

---

**PUBLIC ALLIANCE INSURANCE COVERAGE FUND**

---

**EXECUTIVE COMMITTEE'S MEETING MINUTES  
May 12, 2020**

**I. Call to Order – Cynthia Ege, Chairperson**

The meeting was called to order at 9:35 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>
Joseph Kennedy	Belvidere Township	Present
Kevin Davis	Hunterdon County	Present
Cynthia Ege	City of Lambertville	Present
Vita Mekovetz	Readington Township	Present
Grace Brennan	Union Township	Present

Executive Committee - Alternates

Samuel Race	White Township	Present
Jeffrey DeAngelis	Franklin Township	Present

Fund Commissioners Present

Walter Baumgarten	Bethlehem Township
Michael Zichelli	Glen Ridge Borough

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
Kyle Mrotek	
Missy Pudimott	Medlogix
Robert Granata	Highland Claim Services, Inc.
Denise Fierro	
Michael Niznik	Partnership Safety Consultants
Shawn Gillan	Withum, Smith & Brown
Gregory Della Pia	Treasurer
Tom Narolewski	Assured Partners
Tom Stenberg	
Diana Pursell	Borden Perlman
Bob Gemmell	Brown & Brown of NJ
Lisa Pfenninger	Lisa Pfenninger Insurance
Sharon Cooper	Public Entity Advocates
Christine Secor	USI Insurance Services

**IV. Introduction of Guests**

There were no introductions.

---

**PUBLIC ALLIANCE INSURANCE COVERAGE FUND**

---

**V. Executive Committee Business**

**A. Approval of the February 4, 2020 Fund Commissioners', Executive Committee's Reorganization and Closed Meeting Minutes.**

**Motion** to approve the February 4, 2020 Fund Commissioners', Executive Committee's Reorganization and Closed Meeting Minutes.

**Moved:** Kevin Davis

**Seconded:** Joseph Kennedy

**Vote:** Approved: Unanimous    Nay:

**B. Reports**

**1. Chairperson – Cynthia Ege**

There was no report.

**2. MEL Delegate's Report – Kevin Davis**

As per the report emailed to members.

Kevin Davis stated that the MEL had introduced a flat 2021 budget and rate table at their May meeting.

**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 \$1,876,952.39.

**Moved:** Joseph Kennedy

**Seconded:** Samuel Race

**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 12/31/19 – 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, 2019 valuation date, the total case reserves and IBNR reserves were \$4,388,169.

**7. Financial Report – Withum, Smith & Brown – Shawn Gillan**

a. PAIC Financial Report as of 12/31/19

Shawn Gillan presented the financial report distributed at the meeting. He stated that the balance sheet shows assets of \$19,413,193 and a fund surplus of \$13,678,263. He further stated that there were no audit comments or recommendations and no deficiencies or weaknesses found for the Fund.

---

**PUBLIC ALLIANCE INSURANCE COVERAGE FUND**

---

**Motion** to approve Resolution 2020-24 Certifying the Review of the Annual Audit.

**Moved:** Joseph Kennedy

**Seconded:** Samuel Race

**Vote:** Approved: Unanimous                      Nay:

**8. Administrator - Public Entity Group Administrative Services**

As per the memorandum included in the agenda package.

a. 2021 Renewal Process

The administrator referred to the 2021 budget process timeline. He stated that the 2021 online data collection process via Origami would begin on July 10 and be closed on September 15.

b. MEL 2021 Employment Practices Liability Risk Control Plan

Barbara Murphy stated that the EPL subcommittee had recently met to review the proposed changes to the risk control plan. She stated that, once released, the deadline for the adoption of the new plan would be June 2021.

**9. Loss Control Specialist – Partnership Safety Consulting**

Michael Niznik stated that the DPW roundtable had been postponed due the COVID-19 concerns. He referred to COVID-19 information that was distributed to members prior to the meeting. He stated that the information would provide guidance on a number of items including EMS and first responders.

**10. Managed Care Services – Medlogix**

As per the report included in the agenda package.

**C. Old Business**

There was no old business.

**D. New Business**

**1. Resolution 2020-25 Adopting an Amended Cash Management Plan**

Barbara Murphy stated that the legislation allowing joint insurance funds to invest in governmental entities had been signed into law. She stated that the cash management plan was being revised to allow for participation in a joint cash management and investment program should the members decide to do so in the future.

**Motion** to adopt resolution 2020-25 adopting an amended cash management plan.

**Moved:** Joseph Kennedy

**Seconded:** Kevin Davis

**Vote:** Approved: Unanimous                      Nay:

**2. Resolution 2020-26 Authorizing the Award of a Non-Fair and Open Contract for Services of Risk Management Consultants.**

Barbara Murphy stated that the Township of Oxford had changed RMCs which required a contract with the new firm.

**Motion** to approve resolution 2020-26 authorizing the award of a non-fair and open contract for services of risk management consultants.

**Moved:** Kevin Davis

**Seconded:** Samuel Race

**Vote:** Approved: Unanimous                      Nay:

**E. Public Comment**

There was no public comment.

**F. Closed Session**

There was no closed session.



---

**PUBLIC ALLIANCE INSURANCE COVERAGE FUND**

---

**EXECUTIVE COMMITTEE'S MEETING MINUTES  
May 12, 2020**

**I. Call to Order – Cynthia Ege, Chairperson**

The meeting was called to order at 10:37 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>
Joseph Kennedy	Belvidere Township	Present
Kevin Davis	Hunterdon County	Present
Cynthia Ege	City of Lambertville	Present
Vita Mekovetz	Readington Township	Present
Grace Brennan	Union Township	Present

Executive Committee - Alternates

Samuel Race	White Township	Present
Jeffrey DeAngelis	Franklin Township	Present

Also Present

Chuck Hartsoe	PEGAS
Barbara Murphy	PEGAS/Risk & Loss Managers, Inc.
Michaelene Miller	
Missy Pudimott	Medlogix
Robert Granata	Highland Claim Services, Inc.
Denise Fierro	
Sharon Cooper	Public Entity Advocates

**IV. Closed Session**

**A. Closed Session**

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

**Moved:** Kevin Davis

**Seconded:** Vita Mekovetz

**Vote:** Approved: Unanimous                      Nay:

Open Session was adjourned at 10:39 a.m.

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

**Moved:** Kevin Davis

**Seconded:** Joseph Kennedy

**Vote:** Approved: Unanimous                      Nay:

Closed Session was adjourned at 10:45 a.m.

**VI. Adjournment**

**Moved:** Grace Brannen

**Seconded:** Kevin Davis

**Vote:** Approved: Unanimous                      Nay:

The meeting was adjourned at 10:46 a.m.

The next meeting will be held on **September 15, 2020** at 9:30 a.m.

**PUBLIC ALLIANCE INSURANCE COVERAGE FUND**

---

Respectfully submitted,

---

Authorized Signature