



New Jersey Schools Insurance Group  
6000 Midlantic Drive, Suite 300 North  
Mount Laurel, New Jersey 08054  
www.njsig.org

**Board of Trustees Meeting of May 19, 2021**  
**Board of Trustees Meeting Minutes of March 17, 2021**

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New Jersey Schools Insurance Group's (NJSIG) Board of Trustees Meeting of March 17, 2021 at NJSIG's Mount Laurel office.

**ATTENDEES**

**Trustees:** Irene Le Febvre, Joseph Meloche, Ed. D., Steven Robinson, Dana Sullivan, Christopher Russo, Ed. D.;

**Participants:** David Rapuano, Esq. of *Archer*, Richard J. Casey (nominated board member), Phil Williams of *Willis Re Pooling*, Joanne Kirby of *Willis Re Pooling*, Stacy Mina of *Willis Towers Watson*, Jay Lynch of *Alliant/Boynton*, Latonya Brennan of *Arthur J. Gallagher & Co.*, Dan Regan of *Arthur J. Gallagher & Co.*, Casey Byrne of *J. Byrne Agency*, Jim Ridgway of *J. Byrne Insurance*, Alfred Kirk of *Conner Strong*, Gail White of *Regional Risk Managers*, Jack Zisa of *Regional Risk Managers*, Bob Gemmell of *Brown and Brown Metro*

**NJSIG**

**Staff:** Jill Deitch, Esq., *Executive Director*, Michele Carosi, *Chief Financial Officer*, Jeff Cook, *Information Systems Manager*, Debra Rice, *Client Relations/Safety and Risk Control Manager*, Claire King, *Underwriting Manager*, Sherwin Archibald, *Claims Manager*, Stephen Tucker, Esq., *General Counsel*, Beth Ferlicchi, Esq., *Assistant General Counsel*, Renee Johnson-Payne, *Executive Assistant*, Lauren Schilling, *Marketing and Communication Specialist*, Ivy Davis, *Sr. Business Development Specialist*, Joseph Semptimphelter, *Sr. Business Development Specialist*, Sameer Sarfraz, *Sr. Safety and Risk Control Rep.*, Joanne Gunter, *Sr. Safety and Risk Control Coordinator*, Jacquie Godfrey, *Safety and Risk Control Coordinator*, Leslie McMahon, *Actuarial Analyst*, and Anthony Fernandez, *Claims Examiner*

**ITEM #1 CALL TO ORDER**

Pursuant to N.J.S.A. 10:4-10, with a quorum present, the meeting was called to order at approximately 10:23 a.m. In accordance with the Sunshine Law and N.J.S.A. 10:4-10, due notice of this meeting was given to the *Atlantic City Press*, *Newark Star Ledger*, and *Trenton Times* on September 11, 2020. Copies of these notices are on file with the New Jersey Secretary of State.

**ITEM #2 ROLL CALL**

Stephanie Brown, Ed.D.	A	Joseph Meloche, Ed.D.	√	Josephine Sharp	A
James J. Jencarelli, Jr.	A	Steven Robinson	√	Dana Sullivan	√
Irene LeFebvre		√ Christopher Russo, Ed.D	√		

**ITEM #3 ACCEPTANCE OF THE PUBLIC SESSION AND EXECUTIVE SESSION MINUTES OF JANUARY 13, 2021.**

*Action Taken: M (Sullivan)\ S (Meloche)\ Carried (Affirmative Votes = Le Febvre, Meloche, Robinson, Russo, Sullivan) to accept the January 13, 2021 public session and executive session Board of Trustees meeting minutes.*

**ITEM #4 PUBLIC PARTICIPATION**

There was no public participation.

**ITEM #5 SUB-FUND LIAISONS – Reports/Comments**

Latonya Brennan of Arthur J. Gallagher & Co. announced the release of ERIC North’s workers’ compensation newsletter focusing on COVID-19 issues. ERIC North members were pleased with the budgetary guidance presented by NJSIG. Brennan reported they are hosting a planning session for 2021-2022 to discuss timely topics.

Jay Lynch of Alliant/Boynton thanked Accounting and Client Relations for their assistance with the Safety Grant distribution for MOCSSIF. Their next virtual sub-fund meeting “Managing IEP Risks in the COVID-19 Era,” hosted by David Nash, John Worthington, Jodi Howlett and Neil Marek, will take place on April 30, 2021. The budgetary guidance was well received.

