
PUBLIC ALLIANCE INSURANCE COVERAGE FUND

**EXECUTIVE COMMITTEE'S MEETING MINUTES
May 15, 2018**

I. Call to Order – Cynthia Ege, Chairperson

The meeting was called to order at 9:47 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	Absent
Samuel Race	White Township	Absent

Executive Committee - Alternates

Joseph Kennedy	Belvidere Township	Absent
Vita Mekovetz	Readington Township	Absent
Anthony Vangeli	Pohatcong Township	Absent

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
Taylor Jacob	Consolidated Services Group
Robert Granata	Highland Claim Services, Inc.
Michael Niznik	Partnership Safety Consultants
Rick Coyne	Withum, Smith & Brown
Gregory Della Pia	Treasurer
Tom Narolewski	Assured Partners
Sharon Cooper	Public Entity Advocates

IV. Introduction of Guests

Eric Bause of The Actuarial Advantage and Rick Coyne of Withum Smith and Brown introduced themselves.

V. Executive Committee Business

A. Approval of the February 6, 2018 Fund Commissioners', Executive Committee's Reorganization and Closed Meeting Minutes.

Motion to approve the February 6, 2018 Fund Commissioners', Executive Committee's Reorganization and Closed Meeting Minutes.

Moved: Kevin Davis

Seconded: Michael Schwar

Vote: Approved: Unanimous Nay:

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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 \$1,422,869.79.
Moved: Michael Schwar
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 12/31/17 – 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, 2017 valuation date, the total case reserves and IBNR reserves were \$4,244,942.
7. **Financial Report – Withum, Smith & Brown – Rick Coyne**
 - a. PAIC Financial Report as of 12/31/17
Rick Coyne presented the financial report distributed at the meeting. He stated that the balance sheet shows assets of \$17,943,551 and a fund surplus of \$12,560,915. He further stated that there were no audit comments or recommendations and no deficiencies or weaknesses found for the Fund.
Motion to approve Resolution 2018-25 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. 2019 Renewal Process
Barbara Murphy stated that the 2019 online data collection process via Origami would be announced shortly. She stated that the training webinar that was recently held was available on the MEL website.
9. **Loss Control Specialist – Partnership Safety Consulting**
As per the report included in the agenda package.

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Michael Niznik provided an update on the status of the 2018 member surveys.

10. Managed Care Services – Consolidated Services Group

As per the report distributed at the meeting.

C. Old Business

There was no old business.

D. New Business

There was no new business.

E. Public Comment

There was no public comment.

F. Closed Session

1. **Motion** to adjourn open session.

Moved: Michael Schwar

Seconded: Kevin Davis

Vote: Approved: Unanimous Nay:

Open Session was adjourned at 10:20 a.m.

2. **Motion** to adjourn closed session.

Moved: Kevin Davis

Seconded: Michael Schwar

Vote: Approved: Unanimous Nay:

Closed Session was adjourned at 10:24 a.m.

3. Claims Payment Authorizations Established in Closed Session

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

Moved: Kevin Davis

Seconded: Michael Schwar

Vote: Approved: Unanimous Nay:

G. Claims Sub-Committee Report

1. **Motion** to ratify the April 10, 2018 Claims Sub-Committee Meeting Minutes as amended.

Moved: Michael Schwar

Seconded: Kevin Davis

Vote: Approved: Unanimous Nay:

VI. Adjournment

Moved: Michael Schwar

Seconded: Kevin Davis

Vote: Approved: Unanimous Nay:

The meeting was adjourned at 10:36 a.m.

The next meeting will be held at the **Lebanon Courtyard Marriot, Lebanon, NJ** on **September 18, 2018** at 9:30 a.m.

Respectfully submitted,

Authorized Signature