

**SCHOOL ALLIANCE INSURANCE FUND**

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**BOARD OF TRUSTEES' MEETING MINUTES**

December 7, 2017

**I. Call to Order – William Sabo, Chairperson**

The meeting was called to order at 12:25 p.m. by Chairperson Sabo.

**II. Open Public Meetings Statement – William Sabo, Chairperson**

The Open Public Meeting Act was read by Chairperson Sabo.

**III. Roll Call**

Board of Trustees

		<u>Attendance</u>
Thomas Egan	Cinnaminson Board of Education	Absent
Daniel Michaud	Edison Board of Education	Present
William Sabo	Franklin Borough Board of Education	Present
Gail Woicekowski	Hackettstown Board of Education	Present
Heather Goguen	High Bridge Board of Education	Absent
Pat Austin	Pemberton Township Board of Education	Present
Staci Horne	Phillipsburg Board of Education	Present
Joseph Kelly	Rutherford Board of Education	Present
Steve Terhune	Southern Regional Board of Education	Present

Board of Trustees - Alternates

Lynn Coates	Manasquan Board of Education	Absent
Sara Winchester	Ocean County College	Absent
Jenine Murray	Wood-Ridge Board of Education	Absent

Fund Commissioners Present

Joseph Marra	Old Bridge Township Board of Education
Carylee Johnson	
Barbara Lance	Hunterdon County Vocational

Also Present

Chuck Hartsoe	PEGAS
Barbara Murphy	PEGAS/Risk and Loss Managers, Inc.
Craig Klein	
M. Paige Berry	Saul Ewing Arnstein & Lehr, LLP
Michael Solomon	The Actuarial Advantage
Bob Granata	Highland Claim Services
Mike Niznik	Partnership Safety Consultants
Lisa Gallo	Qual-Lynx
Rick Coyne	Withum, Smith + Brown
Ron Wolfe	AJG/Newton
Latonya Brennan	AJG/Princeton
John Latimer	The Barclay Group
Tim Latimer	
Vicki Sumner	Boynton & Boynton
Bob Gemmell	Brown & Brown of NJ
Kevin Sayle	CBIZ/Centric

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Alfred Kirk, V	Conner Strong Companies
Danille Colaianni	Hardenbergh Insurance Group
Michael Sabbagh	Richland Knowles Agency
Robert Cottone	Rue Insurance

**IV. Introduction of Guests**

There were no introductions.

**V. Minutes**

**A. Approval of the October 25, 2017 Fund Commissioners' & Board of Trustees' Reorganization Meeting Minutes**

**Motion** to approve the October 25, 2017 Fund Commissioners' and Board of Trustees' Reorganization Meeting Minutes.

**Moved:** Gail Woicekowski

**Seconded:** Pat Austin

**Vote:** Approved: Unanimous                      Nay:

**VI. Reports**

**A. Chairperson - William Sabo**

There was no report.

**B. Secretary - Joseph Kelly**

There was no report.

**C. Safety and Education Advisory Committee**

The administrator reported that Mike Niznik gave a presentation on winter safety and loss control activities conducted to date.

**D. Attorney's Report - Saul Ewing Arnstein & Lehr, LLP - M. Paige Berry**

**1. Monthly Report**

The report was included in the agenda packet. The attorney reported the Fund had recently received a favorable summary judgment with respects to SAF033839 in which the plaintiff sustained terminal injuries from an overturned tractor.

**E. Treasurer's Report - Barbara Murphy**

The Administrator presented the Treasurer's Report and Bill List.

**1. Approval of the Treasurer's Report and Bill List for all fund years.**

**Motion** to approve the Treasurer's Report and Bill List for all fund years totaling \$4,036,025.02.

**Moved:** Gail Woicekowski

**Seconded:** Pat Austin

**Vote:** Approved: Unanimous                      Nay:

**2. Actuarial Report for year ending June 30, 2017**

**Actuarial Advantage - Michael Solomon**

Michael Solomon presented the actuarial report, explaining that the purpose of the report is to analyze the Fund's net losses and allocated loss adjustment expense

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reserves and to project ultimate net losses. Michael commented that the incurred but not reported (IBNR) reserve is a provision that takes into account the emergence of unknown claims, development of known claims and the reopening of closed claims. He also stated that as of the June 30, 2017 valuation date, the total IBNR and case reserves for all fund years was \$28,405,646.

