

***School Pool for Excess Liability Limits  
Joint Insurance Fund  
SPELL JIF***

**Teleconference Meeting via Zoom**

**Friday, October 1, 2021 – 10:00 AM**

**OPEN SESSION MINUTES**

**I. MEETING CALLED TO ORDER**

The meeting of the School Pool for Excess Liability Limits Joint Insurance Fund (SPELL) was held remotely on Friday, October 1, 2021 at 10:03 a.m., with Thomas Grossi, Greater Egg Harbor RHSD, Chairperson, 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**

**2021-2022 Trustees present**

Thomas P. Grossi, Greater Egg Harbor RHSD, **Chair**– ACCASBO JIF  
Robert F. Wachter, Jr., Mt. Laurel Twp BOE, **Secretary** – BCIP JIF  
Christopher Veneziani, Folsom BOE, Trustee– ACCASBO JIF  
Richard J. Kaz, Jr., Northern Burlington County RSD, Trustee – BCIP JIF  
Joseph Collins, Elk Twp School District, Alternate Trustee – GCSSD JIF

**2021-2022 Trustees absent**

**None**

**2021-2022 Alternate Trustees present**

Michael Colling, Medford Lakes SD, Alternate Trustee – BCIP JIF  
Kathleen Huder, Lindenwold BOE, Alternate Trustee – BCIP JIF

**2020-21 Alternate Trustees absent**

Chandra Anaya, Egg Harbor Twp SD, Alternate Trustee – ACCASBO JIF  
Dr. Diane Fox, Middle Township BOE – ACCASBO JIF  
Chris Rodia, Westville/Woodbury Heights, Alternate Trustee – GCSSD JIF  
Scott Campbell, Greenwich Township, Alternate Trustee – GCSSD JIF

**District Personnel absent**

John Serapiglia, Jr., Passaic County Manchester Regional BOE– SE JIF  
David DiPisa, Nutley BOE– SE JIF

**Fund Professionals present**

Craig H. Wilkie, Sr. Program Administrator – RPA, a division of Gallagher  
Scott C. Tennant, Sr. Program Strategist– RPA, a division of Gallagher  
Jennifer Fox, Sr. Account Manager – RPA, a division of Gallagher  
Megan Matro, Marketing Specialist- RPA, a division of Gallagher  
Louis J. Greco, Esquire, Fund Solicitor  
Lorraine Verrill, CPA, Fund Treasurer – Verrill & Verrill, LLC  
Tracy Lopez, PERMA, Inc.  
Annette Reap, Recording Secretary

**IV. APPROVAL OF MINUTES**

*Motion* by Mr. Kaz, second by Mr. Wachter, to approve the Minutes of the May 27, 2021 meeting of the SPELL JIF. All in favor. Motion carried.

**V. ADOPTION OF AMENDED BUDGET**

Mr. Wilkie noted that the amended budget included in the agenda contained final adjustments to the SPELL owner groups' assessment for reinsurance and the addition of 10 new member districts as of July 1, 2021.

*Motion* by Mr. Kaz, second by Mr. Veneziani, to adopt the 2021-2022 Amended Budget, as presented and included in the agenda. All in favor. Motion carried.

**VI. PROFESSIONAL REPORTS**

A. Accountant/Treasurer

Ms. Verrill reviewed the June through September, 2021 Bill Lists and Cash Reconciliation Reports for May through August, 2021 found in the agenda.

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

Ms. Verrill left the meeting at 10:06 am.

B. Attorney – No Report

C. Student Accident Program Report - No Report

D. Executive Director/Underwriting & Finance Director Report

1. UNDERWRITING & FINANCE DIRECTOR

*Excess & Reinsurance Partner Update* - Mr. Tennant reported that the insurance program had been successfully renewed. It is a broad program with remained high limits and includes coverages that others don't enjoy, such as organic pathogens, which is a singular exception from Great American, and the SPELL is the only school pool to which they offer this coverage. Mr. Tennant advised that the past 2 years the SPELL has experienced significant increases in reinsurance and excess premiums across the spectrum. He explained that a claim brought in 2015 that is close to a conclusion pushed the two potential reinsurance partners to make a decision on their respective positions of coverage, namely, both took the position that their policies are not responsible. This resulted in the SPELL hiring a coverage attorney that started a process that will yield coverage by either one or both carriers. Mr. Tennant explained that this isn't the first time that the SPELL had to make a declaratory action. He explained that the

situation is being managed, but could result in large fees. The last time the SPELL saved money and grew the contingency was through a remarketing effort. Mr. Tennant said it is too early in this process to make the decision to remarket but it may become necessary to bring before the SPELL Trustees to strongly recommend a remarketing effort. Mr. Tennant said he would be happy to answer any questions. None were presented.

