance.
- Optional Wage Coverage: \$50,000 aggregate per member

### 5. **Optional Excess Public Officials Liability / Employment Practices Liability**

The MEL offers Optional Excess Public Officials Liability / Employment Practices Liability limits excess of the local member units' primary \$2,000,000 Public Officials Liability / Employment Practices Liability policies with QBE Specialty Insurance Company as follows:

- \$1,000,000 (equals \$3,000,000 total);
- \$2,000,000 (equals \$4,000,000 total);
- \$3,000,000 (equals \$5,000,000 total);
- \$4,000,000 (equals \$6,000,000 total); and
- \$8,000,000 (equals \$10,000,000 total).

**6. Optional Volunteer Directors & Officers Liability**

Fire companies and Emergency Service Units have the option of purchasing optional Volunteer Directors & Officers Liability coverage. The coverage is 100% commercially insured with QBE Specialty Insurance Company and applies to the non-firematic/emergency activities of such entity per the following options:

Option	Limit of Liability	Deductible
1	\$1,000,000	\$1,000
2	\$1,000,000	\$2,000
3	\$1,000,000	\$5,000
4	\$2,000,000	\$1,000
5	\$2,000,000	\$2,000
6	\$2,000,000	\$5,000

**7. Crime**

- The Fund provides Crime coverage with a limit of \$50,000 for: Public Employee Dishonesty, Forgery and Alteration, Theft, Disappearance and Destruction, Robbery and Safe Burglary, and Computer Fraud with Funds Transfer Fraud
- The member deductible is \$2,500 No
- MEL Crime
  - MEL Crime Excess: \$950,000 excess of the Fund Crime limit
  - MEL Crime Statutory Position:
    - a. The MEL provides primary employee dishonesty and faithful performance coverage for those employed positions which are required by law to be individually bonded and where they have applied and have been approved for coverage at a limit of \$1,000,000 per occurrence per position
    - b. The deductible is \$1,000
  - MEL Crime Excess Public Officials:
    - a. The MEL provides excess employee dishonesty and faithful performance coverage for those employed positions which are required by law to be individually bonded and where they have not applied or have not been approved for coverage under the MELJIF Statutory Position Program at a limit of \$1,000,000
    - b. The deductible is the greater of the underlying bond/policy in place or the statutory limit required

**8. Non-Owned Aircraft Liability**

- \$5,000,000; and
- Medical Expense for each passenger: \$5,000
- The coverage is 100% commercially insured with Endurance

**9. Environmental Impairment Liability**

Environmental Impairment Liability is provided to the Fund’s local member units by the New Jersey Environmental Risk Management Fund (“EJIF”). Please refer to the EJIF’s Plan of Risk Management.

**10. Cyber**

The Fund is 100% commercially insured for Cyber insurance with Indian Harbor Insurance Company (primary insurer) and Beazley (excess insurer) for the following limits:

- Limits:
  - Fund Annual Aggregate: \$12,000,000
  - Third Party, Per Claim: \$6,000,000
  - First Party, Per Claim: \$6,000,000
- Retention, Per Claim: \$10,000

## 11. Property & Equipment Breakdown

- The Fund provides a \$100,000 limit per occurrence (Property & Time Element combined)
- The MEL provides a \$400,000 limit excess of the Fund's limit
- The MEL purchases additional excess property limits, as follows: \$125,000,000, including certain sublimits, including, but not limited, to:
  - Aggregate, Earth Movement: \$100,000,000
  - Aggregate, Flood (includes Storm Surge): \$100,000,000
    - a. Per Location, Special Flood Hazard Area (SFHA): \$52,500,000
  - Named Storm: Included
  - Vehicles: \$15,000,000
- Member deductibles:
  - All Other: \$2,500
  - Equipment Breakdown: \$5,000
  - SFHA Flood :
    - a. Building: \$500,000
    - b. Contents: \$500,000
    - c. Time Element: \$500,000
  - Named Storm (Covered Property in Atlantic, Ocean, Monmouth and Burlington counties east of the Garden State Parkway, and any covered property in Cape May County):
    - a. Property Damage: 1% of TIV at location, per occurrence
    - b. Time Element: 1% of 12 months gross earnings at location, per occurrence
    - c. Minimum, per location: \$500,000
    - d. Maximum, per occurrence: \$1,000,000

## Individual Self-Insured Retentions

Entity has individual self-insured retentions as follows:

- Coverage: \$100,000

Optional Individual Self-Insured Retentions – Seaside Heights has an individual deductible of \$10,000 for police professional liability.

