

Board of Education  
Nutley, New Jersey

June 18, 1999

The Special Meeting of the Board of Education of the Township of Nutley, New Jersey was held in the Board Room, 375 Bloomfield Avenue, on Friday, June 18, 1999 at 5:35 p.m. with Mr. Alfred R. Restaino, Jr., Vice-President, presiding.

ANNOUNCEMENT OF MEETING:

Mr. Restaino read the following:

"According to the provisions of the 'Open Public Meetings Act' (Chapter 231, P.L. 1975), proper notice of this Special Meeting was provided on June 15, 1999. Said Notice was:

1. Posted at the entrance of the Board Office.
2. Mailed to The Nutley Sun, the Star Ledger, the North Jersey Herald & News and the Nutley Journal.
3. Mailed to the Nutley Township Clerk.

"The purpose of this meeting will be for the Board to consider insurance proposals for 1999/2000.

"Formal action may be taken."

ROLL CALL:

The other members present at roll call were: Mr. John Cafone, Mrs. Michele Fleitell, Mr. Joseph C. Pelaia and Mrs. Agnes Roncaglio. Late: Mr. Vincent A. Moscaritola (5:38 p.m.). Absent: Dr. Philip T. Casale, Mr. Steven P. Picciano and Mrs. Maria Russo. Three citizens were present.

Mr. Moscaritola entered and assumed the Chair

HEARING OF CITIZENS (Agenda Items Only):

None

RESOLUTION TO JOIN SUBURBAN ESSEX JOINT INSURANCE FUND:

Mr. Sincaglia explained that proposals for insurance coverage for workers' compensation and errors and omissions had been solicited from several sources, all of which was contained in a report that had been submitted previously to the Board. He noted that the Insurance Committee

chaired by Dr. Casale was unanimously recommending that the district join the Suburban Essex Joint Insurance Fund (JIF) inasmuch as they had the most attractive proposal. Mr. Sincaglia noted that a significant savings would have been realized simply by staying with the present insurance but JIF offered a savings of an additional \$12,000 beyond that.

Mr. Sincaglia introduced Mr. Joseph Hrubash for Willis Corroon Corporation who had been responsible for developing the proposal, Bob Searle of the Searle Agency who was the risk manager for the JIF and David Grubb, the Executive Director of PERMA Inc., the company which has the responsibility for managing the JIF.

Mr. Grubb gave a brief presentation explaining the structure of the JIF, its operation and its past performance.

Mrs. Fleitell wanted to know if the Suburban JIF was going to attempt to attract other school districts. Mr. Grubb said such a decision was something that was done on a JIF-by-JIF basis but thought that in the short term there would probably not be an inclusion but that there were greater long-term possibilities for such an occurrence.

Mr. Sincaglia reminded the Board that joining the JIF represented a three-year commitment on the part of the Board for these lines of insurance, however, he noted that, based on their budgetary history, the expectation for future increases looked promising.

Mr. Sincaglia asked Mr. Grubb if it was true that any JIF can be selective in its membership and that one reason that the Nutley Board of Education is being asked to join is that we appear to be a good risk. Mr. Grubb said that was indeed the case. Mr. Sincaglia also asked if it was also true that future boards of education who might not look so attractive from a risk basis might not be invited to join and Mr. Grubb indicated that was also true.

Mr. Restaino presented and moved the adoption of the following resolution, seconded by Mr. Pelaia. On a roll call vote the resolution was unanimously adopted:

WHEREAS, a number of governmental entities in the state of New Jersey have joined together to form a Joint Insurance Fund as permitted by Chapter 372, Laws of 1983 (40A:10-36), and

WHEREAS, this fund, known as the Suburban Essex Joint Insurance Fund (hereinafter, the Fund), was authorized effective January 1, 1992, and

WHEREAS, said Fund was approved to become operational by New Jersey Department of Insurance and the Department of Community Affairs and has been in operation since that date, and

WHEREAS, the statutes and regulations governing the creation and operation of a Joint Insurance Fund contain elaborate restrictions and safeguards concerning the safe and efficient administration of the public interest entrusted to such a Fund,

NOW, THEREFORE, BE IT RESOLVED, That the Board of Education of the Township of Nutley does hereby agree to join the Fund, and

BE IT FURTHER RESOLVED, That the Board of Education is applying to the Fund for the following types of coverages:

1. Workers' Compensation and Employer's Liability
2. School Board Legal Liability

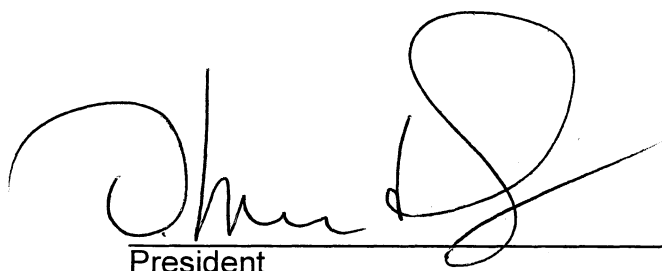
BE IT FURTHER RESOLVED, That the Board of Education hereby adopts and approves of the bylaws of the Fund, and

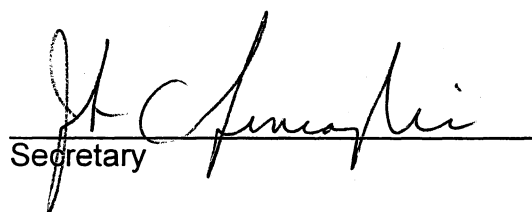
BE IT FURTHER RESOLVED, That the Secretary/Business Administrator is authorized to execute the application for membership and the accompanying certification on behalf of the Board of Education, and

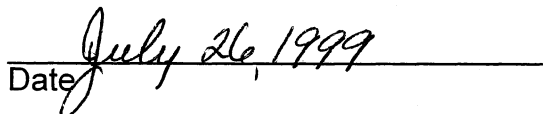
BE IT FURTHER RESOLVED, That the Secretary/Business Administrator is authorized and directed to execute the Indemnity and Trust Agreement and such other documents signifying membership in the Fund as are required by the Fund's bylaws and to deliver same to the Executive Director of the Fund with the express reservation that said document shall become effective only upon the applicant's admission to the Fund following approval by the Fund, and approval by the New Jersey Department of Banking and Insurance and the Department of Community Affairs.

ADJOURNMENT:

There being no further business to come before the Board, on motion made by Mr. Pelaia, seconded by Mrs. Roncaglio, the meeting was adjourned at 5:50 p.m.

  
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President

  
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Secretary

  
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Date

June 18, 1999