

School Pool for Excess Liability Limits Joint Insurance Fund SPELL JIF

Friday, February 14, 2024 – 1:00 PM

OPEN SESSION MINUTES

I. MEETING CALLED TO ORDER

The meeting of the School Pool for Excess Liability Limits Joint Insurance Fund (SPELL) was held on Wednesday, February 14, 2024 at 1:03 p.m., with Tom Grossi, Greater Egg Harbor RHSD, Chair, presiding.

II. STATEMENT OF COMPLIANCE WITH THE OPEN PUBLIC MEETING ACT

Notice of this meeting was given by sending sufficient notice herewith to newspapers recognized by owner groups; filing advance written notice of this meeting with each member and their members districts; and by posting notice on the public bulletin boards of all municipalities served by the member districts of each owner group.

III. Roll Call

2023-24 Trustees present

Thomas P. Grossi, Greater Egg Harbor RHSD, **Chair** – ACCASBO JIF
Richard J. Kaz, Jr., Northern Burlington County RSD, **Vice Chair** – BCIP JIF
Christopher Veneziani, Hamilton Township SD, **Secretary** – ACCASBO JIF
Robert F. Wachter, Jr., Mt. Laurel Twp BOE, Trustee – BCIP JIF
Joseph Collins, Elk Twp/Delsea Regional, Trustee – GCSSD JIF

2023-24 Trustees absent

Scott Campbell, Greenwich Township, Alternate Trustee – GCSSD JIF

2023-24 Alternate Trustees present

Chandra Anaya, Mainland Regional HS, Alternate Trustee – ACCASBO JIF
Beth Ann Coleman, Collingswood PS/Oaklyn PSD, Alternate Trustee – BCIP JIF
Frank Maurer, Salem County SSSD/Salem County Vo-Tech School District – GCSSD JIF

2023-24 Alternate Trustees absent

Dr. Diane Fox, Middle Township BOE, Alternate Trustee – ACCASBO JIF
Kathleen Huder, Lindenwold BOE, Alternate Trustee – BCIP JIF
Heather Mayhew, Pennsville PSD, Alternate Trustee – GCSSD JIF

Fund Professionals present

Bradford Hoffman, Director of Program Administration – RPA, a division of Gallagher
Craig H. Wilkie, Sr. Program Administrator – RPA, a division of Gallagher
Scott C. Tennant, Sr. Program Strategist – RPA, a division of Gallagher
Kim Hill, Account Manager – RPA, a division of Gallagher
Pat Madden, Esquire, JIF Solicitor
Danielle Colaianne, Student Accident Program, Hardenbergh Insurance Company
Lorraine Verrill, CPA, JIF Treasurer – Verrill & Verrill, LLC
Annette Reap, Recording Secretary

IV. Approval of Minutes

Motion by Mr. Wachter, second by Mr. Veneziani, to approve the Minutes of the October 12, 2023 meeting. All in favor. Motion carried.

V. Professional Reports

A. Treasurer

Ms. Verrill reviewed the November 2023 through February 2024 Bill Lists and Cash Reconciliation Reports for October through December, 2023, which were included in the agenda and January 2024, which was provided as a handout. She reported that the highest interest rates the SPELL is earning is 5.68%. Ms. Verrill noted that she is seeing that interest rates are leveling off.

Motion by Mr. Kaz, second by Ms. Coleman, to approve the Bill Lists and Treasurer's Reports. All in favor. Motion carried.

Ms. Verrill left the meeting at 1:06 pm.

B. Attorney – Defense Panel Items

Mr. Madden advised that one of the law firms on the defense panel has requested an increase in the hourly rates that are currently paid by the JIF. He advised that he thought the request was reasonable, but that he would research the rates requested to confirm they are in line with industry standard. Mr. Grossi asked when the last rate increase occurred and was advised it was in 2015. He asked if this item should be reviewed annually before reorganization. Discussion followed. The member districts advised that they are paying their district solicitors approximately \$185/hour. Mr. Madden advised he will report back after he has had a chance to research and review.

Mr. Madden also discussed that the law firms/attorneys found on the defense panel should also be reviewed. Some of the firms are not being used and he thinks one more firm should be added to the panel. Mr. Wilkie advised that the owner groups can make recommendations for who is on the defense panel.

Mr. Tennant reported that Great American recently performed their claims audit of the JIFs and stated that they were very happy with the services of Mr. Madden.

