

**NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND
OPEN MINUTES
MARCH 22, 2017
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 2017 EXECUTIVE COMMITTEE:

Michael Gianforte, Chairman	Two Rivers Water Reclamation Authority	Present
Robert Fischer, Secretary	Bayshore Regional SA	Present
Brian Bigler	Secaucus MUA	Present
Robert Burner	Cape May County MUA	Present
Frank Pastena	North Bergen MUA	Present
Bernard Rutkowski	Toms River MUA	Present
Justin Flancbaum	Lakewood MUA	Present

EXECUTIVE COMMITTEE ALTERNATES:

Thomas Horn, Alt#1	Lambertville MUA	Present
Richard Brand, Alt #2	East Windsor MUA	Present
Jill Plesnarski, Alt#3	Readington-Lebanon SA	Present
Gary Vaccaro, Alt #4	Brick MUA	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director/Adm	Perma Risk Management Cathleen Kiernan
Attorney	Berry, Sahradnik, Kotzas & Benson, P.C. Mary Jane Lidaka
Claims Service	Qual-Lynx Kathy Kissane
Safety Director	JA Montgomery Risk Control Joanne Hall
Managed Care	QualCare Donna Setzer
Underwriting Manager	Capacity Coverage Jon Ziman
Treasurer	Stuart Neuhof

FUND COMMISSIONERS AND ALTERNATES PRESENT:

Ivy Robinson, Plainfield MUA

ALSO PRESENT:

Katie Osborne, Conner Strong & Buckelew
Donna Reale Waters, Sloan Insurance Agency
Charles Casagrande, Danskin Insurance
Brian Monaghan, Insurance Agency Management
Kathy Young, Alamo Insurance
Tom Fitzpatrick, Fairview Insurance
Amy Pieroni, Reliance Insurance
George Crosby, BGIA
Art Caughlan, Nelson Patterson Agency
Mike McLaughlin, Marsh & McLennan
Bradford Stokes, PERMA Risk Management
Karen A. Read, PERMA Risk Management

APPROVAL OF MINUTES: February 22, 2017 Open Minutes.

MOTION TO APPROVE FEBRUARY 22, 2017 OPEN MINUTES.

Moved:	Commissioner Pastena
Second:	Commissioner Burner
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 January Financial Fast Track Report not yet available to allow Perma's financial department to gather the necessary documentation for Fund Auditor. Executive Director said on page 14 is our Loss Ratio Report and each Fund Year is either at, below or just above where the actuary would expect us to be in the life of the claim. The change in claims over last month is a net of six new claims. Through January, the Fund's Lost Time Accident Frequency stands at .62 almost the same as it was this time last year. This is the impact of a light winter.

Chairman Gianforte asked members if the April meeting will be a conflict if the members are attending the AEA. Executive Director said the meeting could be rescheduled. Members

agreed April 20th would be a better date for the April meeting. A motion was moved to reschedule the April 2017 meeting.

MOTION TO RESCHEDULE THE APRIL MEETING TO APRIL 20, 2017

Moved:	Commissioner Bigler
Second:	Commissioner Flancbaum
Vote:	Unanimous

MEL Meeting – The MEL met on March 1, 2017 at the Forsgate, Jamesburg, NJ. Enclosed is Commissioner Rutkowski’s report.

Executive Director said the MEL has finalized a contract with Mark Pfeiffer on Cyber Liability and has asked him to refocus the priority of his services in an effort to identify a minimum number of steps a member should undertake toward intrusion testing. Commissioner Rutkowski said there is a Cyber class on Friday in Toms River presented by CE Union. Commissioner Rutkowski said he attended the class last month and the information seemed to be very current and very knowledgeable on the subject. Executive Director said the Fund could ask Mark Pfeiffer to do training for the JIF and he is very current as well. The class we currently have is available on our webpage and we emailed it to everyone about a year or two ago. It is also available on the MEL Safety Institute. Executive Director said she would contact both parties and compare the two if we would decide on hosting training. Commissioner Brand said CE Union also offers CEU’s for their courses.

RCF Meeting – The RCF met on March 1, 2017 at the Forsgate, Jamesburg, NJ. A copy of Commissioner Bigler’s report distributed to the Board.

EJIF Meeting: The EJIF met on March 1, 2017 at the Forsgate, Jamesburg, NJ. A copy of Commissioner Bigler’s report distributed to the Board.

Commissioner Bigler said there were a couple of sewer claims that were addressed and an interesting point was if there sewer back ups where contamination goes into the sketch basin or the ground water nearby it is an EJIF claim. Executive Director said circumstances of environmental claims can vary greatly and said members should also submit claims for a determination.

Commissioner Rutkowski said there was a small municipality that had a failure of pumps and they filed a claim. In response to the EJIF’s Claims Committee favorable view of a town that hired a company to perform an on-site bypass pumping, Commissioner Rutkowski said inspections and scoring can be negative on lesser matters, such as having a floor drain. This small municipality does not have anything in place for emergencies but can potentially receive 100 points. Commissioner Rutkowski said the scoring is not really representative of the risk or the operation. They said they would look into it but they said they really do not get into the DEP portion of it. Commissioner Rutkowski said they could have nothing in place, no inspections, no back up pumps, videoing of sewer lines and no jets but they can receive 100 points. Executive Director said on behalf of the NJUA we will ask if they can take a look at the scoring.

