



New Jersey Schools Insurance Group  
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## **Board of Trustees Meeting of October 18, 2023 Executive Director Report**

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Stacy Mina, our actuary from Willis Towers Watson, is going to present their draft report on NJSIG's Estimated Net Liabilities as of June 30, 2023. As you may recall, this report is prepared every year to help guide NJSIG in calculating how much money we will need to cover all of our claims obligations, for all prior years, for all lines of coverage.

Michele Carosi and I met with the Finance Committee on October 10 to discuss a possible surplus return and safety grant. Following those discussions, I am pleased to be recommending that NJSIG release approximately \$2.6 million from our surplus to all members who participated in the workers' compensation fund in the 2020/2021 fund year. This will represent NJSIG's second return of member surplus – not related to COVID-19. We hope these surplus returns will provide members with a useful way of stabilizing year-over-year rate changes. If approved, we plan to send out checks in July 2024.

As to the safety grant, the Finance Committee agreed with my recommendation to defer a decision on allocating a safety grant for the 2024/2025 policy year (which would have been paid to members in October 2026). Note that this does not change the safety grant allocations that have previously been made by the Board – there is no change to the \$2 million scheduled to be paid out in October 2024, or the \$2 million scheduled to be paid out in October 2025. (All members qualifying for a safety grant for October 2024 and October 2025 will still receive those safety grants.) But with the uncertainty of the market, reinsurance rates and claims trending upward, and our 2022/2023 statutory financial results, it is in the best interests of NJSIG members that a safety grant declaration not further reduce any 2022/2023 net fiscal year surplus.

In early October, I attended AGRiP's (Association of Government Risk Pools) Staff Forum in Salt Lake City, Utah, along with Ben and Lauren. This conference was a good opportunity to engage in active and collaborative learning about pool-specific content. I attended a roundtable discussion with other Executive Directors about their concerns for the future. It was interesting to learn how many different pools across the country are facing the same kinds of issues that we are, and to hear how they are dealing with them. I also

attended an interesting presentation about AI (artificial intelligence) and learned about some potential problems that we should anticipate and prepare for. All in all, it was a great learning, networking and team-building experience. If any Trustees are interested in attending one of AGRiP's conferences in the future, let me know. They frequently offer programs dedicated to pool governance.

Respectfully submitted,

Jill Deitch, Esq.  
Executive Director  
New Jersey Schools Insurance Group