



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 May 15, 2024 (Ratified at the Board of Trustees Meeting on June 12, 2024)

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New Jersey Schools Insurance Group’s Board of Trustees Meeting of May 15, 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; Jodi Galpert; Bob Gemmell; LaTonya Brennan; Casey Byrne.

**NJSIG Staff:** Jill Deitch, Esq.; Beth Ferlicchi, Esq.; Benjamin Zieman, Esq.; Michele Carosi; Sherwin Archibald; Lauren Schilling; Claire King; Jeff Cook; Karen Olsen; Denise Hall; Gabe Foeldes; Neil Marek; Shevon Bennett; Joanna Radomicki; Leslie McMahon; Joe Semptimpelster; 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](http://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](http://www.njsig.org). The meeting was called to order at approximately 1:03 p.m.

### ITEM #2 ROLL CALL

Stephanie Brown, Ed.D.	–	Absent
Nicholas Bice	–	Present
Richard Casey	–	Present
Christopher Carrubba	–	Absent

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 March 13, 2024**

Action Taken: Moved (LeFebvre) \ Second (Silva) \ Carried (Affirmative Votes = Bice, Casey, Gurowsky, LeFebvre, Moscony, Russo, Silva) to accept the March 13, 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**

Brennan reported on the ERIC North and NJEIF sub-funds; reported on favorable turnout and presentation at the May 9 workers’ compensation symposium; thanked Dr. Russo for helping plan the meeting and for making a presentation at the symposium about NJSIG’s Board of Trustees.

Byrne reported on the CAIP sub-fund; luncheon is scheduled next week; topics are board ethics (with Bruce Padula) and vulnerability testing (with D2 Cyber Security).

Gemmell reported on the ERIC West sub-fund; meeting scheduled for May 31 with Bruce Padula, noted the great collaboration with other sub-funds.

**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. Noted that she met with Michele Carosi and the finance committee last week to discuss the budget, which will be presented later for a first reading. Explained that NJSIG’s

lease expires in December 2025; planning to meet with landlord this summer to discuss options and to research other available space to compare.

## **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. Noted that the Accounting and IT Departments have been working with PeopleSoft, and they are happy to report that development and testing is complete. NJSIG will be working this week to migrate from the test environment to the production environment. This work will allow NJSIG to produce invoices for renewal season that will contain each member's renewal assessments as well as their return of surplus credit amount, which will reduce their premium due.

## **C. Underwriting Report**

Claire King, Underwriting Manager, provided an overview of the Underwriting Department report and an update on the status of the department. She noted that reinsurance negotiations wrapped up in late April and the 2024/2025 renewal is underway. This year's property reinsurance renewal was much smoother than last year's. Capacity was no longer an issue this year, and the aggressive rate increases from last year moderated substantially this year. Alliant has advised that the favorable treatment that NJSIG received this year is due to several factors, including the quality and quantity of property exposure data that NJSIG provides to the market each year; NJSIG members' willingness to bring all member property values to 100% of replacement value by 2027; the Group's willingness to limit coverage on vacant buildings; and our superior handling of property claims. Cyber liability reinsurance renewal was uneventful for the second consecutive year, and Alliant negotiated some improved terms and sublimit increases from Beazley (our cyber carrier). There is only one carrier change for 2024/2025 – NJSIG will begin taking on the first \$1 million of E&O exposure starting July 1, 2024, so Lexington Insurance Company (or AIG) will no longer be the carrier on the primary \$1 million. King also reminded everyone that members must report all known E&O claims to Summit Risk prior to July 1 to avoid a gap in coverage, and to thereafter report claims to NJSIG. Lastly, she reported that the underwriting renewal application portal has been open since early March 2024 and has been operating very smoothly.

