



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

**Board of Trustees Meeting of June 16, 2021**  
**Board of Trustees Meeting Minutes of May 19, 2021**

---

---

New Jersey Schools Insurance Group's (NJSIG) Board of Trustees Meeting of May 19, 2021 at NJSIG's Mount Laurel office.

**ATTENDEES**

**Trustees:** Irene Le Febvre, Richard Casey, Joseph Meloche, Ed. D., Steven Robinson, Dana Sullivan, Christopher Russo, Ed. D., Stephanie Brown;

**Participants:** David Rapuano, Esq. of *Archer*, Chris Carrubba (prospective board member), Phil Williams of *Willis Re Pooling*, Joanne Kirby of *Willis Re Pooling*, Howard Panensky of *Willis Re Pooling*, Jay Lynch of *Alliant/Boynton*, Latonya Brennan of *Arthur J. Gallagher & Co.*, Dan Regan of *Arthur J. Gallagher & Co.*, Casey Byrne of *J. Byrne Agency*, Jim Ridgway of *J. Byrne Insurance*, Alfred Kirk of *Conner Strong*, Gail White of *Regional Risk Managers*, Jack Zisa of *Regional Risk Managers*, Bob Gemmell of *Brown and Brown Metro*, Dominick Cinelli of *Brown and Brown Metro*;

**NJSIG**

**Staff:** Jill Deitch, Esq., *Executive Director*, Michele Carosi, *Chief Financial Officer*, Jeff Cook, *Information Systems Manager*, Debra Rice, *Client Relations/Safety and Risk Control Manager*, Sherwin Archibald, *Claims Manager*, Stephen Tucker, Esq., *General Counsel*, Beth Ferlicchi, Esq., *Assistant General Counsel*, Renee Johnson-Payne, *Executive Assistant*, Lauren Schilling, *Marketing and Communication Specialist*, Ivy Davis, *Sr. Business Development Specialist*, Joseph Semptimphelter, *Sr. Business Development Specialist*, Sameer Sarfraz, *Sr. Safety and Risk Control Rep.*, Joanne Gunter, *Sr. Safety and Risk Control Coordinator*, Jacquie Godfrey, *Safety and Risk Control Coordinator*, Leslie McMahon, *Actuarial Analyst*;

**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 10:00 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 Le Febvre	√	Chris Russo, Ed.D.	√
Richard Casey	√	Joseph Meloche, Ed.D	√	Josephine Sharp	A
James J. Jencarelli, Jr.	A	Steven K. Robinson	√	Dana Sullivan	√

**ITEM #3 ACCEPTANCE OF THE PUBLIC SESSION AND EXECUTIVE SESSION MINUTES OF MARCH 17, 2021.**

*Action Taken: M (Sullivan)\ S (Meloche)\ Carried (Affirmative Votes = Brown, Casey, Le Febvre, Meloche, Robinson, Russo, Sullivan) to accept the March 17, 2021 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**

Jack Zisa of Regional Risk Managers representing NJEIF thanked NJSIG for the details on the coverage updates included in the 2021-2022 Master Coverage Overview and reworking the cyber liability coverage given the market conditions.

Al Kirk of Conner Strong representing BACCIEC and ERIC South thanked the Underwriting Department for distributing renewal quotes so quickly during their busy season. He commented that the COVID-19 refund credits and the safety grants are helping to retain members.

## **ITEM #6 REPORTS:**

### **A. Executive Director's Report**

Jill Deitch, Executive Director, provided an overview of her report and an update on the status of NJSIG. Deitch discussed that the reinsurance rates have been finalized and were overall favorable. The Underwriting department is busy distributing quotes to new and current members.

Deitch reported that credit invoices have been distributed to the membership, which reflect the amounts of their NJSIG COVID-19 refund. Members can use their refund to offset outstanding member contributions/invoiced premiums for 20/21 or 21/22. Members were also able to request checks for the refund amount, rather than using the refund as a credit. More refund checks were requested than anticipated. Members who requested a check should receive them in the next week or two.

