

**NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND  
OPEN MINUTES  
JANUARY 30, 2015  
TOMS RIVER MUA  
10:30 AM**

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

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

**ROLL CALL OF 2014 EXECUTIVE COMMITTEE:**

Brian Bigler, Chairperson	Little Egg Harbor MUA	Present
Tammy Fetherman	Lacey MUA	Present
Michael Gianforte	Two Rivers Water Reclamation Authority	Present
Robert Fischer	Bayshore Regional SA	Present
Robert Burner	Cape May County MUA	Present
Frank Pastena	North Bergen MUA	Present
Reno Wilkins	Plainfield Municipal Utilities Authority	Present

**EXECUTIVE COMMITTEE ALTERNATES:**

Bernard Rutkowski, Alt#1	Toms River MUA	Absent
Justin Flancbaum, Alt #2	Lakewood MUA	Present

**APPOINTED OFFICIALS PRESENT:**

Executive Director/Adm	Perma Risk Management <b>Cathleen Kiernan</b>
Attorney	Berry, Sahradnik, Kotzas & Benson, P.C. <b>Mary Jane Lidaka</b>
Claims Service	Qual-Lynx <b>Don Kellerman</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:**

Thomas Horn, Lambertville MUA  
Richard Brand, East Windsor MUA  
Jill Plesnarski, Readington Lebanon SA  
Bruce Miller, Raritan Township MUA  
Gary Vaccaro, Brick MUA  
Earl Sutton, Jr., Little Egg Harbor MUA  
Michael DiFrancia, Little Egg Harbor MUA  
Brian Blair, Berkeley Township MUA

**ALSO PRESENT:**

Ilene Laursen, Conner Strong & Buckelew  
Amy Pieroni, NAIMC  
Dominic Cinelli, Brown & Brown  
Michael McLaughlin, Marsh  
Ed Buecker, Fairview Associates  
Bradford Stokes, PERMA Risk Management  
Karen A. Read, PERMA Risk Management

**APPROVAL OF MINUTES:** December 17, 2014 Open Minutes.

**MOTION TO APPROVE December 17, 2014 OPEN MINUTES.**

Moved:	Commissioner Fetherman
Second:	Commissioner Bigler
Vote:	Unanimous

**CORRESPONDENCE:** None

**MOTION TO ADJOURN SINE DIE MEETING:**

Moved:	Commissioner Gianforte
Second:	Commissioner Fetherman
Vote:	Unanimous

Sine Die meeting adjourned - chairs vacated and Executive Director to conduct meeting.

Executive Director said a quorum of the Fund Commissioners was not present. As a result, election conducted using the ballots issued to members following the Nominating Committee's report in December. The fund office received a sufficient amount of ballots to confirm quorum and proceed with election. In accordance with Fund bylaws, a quorum is 23.

**ELECTION OF 2015 CHAIRPERSON, SECRETARY, 5-MEMBER EXECUTIVE COMMITTEE AND 4 ALTERNATES:** The Nominating Committee presented its recommended slate at the December meeting and shortly thereafter ballots were mailed to Fund Commissioners.

Brian Bigler, Chairman

Secaucus MUA

Michael Gianforte, Secretary	Two Rivers Water Reclamation Authority
Tammy Fetherman	Lacey MUA
Robert Fischer	Bayshore Regional SA
Robert Burner	Cape May County MUA
Frank Pastena	North Bergen MUA
Reno Wilkins	Plainfield Municipal Utilities Authority
Alt #1 Bernie Rutkowski	Toms River MUA
Alt#2 Justin Flancbaum	Lakewood MUA
Alt#3 Thomas Horn	Lambertville MUA
Alt#4 Richard Brand	East Windsor MUA

**ROLL CALL OF 2015 EXECUTIVE COMMITTEE:**

Brian Bigler, Chairman	Secaucus MUA	Present
Michael Gianforte, Secretary	Two Rivers Water Reclamation Authority	Present
Tammy Fetherman	Lacey MUA	Present
Robert Fischer	Bayshore Regional SA	Present
Robert Burner	Cape May County MUA	Present
Frank Pastena	North Bergen MUA	Present
Reno Wilkins	Plainfield Municipal Utilities Authority	Present

**EXECUTIVE COMMITTEE ALTERNATES:**

Bernie Rutkowski, Alt #1	Toms River MUA	Absent
Justin Flancbaum, Alt #2	Lakewood MUA	Present
Thomas Horn, Alt #3	Lambertville MUA	Present
Richard Brand, Alt #4	East Windsor MUA	Present

**REORGANIZATION RESOLUTIONS** - Resolution 1-15 and 2-15 submitted to confirm ballots received for Chairperson, Secretary, 5-member Executive Committee and 4 alternates.

**MOTION TO ADOPT RESOLUTIONS 1-15 AND 2-15 CERTIFYING THE BALLOTS ELECTING THE 2015 CHAIRPERSON AND SECRETARY AND THE 2015 FIVE-MEMBER EXECUTIVE COMMITTEE AND FOUR ALTERNATES:**

Moved:	Commissioner Gianforte
Second:	Commissioner Pastena
Vote:	Unanimous

**OATH OF OFFICE:** Oath of Office Administered by the Fund Attorney.

**WELCOME:** Chairman Bigler welcomed the two new Alternate Fund Commissioners Thomas Horn of Lambertville MUA and Richard Brand of East Windsor MUA to the Board.

**RESOLUTION 3-15 FUND PROFESSIONAL APPOINTMENTS AND SERVICE ORGANIZATIONS** – The board resolved to award professional service agreements in accordance with a fair and open process pursuant to N.J.S.A. 19:44A-20.4 et. Seq. for Fund Year 2015. Requests for Qualifications were advertised in October and reviewed in November. During the budget process, board established fee increases at 2.00% unless otherwise noted.

Executive Director	Perma Risk Management Services
Attorney	John Sahradnik & Robert Budes, Esquire
Treasurer	Stuart Neuhof
Actuary	Actuarial Advantage
Auditor	Bud Jones, Nisivoccia LLP
Safety Director	JA Montgomery Risk Control Services
Claims Administrator	Qual-Lynx
Asset Manager	TD Bank
Underwriting Manager	Capacity Coverage Company
Managed Care Provider	Qualcare
Payroll Auditor	NEIS

**RESOLUTION 4-15 ESTABLISHING A FISCAL MANAGEMENT PLAN:** Resolution presented designating Official Depositories and approving a Cash Management Plan; authorizing Signatories on Administrative Accounts; and authorizing Signatories on Claim Accounts; establishing a rate of interest for delinquent assessments; and certifying Approval Officer for all Fund expenses. In addition to Chairperson, Secretary and Treasurer, last year Commissioner Fetherman was added as additional signatory. Resolution amended to reflect Tammy Fetherman as the additional signature.

Executive Director said the Cash Management Plan is part of Resolution 4-15 and there were two new items in the Plan this year. On page 10 item two Permissible Investments we added item (b) which is Government money market mutual funds and item (g) Local government investment pools; law changed allowing these investments 1999, JIF Cash Management Plans had not been updated.

