



New Jersey Schools Insurance Group
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Board of Trustees Meeting of January 18, 2023 Executive Director Report

NJSIG is currently in the midst of obtaining quotes for reinsurance and excess insurance for the 2023/2024 policy year. NJSIG's Claims Manager and I traveled to London to meet with several London based property excess and reinsurance carriers during the first week of December to market NJSIG's program. We were also lucky this year and were able to meet with Beazley's Focus Group Leader for the London Wholesale Middle Market, Cyber and Technology. These meetings provide significant value, since they help to maintain relationships that can potentially make a difference in terms of rates and capacity. Every carrier we met with told us how appreciative they were that NJSIG made the effort to meet with them and many kept track of how many times we had been to London. These meetings also give us an opportunity to highlight our strengths as an organization which can be difficult to do on paper submissions alone.

The property markets are very focused on accurate valuations this year. Industry confidence has been undermined in self-reported property valuations, and this combined with continued unpredictable weather events have caused reinsurance markets to become skittish when issuing capacity. In the upcoming renewal, members will likely need to be within eighty percent of their last property appraisals, which are provided as part of NJSIG's property coverage. As part of this push by the markets, we are also facing a choice between accepting policy provisions that encourage accurate valuation (such as co-insurance or margin clause provisions). . If we do not voluntarily adopt one of these policy provisions, we are likely to face difficulty in finding sufficient market capacity to fill out our property program.

In the next few weeks, we will be meeting with casualty reinsurers/excess carriers to secure pricing on our other lines: general liability, school board leader liability/errors and omissions, auto liability, and workers' compensation. We will also be meeting with additional property reinsurers, from Bermuda, London, and domestic carriers in Charleston, South Carolina to market our program.

Like the last few years, I have directed NJSIG's insurance broker to aggressively market NJSIG's lines of business to a variety of reinsurance and excess markets to make sure we get the coverage our members need at acceptable rates.

At NJSIG's Board retreat in July 2022, the Board decided to have the wage ranges evaluated by an external organization at least once every three years. Before the next board meeting on March 15, 2023, I will schedule a meeting with the personnel committee to discuss the parameters of that evaluation.

In early December, we met with our sub-fund administrators. We previously held sub-fund administrator's meetings annually, but now plan to meet quarterly beginning February 21, 2023. This will be a great way to deliver consistent messaging to our members. The timing of meeting topics is important, and we should always focus on bringing the most relevant subjects to attendees. In the future, we prefer that in-person meetings be directed towards business administrators, while virtual meetings can be opened up to additional school employees/faculty who could benefit from attending without having to leave school.

We also talked about the sub-fund administrators sharing data amongst themselves, i.e., sub-fund deviations, rate stabilization fund amounts. The consensus seemed to be that presentations to members comparing how their sub-fund is performing versus other sub-funds and versus NJSIG as a whole would be acceptable, with the understanding that the other sub-funds would not be identified. I think it makes sense for the sub-fund administrators to be sharing their sub-fund information with each other, as opposed to NJSIG releasing it all to everyone.

The insurance coverage for the NJSIG Board of Trustees and for our internal operations renews in January; those renewals have been completed with help from NJSIG's insurance broker.

We are looking at March 7th, 8th, or 9th or for the annual virtual broker meeting.

In addition, the Association of Governmental Risk Pools (AGRiP) annual Governance Conference will take place on March 5 through March 8 in Orlando. I have attached an overview of the conference. The goal of this conference as stated by AGRiP is to "allow[] pool governing body members and senior management to problem-solve and collaborate in a pool-focused environment." This conference is educational in nature, and attendees choose from a range of educational sessions focused on governance, leadership and timely industry topics. If any Trustees are interested in attending, please let me know.

Finally, former Trustee Dana Sullivan retired from her employment with the Westfield Board of Education, and resigned as a Trustee of NJSIG, effective December 31, 2022. Additionally, Trustee Josephine Sharpe, a board member from Wildwood City School District, has stepped down as a Trustee. In accordance with NJSIG Bylaw Article V(A)(2)(b), the New Jersey Association of School Business Officials (NJASBO) has nominated Nicolas Bice, School Business Administrator for the Burlington Township School District, to serve as our southern Business Administrator Trustee and the New Jersey Schools Board Association (NJSBA) has nominated Janet DiFolco, Board President of the Mount Holly Township School District to serve as our southern Board Member Trustee.. I have invited both of them to join us at our January meeting. If Mr. Bice's nomination is confirmed, he would serve out the remainder of the original three-year term, starting at our next meeting, March 15, 2023, and ending on June 30, 2025. If Ms. DiFolco's nomination is confirmed, she would serve out the remainder of the original three-year term, starting at our next meeting, March 15, 2023, and ending on June 30, 2023.

Respectfully Submitted,

Jill Deitch, Esq.
Executive Director
New Jersey Schools Insurance Group