## **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 an increase in incoming claims on all lines except for auto liability, which is down about 13% from the last Board meeting. E&O claims are up about 33%. Overall, new claims are up about 10% since January. The biggest line increase is GL at 54% (many of those claims are ethics claims). Compared to this time last year, E&O is up 29% (mainly due to due process and IEP claims), workers' compensation is up 2%, auto liability is down 7%, and property is down 2%. Archibald add that the Claims Department is ready for the E&O line to be adjusted in-house, and that NJSIG hired a strong candidate for the position who is starting tomorrow.

## **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 only addition to the written report was that NJSIG has posted an RFP for our document management system. The RFP evaluation committee should have its review and recommendation to the Board completed in time for Board review at the next meeting. Otherwise, the department continues to be very busy on time-critical projects and is meeting all timelines.

## **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. NJSIG recently finalized a new partnership with Crisis Risk Strategies, which is a new preparedness and response solution for our members at no additional cost. Before a crisis event, members will have access to automated planning resources, documents, tools, and training information. During a crisis event, members will have up to 20 hours of crisis coaching per event to help restore control. Member Services also partnered with the IT Department to develop an on-demand loss run resource for members, so brokers can now immediately pull loss runs, and feedback has been great. Sub-fund meetings are still in progress, including one tomorrow on staff reductions, indoor air quality, and workers' compensation. The safety grant portal is still open but will close on June 1. NJSIG has received about 130 safety grant applications to date.

## **ITEM #7 DISCUSSION ITEMS**

### **A. Trustee Retreat (possible dates: 7/23, 7/24, 8/1, 8/5)**

Presented by Deitch. NJSIG usually holds a Trustee retreat in July or August; four dates were proposed, and the Trustees will advise which dates work best.

### **B. Trustee Nominations**

Presented by Deitch. Some Trustee terms are expiring, so Deitch has contacted those Trustees and they have agreed to join for another three-year term. These re-nominations will be voted on at the June 2024 Board meeting.

### **C. Start/Stop/Continue (Employee Feedback)**

Presented by Deitch and Ferlicchi. Discussed the Start/Stop/Continue employee feedback program, which was designed to see what NJSIG's employees recommend that the Group start doing, stop doing, and continue doing. The management team spent a lot of time considering all the feedback and suggestions, and changes have already been implemented and will continue to roll out. Employees seem to enjoy the Morale Committee as well as the opportunity to provide feedback. The plan is to solicit feedback using this program annually, but employees also know that they do not have to wait a year to bring suggestions.

### **D. Reinsurance Renewal Update**

Presented by Deitch. NJSIG concluded its negotiations for the 2024/2025 renewal. Underwriting is busy getting the system in place and has already started quoting. Across all lines, rates are only up 4.16%, which is a slight improvement from the projected 6% increase that was announced at the broker meeting.

## **ITEM #8 ACTION ITEMS**

### **A. Checking accounts & new claims ratification (NJSIG No. 0524-01)**

Presented by Carosi

Action Taken: Moved (LeFebvre) \ Second (Gurowsky) \ Carried (Affirmative Votes = Bice, Casey, Gurowsky, LeFebvre,

Moscony, Russo, Silva) to approve the resolution as presented. No opposition or abstentions.

**B. 2024/2025 Budget – first reading (NJSIG No. 0524-02)**

Presented by Carosi.

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

**C. Revisions to Plan of Risk Management – first reading (NJSIG No. 0524-03)**

Presented by Deitch.

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

**D. 2024/2025 Board Meeting Dates – first reading (NJSIG No. 0524-04)**

Presented by Deitch.

Action Taken: Moved (LeFebvre) \ Second (Silva) \ Carried (Affirmative Votes = Bice, Casey, 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 (Silva) \ Second (LeFebvre) \ Carried (Affirmative Votes = Bice, Casey, Gurowsky, LeFebvre, Moscony, Russo, Silva) to enter into closed (executive) session at approximately 1:42 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.

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**ITEM #11 ADJOURN MEETING**

Action Taken: Moved (LeFebvre) \ Second (Silva) \ Carried (Affirmative  
Votes = Bice, Casey, Gurowsky, LeFebvre, Moscony, Russo,  
Silva) to adjourn the meeting at approximately 2:30 p.m.