



## New Jersey School Boards Association Insurance Group

450 Veterans Drive  
Burlington, New Jersey 08016  
(609) 386-6060 • FAX (609) 386-8877  
[www.njsbaig.org](http://www.njsbaig.org)

### Board of Trustees Meeting of September 12, 2012 Board of Trustees Meeting Minutes of June 27, 2012

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New Jersey School Boards Association Insurance Group's Board of Trustees Meeting of June 27, 2012 at the Courtyard by Marriott, Cranbury, NJ

#### ATTENDEES

**Trustees:** John Bulina, Mark Finkelstein, William Herman, Eva M. Nagy, and Daniel Vivarelli. James Edwards arrived at 4:20 p.m. and Chris Pierson arrived at 4:37 p.m.

**Participants:** Susan Hodges representing *Archer & Greiner*, Dave Ritch representing *Willis* and Corinne Steinmetz, *Liaison* representing *ERIC West Sub Fund* arrived at 4:30 p.m.

#### NJSBAIG

**Staff:** Marty Kalbach, *Director*, Tony Jones, *Loss Control Manager*, Louis Giannetto, *Claim Manager*, Kelly Machu, *Underwriting Supervisor*, and Renee Johnson-Payne, *Administrative Assistant*

#### ITEM #1 CALL TO ORDER

With a quorum present, the meeting was called to order at 4:10 p.m.

In accordance with the Sunshine Law, due notice of all pending meetings was given to the *Atlantic City Press*, *Newark Star Ledger*, and *Trenton Times* on April 10, 2012. Copies of these notices are on file with the New Jersey Secretary of State.

#### ITEM #2 ROLL CALL

John Bulina	√	Leon Kaplan	A
Harry Delgado	A	Eva M. Nagy	√
James Edwards	4:20 p.m.	K. Chris Pierson	4:37 p.m.
Mark Finkelstein	√	Daniel Vivarelli	√
William Herman	√		



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Board of Trustees Meeting Minutes of June 27, 2012

Pg. 2

---

### ITEM #3 TRUSTEE NOMINATIONS/CHAIRPERSON AND VICE-CHAIRPERSON

*Action Taken: M (Vivarelli)\ S (Herman)\ C (Affirmative Votes = Bulina, Finkelstein, Herman, Nagy, Vivarelli) to table this action item until the last action item.*

### ITEM #4 ACCEPTANCES OF THE PUBLIC AND EXECUTIVE SESSION MINUTES OF MAY 30, 2012

*Action Taken: M (Herman)\ S (Vivarelli)\ Abstention (Finkelstein)\ C (Affirmative Votes = Bulina, Herman, Nagy, Vivarelli) to accept the May 30, 2012 Public and Executive Session Board of Trustees Meeting Minutes.*

### ITEM #5 PUBLIC PARTICIPATION

*Action Taken: M (Finkelstein)\ S (Bulina)\ C (Unanimously = Bulina, Herman, Nagy, Pierson, Vivarelli) to open and close the public session for public participation.*

There was no public comment.

### ITEM #6 SUB FUND LIAISONS – REPORTS/COMMENTS

There were no sub fund reports or comments.

Trustee Edwards arrived at 4:20 p.m.

### ITEM #7 REPORTS

The Director gave a detailed update and summary of the 2012/2013 renewal season's gains and losses.

He also reported the Claim Department has been audited by our independent auditor, XL our E&O reinsurance carrier and Safety National our Workers' Compensation reinsurance carrier. The results for all three audits were favorable.



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Board of Trustees Meeting Minutes of June 27, 2012

Pg. 3

---

On behalf of the Trustees, the Chairperson thanked and complimented the Claim Department on the outstanding results of the audits.

The Chairperson also reported the Finance/Personnel committee reviewed the Director's goals for the 2012/2013 fund year. The committee is working with staff and the Hay Group to review the Group's staffing and benefits in reviewing the personnel section of the budget.