**RESOLUTION 5-15 ESTABLISHING PUBLIC MEETING PROCEDURES:** Resolution presented establishing 2015 Meeting Dates as the fourth Wednesday of every month at 10:30 a.m. in the in the Toms River Municipal Utilities Authority, Toms River, NJ including the fourth Wednesday in January 2016. There are two exceptions to this meeting schedule. The first exception is the February meeting, which will be combined with the annual Safety Breakfast on February 25th at 9:00 a.m. at the Clarion Hotel, Toms River, NJ. The second exception is the November meeting, which is scheduled for 2:30 p.m. on November 17th in Atlantic City at the Golden Nugget in conjunction with the AEA.

**RESOLUTION 6-15 ESTABLISHING FUND RECORDS PROGRAM:** Resolution presented establishing a formal records retention program for Fund year 2015.

**RESOLUTION 7-15 EXECUTIVE COMMITTEE COMPENSATION:** Resolution authorizing compensation to Executive Committee and alternates at \$150 per meeting attended.

**RESOLUTION 8-15: EXCESS LIABILITY, AUTO-PHYSICAL DAMAGE, PROPERTY AND EXCESS POL/EPL LIABILITY:** Resolution ratifying the purchase of Excess Liability, Excess Auto-physical Damage and Property and Excess Public Officials/Employment Practices Liability by the Munich Re American and Continental Casualty. Executive Director said resolution reflects rates as negotiated by the Underwriting Manager, including the premium cost to increase sub-limits for earthquake extra expense.

**RESOLUTION 9-15: ESTABLISHING A RISK MANAGEMENT PLAN:** An updated Risk Management Plan for 2015 was included in the agenda, with changes highlighted. Executive Director said the changes are highlighted in yellow. Underwriting Manager said there were no changes to the plan other than the added increased earthquake sub-limits and extra expense.

**MOTION TO ADOPT RESOLUTIONS 3-15 THROUGH 9-15:**

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

**COMMITTEE APPOINTMENTS** - The Fund has four standing committees. Below is a list of the committees and a brief description of their charges.

- Coverage - This committee is charged with evaluating potential exposures and determining whether coverage or policy decision be made by the Fund. Commissioner Pastena has been added to the Committee
- Finance Committee - This committee is charged with meeting at least once a year, with a mandatory meeting to review professional services and make recommendations on fees, providers and the budget. Commissioner Gianforte was named Chairperson of this Committee and Frank Pastena has been added to the Committee.
- Safety Committee - This committee is charged with coordinating the activities of the Safety Director and the relationship of same with member authorities; evaluating, analyzing, and reviewing the Fund's safety programs and making the recommendations to the Fund; and monitoring the Fund's Safety Incentive Program. In addition, Commissioner Wilkins will be the north Executive Committee representative to the Safety Committee
- Nominating - (Fund Commissioners Only) This committee is charged with meeting at least once a year, usually in December, to propose an Executive Committee slate for the following Fund year.

Executive Director said included in the agenda are those who served on these committees 2014. Executive Director said these members are appointed by the Chairman. Chairman Bigler said the Committees can be renewed as they are and if anyone would like to join a committees they are more than welcome to do so, as we encourage the participation. Executive Director said if anyone is interested they can email the Fund Office and we will forward on to Chairman Bigler.

## **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 November 30, 2014, the Financial Fast Track shows a Statutory Surplus of \$6.4 million compared to \$7.3 million last year – the dividend that was released will be reflected in the December report. Every year is in a positive position except Fund year 2014 - reflecting the impact of the harsh winter. Executive Director said all the northern JIFs experienced an increase in claims experience.

**ASSESSMENTS** – First installment payments were due by January 15<sup>th</sup> with a grace period to February 1st. Any authority assessment received after that date will have an interest penalty imposed from the January 15th due date. Executive Director said the Fund is aware that several members had to cancel meetings and were unable to approve the assessment payment. The Treasurer recommended the board consider extending the deadline through February.

### **MOTION TO EXTEND DUE DATE ON 2015 1<sup>ST</sup> INSTALLMENT ASSESSMENT BILLS TO FEBRUARY 28, 2015**

Moved:	Commissioner Fischer
Second:	Commissioner Pastena
Vote:	Unanimous

**RCF 2015 REORGANIZATION MEETING** - The Residual Claims Fund held its 2015 re-organizational on January 7, 2015 at 10:30 am at the Forsgate Country Club. A copy of Commissioner Bigler's report on the meeting was enclosed in the agenda.

**MEL 2015 REORGANIZATION MEETING** - The MEL held its 2015 re-organizational meeting on January 7, 2015 at 11:15 am at the Forsgate Country Club. A copy of Commissioner Wilkin's report on the meeting was enclosed in the agenda. Commissioner Wilkins said the only thing he wanted to call to everyone's attention is the EPL Compliance. MEL members must update their employment practices risk control programs every two years to remain eligible for deductible incentives. The mid-year deadline is proving difficult for XL Insurance in issuing policies. The MEL, as lead agency for this incentive program, agreed to extend compliance time frame so deadline precedes effective date of coverage. The Fund is expected to issue Personnel Manual changes and schedule training in August or September of 2015. Members will have all

of 2016 to make the updates and attend training. Executive Director added that the POLEPL coverage is written on a “claims made policy” so a member that did not meet the deadline can still reduce their deductible and co-pay on the date that they meet the compliance. In response to Chairman Bigler, Executive Director said all members will be on the same schedule with the exception of new members they have six months to get everything in place in the beginning and generally XL will allow one year. Chairman Bigler said there is a model is available. Executive Director said once we issue what the changes are, members to the webpage. In response to Commissioner Gianforte, Executive Director said the Fund already expects to address changes in the law concerning pregnancy issues. Fund also received a request to include a policy regarding relationships with co-workers.

**EJIF 2015 REORGANIZATION MEETING** – The EJIF held its 2015 re-organizational meeting on January 7, 2015 at 10:50 am at the Forsgate Country Club. A copy of Commissioner Fetherman’s report was enclosed in the agenda. Executive Director said the EJIF completely revised it’s policy and there were a few seminars held throughout the state geared towards the Risk Managers to review the changes. The changes are more in language rather than intent, really strengthening our language to meet our intent.

**MEMBERSHIP** - Executive Director said the Board approved Jersey City MUA for membership, subject to a satisfactory loss control inspection. JA Montgomery has conducted the inspection and recommended for coverage. Executive Director said John Zengel did the inspection and came back with a favorable review and recommended for coverage. XL reviewed them as well. They did have to renew on January 1 but can make the decision anytime it is cost effective for them to cancel their policy. Executive Director said we have written back to the risk manager at Sirocco and we will report back if we hear anything more.

**CPR TRAINING** – Executive Director said the Fund is working with JA Montgomery to draft a RFP for CPR training.

**STANDARD CONTRACTS** – In 2006, the NJUA adopted standard contract language. It would be appropriate to review this language with the Fund Attorney and update, if necessary, before we issue contracts for 2015.

**ELECTED OFFICIALS SEMINAR** – Executive Director said the MEL is in the process of finalizing an online version of this year’s Elected Officials Seminar. Once the program is completed, we will email and announcement with instructions to access the program through the MEL’s Learning Management System. This will also come with the \$250 credit for board members that attend. Executive Director said Chief Operation Officers are eligible for the credit which is most authorities’ Executive Directors. The deadline is usually May 31<sup>st</sup>.

