

SCHOOL EXCESS LIABILITY FUND

**REORGANIZATION MEETING MINUTES
October 24, 2018**

I. Call to Order - Robert Carfagno

The meeting was called to order at 11:21 a.m. by Robert Carfagno.

II. Open Public Meeting Statement - Robert Carfagno

The Open Public Meeting Act was read by Robert Carfagno.

III. Roll Call

Fund Commissioners

		<u>Attendance</u>
Robert Carfagno	Diploma Joint Insurance Fund	Present
Kimberly Clelland	Diploma Joint Insurance Fund	Present
Thomas Egan	School Alliance Insurance Fund	Present
Gail Woicekowski	School Alliance Insurance Fund	Present

Alternate Fund Commissioners

Donald Sternberg	Diploma Joint Insurance Fund	Present
Steve Terhune	School Alliance Insurance Fund	Absent

Also Present:

Barbara Murphy	Risk & Loss Managers, Inc.
Craig Klein	
Willard R. Young, 3rd	PEGAS
Chuck Hartsoe	
M. Paige Berry	Saul Ewing Arnstein & Lehr, LLP
Ken MacMillan	Treasurer
Eric Bause	Actuarial Advantage
Robert Granata	Highland Claim Services
Lisa Pflug	
Linda Wehner	
Fran Domitrowski	Withum, Smith + Brown

IV. Introduction of Guests

Everyone in attendance introduced themselves.

V. General Fund Business

A. Resolution 18-01 Authorizing the Election of the Fund's Officers/Board of Trustees' and Alternate Trustees'

Motion to approve Resolution 18-01 Authorizing the Election of the Fund's Officers, Board of Trustees and Alternate Trustees.

Moved: Thomas Egan

Seconded: Kimberly Clelland

Vote: Approved: Unanimous Nay:

Robert Carfagno nominated the current slate of Officers/Board of Trustees' and Alternate Trustees.

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Motion to nominate Robert Carfagno as Chair, Gail Woickowski as Vice-Chair, Kimberly Clelland as Secretary, Thomas Egan as Trustee and Steve Terhune and Donald Sternberg as Alternate Trustees.

Moved: Kim Clelland

Seconded: Thomas Egan

Vote: Approved: Unanimous Nay:

VI. Board of Trustees' Business

A. Approval of the May 24, 2018 Board of Trustees' Open and Board of Trustees' Closed Meeting Minutes

Motion to approve the May 24, 2018 Board of Trustees' Open and Board of Trustees' Closed Meeting Minutes.

Moved: Kimberly Clelland

Seconded: Thomas Egan

Vote: Approved: Unanimous Nay: Abstain: G. Woickowski

B. Reports

1. Chairperson – Robert Carfagno

There was no report.

2. Secretary-Kimberly Clelland

There was no report.

3. Attorney's Report – Saul Ewing Arnstein & Lehr, LLP

The fund attorney presented the following resolutions.

1. Resolutions 18-02 through 18-11

a. Appointment of Service Providers

Resolution 18-02 Appointing Service Providers for the 2018/2019 fund year.

- (1) Actuary-The Actuarial Advantage
- (2) Attorney-Saul Ewing Arnstein & Lehr, LLP
- (3) Auditor-Withum, Smith + Brown
- (4) Claims Servicing-Highland Claim Services, Inc.
- (5) Custodian of Funds-Kenneth MacMillan
- (6) Investment Manager-PFM Asset Management, LLC

b. Resolution 18-03 Authorizing the Execution of Contracts with Service Providers for the 2018/2019 fund year.

- (1) Actuary-The Actuarial Advantage
- (2) Attorney-Saul Ewing Arnstein & Lehr, LLP
- (3) Auditor-Withum, Smith + Brown
- (4) Claims Servicing-Highland Claim Services, Inc.
- (5) Custodian of Funds-Kenneth MacMillan
- (6) Investment Manager-PFM Asset Management, LLC

c. Resolution 18-04 Designating the Administrator as Agent to Receive Service of Process on Behalf of the Fund and Designation of the Official Place Where the Records and Books of the Fund Shall be Maintained.

d. Resolution 18-05 Designating the Appointment of the Fund's Public Agency Compliance Officer.

