

NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND
MEETING: MARCH 28, 2018
Toms River MUA, Toms River
10:30 AM

-
- MEETING CALLED TO ORDER - OPEN NOTICE READ**
 - PLEDGE OF ALLEGIANCE**
 - ROLL CALL OF EXECUTIVE COMMITTEE**
 - APPROVAL OF MINUTES: February 28, 2018..... Appendix I**

- CORRESPONDENCE:**
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REPORTS

- EXECUTIVE DIRECTOR/ADMINISTRATOR – Perma Risk Management Svcs**
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- TREASURER – Stuart Neuhof**
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- ATTORNEY –Robert Budes, Esquire**

- MANAGED CARE – QualCare**
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- SAFETY DIRECTOR – JA Montgomery**
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- CLAIMS SERVICE – Qual-Lynx Associates**
-

- OLD BUSINESS**
- NEW BUSINESS**
- PUBLIC COMMENT**

- RESOLUTION - EXECUTIVE SESSION FOR CERTAIN SPECIFIED PURPOSES**
PERSONNEL - SAFETY AND PROPERTY OF PUBLIC – LITIGATION
1. Payment Authority Requests
 2. Professional Service Agreements
-

- MEETING ADJOURNED**



Memorandum

To: MEL JIF Commissioners
From: MEL JIF Underwriting Manager, Conner Strong & Buckelew
Date: 03/20/2018
Re: XL Catlin Acquisition

All,

As you may have seen, XL Group Ltd. (primary Cyber insurer) is being acquired by France-based AXA S.A. AXA is a global insurer and financial services company, primarily in the Life and Financial Services lines. With over €100BB in revenue and over €1.4TT in assets under management, AXA is one of the largest insurers in the world, and the acquisition of XL will make it the largest commercial Property & Casualty insurance company in the world based on premiums written.

Although XL Group has experienced strong growth in premiums written over the past few years, significant losses have put it in a constrained financial position. XL's most recent A. M. Best rating of A (Excellent) / XV (+\$2B) was under review due to significant loss activity. As such, the acquisition comes at a good time and will provide XL with strong financial backing and an even more global brand. Feel free to review the most recent annual/quarterly reports of both organizations on their respective websites:

- <https://investor.xlgroup.com/>
- <https://group.axa.com/en/investor/annual-and-interim-reports>

Due to AXA being primarily in the L&S space, we expect XL's current business to remain steady. In addition, we expect XL to be in a more secure financial position going forward. We are keeping a close watch on this change will keep you apprised with further details as they become available.

New Jersey Utility Authorities Joint Insurance Fund

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Parsippany, NJ 07054-4412

Telephone (201) 881-7632 Fax (201) 881-7633

Date: March 28, 2018

Memo to: Executive Committee
New Jersey Utility Authorities Joint Insurance Fund

From: Cathleen Kiernan

Subject: Executive Director's Report

- ❑ **2018 MEL/RCF/EJIF March 7th Meeting & Retreat** - The MEL, RCF and EJIF will be holding their meeting on April 6th (rescheduled from March 7th due to weather) in conjunction with the MEL Annual Retreat at the Hyatt Regency Princeton, 102 Carnegie Center Drive, Princeton.
- ❑ **2018 MEL & MR HIF Educational Seminar** - The 8th annual seminar is scheduled for Friday, April 20th beginning at 9:00 AM at the National Conference Center in East Windsor, NJ. The seminar qualifies for an extensive list of Continuing Educational Credits including CFO/CMFO, Public Works, Clerks, Insurance Producers and Purchasing Agents. There is no fee for employees and insurance producers associated with MEL and MR HIF members as well as personnel who work for service companies that are engaged by MEL member JIFs and MR HIF member HIFs. Enrollment form enclosed.
- ❑ **Elected Officials Training:** Every year, the MEL holds training seminars for elected officials and reduces a member's assessment by \$250 for each elected/appointed official and chief operating officer completing the course by May 1st. Instructor-led session locations and dates are posted on the MEL website at njmel.org. The on-line version for 2018 is entirely focused on planning/zoning boards. The version conducted in Atlantic City is being converted to a webinar will be posted to the MEL Safety Institute very shortly. We will distributed notices upon completion. Members can view either version to earn the credit.
- ❑ **2018 Financial Disclosures:** Commissioners should anticipate the outline filing of the Financial Disclosure forms inclusive of the JIF/MEL/EJIF/RCF Commissioner (which are in addition to any municipal related positions that require filing). We are updating the roster for the April 4th deadline. Expect to be authorized to distribute to Fund Commissioners after April 4th; forms will need to be filed by April 30th.
- ❑ **Model Personnel Policy Committee:** Every two years the MEL asks members to update their Employment Practices Compliance Program. The Program includes updating Personnel Manuals and compliance with training requirements. The MEL's Committee met in February to begin its

review and expects to complete its process and announce the EPL Program requirements during the month of April.

- ❑ **Risk Management Information/Operating System (RMIS)** - As previously reported, the MEL awarded a contract to Origami Risk to provide the online underwriting database and this past summer marked the last renewal utilizing the Exigis program.

The data has been successfully transitioned to Origami and we have issued logins to Fund Commissioners and Risk Management Consultants. Announcement will include a link to short training videos. Once members have an opportunity to review the videos and the worksheets, training webinars will be scheduled.

- ❑ **Autism and Mental Health Awareness Training:** JA Montgomery has recently sent a notice out advising members of training available to help employees manage mental health issues. There are various agencies that will provide free training to law enforcement agencies.
- ❑ **League Magazine:** Attached is the latest advertisement in the “Power of Collaboration” series to appear in the League magazine. Each of the MEL advertisements highlights activities of the MEL and JIFs as well as people who have rendered significant service. This advertisement highlights the MEL mobile application available to download.
- ❑ **Aggregate Loss Fund Contingency** – Beginning with the 2016 Fund year, the MEL implemented a Retrospective Rating Program. The MEL billed member JIFs only 85% of its expected claims fund and will bill balance to the JIFs that exceed that amount. Additional billing will be capped at 100%, 115% or 125% - which is determined based on the JIF’s claims experience. For 2016 & 2017, the NJUA JIF’s cap is 100% of the expected claims fund. The NJUA JIF funded this corridor in the budget. In 2017, Executive Committee adopted a resolution authorizing the creation of an aggregate loss fund contingency account. Enclosed is a revised Resolution establishing the 2018 Fiscal Management Plan which authorizes the transfer of the amount collected in the 2018 budget.
 - ❑ **Motion to adopt Resolution #14-18 authorizing the transfer of the aggregate loss fund contingency collected with 2018 assessments to the Aggregate Loss Fund Contingency Account.**
- ❑ **Inclement Weather Procedure** - As a reminder, PERMA has instituted a procedure for Commissioners to confirm whether or not a meeting has been canceled. The Executive Director will discuss with the Fund Chairperson if the meeting should be canceled. In the event of an early morning or evening meeting(s), Perma will provide a recorded message indicating the status of the meeting. The recorded message can be obtained by calling the Fund's main number (201) 881-7632 at any time of the day or night. For meetings that occur during the course of normal business hours, meeting status can be obtained by utilizing the same number.

❑ Due Diligence Reports

- ❑ Financial Fast Track Report Not Available
- ❑ Interest Rate Comparison Report Page 10
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- ❑ POL/EPL – Compliance Status List – as of 3/22/18 Page 18
- ❑ RMC Resolution & Agreement Status List – as of 3/22/18 Page 20
- ❑ Regulatory Compliance Check List - as of 3/22/2018 Page 21