

**NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND
OPEN MINUTES
SEPTEMBER 18, 2019
TOMS RIVER MUA
10:00 AM**

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

PLEDGE OF ALLEGIANCE – Chairman Fischer led Commissioners in the Pledge of Allegiance and a Moment of Silence in remembrance of September 11.

ROLL CALL OF 2019 EXECUTIVE COMMITTEE:

Robert Fischer, Chairman	Bayshore Regional SA	Present
Frank Pestana, Secretary	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	Present
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/Admin	Perma Risk Management Cathleen Kiernan
Attorney	Berry, Sahradnik, Kotzas & Benson, P.C. Robert Budesa
Claims Service	Qual-Lynx Laura Kordomenos
Safety Director	JA Montgomery Risk Control Liam Callahan
Managed Care	QualCare Stephen McNamara
Underwriting Managers	Capacity Coverage Jon Ziman

Treasurer

Stuart Neuhof

FUND COMMISSIONERS AND ALTERNATES PRESENT:

Brad Rosenthal, Cape May County MUA

ALSO PRESENT:

Katie Walters, Conner Strong & Buckelew
Charles Casagrande, Danskin Insurance
John Casagrande, Danskin Insurance
Brian Monaghan, TC Irons Agency
Dominic Cinelli, Brown & Brown
Tom Fitzpatrick, Fairview Insurance
Amy Pieroni, Reliance Insurance
Lindsay Travali, Reliance Insurance
Bradford Stokes, Perma Risk Management
Karen A. Read, Perma Risk Management
Brandon Tracy, Perma Risk Management

APPROVAL OF MINUTES: August 28, 2019 Open and Closed Minutes.

MOTION TO APPROVE AUGUST 28, 2019 OPEN AND CLOSED MINUTES.

Moved:	Commissioner Gianforte
Second:	Commissioner Rutkowski
Vote:	6 Ayes, 0 Nays, 1 Abstain (Chairman Fischer)

CORRESPONDENCE: Executive Director distributed a copy of correspondence written by David Grubb, MEL Executive Director. Letter was written as cover letter when responding to OPRA. When the MEL gets a request for a sizeable amount of documents. Mr. Grubb takes the opportunity to outline the JIF operations. A similar request was made by another newspaper during the summer; copies of that cover letter were emailed to JIF Fund Commissioners for information.

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 the Financial Fast Track as of July 31st reflects a statutory surplus at \$4.4 million, representing an increase of \$500,000. Loss Ratio reports show all years are either at or below the actuarial targets.. Page 10 and 11 show our Lost Time Accident Frequency through July 30th, with a frequency of 1.41 with 17 lost time accidents for the year. At this time last year the frequency was 1.07. Frequency of 1.41 puts the JIF right in the middle of the pack of the other JIFs we are comparing to. The EPL Compliance Report is on pages 15 and 16. Executive

Director said she expects that members will be asked to update their EPL Compliance during 2020. Page 26 shows the Regulatory Filing checklist and contract compliance. In response to Commissioner Bigler, Attorney Budesca said he did not see any problem with awarding a Risk Manager appointment for more than one year. Executive Director said there are a number of member towns and authorities that presently award up to 3 years. Executive Director added that generally, contract include a 90 day cancellation clause. The MEL's QPA has recommended the MEL issue three year contracts with a option to renew for a fourth and a fifth year, in accordance with competitive contracting.

MEL Report: The MEL met on September 4, 2019 at the Forsgate Country Club; a copy of Commissioner Rutkowski report was distributed. Executive Director said the MEL submitted a preliminary budget reflecting 2% increase based on estimated renewal rates against expiring exposures. The MEL's property renewal rate is a 5% increase, based more on the conditions of the market than the MEL's experience. Executive Director noted the NJUA JIF does not participate in the MEL's property program but the NJUA JIF can expect to be impacted as well. The renewal rate for workers' comp claims fund will be decreasing by 12%.

Executive Director said in 2020 we will be asking members to update their personnel manuals. The MEL Board agreed to engage a law firm to perform a complete review of the MEL's personnel manual.

In response to Chairman Fischer, Executive Director said we will hopefully get the updates out to everyone early in the first quarter and then you will have the rest of the year to make the updates and take the managers and supervisors EPL training but the personnel manuals will look a little different this time. In response to Commissioner Gianforte, Executive Director said it may refer to the law regarding the sick time for part time employees since member policies may vary; some may provide benefits in excess of legal requirement. The personnel manual has always included "insert your policy" on benefit sections.

Executive Director said the RCF and MEL are forming a task force looking into the program we put in place to respond to claims on sexual molestation which we still do not know exactly what they are going to look like.

RCF Report: The RCF also met on September 4th at the Forsgate Country Club; a copy of Commissioner Bigler's report was distributed. In addition, Resolution 21-19 submitted authorizing the transfer of the NJUA JIF's Fund Year 2015 liabilities to the Residual Claims Fund as of December 31, 2019 valuation. Commissioner Bigler said the Executive Committee would need a motion to authorize the transfer of fund year 2015. Executive Director said at the meeting the RCF adopted their 2019 budget to accept \$21 million in transfers from all the local Joint Insurance Funds and at the same time they opened up the opportunity for the next fund year transfer which would be 2015.