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- e. Resolution 18-06 Adopting the Cash Management Plan for the 2017/2018 fund year.
- f. Resolution 18-07 Designating the Official Depositories of the Fund.
- g. Resolution 18-08 Designating the Individuals as the Fund's Signatories for the 2018/2019 fund year.
- h. Resolution 18-09 Adopting the Meeting Place, Schedule, and Official Newspapers for the 2018/2019 fund year.
- i. Resolution 18-10 Appointing Highland Claim Services, Inc., as a Certifying and Approving Officer.
- j. Resolution 18-11 Appointing the Claims Committee as a Certifying and Approving Officer.

Motion to approve Resolutions 18-02 through 18-11.

Moved: Thomas Egan

Seconded: Kimberly Clelland

Vote: Approved: Unanimous Nay:

The Chairperson appointed the following Trustees to serve on the finance sub-committee: Thomas Egan and Robert Carfagno - Chairperson. The Chairperson appointed the following to serve on the claims sub-committee: Kimberly Clelland as Chairperson, and Thomas Egan with Steve Terhune alternate.

C. Treasurer's Report-Ken MacMillan

Ken MacMillan 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 \$13,721,235.45.

Moved: Thomas Egan

Seconded: Kimberly Clelland

Vote: Approved: Unanimous Nay:

- 2. Actuarial Report for year ending June 30, 2018-Actuarial Advantage
Eric Bause presented the actuarial report explaining that the purpose of the report is to analyze the Fund's net losses and allocated loss adjustment expense reserves and to project ultimate net losses. He stated as of June 30, 2018 valuation date the total loss and allocated loss adjustment expense reserves including IBNR for all fund years was \$14,550,995.
- 3. Financial Report for year ending June 30, 2018-Withum, Smith + Brown
Fran Domitrowski presented the financial report which was distributed at the meeting. He stated that the cumulative balance sheet, on page 3, shows assets of \$20,098,337, liabilities of \$14,726,784 and a surplus of \$5,371,553. Net income, page 4, for the year ending June 30, 2018 was \$2,230,532. He also stated the financial statements are presented in accordance with generally accepted accounting principles and that there were no recommendations noted.

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Motion to approve Resolution 18-12 Certifying Review of Annual Audit Report.

Moved: Thomas Egan

Seconded: Kimberly Clelland

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, 2018 and are familiar with the sections of the annual report titled General Comments and Recommendations.

D. Administrator - Risk and Loss Managers, Inc./Public Entity Group Administrative Services

There was no report.

VII. Old Business

There was no old business.

VIII. New Business

A. *Motion* to open the public hearing on the 2017/2018 Fund Year Budget-Revision #1.

Moved: Gail Woicekowski

Seconded: Thomas Egan

Vote: Approved: Unanimous Nay:

B. *Motion* to close the public hearing and adopt the 2017/2018 Fund Year Budget-Revision #1.

Moved: Gail Woicekowski

Seconded: Kimberly Clelland

Vote: Approved: Unanimous Nay:

C. *Motion* to open the public hearing on the 2018/2019 Fund Year Budget.

Moved: Kimberly Clelland

Seconded: Thomas Egan

Vote: Approved: Unanimous Nay:

D. *Motion* to close the public hearing and adopt the 2018/2019 Fund Year Budget.

Moved: Thomas Egan

Seconded: Kimberly Clelland

Vote: Approved: Unanimous Nay:

E. *Motion* to introduce the 2018/2019 Fund Year Budget-Revision #1.

Moved: Gail Woicekowski

Seconded: Kimberly Clelland

Vote: Approved: Unanimous Nay:

IX. Public Comment

There was no public comment.

X. Closed Session

There was no closed session.

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XI. Claims Sub-Committee Report

A. Ratification of the Claims Sub Committee's June 18, 2018, August 20, 2018, September 10, 2018 and October 9, 2018 Meeting Minutes

Motion to ratify the Claims Sub-Committee's June 18, 2018, August 20, 2018, September 10, 2018 and October 9, 2018 meeting minutes.

Moved: Thomas Egan

Seconded: Kimberly Clelland

Vote: Approved: Unanimous Nay:

XII. Adjournment

Motion to adjourn the meeting.

Moved: Kimberly Clelland

Seconded: Gail Woicekowski

Vote: Approved: Unanimous Nay:

The meeting was adjourned at 11:33 a.m.

The next meeting will be held on **Thursday, December 6, 2018 at 10:00 a.m.** at the **Hampton Inn, Flemington, NJ.**

Respectfully Submitted,



Authorized Signature