



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 January 24, 2024  
(Ratified at the Board of Trustees Meeting on March 13, 2024)**

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New Jersey Schools Insurance Group’s Board of Trustees Meeting of January 24, 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; Al Kirk; Bob Gemmell; Casey Byrne; Jim Ridgway

**NJSIG Staff:** Jill Deitch, Esq.; Beth Ferlicchi, Esq.; Benjamin Zieman, Esq.; Michele Carosi; Sherwin Archibald; Lauren Schilling; Claire King; Chris Cozine; Karen Olsen; Denise Hall; Leslie McMahon; Anthony Fernandez; Ivy Davis; Joe Semptimpelther; Jillian Smith; Raquel Trinidad.

**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 1:00 p.m.

**ITEM #2 ROLL CALL**

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

Damaris Gurowsky	–	Present
Irene LeFebvre	–	Present
Jamie Moscony	–	Present (joined at approx. 1:04 pm)
Chris Russo, Ed.D.	–	Present
Alix Silva	–	Absent

### **ITEM #3 ACCEPTANCE OF THE PUBLIC AND CLOSED SESSION MINUTES OF November 15, 2023**

Action Taken: Moved (Casey) \ Second (LeFebvre) \ Carried (Affirmative Votes = Brown, Casey, Carrubba, Gurowsky, LeFebvre, Russo, Bice) to accept the November 15, 2023 Board of Trustees meeting minutes.

### **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 upcoming presentation by Alliant on cyber threats and cyber safety, and some one-hour webinars scheduled with other speakers in March and April.

Gemmell reported on the ERIC West sub-fund; next meeting will be via Zoom and focus on cyber; currently working with an outside company to provide a penetration testing snapshot for all sub-fund members to identify and correct critical issues so future claims can be avoided.

Kirk reported on the BACCEIC and ERIC South sub-funds; recently completed trainings on progressive supervision and corrective action plans with David Nash; next meeting is May 16, 2024, will start planning for it.

### **ITEM #6 REPORTS**

#### **A. Executive Director Report**

Jill Deitch, Esq., Executive Director, deferred talking points until the “Discussion Items” portion of the meeting.

#### **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. Throughout January, the Accounting Department has been focused on finishing tax reporting. The Accounting Department has filed all Form 1099s with the IRS and mailed them to recipients, has filed all Form 720s, and has reviewed and finalized all W-2s and notified staff about how they can obtain copies. Also noted that the organization moved about \$80 million into the higher yield money market fund in November 2023, and that the Accounting Department is continuing to work with Cherry Road to automate the surplus project for invoices; it is on track for go-live date of July 1, 2024.

### **C. Underwriting Report**

Claire King, Underwriting Manager, provided an overview of the Underwriting report and an update on the status of the department. The Underwriting Department is in the process of updating the NavRisk policy database in preparation for the upcoming renewal (including computation of 24-25 Workers' Compensation experience modifier, which will be released no later than February 15). Approximately 200 members in BACIEC, CAIP, ERIC North, ERIC South, and NJEIF sub-funds coming out of their 3-year NJSIG commitments in 2024-2025, and we have already begun receiving notice letters from members who wish to consider alternative insurance options at renewal. Underwriting Department continues to work with Member Services and IT Departments on enhancements to the underwriting application portal, which was well-received last renewal. Portal is expected to launch no later than the first week of March 2024, and NJSIG will send an announcement to all NJSIG brokers in February 2024 with more details about the portal application process. Next month, Underwriting Department expects to receive new property appraisal reports from CBIZ for the 74 members in the current appraisal cycle. Underwriting will review the reports and update NavRisk accordingly. Finally, property coverage agreed-value coinsurance penalty will increase from 80% to 85% of last appraised value on file at NJSIG for the July 1 renewal.

### **D. Claims Report**

Sherwin Archibald, Claims Manager, provided an overview of the Claims report and an update on the status of the department. Since the last Board meeting, there has been a notable decrease on new claims on all lines, except for GL, which has seen a 69% increase (primarily attributable to record-only claims). The pattern here is consistent with prior months. The closure rate for Claims

Department shows positive trends across all lines, indicating that adjusters are focusing on the 1:1 ratio of incoming to closure. Pleased to share that Munich Re recently conducted an audit focused on liability claims, and NJSIG scored 100% in almost every category. Munich Re said they have not seen these results with any other pools. Finally, reported on feedback from property reinsurance markets; rates are on the rise and will stay that way; however, because market is becoming more favorable, there is heightened competition. The property market is still in flux and no single year will make up for the last 4-5 challenging years.

