

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

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

Pledge of Allegiance

ROLL CALL OF 2018 EXECUTIVE COMMITTEE:

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

APPOINTED OFFICIALS PRESENT:

Executive Director /Administrator	Perma Risk Management Services.	Stephen Sacco	Present
Attorney	Citta, Holzapfel, Zabarsky	Steven Zabarsky, Esq.	Present
Treasurer		Bill Garofalo	Present
Claims Service	Qual-Lynx	Gemma Armenia	Absent
Underwriting Manager	Conner Strong & Buckelew	Ed Cooney	Absent
Safety Director	JA Montgomery	Keith Hummel	Absent
Risk Management Consultants	Conner Strong & Buckelew	Mike Avalone	Present

ALSO PRESENT

Jason Thorpe, PERMA
Kathy Kissane, Qual-Lynx
Jennifer Goldstein, Medlogix
Joe Mirarchi, JA Montgomery

APPROVAL OF MINUTES: September 13, 2018

MOTION TO APPROVE OPEN MINUTES FOR ABOVE REFERENCED MEETING

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

CORRESPONDENCE:

None

TREASURER:

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

October 2018

FUND YEAR	AMOUNT
2018	\$340,772.64
TOTAL	\$340,772.64

**MOTION TO APPROVE RESOLUTION # 25-18
APPROVAL FOR PAYMENT OF OCTOBER 2018 BILLS LIST**

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

MOTION TO ACCEPT CLAIMS/IMPREST TRANSFERS FOR SEPTEMBER 2018 AS CERTIFIED BY THE TREASURER

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

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

EXECUTIVE DIRECTOR:

2019 BUDGET/PROCESS – Mr. Sacco reported that the Finance Committee held the 2019 Budget workshop on October 10, 2018 and advised that the proposed 2019 Budget will be introduced at this meeting. He referred to the minutes from the meeting and the 2019 Budget as recommended by the Finance Committee. He indicated that the fund office is working with the Risk Management Consultant to confirm the renewal data and noted that there may be changes between introduction and adoption. Mr. Sacco reported that the loss funds provided by the actuary is increasing slightly by 1.29%. Mr. Sacco informed the Board that the Aggregate Excess Loss Fund Contingency is the premium the MEL bills the Fund at 85% and provides the JIF with the flexibility to fund the 15% corridor. He reminded the Board that the Ocean JIF’s philosophy has been to fund it at 100% in the event that the JIF’s experience is bad in the MEL when the money becomes due in 10 years. Mr. Sacco advised that the funding is being held in a trust account that is carried forward every year and can be returned as a dividend if it is not owed to the MEL in 10 years. Mr. Sacco said for the 2019 budget the JIF is funding 95% of the amount. He advised that the overall proposed budget being recommended by the Finance Committee has an increase of 2.00%. He asked if there were any comments or questions on the proposed budget. Hearing none, Mr. Sacco asked for a motion to introduce the proposed 2019 budget and schedule a public hearing.

MOTION TO INTRODUCE THE 2019 BUDGET FOR THE OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND IN THE AMOUNT OF \$19,703,591 AND SCHEDULE A PUBLIC HEARING FOR NOVEMBER 8, 2018 IN THE TOMS RIVER MUNICIPAL BUILDING AT 3:00PM.

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

2018 DIVIDEND – Mr. Sacco reported that the Finance Committee is recommending the JIF take a conservative approach with the dividend and is recommending a 2018 dividend of \$900,000. He then referred to Resolution # 26-18.

MOTION TO ADOPT RESOLUTION # 26-18 AUTHORIZING A TOTAL RETURN DIVIDEND OF \$900,000.

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

MEL 2019 BUDGET MEETING - Mr. Sacco reported that the MEL’s 2019 Budget will be introduced on Wednesday, October 17, 2018 in Jamesburg, NJ. He added that the public hearing on the MEL budget will be held on November 14, 2018 at 5:00 PM in the Convention Center in Atlantic City. Mr. Sacco advised that the MEL's nominating committee will be beginning its deliberations for the November meeting and indicated that the Fund should nominate its 2019 representative and alternate to

the MEL. Currently, Commissioner Laureigh is the Fund's MEL representative and Chairwoman Lapp is the alternate representative.

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

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

E-JIF/RCF 2019 BUDGET MEETINGS – Mr. Sacco reported the public hearings to adopt the E-JIF and RCF 2019 budgets will be held October 17th at 10:50AM in Jamesburg, NJ. He added that the Fund should nominate its 2019 representative and alternate to both Funds. Currently, Commissioner Laureigh is the representative and Chairwoman Lapp is the alternate representative.

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

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

RFQ PROCESS – Mr. Sacco advised that when requesting authorization to proceed in the RFQ process for the 2019 Fund year, the position of Audiometric and Respiratory Testing provider was inadvertently not included in the process.

MOTION TO RELEASE THE RFQ FOR THE PROFESSIONAL SERVICES OF AUDIOMETRIC AND RESPIRATORY TESTING PROVIDER PURSUANT TO THE FAIR AND OPEN PROCESS OUTLINED IN N.J.S.A. 19:44A-20.4 ET. SEQ.