## Amount of Risk to be Retained by the Fund

Unless otherwise stated, all limits shown apply less any local member unit's SIRs/deductibles.

1. **Workers' Compensation:** \$300,000
  -
2. **Liability:** \$300,000
  - NJ Uninsured/Underinsured Motorist: \$15,000 / \$30,000 / \$5,000
  - NJ Personal Injury Protection: \$250,000
3. **Optional Excess Liability Limit:** None
4. **Public Officials Liability / Employment Practices Liability:** None
5. **Optional Excess Public Officials Liability / Employment Practices Liability:** None
6. **Optional Volunteer Directors & Officers Liability:** None
7. **Crime:** \$50,000
  - MEL Crime Excess: None

- MEL Crime Statutory Position: None
  - MEL Crime Excess Public Officials: None
8. **Non-Owned Aircraft Liability:** None
  9. Environmental Impairment Liability : None
  10. **Cyber:** None
  11. **Property:** \$100,000
    - Equipment Breakdown: None
    - SFHA Flood: None
    - Named Storm (Covered Property in Atlantic, Ocean, Monmouth and Burlington counties east of the Garden State Parkway, and any covered property in Cape May County): None

### **Commercial Insurance / Reinsurance Purchased**

The insurance/reinsurance listed below may contain sublimits, retentions and deductibles in addition to such already stated.

1. **Non-Owned Aircraft Liability:** The Fund purchases this coverage through the MEL from Endurance
2. **Excess Property & Equipment Breakdown:** The Fund purchases this coverage from the MEL
3. **Excess Liability:** The Fund purchases this coverage from the MEL
4. **Excess Workers' Compensation:** The Fund purchases this coverage from the MEL
5. **Excess Crime:** The Fund purchases this coverage from the MEL
6. **Public Officials Liability / Employment Practices Liability:** The Fund purchases this coverage from QBE Specialty Insurance Company
7. **Optional Volunteer Directors & Officers Liability:** The Fund purchases this coverage from QBE Specialty Insurance Company
8. **Cyber:** The Fund purchases this coverage from Indian Harbor Insurance Company and Beazley
9. Environmental Impairment Liability: Environmental Impairment Liability: The Fund purchases this coverage from the EJIF

### **The Amount of Unpaid Claims to be Established**

1. The general reserving philosophy is to set reserves based upon the probable total cost of the claim at the time of conclusion. Historically, on claims aged eighteen (18) months, the Fund expects the claims servicing company to set reserves at 85% accuracy. The Fund also establishes reserves recommended by the Fund's actuary for claims that have been incurred but not yet reported so that the Fund has adequate reserves to pay all claims and allocated loss adjusted expense liability.
2. Claims reserves are subject to regular review by the Fund's Executive Director/Administrator, Attorney, Executive Committee and claims servicing company. Reserves on large or unusual claims are also subject to review by the claims departments of the commercial insurance companies or reinsurance companies providing primary or excess coverages to the Fund.

### **The Method of Assessing Contributions to be Paid by Each Member of the Fund**

1. By November 15th of each year, the actuary computes the probable net cost for the upcoming Fund year by line of coverage and for each prior Fund year. The actuary includes all budget items in these computations. The annual assessment of each participating municipality is its pro rata share of the probable net cost of the upcoming Fund year for each line of coverage as computed by the actuary.
2. The calculation of pro rata shares is based on each municipality's experience modified manual premium for that line of coverage. The Fund's governing body also adopts a capping formula which limits the increase of any member's assessment from the preceding year to the Fund wide

average increase plus a percentage selected by the governing body. The total amount of each member's annual assessment is certified by majority vote of the Fund's governing body at least one (1) month prior to the beginning of the next fiscal year.