**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)**

2012	\$ 3,281.71
2013	\$ 11,768.01
2014	\$ 13,864.51
2015	\$3,026,366.12

**CONFIRMATION OF CLAIMS' PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS DURING MONTH OF DECEMBER 2014:**

Closed:	\$ .00
2010:	\$ .00
2011:	\$ 33,843.14
2011:	\$ 26,807.50
2012:	\$ 2,335.93
2013	\$111,669.02
Total:	\$174,655.59

**MOTION TO APPROVE JANUARY BILLS LIST, CONFIRM CLAIMS' PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS DURING MONTH OF DECEMBER 2014 CLAIMS AND ACCEPT TREASURER'S REPORT:**

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

Treasurer's Report Attached & Made Part of Minutes.

**ATTORNEY:** Executive Director said the Fund issued two Requests for Qualifications in and the list on page 69 of the agenda reflects firms responding to RFQs and the Defense Panel for 2015.

**MANAGED CARE:**

**MONTHLY REPORT:** Report submitted and reviewed by Ms. Setzer QualCare. Executive Director said we did distribute a copy of Anne Noble's letter and the press release on QualCare and Qual-Lynx being purchased by Cigna. Ms. Setzer said it is business as usual Qual Care, Qual-Lynx Health Lynx will all remain the same. On the website [quallynxinc.com](http://quallynxinc.com) there is a question and answer page for anyone that has any questions regarding the take over. If you would like to email to get specific information the email is [info@qualcareinc.com](mailto:info@qualcareinc.com) and they will get back to you with any questions you



might have. Ms. Setzer said the contracts with the networks were already set for five years so there should be no problem regarding savings with medical bills

Report Made Part of the Minutes.

**SAFETY DIRECTOR:**

**MONTHLY REPORT:** Monthly report submitted and reviewed by JA Montgomery Risk Control. Joanne Hall reported the schedule for training for the next sixty days along with an outline of the Safety Fast Track. Safety Breakfast will be held at the Clarion Hotel on February 25, 2014. The Safety Expos usually held in November will be moved to June this year. The last Executive Safety meeting was held in Manasquan last week and the topic was on Hazard Communication and Right to Know on how fill out your forms and put them up on the state website. In response to Chairman Bigler, Safety Director said state website is up and running and it should be entered by February 15<sup>th</sup>.

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**

**MOTION TO CLOSE MEETING:**

Moved:	Commissioner Gianforte
Second:	Commissioner Burner
Vote:	Unanimous

**MOTION TO RE-OPEN MEETING:**

Moved:	Commissioner Gianforte
Second:	Commissioner Fetherman

Vote:

Unanimous

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUESTS AS  
SUBMITTED SUBJECT TO CONFIRMATION OF QUESTIONS ON TWO  
CLAIMS AS DISCUSSED**

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

**MOTION TO ADJOURN:**

Moved: Commissioner Gianforte  
Second: Commissioner Wilkins  
Vote: Unanimous

**MEETING ADJOURNED: 11:26am**  
**NEXT REGULAR MEETING: February 25, 2015**  
Karen A. Read, Assisting Secretary

For  
Michael Gianforte, SECRETARY  
**Date Prepared: - February 12, 2015**

**RESOLUTION NO. 1-15**

**NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND  
CERTIFYING THE ELECTION OF  
CHAIRPERSON AND SECRETARY**

**BE IT RESOLVED** by the Commissioners of the New Jersey Utility Authorities Joint Insurance Fund that the following persons have been elected as Chairperson and Secretary:

**BRIAN BIGLER** - Chairperson

**MICHAEL GIANFORTE** - Secretary


**BE IT FURTHER RESOLVED** that the Chairperson and Secretary shall serve for the year 2015 and until their successors shall be elected and qualified.

ADOPTED:

this day before the Governing Body

  
Chairperson

1/30/15  
Date

  
Secretary

1/30/15  
Date

**RESOLUTION NO. 2-15**

**NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND  
CONFIRMING THE ELECTION OF AN  
EXECUTIVE COMMITTEE AND ALTERNATES FOR FUND YEAR 2015**

**BE IT RESOLVED** by the Commissioners of the New Jersey Utility Authorities Joint Insurance Fund that the following individuals have been elected to the Executive Committee and alternates to the Executive Committee:

**FIVE-MEMBER EXECUTIVE COMMITTEE**

**Tammy Fetherman  
Lacey Municipal Utilities Authority**

**Robert Fisher  
Bayshore Regional Sewerage Authority**

**Robert Burner  
Cape May County Municipal Utilities Authority**

**Frank Pastena  
North Bergen Municipal Utilities Authority**

**Reno Wilkins  
Plainfield Municipal Utilities Authority**

**ALTERNATES:**

**Bernie Rutkowski  
Toms River Municipal Utilities Authority**

**Justin Flancaum  
Lakewood Municipal Utilities Authority**

**Thomas Horn  
Lambertville Municipal Utilities Authority**

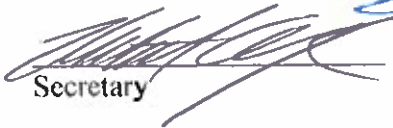
**Richard Brand  
East Windsor Municipal Utilities Authority**

**BE IT FURTHER RESOLVED** that the Executive Committee and alternates shall serve for the year 2015 and until their successors shall be elected and qualified.

ADOPTED:

this day before the Governing Body

  
Chairperson

  
Secretary

1/30/15  
Date

1/30/15  
Date

**RESOLUTION No. 3-15  
of the  
New Jersey Utility Authorities Joint Insurance Fund**

**APPOINTING CERTAIN PROFESSIONALS AND SERVICE ORGANIZATIONS**

**WHEREAS**, the New Jersey Utility Authorities Joint Fund (hereinafter the Fund) requires the services of certain professionals and service organizations for Fund year 2015.

**WHEREAS**, the New Jersey Utility Authorities Joint Insurance Fund met on September 24, 2014 and resolved to award professional service agreements in accordance with a fair and open process pursuant to N.J.S.A. 19:44A-20.4 et. Seq.; and further – Requests For Qualification’s were advertised;


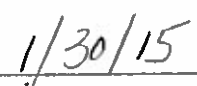

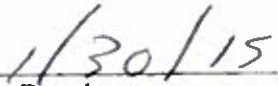
**WHEREAS**, responses were received by the Executive Director in the Fund office on 2:00 pm on October 16, 2014 for positions other than those under the threshold of \$17,500.

- 1.) **Perma Risk Management Services** is hereby appointed as **Administrator**, Ms. Cathleen Kiernan is appointed as Executive Director, and Joseph Hrubash as Deputy Executive Director, and both as agent for process of services at an annual fee of \$261,418.17.
- 2.) John Sahradnik & Robert Budesza, Esquires, are hereby appointed as **Fund Attorney**.
- 3.) Stuart Neuhof is hereby appointed as **Fund Treasurer**.
- 4.) Actuarial Advantage is hereby appointed as **Fund Actuary**.
- 5.) Bud Jones, Nisivoccia LLP is hereby appointed as **Fund Auditor**.
- 6.) Capacity Coverage Company is hereby appointed as **Underwriting Manager**.
- 7.) Qual-Lynx is hereby appointed as the **Claims Service Organization**.
- 8.) TD Bank Asset Management is hereby appointed as the **Banking & Asset Manager at .08% of the market value of the Fund’s invested assets**. Contract term to be one year with a “30-day cancellation clause”.
- 9.) JA Montgomery Risk Control Services is hereby appointed as **Fund Safety Service Provider**.
- 10.) Qualcare is hereby appointed as **Fund Managed Care Provider**.
- 11.) NEIS as **Fund Payroll Auditor**.

