



New Jersey School Boards Association Insurance Group

450 Veterans Drive
Burlington, New Jersey 08016
(609) 386-6060 • FAX (609) 386-8877
www.njsbaig.org

Board of Trustees Meeting of November 28, 2012 Board of Trustees Meeting Minutes of October 10, 2012

New Jersey School Boards Association Insurance Group's Board of Trustees Meeting of October 10, 2012 at the Courtyard by Marriott, Cranbury, NJ

ATTENDEES

Trustees: Mark Finkelstein, William Herman, Leon Kaplan, Eva M. Nagy, K. Chris Pierson, Daniel Vivarelli, Sr., Donald Webster and Raymond Wiss.

Participants: Harry Delgado, past *Trustee*, Susan Hodges and Neal Schonhaut representing *Archer & Greiner*, Dave Ritch representing *Willis*, Corinne Steinmetz, *Liaison* representing *ERIC West Sub Fund*, James Savage, *Liaison* representing *MOCSSIF Sub Fund*, Michael Schreck representing *WithumSmith+Brown*, Dennis DeMarino, *Business Administrator* representing *ERIC North Sub Fund* and Jay Lawton representing *GR Murray*.

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Staff: Marty Kalbach, *Director*; Michele Carosi, *Comptroller*; Lisa White, *Member Services Manager*; Tony Jones, *Loss Control Manager*; Louis Giannetto, *Claim Manager*; Jeff Cook, *Information Technology Manager*; Kelly Machu, *Underwriting Supervisor*; Chai Respes, *Human Resource Manager* and Renee Johnson-Payne, *Administrative Assistant*

ITEM #1 CALL TO ORDER

With a quorum present, the meeting was called to order at 4:10 p.m.

In accordance with the Sunshine Law, due notice of all pending meetings was given to the *Atlantic City Press*, *Newark Star Ledger*, and *Trenton Times* on August 10, 2012. Copies of these notices are on file with the New Jersey Secretary of State.



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ITEM #2 ROLL CALL

James Edwards	A	K. Chris Pierson	√
Mark Finkelstein	√	Daniel Vivarelli	√
William Herman	√	Donald Webster	√
Leon Kaplan	√	Ray Wiss (representing John Bulina)	√
Eva M. Nagy	√		

ITEM #3 ACCEPTANCES OF THE PUBLIC AND EXECUTIVE SESSION MINUTES OF SEPTEMBER 12, 2012

Action Taken: M (Vivarelli)\ S (Herman)\ Abstention (Wiss - Public and Executive, Pierson - Executive Session)\ C (Affirmative Votes = Finkelstein, Herman, Kaplan, Nagy, Vivarelli, Webster) to accept the September 12, 2012 Public and Executive Session Board of Trustees Meeting Minutes.

ITEM #4 RECOGNITION OF HARRY DELGADO'S NJSBAIG TRUSTEE SERVICE

Action Taken: M (Vivarelli)\ S (Herman)\ C (Unanimously = Finkelstein, Herman, Kaplan, Nagy, Pierson, Vivarelli, Webster, Wiss)

WHEREAS, Harry Delgado served as a member of the New Jersey School Boards Association Insurance Group Board of Trustees from January 2007 through June 2012; and,

WHEREAS, during those 5 years, Harry Delgado's dedication has impacted the growth and future of the Group and helped provide the best possible service to School Districts throughout New Jersey; and,

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees hereby expresses its appreciation for Harry Delgado's time, talent and service to the New Jersey School Boards Association Insurance Group and members.



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Mr. Delgado thanked the Board of Trustees for recognizing his service to the Group.

ITEM #5 PUBLIC PARTICIPATION

Action Taken: M (Vivarelli)\ S (Herman)\ C (Unanimously = Finkelstein, Herman, Kaplan, Nagy, Pierson, Vivarelli, Webster, Wiss) to open and close the public session for public participation.

There was no public comment.

ITEM #6 SUB FUND LIAISONS – REPORTS/COMMENTS

The Chairperson invited the new sub fund representatives to introduce themselves. Dennis DeMarino, Business Administrator, Woodbridge Board of Education and ERIC North sub fund member, introduced himself.

The Director introduced the ERIC North Safety Grant video. The meeting attendants viewed the ERIC North Safety Grant video. There was much positive feedback relative to the video and the Safety Grants.

The Chairperson reported on attending ERIC North meeting and encouraged the Trustees to attend at least one sub fund meeting to get a feel for work the sub funds are doing.

Jay Lawton, GR Murray, spoke about the benefits of the Safety Grants. A discussion ensued relative to reconsidering the Safety Grant for the 2011/2012 fund year and that options/ways would be looked at to provide grants during years grants may not be possible to award. It was suggested to review the decision in six to eight months. The Director explained the reasons for not reconsidering the Safety Grant.

ITEM #7 REPORTS

The Chairperson encouraged the Trustees to visit the booths of the Sub Fund Administrators while they are at the Atlantic City Workshop.



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The Personnel/Finance Committee reported on the Safety Grant for the 2011/2012 fund year. The Safety Grant for 2011/2012 will be sorely missed by the districts as it was extremely helpful in reducing claims.

