

**NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND  
OPEN MINUTES  
JULY 27, 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	Absent
Robert Burner	Cape May County MUA	Present
Frank Pestana	North Bergen MUA	Present
Bernie Rutkowski	Toms River MUA	Present

**EXECUTIVE COMMITTEE ALTERNATES:**

Justin Flancaum, Alt #1	Lakewood MUA	Present
Thomas Horn, Alt #2	Lambertville MUA	Absent
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 <b>Cathleen Kiernan</b>
Attorney	Berry, Sahradnik, Kotzas & Benson, P.C. <b>Robert Budes</b>
Auditor	Nisivoccia
Claims Service	Qual-Lynx <b>Kathleen Kissane</b>
Safety Director	JA Montgomery Risk Control <b>Joanne Hall</b>
Managed Care	QualCare <b>Donna Setzer</b>
Underwriting Manager	Capacity Coverage

**Jon Ziman**

Treasurer

**Stuart Neuhof**

**FUND COMMISSIONERS AND ALTERNATES PRESENT:**

Ivy Robinson, Plainfield MUA  
Jim Diaz, Jackson Township MUA  
Keri DiMatteo, Brick Township MUA

**ALSO PRESENT:**

Michael Avalone, Conner Strong & Buckelew  
Amy Pieroni, NAIMC  
George Crosby, Business Governmental Insurance Agency  
Charles Casagrande, Danskin Insurance Agency  
Art Caughlan, Nelson-Patterson Agency  
Brian Monaghan, Insurance Agency Management  
Kathy Young, Alamo Insurance  
Joseph Hrubash, PERMA Risk Management  
Bradford Stokes, PERMA Risk Management  
Karen A. Read, PERMA Risk Management

**APPROVAL OF MINUTES:** June 22, 2016 Open Minutes.

**MOTION TO APPROVE JUNE 22, 2016 OPEN MINUTES.**

Moved:	Commissioner Pestana
Second:	Commissioner Rutkowski
Vote:	Unanimous

**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 the Financial Fast Track through May 31st shows a statutory surplus of \$5 million. All Fund Years are in a positive position with the exception of 2016. Executive Director said the Lost Time Accident Frequency report thru June 30th shows the Fund's frequency is at 1.76 down from this time last year at this time - which was 1.8. Executive Director also highlighted the EPL Compliance report identifying each members EPL Compliance, deductible and co-pay.

In response to Chairman Gianforte, Executive Director said generally when we are looking at our Financial Fast Track it usually improves over the last month but the change is really a result of modifications being made to monthly IBNR factors provided by the Actuary. On a quarterly basis, Actuary reviews the JIF's experience and establish an IBNR reserves; but the JIF uses a factor for the non-quarter months.

**ASSET MANAGER CONTRACT:** The NJUA JIF elected to participate in the Banking Services & Asset Management program that was bid by the MEL/RCF & EJIF. The MEL Fund Attorney negotiated with Wilmington Trust on a number of clauses in the Fund's professional service agreement and Wilmington's Account Management Agreement. The NJUA JIF adopted these revisions. The MEL Fund Attorney did additional negotiations on the "order of precedent". Enclosed in Appendix II is an addendum to reflect these further changes. Executive Director said they had put their account management agreement as the number one item in the order of precedent, should any clauses conflict – which was not the Fund's original intent. Wilmington Trust agreed to reset the order so that our standard provisions exhibit is the first in the order of precedent. Wilmington Trust had also greatly limited their responsibility in their account management agreement and they have now amended that agreement as well. Executive Director recommended the Executive Committee authorize the Chairman to execute the addendum to that contract.

**MOTION TO AUTHORIZE CHAIRMAN TO EXECUTE CONTRACT  
ADDENDUM TO THE ASSET MANAGER'S AGREEMENT BETWEEN THE  
NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND AND  
WILMINGTON TRUST:**

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

**EMPLOYMENT PRACTICES PROGRAM:** As a reminder changes to the 2017 POL/EPL Program are posted on the MEL's webpage – [www.njmel.org](http://www.njmel.org) which details changes to the MEL's Model Personnel Manual and information on training program requirements. Members have until October 1<sup>st</sup> to submit checklist to qualify and/or maintain deductible and co-pay incentives. Compliance includes updating Personnel Manuals, Training Managers & Supervisors and offering training to non-supervisory personnel.