3. The treasurer deposits each member's assessment into the appropriate accounts, including the administrative account, and the claim or loss retention trust fund account by Fund year for each type of coverage in which the member participates.
4. If a local unit becomes a member of the Fund or elects to participate in a line of coverage after the start of the Fund year, such participant's assessments and supplement assessments are reduced in proportion to that part of the year which had elapsed.
5. The Fund's governing body may by majority vote levy upon the participating municipalities additional assessments wherever needed or so ordered by the Commissioner of Insurance to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations. All supplemental assessments are charged to the participating municipalities by applicable Fund year, and shall be apportioned by the year's assessments for that line of coverage. In the event that the Fund adopts a deferred payment plan for an additional assessment, any member leaving the Fund shall immediately pay the Fund the full amount of its share of any deferred supplemental assessment.
6. Should any member fail or refuse to pay its assessments or supplemental assessments, or should the Fund fail to assess funds required to meet its obligations, the chairman or in the event by his or her failure to do so, the custodian of the Fund's assets, shall notify the Commissioner of Insurance and the Director of Community Affairs. Past due assessments shall bear interest at the rate established annually by the Fund's governing body.
7. Provisions only applicable to 2012:
8. The Fund has also adopted a loss sensitive retrospective rating plan and has filed the endorsement with the Department of Banking and Insurance and the Department of Community Affairs. In the event that the Fund adopts a deferred payment plan for retrospective premiums, any member leaving the Fund shall immediately pay the Fund the full amount of its deferred retrospective premium..
9. The Fund has further adopted a cash flow premium plan that permits a member to defer up to one-third of its premium to the next fund year, provided however, that the maximum deferral shall be reduced by the amount of any additional assessment a member has elected to defer. In the event that a member leaves the Fund, it shall immediately pay the Fund the full amount of any deferred premium.
10. Each year, each member shall be assessed at least 10% of its outstanding deferred additional assessments and deferred retrospective premium.
11. The Fund has also adopted a loss sensitive retrospective rating plan and has filed the endorsement with the Department of Banking and Insurance and the Department of Community Affairs.

### **Procedures Governing Loss Adjustment and Legal Expenses**

1. The Fund engages a claims service company to handle all claims, except for the JIF's POL/EPL, Optional Volunteer D&O and Cyber insurance. The performance of the claims adjusters is monitored and periodically audited by the Executive Director's office, the Fund attorney, the MEL's attorney's office, as well as the claims department of the MEL's three major liability insurers/re-insurers (i.e. General Re and Munich Re for excess liability, and Safety National for workers' compensation). Every three years, the MEL's internal auditors also conduct an audit.
2. Each member local unit is provided with a claims reporting procedure and appropriate forms.
3. In order to control workers' compensation medical costs, the Fund has engaged a managed care organization (MCO), whose procedures are integrated into the Fund's claims process.
4. To provide for quality defense and control costs, the Fund has established an approved defense attorney panel with firms which specialize in Title 59 matters. The performance of the defense attorneys is overseen by the Fund attorney, as well as the various firms which audit the claims adjusters.



## **Procedures for the Closure of Fund Years, including the Maintenance of All Relevant Accounting Records**

1. The Fund utilizes the Municipal Excess Liability Residual Claims Fund (RCF) to facilitate the closure of Fund years.
2. Upon the transfer of outstanding liabilities of a Fund year to the RCF, the Fund adopts a resolution closing that year and transfers all remaining assets to the closed Fund year account. This amount is allocated by member local units using the same procedure as is used to calculate a dividend. Each month, interest is credited to the closed Fund year account by member.
3. Each year, the Fund's governing body will determine if a dividend is appropriate from the closed Fund year account, and will make application to the Department of Insurance as appropriate. Further, in the event an open Fund year incurs a deficit, the Fund's governing body will consider an inter-year transfer from the closed Fund year account to offset the deficit. In either case, the dividend or inter-Fund year transfer will be calculated on a member by member basis.
4. In the event a member leaves the Fund, the Fund's governing body may assess the member's closed Fund Year account an amount not exceeding three (3) years stranded costs that the Fund incurs as a result of the member's withdraw. Stranded costs are those expenses incurred by the Fund that would otherwise have been paid from the withdrawing member's assessments had the member remained in the Fund. A member may apply to the Fund's governing body for a return of that member's remaining share of the closed Fund year account when five (5) years have passed since the last Fund year in which the member participated has been closed. The Fund's governing body will decide on the former member's request after evaluating the likelihood of any additional assessments from the RCF.
5. All dividends from the RCF will be deposited in the closed Fund year account on a member by member basis.
6. The Fund will retain all records in accordance with the Fund's record retention program.

