

**NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND
OPEN MINUTES
FEBRUARY 27, 2019
CLARION HOTEL - TOMS RIVER, NJ
10:00 AM**

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

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

ROLL CALL OF 2019 EXECUTIVE COMMITTEE:

Robert Fischer, Chairman	Bayshore Regional SA	Present
Frank Pestana	North Bergen MUA	Present
Brian Bigler	Secaucus MUA	Present
Michael Gianforte	Two Rivers Water Reclamation Authority	Present
Bernard Rutkowski	Toms River MUA	Present
Justin Flancbaum	Lakewood MUA	Absent
Thomas Horn	Lambertville MUA	Present

EXECUTIVE COMMITTEE ALTERNATES:

Richard Brand, Alt #1	East Windsor MUA	Present
Jill Plesnarski, Alt#2	Readington-Lebanon SA	Present
Gary Vaccaro, Alt #3	Brick MUA	Present
Ivy Robinson, Alt #4	Plainfield 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 Kim DeLaurentis, Laura Kardomenos
Safety Director	JA Montgomery Risk Control Brian Maitland
Managed Care	QualCare Donna Setzer, Wendie Szamreth
Underwriting Managers	Capacity Coverage Jon Ziman Conner Strong & Buckelew Ed Cooney

Treasurer

Stuart Neuhof

FUND COMMISSIONERS AND ALTERNATES PRESENT:

Anne Wallington, Two Rivers Water Reclamation Authority
James Schilling, Musconetcong Sewerage Authority
Robert Villee, Plainfield Area Regional Sewerage Authority
Debbie Corson, Pine Hill MUA
Julie Reehle, Pine Hill MUA
James Wakeley, Pine Hill MUA

ALSO PRESENT:

Mike Avalone, Conner Strong & Buckelew
Tom Fitzpatrick, Fairview Insurance Agency
Patty Fahey, Acrisure
Chuck Casagrande, Danskin Insurance
John Casagrande, Danskin Insurance
Alison Kelly, Danskin Insurance
Brian Monaghan, Insurance Agency Management
George Crosby, BGIA
Frank Covelli, PIA
Donna Reale-Waters, Sloan Insurance Agency
Tim Latimer, The Barclay Group
Alex Villari, The Barclay Group
Jeff Kurtz, Gov. Risk Management Associates
Bradford Stokes, PERMA Risk Management
Karen A. Read, PERMA Risk Management

APPROVAL OF MINUTES: January 23, 2019 Open Minutes.

MOTION TO APPROVE JANUARY 23, 2019 OPEN MINUTES.

Moved:	Commissioner Gianforte
Second:	Commissioner Pestana
Vote:	Unanimous

CORRESPONDENCE: Memo distributed from PERMA concerning the cyber event impacting Conner Strong & Buckelew and Perma. Executive Director said the systems were back up within a week & added that event impacted access to email. Forensic professionals still reviewing but have indicated no evidence that any data was breached

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 at this time the Financial Fast Track for December is not complete the actuary is still working on the IBNR so we are still working on that number. Executive Director said all Fund years are less than actuarial targets except 2018. The Fund's lost time accident frequency through December 31st stands at 1.73; this time last year the frequency was 1.69. The JIF-wide average is 1.76 and the NJUA JIF which is 7th out of all the JIFs being monitored.

Executive Director said for the EPL Compliance report North Bergen MUA is showing as non-compliant but we have received the necessary materials from North Bergen so next month we will see their deductible will drop to \$20,000.

2019 MEL/RCF/EJIF MARCH 29TH MEETING & RETREAT: The MEL, RCF and EJIF will be holding their March meetings in conjunction with the MEL Annual Retreat. We are working on securing a location. The purpose of the retreat is to provide the sub-committees of the MEL an expanded opportunity to report directly to the Boards of the MEL, RCF and EJIF. Executive Director said the location will be at the Princeton Marriot and an email will be sent to members within the next day or so.

2019 MEL & MR HIF EDUCATIONAL SEMINAR: The 9th annual seminar is scheduled for Friday, May 3, 2019, beginning at 9:00 am at the National Conference Center in East Windsor, NJ. The seminar qualified for an extensive list of Continuing Educational Credits including CFO/CMFO, Public Works, Clerks, Insurance Producers and Purchasing Agents. There is no fee for employees and insurance producers associated with MEL and Municipal Reinsurance Health Insurance Fund (MR HIF) members as well as personnel who work for service companies that are engaged by MEL member JIFs and MR HIF member HIFs.

An electronic fillable form will also be distributed via email to fund commissioners and risk managers.

2019 PRIMA CONFERENCE: The next PRIMA convention will take place in Orlando from June 9-12. To review all information regarding the 2019 PRIMA Conference including registration, please visit website – www.primacentral.org.

MOTION TO ADOPT RESOLUTION 11-19 AUTHORIZING CONFERENCE ATTENDANCE

Motion:	Commissioner Gianforte
Second:	Commissioner Pestana
Roll Call Vote:	7 Ayes, 0 Nays

ELECTED OFFICIALS SEMINAR – Every year, the MEL holds training seminars for elected officials and reduces a member's assessment by \$250 for each elected/appointed official and chief operating officer completing the course by May 1st. Instructor-led sessions, locations and dates are posted on the MEL website at njmel.org. The on-line version for 2019 will be available in February; instructions are enclosed. The course covers ways to prevent employment practices lawsuits.