ITEM #8 SPECIAL REPORTS/ACTION ITEM:

A. Financial Audit

Mr. Schreck of WithumSmith+Brown gave highlights of the June 30, 2012 financial audit. He reported that the Group received an unqualified opinion which had no recommendations.

He reported that based on the parameters of the Safety Grant policy a Safety Grant cannot be declared for the 2011/2012 fund year. He suggested some tactics and policy changes the Group could use to stabilize Safety Grants for upcoming years.

The Director thanked Ms. Carosi for another successful audit.

Action Taken: M (Vivarelli)\ S (Herman)\ C (Unanimously = Finkelstein, Herman, Kaplan, Nagy, Pierson, Vivarelli, Webster, Wiss) to thank Michele Carosi, Martin Kalbach and NJSBAIG Staff for an excellent financial audit.

Action Taken: M (Pierson)\ S (Herman)\ C (Unanimously = Finkelstein, Herman, Kaplan, Nagy, Pierson, Vivarelli, Webster, Wiss) to accept the financial statements as presented by WithumSmith+Brown for the 2011/2012 year.

ITEM #9 DISCUSSION ITEMS

A. Strategic Plan Update

The Director provided the Trustees with updates and results of the Strategic Plan. He recommended reviewing the Strategic Plan on a bi-yearly basis.



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B. Trustee Handbook/Role of Trustee

The Director presented the Board Orientation Manual to get some feedback about its content.

A discussion ensued and the conclusion was to add a dictionary of terms and a dictionary of acronyms.

ITEM #10 ACTION ITEMS

A. Bylaw Committee

The Chairperson reviewed last month's Bylaw Committee proposal of three Board Members Trustees, three Trustees and three Business Administrators. After consultation with the Group's general counsel, the Bylaw Committee will be comprised of two Board Member Trustees, two Business Administrators and two Superintendents so all groups are represented.

Action Taken: M (Pierson)\ S (Herman)\ C (Unanimously = Finkelstein, Herman, Kaplan, Nagy, Pierson, Vivarelli, Webster, Wiss) to accept the proposed Bylaw Committee of two Board Member Trustees - Daniel Vivarelli, Sr. and Eva M. Nagy, two Business Administrators - James Edwards and one more person yet to be determined and two Superintendents Mark Finkelstein and one more person yet to be determined.

B. Trustee Vacancy Recommendation Committee

Action Taken: M (Kaplan)\ S (Herman) \ C (Unanimously = Finkelstein, Herman, Kaplan, Nagy, Pierson, Vivarelli, Webster, Wiss) to accept the Trustee Vacancy Recommendation Committee to be comprised of K. Chris Pierson, Donald Webster and a third person yet to be determined.



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C. Financial Auditor Review Committee

Action Taken: M (Kaplan) \ S (Herman) \ C (Unanimously = Finkelstein, Herman, Kaplan, Nagy, Pierson, Vivarelli, Webster, Wiss) to accept the Financial Auditor Review Committee to be the Personnel/Finance Committee comprised of James Edwards, Mark Finkelstein, and Leon Kaplan.

D. Checking Accounts & New Claim Ratification

Action Taken: M (Pierson) \ S (Webster) \ C (Unanimously = Finkelstein, Herman, Kaplan, Nagy, Pierson, Vivarelli, Webster, Wiss) to approve and ratify the checks and new claims which have been issued from accounts 7557713 (operating account) and 3970555 (claim account) for the period of 9/1/2012 to 9/30/2012.

D. First Reading:

1. Medical Benefits Policy 6240

Action Taken: M (Pierson) \ S (Finkelstein) \ C (Unanimously = Finkelstein, Herman, Kaplan, Nagy, Pierson, Vivarelli, Webster, Wiss) to approve the Medical Benefits Policy 6240 as a first reading.

2. Discretionary Settlement Authority Policy 7680

Action Taken: M (Pierson) \ S (Vivarelli) \ C (Unanimously = Finkelstein, Herman, Kaplan, Nagy, Pierson, Vivarelli, Webster, Wiss) to approve the Discretionary Settlement Authority Policy 7680 as a first reading.

ITEM #11 NEW BUSINESS

There was no new business.



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ITEM #12 EXECUTIVE SESSION

EXECUTIVE SESSION

EXECUTIVE SESSION RESOLUTION

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

WHEREAS, the Open Public Meetings Act 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 School Boards Association Insurance Group, that it is necessary to meet in executive session to discuss certain items involving:

1. Litigation
2. Contract

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

Action Taken: M (Finkelstein)\ S (Vivarelli)\ C (Unanimously = Finkelstein, Herman, Kaplan, Nagy, Pierson, Vivarelli, Webster, Wiss) to close open session at 5:30 p.m. and move meeting into executive session after dinner.

Action Taken: M (Herman)\ S (Vivarelli)\ C (Unanimously = Finkelstein, Herman, Kaplan, Nagy, Pierson, Vivarelli, Webster, Wiss) to adjourn the public meeting at 7:32 p.m.

Marty

Marty Kalbach, Director
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