Jack Zisa of Regional Risk Managers representing NJEIF thanked NJSIG for the 2021-2022 rate structure and the workers' compensation rates. Zisa announced NJEIF's virtual sub-fund meeting "Managing IEP Risks in the COVID-19 Era," hosted by David Nash, John Worthington, Jodi Howlett and Neil Marek, will take place on March 18, 2021. Zisa thanked Client Relations for their assistance planning and presenting the meetings.

Al Kirk of Conner Strong on behalf of BACCIEC and ERIC South thanked NJSIG for the COVID-19 refund credits. There was positive feedback from the members relative to the COVID-19 refund credits. Kirk reported NJSIG was the only JIF providing COVID-19 refund credits. He also thanked Underwriting for distributing the renewal applications so timely.

Bob Gemmell of Brown and Brown Metro representing ERIC West thanked NJSIG for their support and overall blended rate structure. Gemmell reported ERIC West's virtual sub-fund meeting "Ethical Considerations in the Essential Employees Law and Canzanella Act," hosted by John H. Geaney on March 12, 2021 was a great way to educate a larger number of members.

Jim Ridgway of J. Byrne Insurance representing CAIP reported the COVID-19 refund credits were very well received by the membership and will positively impact the renewal season. Ridgway reported CAIP's virtual sub-fund meeting "Managing IEP Risks in the COVID-19 Era," hosted by David Nash, John Worthington, Jodi Howlett and Neil Marek, took place on February 10, 2021 and was very well received. He thanked NJSIG and Client Relations for their assistance in planning and presenting the meetings.

## **ITEM #6 REPORTS:**

### **A. Executive Director's Report**

Jill Deitch, Executive Director, provided an overview of her report and an update on the status of NJSIG. Deitch discussed that NJSIG's budgetary guidance would be about a one percent increase across all lines, assuming the Board implements the rate recommendations on the retained risk. Deitch reported NJSIG has been working diligently to prepare returning approximately \$3.3 million in member contributions to members with

workers' compensation and auto liability coverage in the 2019-2020 policy year.

## **B. Accounting/Finance Report**

Michele Carosi, Chief Financial Officer, provided an overview of her report and an update on the status of her department. Carosi explained the process and responsibility of preparing for the COVID-19 member contribution returns. Carosi announced the bill payer position will transition to the Accounting Department, reporting to Rebecca Fabiano, beginning in April 2021.

## **C. Client Relations and Safety and Risk Control Report**

Debra Rice, Client Relations and Safety and Risk Control Manager, provided an overview of her report and an update on the status of her department. Rice discussed the success of the first virtual broker meeting. She thanked the sub-fund administrators for the efforts in quickly adapting to the COVID-19 pandemic to provide trainings in a virtual format and for offering QPA credits at all meetings. Rice announced NJSIG will offer members an accredited online Defensive Driving course through a partnership with the National Safety Council.

## **D. Underwriting Report**

Claire King, Underwriting Manager, provided an overview of her report and an update on the status of her department. King announced after two years of working on a major upgrade of the underwriting software, it is in the final testing phase. King thanked the IT and Accounting Departments for all of their diligence and hard work.

## **E. Claims Report**

Sherwin Archibald, Claims Manager, provided an overview of his report and an update on the status of his department.

## **F. Information Technology Report**

Jeff Cook, Information Systems Manager, provided an overview of his report and an update on the status of his department. Cook noted that the IT Department has been focused on ensuring NJSIG's systems have operated smoothly to ensure the COVID-19 credit project is successful.

Cook reported the Marlboro office is closed and all of our belongings are moved out and liquidated.

## **ITEM #7 DISCUSSION ITEMS**

### **A. COVID-19 returns; update**

Discussion item presented by Deitch. Deitch reported the COVID-19 return letters have been mailed to the membership and Client Relations emailed the COVID-19 return letter to the brokers and membership.

### **B. S3375: proposed bill re: medical treatment & WC claims**

Discussion item presented by Deitch. Deitch explained the intent of proposed bill S3375. Deitch further explained another JIF reached out to NJSIG relative to exploring the impact of proposed bill S3375. Deitch sought Board feedback before exploring proposed bill S3375. Trustees were supportive of investigating the impact of this proposed bill.

### **C. Trustee nominations; Finance Committee nomination**

Discussion item presented by Deitch. Deitch introduced Richard J. Casey as the Central Trustee Board Member nominee.

## **ITEM #8 ACTION ITEMS:**

### **A. Nomination of Richard Casey, a member of the Ocean Gate Board of Education, to the NJSIG Board of Trustees (NJSIG No. 0321-3)**

*Action Taken: M (Sullivan)\ S (Robinson)\ Carried (Affirmative Votes = Le Febvre, Meloche, Robinson, Russo, Sullivan) to approve the NJSBA nomination of Richard J. Casey to serve on the NJSIG Board of Trustees, as the central Board Member representative for the term 3/17/21 to 6/30/22.*

The Board also appointed Trustee Richard J. Casey to the Finance Committee.

