

*STATEWIDE INSURANCE FUND*  
*30A Vreeland Road, P. O. Box 678, Florham Park, NJ 07932-0678*

September 22, 2011

EXECUTIVE COMMITTEE MEETING MINUTES

1. Call to Order and Roll Call: The meeting was called to order by John Hatzelis at 10:48 am. The Statement of Adequate Notice was read by John Hatzelis:  
"Adequate notice of this meeting has been provided, indicating the time and place of the meeting and the proposed agenda, which notice was posted, made available to the newspapers and filed with the clerks of the officials members in accordance with Chapter 231 of the Public Laws of 1975".

Roll Call-Executive Committee

John Hatzelis, Chairman (Sussex County MUA) Present  
Margaret Gould, Secretary (Borough of Peapack-Gladstone) Absent  
George Kallert (Township of Weehawken) Present  
Jesse Landon, Vice Chairman (Township of Tewksbury) Present  
Thomas Russo (Town of Newton) Present  
William Eagen (Township of Jefferson) Absent  
James Naples (Town of Clinton) Present  
Alternate Committee Members  
Gary Garwacke (Borough of Manville) Absent  
Linda Peralta (Township of Green) Absent  
Phil Huhn (Neptune Township) Absent

Also Present:

Caroline J. Conboy, Fund Administrator  
Moiria Kenah, Office of the Administrator  
MaryAnn Leuthe, Office of the Administrator  
Richard Cushing, Fund Attorney  
Marvin Lustbader, Treasurer  
Tom Kiernan, Specialty Claims Management  
William Howell, Specialty Claims Management  
Gary Bukowski, Specialty Claims Management  
Stephen McNamara, CSG  
Wayne Dietz, D&H  
Ivan Cohen, I-Core Safety  
Ted Wardell, Grispec  
John Redmond, Willis  
Pam Korner, Willis

2. Secretary's Report
  - a. August 11, 2011 Loss Control Meeting Minutes
  - b. August 11, 2011 Executive Committee and Open and Closed Executive Meeting Minutes

Approval of the August 11, 2011 Meeting Minutes. **Motion** to approve the Loss Control Meeting Minutes, seconded and passed. George Kallert abstained. **Motion** to approve the Executive Committee and Closed Meeting Minutes, seconded and passed. George Kallert abstained.

3. Treasurer's Report

- a. September 8, 2011 Bill List.  
The September 8, 2011 Bill List was presented totaling \$167,134.39. **Motion** to approve the Bill List, seconded. A roll call vote was taken, the motion passed unanimously.
- b. Treasurer's Report as of July 31, 2011 was presented by Marvin Lustbader. A **motion** to accept the Treasurer's Report was made, seconded and a roll call vote was taken, the motion passed unanimously.

- c. Investment Report –Ms Conboy advised a CD recently matured with Valley National Bank in the amount of \$1,566,338.55. She stated that Investors Savings had the best rate and the investment committee agreed to open a CD with Investors for 24 months at 1.45%. A motion was made to move the funds from Valley National and purchase the CD from Investors Savings. A roll call was taken, all in favor.

4. Discussion Items

**A. CSG Savings Report –August 2011**

The report included in the agenda kit was reviewed by Stephen McNamara. Steve provided a side by side comparison of the month to month bills to show the actual billed and savings amounts, rather than the cumulative amounts for a provider.

Administrator's Report-Caroline Conboy

- i. Ms. Conboy advised it's been very busy with the hurricane and flooding. She advised that Lexington has assigned York Appraisals to help Specialty Claims Management with adjusting the property claims. Need to work through application of the deductibles.
- ii. Several New Business proposals have been issued. Ms. Conboy advised that the City of Port Republic will join the Fund effective 1/1/12.
- iii. Ms. Conboy advised we are getting a lot of new submissions and preparing quotes. She indicated that Jesse Landon and Dick Cushing have very helpful with prospecting new members.
- iv. We have met with the incumbent carriers and several potential markets. Selective gave us a two year rate guarantee last year. Lexington's message is that they are anticipating a 10% increase for all accounts prior to the hurricane. We will market the property coverage. National Casualty recently came out for a visit and advised rates will be flat and they do not anticipate changes in deductibles. Pollution, Crime, and Boiler & Machinery are expected to be flat. Arch indicated they may be looking to increase the retention. We have asked the actuary to review the impact and will look to market the WC. We have heard the AIG has pulled out of the WC market and they currently reinsure the MEL JIFs.
- v. Ms. Conboy advised we are waiting for the Loss Fund projections from the actuary.

5. Public Comment –There was no public comment.

6. Open Executive Session and Closed Executive Session

A **motion** to go into Open Executive Session at 11:01 am was made, seconded, and passed. A Motion to come out of Open Executive Session and move into Closed Executive Session at 11:05 am was made, seconded, and passed. Motion was made to close Closed Executive Session, seconded and passed. Public session resumed at 12:03 am.

7. Claim Approvals

**Motion** to approve the payment authorizations, settlement authorities, and the payee listings as presented during the loss control meeting was made, seconded, and roll call vote was taken. The motion passed unanimously. A **motion** was made to authorize the advanced payment to Cranford for \$97,500 for storm damage claim.

8. Adjournment

**Motion** to adjourn the meeting was made at 12:10, seconded and passed.

The next meeting will be held on October 13, 2011.

Respectfully submitted,

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Authorized Signature