## **Assumptions and Methodology Used for the Calculation of Appropriate Reserve Requirements to be Established and Administered in Accordance with Sound Actuarial Principles**

1. The general approach in estimating the loss reserves of the Fund is to project ultimate losses for each Fund year using paid and incurred loss data. Two traditional actuarial methodologies are used: the paid loss development method and the incurred loss development method. From the two different indications resulting from these methods the Fund Actuary chooses a "select" estimate of ultimate losses. Subtraction of the paid losses from the select ultimate losses yields the loss reserve liability or funding requirement.
2. The following is an overview of the two actuarial methods used to project the ultimate losses.
3. Paid Loss Development Method - This method uses historical accident year paid loss patterns to project ultimate losses for each accident year. Because this method does not use case reserve data, estimates from it are not affected by changes in case reserving practices. However, the results of this method are sensitive to changes in the rate of which claims are settled and losses are paid, and may underestimate ultimate losses if provisions are not included for very large open claims.
4. Case Incurred Loss Development Method - This method is similar to the paid loss development method except it uses historical case incurred loss patterns (paid plus case outstanding reserves) to estimate ultimate losses. Because the data used includes case reserve estimates, the results from this method may be affected by changes in case reserve adequacy.

## **The Maximum Amount a Certifying and Approving Officer May Approve Pursuant to N.J.A.C. 11:15-2.22**

1. \$10,000 for General Liability, Automobile Liability and Workers' Compensation
2. Effective 2/12/14, the Claims Administrator has discretion up to \$2,500 to waive subrogation if the claim file is properly documented with their efforts. Over \$2,500 and up to \$10,000, Claims Administrator will email JIF Attorney with a copy to the

Fund Administrator for waiver authority. Excess of \$10,000, Claims Administrator will prepare a Payment Authorization Request and submit to the JIF Executive Committee for review and approval.

### **The Amount of Emergency Courthouse Authority**

1. \$50,000 Emergency Court House Authority upon the joint authorization of the Fund Attorney and Executive Director. Whenever this procedure is used, the claim shall be reported to the Commissioners at their next meeting
2. With the advance approval of the Fund Attorney, the certifying and approving officer may also pay provider bills if waiting until after the next regularly scheduled FUND meeting would result in the loss of a discount on such bills. When the certifying and approving officer utilizes this authority, a report shall be made to the Commissioners at their next meeting.

With the advance approval of the Fund Attorney or Executive Director, the certifying and approving officer may also pay hospital bills if waiting until after the next regularly scheduled FUND meeting would result in the loss of a discount on such bills. When the certifying and approving officer utilizes this authority, a report shall be made to the Commissioners at their next meeting.

