

**NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND
OPEN MINUTES
AUGUST 28, 2013
TOMS RIVER MUA
10:30 AM**

Meeting of Executive Committee called to order by David Johnson, Chairman. Open Public Meetings notice read into record.

PLEDGE OF ALLEGIANCE – Chairman Johnson led Commissioners in the Pledge of Allegiance

ROLL CALL OF 2013 EXECUTIVE COMMITTEE:

David Johnson, Chairman	Little Egg Harbor MUA	Present
Brian Bigler, Secretary	Secaucus MUA	Present
Tammy Fetherman	Lacey MUA	Present
Richard Cranmer	Readington-Lebanon Sewerage Authority	Present
Jerome Cevetello	Manasquan River Reg'l. Sewerage Authority	Present
Michael Gianforte	Two Rivers Water Reclamation Authority	Present
Robert Fischer	Bayshore Regional SA	Present

EXECUTIVE COMMITTEE ALTERNATES:

Robert Burner, Alt #1	Cape May County MUA	Absent
Frank Pastena, Alt #2	North Bergen MUA	Present
Reno Wilkins, Alt #3	Plainfield Municipal Utilities Authority	Present
William Dunn, Alt #4	Mount Holly MUA	Present

APPOINTED OFFICIALS PRESENT:

Executive Director/Adm	Perma Risk Management Cathleen Kiernan
Attorney	Berry, Sahradnik, Kotzas & Benson, P.C. Robert Budesa
Claims Service	Qual-Lynx Kathy Kissane
Safety Director	JA Montgomery Risk Control Joanne Hall
Managed Care	QualCare Donna Setzer
Underwriting Manager	Capacity Coverage Jon Ziman
Treasurer	Stuart Neuhof

FUND COMMISSIONERS AND ALTERNATES PRESENT:

Bruce Miller, Raritan Township MUA
Richard Brand, East Windsor MUA
James Diaz, Jackson Township MUA
Joseph Rizzuto, Mount Holly MUA

ALSO PRESENT:

Michael Avalone, Conner Strong & Buckelew
Patti Fahy, NAIMC
Charles Casagrande, Danskin Insurance Agency, Inc.
Mary Ann Constable, Rue Insurance
Lisa Gallo, QualCare
Bradford Stokes, PERMA Risk Management
Karen A. Read, PERMA Risk Management

APPROVAL OF MINUTES: July 24, 2013 Open & Closed Minutes.

MOTION TO APPROVE JULY 24, 2013 OPEN & CLOSED MINUTES AS AMENDED.

Moved:	Commissioner Gianforte
Second:	Commissioner Fetherman
Vote:	6 Ayes, 0 Nays, 1 Abstain – Robert Fischer

CORRESPONDENCE: NONE

EXECUTIVE DIRECTOR'S REPORT: Monthly report submitted to Executive Committee including monthly Fast-track Accident Frequency, Fast-track Financial report, Claim Activity Report, Claims Management Exception Report, Interest Rate Summary Comparison, Monthly Loss Ratio by fund year and line of coverage and Monthly and Annual Regulatory Checklist. Executive Director said through June 30th, the Fund's statutory surplus stands at \$6.5 million increasing from \$700,000 from the year-end reports.

Executive Director said the Fund stands at 1.09 Lost Time Accident Frequency compared to 1.24 this time last year. As of June, the NJUA is second in the statewide accident frequency of all MEL member JIFs. Executive Director said the majority of the joint insurance funds are under 2.0 through little more than half a year, which is a good result.

POLEPL - Executive Director said XL Insurance offer to member's the ability to buy down to the lowest deductible is determined by full time employee count. If member's full time employee count is less than 100, member is eligible to buy down to a lower deductible than if full time count is greater than you can over 100. XL Insurance has agreed to grandfather these options if full time count changes – if member already purchased the lowest option.

PROPERTY APPRAISALS – Executive Director said the Fund has provided contact information to AssetWorks and they have begun contacting members to schedule appraisals visits. Executive Director said they will be contacting certain areas at certain times so they may have not gotten to everyone’s area yet. In response to Chairman Johnson, Executive Director said she will contact AssetWorks to get a timeline of what areas they will be concentrating on so everyone has an idea of when to expect their appraisals will be completed.

COVERAGE COMMITTEE – Executive Director said the Coverage Committee met by conference call on August 26th to discuss a claim presented but not approved for payment at the July Executive Session. This item was discussed in closed session.

2014 UNDERWRITING RENEWAL PROCESS – Executive Director said 2014 renewal applications have been mailed to Fund Commissioners and were due back in the Fund Office by July 15, 2013. Since the budget process is dependent on timely receipt of renewal data, we ask for everyone’s cooperation in meeting this deadline. Attached is a status of renewal applications received in our office. Executive Director said we did receive Mount Holly MUA’s renewal application although it was not recorded on the status report.

MEMBERSHIP RENEWALS – Executive Director said 25 members are scheduled to renew fund membership by January 1, 2014. Membership documents were mailed out in August. Attached is a list of the members and the documents received to date. Members that contact the Fund to report they may consider options will not be in the budget introduced in October, since it would alter all other assessments if they then elect not to renew. The Fund will quote them the same as a new member.

SAFETY EXPO – The 21st NJUA Safety Expo has been scheduled for September 20th at the Camden County Emergency Services Training Center and November 8th at the Middlesex County Fire Academy. Registration packets were sent out to members.

