



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

**Board of Trustees Meeting of June 20, 2018**  
**Board of Trustees Meeting Minutes of May 16, 2018**

---

New Jersey Schools Insurance Group's (NJSIG) Board of Trustees Meeting of May 16, 2018 at NJSIG's Mount Laurel office.

**ATTENDEES**

**Trustees:** Thomas F. Connors, Jr., James J. Jencarelli, Jr., Irene Le Febvre, Christopher Russo and Dana Sullivan

**Participants:** David Rapuano, Esquire of *Archer & Greiner*

**NJSIG**

**Staff:** William Mayo, *Executive Director*; Michele Carosi, *Comptroller*; Kelly Machu, *Underwriting/Client Relations Manager*; Jill Deitch, *Chief Legal Officer*; Beth Ferlicchi, *Assistant General Counsel*; Stephen Tucker, *Assistant General Counsel*; Jeffrey Cook, *Information Systems Manager*; and Renee Johnson-Payne, *Executive Assistant*

**ITEM #1 CALL TO ORDER**

With a quorum present, the meeting was called to order at 4:00 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 March 20, 2018. Copies of these notices are on file with the New Jersey Secretary of State.

**ITEM #2 ROLL CALL**

Thomas F. Connors, Ph.D.	√	Joseph Meloche, Ed.D	A	Christopher Russo, Ed.D.	√
James J. Jencarelli, Jr.	√	Gerald North	A	Dana Sullivan	√
Irene Le Febvre	√	Steven K. Robinson	A		



Meeting Minutes of May 16, 2018  
June 20, 2018

---

**ITEM #3 ACCEPTANCES OF THE PUBLIC AND EXECUTIVE SESSION MINUTES OF MARCH 28, 2018.**

*Action Taken: M (Meloche) | S (Connors) | Carried (Affirmative Votes = Connors, Jencarelli, Le Febvre, Russo, Sullivan) to accept the March 28, 2018 public and executive session Board of Trustees meeting minutes.*

**ITEM #4 PUBLIC PARTICIPATION**

There was no public participation.

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

There were no sub-fund liaison reports.

**ITEM #6 REPORTS:**

**A. Executive Director**

William Mayo, Executive Director, reported the sub-fund administrator RFP process is complete. The RFP process resulted in an overall saving to be realized over the next couple of years.

**B. Comptroller**

Comptroller, Michele Carosi, reported on new legislation which may provide additional investment opportunities. She solicited interest in a September meeting with Wilmington Trust to explain the benefits of the new legislation to NJSIG.



Meeting Minutes of May 16, 2018  
June 20, 2018

---

William Mayo suggested inviting Wilmington Trust to lead a discussion relative to placing more assets into investment accounts since the current investment program has worked well and investment income is up materially over the past year.

Michele Carosi highlighted the steps taken to standardize and update the safety grant program.

### **C. Client Relations, Loss Control & Underwriting**

Client Relations, Loss Control & Underwriting Manager, Kelly Machu announced the safety grant portal closes on June 1<sup>st</sup>. Despite numerous reminders, 107 members have not begun their safety grant application process.

William Mayo reported Dave Ritch and Phil Williams from Willis Towers Watson secured NJSIG's 2018/2019 reinsurance while saving about \$1 million during difficult market conditions.

William Mayo detailed a new coverage under the property insurance. Some times when a tragedy occurs at school a decision is made by the school board to destroy the school and rebuild it for psychological reasons. NJSIG obtained a new coverage that will pay a portion of the cost of replacing the school and a portion of the cost of demolition. The cost was embedded within the property insurance so it's no additional expense to our members.

### **D. Claims**

Jill Deitch, Interim Claims Manager, emphasized two positive settlement outcomes since the May meeting. A summary judgment motion was granted based upon the dangerous conditions under the New Jersey Tort



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

Meeting Minutes of May 16, 2018  
June 20, 2018

---

Claims Act. The claim had a potential value between \$350,000 and \$1 million which resulted in no payment for NJSIG. NJSIG was successful on a motion to dismiss. The claim had a potential value of \$250,000, which resulted in no payment for NJSIG.

#### **E. Information Technology**

Jeff Cook, IT Manager, provided detailed information on the IT department's role with all NJSIG departments, broker community, and members.

### **ITEM #7 DISCUSSION ITEMS:**

#### **A. 2018/2019 Draft Budget**

William Mayo, Executive Director, explained in detail the draft 2018/2019 budget and solicited questions. The 2018/2019 budget will be an action item on the June agenda.

#### **B. 2017/2018 Draft Plan of Risk Management**

William Mayo, reported the approved Plan of Risk Management (PORM) is required to be filed with the New Jersey Department of Banking and Insurance (DOBI) by July 1<sup>st</sup>. He further explained the Legal team made necessary updates to the PORM's verbiage.



Meeting Minutes of May 16, 2018  
June 20, 2018

---

**ITEM #8 ACTION ITEMS:**

**A. Actuarial Services Resolution**

*Action Taken: M (Connors) | S (Sullivan) | Carried (Affirmative Votes = Connors, Jencarelli, Le Febvre, Russo, Sullivan) to award the contract for Actuarial services to Willis Towers Watson on the basis of technical criteria, management criteria, cost criteria and the service provider's demonstrated service to school board insurance groups in the State of New Jersey; The Executive Director is hereby authorized to execute a contract with the above-referenced service provider;*

**B. Policy First Reading:**

**B1. Policy 3710 Safety Grant**

*Action Taken: M (Russo) | S (Sullivan) | Carried (Affirmative Votes = Connors, Jencarelli, Le Febvre, Russo, Sullivan) to approve policy 3710 safety grant as a first reading.*

**B2. Policy 7680 Discretionary Settlement Authority**

*Action Taken: M (Russo) | S (Jencarelli) | Carried (Affirmative Votes = Connors, Jencarelli, Le Febvre, Russo, Sullivan) to approve policy 7680 discretionary authority as a first reading.*

**B3. Policy 8010 Commissions & Policy 8020 Broker of Record**

*Action Taken: M (Connors) | S (Russo) | Carried (Affirmative Votes = Connors, Jencarelli, Le Febvre, Russo, Sullivan) to approve the proposed policy 8010 standard broker commissions and policy 8020 broker of record procedures for a first reading.*



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

Meeting Minutes of May 16, 2018  
June 20, 2018

---

**C. Policy Second Reading:**

Policy 6111 Exempt and Non-Exempt Employees and Overtime is on hold until the June meeting.

**C1. Policy 6130 Holidays and Policy 6131 Vacation**

*Action Taken: M (Sullivan) | S (Russo) | Carried (Affirmative Votes = Connors, Jencarelli, Le Febvre, Russo, Sullivan) to approve policies 6130 and 6131 as a second reading.*

**D. Checking Accounts & New Claim Ratification**

*Action Taken: M (Russo) | S (Sullivan) | Carried (Affirmative Votes = Connors, Jencarelli, Le Febvre, Russo, Sullivan) to approve and ratify the checks and new claims which have been issued from accounts XXXX392 (operating account) and XXXX555 (claim account) for the period of 3/1/2018 to 4/30/2018 as shown in the online (Microscribe) version of the meeting package.*

**ITEM #9 NEW BUSINESS**

Plan a retreat for July 2018.

*William Mayo*

William Mayo, CPCU, ARM  
Executive Director