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

DUE DILIGENCE REPORTS - Mr. Sacco referred the Committee to the Financial Fast Track chart contained within the agenda booklet. He reported that as of August 31st, the Fund's statutory surplus position is 12.2 million. Mr. Sacco added that there are small deficits in the 2017 and 2018 fund years being monitored. He further added that in 2019 the Safety Committee will take some initiatives on first responders and intersection driving when responding to calls.

ATTORNEY:

Mr. Zabarsky advised that his report will be conducted during closed session.

SAFETY DIRECTOR:

Mr. Mirarchi reviewed the September activities and the October agenda. He advised the Committee of upcoming meetings and trainings. He then referred to the Safety Director’s bulletins and announcements that were recently released enclosed within the agenda booklet.

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

UNDERWRITING MANAGER:

Mr. Thorpe reminded the Board that when there are large amounts of certificates issued for the month, they will be made available upon request via email.

List of Certificates made part of the Minutes.

RISK MANAGEMENT CONSULTANT:

Mr. Avalone reported that the October 1st deadline for the POL/EPL checklist is somewhat flexible but noted that there is a risk of member’s deductibles and co-insurance increasing dramatically. He added that there will be no extension. Mr. Avalone said that his office will assist the membership with submitting their checklists

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

MANAGED CARE:

Ms. Goldstein referred the Committee to her report enclosed within the agenda booklet. She informed the Committee that for the month of September, there was a savings of \$414,126 resulting in 52.79% savings. Ms. Goldstein then referred to the Claims report that was requested during the September meeting and provided an overview.

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

Workers Compensation

- 001221066
- 001253116
- 001253117
- 001257837
- 2017097213
- 2017098898
- 2017104197
- 2018112803
- 2018127936
- 2018131082
- 2018146386
- 2018146755
- 2019148753
- 2019152437
- 001253115

GL, AL, and Property claims

- 001246173
- 001233661
- 2019150348
- 001240255

MOTION:	Commissioner Laureigh
SECOND:	Commissioner Kostecki
ROLL CALL VOTE:	5 ayes, 0 nays, 1abstention Commissioner Akers – Claim # 001253115

MOTION TO ADJOURN MEETING:

MOTION:	Commissioner Kostecki
SECOND:	Commissioner Laureigh
VOTE:	Unanimous

Meeting Adjourned at: 3:17 PM

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

- Secretary

OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND BILLS LIST

Resolution No. 25-18

OCTOBER 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 2018

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
001542			
001542	QUAL-LYNX	OUTSIDE ADJUSTER 10/18	5,710.06
001542	QUAL-LYNX	CLAIM ADJUSTING SERVICES 10/18	58,655.07
			64,365.13
001543			
001543	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES 10/18	10,513.50
			10,513.50
001544			
001544	PERMA	AUGUST POSTAGE	1.36
001544	PERMA	EXECUTIVE DIRECTOR 10/18	24,978.83
001544	PERMA	LOSS FUND MANAGEMENT 10/18	2,316.08
			27,296.27
001545			
001545	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES 10/18	3,851.00
			3,851.00
001546			
001546	CITTA, HOLZAPFEL & ZABARSKY PC	LITIGATION MANAGEMENT FEE 10/18	12,876.75
001546	CITTA, HOLZAPFEL & ZABARSKY PC	ATTORNEY FEE 10/18	3,602.00
			16,478.75
001547			
001547	CONSOLIDATED SERVICES GRP, INC	WC MANAGED CARE SERVICES 10/18	24,489.75
			24,489.75
001548			
001548	WILLIAM GAROFALO	TREASURER FEE 10/18	2,980.83
			2,980.83
001549			
001549	ASBURY PARK PRESS	ACCT: ASB-028930 - 9.21.18 - RFQ	71.30
001549	ASBURY PARK PRESS	ACCT: ASB-028930 - 9.20.18 - MTG	43.80
			115.10
001550			
001550	ASSET WORKS, INC.	PROPERTY APPRAISALS 10/18	33,330.00
			33,330.00
001551			
001551	ALLSTATE INFORMATION MANAGEMNT	ACCT: 411 - ARC & STOR 8.31.18	69.56

			69.56
001552			
001552	CONNER STRONG & BUCKELEW	UNDERWRITING MANAGERS FEE 10/18	981.00
			981.00
001553			
001553	EXECU-TECH, INC.	WEBSITE MAINTENANCE 10/18	200.00
			200.00
001554			
001554	CONNER STRONG & BUCKELEW	RMC FEE - 4TH INSTALLMENT	156,051.75
			156,051.75
		Total Payments FY 2018	340,722.64

TOTAL PAYMENTS ALL FUND YEARS \$340,722.64

RESOLUTION NO. 26-18

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

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

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

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

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

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

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

Closed Fund Year Account	\$ 900,000
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3. The Executive Director is, therefore, authorized and directed to submit such documents as the regulations require to the Department of Insurance and the Department of Community Affairs for the approval of the refunds in the amounts set forth above.

4. This authorization is based upon the Auditor's Report of the Historical Operating Results as of December 31, 2017. The aforementioned refund monies shall be allocated, as required and necessary, from the Closed Fund year Account.

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

OCEAN COUNTY MUNICIPAL JOINT INSURANCE FUND