

**NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND  
OPEN MINUTES  
APRIL 23, 2014  
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** – Commissioner Bigler led Commissioners in the Pledge of Allegiance

**ROLL CALL OF 2013 EXECUTIVE COMMITTEE:**

Brian Bigler, Chairman	Secaucus MUA	Present
Jerome Cevetello, Secretary	Manasquan River Reg'l. Sewerage Authority	Present
Tammy Fetherman	Lacey MUA	Present
David Johnson	Little Egg Harbor MUA	Present
Richard Cranmer	Readington-Lebanon Sewerage Authority	Present
Michael Gianforte	Two Rivers Water Reclamation Authority	Present
Robert Fischer	Bayshore Regional SA	Present

**EXECUTIVE COMMITTEE ALTERNATES:**

Robert Burner, Alt #1	Cape May County MUA	Present
Frank Pastena, Alt #2	North Bergen MUA	Present
Reno Wilkins, Alt #3	Plainfield Municipal Utilities Authority	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>Don Kellerman</b>
Safety Director	JA Montgomery Risk Control
Managed Care	QualCare <b>Donna Setzer</b>
Underwriting Manager	Capacity Coverage <b>Jon Ziman</b>

Treasurer

**Stuart Neuhof**

**FUND COMMISSIONERS AND ALTERNATES PRESENT:**

Bruce Miller, Raritan Township MUA  
Joseph Rizzuto, Mount Holly MUA  
Thomas Horn, Lambertville MUA  
Robert Smith, Western Monmouth UA  
Nancy Elmeaze, Riverside SA

**ALSO PRESENT:**

Michael Avalone, Conner Strong & Buckelew  
Patti Fahy, NAIMC  
Charles Casagrande, Danskin Insurance Agency, Inc.  
Mary Ann Costabile, Rue Insurance  
Donna Waters, Barclay Group  
Larry Graham, Fairview Insurance  
Bradford Stokes, PERMA Risk Management  
Karen A. Read, PERMA Risk Management

**APPROVAL OF MINUTES:** March 26, 2014 Open & Closed Minutes.

**MOTION TO APPROVE MARCH 26, 2014 OPEN & CLOSED MINUTES  
AS AMENDED.**

Moved:	Commissioner Johnson
Second:	Commissioner Cevetello
Vote:	6 Ayes, 0 Nays, 1 Abstain – Robert Fischer

**CORRESPONDENCE:** NONE

**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 through the end of February, the statutory surplus stands at \$6.7 million. Executive Director said several claims in 2013 had increased reserves. Executive Director said the Expected Loss Ratio Analysis shows that the JIF is at or below the actuarial target on all years but fund year 2014. The weather in December of 2013 and January, February & March of 2014 resulted in a much larger amount of claims in all lines of coverage. This experience is being seen in the JIFs throughout the state.

To illustrate, Executive Director said on the Claims Activity Report this time last year, there were 25 reported workers' comp claims; in 2014, 62 workers' compensation claims have been reported. At 3.57, the NJUA JIF has the highest lost time accident frequency through three months. This time last year, the Fund's frequency was .59 this time last year.

Executive Director reviewed the EPL Compliance Report and said member should make sure that in the checklist column your authority has a yes and if not we receive your checklist by the end of May. At this point in time we are starting to get more checklists and we will follow up with the authorities that have not done so yet.

**ELECTED OFFICIALS TRAINING SEMINARS** – As a reminder, Executive Director said as a reminder the MEL placed an on-line version on njmel.org to supplement live presentations of this year's Elected Officials seminar. To date, approximately 375 MEL member officials have already used this option. The initial deadline was May 1<sup>st</sup> as originally communicated but we will give credit anyone that takes the online training through May 31<sup>st</sup>. The second installments have already been billed so the credit will go on next year's billing. Instructions to access the program distributed for information and can also be found on the website.

Executive Director said XL has not officially extended or given a new date for a deadline but they have indicated that checklists received during the month of May will be considered having met the deadline. If your checklist is not submitted, deductible will increase to \$100,000 and the co-insurance provision will be capped at \$2,000,000. Executive Director urged everyone to have their checklists returned.

**NJ DOBI EDUCATIONAL SEMINAR** – Executive Director distributed a copy of the announcement and registration form for an educational seminar on the role of the Banking & Insurance Department in Helping NJ Government. Executive Director so far we have 100 people registered to attend.

**FINANCIAL DISCLOSURE FORM** – The Division of Local Government Services has contacted the Fund Office concerning the development of Fund Commissioner rosters for each of the JIFs. We have not yet heard back with instructions on how to develop the roster for the on-line filing. Executive Director said a list will be emailed to members to make sure we have your name spelled properly before submitting the roster.

**SAFETY COMMITTEE** – A memorandum submitted from the Chairman of the NJUA Safety Committee asking for the Executive Committee's support in encouraging member participation in Safety Committee sub-committees and member support for Safety Coordinator efforts. Executive Director said the Safety Committee would like the Board to consider communicating the importance and value of Safety Committee participation to member authorities. Executive Director said the NJUA Safety Committee has been very productive since the Fund's inception and, in particular, noted the success of its Annual Safety Exposition led to the creation of the MEL Safety Institute.