All professionals and service organizations appointed pursuant to this resolution shall service in accordance with the professional services contracts on file in the field office.

**NOW, THEREFORE, BE IT RESOLVED** that the Executive Committee does hereby appoint Fund professionals for the Fund Year 2015.

**NOW THEREFORE BE IT FURTHER RESOLVED** that Fund Professionals will be compensated based on a 2% increase for 2015 as recommended by the Finance Committee in October of 2014 – unless otherwise noted.

 _____	 _____
Chairperson	Dated
 _____	 _____
Secretary	Dated

**RESOLUTION NO: 4-15**

**NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND**  
(hereafter referred to as "THE FUND")

**ESTABLISHING A FISCAL MANAGEMENT PLAN**

**FOR THE 2015 FUND YEAR**

**WHEREAS**, THE FUND is duly constituted as a Municipal Joint Insurance Fund, as permitted under the laws promulgated by the State of New Jersey, (N.J.S.A. 40A-36, et.seq.); and

**WHEREAS**, THE FUND is subject to the requirements contained within the Local Fiscal Affairs Law (N.J.S.A. 40A-5, et.seq.) ; and

**NOW, THEREFORE BE IT RESOLVED**, THE FUND's Governing Body hereby appoints the following professionals for the 2015 Fund Year:

- I. All funds for Administrative Expenses, Reinsurance, Dividends and Miscellaneous Expenses, shall be withdrawn from the Official named Depository (ies) by check, which shall bear the signatures of at least two (2) of the following persons, duly authorized pursuant to this Resolution.

*Brian Bigler*

 CHAIRPERSON

*Michael Gianforte* SECRETARY

*Stuart Neuhoof* TREASURER

*Tammy Fetherman* COMMISSIONER

- II. All funds for Claims payments shall be withdrawn from the Official Depository(ies) by check, which shall bear the signatures of at least two (2) of the following persons, duly authorized pursuant to this Resolution.

Ann L. Noble, Qual-Lynx Associates

Dave Ruber, Qual-Lynx Associates

Alice Lihou, Qual-Lynx Associates

Joy DiPatri, Qual-Lynx Associates

Janet Buggle, Qual-Lynx Associates

- III. The Cash and Investment Policy attached herewith, shall be adopted.

- IV. The rate of interest assessed by the Fund, for delinquent assessments for the year 2015 shall be the prime rate as of prior November 1 per annum, from the due date for any such assessment and imposed when first installment assessments are



received after February 1st and when second installment assessments are received after the due date.

- V. Certifying and Approval Officer for all FUND expenses shall be the FUND's Executive Director and/or the Account Manager so designated by the Executive Director.

ADOPTED:

this day before the Governing Body:

  
Chairperson

1/30/15  
Date

  
Secretary

1/30/15  
Date

**RESOLUTION NO: 5-15**

**NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND  
(hereafter the "FUND")**

**ESTABLISHING PUBLIC MEETING PROCEDURES**

**WHEREAS**, the FUND must establish meeting procedures for Fund Year 2015, and


**NOW, THEREFORE BE IT RESOLVED**, by the Executive Committee of the New Jersey Utility Authorities that:


**I.** The Fund shall hold public meetings during the year 2015 on the fourth Wednesday of every month at 10:30 a.m. in the Toms River Municipal Utilities Authority, Toms River, NJ including the fourth Wednesday in January 2016. There are TWO exceptions to this meeting schedule. The first exception is the February meeting, which will be combined with the annual Safety Breakfast on February 25th at 9:00 a.m. at the Clarion Hotel, Toms River, NJ. The second exception is the November meeting, which is scheduled for 2:30 p.m. on November 17th in Atlantic City at the Golden Nugget in conjunction with the AEA.

**II.** The following is hereby designated the official newspaper (s) of the Fund: The Star Ledger, Newark, New Jersey 07101. In addition, the NJUA JIF's webpage is designated for official notices - [www.njuajif.org](http://www.njuajif.org).

**III.** The FUND Secretary or designated assistant shall provide notice of any and all meetings, including special or emergency meetings, to each official newspaper and shall issue all official notices required to be published in at least one of the official newspapers.

ADOPTED this day;

  
Chairperson

  
Secretary

1/30/15  
Date

1/30/15  
Date

**RESOLUTION NO. 6-15**

**NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND  
(Hereinafter the "FUND")**

**ESTABLISHING A FUND RECORDS PROGRAM**

**WHEREAS:** The FUND must establish a formal record retention program for the 2015 fund year.

**NOW, THEREFORE BE IT RESOLVED,** by the FUND's Governing Body that:

- I. Michael Gianforte Fund Secretary, is hereby designated as custodian of the FUND records, which shall be kept at the office of the Fund Administrator, located at 9 Campus Drive, Suite 16, Parsippany, NJ 07054.
- II. The Account Manager designated by the Executive Director is hereby appointed as Assistant Fund Secretary.
- III. The records of the FUND shall be retained in accordance with the municipal records retention schedule as promulgated by the New Jersey Division of Archives and Records Management, and/or otherwise specified by the New Jersey Department of Insurance and Community Affairs.
- IV. Each fund professional and service organization shall have the duty and obligation to maintain such records as are entrusted to him/her and to relinquish such records to the Fund Secretary upon termination of services or otherwise upon request.

Records and files not required to support current operations, but which must otherwise be retained, shall be stored in the record retention facility, located at Route 80, Allstate Archives, 24 Beckwith Avenue, Paterson, New Jersey. The FUND's Executive Director shall coordinate the archive process and shall insure that all records are properly indexed and accessible.

ADOPTED:

this day before the Governing Body

  
Chairperson

  
Secretary

1/30/15  
Date

1/30/15  
Date

**RESOLUTION NO. 7-15**

**AUTHORIZING THE NEW JERSEY UTILITY AUTHORITIES  
JOINT INSURANCE FUND  
TO PAY EXECUTIVE COMMITTEE MEMBERS FOR ATTENDANCE  
AT EXECUTIVE COMMITTEE MEETINGS  
FOR THE FUND YEAR 2015**

**WHEREAS**, N.J.S.A. 40A:10-36 permits the creation of a Joint Insurance Fund for Municipal Utility Authorities, and

**WHEREAS**, N.J.S.A. 40:A10-37 permits the Commissioners of the said Joint Insurance Fund to create an Executive Committee for said Joint Insurance Fund, and

**WHEREAS**, said Statute permits the Commissioners to vote to allow those Commissioners who serve on the Executive Committee to receive up to \$150 per regular Executive Committee Meeting attended,

**NOW, THEREFORE, BE IT RESOLVED** by the Commissioners of the New Jersey Utility Authorities Joint Insurance fund as follows:

Each regular and alternate member of the Executive Committee of the New Jersey Utility Authorities Joint Insurance Fund shall receive \$150 per regular monthly Executive Committee Meeting attended by said member.

