

**NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND
OPEN MINUTES
FEBRUARY 24, 2016
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 2016 EXECUTIVE COMMITTEE:

Michael Gianforte, Chairman	Two Rivers Water Reclamation Authority	Present
Robert Fischer, Secretary	Bayshore Regional SA	Present
Brian Bigler	Secaucus MUA	Present
Tammy Fetherman	Lacey MUA	Present
Robert Burner	Cape May County MUA	Present
Frank Pestana	North Bergen MUA	Present
Bernie Rutkowski	Toms River MUA	Present

EXECUTIVE COMMITTEE ALTERNATES:

Justin Flancbaum, Alt #1	Lakewood MUA	Present
Thomas Horn, Alt #2	Lambertville MUA	Present
Richard Brand, Alt #3	East Windsor MUA	Present
Jill Plesnarski, Alt #4	Readington-Lebanon SA	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
Gary Vaccaro, Brick MUA
James Benson, Musconetcong Sewerage Authority
Ivy Robinson, Plainfield MUA
Robert Villee, Plainfield Area Regional SA

ALSO PRESENT:

Michael Avalone, Conner Strong & Buckelew
Charles Casagrande, Danskin Insurance Agency
Amy Pieroni, NAIMC
Tom Fitzpatrick, Fairview Insurance.
George Crosby, Business Governmental Insurance Agency
Donna Reale-Waters, Sloan Insurance Agency
Peter Soriero, Allied Risk Management
Kathy Young, Alamo Insurance
Art Caughlan, Nelson-Patterson Agency
George Quinn, Nelson-Patterson Agency
Bradford Stokes, PERMA Risk Management
Karen A. Read, PERMA Risk Management

APPROVAL OF MINUTES: January 27, 2016 Open Minutes.

MOTION TO APPROVE JANUARY 27, 2016 OPEN MINUTES.

Moved:	Commissioner Fischer
Second:	Commissioner Pastena
Roll Call Vote:	7 Ayes, 0 Nays

CORRESPONDENCE: Letter from Riverside Sewerage Authority – Executive Director said Meghan Jack from Riverside Sewerage Authority sent in a request for consideration of waiving the late penalty on the authority’s 2016 assessment. Ms. Jack was present and reviewed the reasons for her request outline in her letter, most notably her experience in the Burlco JIF which carried a different due date. In response to Chairman Gianforte, Executive Director said the penalty is 3.26% of the assessment per annum, for their assessment it would be approximately \$15 per day retroactive to the January 15th, due date.

MOTION TO WAIVE THE LATE PENALTY FOR 1ST INTALLMENT OF 2016 ASSESSMENT FOR RIVERSIDE SEWERAGE AUTHORITY

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

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. As of December 31, 2015, the Financial Fast Track shows a monthly change of over \$400,000 which reflects the dividend distribution to members, the Statutory Surplus as of December 31st is \$5.3 million. The Expected Loss Ratios shows all years but the current year are less than where actuarial target. Executive Director said the Lost Time Accident Frequency report was not included in the agenda but was distributed at the meeting.

2013 STATE EXAMINATION – In January, the Executive Committee reviewed the Examination Report of Fund year 2013 issued by the state of New Jersey Department of Banking & Insurance and noted an error on the final page. Attached is a copy of the revised page. The words “Incurred But Not Reported” were missing in the original version. Executive Director said the report has been revised to include the words “Incurred But Not Reported”.

ASSESSMENTS: First installment payments were due by January 15th. The Fund has a grace period to February 1st. Any authority’s assessment received after that date will have an interest penalty imposed from the January 15th due date.

CYBER LIABILITY – Caitlin Insurance, the Fund’s Cyber Liability carrier, has agreed to offer a third option with higher limits at expiring deductible (\$10,000). The increased cost per member from Option 1 (expiring) to Option 3 is \$17,000. We expected the exhibit for the quote to be available by the meeting. For reference, we have included the renewal option and the option for higher deductible and limits. (Options 1 & 2)

	Per Member	Total Premium
Option 1	\$ 600	\$ 43,200.00
Option 2	\$ 810	\$ 58,320.00
Option 3	\$ 846	\$ 60,944.40

Executive Director said Option 3 is approximately \$2,000 higher in premium than option two.

MOTION TO APPROVE OPTION #3 FOR CYBER LIABILITY COVERAGE

Moved:	Commissioner Bigler
Second:	Commissioner Fischer
Roll Call Vote:	7 Ayes, 0 Nays

2016 MEL BOARD OF FUND COMMISSIONERS RETREAT- Executive Director said the MEL Board of Fund Commissioners held its one-day retreat on February 19th at the Princeton Marriott at Forrestal in Princeton.

2016 MEL & MR HIF EDUCATIONAL SEMINAR – The 6th annual seminar is scheduled for Friday, April 15th 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 and member HIFs. Attached is the enrollment form. Executive Director said there are 5 CEU's or TCH's for attending the meeting but you will have to stay for the entire day to receive the credits.

EMPLOYMENT PRACTICES PROGRAM: There are a number of areas members must address to maintain Program Compliance before 2017. Please work with your authority attorney to complete the Attorney Certification form by the deadline of December 1, 2016. Executive Director said the information has been emailed to all members. The information is on the MEL website now www.njmel.org. We are working on setting up a schedule for the managers and supervisors training in eight to ten locations throughout the state with Mr. Budesa.

