



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

**Board of Trustees Meeting Minutes of March 13, 2024
(Ratified at the Board of Trustees Meeting on May 15, 2024)**

New Jersey Schools Insurance Group’s Board of Trustees Meeting of March 13, 2024 took place at NJSIG’s office, located at 6000 Midlantic Drive, Suite 300 North, Mount Laurel, New Jersey 08054, and by video teleconference.

ATTENDEES

Participants: David Rapuano, Esq.; Phil Williams; Joanne Kirby; Kaci Snider; Al Kirk; Bob Gemmell; LaTonya Brennan; Jim Ridgway; Jay Lynch; Stacy Mina.

NJSIG Staff: Jill Deitch, Esq.; Beth Ferlicchi, Esq.; Benjamin Zieman, Esq.; Michele Carosi; Sherwin Archibald; Lauren Schilling; Claire King; Jeff Cook; Karen Olsen; Neil Marek; Shevon Bennett; Jacqueline Godfrey; Leslie McMahan; Anthony Fernandez; Ivy Davis; Joe Semptimphelter; Jillian Smith.

ITEM #1 CALL TO ORDER

In accordance with the Sunshine Law and N.J.S.A. 10:4-10, due notice of all pending meetings was given to the *Newark Star Ledger*, www.NJ.com, and *Trenton Times* on July 7, 2023. Notice of this meeting was also filed with the New Jersey Secretary of State. Electronic notice of this meeting was also posted to NJSIG’s website at www.njsig.org. The meeting was called to order at approximately 1:00 p.m.

ITEM #2 ROLL CALL

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|------------------------|---|---------|
| Stephanie Brown, Ed.D. | – | Present |
| Nicholas Bice | – | Present |
| Richard Casey | – | Present |

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|----------------------|---|---------|
| Christopher Carrubba | – | Present |
| Damaris Gurowsky | – | Present |
| Irene LeFebvre | – | Present |
| Jamie Moscony | – | Present |
| Chris Russo, Ed.D. | – | Present |
| Alix Silva | – | Present |

**ITEM #3 ACCEPTANCE OF THE PUBLIC AND CLOSED SESSION
MINUTES OF January 24, 2024**

Action Taken: Moved (Gurowski) \ Second (Carrubba) \ Carried (Affirmative Votes = Brown, Bice, Casey, Carrubba, Gurowsky, LeFebvre, Moscony, Russo, Silva) to accept the January 24, 2024 Board of Trustees meeting minutes. No opposition or abstentions.

ITEM #4 PUBLIC PARTICIPATION

Public participation was invited. There was no public participation.

ITEM #5 SUB-FUND LIAISONS – REPORTS/COMMENTS

Ridgway reported on the CAIP sub-fund; discussed webinar series at the end of February on constitutional issues with facilities use requests; thanked NJSIG for the broker meeting last week and noted great renewal rates, particularly for coastal; heard from multiple brokers that were pleased with the rate information.

Gemmell reported on the ERIC West sub-fund; discussed well-attended Zoom meeting on March 12, 2024, regarding cyber hygiene and cyber security; offering external penetration testing for sub-fund members, which will provide members with report identifying potential vulnerabilities so they can address them.

Brennan reported on the ERIC North and NJEIF sub-funds; next meeting is May 9 (in person); will focus on how to manage workers’ compensation through case studies and will add a small mental health component.

Kirk reported on the BACCEIC and ERIC South sub-funds; highlighted positive feedback from members regarding surplus return and the rates announced at the recent broker meeting; large number of members committed to renew based on that information.

