
PUBLIC ALLIANCE INSURANCE COVERAGE FUND

**EXECUTIVE COMMITTEE’S MEETING MINUTES
May 14, 2019**

I. Call to Order – Cynthia Ege, Chairperson

The meeting was called to order at 9:38 a.m. by Chairperson Ege.

II. Open Public Meetings Statement – Cynthia Ege, Chairperson

The Open Public Meetings Act was read by Chairperson Ege.

III. Roll Call

<u>Executive Committee</u>		<u>Attendance</u>
Michael Schwar	Alpha Borough	Present
Kevin Davis	Hunterdon County	Present
Cynthia Ege	City of Lambertville	Present
Grace Brennan	Union Township	Present
Samuel Race	White Township	Present
 <u>Executive Committee - Alternates</u>		
Joseph Kennedy	Belvidere Township	Absent
Vita Mekovetz	Readington Township	Absent

Fund Commissioners

Also Present

Chuck Hartsoe	PEGAS
Barbara Murphy	PEGAS/Risk & Loss Managers, Inc.
Michaelene Miller	
M. Paige Berry	Saul Ewing Arnstein & Lehr LLP
Eric Bause	The Actuarial Advantage
Missy Pudimott	Medlogix
Robert Granata	Highland Claim Services, Inc.
Michael Niznik	Partnership Safety Consultants
Shawn Gillan	Withum, Smith & Brown
Gregory Della Pia	Treasurer
Tom Narolewski	Assured Partners
Sharon Cooper	Public Entity Advocates

IV. Introduction of Guests

Shawn Gillan Coyne of Withum Smith and Brown introduced himself.

V. Executive Committee Business

A. Approval of the February 5, 2019 Fund Commissioners’, Executive Committee’s Reorganization and Closed Meeting Minutes.

Motion to approve the February 5, 2019 Fund Commissioners’, Executive Committee’s Reorganization and Closed Meeting Minutes.

Moved: Kevin Davis

Seconded: Samuel Race

Vote: Approved: 4 Abstentions: 1 (G. Brennan) Nay:0

B. Reports

1. Chairperson – Cynthia Ege

There was no report.

2. MEL Delegate’s Report – Cynthia Ege

As per the report included in the agenda package.

3. Secretary – Grace Brennan

There was no report.

4. Attorney – Saul Ewing Arnstein Lehr, LLP – M. Paige Berry

As per the report included in the agenda package.

5. Treasurer – Gregory Della Pia

The treasurer presented the Treasurer’s Report and Bill List.

a. Bill List

Approval of the Bill list for all fund years.

Motion to approve the Bill List totaling \$1,544,154.75.

Moved: Grace Brennan

Seconded: Kevin Davis

Vote: Approved: Unanimous Nay:

b. Treasurer’s Report

As per the report distributed at the meeting.

c. Investment Status

As per the report distributed at the meeting.

6. Actuarial Report as of 12/31/18 – The Actuarial Advantage – Eric Bause

Eric Bause presented the actuarial report, explaining that the purpose of the report was to project the ultimate losses for the fund. He commented that ultimate losses consist of reported losses that are paid losses and case reserves plus the incurred but not reported (IBNR) reserve. He stated that the IBNR reserve is a provision that takes into account the emergence of unknown claims, development of known cases and the reopening of closed claims. He further stated that as of the December 31, 2018 valuation date, the total case reserves and IBNR reserves were \$4,835,151.

7. Financial Report – Withum, Smith & Brown – Shawn Gillan

a. PAIC Financial Report as of 12/31/18

Shawn Gillan presented the financial report distributed at the meeting. He stated that the balance sheet shows assets of \$18,678,532 and a fund surplus of \$12,394,301. He further stated that there were no audit comments or recommendations and no deficiencies or weaknesses found for the Fund.

Motion to approve Resolution 2019-24 Certifying the Review of the Annual Audit.

Moved: Kevin Davis

Seconded: Michael Schwar

Vote: Approved: Unanimous Nay:

8. Administrator - Public Entity Group Administrative Services

As per the memorandum included in the agenda package.

a. 2020 Renewal Process

The administrator stated that the 2020 online data collection timeline via Origami would be announced shortly.

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- b. MEL Employment Practices Liability Helpline
The administrator stated that the MEL had established a new Employment Practices Liability Helpline, which was staffed by attorneys that specialize in New Jersey employment law and better understand the MEL JIF system.

9. Loss Control Specialist – Partnership Safety Consulting

As per the report included in the agenda package.

Michael Niznik provided an update on the status of the 2019 member surveys. Grace Brennan referred to the MSI classroom and online usage report. She encouraged members to take advantage of the MSI including its webinars, continuing education credits and cyber resources.

10. Managed Care Services – Medlogix

As per the report distributed at the meeting.

C. Old Business

There was no old business.

D. New Business

1. Public Hearing and Budget Adoption

- a. **Motion** to open the public hearing on the 2018 Fund Year Budget Revision #1.

Moved: Michael Schwar

Seconded: Samuel Race

Vote: Approved: Unanimous Nay:

- b. **Motion** to close the public hearing and adopt the 2018 Fund Year Budget Revision #1.

Moved: Samuel Race

Seconded: Grace Brennan

Vote: Approved: Unanimous Nay:

- c. **Motion** to open the public hearing on the 2019 Fund Year Budget Revision #1.

Moved: Michael Schwar

Seconded: Kevin Davis

Vote: Approved: Unanimous Nay:

- d. **Motion** to close the public hearing and adopt the 2019 Fund Year Budget Revision #1.

Moved: Samuel Race

Seconded: Grace Brennan

Vote: Approved: Unanimous Nay:

E. Public Comment

There was no public comment.

F. Closed Session

There was no closed session.

G. Claims Sub-Committee Report

- 1. **Motion** to ratify the March 12, 2019 and April 9, 2019 Claims Sub-Committee Meeting Minutes.

Moved: Grace Brennan

Seconded: Kevin Davis

Vote: Approved: Unanimous Nay:

VI. Adjournment

Moved: Samuel Race

Seconded: Kevin Davis

Vote: Approved: Unanimous Nay:

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The meeting was adjourned at 10:11 a.m.

The next meeting will be held at the **Lebanon Courtyard Marriot, Lebanon, NJ** on **September 17, 2019** at 9:30 a.m.

Respectfully submitted,

Authorized Signature