Executive Director will work with Chairman Bigler to draft a letter to send to all members.

**BANKING CONTRACT** – Executive Director said TD Bank issued a renewal contract for banking services to the Fund to execute. The Fund Attorney reviewed the form in 2013 (unchanged for 2014) and said it was appropriate and acceptable for the Fund to execute the agreement, which is included in Appendix III. Enclosed is Resolution 15-14 authorizing the Treasurer to execute bank contract. Attorney Budesca said he reviewed the contract last year and the contract this year is the same.

**MOTION TO ADOPT RESOLUTION 15-14 AUTHORIZING THE FUND TREASURER OR FUND CHAIRMAN TO EXECUTE BANKING CONTRACT WITH TD BANK**

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

**TREASURER:**

**RESOLUTION 16-14 VOUCHER PAYMENTS (BILL LIST)**

2013	\$	589.82
2014	\$	278,837.81

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

CLOSED	\$	.00
2010:	\$	70,750.11
2011:	\$	15,650.64
2012:	\$	22,664.84
2013:	\$	74,257.81
2014:	\$	58,283.07
Total:		\$241,606.47

**MOTION TO APPROVE APRIL BILLS LISTS, CONFIRM CLAIMS' PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS DURING MONTH OF MARCH 2014 CLAIMS AND ACCEPT TREASURER'S REPORT:**

Moved: Commissioner Gianforte  
Second: Commissioner Fetherman  
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 QualCare. Donna Setzer on page 48 there is a correction to the Intake Report. The injury was for a fractured finger and it stated no medical treatment but it was in fact an emergency room visit.

Report Made Part of the Minutes.

## **SAFETY DIRECTOR:**

**MONTHLY REPORT:** Monthly report submitted and reviewed. The 2013 Annual Report was included in Appendix IV of the agenda. Safety Director said she has noticed an increase in the Lost Time Accident Frequency. Safety Director said for all of 2013, there were 14 “focus claims”; through three months of 2014, there have already been 7. In response to Commissioner Gianforte, Executive Director said the Fund will review options to establish a focus process for claims that do not meet the current criteria to be a focus claim – but might benefit from some increase communications. Managed Care provider said her office could send emails to all JIF members on a monthly basis offering members the opportunity to review and/or discuss claims with the nurse case manager.

Safety Director said there was a Safety Committee meeting last week at Passaic Valley Water Commission with speakers from PEOSHA. Please be aware every five years PEOSHA reissues what they call their “targeted inspection list” and water and sewer has been added to this list as well as public works.

Executive Director said the Safety Committee is considering encouraging participation in a National Program called Stand Down for Safety. This program is where you take 15 minutes during the week of June 2nd – 6th to give a safety talk or some demonstration of safety and this year’s topic is fall prevention. Safety Director said the 20% of the Fund’s workers’ compensation claims are the result of slips and falls; the cost of these claims represent 31% of the total dollars. Safety Director’s office plans to work with Safety Committee to distribute information on tool box talks to share during this week and it would be a way to demonstrate commitment and to bring awareness to this significant loss source.

Report Made Part of Minutes.

**CLAIMS:** The claims report was for closed session.

**OLD BUSINESS:** NONE

**NEW BUSINESS:**

State Commissioner of Investigation: Chairman Bigler said the Secaucus MUA received an inquiry from the State Commission of Investigation requested a lot of documentation for all of our property, casualty, workers' compensation and health insurance policies for the last five years. Executive Director said this request has been issued to a number of entities throughout the state.

Qualified Purchasing Agents: Commissioner Fetherman said she will be attending a Pubic Purchasing Conference on April 30<sup>th</sup> and May 1st in Atlantic City. Ms. Fetherman handed out information to members that may have their QPA and need CEUs.

Property Appraisal: Executive Director said as update to the property appraisals – we are starting to get the Property appraisals reports in but we want to wait until we have all of the reports to schedule a Finance Committee to talk about the impact of it. Right now they are pretty close to the reported values. Executive Director said everyone will receive a copy of the their report.

**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 Johnson
Vote:	Unanimous

**MOTION TO RE-OPEN MEETING:**

Moved:	Commissioner Gianforte
Second:	Commissioner Fetherman
Vote:	Unanimous

**MOTION TO APPROVE PAYMENT AUTHORIZATION REQUESTS AND  
TABLE THE PINE HILL GENERAL LIABILITY CLAIM AS SUBMITTED:**

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

**MOTION TO ADJOURN:**

Moved:	Commissioner Cevetello
Second:	Commissioner Gianforte
Vote:	Unanimous

**MEETING ADJOURNED: 11:46am**  
**NEXT REGULAR MEETING: May 28 2014**

Karen A. Read, Assisting Secretary  
For

Jerome Cevetello, SECRETARY  
**Date Prepared: - May 15, 2014**