

**NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND
OPEN MINUTES
MARCH 23, 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	Present
Robert Burner	Cape May County MUA	Present
Frank Pestana	North Bergen MUA	Present
Bernie Rutkowski	Toms River MUA	Present

EXECUTIVE COMMITTEE ALTERNATES:

Justin Flancbaum, Alt #1	Lakewood MUA	Present
Thomas Horn, Alt #2	Lambertville MUA	Present
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 Cathleen Kiernan
Attorney	Berry, Sahradnik, Kotzas & Benson, P.C. Robert Budesa
Claims Service	Qual-Lynx Kathy Kissane
Safety Director	JA Montgomery Risk Control Joanne Hall, Brian Maitland
Managed Care	QualCare Donna Setzer
Underwriting Manager	Capacity Coverage Jon Ziman
Treasurer	Stuart Neuhof

FUND COMMISSIONERS AND ALTERNATES PRESENT:

Michael Pucilowski, Washington Township MUA
James Benson, Musconetcong Sewerage Authority
Ivy Robinson, Plainfield MUA
Robert Maybury, Mt. Holly MUA
Earl F. Sutton, Jr., Little Egg Harbor MUA

ALSO PRESENT:

Michael Avalone, Conner Strong & Buckelew
Charles Casagrande, Danskin Insurance Agency
Amy Pieroni, NAIMC
Tom Fitzpatrick, Fairview Insurance.
George Crosby, Business Governmental Insurance Agency
Kathy Young, Alamo Insurance
Art Caughlan, Nelson-Patterson Agency
Michael McLaughlin, Marsh & McLennan
Bradford Stokes, PERMA Risk Management
Karen A. Read, PERMA Risk Management

APPROVAL OF MINUTES: February 24, 2016 Open Minutes.

MOTION TO APPROVE FEBRUARY 24, 2016 OPEN MINUTES.

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

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 there is no Financial Fast Track for January since this is when the financial team concentrates on gathering all the materials to send out to the internal auditor. The Expected Loss Ratios shows all years but the current year are less than actuarial target. Claims Management Report shows we had a net increase of 22 claims as of February 29, 2016. Executive Director said the Lost Time Accident Frequency report shows our frequency is at 1.47 up from 1.27 this time last year.

Risk Management Consultants: Commissioner Flancbaum noted the list of Risk Management Consultants showed some members have not appointed a Risk Manager and asked how that exposes other members. In response to Chairman Gianforte, Risk Manager Michael Avalone said in the By-Laws of the Fund it explicitly states if a member does not have a risk manager the

authority will hold the Fund harmless. Executive Director said the member bears the exposure. Executive Director said The NJUA could amend its By-Laws to require all members to appoint a Risk Management Consultant as some other JIFs have done. Executive Director said the MEL developed a model RMC agreement, used by most members; copy will be distributed in the April agenda.

MEL MEETING – The MEL met on Wednesday, March 2, 2016 at the Forsgate, Jamesburg, NJ. Enclosed is Commissioner Rutkowski’s report. Executive Director said the MEL’s communication consultant put together a summary of the one day retreat that was held on February 19th and there were two endorsements that really apply to municipalities and does not impact this JIF.

RCF MEETING – The RCF met on Wednesday, March 2, 2016 at the Forsgate, Jamesburg, NJ. Enclosed is Commissioner Bigler’s report.

EJIF MEETING – The EJIF met on Wednesday, March 2, 2016 at the Forsgate, Jamesburg, NJ. Enclosed is Commissioner Rutkowski’s report. Commissioner Rutkowski said with the reissuance of the memo on the Hidden Cost of Free Property please be cautious of these hidden costs.

EPL COMPLIANCE: Attached is a copy of correspondence distributed to members announcing the 2017 POL/EPL Program. Members should visit the MEL’s webpage – njmel.org for changes to the MEL’s Model Personnel Committee and information on training program requirements. Members have until October 1st to submit checklist to qualify and/or maintain deductible and co-pay incentives. Compliance includes updating Personnel Manuals, Training Managers & Supervisors. Executive Director’s office is working with the Fund Attorney to schedule the Managers & Supervisors Training and will release a schedule when complete. Executive Director said there was a question that came up about the “Rice Notice” so we will be sending up a follow up on multiple interpretations of whether or not an employee has the right to stay in executive session. In response to Commissioner Burner, Executive Director said the MEL only asks to show evidence that you provide the training for Managers and Supervisors every two years, which includes any type of training for your supervisors on employment practices which could include explaining the personnel manual. However, court decisions have indicated this training should be annual.

2016 MEL & MR HIF EDUCATIONAL SEMINAR – The 6th annual seminar is scheduled for Friday, April 15th beginning at 9:00 AM at the National Conference Center in East Windsor, NJ. The seminar qualifies 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 MR HIF members as well as personnel who work for service companies that are engaged by MEL member JIFs and MR HIF and member HIFs. Attached is the enrollment form.

COVERAGE – The Coverage Committee met just prior to the Board’s meeting to review the Fund’s auto liability policy concerning pollution coverage for members when an authority hauls sludge. Meeting was scheduled in response to request of a member authority that is considering hauling its sludge (rather than outsource) and has asked the JIF to confirm the associated pollution coverage. During that review it appears the EJIF and the Fund’s business auto policy

also doesn't provide this coverage. The Coverage Committee is going to ask the E-JIF to reconsider before pursuing the matter further with the NJUA's excess liability carrier.

MEMBERSHIP: Linden Roselle Sewerage Authority is still reviewing its renewal options. Executive Director said their meeting is tonight and they appear to be seriously considering it. In response to Commissioner Flancbaum, Executive Director said after their meeting tonight they will let us know if they commit to the application fee and then we will proceed with the loss control inspections.

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)

2015	\$	0.00
2016	\$	163,533.51

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

Closed:	\$.00
2012:	\$	5,047.83
2013:	\$	10,646.44
2014:	\$	3,424.66
2015:	\$	62,823.60
2016	\$	40,495.58
Total:		\$122,438.11

MOTION TO APPROVE MARCH BILLS LIST, CONFIRM CLAIMS' PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS DURING MONTH OF FEBRUARY 2016 CLAIMS AND ACCEPT TREASURER'S REPORT:

Moved:	Commissioner Burner
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 Ms. Setzer QualCare. Ms. Setzer said Kinematic Consultants to do the Functional Capacity Examination presentation.

Report Made Part of the Minutes.

SAFETY DIRECTOR:

MONTHLY REPORT: The Safety Director Joanne Hall reviewed report included in the agenda packet. Ms. Hall introduced Brian Maitland who Senior Risk Control Consultant that will be taking over part of the northern territory. Ms. Hall discussed the importance of work zone safety in light of a fatality that occurred today in another JIF. Ms. Hall said tomorrow will be the Safety Committee meeting at the Toms River Fire Academy with 30 registered so far and the topics will be accident investigations, safety committees and job site observations.

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 Pestana
Vote: Unanimous

MOTION TO RE-OPEN MEETING:

Moved: Commissioner Pastena
Second: Commissioner Fetherman
Vote: Unanimous

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUESTS AS PRESENTED

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

Kinematic Consultants provided a presentation on Functional Capacity Examinations

MOTION TO ADJOURN:

Moved: Commissioner Rutkowski
Second: Commissioner Burner
Vote: Unanimous

MEETING ADJOURNED: 12:10 pm
NEXT REGULAR MEETING: April 27, 2016
Karen A. Read, Assisting Secretary

For
Robert Fischer, SECRETARY
Date Prepared: - April 12, 2016