### **B. Accounting/Finance Report**

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

Carosi discussed moving some financial reporting and accounting functions from the Claims Department to the Accounting Department. The first phase of the transition was transitioning the Claims Bill Payer to the Accounting Department under the supervision of the Senior Staff Accountant. She further explained that the goal is to transition all of the Claims Department's financial functions into the Accounting Department and for the claims payable functions to mirror the internal control procedures currently in place in the Accounting Department. This process will require time and may require additional staffing, which will be presented to the Board of Trustees prior to any implementation or transition.

Carosi also reported that Investors Bank is reducing our interest rate on our current floor amount of 50 basis points to 40 basis points, based on the economic conditions related to COVID-19 and the Federal Reserve's reducing of interest rates. There are no other changes with Investors Bank and NJSIG will continue to receive all of its services for free.

### **C. Client Relations and Safety and Risk Control Report**

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. Rice discussed how Client Relations was very busy, with five sub-funds coming out of commitment and the demands of renewal season.

Rice also reported that NJSIG released an updated COVID-19 Coverage and updated COVID-19 Employment FAQs, which has been useful to out member and brokers. She also reported that the spring sub-fund meetings have concluded and were successful.

Rice also noted that NJSIG hosted a 50-minute session on Family Medical Leave: Understanding FMLA and NJFLA with Cleary, Giacobbe, Alfieri, and Jacobs LLC at NJSBA's First Annual Virtual Spring Symposium on May 12, 2021. NJSIG's session was the most attended session.

Rice reported positive feedback for our partnership with the National Safety Council, which offers members an online defensive driving course.

### **E. Claims Report**

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

### **F. Information Technology Report**

Jeff Cook, Information Systems Manager, provided an overview of his report and an update on the status of his department. Cook also reported that NJSIG became a member of New Jersey Cybersecurity & Communications Integration Cell (NJCCIC). Cook explained that NJCCIC will help with staying ahead of cyberattacks and inform about cybersecurity events. Cook reported his participation in a NJCCIC conference call where they discussed the Colonial Pipeline cyberattack. Chairperson Le Febvre asked Cook to share the cybersecurity information with NJSIG members.

## **ITEM #7 DISCUSSION ITEMS**

### **A. COVID-19 returns; update**

Discussion item presented by Carosi. Carosi reported that the Accounting Department processed 115 COVID-19 refunds checks. Next week, the Accounting Department will mail member statements, which will show any outstanding balance and credits to be used toward a payment from 2020-2021 or 2021-2022.

### **B. Trustee nominations**

Discussion item presented by Deitch. Deitch solicited a nomination for a northern region superintendent from Dr. Bozza from the New Jersey Association of School Administrators (NJASA), as James Jencarelli's term will expire in June 2021. The nominee, Chris Carrubba, will attend the June meeting.

Deitch announced that although Meloche and Robinson's terms will end in June 2021, they have agreed to continue to serve on the Board of Trustees.

### **C. Cyber coverage changes**

Discussion item presented by Deitch. Deitch introduced Howard Panensky from Willis Re Pooling. Panensky discussed the cyber liability market, cybersecurity measures, ransomware claims and the changes to NJSIG's 2021-2022 cyber liability coverage, limits and retentions.

### **D. July/August Trustee retreat**

Discussion item presented by Deitch. Deitch discussed inviting AGRiP to give an overview of government risk pools as a retreat topic. Ann Gergen, AGRiP Executive Director, will be the presenter. Deitch asked the Trustees to forward their availability for possible retreat dates.

Chairperson Le Febvre suggested that nominees for a new Chairperson be addressed at the retreat.

