

**NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND  
OPEN MINUTES  
DECEMBER 20, 2017  
TOMS RIVER MUA  
10:30 AM**

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

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

**ROLL CALL OF 2017 EXECUTIVE COMMITTEE:**

Michael Gianforte, Chairman	Two Rivers Water Reclamation Authority	Present
Robert Fischer, Secretary	Bayshore Regional SA	Present
Brian Bigler	Secaucus MUA	Present
Robert Burner	Cape May County MUA	Present
Frank Pastena	North Bergen MUA	Present
Bernard Rutkowski	Toms River MUA	Present
Justin Flancbaum	Lakewood MUA	Present

**EXECUTIVE COMMITTEE ALTERNATES:**

Thomas Horn, Alt#1	Lambertville MUA	Present
Richard Brand, Alt #2	East Windsor MUA	Present
Jill Plesnarski, Alt#3	Readington-Lebanon SA	Present
Gary Vaccaro, Alt #4	Brick 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>Chris Roselli</b>
Safety Director	JA Montgomery Risk Control <b>Joanne Hall</b>
Managed Care	QualCare <b>Stephen McNamara</b>
Underwriting Manager	Capacity Coverage <b>Jon Ziman</b>
Treasurer	<b>Stuart Neuhof</b>

**FUND COMMISSIONERS AND ALTERNATES PRESENT:**

Ivy Robinson, Plainfield MUA

**ALSO PRESENT:**

Michael Avalone, Conner Strong & Buckelew

Charles Casagrande, Danskin Insurance

Brian Monaghan, TC Irons

Art Caughlan, Nelson Patterson Agency

Craig Josephsen, DH Hundertmark Agency

Amy Pieroni, NAIMC

Brad Stokes, PERMA Risk Management

Karen A. Read, PERMA Risk Management

Rachel Chwastek, PERMA Risk Management

**APPROVAL OF MINUTES:** November 14, 2017 Open and Closed Minutes.

**MOTION TO APPROVE NOVEMBER 14, 2017 OPEN AND CLOSED MINUTES.**

Moved:	Commissioner Flancbaum
Second:	Commissioner Pestana
Vote:	7 Ayes, 0 Nays

**CORRESPONDENCE:** NONE

**REPORTS:**

**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 Financial Fast Track Report as of October 31st shows our statutory surplus stands at \$5.1 million up about \$600,000 from year end, all years are positive with the exception of 2016 year which has a deficit of \$300,000. Executive Director said this could improve because a lot of the deficit is in reserves and IBNR. The Loss Ratio Analysis through October 31<sup>st</sup> shows the Fund is just at or slightly above the actuarial target in 2016 and 2017. The Fund's Lost Time Accident Frequency stands at 1.67 which is better than last year where we were at 2.30. Executive Director reviewed the POL/EPL Compliance Status Report and said QBE reviews each member and decides on an annual basis whether or not they think they need to make any changes to the deductibles and pricing. They have already done their review and they are going to renew everyone at the expiring deductibles and co-pays for this JIF.

**RCF** – The Residual Claims Fund scheduled its 2018 Reorganization meeting for Wednesday, January 3, 2018 at 10:30 am in the Forsgate Country Club located in Jamesburg NJ.

The Fund should elect its representative to the Residual Claims Fund for the 2018 Fund Year.

**MOTION TO ELECT BRIAN BIGLER AS THE NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND’S 2018 REPRESENTATIVE AND BERNIE RUTKOWSKI AS THE ATLERNATE TO THE RESIDUAL CLAIMS FUND.**

Moved:	Commissioner Pestana
Second:	Commissioner Flancbaum
Vote:	7 Ayes, 0 Nays

**EJIF** – The EJIF Board of Fund Commissioners met on November 15<sup>th</sup> at the Sheraton Hotel in Atlantic City. Enclosed is a copy of Commissioner Rutkowski’s report on the meeting. Executive Director said the underground storage tank policy is completely rewritten and it is not expected to change any coverage and that policy was in place since 1977 so they worked with the excess carrier to update it. Commissioner Rutkowski said the transit coverage was finalized. Executive Director said we had discussed previously in this JIF that we did not have “upset during transit” coverage. If your materials were upset while in transit there was no coverage. We temporarily covered in our retention while the EJIF worked that out. In December the EJIF agreed to provide a supplement for that coverage.

The EJIF’s 2018 Reorganization meeting for Wednesday, January 3, 2018 in the Forsgate Country Club located in Jamesburg NJ.

The Fund should elect its representative to the Environmental Joint Insurance Fund for the 2018 Fund Year.

**MOTION TO ELECT BERNIE RUTKOWSKI AS THE NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND’S 2018 REPRESENTATIVE AND BRIAN BIGLER AS THE ATLERNATE TO THE ENVIRONMENTAL JOINT INSURANCE FUND.**

Moved:	Commissioner Pestana
Second:	Commissioner Flancbaum
Vote:	7 Ayes, 0 Nays

**MEL** – The MEL Board of Fund Commissioners conducted its public hearing on the 2018 budget on November 15<sup>th</sup> in the Atlantic City Convention Center. Enclosed is a copy of Commissioner Rutkowski’s report on the meeting – with adopted budget attached.

Executive Director said the Cyber Task developed minimum risk control standards and everyone should have received an email of the NJ MEL Cyber Risk Management program from Alex Deluccia. The requirements are fairly minimal in order to recover the deductible. It is not the end all be all and you can certainly go beyond those standards.

Executive Director said everyone should have received a card for the MEL mobile application and we discussed it at the League. We encourage everyone to download the app and identify your roll so you will receive push alerts that are helpful to you.

