

**NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND
OPEN MINUTES
JUNE 25, 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 2014 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
Bernard Rutkowski, Alt #4	Toms River MUA	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 Don Kellerman, Amiee Guarglia
Safety Director	JA Montgomery Risk Control Joann Hall
Managed Care	QualCare Derryck Boyer
Underwriting Manager	Capacity Coverage Jon Ziman

Treasurer

Stuart Neuhof

FUND COMMISSIONERS AND ALTERNATES PRESENT:

Thomas Horn, Lambertville MUA
Justin Flancbaum, Lakewood MUA
Jim Diaz, Jackson Township MUA
Gary Vaccaro, Brick Township UA
Bruce Miller, Raritan Township MUA
Richard Brand, East Windsor MUA

ALSO PRESENT:

Michael Avalone, Conner Strong & Buckelew
Patti Fahy, NAIMC
Charles Casagrande, Danskin Insurance Agency, Inc.
Jeff Kurtz, Governmental Risk Management
Mary Ann Costabile, Rue Insurance
Kathy Young, Alamo Insurance
Michael McLaughlin, Marsh & McLennan
Bradford Stokes, PERMA Risk Management
Karen A. Read, PERMA Risk Management

OATH OF OFFICE – Fund Attorney administered the Oath of Office to Bernard Rutkowski, Executive Committee Alternate.

APPROVAL OF MINUTES: May 28, 2014 Open & Closed Minutes.

MOTION TO APPROVE MAY 28, 2014 OPEN & CLOSED MINUTES AS AMENDED.

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

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 April 30, 2014, the statutory surplus stands at \$6.4 million down from \$7.3 million as a result of our normal claim volume and winter claims. Executive Director said the Expected Loss Ratio Analysis through May 31, 2014 shows that the 2014 Fund Year is higher than actuarial targeted projections Executive Director said the Claims Activity Report

reflects some stabilizing of reported claims resulting from the winter. Lost Time Accident Frequency Reports reflects a frequency is at 3.02, which is one of the higher frequencies that we have had and this time last year we were at .94. Executive Director added that weather conditions were also a factor in December of 2013.

EMPLOYMENT PRACTICES PROGRAM – Executive Director said in order to maintain current deductibles and co-payment provisions, members were required to update their EPL Programs and submit the checklist to the Fund office. Attached is the status of NJUA JIF members.

Executive Director said all members of the NJUA have maintained their deductibles and co-pays; only one member does not have an approved employment practices program in place.

RCF REPORT – The Residual Claims Fund met on June 4, 2014 at the Forsgate Country Club. Chairman Bigler’s report was distributed for information.

The RCF Board voted to accept local member transfers of Fund year 2010 liabilities. Enclosed is Resolution #20-14 authorizing the transfer of the NJUF JIF’s Fund Year 2010 to the Residual Claims Fund. Assessments to local JIFs will be determined by the valuation as of June 30, 2014.

MOTION TO ADOPT RESOLUTION 20-14 AUTHORIZING THE TRANSFER OF FUND YEAR 2010 LIABILITIES TO THE RESIDUAL CLAIMS FUND

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

EJIF REPORT – The EJIF met on June 4, 2014 at the Forsgate Country Club. Commissioner Cevetello’s report was distributed for information. Report included a flyer on an EJIF seminar regarding compliance of environmental regulations typically encountered by municipalities and utility authorities. Administrators, Clerks, Plan Operators and DPW Directors are urged to attend. Notices were just emailed on an additional seminar date to be held on July 18th at 10am in the Wall Township Municipal Complex.

MEL REPORT – The MEL met on June 4, 2014 at the Forsgate Country Club. Commissioner Cevetello’s report was distributed for information

Executive Director said all three Funds have authorized the release of Request for Qualifications for 2015 – 2017 and are due back to the Fund office on July 15, 2014.

FINANCIAL DISCLOSURE FORM – Executive Director said the deadline to file the Financial Disclosure form was June 13, 2014. Individual PIN numbers were provided to Fund Commissioners. Perma followed up with members before and after the deadline. The second follow-up email was sent on Friday to all members that have not filed. Executive Director said

even though it is past the deadline you are still able to log onto the state website and complete the Financial Disclosure if you have not completed it yet.

2015 RENEWAL APPLICATIONS – ONLINE UNDERWRITING DATABASE – Executive Director said as previously reported, the MEL contracted with Exigis to develop an online underwriting database for members and/or their risk managers to add/amend schedules online thereby eliminating the annual paper Renewal Application process. Currently the MEL’s underwriting data is being uploaded to the online database and will be reviewed for accuracy.

