

**NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND  
OPEN MINUTES  
NOVEMBER 19, 2013  
ATLANTIC CITY  
2:30 PM**

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

**PLEDGE OF ALLEGIANCE** – Chairman Johnson led the 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	Present
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 <b>Cathleen Kiernan</b>
Attorney	Berry, Sahradnik, Kotzas & Benson, P.C. <b>Robert Budesa</b>
Claims Service	Qual-Lynx <b>Kathy Kissane</b>
Safety Director	JA Montgomery Risk Control <b>Joanne Hall</b>
Managed Care	QualCare <b>Donna Setzer</b>
Underwriting Manager	Capacity Coverage <b>Jon Ziman</b>
Treasurer	<b>Stuart Neuhof</b>

**FUND COMMISSIONERS AND ALTERNATES PRESENT:**

Joseph Rizzuto, Mount Holly MUA  
Bernard Rutkowski, Toms River MUA  
Richard Brand, East Windsor MUA  
Thomas Horn, Lambertville MUA

**ALSO PRESENT:**

Michael Avalone, Conner Strong & Buckelew  
Charles Casagrande, Danskin Insurance Agency, Inc.  
Kathy Young, Alamo Insurance  
Bradford Stokes, PERMA Risk Management  
Karen A. Read, PERMA Risk Management

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

**MOTION TO CLOSE MEETING:**

Moved: Commissioner Gianforte  
Second: Commissioner Cevetello  
Vote: Unanimous

**MOTION TO RE-OPEN MEETING:**

Moved: Commissioner Cevetello  
Second: Commissioner Fetherman  
Vote: Unanimous

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUESTS AS  
SUBMITTED:**

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

**APPROVAL OF MINUTES:** October 23, 2013 Open & Closed Minutes.

**MOTION TO APPROVE OCTOBER 23, 2013 OPEN & CLOSED MINUTES AS AMENDED.**

Moved:	Commissioner Gianforte
Second:	Commissioner Fetherman
Vote:	7 Ayes, 0 Nays

**CORRESPONDENCE:**

**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 September 30st, the Fund's statutory surplus stands at \$6.7 million compared to \$5.8 at year-end.

In response to Commissioner Wilkins, Executive Director said AssetWorks has started contacting a few members in North Jersey for property appraisals. Executive Director said the Fund will have to address in further detail since AssetWorks is finding significantly more separate structures - than had been grouped on the schedule of locations reported by members. Executive Director said the Committee discussed the expectation that members did some grouping – but it appears greater than anticipated – particularly with some pump stations. AssetWorks is preparing a report on the matter. In response to Commissioner Johnson, Underwriting Manager said when underwriting the location there is certain information needed such as the year the structure was built and upgraded. When the insurance companies look at our risk with 2,000 locations, they look at this information to rate the risk.

**2014 BUDGET** – Executive Director said last month the Fund introduced a proposed 2014 budget. All members were mailed a notice of the public hearing. In addition, the proposed budget was published in the Fund's designated newspaper. The proposed budget totaling \$10,071,915 is enclosed. Attached are assessments, capped at 4% over the average budget increase of standard members plus loss ratio surcharges.

**MOTION TO OPEN THE HEARING ON THE 2014 BUDGET**

Moved:	Commissioner Gianforte
Second:	Commissioner Cranmer
Vote:	Unanimous

**DISCUSSION:** Executive Director said the Underwriting Manager is still marketing the property renewal; budget is set at the C.N.A. renewal pricing – which the Fund would not exceed.

**MOTION TO CLOSE THE HEARING ON THE 2014 BUDGET**

Moved: Commissioner Gianforte  
Second: Commissioner Cevetello  
Vote: Unanimous

**MOTION TO ADOPT THE 2014 BUDGET TOTALING \$10,071,915**

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

**MOTION TO CERTIFY THE ASSESSMENTS**

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

**2013 DIVIDEND** – Executive Director said the Board voted at the October meeting to release a dividend in the amount of \$1,000,000 which is still pending final approval by the State. Enclosed is the distribution by member authority. Executive Director new members are not yet eligible for dividend. Once a member contributes to the assessment, it will always own a share of that year's dividend. In response to Commissioner Cranmer, Executive Director said the dividend tail can be quite long, even for members that dissolved or did not renew. Executive Director said the NJUA can eventually expect to receive dividends from the RCF and the MEL that will add to the closed years balances of terminated members.

**BANKING CONTACT** – Executive Director said TD Bank issued a contract for banking services to the Fund Treasurer to execute. The Fund Attorney has reviewed and said it is appropriate and acceptable for the Treasurer to execute. A copy of the contract was distributed to the Executive Committee in advance of the meeting, for review. Resolution 31-13 distributed to the Board to authorize the Treasurer to execute bank contract.

**MOTION TO ADOPT RESOLUTION 31-13 AUTHORIZING THE FUND TREASURER TO EXECUTE BANKING CONTRACT WITH TD BANK**

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

**2014 FUND PROFESSIONALS** – Executive Director said Requests for Qualifications were released following the September meeting and were due in the Fund office on October 17<sup>th</sup>. Copies of submissions were distributed to the Executive Committee for review during the month.

Executive Director distributed a summary of the responses received. Multiple responses were received for Fund Attorney and Claims Administrator. In response to questions by the Executive Committee, Fund Attorney said the responses received is adequate for a 2014 defense panel.