ITEM #6 REPORTS

A. Executive Director Report

Jill Deitch, Esq., Executive Director, provided an overview of the Executive Director report and an update on the status of the organization. The Department of Banking and Insurance recently approved NJSIG's request to release \$2.6 million from our surplus to all members who participated in the workers' compensation fund in the 2020-2021 fund year. Member Services provided brokers with the exact amount of surplus each of their members should receive. This year members will see surplus return information with their renewal quotes so they can understand exactly how much they will be paying for insurance. Members will also see a surplus return credit on their accounting invoice in July 2024. NJSIG had its annual broker meeting on March 7, 2024, which was well-received. Combined overall guidance across all lines was a projected increase of about 6.15% if the Board implements proposed rate recommendations regarding NJSIG's retained risk.

B. Accounting / Finance Report

Michele Carosi, Chief Financial Officer, provided an overview of the Accounting Department report and an update on the status of the department. Accounting was successful in merging surplus data with renewal data to present it on a single consolidated invoice. Will start more complex testing for more difficult scenarios to make sure the department can handle them should they arise. Accounting will begin the 2024/2025 budget process at the next Board meeting in May (first reading); Deitch and Carosi will schedule meeting with finance committee before May meeting to go over the budget in greater detail.

C. Underwriting Report

Claire King, Underwriting Manager, provided an overview of the Underwriting Department report and an update on the status of the department. Last month, the workers' compensation experience modifiers and sub-fund deviations were delivered to the brokers and sub-fund administrators. After last week's broker meeting, the underwriting application portal went live, and so far, there have not been any issues. Property and casualty reinsurance meetings and rate negotiations are continuing; afterwards, Underwriting will work with Accounting, IT, and Alliant to incorporate the rates into NJSIG's underwriting software to begin releasing quotes on or before April 25.

D. Claims Report

Sherwin Archibald, Claims Manager, provided an overview of the Claims Department report and an update on the status of the department. Since the last Board meeting, there has been a 21% increase in new claims on all lines as compared to this time last year. Most of the increase is coming from the property line (46% increase) and the general liability line (92% increase, although most are record only). Workers' compensation has also increased by about 9%. Trend increase is expected to continue. Also noted that the workers' compensation intake department is off to a great start. Intake handles about 600 to 650 calls per month and has been able to save money for NJSIG and the pool by directing injured workers to in-network facilities.

E. Information Technology Report

Jeff Cook, Information Technology Manager, provided an overview of the Information Technology Department report and an update on the status of the department. The IT Department is working hard with the other departments to meet some of the critical deadlines regarding surplus returns, the underwriting portal, and safety grant applications.

F. Member Services and Loss Control Report

Lauren Schilling, Member Services and Loss Control Manager, provided an overview of the Member Services and Loss Control Department report and an update on the status of the department. Member Services hosted another workers' compensation intake meeting in early February (roughly 300 participants) which provided a platform to answer questions; received a lot of positive feedback from this training. Also recorded an updated intake training which is available on NJSIG's website. Member Services is finalizing an intake FAQ for school nursing staff. NJSIG's 10th annual broker meeting was last week (about 115 people in attendance), received a lot of positive feedback. During the broker meeting, NJSIG discussed the broker dashboard updates, as well as additional updates for the intake program and the application portal. Last winter sub-fund meeting was on March 12, 2024, will begin preparing for spring sub-fund meetings. Safety grant portal will open on April 1 and close on June 1.

ITEM #7 DISCUSSION ITEMS

A. Reinsurance property renewal, update

Presented by Deitch. Property reinsurance continues to be a challenge but is not as dire as last year. Markets are still focused on accurate valuations, but the carriers we met with in December and January expressed that the coinsurance language we implemented last year gives them more confidence in our program.

B. Casualty reinsurance renewal, update

Presented by Deitch. Casualty reinsurance markets continue to react to ever-increasing jury verdicts (even if we do not see them in New Jersey), as well as expansion of laws like the NJLAD and the expanded statutes of limitations for sexual abuse claims.

C. Vacant buildings – new language

Presented by Deitch and King. We discussed the changes coming to the 2024-2025 property form for vacant and newly acquired buildings at the last board meeting and at last week's broker meeting. We also circulated the broker meeting PowerPoint presentation and a redlined version of the property form to highlight the changes so brokers can discuss the changes with their members and make informed choices.