**3. Financial Report for year ending June 30, 2017**

**Withum, Smith + Brown - Rick Coyne**

Rick Coyne presented the audited financial statement as of June 30, 2017. He stated the cumulative balance sheet, page five, shows assets of \$41,637,320, liabilities of \$31,509,947 and a surplus of \$10,127,373. He reported that net income, page six, for the year ending June 30, 2017 was \$664,358. He also stated the financial statements are presented in accordance with generally accepted accounting principles and that there were no recommendations noted.

**Motion** to approve Resolution 17-17 Certifying Review of Annual Audit Report.

**Moved:** Gail Woicekowski

**Seconded:** Steve Terhune

**Vote:** Approved: Unanimous      Nay:

The administrator requested that all Trustees in attendance sign the Certification of the Governing Body which states the Trustees have reviewed the annual audit filed with the fund's secretary for year ending June 30, 2017 and are familiar with the sections of the annual report titled General Comments and Recommendations.

**F. Administrator - Public Entity Group Administrative Services - Chuck Hartsoe**

**1. Summary of Topics**

a. 2<sup>nd</sup> Installment of Assessment

b. 2018/2019 Fund Year Program

The administrator reported preliminary work for the 2018/2019 fund year had begun and budget guidance will be provided to members as soon as practical.

c. Stop!t Program

The administrator reported the program is designed to be a simple, fast solution to reporting inappropriate behavior.

d. SafeSchools Online Training Program

The administrator reminded all present that SafeSchools Online Training is available to member districts. The administrator reported newly required bus aide training is available through the SafeSchools program.

**G. Loss Control Specialist - Partnership Safety Consultants**

There was no report.

**H. Managed Care Organization - Qual-Lynx**

Lisa Gallo presented the Activity Report and Bill Review Services report included in the agenda packet.

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- I. Claims Servicing Organization - Highland Claim Services Inc.**  
There was no report.

- VII. Old Business**  
There was no old business.

**VIII. New Business**

- A. **Motion** to Open the Public Hearing on the 2016/2017 Fund Year Budget Revision #2.  
**Moved:** Steve Terhune  
**Seconded:** Gail Woicekowski  
**Vote:** Approved: Unanimous                      Nay:
- B. **Motion** to Close the Public Hearing and adopt the 2016/2017 Fund Year Budget Revision #2.  
**Moved:** Gail Woicekowski  
**Seconded:** Staci Horne  
**Vote:** Approved: Unanimous                      Nay:
- C. **Motion** to Introduce the 2016/2017 Fund Year Budget Revision #3.  
**Moved:** Steve Terhune  
**Seconded:** Joe Kelly  
**Vote:** Approved: Unanimous                      Nay:
- D. **Motion** to Open the Public Hearing on the 2017/2018 Fund Year Budget.  
**Moved:** Joe Kelly  
**Seconded:** Steve Terhune  
**Vote:** Approved: Unanimous                      Nay:
- E. **Motion** to Close the Public Hearing and adopt the 2017/2018 Fund Year Budget.  
**Moved:** Staci Horne  
**Seconded:** Steve Terhune  
**Vote:** Approved: Unanimous                      Nay:

- IX. Public Comment**  
There was no public comment.

- X. Closed Session**  
**Motion** to adjourn to Closed Session.  
**Moved:** Steve Terhune  
**Seconded:** Dan Michaud  
**Vote:** Approved: Unanimous                      Nay:  
Open Session adjourned at 12:47 p.m.

- Motion** to resume Open Session.  
**Moved:** Gail Woicekowski  
**Seconded:** Steve Terhune  
**Vote:** Approved: Unanimous                      Nay:  
Open Session resumed at 1:22 p.m.

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**XI. Open Session Resumes**

**Motion** to approve payment authorization requests presented and other actions established in closed session.

**Moved:** Steve Terhune

**Seconded:** Gail Woickowski

**Vote:** Approved: Unanimous      Nay:

**XII. Claims Sub-Committee Report**

**A. Ratification of the Claims Sub-Committee's November 13, 2017 Meeting Minutes.**

**Motion** to ratify the Claim Sub-Committee's November 13, 2017 Meeting Minutes.

**Moved:** Steve Terhune

**Seconded:** Gail Woickowski

**Vote:** Approved: Unanimous      Nay:

**XIV. Adjournment**

**Motion** to adjourn the meeting.

**Moved:** Steve Terhune

**Seconded:** Staci Horne

**Vote:** Approved: Unanimous      Nay:

The meeting was adjourned at 1:28 p.m.

The next meeting will be held on **Thursday, March 22, 2018** immediately following lunch at the **Hampton Inn, Flemington, NJ**. Lunch will be served at 11:45 a.m.

Respectfully Submitted,

  
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Authorized Signature