Personnel Manuals – The MEL is in the final stages of revising the Model Personnel Manual. We will email all members when the updates have been posted to the MEL webpage – njmel.org.

Managers & Supervisors Training - Employment Practices Risk Management Program also includes mandatory training of management. The Fund Attorney's office will begin to schedule the classes with members.

Non Supervisory Training – In addition, members must offer training to non-supervisory personnel. This course is also available online. Enclosed are directions to take the class online.

Elected Officials Training Seminars – Every year, the MEL holds training seminars for elected officials & appointed officials and reduces a member's assessment by \$250 for each municipal elected officials completing the course by June 1st. Please visit the MEL webpage for other scheduled classes at njmel.org. This course is also available online. Enclosed are directions to take the class online.

Employment Practices Liability Help Line – QBE North America offers access to an employment related Helpline to offer members assistance in employment matters. Members must have signed up with the helpline to maintain compliance; there is a link on the MEL webpage to sign-up.

MEMBERSHIP: Enclosed in Appendix III is a New Member Review for the Linden Roselle Sewerage Authority – for discussion in Executive Session.

2016 PRIMA CONFERENCE – The 2016 PRIMA Annual Conference will take place on June 5-8, 2016, in Atlanta, Georgia.

To review all information regarding the 2016 PRIMA Conference including registration, please visit the website – www.primacentral.org. Executive Director said please let the Fund Office know if you plan on attending the conference.

MOTION TO ADOPT RESOLUTION #12-16 AUTHORIZING TRAVEL AND RELATED EXPENSES FOR ATTENDANCE OF EXECUTIVE MEMBERS AT THE ANNUAL RISK MANAGEMENT CONFERENCE

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

LEAGUE MAGAZINE: Enclosed is the latest installment in the series of MEL advertisements to appear in the League magazine and covers the topic of Cyber Security. Each advertisement in the “Power of Collaboration” series highlights activities of the MEL and JIFs as well as people who have rendered significant service.

INCLEMENT WEATHER PROCEDURE - Executive Director said 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 meetings, 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.

TREASURER:

VOUCHER PAYMENTS (BILL LIST)

2015	\$ 31,826.14
2016	\$ 326,832.40

CONFIRMATION OF CLAIMS' PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS DURING MONTH OF JANUARY 2016:

Closed:	\$.00
2012:	\$ 17,651.31
2013:	\$ 11,817.93
2014:	\$ 23,831.22
2015:	\$ 77,283.48
2016	\$ 7,572.07
Total:	\$ 138,156.01

MOTION TO APPROVE FEBRUARY BILLS LIST, CONFIRM CLAIMS' PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS DURING MONTH OF JANUARY 2016 CLAIMS AND ACCEPT TREASURER'S REPORT:

Moved: Commissioner Bigler
Second: Commissioner Burner
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 Ms. Setzer QualCare. Ms. Setzer said arrangements have been made with Kinematic Consultants to do a presentation on Functional Capacity Examinations as discussed at last month's meeting if that works for the Committee. The Committee agreed that next month immediately following the JIF meeting would be a good time for the presentation.

Ms. Setzer said the managed care nurse will be relocated to Qual-lynx's Egg Harbor office and will work next to the workers' comp adjusters. Therefore; the 800 number for NJUA JIF members will need to be changed - with the Committee's permission. Ms. Setzer said this will be a slow transition and a mailing will be sent with new business cards and posters to notify everyone of the change effective date of the new number would be April, however, if they call the old number someone will still take the injury report. In response to Commissioner Bigler, Ms. Setzer said they would not be able to do call forwarding since all other Qual-Lynx and Qualcare clients will still be using the original number. Executive Director said the offset benefit of having the nurse case manager in Egg Harbor is worth the inconvenience. The Committee was in agreement.

Report Made Part of the Minutes.

SAFETY DIRECTOR:

MONTHLY REPORT: The Safety Director Joanne Hall reviewed report included in the agenda packet.

Report Made Part of Minutes.

CLAIMS: Report in Executive Session.

OLD BUSINESS:

NONE

NEW BUSINESS:

NONE

PUBLIC COMMENT:

NONE

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

MOTION TO CLOSE MEETING:

Moved: Commissioner Fetherman
Second: Commissioner Pestana
Vote: Unanimous

MOTION TO RE-OPEN MEETING:

Moved: Commissioner Fetherman
Second: Commissioner Fischer
Vote: Unanimous

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUESTS AS
AMENDED**

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

**MOTION TO AUTHORIZE EXECUTIVE DIRECTOR TO QUOTE ON NEW
MEMBERSHIP TO LINDEN ROSELLE SEWERAGE AUTHORITY SUBJECT TO
SATISFACTORY LOSS CONTROL INSPECTION**

Moved: Commissioner Fischer
Second: Commissioner Burner
Roll Call Vote: 7 Ayes, 0 Nays

MOTION TO ADJOURN:

Moved:	Commissioner Pestana
Second:	Commissioner Fetherman
Vote:	Unanimous

MEETING ADJOURNED: 11:16am
NEXT REGULAR MEETING: March 23, 2016
Karen A. Read, Assisting Secretary

For
Robert Fischer, SECRETARY
Date Prepared: - March 9, 2016