



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

**Board of Trustees Meeting of October 14, 2020**  
**Board of Trustees Meeting Minutes of September 16, 2020**

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New Jersey Schools Insurance Group's (NJSIG) Board of Trustees Meeting of September 16, 2020 at NJSIG's Mount Laurel office.

**ATTENDEES**

**Trustees:** Josephine Sharpe, Thomas F. Connors, Ph.D., Dana Sullivan, Steven Robinson, Stephanie Brown, Ed. D., Joseph Meloche, Ed. D., and Irene Le Febvre; Christopher Russo, Ed.D joined the meeting at 10:35 a.m.

**Participants:** David Rapuano, Esquire of *Archer*, Jay Lynch of *Alliant/Boynton*, Latonya Brennan of *Arthur J. Gallagher & Co.*, Jim Ridgway of *J. Byrne Insurance*, Stacy Mina of *Willis Towers Watson*

**NJSIG**

**Staff:** Jill Deitch, *Executive Director*, Michele Carosi, *Chief Financial Officer*, Jeff Cook, *Information Systems Manager*, Debra Rice, *Client Relations/Safety and Risk Control Manager*, Claire King, *Underwriting Manager*, Sherwin Archibald, *Claims Manager*, Stephen Tucker, *General Counsel*, Beth Ferlicchi, *Assistant General Counsel*, 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 approximately 10:05 a.m. In accordance with the Sunshine Law and N.J.S.A. 10:4-10, due notice of this meeting was given to the *Atlantic City Press*, *Newark Star Ledger*, and *Trenton Times* on September 11, 2020. Copies of these notices are on file with the New Jersey Secretary of State.

**ITEM #2 ROLL CALL**

Stephanie Brown, Ed.D.	√	Irene LeFebvre	√	Christopher Russo, Ed.D	√
Thomas F. Connors, Ph.D.	√	Joseph Meloche, Ed.D.	√	Josephine Sharp	√
James J. Jencarelli, Jr.	A	Steven Robinson	√	Dana Sullivan	√

**ITEM #3 ACCEPTANCE OF THE PUBLIC SESSION AND EXECUTIVE SESSION MINUTES OF JULY 20, 2020.**

*Action Taken: M (Sullivan)\ S (Le Febvre)\ Carried (Affirmative Votes = Meloche, Sullivan, Brown, Connors, Le Febvre, Robinson, Sharpe) to accept the July 20, 2020 public session and executive session Board of Trustees meeting minutes.*

**ITEM #4 PUBLIC PARTICIPATION**

There was no public participation.

**ITEM #5 SUB-FUND LIAISONS – Reports/Comments**

Jay Lynch provided a report on the current state of meetings in the MOCSIFF sub-fund. The first meeting for the 2020/2021 fiscal year will be conducted remotely.

Latonya Brennan provided a report on the current state of meetings in the ERIC North sub-fund. The first meeting for the 2020/2021 fiscal year will be conducted remotely. The tentative focus will be coverage and tort issues related to the COVID-19 pandemic.

**ITEM #6 REPORTS:**

**A. Executive Director:**

Jill Deitch, Executive Director, provided an overview of her report and an update on the status of NJSIG.

**B. Chief Financial Officer:**

Michele Carosi, Chief Financial Officer, provided an overview of her report and an update on the status of her department.

**C. Client Relations and Safety and Risk Control Manager:**

Debra Rice, Client Relations and Safety and Risk Control Manager, provided an overview of her report and an update on the status of her department. There was a question as to whether members have been applying for safety grants. Rice indicated that most members have applied for their safety grants and the department is following up to make sure all members have applied.

**D. Underwriting Manager:**

Claire King, Underwriting Manager, provided an overview of her report and an update on the status of her department.

**E. Information Technology Manager:**

Jeff Cook, Information Systems Manager, provided an overview of his report and an update on the status of his department. Cook also explained that the department is in the midst of implementing the new PeopleSoft accounting system. There was a question regarding when the Marlboro office lease expires and if that lease is not going to be renewed, whether any alternative backup system is being explored. Cook indicated that NJSIG is going out to RFP for cloud storage and recovery services this week to provide an alternative backup solution.

**F. Claims Manager:**

Sherwin Archibald, Claims Manager, provided an overview of his report and an update on the status of his department.

**ITEM #7 DISCUSSION ITEMS**

**A. Risk-Based Capital/Surplus Study Guideline**

Discussion item presented by Carosi.

**B. WTW Net liabilities (reserving) study**

Discussion item presented by Mina. Inquiry regarding scope of potential liability related to COVID-19. Discussion regarding new COVID-19 presumption law and existing tort liability protections.

**C. Total remuneration study (Korn Ferry)**

Discussion item presented by Deitch.