**ADOPTED:**

this day before the Governing Body

  
Chairperson

1/30/15  
Date

  
Secretary

1/30/15  
Date

**RESOLUTION NO 8-15**

**RESOLUTION OF THE NEW JERSEY UTILITY AUTHORITIES  
JOINT INSURANCE FUND  
FOR EXCESS LIABILITY, EXCESS AUTO PHYSICAL DAMAGE  
AND PROPERTY COVERAGES  
FOR FUND YEAR 2015**

**WHEREAS**, the Executive Committee of the New Jersey Utility Authorities Joint Insurance Fund, at its December 17, 2014 meeting, authorized the Underwriting Manager and the Executive Director to negotiate certain insurances; and this being completed;

**NOW, THEREFORE BE IT RESOLVED** that the Executive Committee ratifies and confirms the purchase of the following coverages, effective January 1, 2015:

Excess Liability coverage from Munich Re American at a rate of \$ .005 of payroll net of commissions and including tax has been offered by Munich Re American.


Property & Boiler/Machinery Coverage at a cost of 0.0796 per \$100 of total insured values from C.N A for property/boiler and machinery and .3146 per \$100 total insured auto values from C.N.A.for auto physical damage with a JIF deductible of \$10,000; and a premium of \$15,000 to increase the sub-limit for Earthquake coverage to \$100,000,000 and a premium of \$10,000 to increase Extra Expense sublimit to \$20,000,000.


Primary Public Officials/Employment Practices Liability and Cyber Liability at a premium of \$480,250 inclusive of commission and tax has been offered by XL Insurance;

Excess Public Officials/Employment Practices Liability Coverage at a rate of .00102 of payroll net of commissions and including tax has been offered by Munich Re American

**ADOPTED:**

this day before the Governing Body

  
\_\_\_\_\_  
Chairperson

  
\_\_\_\_\_  
Secretary

1/30/15  
Date

1/30/15  
Date

**Resolution No. 9-15**

**New Jersey Utility Authorities Joint Insurance Fund  
(hereinafter the "Fund")**

**ESTABLISHING THE 2015 PLAN OF RISK MANAGEMENT**

**BE IT RESOLVED** by the Executive Committee that the 2015 Plan of Risk Management shall be:

- 1.) **The perils or liability to be insured against.**
  - a.) The Fund insures the following perils or liability:
    - Workers' Compensation** including Employer's Liability, USL&H and Harbor Marine/Jones Act.
    - General Liability** including disinfecting agents release.
    - Automobile Liability** including PIP and Uninsured/Underinsured Coverage.
    - Property** including Boiler and Machinery.
    - Automobile Physical Damage** - Comprehensive and Collision
    - Blanket Crime** including public employee dishonesty; forgery or alteration; theft, disappearance and destruction; robbery and safe burglary; and computer fraud with funds transfer.
  - b.) The following coverage's are provided to the Fund's member local units by the Fund's membership in the Municipal Excess Liability Joint Insurance Fund (i.e. MEL).
    - Excess Workers' Compensation**
    - Excess General Liability**
    - Excess Auto Liability**
  - c.) **Environmental Impairment Liability** Coverage is provided to the Fund's member local units by the Fund's membership in the New Jersey Municipal Environmental Risk Management Fund (i.e. E-JIF.)

2.) **The limits of coverage.**

a.) **Workers' Compensation limits.**

The Fund covers \$300,000 CSL.

a.) **Workers' Compensation limits.**

The Fund covers \$300,000 CSL.

The MEL covers excess claims to the following limits.

Workers' Compensation - statutory

Employer's Liability - \$6,700,000 excess of the Fund's \$300,000

USL&H – Included in workers Compensation

Harbor Marine/Jones Act - Included in employers liability

Incidental Foreign Workers Compensation - included

Communicable Disease Coverage - included

b.) **General Liability limits.**

The Fund covers \$300,000 CSL.

The MEL covers excess liability as follows:

General Liability - \$700,000 CSL excess the Fund's \$300,000. The \$10 million excess \$1 million layer is subject to a \$10 million per authority annual aggregate limit

The Fund purchases excess liability from Munich Re America as follows:

General Liability - \$10,000,000 per occurrence excess the JIF & MEL limit of \$1,000,000. The \$10 million excess \$1 million layer is subject to \$10 million any one occurrence, per member authority; a \$10 million annual aggregate, per member authority and a maximum group limit of \$40,000,000 any one occurrence.

Employee Benefits Liability - included in the Liability limits.

c.) **Automobile Liability.**

The Fund covers \$300,000 CSL for Bodily Injury Liability, Property Damage Liability and PIP.

The Fund covers \$15,000/\$30,000/\$5,000 for Underinsured/ Uninsured Motorists Liability.

The MEL covers Automobile bodily injury and Property Damage Liability claims \$700,000 CSL excess of the Fund's \$300,000 CSL limit.

The Fund purchases Automobile bodily injury and Property Damage Liability limits of \$10,000,000 CSL excess of the JIF & MEL \$1,000,000 CSL limit from Munich Re America.

The MEL does not provide excess Uninsured/Underinsured Motorist Coverage.

d.) The JIF provides a limit of \$50,000 less the member entity deductible of \$1,000. Coverage includes Public Employee Dishonesty, Forgery and Alteration, Theft, Disappearance and Destruction, Robbery and Safe Burglary, Computer Fraud with Funds Transfer. The MEL provides it's member JIF's excess **public employees coverage** at limits of \$1,000,000 less the member JIF's retention of \$50,000 for Public Employee Dishonesty.

e.) Public Officials Liability. (POL)

The JIF, 100% commercially insured with XL Insurance, covers \$2,000,000 in the aggregate on a claims made basis per member municipality for each Fund year subject to a deductible and coinsurance as outlined below. There is a combined POL/EPL \$2,000,000 per member local unit annual aggregate.

\$20,000 deductible per occurrence, except that a \$75,000 deductible per occurrence applies for member local units with unfavorable loss experience

20% coinsurance of the first \$250,000 of the loss

NOTE: Member local units that qualify based on certain criteria to have options to purchase a lower deductible and coinsurance contribution. New members with adverse loss experience may be subject to higher deductible and coinsurance as provided by XL.

f.) Employment Practices Liability (EPL)

The JIF, 100% commercially insured with XL Insurance, covers \$2,000,000 in the aggregate on a claims made basis per member municipality for each Fund year subject to a deductible and coinsurance as outlined below. There is a combined POL/EPL \$2,000,000 per member local unit annual aggregate.

For member local units with approved EPL Loss Control/Risk Management Programs:

\$20,000 deductible per occurrence, except that a \$75,000 deductible per occurrence applies for member local units with unfavorable loss experience.

20% coinsurance of the first \$250,000 of the loss



- For member local units without approved EPL Loss Control/Risk Management Programs:

\$100,000 deductible per occurrence, except that a \$150,000 deductible per occurrence applies for member local units with unfavorable loss experience.

20% coinsurance (no cap) 1st \$2 million (not imposed against optional limits).

NOTE: Member local units that qualify based on certain criteria have options to purchase a lower deductible and coinsurance contribution. New members with adverse loss experience may be subject to higher deductible and coinsurance as provided by XL.