Trustee Pierson arrived at 4:37 p.m.

*Action Taken: M (Bulina)\ S (Finkelstein)\ C (Unanimously = Bulina, Edwards, Finkelstein, Herman, Nagy, Pierson, Vivarelli) to thank the NJSBAIG staff for their hard work and dedication throughout the year.*

### ITEM #8 ACTION ITEMS

#### A. 2012/2013 Budget

*Action Taken: M (Finkelstein)\ S (Vivarelli)\ C (Unanimously = Bulina, Edwards, Finkelstein, Herman, Nagy, Pierson, Vivarelli) to approve the 2012/2013 budget and authorize the finance committee to modify the approved 2012/2013 budget based on the Hay Group study. Budget ratification will occur at the September 12, 2012 Board of Trustees Meeting.*

#### B. 2012/2013 Plan of Risk Management

*Action Taken: M (Vivarelli)\ S (Bulina)\ C (Unanimously = Bulina, Edwards, Finkelstein, Herman, Nagy, Pierson, Vivarelli) to approve the 2012/2013 Plan of Risk Management.*

#### C. 2012/2013 Meeting Dates

*Action Taken: M (Finkelstein)\ S (Vivarelli)\ C (Unanimously = Bulina, Edwards, Finkelstein, Herman, Nagy, Pierson, Vivarelli) to approve the 2012/2013 Meeting Dates.*



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Board of Trustees Meeting Minutes of June 27, 2012

Pg. 4

---

### D. Facility Sub-Committee

*Action Taken: M (Finkelstein)\ S (Vivarelli)\ C (Unanimously = Bulina, Edwards, Finkelstein, Herman, Nagy, Pierson, Vivarelli) to approve the establishment of a three member facility sub-committee of the NJSBAIG Trustee Board empowered to make lease/purchase decisions with ratification from the NJSBAIG Trustees required. The committee will begin to function on July 1, 2012.*

### E. Professional Services Approval 2012/2013

*Action Taken: M (Finkelstein)\ S (Edwards)\ C (Unanimously = Bulina, Edwards, Finkelstein, Herman, Nagy, Pierson, Vivarelli) to approve WithumSmith+Brown as the financial auditor, Towers Watson as the actuary, Archer & Greiner as the Group's legal counsel, APT Investigations as the Group's claim auditor and Willis Pooling as the Group's insurance broker for the 2012/2013 fund year.*

### F. Claims Auditor Report

*Action Taken: M (Pierson)\ S (Vivarelli)\ C (Unanimously = Bulina, Edwards, Finkelstein, Herman, Nagy, Pierson, Vivarelli) to approve the claim audit provided by APT Investigations, LLC dated June 10, 2012.*

### G. Checking Account Ratification

*Action Taken: M (Edwards)\ S (Vivarelli)\ C (Unanimously = Bulina, Edwards, Finkelstein, Herman, Nagy, Pierson, Vivarelli) to approve and ratify the checks which have been issued from accounts 7557713 (operating account) and 3970555 (claim account) for the period of 5/1/2012 to 5/31/2012.*



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Board of Trustees Meeting Minutes of June 27, 2012

Pg. 5

---

### H. First Reading:

#### 1. Trustee Code of Conduct Policies 2100 and 2105

*Action Taken: M (Edwards)\ S (Vivarelli)\ C (Unanimously = Bulina, Edwards, Finkelstein, Herman, Nagy, Pierson, Vivarelli) to approve policies 2100 and 2105 as a first reading.*

### I. Second Reading:

#### 1. Escheatment Policy 3350

*Action Taken: M (Finkelstein)\ S (Vivarelli)\ C (Unanimously = Bulina, Edwards, Finkelstein, Herman, Nagy, Pierson, Vivarelli) to approve the Escheatment policy 3350 as a second reading.*