D. NJSBA Sponsorship

Presented by Schilling. NJSBA is hosting their 2024 workshop, which is a large, annual training and informational event for school officials in New Jersey. It is typically the first state-wide educational conference to take place in the new school year. This year, the event will be hosted at the Atlantic City Convention Center from Monday, October 21 through Thursday, October 24. It is proposed that NJSIG contribute \$25,000 towards sponsorship of the event.

ITEM #8 ACTION ITEMS

A. WTW general rate level analysis July 1, 2024-2025 (Presentation of analysis on retained risk/SIR and recommendations to the Board on retained risk/SIR) (NJSIG No. 0324-01)

Analysis presented by Stacy Mina, WTW.

Recommendations presented by Deitch.

Action Taken: Moved (LeFebvre) \ Second (Carrubba) \ Carried (Affirmative Votes = Brown, Bice, Casey, Carrubba, Gurowsky, LeFebvre, Moscony, Russo, Silva) to approve the resolution as presented. No opposition or abstentions.

B. Excess and reinsurance for the 2024-2025 policy year (NJSIG No. 0324-02)

Presented by Deitch.

Action Taken: Moved (LeFebvre) \ Second (Carrubba) \ Carried (Affirmative Votes = Brown, Bice, Casey, Carrubba, Gurowsky, LeFebvre, Moscony, Russo, Silva) to approve the resolution as presented. No opposition or abstentions.

C. Sponsorship, NJSBA Workshop 2024: Oct. 21-24 (NJSIG No. 0324-03)

Presented by Deitch.

Action Taken: Moved (Carrubba) \ Second (Silva) \ Carried (Affirmative Votes = Brown, Bice, Casey, Carrubba, Gurowsky, Moscony, Russo, Silva) to approve the resolution as presented. No opposition; LeFebvre abstained.

D. Contracting:

i. Financial auditor (NJSIG No. 0324-04)

Presented by Carosi.

Action Taken: Moved (Gurowsky) \ Second (Carrubba) \ Carried (Affirmative Votes = Brown, Bice, Casey, Carrubba, Gurowsky, LeFebvre, Moscony, Russo, Silva) to approve the resolution as presented. No opposition or abstentions.

ii. Cloud data storage and recovery services (NJSIG No. 0324-05)

Presented by Cook.

Action Taken: Moved (LeFebvre) \ Second (Silva) \ Carried (Affirmative Votes = Brown, Bice, Casey, Carrubba, Gurowsky, LeFebvre, Moscony, Russo, Silva) to approve the resolution as presented. No opposition or abstentions.

iii. Authorization for competitive contracting (NJSIG No. 0324-06)

Presented by Ferlicchi.

Action Taken: Moved (Gurowsky) \ Second (Silva) \ Carried (Affirmative Votes = Brown, Bice, Casey, Carrubba, Gurowsky, LeFebvre, Moscony, Russo, Silva) to approve the resolution as presented. No opposition or abstentions.

iv. Coverage counsel (NJSIG No. 0324-07)

Presented by Ferlicchi.

Action Taken: Moved (LeFebvre) \ Second (Gurowsky) \ Carried (Affirmative Votes = Brown, Bice, Casey, Carrubba, Gurowsky, LeFebvre, Moscony, Russo, Silva) to approve the resolution as presented. No opposition or abstentions.

v. Outside counsel – General Liability (NJSIG No. 0324-08)

Presented by Archibald.

Action Taken: Moved (LeFebvre) \ Second (Silva) \ Carried (Affirmative Votes = Brown, Bice, Casey, Carrubba, Gurowsky, LeFebvre, Moscony, Russo, Silva) to approve the resolution as presented. No opposition or abstentions.

E. Checking accounts & new claims ratification (NJSIG No. 0324-09)

Presented by Carosi.

