

**NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND
OPEN MINUTES
SEPTEMBER 26, 2018
TOMS RIVER MUA
10:30 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 2018 EXECUTIVE COMMITTEE:

Robert Fischer, Chairman	Bayshore Regional SA	Present
Robert Burner, Secretary	Cape May County MUA	Present
Brian Bigler	Secaucus MUA	Present
Michael Gianforte	Two Rivers Water Reclamation Auth.	Present
Frank Pestana	North Bergen MUA	Present
Bernard Rutkowski	Toms River MUA	Present
Justin Flancbaum	Lakewood MUA	Present(10:40 am)

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	Present

APPOINTED OFFICIALS PRESENT:

Executive Director/Adm	Perma Risk Management Cathleen Kiernan
Attorney	Berry, Sahradnik, Kotzas & Benson, P.C. Laura Benson
Claims Service	Qual-Lynx Kathy Kissane
Safety Director	JA Montgomery Risk Control Brian Maitland
Managed Care	QualCare Donna Setzer
Underwriting Manager	Capacity Coverage Jon Ziman
MEL Underwriting Manager	Conner Strong & Buckelew Edward Cooney

Treasurer

Stuart Neuhof

FUND COMMISSIONERS AND ALTERNATES PRESENT:

Ivy Robinson, Plainfield MUA
Brad Rosenthal, Cape May County MUA
Heidi Tabor, Brick Township MUA

ALSO PRESENT:

Katie Osborne, Conner Strong & Buckelew
Jeff Kurtz, Gov. Risk Management Assn.
John Casagrande, Danskin Insurance
Brian Monaghan, TC Irons
George Crosby, BGIA
Michael McLaughlin, Marsh & McClellan
Kathy Young, Alamo Insurance
Lindsay Travale, Reliance
Donna Reale-Waters, Sloan Insurance Agency
Brad Stokes, PERMA Risk Management
Karen Read, PERMA Risk Management

APPROVAL OF MINUTES: AUGUST 22, 2018 Open and Closed Minutes.

MOTION TO APPROVE THE OPEN AND CLOSED MINUTES AS AMENDED

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

CORRESPONDENCE: None

RETIREMENT OF ROBERT BURNER: Chairman Fischer recognized the retirement of Robert Burner who was part of the New Jersey Utility Authorities JIF for 23 years. Chairman Fischer presented Robert Burner with a clock as a token of our appreciation and to remind him of amount of time he will now have on his hands. Chairman Fischer thanked Mr. Burner and said he was always a true professional, steady and reliable and served the Cape May County MUA well. Mr. Burner thanked the JIF and said it was a pleasure to serve on the board and to work with all the professionals.

Executive Director said when Cape May County MUA first joined the JIF on the Lost Time Accident Frequency they had at 16 so now we are down to under two. The very next year after Robert Burned came to the JIF it went down to an eight, then four and now it is not even noticeable and does not stand out in any way but it did when they first joined.

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 reviewed the Financial Fast Track Reports. As of July 31, 2018 the statutory

surplus stands at \$5.3 all years are in a positive position which is up about \$500,000 over year end. On page 22 is our Loss Ratio 2014 Fund Year is where are incurred is higher than the actuarial target yet we still produced a \$1 million surplus. Executive Director said on page 23 you will see the out of all the claims managed we have two less than we did at the beginning of the month. On Pages 24 and 25 is our loss time frequency which stands at 1.53 and this time last year it was at 1.79. Pages 27 and 28 show the accumulated days associated with the lost time frequency.

2018/2019 EMPLOYMENT PRACTICES PROGRAM – Members have until October 1, 2018 to submit the checklist to qualify and/or maintain deductible and co-pay incentives. Compliance includes updating Personnel Manuals, Training Managers & Supervisors, Police Command Staff and offering training to non-supervisory personnel. Executive Director said so far we have received 15 checklists. Everyone should return their checklists and we will be following up with members.