## **ITEM #8 ACTION ITEMS:**

### **A. 2021-2022 Budget – First Reading (NJSIG No. 0521-1)**

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

*Sullivan) to approve the 2021-2022 Budget as presented for a first reading.*

**B. 2021-2022 Plan of Risk Management – First Reading (NJSIG No. 0521-2)**

*Action Taken: M (Sullivan) \ S (Russo) \ Carried (Affirmative Votes = Brown, Casey, Le Febvre, Meloche, Robinson, Russo, Sullivan) to approve the 2020-2021 Plan of Risk Management as presented for a first reading.*

**C. 2021-2022 Meeting Dates – First Reading (NJSIG No. 0521-3)**

*Action Taken: M (Robinson) \ S (Sullivan) \ Carried (Affirmative Votes = Brown, Casey, Le Febvre, Meloche, Robinson, Russo, Sullivan) to approve the 2021/2022 Meeting Dates for a first reading.*

**D. WTW Rate Level Analysis July 1, 2021 – 2022 (NJSIG No. 0521-4)**

*Action Taken: M (Sullivan) \ S (Russo) \ Carried (Affirmative Votes = Brown, Casey, Le Febvre, Meloche, Robinson, Russo, Sullivan) to approve the Willis Towers Watson revised rate review for the July 1, 2021/2022 policy year, report dated April 21, 2021, and the rates contained therein, including increasing NJSIG's self-insured retention for the general liability and automobile liability to \$1,000,000 for the 2021/2022 policy year. The Executive Director is also authorized to implement a communicable disease sub-limit of \$1,000,000 per occurrence, with a pool-wide annual aggregate of \$9,000,000 on the general liability, automobile liability and school board leader liability.*

**E. Contracting:**

**1. Outside counsel: GL, school/educ., WC (NJSIG No. 0521-5)**

*Action Taken: M (Sullivan) \ S (Robinson) \ Carried (Affirmative Votes = Brown, Casey, Le Febvre, Meloche, Robinson, Russo, Sullivan) to designate as Outside Counsel for: General Litigation (C-2021-0003); Complex General Litigation (C-2021-0004); School / Education Litigation (C-2021-0005); General Workers' Compensation Litigation (C-2021-0006); and Complex Workers' Compensation Litigation (C-2021-0007), the firms listed on the resolution included in the online (Microscribe) version of the meeting package, based on the results of the RFQ committee's evaluation. .*

2. Outside counsel: special subro./coverage (NJSIG No. 0521-6)

*Action Taken: M (Sullivan) \ S (Robinson) \ Carried (Affirmative Votes = Brown, Casey, Le Febvre, Meloche, Robinson, Russo, Sullivan) to designate Pashman Stein Walder Hayden as outside counsel to represent the interests of NJSIG and a member district in a matter involving principles of reinsurance coverage.*

3. Property inspections (NJSIG No. 0521-7)

*Action Taken: M (Sullivan) \ S (Robinson) \ Carried (Affirmative Votes = Brown, Casey, Le Febvre, Meloche, Robinson, Russo, Sullivan) to award the contract for Loss control property inspection services (LC-2021-0001) to H&S Loss Control Inspections, Inc. based on the results of the RFP committee's evaluation.*

F. Checking Accts. & New Claims Ratification (NJSIG No. 0521-8)

*Action Taken: M (Robinson) \ S (Meloche) \ Carried (Affirmative Votes = Brown, Casey, Le Febvre, Meloche, Robinson, Russo, Sullivan) 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 03/1/2021 to 04/30/2021 as shown in the online (Microscribe) version of the meeting package.*

ITEM #9 NEW BUSINESS

There was no new business.

**ITEM #10 EXECUTIVE SESSION**

*Action Taken: M (Robinson) \ S (Sullivan) \ Carried (Affirmative Votes = Brown, Casey, Le Febvre, Meloche, Robinson, Russo, Sullivan) to go into executive session to discuss litigation, matters of attorney client privilege, etc. at 11:12 a.m.*

*Jill Deitch*

Jill Deitch, Esq.  
Executive Director