C. Student Accident Program Report

Ms. Colaianni discussed her report included in the agenda. She informed that, since the inception of the program, her office has marketed the student accident group purchase every three years, unless market conditions dictated otherwise. It has been 4 years because the program is now out of the rate lock guarantee time period of two years. Mr. Colaianni advised that a total of 6 quotes were received and the two best are included in her report. She indicated that renewal negotiations have concluded and the program will remain with Hartford through BMI with a flat renewal. Mr. Grossi asked if the 8% decrease in premium was across the board for all districts. Ms. Colaianni explained that the Executive Director's office determines the member premium allocation. The loss ratio by member was provided. She thanked the SPELL JIF for allowing her office to service the program. And if anyone has any questions, they should contact her office.

Motion by Ms. Anaya, second by Ms. Coleman, to approve the 2024-2025 Student Accident Group Purchase Program. All in favor. Motion carried.

Ms. Colaianni left the meeting at 1:15 pm.

D. Executive Director/Underwriting & Finance Director Report

1. UNDERWRITING & FINANCE DIRECTOR

Initial Budget Outlook 2024-2025 – Mr. Hoffman presented a handout containing an initial budget outlook for the fiscal year 2024-2025. He informed the SPELL that the finance committees are scheduled to convene in the upcoming month to discuss the initial budgets for each of the owner groups and review the premium allocation strategy process. Currently, he estimated a proposed budget increase of approximately 16.7%, but emphasized that this figure is subject to further refinement. Mr. Hoffman clarified that he has utilized a 3% projection for the budget and that the numbers will undergo a more comprehensive review in April. He announced that vendor proposals will be evaluated during the April meeting.

Reinsurance & Excess Insurance-Market Conditions/Concerns/Outlook – Mr. Hoffman reviewed Program Renewal Outlook for 2024-25 that included each line of coverage at the expected change from current year to next year. Property is driving the increase in the budget.

Safety 360 Budget Detail – Mr. Tennant explained that 360 Safety refers to a comprehensive approach to safety, covering all aspects and angles to ensure a thorough and well-rounded safety strategy. It may include preventive measures, risk assessments and continuous monitoring from every perspective. He stressed that the risk profile for schools is changing. Safety 360 will work towards converging risk issues across the platform and building a program that can be accessed by the members for free to help them. Mr. Tennant explained that Safety 360 will create practical programs for districts to use relatively cheaply. Discussion followed on the history of the safety program with John Geitz. Mr. Tennant stressed that more help is needed and the SPELL will fund these initiatives. Today, an initial budget and committee will be introduced under the SPELL. The Committee includes one representative from each JIF: Ms. Anaya-ACCASBO, Mr. Heiser-BCIP and Mr. DeSantis-GC SSD are the 3 charter members. They will reach out to others as needed. Mr. Tennant provided an in-depth explanation of the concept of 360 Safety, which entails a comprehensive and all-encompassing approach to safety. This approach ensures a thorough and well-rounded safety strategy by addressing all aspects and angles of safety. It encompasses preventive measures, risk assessments, and continuous monitoring from various perspectives. Mr. Tennant emphasized that the risk profile for schools is undergoing significant changes. Safety 360 aims to address and converge these evolving risk issues across the platform, while also developing a program that can be accessed by members free of charge to assist them. Furthermore, Mr. Tennant highlighted that Safety 360 will create practical and cost-effective programs for districts to implement. Subsequently, a discussion ensued regarding the history of the safety program with John Geitz. Mr. Tennant emphasized the need for additional assistance, which will be funded by SPELL. Today, an initial budget and committee will be introduced under SPELL. The Committee will consist of one representative from each JIF, Ms. Anaya-ACCASBO, Mr. Heiser-BCIP, and Mr. DeSantis-GC SSD, who are the three charter members. They will proactively engage with other individuals as required.

Also new to the budget are Kynd Penetration Testing and SPELL Claim Integration – Qualified Tier 1. Mr. Hoffman advised that all SPELL members are built into these budget items.

2. EXECUTIVE DIRECTOR

2023-2024 Membership Renewal – Mr. Wilkie reported that all districts up for renewed have renewed or have committed to renewing their membership. He is currently awaiting signed Resolution from Weymouth and Hammonton has indicated that they wish to renew in ACCASBO, but are doing their due diligence to review.

Marketing Update – Mr. Wilkie reported on districts that are looking for a membership offer in the local ownership JIFs. He indicated that there is a significant potential for growth and he reviewed the possibilities.

Mr. Tennant initiated a discussion regarding the potential establishment of a new Joint Insurance Fund (JIF) or the appointment of a different administrator to facilitate collaboration between districts and the SPELL. He inquired whether the members were receptive to this idea. Subsequently, a detailed discussion ensued, exploring the concept, implications, and potential benefits of such a partnership. The SPELL expressed interest in the proposal, with some reservations. They expressed their willingness to engage in further discussions in the future. It was emphasized that any potential partner should be open to understanding and accommodating the operational framework of the SPELL JIF.