Attached in the agenda is a copy of the notice announcing the seminar schedule for Exigis to introduce and train members on the program. Executive Director said after this meeting today Exigis will be here to introduce the program and give a presentation and teach you how to use it.

MEMBERSHIP - Executive Director said the Fund received an inquiry on behalf of the Jersey City Incinerator Authority asking if the NJUA JIF would consider an application from the authority. Since the Authority is not a sewer or water utility, Executive Director suggested the committee discuss before completing a membership review. The JCIA is responsible for providing an array of standard and emergency services such as the Collection and Disposal of Residential Solid Waste and Recycling Materials, Property Maintenance, Graffiti Removal, Mechanical Street Sweeping, Demolition, Environmental Compliance, Community and Private Container Services, Snow Plowing and Removal, the Car Pound and Environmental Education Services. JCIA would be assuming a \$500,000 retention for workers’ compensation.

Matter discussed further in Executive Session.

TREASURER:

RESOLUTION 21-14 VOUCHER PAYMENTS (BILL LIST)

2013	\$ 20,086.00
2014	\$ 355,087.79

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

CLOSED	\$.00
2010:	\$ 8,222.84
2011:	\$ 7,981.91
2012:	\$ 27,427.25
2013:	\$ 67,450.40
2014:	\$267,648.20
Total:	\$378,730.60

MOTION TO APPROVE JUNE BILLS LISTS, CONFIRM CLAIMS' PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS DURING MONTH OF MAY 2014 CLAIMS AND ACCEPT TREASURER’S REPORT:

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

Treasurer's Report Attached & Made Part of Minutes.

Executive Director said the MEL's Investment Committee met and discussed a program that MEL's Pooled Investment Program. Once the MEL drafts participation guidelines, material will be distributed to affiliated JIFs. The MEL hopes to have the program operational by October 1st.

ATTORNEY: NONE

MANAGED CARE:

MONTHLY REPORT: Report submitted and reviewed by Derryck Boyer of QualCare.

Report Made Part of the Minutes.

SAFETY DIRECTOR:

MONTHLY REPORT: Monthly report submitted and reviewed. Safety Director thanked Toms River MUA for hosting the June Safety Committee Meeting in which there was a presentation on fall prevention.

Safety Director said the Safety Expo Committee is moving forward with Expo preparations. The speakers have been lined up and there are great classes scheduled, including sessions on electrical safety, jetter and flagger work zone. The Expo dates are September 26th at the Camden County Regional Training Center and November 7th at the Middlesex Fire Academy.

Safety Director said bulletins have been sent to members and this is a good time to pay attention to heat exhaustion and make sure people are staying hydrated and the employees working outside are aware of the signs of heat related illness. Driver Safety Training programs are encouraged for everyone to take the Attention and Distracted Driving online course.

Report Made Part of Minutes.

CLAIMS: The claims report was for closed session.

OLD BUSINESS:

PLAQUE PRESENTATION: Chairman Bigler presented Richard Cranmer with an engraved clock in appreciation of his service to the New Jersey Utility Authorities JIF. Mr. Cranmer said

he enjoyed his tenure with the great group and wished the JIF continued success. Mr. Cranmer said the professionals on this JIF are great to work with they represent the JIF very well. Mr. Cranmer also said a special thanks to the Executive Director Cate Kiernan who has done a wonderful job and makes it very easy to work on this Board.

EXIGIS TRAINING: Executive Director said the Exigis training session will be held directly after the NJUA JIF meeting today and encouraged members to attend the training session.

NEW BUSINESS: NONE

PUBLIC COMMENT:

EJIF SEMINAR: Charles Cassagrande, EJIF Underwriting Manager, said July 18th is the next EJIF Seminar and there will be another one scheduled in the southwest and it will be an hour and half session and well worth attending.

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

MOTION TO CLOSE MEETING:

Moved:	Commissioner Gianforte
Second:	Commissioner Cevetello
Vote:	Unanimous

MOTION TO RE-OPEN MEETING:

Moved:	Commissioner Gianforte
Second:	Commissioner Fetherman
Vote:	Unanimous

MEMBERSHIP – Executive Committee discussed Jersey City Incinerator Authority during Executive Session and determined its exposures are not homogeneous with members and decided not to entertain an application at this time.

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUESTS, AS AMENDED:

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

MOTION TO ADJOURN:

Moved:	Commissioner Cevetello
Second:	Commissioner Gianforte
Vote:	Unanimous

MEETING ADJOURNED: 11:31am
NEXT REGULAR MEETING: July 23, 2014

Karen A. Read, Assisting Secretary
For

Jerome Cevetello, SECRETARY
Date Prepared: - July 9, 2014