Action Taken: Moved (Gurowsky) \ Second (Silva) \ Carried (Affirmative Votes = Brown, Bice, Casey, Carrubba, Gurowsky, LeFebvre, Moscony, Russo, Silva) to approve the resolution as presented. No opposition or abstentions.

ITEM #9 NEW BUSINESS

None.

ITEM #10 CLOSED (EXECUTIVE) SESSION

Action Taken: Moved (LeFebvre) \ Second (Moscony) \ Carried (Affirmative Votes = Brown, Bice, Casey, Carrubba, Gurowsky, LeFebvre, Moscony, Russo, Silva) to enter into closed (executive) session at approximately 1:54 pm. No opposition or abstentions.

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

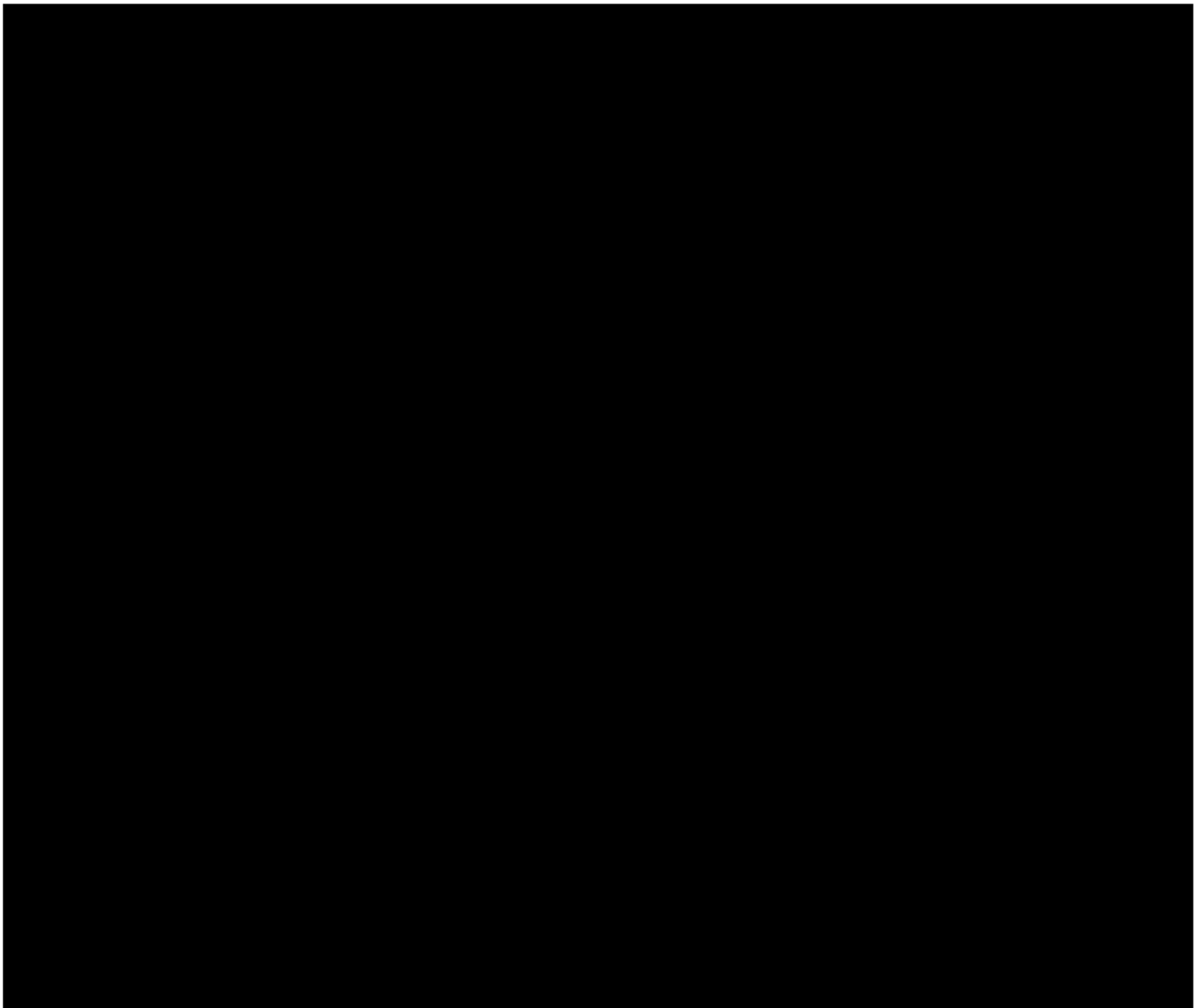
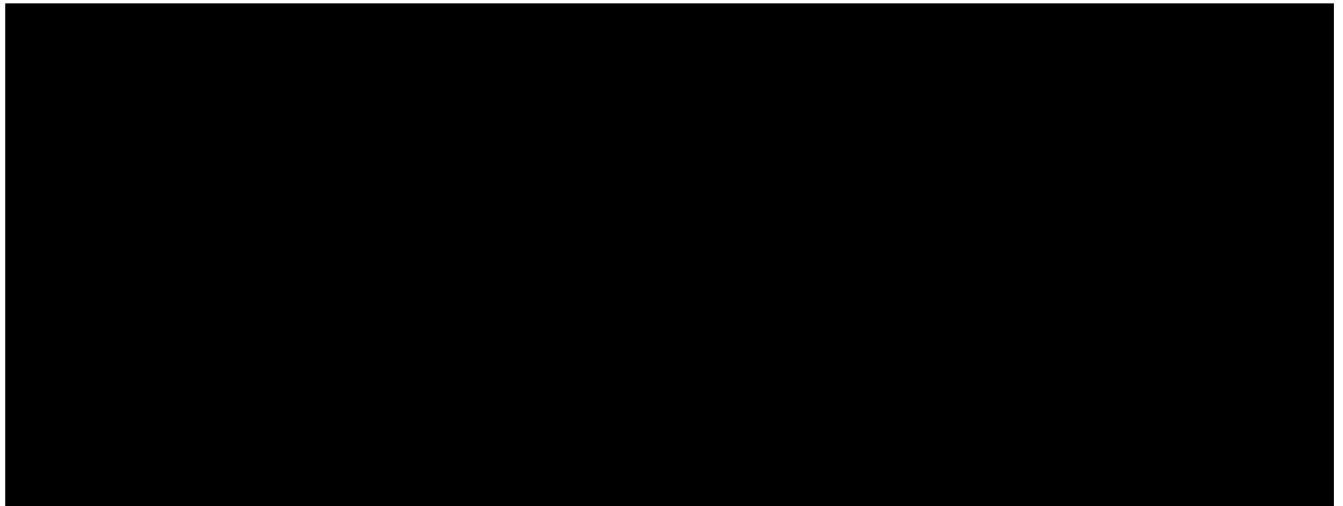
WHEREAS, the OPMA requires that the Group adopt a resolution at a public meeting to go into private session; now, therefore,

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

- A. Litigation; and/or
- B. Matters involving attorney client privilege; and/or
- C. Matters involving pending contract negotiation; and/or
- D. Matters involving terms and conditions of employment of current public employee.

BE IT FURTHER RESOLVED that any discussion held by the Board of Trustees which need not remain confidential will be made public as soon as feasible. The minutes of the executive session will not be disclosed until the need for confidentiality no longer exists.

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





ITEM #11 ADJOURN MEETING

Action Taken: Moved (LeFebvre) \ Second (Carrubba) \ Carried (Affirmative Votes = Brown, Bice, Casey, Carrubba, Gurowsky, LeFebvre, Moscony, Russo, Silva) to adjourn the meeting at approximately 2:21 p.m.