### **Operational Philosophy**

- General - As is the case with any organization, an established operating philosophy, formalized in a document such as this, is a necessary precursor to success. This section of the Risk Management Plan is developed to provide general instruction for key areas and providers of service to the Fund. Also included here are sections which restate (and amplify) the roles and responsibilities of important parties and stress the importance of activities upon which the long term success of the Fund will hinge in whole or in part.
- Fund Commissioners - Fund Commissioners, each an elected official or municipal employee, are the backbone of the Fund.
  1. These individuals will in large measure control the success of the Fund by actively participating in the safety and loss control programs developed by the Fund for all members, and by implementing these programs in their respective municipalities. Fund Commissioners are encouraged to attend all meetings of the Fund, to serve on committees studying current issues, to enhance their knowledge of risk management, and to encourage consistent safe practices.
- Fund Professionals and Risk Management Consultants - Providers of professional services (Fund Professionals and Risk Management Consultants) to the Fund and individual member municipalities are strongly encouraged to participate in and promote Fund activities. The success of the Fund will, in part, be a reflection of the professionalism of those providers whose services are integral components of the Fund. Support of the concept of self-insurance, the Fund in general, and the risk management activities of member municipalities in particular are necessary elements of success.
- The Fund Bylaws require each member municipality to provide for the services of an individual or firm to serve as the member's Risk Management Consultant and who shall serve as an Insurance Producer as defined under N.J.S.A. 17:22, and shall have demonstrated experience in the management of public sector insurances and risk management. The Risk Management Consultant shall not be an employee of the member. The Risk Management Consultant shall not be a Fund Commissioner.
- The Risk Management Consultant shall advise the member on matters relating to the Fund's operation and coverages. The Risk Management Consultant shall, in addition to such items as may be included in such individual's or firm's contract or agreement with the member, be governed by the following:
  1. The Risk Management Consultant shall be retained by each member in conformance with applicable State Law or regulation;
  2. Risk Management Consultants, who cannot be local unit employees, shall be paid a fee not exceeding six (6%) percent of the member's assessment in accordance with the terms of the Risk Management Consultant's Agreement executed by the member; and

3. Specific responsibilities shall include, but not be limited to:
  - i. Evaluation of the member's exposure;
  - ii. Explanation of the various coverages available from the Fund;
  - iii. Preparation of applications, statements of values, timely reporting of changes in exposures, and any other exposure based questionnaires and/or applications requested by the Fund;
  - iv. Review of the local unit's assessment and assistance in preparing the member's insurance budget;
  - v. Review and analysis of the member's safety engineering reports and periodic loss runs in order to help the member identify areas requiring greater attention;
  - vi. Assist the member in establishing, monitoring and evaluating a safety committee and claims handling procedure;
  - vii. Attend the majority of meetings of the Fund's Executive Committee; and
  - viii. Analyze and recommend insurance coverages not offered through the Fund.
- Claims Response And Reserving - Were the philosophy of the Fund in these areas to be encapsulated into two sentences, they would read as follows:
  1. "The Fund will thoroughly review and respond to each claim presented so as to pay only that amount (if any) which it is legally bound and obligated to pay."; and
  2. "Reserves shall be established on each claim presented in a manner which accurately reflects the full, known liability of the Fund at any given point in time".
  3. In reviewing each claim presented, the Fund (operating through its claims administrator and legal counsel) shall review such claims for coverage, deny those not falling within the purview of coverages offered, aggressively defend those in dispute, pursue to the fullest extent of the law those presented in bad faith, and settle as expeditiously as possible those for which the Fund is legally liable.
    - i. Case reserves, including all types of applicable allocated loss adjusting expenses, will be established with an eye toward identifying the full exposure of the Fund and its excess insurance carriers at the earliest possible date. Reserves shall be periodically reviewed for accuracy and adjusted as needed. For claims aged eighteen (18) months or more, it is expected that reserves will be not less than 85% accurate. For claims aged thirty (30) months or more 95% accuracy is expected.
    - ii. Financial Management - Consistent with the objective of serving as a long term vehicle through which to stabilize the costs associated with insurance coverages, the underlying premise of the Fund's financial base shall be one of conservative up-front funding, prudent investment of idle funds, and maintenance of stringent paper and audit trails. As is the case with all other aspects of the Fund, the financial assets of the Fund can well be considered as moneys held in public trust. Treatment and handling of these Funds must be accomplished in a manner which reflects the stewardship obligation of those whose hands through which they pass. All actuarial, investment, treasury and banking functions of the Fund are to be accomplished in a manner consistent with the same legal and administrative standards applicable to municipalities in the State of New Jersey.
- Specific steps taken by the Fund during past years to enhance return on equity include:
  1. Implementing more favorable payment terms with various service providers so as to increase investment income;
  2. Development and adoption of a Cash Management and Investment Policy which seeks the following objectives:
    - i. Preservation of capital,
    - ii. Adequate safekeeping of assets,
    - iii. Maintenance of liquidity to meet operating needs, claims settlements, and dividends,
    - iv. Diversification of the JIF's portfolio to minimize risks associated with individual investments,
    - v. Maximization of total return, consistent with acceptable risk levels,