The Fund purchases \$3,000,000 excess of the MEL's \$2,000,000 from Munich Re America. There is a combined POL/EPL \$3 million each claim, per member authority; a \$3 million annual aggregate, per member authority and a maximum group limit of \$6,000,000 per claim.

- f.) **Property - Property, Automobile Physical Damage, Contractors Equipment & Boiler and Machinery Coverages – For the period of January 01, 2015 through January 01, 2016**

□ **Limits of Liability** \$150,000,000 per occurrence  
 All property losses are subject to a \$1,000 deductible except where otherwise noted

**Property Limit:**

Property limit per occurrence	\$150,000,000
Boiler and Machinery Coverage	\$150,000,000
Authority Deductible	\$ 1,000
Underground & Outfall Pipe	\$ 100,000
Authority Deductible on Wind Turbines	\$ 100,000
(member has option to buy down deductible to \$ 50,000 or \$25,000)	
Authority Deductible for Gas Turbines & their objects:	
- \$10 per KW Hour with minimum of \$25,000	
Authority Deductible for all (ICE) Internal Combustion Engines/Generators used for the generation of power (other than emergency use):	
Property Damage Deductible	\$ 50,000
Business Income Deductible	\$ 48 Hours
All Hydro Turbines and their associated equipment	\$ 100,000
BI Deductible for All Gas, Wind or Hydro Turbines	30 Days

**Policy Sub-Limits:**

Per Occurrence

Earth Movement (annual aggregate)	\$100,000,000
Flood Excluding Zones A&V (annual aggregate)	\$ 20,000,000
Flood - Zone B; Zone X Shaded or Zone X-500	\$ 10,000,000
Business Income (when specifically endorsed)	\$ 2,500,000
Business Income (when NOT specifically endorsed)	\$ 250,000
Auto Physical Damage	\$ 58,677,455
Mobile equipment	\$ 5,000,000
Debris Removal	\$ 5,000,000

Underground Piping (\$100,000 Deductible)	\$ 5,000,000
Outfall Piping (\$100,000 Deductible)	\$ 5,000,000
Ordinance or Law:	
Undamaged Portion of Building:	INCLUDED
Demolition Cost & Increased Cost of Construction	\$ 10,000,000
Extra Expense	\$ 20,000,000
Newly Acquired Property (180 days reporting)	\$ 5,000,000
Property in Course of Construction	\$ 5,000,000
Miscellaneous Unnamed Location	\$ 5,000,000
Valuable Papers	\$ 10,000,000
Accounts Receivable	\$ 10,000,000
EDP/Media Extra Expense (Prop & Boiler-Combined)	\$ 2,500,000
Property in Transit	\$ 2,500,000
Leasehold Interest	\$ 1,000,000

**Boiler & Machinery Sub-limits:**

Expediting Expense	\$1,000,000
Water Damage	\$1,000,000
Hazardous Waste/Substances	\$1,000,000
Ammonia Contamination	\$1,000,000
Off Premises Service Interruption	\$2,500,000
Consequential Damage (Spoilage)	\$1,000,000
Perishable Goods/Spoilage	\$1,000,000
CFC Refrigerants	\$Policy Limit
EDP/Media (Prop & Boiler-Combined)	\$Policy Limit
Debris Removal	\$5,000,000
Demo/ICC	Follows the Property Limit of \$10,000,000
Extra Expense	Follows the Property Limit of \$20,000,000

\*\* There is no Flood coverage inside any Flood Zone "A" & "V", and the sub-limit for Zone B and Zone Shaded X is \$10,000,000 per occurrence and annual aggregate.

- g) **Excess Public Employees Bond** - The MEL provides its member JIFs' excess public employees bond coverage limits of \$1,000,000 less the member JIF's retention of \$50,000.
- h) **Excess Public Officials Bond** - The MEL provides excess employee dishonesty and faithful performance coverage (statutory positions only) for those employed positions which are required by law to be individually bonded and where they have not applied and have not been approved for coverage under the MELJIF Statutory Position Program at a limit of \$1,000,000 less a member local units' deductible -(which is the higher of the following:

The amount said persons are required by Law to be individually bonded whether or not such individual Bond is in place. OR  
The amount of the individual Bond in place.

Each member is required to continue to purchase via the commercial market individual bonds providing primary coverage up to "at least the minimum limit

required by law” for those employed positions required by law to be individually bonded.

- i.) **Environmental Impairment Liability** - The limits of liability as established in the E-JIF's Plan of Risk Management and coverage documents.
  - j. **Cyber Liability** – The JIF, 100% commercially insured with XL Insurance, provides Third Party coverage including Media Communication, Network Security Liability and Privacy Liability and First Party coverage including Extortion Threat, Crisis Management Expenses and Privacy Notification Costs. The JIF limits of liability are \$1,000,000 each/\$3,000,000 policy aggregate. The limits are JIF wide and shared amongst member local units of the JIF. There is a \$500,000 sub-limit each for (1) Privacy Notification Costs, (2) Regulatory Fines/Claims Expenses for Privacy Liability, (3) Extortion Damages for Extortion Threat and (4) Crisis Management Expenses. There is a \$10,000 policy deductible.
- 3.) **The amount of risk to be retained by the Fund.**
- a.) Workers' Compensation (all coverage's) - \$300,000 CSL
  - b.) General Liability (all coverage's) - \$300,000 CSL
  - c.) Automobile Liability
    - PD & BI - \$300,000 CSL
    - Underinsured/Uninsured - \$15,000/\$30,000/\$5,000 CSL
    - PIP - \$250,000 CSL
  - d.) Public Officials Liability - – none 100% commercially insured with XL Insurance.
  - e.) Employment Practices Liability- – none 100% commercially insured with XL Insurance.
  - f.) Property \$25,000 less standard member deductible
  - g.) Auto Physical Damage \$10,000 each auto/each claim, for Comprehensive and \$10,000 each auto/each claim for Collision, less standard member deductible
  - h.) Monies and Securities
    - Faithful Performance and Employment Dishonesty- \$50,000 less member deductible.
    - Other- \$25,000 less standard member deductible.
  - i) Residual Claims Liability - none other than the risk of a RCF assessment.
  - j) Environmental Impairment Liability - none other than the risk of a E-JIF assessment.

- k) Optional Individual Self-Insured Retentions/Deductibles – Passaic Valley Water Commission has an individual \$250,000 CSL occurrence SIR for Auto and General Liability; the Fund insures the \$50,000 excess of \$250,000 Layer. Additionally, Passaic Valley Water Commission has \$5,000 deductible for property and a \$500,000 SIR for workers compensation. For workers' compensation, the Fund insures the \$100,000 excess of the \$500,000 SIR. The North Bergen MUA and the Plainfield MUA have a \$25,000 deductible for workers' compensation with the Fund providing an aggregate.
- l) Cyber Liability – none 100% commercially insured with XL Insurance

4.) **The amount of unpaid claims to be established.**

- a.) The general reserving philosophy is to set reserves based upon the probable total cost of the claim at the time of conclusion. Historically, on claims aged eighteen (18) months, the Fund expects the claims servicing company to set reserves at 85% accuracy. The Fund also establishes reserves recommended by the Fund's actuary for claims that have been incurred but not yet reported so that the Fund has adequate reserves to pay all claims and allocated loss adjusted expense liability.
- b.) Claims reserves are subject to regular review by the Fund's Executive Director/Administrator, Attorney, Executive Committee and claims servicing company. Reserves on large or unusual claims are also subject to review by the claims departments of the commercial insurance companies or reinsurance companies providing primary or excess coverage's to the Fund.