MOTION TO ADOPT RESOLUTION 21-19 AUTHORIZING THE TRANSFER OF FUND YEAR 2015 LIABILITIES TO THE RESIDUAL CLAIMS FUND

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

EJIF Report: The EJIF met on September 4th at the Forsgate Country Club; a copy of Commissioner Bigler's report is enclosed.

Risk Management Information/Operating System (RMIS): Members and Risk Managers should have received an email with a link to renewal worksheets – to begin the 2019 underwriting renewal during the month of July with a September 15th completion date.

Cyber Security – Doug Brush and Kris Wasserman of Special Counsel/EQ have begun contacting members to perform an audit of member compliance with the MEL's Minimum Standards for Cyber Risk Control. Executive Director said EQ has contacted some of the towns already and they reported they are having good conversations with members.

2020 Membership Renewals – Attached is a list of members scheduled to renew fund membership by January 1, 2020. Membership renewal documents have been mailed to members. Renewals are due back in the fund office by October 1, 2019.

Safety Expo – The second of two NJUA Safety Expos will be held on September 27th at the Camden County Regional Emergency Training Center. We are in the process of generating schedules to distribute to enrollees.

Finance Committee – We will be scheduling a meeting of the Finance Committee for mid-October to review the 2020 budget. Finance Committee members are: Michael Gianforte, Chair; Robert Fischer, Brian Bigler, Bernie Rutkowski and Frank Pestana.

Coverage Committee: The MEL Coverage Committee worked with the Technical Writer to redraft the JIF's Crime Policy. We will schedule a meeting of the Coverage Committee to review the policy that the MEL has recommended local JIFs adopt.

First Aid/CPR and AED Training – In the past, the JIF has engaged a trainer to provide CPR/AED training. Members have asked J.A. Montgomery to arrange these classes again. Commissioner Bigler asked where the training would be held and will it be close enough for some of the northern members. Executive Director said we can schedule three classes with one of those being held in the northern part of the state.

MOTION TO AUTHORIZE SCHEDULING THREE TRAINING SESSIONS FOR CPR/AED TRAINING.

Moved:	Commissioner Bigler
Second:	Commissioner Flancbaum
Vote:	7 Ayes, 0 Nays

Commissioner Vaccaro said there is some confusion on the training requirements for updating training. Commission Vaccaro said training every two years is only required if your job requires this training. Anyone taking the training for reasons other than job

requirement is does not have to complete the training every two years. Commissioner Vaccaro asked notices for these training classes included that clarification.

Requests for Qualifications – We are in the process of advertising for the Fund Attorney and Defense Panel. Executive Director said for the attorney we actually do the RFQ as a professional service which is why we go through the process every year not every three years. Executive Director said the JIF could consider including the Fund Attorney as a “competitive contract” in the future and do multiple year. Executive Director said she thinks the one year limits applies only if awarded as a professional service.

Power of Collaboration Brochure: The MEL is distributing copies of a brochure highlighting the savings to taxpayers and significant improvement to the safety record since its inception.

League Magazine Ad: The latest in the series of “Power of Collaboration” ad (copy attached) will also highlight the savings to taxpayers.

NJSLOM Ethics Seminar: The NJSLOM has asked the JIFs to help spread the word on its upcoming League Ethics Seminars scheduled for October (attached). Many of the State-issued certifications (i.e., Construction Officials, Subcode Officials, CMFO, etc.) require CEU’s under the Ethics category; the League seminar will help to satisfy those requirements.

TREASURER:

VOUCHER PAYMENTS (BILL LIST)

2019	\$ 116,989.76
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VOUCHER PAYMENTS (SUPPLEMENTAL BILL LIST)

2019	\$ 7,724.00
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CONFIRMATION OF CLAIMS' PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS DURING MONTH OF AUGUST 2019:

Closed:	\$ 0.00
2015:	\$ 13,715.12
2016:	\$ 66,333.85
2017:	\$ 22,245.22
2018	\$ 31,064.62
2019	\$ 105,903.27
Total:	\$ 239,262.08

MOTION TO APPROVE SEPTEMBER BILLS LIST AND CONFIRM CLAIMS' PAYMENTS/CERTIFICATION OF CLAIMS' TRANSFERS DURING MONTH OF AUGUST 2019 CLAIMS AND ACCEPT TREASURER’S REPORT:

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

Treasurer's Report Attached & Made Part of Minutes.

ATTORNEY: None

MANAGED CARE:

MONTHLY REPORT: Steve McNamara of QualCare reviewed the Managed Care Reports for the month of August 2019. Chairman Fischer commented on the very good percentage of savings at 97%

Report Made Part of the Minutes.

SAFETY DIRECTOR:

MONTHLY REPORT: Monthly report submitted and reviewed by JA Montgomery Risk Control. Liam Callahan reviewed upcoming training.

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**

MOTION TO CLOSE MEETING:

Moved: Commissioner Gianforte
Second: Commissioner Flancbaum
Vote: Unanimous

MOTION TO RE-OPEN MEETING:

Moved: Commissioner Gianforte

Second: Commissioner Flancbaum
Vote: Unanimous

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUESTS AS PRESENTED

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

MOTION TO ADJOURN:

Moved: Commissioner Gianforte
Second: Commissioner Bigler
Vote: Unanimous

MEETING ADJOURNED: 11:28 am
NEXT REGULAR MEETING: October 23, 2019
Karen A. Read, Assisting Secretary

For
Frank Pestana, SECRETARY
Date Prepared: - October 11, 2019