



New Jersey Schools Insurance Group
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Board of Trustees Meeting of January 15, 2020 Executive Director Report

NJSIG is currently in the midst of obtaining quotes for reinsurance and excess insurance for the 2020/2021 policy year. Willis Re, NJSIG's current insurance broker, has indicated that the market for reinsurance and excess insurance is "hardening," which is a term of art in the insurance industry that generally means insurance rates are increasing, and available insurance capacity is decreasing. Since receiving this indication, I have directed Willis Re to aggressively market NJSIG's lines of business to reinsurance and excess insurance so as to ensure we are able to obtain the necessary coverage for our membership at acceptable rates.

NJSIG is mindful that members must anticipate their budgeted insurance costs by the middle of March each year, and that members expect pricing stability and predictability. In our marketing efforts to reinsurers and excess insurers, we are emphasizing that significant pricing volatility is not acceptable to NJSIG members, and if it occurs, members will expect us to explore alternative options for coverage and risk transfer.

In furtherance of the above, we have already met with numerous property and casualty insurers to begin marketing NJSIG's program. While many of these reinsurers and excess insurers have provided preliminary indications that the overall property insurance market is seeing rising rates, we have emphasized NJSIG's favorable risk profile, and reiterated that pricing stability is imperative.

Since becoming Executive Director on December 1, 2019, I have made it my goal to hear from all of NJSIG's stakeholders, including trustees, members, brokers and employees to hear how NJSIG is meeting their expectations, and where the organization has opportunities to improve. To this end, NJSIG has planned a meeting for the near future to hear from NJSIG's sub-fund administrators. I will continue to report back periodically as I hear from these stakeholders.

Based on the feedback I have already received thus far, I have determined that it must be an organizational imperative to be relentlessly member focused. As a school board

insurance group, NJSIG is beholden only to its members, and thus one of my primary goals at this time is to ensure that NJSIG as an organization focuses on ensuring that every organizational decision is answered by reference to how that decision will best serve the members. This relentless member focus will help NJSIG fulfill its mission to be the premier provider of insurance and risk management solutions for members in the State of New Jersey.

In the time since the last meeting of the Board of Trustees, NJSIG has also coordinated a cyber security presentation for the NJSBA's Cyber Security event, which was well received.

NJSIG is working on upcoming presentations for the NJSBA Personnel Administrators Association, NJSBA New Board Member Orientation, Charter School Conference and NJASBO's Annual Conference. We are looking to participate in these events and provide presentations that address the perspective for these specific audiences and its effect on their insurance needs.

In addition, the Association of Governmental Risk Pools annual Governance Conference will take place on March 1 through March 4 in Orlando, Florida. I have attached is an overview of the conference. The goal of this conference as stated by AGRiP is to bring "together top pooling executives, governing body members and senior management to problem-solve and collaborate on shared industry challenges." This conference is educational in nature, and attendees choose from a range of educational sessions focused on governance, leadership and timely industry topics. If any Trustees are interested in attending, please let me know.

Respectfully Submitted,

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