CYBER TASK FORCE – The MEL’s Cyber Task Force met on February 4th to review next steps in address the evolving cyber risks faced by members. The task force reviewed the slow response of MEL members in submitting their minimum loss control program. Last week, the Fund office sent another copy of the Cyber Risk Management Program to member entities. Implementing the program provides members the opportunity to recover part of the policy deductible in the event of a loss. In response to Commissioner Gianforte, Executive Director said you would need to submit your completed forms to the Fund Office and we will forward to Ed Cooney in the Underwriting Office. Chairman Fischer wondered if the incentive of reducing the deductible down to \$5,000 is enough to get members to get up to speed with the requirements. Executive Director said the MEL’s Cyber Task Force is discussing the same concerns.

Members of the board expressed interest in developing a Request for Proposals for vendors able to identify member’s cyber risk – to at least be able to see the types of services available and gauge pricing. Is there a way to do an audit of everyone’s system to see how many are at the level where we want them to be and how many are not. Executive Director said Ed Cooney can participate with a sub-committee to consider different avenues to approach this risk & develop an RFP. Commissioner Gianforte, Commissioner Vaccaro and Commissioner Robinson volunteered for the committee.

LEAGUE MAGAZINE – The latest in the series of “Power of Collaboration: to appear in the League magazine. Each of the MEL advertisements highlights activities of the MEL and JIFs as well as people who have rendered significant service. The advertisement highlights the Sustainable Energy Joint Meeting.

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:

Executive Director said the bills list is on pages 20 -22. The Qual-Lynx check in the amount of \$23,179.93 is not correct so the check has been voided and reissued. There correct monthly fee is \$16,664.59 so the total on the bills list will be reduced accordingly.

VOUCHER PAYMENTS (BILL LIST)

2018	\$ 13,743.22
2019	\$ 472,467.06 (corrected amount)

CONFIRMATION OF CLAIMS' PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS DURING MONTH OF JANUARY 2019:

Closed: \$.00

2015:	\$ 72,624.12
2016:	\$ 45,878.40
2017:	\$ 38,061.36
2018	\$ 349,115.14
2019	\$ 4,522.43
Total:	\$ 510,201.45

MOTION TO APPROVE FEBRUARY BILLS LIST AS DISCUSSED WITH CHECK #1984 WILL BE IN THE AMOUNT OF \$16,664.59, CONFIRM CLAIMS' PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS DURING MONTH OF JANUARY 2019 CLAIMS AND ACCEPT TREASURER'S REPORT:

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

Treasurer's Report Attached & Made Part of Minutes.

ATTORNEY: None

MANAGED CARE:

MONTHLY REPORT: Report submitted and reviewed by Ms. Setzer QualCare. Commissioner Bigler thanked Donna Setzer for the information provided for one his employees.

Report Made Part of the Minutes.

SAFETY DIRECTOR:

MONTHLY REPORT: Monthly report submitted and reviewed by JA Montgomery Risk Control. Mr. Maitland reviewed upcoming training. In response to Commissioner Vaccaro, Brian Maitland said the regarding drug policy training for a Designated Employee Representative this training is different than the Reasonable Suspicion training. Chairman Fischer said on behalf of the Executive Committee good job on the Safety Breakfast presentation today.

Report Made Part of Minutes.

JIF MEL UNDERWRITING MANAGERS: None

CLAIMS: Report in Executive Session.

OLD BUSINESS: None

NEW BUSINESS: Commissioner Vaccaro reported on the results of their cyber claim and said everything went fine for the most part and noted the authority received about 50% of what they anticipated which covered some overtime and loss revenue while our laboratory was shut down. Commissioner Vaccaro suggested the Fund consider expanding its property coverage to address damage cyber attacks can do to hardware Executive Director said Underwriting Manager Jon Ziman said did look into this and found an endorsement that would go to the Cyber policy but since the Fund's cyber policy is part of the overall MEL membership policy, it might not be available. In particular because the municipal JIFs' property policy provides this coverage.

Commissioner Gianforte asked if this could be discussed on the Cyber Committee conference call. Ed Cooney said it is a hard coverage to find but there are a few programs out there and the cost is yet to be known and it will cover practically everything that your Cyber policy will not cover that is cyber related. Ed Cooney will work with Jon Ziman.

PUBLIC COMMENT:

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

MOTION TO CLOSE MEETING:

Moved: Commissioner Gianforte
Second: Commissioner Pestana
Vote: Unanimous

MOTION TO RE-OPEN MEETING:

Moved: Commissioner Gianforte
Second: Commissioner Pestana
Vote: Unanimous

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

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

MOTION TO ADJOURN:

Moved: Commissioner Gianforte
Second: Commissioner Pestana
Vote: Unanimous

MEETING ADJOURNED: 10:42 am
NEXT REGULAR MEETING: March 27, 2019
Karen A. Read, Assisting Secretary

For
Frank Pestana, SECRETARY
Date Prepared: - March 14, 2019