POL/EPL PROGRAM – The MEL’s Model Personnel Committee will be meeting to review the Employment Practices Program to determine what updates need to be made to the model. Members will be asked to update their programs and meet training requirements to maintain deductibles and co-payment levels for 2014-2015. Executive Director said most changes will probably be in the optional area there will be at least one new mandatory policy to address new leave requirements in accordance with NJ SAFE Act (concerning victims of domestic violence. In addition, the Fund Attorney will conduct the annual training for the managers and supervisors. The MEL offers several DVDs to assist members in meeting the “non-supervisory” training requirements. DVDs can be found on the MEL webpage – njmel.org.

TREASURER:

RESOLUTION 26-13 VOUCHER PAYMENTS (BILL LIST)

2012	\$ 1,516.38
2013	\$ 155,123.34

CONFIRMATION OF CLAIMS' PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS DURING MONTH OF JULY 2013:

CLOSED	\$.00
2009:	\$ 10,789.61
2010:	\$ 5,994.72
2011:	\$ 5,855.87
2012:	\$ 13,790.40
2013:	\$ 78,931.79
Total:	\$115,362.39

MOTION TO APPROVE AUGUST BILLS LISTS, CONFIRM CLAIMS' PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS DURING MONTH OF JULY 2013 CLAIMS AND ACCEPT TREASURER'S REPORT:

Moved:	Commissioner Cevetello
Second:	Commissioner Fetherman
Roll Call Vote:	7 Ayes, 0 Nays

SAFETY EXPO: Executive Director said the Fund will need to issue a check to the Camden County Emergency Services Training Center on the day of the Expo – but the final amount is not yet known. The board authorized the Treasurer to make a payment not to exceed \$6,000.

MOTION TO APPROVE THE TREASURER TO ISSUE A CHECK FOR THE CAMDEN COUNTY EXPO NOT TO EXCEED \$6,000.

Moved:	Commissioner Gianforte
Second:	Commissioner Cranmer
Roll Call Vote:	7 Ayes, 0 Nays

Treasurer's Report Attached & Made Part of Minutes.

ATTORNEY: None

MANAGED CARE:

MONTHLY REPORT: Report submitted and reviewed by QualCare. Donna Setzer reviewed the out of network MCCI negotiation in which they had an out of network orthopedic surgeon bill come in the amount of \$134,025.00, which was negotiated down to \$19,228.65. QualCare negotiates any out of network bills that come in that are over

\$1,000.00. In response to Chairman Johnson, Managed Care Provider said treatment outside of the network is generally due to an emergency or a court ordered case.

Donna Setzer introduced Lisa Gallo a new member of the QualCare staff.

Report Made Part of the Minutes.

SAFETY DIRECTOR:

MONTHLY REPORT: Monthly report submitted and reviewed by JA Montgomery Risk Control. Joanne Hall reported they had a great meeting in August and wanted to thank Mount Holly MUA for hosting the class and Commissioner Wilkens for doing part of the presentation on HazCom with Global Harmonization. Safety Director said the MSI now has online learning; there are currently 10 courses posted that can be accessed through the learning management system. We have only had 17 hits so far this year by the NJUA. This is a great way to do your training and it gets recorded directly to the Learning Management System. We will have two new courses added within the next 30 days – Bloodborne Pathogens and HazCom with GHS. Reminders will be sent to all members.

Safety Director said the MEL is conducting a leadership training program in Bergen County. Training is a new hybrid learning program called Management Skills Training. Class is not just a safety program but is also about delegation, conflict resolution, work load planning and putting the right people in the job it is really a management training program. Safety Director would like permission to offer this to the NJUA members in the northern part of the state. Course is expected to be conducted in the southern part of the state in 2014. In response to Commissioner Johnson, Safety Director said there is no charge for this training. In response to Commissioner Cevetello, Safety Director said she would apply for the TCH's for this course.

Report Made Part of Minutes.

CLAIMS:

MONTHLY REPORT: Claims Manager report was for closed session.

OLD BUSINESS:

NONE

NEW BUSINESS:

NONE

PUBLIC COMMENT:

NONE

**RESOLUTION - EXECUTIVE SESSION FOR CERTAIN SPECIFIED PURPOSES:
PERSONNEL - SAFETY & PROPERTY OF PUBLIC LITIGATION**

MOTION TO CLOSE MEETING:

Moved: Commissioner Gianforte
Second: Commissioner Bigler
Vote: Unanimous

MOTION TO RE-OPEN MEETING:

Moved: Commissioner Gianforte
Second: Commissioner Bigler
Vote: Unanimous

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUESTS AS
SUBMITTED WITH THE EXCEPTION OF THE PAR FOR MERCHANTVILLE
PENNSAUKEN WHICH IS BEING HELD FOR FURTHER DISCUSSION:**

Moved: Commissioner Gianforte
Second: Commissioner Cranmer
Roll Call Vote: 7 Ayes, 0 Nays, 1 Abstain (Chairman
Johnson abstained on Little Egg Harbor
MUA/Pine PAR)

**MOTION TO AUTHORIZE THE DRAFT OF THE ENDORSEMENT FOR
\$50,000 DEDUCTIBLE ON PROPERTY CLAIMS FOR UNDERGROUND
PIPING**

Moved: Commissioner Gianforte
Second: Commissioner Cevetello
Vote: Unanimous

MOTION TO ADJOURN

Moved: Commissioner Gianforte
Second: Commissioner Cranmer
Vote: Unanimous

MEETING ADJOURNED: 11:34am
NEXT REGULAR MEETING: October 23, 2013

Karen A. Read, Assisting Secretary
For

Brian Bigler, SECRETARY
Date Prepared: - September 16, 2013