Commissioner Brand said if we are going to be paying claims we should make sure they are following best management practices.

RCF/EJIF/MEL JUNE MEETING DATE CHANGE – The RCF, EJIF and MEL have changed the date for the June Meeting to Thursday June 1, 2017 location of the Forsgate Country Club in Jamesburg, NJ remains the same.

ASSEMBLY BILL 4234 – Attached you will find a memorandum that was distributed to members using MEL members to contact the Assembly to support legislation that will allow the Joint Insurance Funds to expand their investment opportunities. Many members already adopted Resolutions supporting this bill. The bill has passed in the Senate. We are asking members to contact legislatures to urge that A4234 be posted for adoption in the Assembly.

2017 MEL & MR HIF EDUCATIONAL SEMINAR: The 7th annual seminar is scheduled for Friday, April 21st 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 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.

2017 PRIMA CONFERENCE - The 2017 PRIMA Conference will take place on June 4-7, 2017 in Phoenix, AZ.

To review all the information regarding the 2017 PRIMA Conference including registration, please visit the website – www.primacentral.org.

ELECTED OFFICIALS TRAINING – Every year, the MEL holds training seminars for elected officials and reduces a member's assessment by \$250 for each elected official completing the course by May 1st. This course is now available online. Directions to take the class on-line were distributed.

FEBRUARY BILLS LIST - There is a correction to the February 2017 Bills List. The 2016 Fund Year subtotal should have been \$1,595.31 which is \$30 more than what was approved at the meeting. The correct final total of the bills list should be \$283,237.67.

2017 FINANCIAL DISCLOSURES - Commissioners should anticipate the online filing of the Financial Disclosure forms inclusive of the MEL/EJIF/RCF Commissioner and any municipal related positions that require filing. It is expected the Division of Local Government Services will distribute a notice in March and forms will need to be filed by April 30th.

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)

Closed	\$	1,507.36
2016	\$	37.81
2017	\$	179,783.87

Treasurer Neuhof recommended the amendment of the February Bills list by an increase of \$30.00. The correct final total of the February Bills list should be \$283,237.67

CONFIRMATION OF CLAIMS' PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS DURING MONTH OF FEBRUARY 2017:

Closed:	\$.00
2013:	\$	89,825.00
2014:	\$	82,582.30
2015:	\$	18,876.69
2016:	\$	131,703.39
2017	\$	14,565.69
Total:	\$	337,553.07

MOTION TO APPROVE MARCH BILLS LIST, AMENDMENT TO THE FEBRUARY BILLS LIST, CONFIRM CLAIMS' PAYMENTS /CERTIFICATION OF CLAIMS' TRANSFERS DURING MONTH OF FEBRUARY 2017 CLAIMS AND ACCEPT TREASURER'S REPORT:

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

Executive Director said Treasurer Neuhof did advise us that three members that were late on paying the first assessment which our account people will put on their 2nd Installment billing.

Treasurer's Report Attached & Made Part of Minutes.

ATTORNEY: None

MANAGED CARE:

MONTHLY REPORT: Report submitted and reviewed by Ms. Setzer QualCare.

Report Made Part of the Minutes.

SAFETY DIRECTOR:

MONTHLY REPORT: Monthly report submitted and reviewed by JA Montgomery Risk Control. Safety Director Joanne Hall said they are trying to plan as CPR and First Aid Safety Day in the Northern and Southern part of the State. We are looking for volunteers to host in the Southern or Central part of the state. Chairman Gianforte said he would like to host a training at Two Rivers Water Reclamation Authority. Ms. Hall said Brian Maitland is working with Commissioner Bigler to develop a Safety Director's Bulletin on the value of CCV's of the lateral lines in the litigation of sewer back up claims. That is almost ready for release and it will also be sent to all municipalities. Safety Director thanked Commissioner Bigler for his input and this is an important message to share on how to affect the impact. Executive Director said this bulletin is an example of using the JIF's claims experience to share "best practices" and we should use our claims experience where we can to prevent similar claims in the future.

Report Made Part of Minutes.

CLAIMS: Report in Executive Session.

OLD BUSINESS: NONE

NEW BUSINESS: NONE

PUBLIC COMMENT: Risk Manager and EJIF Underwriting Manager Charles Casagrande said - with respect to EJIF scoring - he spoke with other professionals and the environmental engineers said that with some of the changes coming down the pike in regards to regulations they asked if we would hold off on that change. Mr. Casagrande said over the course of time it is probably too easy to get a 100 so we were going to change some of those things, but with the change in regulation they asked us to please hold off because there may be other things that would be incorporated into the scoring.

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

MOTION TO CLOSE MEETING:

Moved:	Commissioner Bigler
Second:	Commissioner Rutkowski
Vote:	Unanimous

MOTION TO RE-OPEN MEETING:

Moved: Commissioner Bigler
Second: Commissioner Fischer
Vote: Unanimous

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUESTS AS PRESENTED

Moved: Commissioner Flancbaum
Second: Commissioner Rutkowski
Roll Call Vote: 7 Ayes, 0 Nays

MOTION TO ADJOURN:

Moved: Commissioner Bigler
Second: Commissioner Pastena
Vote: Unanimous

MEETING ADJOURNED: 11:15 am
NEXT REGULAR MEETING: April 20, 2017
Karen A. Read, Assisting Secretary

For
Robert Fischer, SECRETARY
Date Prepared: - April 4, 2017