5.) **The method of assessing contributions to be paid by each member of the Fund.**

- a.) By November 15th of each year, the actuary computes the probable net cost for the upcoming Fund year by line of coverage and for each prior Fund year. The actuary includes all budget items in these computations. The annual assessment of each participating authority is its pro rata share of the probable net cost of the upcoming Fund year for each line of coverage as computed by the actuary.
- b.) The calculation of pro rata shares is based on each authority's experience modified manual premium for that line of coverage. The Fund's governing body also adopts a capping formula which limits the increase of any member's assessment from the preceding year to the Fund wide average increase plus a percentage selected by the governing body. The total amount of each member's annual assessment is certified by majority vote of the Fund's governing body at least one (1) month prior to the beginning of the next fiscal year.
- c.) The treasurer deposits each member's assessment into the appropriate accounts, including the administrative account, and the claim or loss retention trust fund account by Fund year for each type of coverage in which the member participates.
- d.) If a local unit becomes a member of the Fund or elects to participate in a line of coverage after the start of the Fund year, such participant's assessments and

supplement assessments are reduced in proportion to that part of the year which had elapsed.

- c.) The Fund's governing body may by majority vote levy upon the participating authorities additional assessments wherever needed or so ordered by the Commissioner of Insurance to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations. All supplemental assessments are charged to the participating authorities by applicable Fund year, and shall be apportioned by the year's assessments for that line of coverage.
- f.) Should any member fail or refuse to pay its assessments or supplemental assessments, or should the Fund fail to assess funds required to meet its obligations, the chairman or in the event by his or her failure to do so, the custodian of the Fund's assets, shall notify the Commissioner of Insurance and the Director of Community Affairs. Past due assessments shall bear interest at the rate established annually by the Fund's governing body.

6.) **Procedures governing loss adjustment and legal expenses.**

- a.) The Fund engages a claims service company to handle all claims except for the JIF's POL/EPL insurance which is handled by Summit Risk Services representing XL Insurance. The performance of the claims adjusters is monitored and periodically audited by the Executive Director's office, the Fund attorney, the MEL's attorney's office, the claims department of the MEL and/or the NJUA JIF major reinsurers, C.N.A. for excess property, Munich Re America for excess liability and excess pol/epl (JIF), as well as, Safety National for workers' compensation - MEL). Every three years, the MEL's internal auditors also conduct an audit.
- b.) Each member local unit is provided with a claims reporting procedure and appropriate forms.
- c.) In order to control workers' compensation medical costs, the Fund has engaged a managed care organization (MCO) whose procedures are integrated into the Fund's claims process.
- d.) To provide for quality defense and control costs, the Fund has established an approved defense attorney panel with firms which specialize in Title 59 matters. The performance of the defense attorneys is overseen by the Fund attorney, as well as the various firms which audit the claims adjusters.

7.) **Coverage to be purchased from a commercial insurer, if any.**

The Fund purchases Property; Boiler & Machinery Systems Breakdown; and Automobile Physical Damage insurance from Continental Casualty Insurance Company (C.N.A), primary Public Officials/Employment Practices Liability from XL Insurance and Cyber Liability from XL Insurance.

8.) **Reinsurance to be purchased.**

The Fund purchases Excess General Liability; Excess Automobile Liability and Excess Public Officials/Employment Practices Liability from Munich Re America.

9.) **Procedures for the closure of Fund years, including the maintenance of all relevant accounting records.**

- a.) The Fund will utilize the Municipal Excess Liability Residual Claims Fund (RCF) to facilitate the closure of Fund years.
- b.) Upon the transfer of outstanding liabilities of a Fund year to the RCF, the Fund adopts a resolution closing that year and transfers all remaining assets to the closed Fund year account. This amount is allocated by member local units using the same procedure as is used to calculate a dividend. Each month, interest is credited to the closed Fund year account by member.
- c.) Each year, the Fund's governing body will determine if a dividend is appropriate from the closed Fund year account, and will make application to the Department of Insurance as appropriate. Further, in the event an open Fund year incurs a deficit, the Fund's governing body will consider an inter-year transfer from the closed Fund year account to offset the deficit. In either case, the dividend or inter-Fund year transfer will be calculated on a member by member basis.
- d.) A member may apply to the Fund's governing body for a return of that member's remaining share of the closed Fund year account when five (5) years have passed since the last Fund year in which the member participated has been closed. The Fund's governing body will decide on the former member's request after evaluating the likelihood of any additional assessments from the RCF.
- e.) All dividends from the RCF will be deposited in the closed Fund year account on a member by member basis.
- f.) The Fund will retain all records in accordance with the Fund's record retention program.

10) **Assumptions and Methodology used for the calculation of appropriate reserves requirements to be established and administered in accordance with sound actuarial principles.**

- a.) The general approach in estimating the loss reserves of the Fund is to project ultimate losses for each Fund year using paid and incurred loss data. Two traditional actuarial methodologies are used: the paid loss development method and the incurred loss development method. From the two different indications resulting from these methods the Fund Actuary chooses a "select" estimate of ultimate losses. Subtraction of the paid losses from the select ultimate losses yields the loss reserve liability or funding requirement.
- b.) The following is an overview of the two actuarial methods used to project the ultimate losses.

- Paid Loss Development Method - This method uses historical accident year paid loss patterns to project ultimate losses for each accident year. Because this method does not use case reserve data, estimates from it are not affected by changes in case reserving practices. However, the results of this method are sensitive to changes in the rate of which claims are settled and losses are paid, and may underestimate ultimate losses if provisions are not included for very large open claims.
- Case Incurred Loss Development Method - This method is similar to the paid loss development method except it uses historical case incurred loss patterns (paid plus case outstanding reserves) to estimate ultimate losses. Because the data used includes case reserve estimates, the results from this method may be affected by changes in case reserve adequacy.

11.) The maximum amount a certifying and approving officer may approve pursuant to N.J.A.C. 11:15-2.22.

- \$10,000

With the advance approval of the Fund Attorney, the certifying and approving officer may also pay provider bills if waiting until after the next regularly scheduled FUND meeting would result in the loss of a discount on such bills. When the certifying and approving officer utilizes this authority, a report shall be made to the Commissioners at their next meeting.