**ITEM #8 ACTION ITEMS:**

**A. WTW Net liabilities (reserve) study, adoption  
(NJSIG No. 0920-1)**

*Action Taken: M (Robinson)\ S (Sullivan)\ Carried (Affirmative Votes = Meloche, Sullivan, Brown, Connors, Le Febvre, Robinson, Sharpe, Russo) to approve the 08/10/2020 draft WTW 06/30/2020 reserve study as final and adopt the 65% confidence level estimates of ultimate unpaid loss and ALAE liability and the ULAE liability from the WTW 06/30/2020 reserve study.*

**B. Refund of member contributions, COVID-19  
(NJSIG No. 0920-2)**

*Action Taken: M (Robinson)\ S (Russo)\ Carried (Affirmative Votes = Meloche, Sullivan, Brown, Connors, Le Febvre, Robinson, Sharpe, Russo) to seek approval from the Commissioner of the New Jersey Department of Banking and Insurance pursuant to N.J.A.C. 11:15-4.21(b) to request a waiver of the twenty-four month requirement of N.J.A.C. 11:15-4.21(a) due to the COVID-19 pandemic, and to conduct an initial member refund on the workers' compensation and commercial automobile liability lines for the 2019/2020 fiscal year upon receipt of such approval.*

**C. Safety grant declaration  
(NJSIG No. 0920-3)**

*Action Taken: M (Le Febvre)\ S (Robinson)\ Carried (Affirmative Votes = Meloche, Sullivan, Brown, Connors, Le Febvre, Robinson,*

*Sharpe, Russo) to approve a new \$2 million safety grant to be expensed from the 2019/2020 fund year for inclusion with cumulative future safety grant awards, allocated to fiscal year 2021/2022 and to be distributed in October 2023, as per NJSIG's Safety Grant Policy #3710 guidelines.*

**D. Trustee committee assignments  
(NJSIG No. 0920-4)**

*Action Taken: M (Robinson) \ S (Meloche) \ Carried (Affirmative Votes = Meloche, Sullivan, Brown, Connors, Le Febvre, Robinson, Sharpe, Russo) to appoint Trustee Stephanie Brown, Ed.D. to the Finance Committee and Trustee Josephine Sharpe to the Personnel Committee.*

**E. 2020-2021 Meeting dates (second reading)  
(NJSIG No. 0920-5)**

*Action Taken: M (Sullivan) \ S (Robinson) \ Carried (Affirmative Votes = Meloche, Sullivan, Brown, Connors, Le Febvre, Robinson, Sharpe, Russo) to approve the proposed 2020/2021 meeting dates. Meeting times will be 10 a.m. unless notice is published otherwise.*

**F. Contracting: Payroll administration database software & services  
(NJSIG No. 0920-6)**

*Action Taken: M (Russo) \ S (Sullivan) \ Carried (Affirmative Votes = Meloche, Sullivan, Brown, Connors, Le Febvre, Robinson, Sharpe, Russo) to award the contract for payroll administration database software and services to PayChex, Inc. based on the results of the committee's evaluation.*

**G. Contracting: Outside counsel: school/education litigation  
(NJSIG No. 0920-7)**

*Action Taken: M (Le Febvre) \ S (Robinson) \ Carried (Affirmative Votes = Meloche, Sullivan, Brown, Connors, Le Febvre, Robinson, Sharpe, Russo) to supplement the existing Outside Counsel designations as to School/Education Litigation (C-2020-0003)*

*to add The Busch Law Group LLC based on demonstrated service to NJSIG members in existing matters.*

**H. Checking accounts and new claims ratification  
(NJSIG No. 0920-8)**

*Action Taken: M (Russo) | S (Robinson) | Carried (Affirmative Votes = Meloche, Sullivan, Brown, Connors, Le Febvre, Robinson, Sharpe, Russo) 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 7/1/2020 to 8/31/2020 as shown in the online (Microscribe) version of the meeting package.*

**I. Cash management and investment plan  
(NJSIG No. 0920-9)**

*Action Taken: M (Russo) | S (Sullivan) | Carried (Affirmative Votes = Meloche, Sullivan, Brown, Connors, Le Febvre, Robinson, Sharpe, Russo) to accept the proposed changes to the Cash Management and Investment Plan for the 09/2020 – 09/2021 effective period.*

**ITEM #9 NEW BUSINESS**

There was no new business.

**ITEM #10 EXECUTIVE SESSION**

*Action Taken: M (Meloche) | S (Robinson) | Carried (Affirmative Votes = Meloche, Sullivan, Brown, Connors, Le Febvre, Robinson, Sharpe, Russo) to go into executive session to discuss litigation, matters of attorney client privilege, etc. 11:36 a.m.*

*Jill Deitch*

Jill Deitch, Esq.  
Executive Director