



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

**Board of Trustees Meeting of January 16, 2019**  
**Board of Trustees Meeting Minutes of November 28, 2018**

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New Jersey Schools Insurance Group's (NJSIG) Board of Trustees Meeting of November 28, 2018 at NJSIG's Marlboro office.

**ATTENDEES**

**Trustees:** Thomas F. Connors, Jr., James J. Jencarelli, Jr., Irene Le Febvre, Joseph Meloche, Ed. D., Steve Robinson, Christopher Russo, Ed. D., and Dana Sullivan

**Participants:** David Rapuano, Esquire of *Archer & Greiner*, Dave Ritch and Phil Williams of *Willis Re*, Stacy Mina of *Willis Towers Watson*, and James Miles and Dennis Skalkowski of *Bowman and Company*

**NJSIG**

**Staff:** William Mayo, *Executive Director*, Michele Carosi, *Comptroller*, Jill Deitch, *Chief Legal Officer*, Beth Ferlicchi, *Assistant General Counsel*, Jeffrey Cook, *Information Systems Manager*, Sherwin Archibald, *Liability Claims Supervisor*, Debra Rice, *Client Relations Manager/Safety and Risk Control Supervisor*, Claire King, *Underwriting Supervisor*, Lauren Schilling, *Communication Specialist* and Renee Johnson-Payne, *Executive Assistant*

**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 4:00 p.m. In accordance with the Sunshine Law and N.J.S.A. 10:4-10, due notice of all pending meetings was given to the *Atlantic City Press*, *Newark Star Ledger*, and *Trenton Times* on October 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	√	Steven K. Robinson	√
James J. Jencarelli, Jr.	√	Gerald North	A	Christopher Russo, Ed.D.	√
Irene Le Febvre	√	Dennis Quinn	A	Dana Sullivan	√

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

*Action Taken: M (Robinson) | S (Sullivan) | Carried (Affirmative Votes = Connors, Jencarelli, Le Febvre, Meloche, Robinson, Russo, Sullivan) to accept the November 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 NJSIG had a good presence at the NJSBA Workshop. He also recognized the Underwriting and Client Relations departments on their impeccable efforts at the workshop.

**B. Comptroller**

Comptroller, Michele Carosi, explained NJSIG had another successful year ending with a net position of \$94.1 million and a net profit of \$15.4 million prior to any safety grant declarations.

**C. Client Relations, Safety and Risk Control and Underwriting**

Jill Deitch Chief Legal Officer, announced NJSIG was very successful at the NJSBA Workshop in Atlantic City. Many people were trained at our

presentation “Workers’ Compensation: Key Factors in Risk Reduction and Maintaining Stable Premiums.”

Jill Deitch also reported our broker Dave Ritch of Willis provided extensive coverage training.

#### **D. Claims**

Jill Deitch, Chief Legal Officer, explained several positive claims outcomes, which were detailed in her written report.

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

#### **A. Proposed Safety Grant Procedures**

William Mayo, Executive Director, explained we have decided to update the safety grant procedures. We have solicited Willis Towers Watson to complete the safety grant allocation and provide transparency. The results of the allocations will be posted on our website.

#### **B. Cash management and investment plan**

Comptroller, Michele Carosi, detailed the updates to the cash management and investment plan.

*Action Taken: M (Sullivan) | S (Connors) | Carried (Affirmative Votes = Connors, Jencarelli, Le Febvre, Meloche, Robinson, Russo, Sullivan) to approve the cash management & investment plan as a second reading.*

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

#### **A. Underwriting audit report**

*Action Taken: M (Connors) | S (Robinson) | Carried (Affirmative Votes = Connors, Jencarelli, Le Febvre, Meloche, Robinson, Russo, Sullivan) to accept the Archer & Greiner, P.C. and Friedman, LLP audit report.*

## B. Investor's Bank Signature Update

*Action Taken: M (Robinson) | S (Meloche) | Carried (Affirmative Votes = Connors, Jencarelli, Le Febvre, Meloche, Robinson, Russo, Sullivan) to approve and execute the changes to each respective Investors Bank NJSIG account as indicated on the account authorization letter.*

## C. Contracting

### C1. Claims Auditing Services

*Action Taken: M (Sullivan) | S (Le Febvre) | Carried (Affirmative Votes = Connors, Jencarelli, Le Febvre, Meloche, Robinson, Russo, Sullivan) to approve the Executive Director again solicit proposals for claims audit services, which are exempt from public bidding as insurance consultant services, as deemed appropriate.*

### C2. Independent medical examination services

*Action Taken: M (Meloche) | S (Sullivan) | Carried (Affirmative Votes = Connors, Jencarelli, Le Febvre, Meloche, Robinson, Russo, Sullivan) to award the contract for independent medical examination services to ExamWorks Group, Inc. and IMX Medical Management Services, Inc. based on the results of the committee's evaluation.*

### C3. Competitive Contracting Emergency Restoration Services

*Action Taken: M (Connors) | S (Robinson) | Carried (Affirmative Votes = Connors, Jencarelli, Le Febvre, Meloche, Robinson, Russo, Sullivan) to approve the NJSIG to procure emergency restoration services via the competitive contracting process.*

## D. Financial audit

Michele Carosi introduced the financial auditors James Miles and Dennis Skalkowski representing Bowman and Company, LLP who will present the NJSIG's June 30, 2018 financial audit. They presented and provided highlights of the June 30, 2018 financial audit.

*Action Taken: M (Sullivan) | S (Robinson) | Carried (Affirmative Votes = Connors, Jencarelli, Le Febvre, Meloche, Robinson, Russo, Sullivan) to approve the financial statements and audit report as presented by Bowman for the 2017/2018 fund year.*

**E. Willis Towers Watson's pricing study**

Stacy Mina, Tower Watson, conducted a detailed presentation which provided clarity of the rates for the July 1, 2019 - June 30, 2020 fund year.

*Action Taken: M (Sullivan) | S (Connors) | Carried (Affirmative Votes = Connors, Jencarelli, Le Febvre, Meloche, Robinson, Russo, Sullivan) to approve a 3% rate increase for GL, AL, APD and property lines of coverage, and a 3% increase in the WC line of coverage for the retained risk pricing component for policy year 2019-2020. The result is an overall average rate increase of 3% for the Members, excluding the school board legal liability coverage. The suggested rate increase is between the central and low reasonable estimates provided by Willis Towers Watson.*

**F. Checking Accounts & New Claims Ratification**

*Action Taken: M (Robinson) | S (Jencarelli) | Carried (Affirmative Votes = Connors, Jencarelli, 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 9/1/2018 to 10/31/2018 as shown in the online (Microscribe) version of the meeting package.*

**ITEM #9 NEW BUSINESS**

There was no new business.

*William Mayo*

William Mayo, CPCU, ARM  
Executive Director