Since the Model Personnel Manuals were finalized, there has been a recent Supreme Court decision regarding the Open Public meetings Act concerning personnel matters. Enclosed is a memorandum issued by the MEL Attorney regarding the decision. Executive Director said our language in the model was broader that it needed to be. Since we wrote the manual there was a decision that confirmed that so the MEL attorney has laid out some suggested language and we recommend you put that language in there as well.

Pages 29 and 30 in the agenda reflects member POL EPL deductibles and co-pays for 2018. In order to maintain these levels, members must complete the manual updates and training requirements. Executive Director's office will follow up with members.

REQUESTS FOR QUALIFICATIONS – As authorized in July, we have advertised and released RFQs for Fund Attorney and Defense Panel, due in the Fund Office by September 12, 2018. Enclosed is a summary of responses received. Executive Director said we will have Attorney Budesca review the list to see if we need to advertise again for Defense Attorney.

2019 MEMBERSHIP RENEWALS – Attached is a list of members scheduled to renew fund membership by January 1, 2019. Membership renewal documents have been mailed to members. Renewals are due back in the fund office by October 1, 2018. Executive Director said we will continue to follow up with members that have not submitted their renewal documents.

RESIDUAL CLAIMS FUND (RCF) – The Residual Claims Fund met on September 5, 2018, at 10:30 AM at the Forsgate Country Club in Jamesburg, NJ; enclosed is a copy of Commissioner Bigler's report on the meeting. The Residual Claims fund proposed 2019 Budget was introduced. The public hearing on the RCF budgets will be held on October 17, 2018 at 10:30 AM at the Forsgate Country Club. Commissioner Bigler said a meeting to introduce the budget will be on October 17, 2018.

Executive Director said the RCF has decided to extend the period to make the transfer in December rather than June as in the past. This will allow for a little more development at the local JIF level.

In anticipation of this, the RCF board adopted a resolution accepting the transfer of member JIF's Fund Year 2014. Enclosed is Resolution #25-18 authorizing the transfer on the NJUA JIF's 2014 claim liabilities to the RCF.

MOTION APPROVE RESOLUTION #25-18 TRANSFERING FUND YEAR 2014 CLAIMS LIABILITY TO THE RCF

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

RCF JIF MEMBERSHIP RENEWAL – The NJUA JIF three year membership in the Residual Claims Fund is scheduled to expire on December 31, 2018. Enclosed is Resolution #26-18 renewing the membership term effective January 1, 2019 through December 31, 2021.

MOTION APPROVE RESOLUTION #26-18 RENEWING MEMBERSHIP IN THE RESIDUAL CLAIMS FUND FOR A THREE YEAR PERIOD

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

EJIF JIF MEMBERSHIP RENEWAL – The NJUA JIF membership in the EJIF expires at the end of the year. Enclosed is Resolution #27-18 renewing the membership term effective January 1, 2019 through December 31, 2021. Commissioner Rutkowski said the UST for Operator gasoline dispensing station deadline is looming and is actually October 13, 2018. There were some extra testing that we learned by attending the course and the EPA in addition to DEP inspecting gasoline dispensing. The rule is 10% piping below ground of your facility would put you into the regulation to have an operator on site.

MOTION APPROVE RESOLUTION #27-18 RENEWING MEMBERSHIP IN THE ENVIRONMENTAL RISK MANAGEMENT FUND FOR A THREE YEAR PERIOD

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

EJIF WORKSHOP – The EJIF will be hosting several seminars on new Stormwater and underground storage tank regulations. Enclosed is the program workshop schedule along with registration information.

MEL – The MEL also met on September 5, 2018 at 11:15 am at the Forsgate Country Club in Jamesburg, NJ; enclosed is a copy of commissioner Rutkowski's report. The MEL's 2019 Budget introduction is scheduled for October 17, 2018 at the Forsgate Country Club in Jamesburg, NJ. Commissioner Rutkowski said we did receive approval to upgrade the MEL video library. Executive Director said the MEL is looking at a draft budget and will not be introduced until October.

SAFETY EXPO – The second of two NJUA Safety Expos will be held on September 28th at the Camden County Regional Emergency Training Center. We have 115 member employees registered for the September Expo.