- vi. Investment of assets in accordance with State and Federal laws and regulations,
  - vii. Accurate and timely reporting of interest earnings, gains and losses by line of coverage in each fund year,
  - viii. Cooperation with other local JIFs and the MEL in the planning and execution of investments in order to achieve economies of scale,
  - ix. Stability in the value of the JIF's economic surplus.
- Safety And Loss Prevention - Every dollar spent to compensate for an avoidable loss, whether it be for property, workers' compensation or any other coverage afforded through the JIF, is a dollar which might better have been used to provide municipal services and conserve tax dollars. In an effort to avoid preventable loss and the financial and human hardships which result therefrom, the JIF (operating through the Fund's Safety Committee) will implement safety and loss control programs and procedures, directed at reducing or eliminating conditions or practices which lead to loss. These programs, implemented in progressive steps, will include items such as:
    1. Member facility self-inspections supplemented by those conducted by the Fund's Safety Director;
    2. Seminars or other training programs directed at specific areas of municipal operations from which losses are likely to occur;
    3. Promotional safety incentive programs stressing safety in all areas of municipal operations and offering incentives for active participation by all Fund members.

## **OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND**

**RESOLUTION NO. 8-18**

**RESOLUTION AUTHORIZING THE OCEAN COUNTY MUNICIPAL JOINT  
INSURANCE FUND'S PARTICIPATION IN THE NEW JERSEY MUNICIPAL EXCESS  
LIABILITY JOINT INSURANCE  
NAMED STORM DEDUCTIBLE RISK SHARING PROGRAM**

**Whereas**, the Ocean County Municipal Joint Insurance Fund (hereinafter the "OCMJIF") is a member of the Municipal Excess Liability Joint Insurance Fund (hereinafter the "MEL")

**Whereas**, the MEL provides excess property coverage underwritten by Zurich Insurance Company to various member Joint Insurance Funds; and

**Whereas**, as respects loss or damage caused by or resulting from a "Named Storm", any covered property in Atlantic, Ocean, Monmouth, and Burlington Counties located east of the Garden State Parkway, and any covered property in Cape May County is subject to a Property Damage deductible of 1% of the value per the Schedule of Values for the "Location" where the direct physical loss or damage occurred, per "occurrence"; and

**Whereas**, as respects loss or damage caused by or resulting from a "Named Storm", any covered property in Atlantic, Ocean, Monmouth, and Burlington Counties located east of the Garden State Parkway, and any covered property in Cape May County is subject to a Time Element deductible of 1% of the full 12 months Gross Earnings or Gross Profit values that would have been earned following the "Occurrence" by use of the facilities at the "Location" where the direct physical loss or damage occurred and all other "Locations" where Time Element loss ensues, per "occurrence"; and

**Whereas**, the above deductibles (hereinafter the "NAMED STORM DEDUCTIBLE RISK SHARING PROGRAM") are subject to a minimum deductible of \$500,000 for Property Damage and Time Element, combined, per Location, and a maximum deductible of \$1,000,000 per occurrence; and

**Whereas**, for purposes of this resolution, a "Named Storm" means: Any storm or weather disturbance that is named by the U.S. National Oceanic and Atmospheric Administration (NOAA) or the U.S. National Weather Service or the National Hurricane Center or any comparable worldwide equivalent; and

**Whereas**, a "Named Storm" also includes "Storm Surge"; and

**Whereas**, for purposes of this resolution, covered property shall not include vehicles; and

**Whereas**, the Atlantic, Burlington, Central, FIRST, Mid Jersey, Monmouth, NJPHA, and Ocean JIFs have members subject to this deductible; and

**Whereas**, the Board of Fund Commissioners of the OCMJIF recognizes that its members could bear a financial hardship in event of a “Named Storm” as a result of this deductible; and

**Whereas**, the MEL has agreed to act as a lead agency to administer an agreement between member JIFs subject to this deductible.