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

Chris Cozine, Database Administrator Supervisor, on behalf of Jeff Cook, Information Technology Manager, provided an overview of the Information Technology Department report and an update on the status of the department.

### **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 is currently in the process of wrapping up winter sub-fund meetings. Also recently had a training on the future of special education, looking forward to our final two sub-fund meetings (one next week, one at the end of March). Department is developing another training program for school nurses and supervisors, focusing on the recent enhancements to the Workers' Compensation intake program. The Department is also creating new marketing packets to highlight our value-added services, and preparing for 10th Annual Broker meeting scheduled for March 7, where rate guidance is announced.

## **ITEM #7 DISCUSSION ITEMS**

### **A. Reinsurance property renewal meetings, update**

Presented by Deitch. Provided an update on the meetings with excess insurance and reinsurance carriers in London and North Carolina; noted importance of meetings in terms of developing relationships and helping underwriters better understand NJSIG as a whole. Property markets are still focused on valuations, so our focus on our coinsurance language is important. Cautiously optimistic that the rates will not be as drastic as last year but will know more in February/March.

## **B. Casualty reinsurance renewal meetings, update**

Presented by Deitch. Scheduling meetings with excess insurance and reinsurance carriers; planning to focus on claim successes, the outcome of the Munich Re audit, and our strong member retention and loss control.

## **C. Vacant buildings – new language**

Presented by Deitch. Previewed to excess insurance and reinsurance carriers the changes to be made to the vacant and newly acquired buildings coverage documents, most significantly the \$1 million coverage cap on vacant buildings. Important to the excess insurance and reinsurance carriers because any losses on vacant buildings will not go into their coverage layer. In addition to the \$1 million coverage cap, vacant buildings will be excluded after 24 months. This will protect the members but also incentivize addressing any vacant buildings sooner than later.

## **D. Sub-fund administrator meeting**

Presented by Schilling. On February 7, the Member Services and Loss Control Team, along with NJSIG leadership, will host a strategic meeting with sub-fund administrators. Agenda focuses on upcoming training opportunities and ideas to enhance the overall member experience.

## **E. March 7, 2024 Broker Meeting**

Presented by Deitch. Reported that budgetary guidance will be ready for the Broker meeting in March.

## **F. A5659 and S4059**

Presented by Deitch. Reported on proposed legislation that would increase the cap on fees for attorneys representing workers' compensation claimants from 20% to 25%. Highlighted problem of bill's retroactive application. Noted that opposition letter went out to Legislature and all members last week.

## **ITEM #8 ACTION ITEMS**

### **A. Checking accounts & new claims ratification (NJSIG No. 0124-01)**

Presented by Carosi.

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

**B. Authorization to invest additional funds (NJSIG No. 0124-02)**

Presented by Deitch.

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

**C. Surplus return (NJSIG No. 0124-03)**

Presented by Deitch.

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

**D. Contracting:**

**i. Independent medical examination services (NJSIG No. 0124-04)**

Presented by Archibald.

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

**ii. Temporary staffing services (NJSIG No. 0124-05)**

Presented by Carosi.

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

**E. Revisions to Policy # 8020 – second reading (NJSIG No. 0124-06)**

Presented by Deitch.

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

**F. Revisions to Plan of Risk Management – second reading (NJSIG No. 0124-07)**

Presented by Deitch.

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

**ITEM #9 NEW BUSINESS**

None.

**ITEM #10 CLOSED (EXECUTIVE) SESSION**

Action Taken: Moved (Gurowski) \ Second (Casey) \ Carried (Affirmative Votes = Brown, Casey, Carrubba, Gurowsky, LeFebvre, Moscony, Russo, Bice) to enter into closed (executive) session at approximately 1:40 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.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**ITEM #11 ADJOURN MEETING**

Action Taken: Moved (LeFebvre) \ Second (Carrubba) \ Carried (Affirmative Votes = Brown, Casey, Carrubba, Gurowsky, LeFebvre, Moscony, Russo, Bice) to adjourn the meeting at approximately 1:58 p.m.