FINANCE COMMITTEE – A meeting of the Finance Committee needs to be scheduled for October 9th to review the 2019 budget. Finance Committee members are: Michael Gianforte, Chair; Robert Fischer, Brian Bigler, Bernie Rutkowski and Frank Pestana.

NOVEMBER JIF MEETING – The JIF meeting is scheduled for November 13, 2018 at 2:30 pm in Atlantic City at Caesars. In addition, the Committee may want to consider rescheduling the December meeting which is currently scheduled for December 26, 2018. Executive Director said the room at Caesars was not available until 3:00 so we are changing the meeting time to 3:00 pm. Our December meeting is set for the day after Christmas so we usually change the date to the week before.

MOTION TO MOVE THE DECEMBER MEETING TO DECEMBER 19, 2018

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

TREASURER: Executive Director reviewed the Treasurer's reports.

VOUCHER PAYMENTS (BILL LIST) SEPTEMBER 2018

2018	\$106,708.73
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CONFIRMATION OF CLAIMS' PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS DURING MONTH OF AUGUST 2018:

Closed:	\$.00
2014:	\$ 10,315.45
2015:	\$ 16,064.93
2016:	\$ 60,418.96
2017:	\$ 157,189.39
2018:	\$ 372,036.85
Total:	\$ 616,025.58

MOTION TO APPROVE AUGUST BILLS LISTS AS AMENDED, CONFIRM CLAIMS' PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS DURING MONTH OF JULY 2018 CLAIMS AND ACCEPT TREASURER'S REPORT:

Moved:	Commissioner Flancbaum
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 distributed at the meeting and reviewed by Ms. Setzer QualCare.

Report Made Part of the Minutes.

SAFETY DIRECTOR:

MONTHLY REPORT: Monthly report submitted and reviewed by Safety Director Brian Maitland of JA Montgomery Risk Control. Brian Maitland said General Industry OSHA Training was rescheduled for October 25th and November 1st if you already registered your spot is still reserved. We have 29 registered so far and there is a 40 person maximum anyone attending both sessions will receive an OSHA card.

Report Made Part of Minutes.

JIF/MEL UNDERWRITING MANAGER: MEL Underwriting Manager Ed Cooney said overall the MEL excess property, casualty and workers' compensation & primary POLEPL and Cyber renewal is going well.

In addition, Mr. Cooney talked about addressing the cyber risk with SCADA systems. There are a number of companies that provide this service – either to work with the JIF or contract with individual member authorities. There is a company we work with called Kivu and they do a lot of the forensic investigations on our cyber program. They could come in and work with a few of or many of the members and do a base line analysis where all your SCADA systems and then provide recommendations and then after that whatever projects you may want to do in the future. Commissioner Gianforte said he thought it was a great idea and would like to be involved. Chairman Fischer asked if the Underwriting Manager can provide additional information to the Fund.

CLAIMS: Report in Executive Session.

OLD BUSINESS:

NONE

NEW BUSINESS: Commissioner Bigler said with Robert Burner leaving as Secretary called for a vote to fill the vacancy. Commissioner Bigler nominated Commissioner Frank Pestana as Secretary for the rest of the year.

**MOTION TO APPOINT COMMISSIONER FRANK PESTANA AS SECRETARY
FOR THE REMAINING OF 2018**

Moved: Commissioner Bigler
Second: Commissioner Flancbaum
Vote: Unanimous

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 Bigler
Vote: Unanimous

MOTION TO RE-OPEN MEETING:

Moved: Commissioner Flancbaum
Second: Commissioner Rutkowski
Vote: Unanimous

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUESTS

Moved: Commissioner Gianforte
Second: Commissioner Flancbaum
Roll Call Vote: 7 Ayes, 0 Nay

MOTION TO ADJOURN:

Moved: Commissioner Gianforte
Second: Commissioner Bigler
Vote: Unanimous

MEETING ADJOURNED: 11:34 am
NEXT REGULAR MEETING: October 24, 2018
Karen A. Read, Assisting Secretary

For
Robert Burner, SECRETARY
Date Prepared: - October 12, 2018