Executive Committee discussed responses received for Fund Professionals, in particular those positions where multiple responses were submitted. Commissioner Cevetello said he is satisfied with the service received by our current Fund Attorney and Claims administrator. Executive Director said it can be disruptive to replace these services unless the Fund was dissatisfied with the service. Commissioner Gianforte agreed with Commissioner Cevetello. The Commissioners agreed to recommend re-appoint the current Fund Attorney and Claims administrator for 2014 term at the Reorganization meeting.

**MEL MEETING** – Executive Director said the MEL Board of Fund Commissioner will hold its public hearing on the 2014 budget on November 20, 2013 at 5:00 pm in Room 305 in the Atlantic City Convention Center.

**PUBLIC OFFICIALS SEMINARS - ELECTED OFFICIALS TRAINING** – Executive Director said this year's elected/appointed officials training program will focus on "Implementing an Effective Risk Management Program". Attached is a copy of the notice on the session scheduled for Tuesday, November 19<sup>th</sup> at 3:45 in the Taj Mahal and for Wednesday, November 20, 2013 at the League of Municipalities Conference for 3:45 pm in Atlantic City.

**EMPLOYMENT PRACTICES LIABILITY 2013/2014 PROGRAM** – Executive Director said every two years, the MEL updates it's Employment Practices Compliance Program, including the Model Personnel Manual and training programs. The 2013/2014 program will be uploaded to the MEL's webpage in mid-November. Members will be notified when mandatory Manager/Supervisory Training are scheduled. Executive Director said there are some mandatory changes where you will have to make a policy for domestic abuse leave and we have updated the FMLA since there are been some changes in the regulations for FMLA. There will be some other optional changes. In response to Commissioner Cevetello, Executive Director said a notice will be sent to all members with MEL updates and training requirements that will have to be completed by May 1, 2014. Executive Director said the Fund will work with Fund Attorney to schedule regional Manager & Supervisory Training. In addition, the MEL will distribute a DVD to assist members with the requirement to provide training to "non-supervisory" personnel. Course will also be available "on-line" through the MEL Safety Institute.

**MEMBERSHIP RENEWALS** – Executive Director said 25 members are scheduled to renew fund membership by January 1, 2014. Membership documents were mailed in August. Attached is a list of the members and the documents received to date. Executive Director updated the list in the agenda to note that membership renewals have been received from the East Windsor MUA and the Hamilton Twp MUA.

The only member that wrote to us by October 1, 2013 to say they were considering their options was Cumberland County MUA; the balance are in the process forwarding their documents.

**NEW MEMBERSHIP** – Executive Director said the JIF had received a submission from Ewing-Lawrence Sewerage Authority but it appears the authority is not looking for “all-lines” at this time. The NJUA JIF requires members to participate in all lines of coverage

**NOMINATING COMMITTEE** – Executive Director said the Nominating Committee will need to meet to develop their recommendation for a 2014 slate at the December meeting. In accordance with the bylaws, the Executive Committee is comprised of seven Executive Committee members and four alternates. The Nominating Committee is: Jerome Cevetello, Chair – Manasquan River Regional Sewerage Authority, Rick Cranmer, Readington-Lebanon Sewerage Authority, David Johnson, Little Egg Harbor MUA, Brian Bigler, Secaucus MUA and Tammy Fetherman, Lacey MUA.

**SAFETY EXPO** – Executive Director said the second of two NJUA Safety Expos was held on November 8, 2013 in the Middlesex Fire Academy with 180 attendees.

**TREASURER:**

**RESOLUTION 32-13 VOUCHER PAYMENTS (BILL LIST)**

CLOSED	\$408,054.00
2013:	\$142,715.89
Total:	\$550,769.89

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

CLOSED	\$ .00
2009:	\$ .00
2010:	\$ 4,773.32
2011:	\$ 13,155.40
2012:	\$ 12,643.45
2013:	\$ 65,796.19
Total:	\$ 96,368.36

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

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

Treasurer's Report Attached & Made Part of Minutes.

**ATTORNEY:** Fund attorney thanked the Committee for their kind works and reappointment as Fund Attorney for 2014.

**MANAGED CARE:**

**MONTHLY REPORT:** Report submitted and reviewed by QualCare.

Report Made Part of the Minutes.

**SAFETY DIRECTOR:**

**MONTHLY REPORT:** Safety Director reported the second Safety Expo was a success and added that - between the two Expos - there were 980 learning events which is a record for the Expos. In October, the Fund conducted a “Bloodborne Pathogens train the trainer” class where there are a dozen folks that are qualified now to teach in their own utility authority. Safety Director said the next scheduled events are December 19<sup>th</sup> in Evesham MUA for an EJIF updated and in January there will be a Managers and Supervisors training with the location to be determined.

Report Made Part of Minutes.

**CLAIMS:**

**MONTHLY REPORT:** Claims Manager report was for closed session.

**OLD BUSINESS:**

NONE

**NEW BUSINESS:**

NONE

**PUBLIC COMMENT:**

Executive Director said at 3:45pm today in this room Dave Grubb will be here to conduct Elected Officials Training which is called Implementing Effective Risk Management Plan. In response to Commissioner Gianforte, Executive Director said the MEL has not made the Elected Officials training available on-line at this time.

**MOTION TO ADJOURN**

Moved:	Commissioner Gianforte
Second:	Commissioner Cevetello
Vote:	Unanimous

**MEETING ADJOURNED: 3:04pm**  
**NEXT REGULAR MEETING: December 18, 2013**

Karen A. Read, Assisting Secretary  
For

Brian Bigler, SECRETARY  
**Date Prepared: - December 10, 2013**