**Now, Therefore Be It Resolved** that the Board of Fund Commissioners of the OCMJIF resolve to enter into an agreement with other members JIFs subject to the NAMED STORM DEDUCTIBLE RISK SHARING PROGRAM subject to the following provisions:

1. In the event of a covered loss subject to the NAMED STORM DEDUCTIBLE RISK SHARING PROGRAM, the JIFs that are parties to this agreement shall contribute to the total amount of the deductible pro rata based on each JIFs reported values for all properties subject to the NAMED STORM DEDUCTIBLE RISK SHARING PROGRAM. The reported values for all properties subject to the NAMED STORM DEDUCTIBLE RISK SHARING PROGRAM will be established in May of each year; and
2. The first \$5,000 of loss from each member location shall not be subject to this sharing provision; and
3. This sharing provision shall be subject to only insured property at insured locations; and
4. To be eligible for reimbursement under this agreement, the member shall file a claim with FEMA, including any National Flood Insurance Program policies, and the reimbursement under this agreement shall be reduced by the amount of such reimbursement.

**Be it further resolved** that a copy of this Resolution be provided to the OCMJIF Executive Director’s office, the OCMJIF Underwriter, the MEL Executive Director, the MEL Underwriting Office.

This Resolution was duly adopted by the Ocean County Municipal Joint Insurance Fund at a public meeting held on January 11, 2018.

**OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND**

# OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND BILLS LIST

**Resolution No. 9-18**

**JANUARY 2018**

**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 2017**

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
<b>001388</b>			
001388	CLARION HOTEL & CONFERENCE CENTER	SAFETY AWARD PROGRAM - 3/21//2018	916.86
			<b>916.86</b>
<b>001389</b>			
001389	PERMA	POSTAGE FEE 12/2017	322.53
			<b>322.53</b>
<b>001390</b>			
001390	CITTA, HOLZAPFEL & ZABARSKY PC	LITIGATION MANAGEMENT - 12/2017	15,061.75
001390	CITTA, HOLZAPFEL & ZABARSKY PC	ATTORNEY FEE 12/2017	3,531.41
			<b>18,593.16</b>
<b>001391</b>			
001391	ASBURY PARK PRESS	ACCT: ASB-0228930 - 12//20/17 - RFP	68.00
			<b>68.00</b>
<b>001392</b>			
001392	ALLSTATE INFORMATION MANAGEMNT	ACCT: 411 -- ACT & STOR - 11//30/17	65.47
			<b>65.47</b>
	Total Payments FY		19,966.02

Total Payments FY 2017

**FUND YEAR 2018**

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
<b>001393</b>			
001393	N.J. MUNICIPAL ENVIRONMENTAL	EJIF 1ST INSTALLMENT FEE 2018	240,284.65
			<b>240,284.65</b>
<b>001394</b>			
001394	QUAL-LYNX	OUTSIDE ADJUSTER - 01/2018	5,710.06
001394	QUAL-LYNX	CLAIM ADJUSTING SERVICE - 01/2018	58,655.06
			<b>64,365.12</b>
<b>001395</b>			
001395	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES 01/2018	10,513.50
			<b>10,513.50</b>
<b>001396</b>			
001396	PERMA	LOSS FUND MANAGEMENT - 01/2018	2,316.08
001396	PERMA	EXECUTIVE DIRECTORS FEE 01/2018	24,978.83
			<b>27,294.91</b>
<b>001397</b>			
001397	WILLIAM GAROFALO	TREASURER FEE 01/2018	2,980.81
			<b>2,980.81</b>

<b>001398</b>			
001398	CONNER STRONG & BUCKELEW	UNDERWRITING MANAGER FEE 01/2018	981.00
			<b>981.00</b>
<b>001399</b>			
001399	CONNER STRONG & BUCKELEW	RMC FEE 1ST QTR 2018	156,051.75
			<b>156,051.75</b>
		Total Payments FY 2018	502,471.74

**TOTAL PAYMENTS ALL FUND YEARS \$ 522,437.76**