#### 2. NJSBAIG Employee Handbook Policy 6300

*Action Taken: M (Pierson)\ S (Herman)\ Opposing Vote = Nagy\ C (Affirmative Votes = Bulina, Edwards, Finkelstein, Herman, Pierson, Vivarelli) to approve NJSBAIG Employee Handbook policy 6300 as a second reading.*

#### 3. Employee Handbook Content

*Action Taken: M (Vivarelli)\ S (Finkelstein)\ C (Unanimously = Bulina, Edwards, Finkelstein, Herman, Nagy, Pierson, Vivarelli) to approve the revised, deleted and new policies of the Employee Handbook Content as a second reading as follows;*

Revised		Deleted	New	
6010	6130	6030	6115	6630
6019	6131	6040	6165	6640
6020	6141	6050	6400	6650
6101	6150	6060	6410	6660
6102	6160	6070	6420	6670
6103	6170	6140	6430	6680
6110	6210		6440	6690
6111	6220		6500	6700
6112	6230		6510	6710
6113	6231		6600	6720
6114	6232		6610	6730
6120	6250		6620	



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Board of Trustees Meeting Minutes of June 27, 2012

Pg. 6

---

### TRUSTEE NOMINATIONS/CHAIRPERSON AND VICE-CHAIRPERSON

NJSBA President, John Bulina reported that Ray Wiss, NJSBA Past President will be his designee for the September through December 2012 NJSBAIG Board of Trustee meetings. He shared his rationale in submitting his nominations for Trustees and appointment of NJSBAIG Trustee Chairperson and Vice-Chairperson.

*Action Taken: M (Vivarelli)\ S (Finkelstein)\ Abstention (Nagy) \ C(Affirmative Votes = Bulina, Edwards, Finkelstein, Herman, Pierson, Vivarelli) to approve Eva M. Nagy as a member of the NJSBAIG Board of Trustees for the term ending June 30, 2015.*

*Action Taken: M (Vivarelli)\ S (Finkelstein)\ C (Unanimously = Bulina, Edwards, Finkelstein, Herman, Nagy, Pierson, Vivarelli) to approve Donald Webster, Jr. as a member of the NJSBAIG Board of Trustees for the term ending June 30, 2015.*

NJSBA President, John Bulina as per NJSBAIG Bylaws appointed Eva M. Nagy as NJSBAIG Trustee Chairperson and Leon Kaplan as NJSBAIG Trustee Vice-Chairperson for 2012/2013.

### ITEM #9 NEW BUSINESS

The Facility Sub-Committee will be comprised of the Chairperson, and three Trustees. Trustees Kaplan and Webster have volunteered to be on the committee. The Chairperson will solicit an additional committee member. The committee will begin to function on July 1, 2012.

### ITEM #10 EXECUTIVE SESSION

#### *EXECUTIVE SESSION*

#### EXECUTIVE SESSION RESOLUTION

WHEREAS, N.J.S.A. 10:4-6 et. seq., (“the Open Public Meetings Act”), authorizes public entities to meet in executive session under certain circumstances; and



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Board of Trustees Meeting Minutes of June 27, 2012

Pg. 7

---

WHEREAS, the Open Public Meetings Act requires that the Group adopt a resolution at a public meeting to go into private session; now, therefore,

BE IT RESOLVED by the Board of Trustees of the New Jersey School Boards Association Insurance Group, that it is necessary to meet in executive session to discuss certain items involving:

1. Contract
2. Litigation

FURTHER RESOLVED that the Board of Trustees **will not** return to open session to conduct business at the conclusion of the executive session.

*Action Taken: M (Pierson)\ S (Vivarelli)\ C(Unanimously = Bulina, Edwards, Herman, Kaplan, Nagy, Pierson, Vivarelli) to close open session at 5:30 p.m. and move meeting into executive session.*

The Trustees returned to the open session at 5:53 p.m. and adjourned the public meeting at 5:55 p.m.

Marty Kalbach, Director  
[mkalbach@njsbaig.org](mailto:mkalbach@njsbaig.org)