Executive Director said there was a bulletin on changes to the Land Use Policy that said it did not affect or apply to the NJUA members but the way that it does not apply is because the way the exclusion was written and now changed was that any land use arising out of a decision at the planning board and the zoning board so in that sense it does not affect you. They did increase the limit to \$1 million and it will be in your policy it is just that you likely you will not have a claim because you do not have a zoning board.

The 2018 Reorganization meeting for the MEL is scheduled for Wednesday, January 3, 2018 at 11:15 am in the Forsgate Country Club located in Jamesburg NJ.

The Fund should elect its representative to the Municipal Excess Liability Joint Insurance Fund for the 2018 Fund Year.

**MOTION TO ELECT BERNIE RUTKOWSKI AS THE NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND'S 2018 REPRESENTATIVE AND BRIAN BIGLER AS THE ATLERNATE TO THE MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND.**

Moved:	Commissioner Flancbaum
Second:	Commissioner Pestana
Vote:	7 Ayes, 0 Nays

**2018 MANAGED CARE** – The Fund reviewed RFQ responses in September for all Fund professionals except Managed Care – to allow for the Fund to perform a “market basket” review (review of network discounts). The Finance Committee will provide a report at the meeting. Executive Director said the Finance Committee did meet and because it is a contract matter we should discussion in closed session.

**2018 BUDGET** – In accordance with regulations, the budget adopted by the Fund has been advertised in the Fund’s official newspaper. In addition, PERMA mailed the budget to member authorities and is in the process of filing with the state.

**2018 BILLINGS** – In accordance with the Fund’s bylaws, bills have been mailed to member authorities and are due and payable by January 15, 2018. Any payments not received by February 1, will be subject to a late penalty retroactive to the due date. Executive Director said the elected officials credit is not being applied as a credit rather than reducing your assessment.

**NOMINATING COMMITTEE** – The Nominating Committee met in November and recommends the enclosed slate for Chairman, Secretary and Executive Committee in 2018. Following the December meeting we will distribute ballots to Fund Commissioners. Executive Director said the Board met in November and on page 7 you will find their recommended slate. If the Board approves that we will issue a ballot following today’s meeting. Executive Director said we do the ballot because we are not always guaranteed that we will have a quorum at the January meeting. If we have quorum we will do the election live but if we do not have a quorum we will rely on the ballots.

**MOTION TO APPROVE THE SLATE OF THE 2018 EXECUTIVE COMMITTEE AND ISSUE THE BALLOT**

Moved: Commissioner Bigler  
Second: Commissioner Gianforte  
Vote: Unanimous

**2018 FUND REORGANIZATION** – The Fund’s Reorganization Meeting has been scheduled for January 24, 2018 at 10:30 am at Toms River MUA.

**MEMBERSHIP RENEWALS** – Attached is a list of members scheduled to renew fund membership by January 1, 2018. Executive Director said we have no reason to believe will not have all renewals in it is just a matter of having the paperwork in place.

**TREASURER:**

**VOUCHER PAYMENTS (BILL LIST)**

2017 \$293,468.68

**VOUCHER PAYMENTS (DIVIDEND LIST)**

CLOSED \$460,731.92

**CONFIRMATION OF CLAIMS' PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS DURING MONTH OF NOVEMBER 2017:**

Closed:	\$ (0.00)
2013:	\$ (0.00)
2014:	\$ 5,768.76
2015:	\$ 2,152.16
2016:	\$ 41,671.57
2017	\$ 96,334.05
Total:	\$ 145,926.54

**MOTION TO APPROVE DECEMBER BILLS LIST, CONFIRM CLAIMS' PAYMENTS /CERTIFICATION OF CLAIMS' TRANSFERS DURING MONTH OF NOVEMBER 2017 CLAIMS AND ACCEPT TREASURER’S REPORT:**

Moved: Commissioner Flancbaum  
Second: Commissioner Pestana  
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 Steve McNamara of Qual Lynx.

Report Made Part of the Minutes.

**SAFETY DIRECTOR:**

**MONTHLY REPORT:** Monthly report submitted and reviewed by JA Montgomery Safety Director Joanne Hall. Ms. Hall said the Safety Committee held a planning meeting in December in our office and we invited a number of safety committee members that were interested in joining our JIF at the Committee level. They have planned a very energetic schedule for 2018. We had a meeting with the EJIF for our December meeting in a Jeopardy format and it was very engaging. Our next event will be the Safety Breakfast on February 28, 2018.

Report Made Part of Minutes.

**CLAIMS:** Claims Manager Chris Roselli said we have nothing for Open Session other than to wish everyone a happy and healthy new year and we have two claims for closed.

**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 Bigler
Second:	Commissioner Flancbaum
Vote:	Unanimous

**MOTION TO RE-OPEN MEETING:**

Moved:	Commissioner Flancbaum
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Second: Commissioner Pestana  
Vote: Unanimous

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST AND TO  
POSTPONE THE LACEY MUA CLAIM.**

Moved: Commissioner Flancbaum  
Second: Commissioner Pestana  
Roll Call Vote: 7 Ayes, 0 Nays

**MOTION TO ADJOURN:**

Moved: Commissioner Bigler  
Second: Commissioner Pestana  
Vote: Unanimous

**MEETING ADJOURNED: 11:22 am**  
**NEXT REGULAR MEETING: January 24, 2018**  
Karen A. Read, Assisting Secretary

For  
Robert Fischer, SECRETARY  
**Date Prepared: - January 9, 2018**