
SCHOOL EXCESS LIABILITY FUND

**REORGANIZATION MEETING MINUTES
October 26, 2016**

I. Call to Order - Robert Carfagno

The meeting was called to order at 11:04 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
Maureen Joyce	School Alliance Insurance Fund	Absent

Alternate Fund Commissioners

Louis Pepe	Diploma Joint Insurance Fund	Absent
Steve Terhune	School Alliance Insurance Fund	Present

Also Present:

Willard R. Young, 3rd	PEGAS
Chuck Hartsoe	
Barbara Murphy	Risk & Loss Managers, Inc.
Craig Klein	
M. Paige Berry	Saul Ewing LLP
Robert Granata	Highland Claim Services
Thomas Mooney	First Managed Care Option
Michael Solomon	The Actuarial Advantage Inc.
Benjamin Davey	Withum, Smith + Brown

IV. Introduction of Guests

Everyone in attendance introduced themselves.

V. General Fund Business

A. The administrator stated that the Fund requires the election of officers.

Motion to approve Resolution 16-01 Authorizing the Election of the Fund’s Officers, Board of Trustees and Alternate Trustees.

Moved: Kimberly Clelland

Seconded: Thomas Egan

Vote: Approved: Unanimous Nay:

Robert Carfagno asked if there were any nominations from the floor for Chairperson.

Kimberly Clelland nominated the current slate of officers for their current positions.

Motion to nominate the current slate of officers.

Moved: Kimberly Clelland

Seconded: Thomas Egan

Vote: Approved: Unanimous Nay:

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Robert Carfagno asked if there were any nominations from the floor for trustee and alternate trustees. Thomas Egan nominated Steve Terhune, Lou Pepe and a SAIF representative to be determined at the next SAIF meeting.

Motion to nominate Steve Terhune and Lou Pepe as alternate trustees and a SAIF representative to be determined at the next SAIF meeting as trustee.

Moved: Thomas Egan

Seconded: Robert Carfagno

Vote: Approved: Unanimous Nay:

VI. Board of Trustees' Business

A. Approval of the May 27, 2016 Board of Trustees' Open Meeting Minutes

Motion to approve the May 27, 2016 Board of Trustees' Open Meeting Minutes.

Moved: Steve Terhune

Seconded: Kimberly Clelland

Vote: Approved: Unanimous Nay:

B. Reports

1. Chairperson – Robert Carfagno

There was no report.

2. Secretary-Kimberly Clelland

There was no report.

3. Attorney's Report – Saul Ewing

The fund attorney presented the following resolutions.

1. Resolutions 16-02 through 16-12

a. Appointment of Service Providers

Resolution 16-02 Appointing Service Providers for the 2016/2017 fund year.

(1) Actuary-The Actuarial Advantage

(2) Attorney-Saul Ewing 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 16-03 Authorizing the Execution of Contracts with Service Providers for the 2016/2017 fund year.

(1) Actuary-The Actuarial Advantage

(2) Attorney-Saul Ewing 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 16-04 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 16-05 Designating the Appointment of the Fund's Public Agency Compliance Officer.

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- e. Resolution 16-06 Adopting the Cash Management Plan for the 2016/2017 fund year.
- f. Resolution 16-07 Designating the Official Depositories of the Fund.
- g. Resolution 16-08 Designating the Individuals as the Fund's Signatories for the 2016/2017 fund year.
- h. Resolution 16-09 Adopting the Meeting Place, Schedule, and Official Newspapers for the 2016/2017 fund year.
- i. Resolution 16-10 Appointing Highland Claim Services, Inc., as a Certifying and Approving Officer.
- j. Resolution 16-11 Appointing the Claims Committee as a Certifying and Approving Officer.
- k. Resolution 16-12 Approving Amended Defense Counsel List

Motion to approve Resolutions 16-02 through 16-12.

Moved: Steve Terhune

Seconded: Thomas Egan

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-Robert Carfagno

The Chairperson 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 \$14,050,750.05.

Moved: Thomas Egan

Seconded: Kimberly Clelland

Vote: Approved: Unanimous Nay:

- 2. Actuarial Report for year ending June 30, 2016-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. He stated as of June 30, 2016 valuation date the total loss and allocated loss adjustment expense reserves including IBNR for all fund years was \$14,402,701.

- 3. Financial Report for year ending June 30, 2016-Withum, Smith + Brown – Benjamin Davey

Ben presented the financial report which was distributed at the meeting. He stated that the cumulative balance sheet, on page 3, shows assets of \$16,322,840, liabilities of \$14,799,970 and a surplus of \$1,522,870. Net loss, page 4, for the year ending June 30, 2016 was \$314,301. 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 16-13 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, 2016 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 2015/2016 Fund Year Budget-Revision #1.

Moved: Steve Terhune

Seconded: Kimberly Clelland

Vote: Approved: Unanimous Nay:

B. *Motion* to close the public hearing and adopt the 2015/2016 Fund Year Budget-Revision #1.

Moved: Steve Terhune

Seconded: Kimberly Clelland

Vote: Approved: Unanimous Nay:

C. *Motion* to open the public hearing on the 2016/2017 Fund Year Budget.

Moved: Kimberly Clelland

Seconded: Steve Terhune

Vote: Approved: Unanimous Nay:

D. *Motion* to close the public hearing and adopt the 2016/2017 Fund Year Budget.

Moved: Kimberly Clelland

Seconded: Steve Terhune

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 13, 2016, August 8, 2016, September 12, 2016 and October 11, 2016 Meeting Minutes

Motion to ratify the Claims Sub-Committee's June 13, 2016, August 8, 2016, September 12, 2016 and October 11, 2016 meeting minutes.

Moved: Steve Terhune

Seconded: Kimberly Clelland

Vote: Approved: Unanimous Nay:

XII. Adjournment

Motion to adjourn the meeting.

Moved: Kimberly Clelland

Seconded: Steve Terhune

Vote: Approved: Unanimous Nay:

The meeting was adjourned at 11:17 a.m.

The next meeting will be held on **Thursday, November 17, 2016 at 10:00 a.m.** at the **Hampton Inn, Flemington, NJ.**

Respectfully Submitted,


Authorized Signature