Managers & Supervisor Trainings were scheduled in various authorities during April, May and June.

**2016 POLICY MEMBER MANUALS:** The Fund office is in the process of distributing the 2016 Policy Member Manuals to all Fund Commissioners and Risk Managers via email.

**2017 RENEWAL ONLINE UNDERWRITING DATABASE:** On June 20<sup>th</sup> members received an email from Exigis Riskworks notifying them the database is available for the 2017 underwriting renewal process. The deadline to submit schedules is August 15<sup>th</sup>.

**2017 MEMBERSHIP RENEWALS:** Attached is a list of members scheduled to renew Fund membership by January 1, 2017. Membership renewal documents will be mailed to members following the meeting.

**SAFETY EXPO** – The 2<sup>nd</sup> of two NJUA Safety Expos has been schedule for September 30<sup>th</sup> at the Camden County Emergency Services Training Center. Enclosed is a copy of the registration information that has been emailed to all member authorities. To date only 38 employees have registered for the September Expo.

**TREASURER:**

**VOUCHER PAYMENTS (BILL LIST)**

2016 \$ 553,462.43

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

Closed:	\$ .00
2012:	\$ 2,074.99
2013:	\$ 6,008.59
2014:	\$ 31,210.13
2015:	\$227,729.35
2016	\$ 73,926.72
Total:	\$340,949.78

**MOTION TO APPRROVE JULY BILLS LIST, CONFIRM CLAIMS' PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS DURING MONTH OF JUNE 2016 CLAIMS AND ACCEPT TREASURER'S REPORT:**

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

Treasurer's Report Attached & Made Part of Minutes.

In response to Executive Director, Treasurer Stuart Neuhof said the investments are up since Investor's Bank is providing 65 basis points on their cash balances. To date, the Fund only transferred its existing investments to Wilmington Trust. They have not yet had the opportunity to do any other investments.

**MANAGED CARE:**

**MONTHLY REPORT:** Report submitted and reviewed by Ms. Setzer of Qual-Lynx.

Report Made Part of the Minutes.

**SAFETY DIRECTOR:**

**MONTHLY REPORT:** The Safety Director Joanne Hall reviewed report included in the agenda packet. Ms. Hall said we recently held an active shooter training at the Passaic Valley Water Commission. Edwin Moore from the NJ Office of Homeland Security conducted the training and it was very well received. The mid year Safety Incentive Program is due. On August 18th we will have a training program on the attenuator with demonstration at Toms River. This training is for supervisors and the concerns from a supervisor's standpoint. In response to Commissioner Bigler, Joanne Hall said the Active Shooter currently is not a requirement in the safety manual but from what Mr. Moore said at the training, every facility should have a plan. Ms. Hall said it would be good for us to follow their plan. It is mandatory that all State employees be trained. Safety Director discussed the new training hubs that will be held throughout the state, where members can take training on different topics that are being offered in a groups of three classes per hub.

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 Bigler
Second:	Commissioner Flancbaum
Vote:	Unanimous

Commissioner Bigler recused himself and left the room for the Fetherman – Lacey MUA PAR discussion.

**MOTION TO RE-OPEN MEETING:**

Moved:	Commissioner Pestana
Second:	Commissioner Bigler
Vote:	Unanimous

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

Moved:	Commissioner Pestana
Second:	Commissioner Burner
Roll Call Vote:	6 Ayes, 0 Nays, 1 Abstain (Commissioner Bigler)

**MOTION TO ADJOURN:**

Moved:	Commissioner Burner
Second:	Commissioner Flancbaum
Vote:	Unanimous

**MEETING ADJOURNED: 11:23 am**  
**NEXT REGULAR MEETING: August 24, 2016**  
Karen A. Read, Assisting Secretary

For  
Robert Fischer, SECRETARY  
**Date Prepared: - August 16, 2016**