**B. Rate review for the July 1, 2021-2022 policy year (NJSIG No. 0321-1)**

Mina provided a summary of WTW's actuarial analysis. Deitch presented WTW's written report. Mina presented an overview of WTW's pandemic projected loss analysis to see what a pandemic event loss could potentially look like when modeled. Mina noted that this analysis is based on a model, not based on NJSIG's experience. Noted that NJSIG's experience to date has tracked below the base model. Deitch recommended adopting the resolution as proposed, which would include implementing a communicable disease sub-limit of \$1,000,000 per occurrence, with a pool-wide annual aggregate of \$9,000,000 on the general liability, automobile liability and school board leader liability (SBLL/E&O) for communicable disease claims.

Trustees inquired as to how the annual aggregate would be dealt with in practice in the event of a limit loss event. Tucker explained the various approaches to this issue, and that the current de facto approach is first-come, first-serve. Noted that other pools have had issues with annual aggregate erosion, but NJSIG has not run into this issue yet. Trustees find the default approach acceptable.

***Action Taken: M (Sullivan)\ S (Robinson)\ Carried (Affirmative Votes = Casey, Le Febvre, Meloche, Robinson, Russo, Sullivan) to approve the Willis Towers Watson rate review for the July 1, 2021/2022 policy year report dated March 12, 2021, and the rates contained therein, including increasing NJSIG's self-insured retention for the general liability and automobile liability to \$1,000,000 for the 2021/2022 policy year; and authorizing implementation of a communicable disease sub-limit of \$1,000,000 per occurrence, with a pool-wide annual aggregate of \$9,000,000 on the general liability, automobile liability and school board leader liability.***

**C. Excess and reinsurance for the 2021-2022 policy year (NJSIG No. 0321-2)**

*Action Taken: M (Sullivan) \ S (Russo) \ Carried (Affirmative Votes = Casey, Le Febvre, Meloche, Robinson, Russo, Sullivan) to approve the renewal of reinsurance coverage at a cost not to exceed \$43,906,832 based on expiring exposure data; and authorizing the Executive Director to renew with alternative responsible carriers if the terms and conditions offered by those carriers provide a clear advantage in Member pricing or coverage terms.*

**D. Contracting:**

**1. Property, GL/AL field adjuster services (NJSIG No. 0321-4)**

*Action Taken: M (Robinson) \ S (Meloche) \ Carried (Affirmative Votes = Casey, Le Febvre, Meloche, Robinson, Russo, Sullivan) to award the contracts for property field adjuster services (C-2021-0001) to MSW Adjustment Group, New Jersey Claims Associates, LLC, Norcross (A McLarens Company), Raphael & Associates and Vanguard Adjusters Group, Inc. and general and auto field liability adjuster services (C-2021-0002) to New Jersey Claims Associates, LLC, Norcross (A McLarens Company), Raphael & Associates and Vanguard Adjusters Group, Inc., based on the results of the committee's evaluation.*

**2. Financial Auditor (NJSIG No. 0321-5)**

*Action Taken: M (Sullivan) \ S (Russo) \ Carried (Affirmative Votes = Casey, Le Febvre, Meloche, Robinson, Russo, Sullivan) to award the contract for independent financial auditing and accounting consulting professional services to Bowman & Company, LLP based on the results of the evaluation that was conducted in 2018, and this service provider's demonstrated service to NJSIG.*

**E. Checking Accounts & New Claims Ratification (NJSIG No. 0321-6)**

*Action Taken: M (Robinson) \ S (Sullivan) \ Carried (Affirmative Votes = Casey, Le Febvre, Meloche, Robinson, Russo, Sullivan) to approve and ratify the checks and new claims which have been issued from accounts XXXXXXXX210 (operating account) and*

*XXXXXXXX229 (claim account) for the period of 01/1/2021 to 02/28/2021 as shown in the online (Microscribe) version of the meeting package.*

**ITEM #9 NEW BUSINESS**

There was no new business.

**ITEM #10 EXECUTIVE SESSION**

*Action Taken: M (Meloche) \ S (Russo) \ Carried (Affirmative Votes = Casey, Le Febvre, Meloche, Robinson, Russo, Sullivan) to go into executive session to discuss litigation, matters of attorney client privilege, etc. at 11:43 a.m.*

*Jill Deitch*

Jill Deitch, Esq.  
Executive Director