SPELL Virtual Safety Committee (SVSC) – MOTION REQUESTED

Mr. Tennant presented a Motion to officially establish a SPELL Virtual Safety Committee, tasked with overseeing the advancement of information security, virtual instructional tools (including artificial intelligence and online learning applications), social media, and related virtual safety concerns on behalf of the membership. This initiative would be implemented through the Annual SPELL Plan of Risk Management and necessitates a modification to Item H. Safety and Risk Management, as outlined in the agenda. Additionally, the acceptance of an Appendix B, serving as the Charter for this Committee, is required. Attached are the relevant items that need to be edited to accommodate these revisions. Discussion followed on how new committee members will be chosen. Three additional members who are local JIF delegates or commissioners. All members must be actively employed by a member school district. Also, a total of 5 additional member delegates can be selected, as non-voting members, who are district information security, technology or instruction technology professionals. Any additions or reductions of committee members will be reported at the next regularly scheduled meeting of the SPELL Board of Trustees.

Motion by Ms. Anaya, second by Mr. Kaz, to move forward with the forming of a Virtual Safety Committee to be chartered by the SPELL. All in favor. Motion carried.

SPELL Virtual Safety Director Report

Included in the agenda is a report from Rick Hillman of Ironwood Consulting, LLC providing the results of the ten surveys sent to the membership along with an overall summary. Mr. Hillman advised that every district that responded to the surveys will receive an individual report specific to their district.

Development of SPELL Model Acceptable Use of Weapons Policy Update

Mr. Tennant reported that the SPELL has initiated an engagement with Kevin Craig, Senior Consultant, Porzio Consulting, LLC, to produce a Model Policy regarding best practices in managing security personnel and use of weapons for member consideration. Included in the agenda is a survey that has been developed to assess the SPELL member profile of security personnel. He asked for the SPELL's input on the survey. It will be a fillable form sent to all member districts, after March 20th, when the districts have submitted their budgets.

LinkedIn Page for SPELL JIF

Mr. Wilkie initiated a discussion regarding the potential establishment of a LinkedIn page for the SPELL JIF. He asked the Trustees their comfort level with this idea. All Trustees expressed their agreement and support for the initiative.

Resolution 2023-13 in Opposition to A5659 – MOTION REQUESTED

Mr. Tennant explained Worker's Compensation attorneys' fees and the legislation. In December 2023, the Executive Director's office distributed the attached Resolution in Opposition to A5659. The bill would increase plaintiff attorney fees by 25% and all that burden would increase the costs to employers and injured employees. Eleven of twelve SPELL Trustees cast an email vote in favor of adopting the resolution and one abstained. The communication was forwarded to the New Jersey Self-Insurers Association to add our voice to theirs in opposition. The legislation was tabled in 2024, and carried reintroduced in the new legislative cycle with the same Assembly and Senate numbers. It is in committee being "adjusted" and we anticipate it will be reintroduced with adjustments and may require a new resolution. The attached Resolution is the December Resolution that was passed by email affirmation and is being formally adopted today. Mr. Kaz said districts submitted to New Jersey School Board's. Discussion on how to submit.

Motion by Mr. Kaz, second by Ms. Anaya, to formally adopt Resolution 2023-13 in Opposition to Legislation A5659. All in favor. Motion carried.

Travel Expense Reimbursement Policy Revision – MOTION REQUESTED

Included in the Agenda Packet is the revised SPELL JIF Travel Policy with proposed change to meal reimbursements. Recommendation is to not require receipts and use the U.S. General Services Administration (GSA) rates based on location.

Motion by Mr. Veneziani, second by Ms. Coleman, to approve the changes made to the SPELL JIF Travel Expense Reimbursement Policy. All in favor. Motion carried.

Mr. Wilkie stated that the Retreat Planning Committee will meet in April.

Mr. Wilkie also advised that a Safety 360 will hold a one day seminar this July, replacing both the mold and cyber security seminars that are normally held.

VI. Miscellaneous Business and Public Comment

The next meeting of the SPELL JIF is scheduled to be held on **Friday, April 26, 2024** at 10:00 a.m. at the RPA/Gallagher offices, 6000 Sagemore Drive, Suite 6203, Marlton, NJ 08053. Mr. Wilkie noted that vendor review will be discussed this this meeting.

VII. MOTION REQUESTED to Adjourn Meeting.

Motion by Ms. Coleman, second by Mr. Collins, to adjourn the February 14, 2024 meeting of the SPELL JIF. All in favor. Motion carried by unanimous vote.

The meeting adjourned at 2:36 p.m.


