
SCHOOL ALLIANCE INSURANCE FUND

BOARD OF TRUSTEES' MEETING MINUTES

November 14, 2019

I. Call to Order - Gail Libby, Chairperson

The meeting was called to order at 12:29 p.m. by Chairperson Libby.

II. Open Public Meetings Statement - Gail Libby, Chairperson

The Open Public Meeting Act was read by Chairperson Libby.

III. Roll Call

Board of Trustees

		<u>Attendance</u>
Tom Egan	Cinnaminson Board of Education	Present
Barbara Decker	Franklin Borough Board of Education	Absent
Joseph Howe	Freehold Borough Board of Education	Present
Gail Libby	Mt. Olive Township Board of Education	Present
Samantha Dembowski	North Arlington Board of Education	Absent
Staci Horne	Phillipsburg Board of Education	Absent
Joseph Kelly	Rutherford Board of Education	Present
Steve Terhune	Southern Regional Board of Education	Present
Jenine Murray	Wood-Ridge Board of Education	Present

Board of Trustees - Alternates

Haquisha Taylor	Fort Lee Board of Education	Absent
James Sekelsky	Hardyston Township Board of Education	Absent
Sara Winchester	Ocean County College	Absent

Fund Commissioners Present

Steve Brennan	Barnegat Township Board of Education
Stephanie Voorhees	Flemington-Raritan Regional Board of Education
Tim Havlusch	Hackettstown Board of Education

Also Present

Chuck Hartsoe	PEGAS
Barbara Murphy	PEGAS/Risk and Loss Managers, Inc.
Craig Klein	
Michael Solomon	The Actuarial Advantage
Robert Granata	Highland Claim Services
Lisa Pflug	
Linda Wehner	
Mike Niznik	Partnership Safety Consultants
Stephen McNamara	QualCare
M. Paige Berry	Saul Ewing Arnstein & Lehr, LLP
Shawn Gillon	Withum, Smith & Brown
Bob Gemmell	Brown & Brown
Jim Malkiewicz	The Van Dyk Group
Lee Nestel	CBIZ
Ron Wolfe	Arthur J. Gallagher Insurance Co.
Latonya Brennan	

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Tim Latimer	The Barclay Group
Kelly Machu	J.S. Braddock Agency
Al Kirk	Conner Strong & Buckelew
Michael Sabbagh	Richland Knowles Agency
Jennifer Olson	Hardenbergh Insurance Group

IV. Introduction of Guests

There were no introductions.

V. Minutes

A. Approval of the October 23, 2019 Fund Commissioners' & Board of Trustees' Reorganization Meeting Minutes

Motion to approve the October 23, 2019 Fund Commissioners' and Board of Trustees' Reorganization Meeting Minutes.

Moved: Joseph Kelly

Seconded: Tom Egan

Vote: Approved: Unanimous Nay:

VI. Reports

A. Chairperson - Gail Libby

There was no report.

B. Secretary - Joseph Kelly

There was no report.

C. Safety and Education Advisory Committee

1. Safety Presentation

The administrator reported that Mike Niznik gave a presentation earlier on Playground Safety in addition to loss control activities conducted to date.

D. Attorney's Report - Saul Ewing Arnstein & Lehr, LLP

1. Monthly Report

The report was included in the agenda packet.

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 \$1,438,300.49.

Moved: Tom Egan

Seconded: Steve Terhune

Vote: Approved: Unanimous Nay:

F. Financial Presentation

1. Actuarial Report for year ending June 30, 2019

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 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, 2019 valuation date, the total IBNR and case reserves for all fund years was \$26,862,944.

2. Financial Report for year ending June 30, 2019

Withum, Smith + Brown - Shawn Gillon

Shawn presented the audited financial statement as of June 30, 2019. She stated the cumulative balance sheet, page five, shows assets of \$48,410,942, liabilities of \$29,492,955 and a surplus of \$18,917,987. He reported that net income, page six, for the year ending June 30, 2018 was \$6,485,050. 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 19-18 Certifying Review of Annual Audit Report.

Moved: Steve Terhune

Seconded: Tom Egan

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, 2019 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. 2nd Installment of Assessment

b. 2019/2020 Fund Year Amended Risk Management Plan

The 2019/2020 Fund Year Risk Management Plan will include the following change: limit liability for indoor environmental will be \$100,000 per incident/\$1,000,000 aggregate for remediation costs, first party remediation costs and associated legal defense expenses. Member deductible is \$100,000.

Motion to approve Resolution 19-19 Adopting the Amended Risk Management Plan for the 2019/2020 Fund Year

Moved: Tom Egan

Seconded: Steve Terhune

Vote: Approved: Unanimous Nay:

c. 2020/2021 Fund Year Program

The administrator reported preliminary work for the 2020/2021 fund year had begun and budget guidance will be provided to members as soon as practical.

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- d. **Stop!t Program**
The administrator reported the program is designed to be a simple, fast solution to reporting inappropriate behavior.
- e. **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 – Mike Niznik
Mike Niznik reviewed the loss control activity report for the first quarter.

H. Managed Care Organization - Qual-Lynx
Stephen McNamara presented the Activity Report and Bill Review Services report distributed at the meeting.

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 2018/2019 Fund Year Budget Revision #1.

Moved: Steve Terhune
Seconded: Tom Egan
Vote: Approved: Unanimous Nay:

B. *Motion* to Close the Public Hearing and adopt the 2018/2019 Fund Year Budget Revision #1.

Moved: Joseph Kelly
Seconded: Tom Egan
Vote: Approved: Unanimous Nay:

C. *Motion* to Introduce the 2018/2019 Fund Year Budget Revision #2.

Moved: Steve Terhune
Seconded: Joseph Kelly
Vote: Approved: Unanimous Nay:

D. *Motion* to Open the Public Hearing on the 2019/2020 Fund Year Budget.

Moved: Tom Egan
Seconded: Steve Terhune
Vote: Approved: Unanimous Nay:

E. *Motion* to Close the Public Hearing and adopt the 2019/2020 Fund Year Budget.

Moved: Steve Terhune
Seconded: Tom Egan
Vote: Approved: Unanimous Nay:

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IX. Public Comment

There was no public comment.

X. Closed Session

Motion to adjourn to Closed Session.

Moved: Steve Terhune

Seconded: Tom Egan

Vote: Approved: Unanimous Nay:

Open Session adjourned at 12:49 p.m.

Motion to resume Open Session.

Moved: Joseph Kelly

Seconded: Steve Terhune

Vote: Approved: Unanimous Nay:

Open Session resumed at 1:38 p.m.

XI. Open Session Resumes

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

Moved: Steve Terhune

Seconded: Joseph Kelly

Vote: Approved: Unanimous Nay:

XII. Adjournment

Motion to adjourn the meeting.

Moved: Steve Terhune

Seconded: Tom Egan

Vote: Approved: Unanimous Nay:

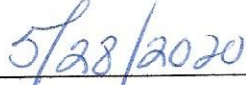
The meeting was adjourned at 1:40 p.m.

The next meeting will be held on **Thursday, May 28, 2020 at 11:00 a.m.** via Zoom.

Respectfully Submitted,



Authorized Signature



Date