ADOPTED:

this day before the Governing Body

  
 \_\_\_\_\_  
 Chairperson

1/30/15  
 \_\_\_\_\_  
 Date

  
 \_\_\_\_\_  
 Secretary

1/30/15  
 \_\_\_\_\_  
 Date

**NEW JERSEY UTILITY AUTHORITY JOINT INSURANCE FUND  
BILLS LIST**

**Resolution No. 10-15**

**JANUARY 2015**

**WHEREAS**, the Treasurer has certified that funding is available to pay the following bills:

**BE IT RESOLVED** that the New Jersey Utility Authority Joint Insurance Fund's Executive Board, hereby authorizes the Fund treasurer to issue warrants in payment of the following claims; and

**FURTHER**, that this authorization shall be made a permanent part of the records of the Fund.

**FUND YEAR 2012**

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
008582			
008582	BBIG INC.	RMC FEE 2012 - BUENA MUA	3,281.71
			<b>3,281.71</b>
		Total Payments FY 2012	3,281.71

**FUND YEAR 2013**

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
008583			
008583	QUAL-LYNX	OVERAGES - 2013	8,359.93
			<b>8,359.93</b>
008584			
008584	BBIG INC.	RMC FEE 2013 - BUENA MUA	3,408.08
			<b>3,408.08</b>
		Total Payments FY 2013	11,768.01

**FUND YEAR 2014**

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
008585			
008585	PERMA	POSTAGE FEE 12/2014	548.44
			<b>548.44</b>
008586			
008586	BERRY,SAHRADNIK,KOTZAS& BENSON	LITIGATION MANAGEMENT - 12/31/2014	1,484.60
008586	BERRY,SAHRADNIK,KOTZAS& BENSON	LITIGATION MANAGEMENT - 11/30/2014	2,014.14
008586	BERRY,SAHRADNIK,KOTZAS& BENSON	LITIGATION MANAGEMENT - 11/30/2014	829.26
			<b>4,328.00</b>
008587			
008587	JEROME CEVETELLO	MEETING ATTENDANCE 4TH QTR 2014	300.00
			<b>300.00</b>
008588			
008588	JUSTIN FLANCBAUM	MEETING ATTENDANCE 4TH QTR 2014	150.00
			<b>150.00</b>
008589			
008589	FRANK PESTANA	MEETING ATTENDANCE 4TH QTR 2014	450.00
			<b>450.00</b>
008590			
008590	BRIAN BIGLER	MEETING ATTENDANCE 4TH QTR 2014	300.00
			<b>300.00</b>
008591			
008591	TAMMY FETHERMAN	MEETING ATTENDANCE 4TH QTR 2014	450.00
			<b>450.00</b>



008592				
008592	RENO B WILKINS	MEETING ATTENDANCE 4TH QTR 2014	450.00	
			<b>450.00</b>	
008593				
008593	ALLSTATE INFORMATION MANAGEMINT	DEPT: 412 - ACT & STOR -12/31/14	45.98	
008593	ALLSTATE INFORMATION MANAGEMINT	DEPT: 412 - ACT & STOR -11/30/14	45.98	
			<b>91.96</b>	
008594				
008594	NANCY'S MID-TOWN CAFE	MEETING - 12/17/14 - WEDNESDAY	236.00	
			<b>236.00</b>	
008595				
008595	BERNARD RUTKOWSKI	MEETING ATTENDANCE 4TH QTR 2014	450.00	
			<b>450.00</b>	
008596				
008596	ALLIED RISK MGMT. SERVICES	RMC FEE 2ND 2014 BAYONNE MUA	1,567.09	
			<b>1,567.09</b>	
008597				
008597	BBIG INC.	RMC FEE 2014 - BUENA MUA	3,488.14	
			<b>3,488.14</b>	
008598				
008598	CAPE MAY COUNTY M.U.A.	MEETING ATTENDANCE 4TH QTR 2014	300.00	
			<b>300.00</b>	
008599				
008599	JEFF ROLLINS	EXEC. SAFETY COMMITTEE LUNCHEON 12/18/14	240.75	
			<b>240.75</b>	
008600				
008600	MICHAEL GIANFORTE	MEETING ATTENDANCE 4TH QTR 2014	450.00	
			<b>450.00</b>	
008601				
008601	MANASQUAN RIVER REG'L SA	REIMBURSE SAFETY COMMITTEE REFRESHMENTS	64.13	
			<b>64.13</b>	
		Total Payments FY 2014	13,864.51	

**FUND YEAR 2015**

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
008602			
008602	CAPACITY COVERAGE CO. OF N.J.	PROPERTY - 2015	1,956,220.49
008602	CAPACITY COVERAGE CO. OF N.J.	AUTOMOBILE PHYSICAL DAMAGE 2015	185,950.61
			<b>2,142,171.10</b>
008603			
008603	MUNICIPAL EXCESS LIABILITY JIF	FAITHFUL PERFORMANCE BONS 1ST QTR 2015	3,337.16
			<b>3,337.16</b>
008604			
008604	MUNICIPAL EXCESS LIABILITY JIF	MEL LIABILITY 1ST QTR 2015	71,835.36
			<b>71,835.36</b>
008605			
008605	CAPACITY COVERAGE CO. OF N.J.	POL/EPL INSTALL 1 OF 2 2015	64,930.00
008605	CAPACITY COVERAGE CO. OF N.J.	LIABILITY INSTALL 1 OF 2 2015	318,283.00
			<b>383,213.00</b>
008606			
008606	MUNICIPAL EXCESS LIABILITY JIF	MEL WC 1ST QTR 2015	155,375.57
			<b>155,375.57</b>
008607			
008607	QUALCARE, INC.	MANAGED CARE SERVICES - 01/2015	8,174.97

			8,174.97
008608			
008608	N.J. ENVIRONMENTAL RISK MGMT.	IJIF 1ST INSTALLMENT 2015	187,980.87
			<b>187,980.87</b>
008609			
008609	QUAL-LYNX	CLAIMS ADMIN - 01/2015	14,644.68
			<b>14,644.68</b>
008610			
008610	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES 01/2015	12,777.31
			<b>12,777.31</b>
008611			
008611	PERMA	EXECUTIVE DIRECTOR - 01/2015	21,784.84
			<b>21,784.84</b>
008612			
008612	THE ACTUARIAL ADVANTAGE	ACTUARY FEE 01/2015	2,649.27
			<b>2,649.27</b>
008613			
008613	BERRY, SAHRADNIK, KOTZAS & BENSON	ATTORNEY FEE 01/2015	1,580.40
			<b>1,580.40</b>
008614			
008614	STUART NEUHOF	TREASURER FEE 01/2015	1,665.50
			<b>1,665.50</b>
008615			
008615	CAPACITY COVERAGE CO. OF N.J.	UNDERWRITING MANAGER - 01/2015	6,640.50
			<b>6,640.50</b>
008616			
008616	MUNICIPAL EXCESS LIABILITY JIF	MEL MSI 1ST QTR 2015	12,380.76
			<b>12,380.76</b>
008617			
008617	CONNER STRONG & BUCKELEW	AUTOMOBILE ID CARDS - RENEWAL 2015	154.83
			<b>154.83</b>
		Total Payments FY 2015	3,026,366.12

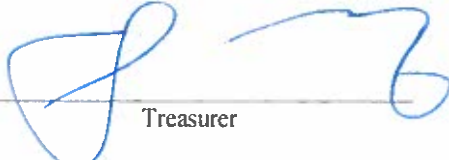
**TOTAL PAYMENTS ALL FUND YEARS \$ 3,055,280.35**

  
 \_\_\_\_\_  
 Chairperson

Attest:   
 \_\_\_\_\_

Dated: 1/30/15

I hereby certify the availability of sufficient unencumbered funds in the proper accounts to fully pay the above claims.

  
 \_\_\_\_\_  
 Treasurer