
PUBLIC ALLIANCE INSURANCE COVERAGE FUND

**EXECUTIVE COMMITTEE'S MEETING MINUTES
November 27, 2018**

I. Call to Order – Cynthia Ege, Chairperson

The meeting was called to order at 9:33 p.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

Executive Committee

		<u>Attendance</u>
Michael Schwar	Alpha Borough	Absent
Kevin Davis	Hunterdon County	Present
Cynthia Ege	City of Lambertville	Present
Grace Brennan	Union Township	Present
Samuel Race	White Township	Present

Executive Committee - Alternates

Joseph Kennedy	Belvidere Township	Absent
Vita Mekovetz	Readington Township	Absent

Also Present

Chuck Hartsoe	PEGAS
Barbara Murphy	PEGAS/Risk & Loss Managers, Inc.
Michaelene Miller	
M. Paige Berry	Saul Ewing Arnstein & Lehr, LLP
Missy Pudimott	Consolidated Services Group
Robert Granata	Highland Claim Services, Inc.
Michael Niznik	Partnership Safety Consultants
Greg Della Pia	Treasurer
Sharon Cooper	Public Entity Advocates
Janice Schuettler	Belfor Property Restoration

IV. Introduction of Guests

There were no introductions.

V. Executive Committee Business

A. Approval of the September 18, 2018 Executive Committee's Open and Closed Meeting Minutes

Motion to approve the September 18, 2018 Executive Committee's Open and Closed Meeting Minutes.

Moved: Kevin Davis

Seconded: Grace Brennan

Vote: Approved: Unanimous Nay:

B. Reports

1. Chairperson – Cynthia Ege

There was no report.

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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

a. Bill List

Motion to approve the Bill List for all fund years totaling \$411,706.84.

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. Administrator - Public Entity Group Administrative Services

As per the memorandum included in the agenda packet.

a. 2019 Meeting Schedule

As per the meeting schedule included in the agenda package.

The administrator asked members to review the proposed dates and advise if there were any known conflicts.

7. Claims Servicing Organization – Highland Claim Services, Inc.

There was no report.

8. Managed Care Services – Consolidated Services Group

As per the report included in the agenda package.

9. Loss Control – Partnership Safety Consultants

Michael Niznik reviewed the status report included in the agenda package.

C. Old Business

There was no old business.

D. Closed Session

1. *Motion* to adjourn open session.

Moved: Grace Brennan

Seconded: Kevin Davis

Vote: Approved: Unanimous Nay:

Open Session was adjourned at 9:56 a.m.

2. *Motion* to adjourn closed session.

Moved: Samuel Race

Seconded: Kevin Davis

Vote: Approved: Unanimous Nay:

Closed Session was adjourned at 10:15 a.m.

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3. Claims Payment Authorizations Established in Closed Session

Motion to approve claim payments and authorize actions established in Closed Session.

Moved: Kevin Davis

Seconded: Grace Brennan

Vote: Approved: Unanimous Nay:

E. New Business

1. Introduction of the 2019 Fund Year Budget and Certifying the Assessments

Barbara Murphy reviewed the 2019 fund year budget distributed at the meeting. She stated that the 2019 budget would include the additional land use coverage cost, which was initially paid by the MEL for the 2018 fund year.

Motion to introduce the 2019 Fund Year Budget and Certify the Assessments.

Moved: Grace Brennan

Seconded: Samuel Race

Vote: Approved: Unanimous Nay:

2. Resolution 2018-19 Confirming the Creation of an Aggregate Loss Fund Contingency Account

Barbara Murphy stated that the Fund's maximum expected claims fund MEL assessment was at 100%. She referred to the Aggregate Loss Fund contingency line item in the budget. She stated that an aggregate loss fund contingency account could be established, beginning with the 2016, 2017 and 2018 funds, to fund any current or future potential exposure of claims that may exceed the 85% of expected claims. Discussion ensued and the consensus was to adopt a resolution confirming the creation of an aggregate loss fund contingency account and the annual transfer.

Motion to approve Resolution 2018-29 confirming the creation of an aggregate loss fund contingency account.

Moved: Grace Brennan

Seconded: Kevin Davis

Vote: Approved: Unanimous Nay:

3. Return of Surplus

The administrator referred to Resolution 2018-32 and the attachment showing a proposed return of surplus by member and year from fund years 2001, 2002, 2008-2010. She stated that a return of \$285,193 was being proposed from these fund years as of the December 31, 2017 financial statements. Discussion ensued and the consensus was to approve the return of surplus as presented.

- a. Resolution 2018-30 Authorizing Intra-year Transfer for Fund Years 2008 and 2009
Barbara Murphy stated that the transfer was a housekeeping item within fund years as a result of the return of surplus.

Motion to adopt Resolution 2018-30 Authorizing Intra-year Transfer.

Moved: Grace Brennan

Seconded: Kevin Davis

Vote: Approved: Unanimous Nay:

- b. Resolution 2018-31 Authorizing Inter-year Transfers for Fund Years 2001, 2002, 2008 through 2010.

Barbara Murphy stated that the transfer was a housekeeping item between fund years as a result of the return of surplus.

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Motion to adopt Resolution 2018-31 Interyear Transfer Resolution.

Moved: Grace Brennan

Seconded: Kevin Davis

Vote: Approved: Unanimous Nay:

- c. Resolution 2018-32 Authorizing Refunds for Fund Years 2001, 2002 and 2008 through 2010

Motion to adopt resolution 2018-32 authorizing refunds for fund years 2001, 2002 and 2008 through 2010.

Moved: Kevin Davis

Seconded: Grace Brennan

Vote: Approved: 3 Nay: 1 (G. Brennan)

F. Public Comment

There was no public comment.

G. Adjournment

Motion to adjourn the meeting.

Moved: Kevin Davis

Seconded: Samuel Race

Vote: Approved: Unanimous Nay:

The meeting was adjourned at 10:30 a.m.

The next meeting will be held at **9:30 a.m.** on **December 11, 2018** at 51 Everett Drive, Suite B40, West Windsor, NJ.

Respectfully submitted,

Authorized Signature