*6/30/21 Audit Process Update* - Mr. Wilkie reported that the audit process has begun. Mr. Hoffman expects to have numbers in November and those numbers will be shared with the Finance Committees.

*Exposure Renewal Information Update/Timeline* - Ms. Fox advised that the process would begin in mid-November and that her office is transitioning the exposure database to a new system called Risk Partner. She explained that the new system was on-line instead of on paper. Each district will receive a user name and password to login to update any information. The only thing that will remain the same is that the two applications for cyber and pollution will be completed in paper form because those come directly from the carriers. Mr. Fox explained that she was currently training for the new system with Risk Partner and either training sessions would be set up for the members or instructions would be emailed out. Members will begin to receive emails from the Executive Director's office. Members will still send their ASSA and Audit to the Executive Director's office. Ms. Fox understands that the audits have been pushed back until February, so the payroll numbers will be trended until late March, when the actual numbers can be provided to the carriers. Ms. Fox said as the transition process occurs, please contact her with any questions.

## 2. EXECUTIVE DIRECTOR

*2022-2023 Membership Renewal* - Mr. Wilkie reported that there are 22 districts within the local owner group funds that are up for membership renewal on July 1, 2022. They are broken down as follows: ACCASBO - 8 districts, BCIP - 6 districts, GCSSD - 9 districts. He said that Renewal documents will be sent out to all renewing districts this month. Mr. Wilkie doesn't anticipate any issues.

*Marketing update* - Mr. Wilkie reported that the SPELL welcomed 10 new districts - Avalon/Stone Harbor/Wildwood Crest in ACCASBO, Gloucester City/East Windsor/New Hanover and Woodland in BCIP and Stow Creek/Greenwich-Cumberland County/Delsea in GCSSD. Mr. Wilkie also mentioned that Ms. Bratty has left Upper Deerfield and is now at Pine Hill, who is not a member of the JIF. GCSSD will be appointing a new delegate to the SPELL shortly to fill the vacancy.

*Solicitor RFP Process Update* - Mr. Wilkie reported that the ad hoc committee had a meeting earlier in the week. Mr. Tennant drafted an RFP that was reviewed by the committee and Mr. Greco and sent out for final approval. Mr. Greco also asked about the timeline for responses. Mr. Wilkie advised that it will be posted on the SPELL website on Monday and advertised in the West Jersey Times with a deadline to response of October 22, 2021 at 11:00 am to the Executive Director's office. The RFP will also be sent directly to a few law firms. The committee will meet on October 28<sup>th</sup> and finalize who will be interviewed. The local JIFs will take action after that, at their November JIF meetings. Mr. Greco will submit a letter of resignation to the local JIFs effective January 31, 2022, that can be adjusted if necessary.

*Public School Works Contract Update* – Mr. Wilkie referred to a report included in the agenda showing which districts are utilizing the service. Mr. Wilkie has asked Public School Works to provide a report that shows the training classes that have been completed by each district. He would like to give this report to the Safety Committees to review. Mr. Wilkie is communicating with PSW concerning the cost of the program. They are taking the position that that information is proprietary and will not be provided until the contract is signed. He has explained to them that the contract cannot be signed until the pricing is spelled out. He assumes that there is a nondisclosure in place and if there isn't, that can be done, but a contract cannot be signed until pricing has been disclosed. He is moving forward with the process. Further discussion occurred on access to the reports, pricing and users. Mr. Tennant explained that since his office doesn't administer the program, there is no access or control over it.

Mr. Grossi asked about the numbers included in the report regarding Users in System/Users with Completion. He felt that the numbers were not accurate. Mr. Wilkie explained that the SPELL was charged for users who had a completed course. If a user was in the system, but had not completed a course, there would be no charge. He explained that going forward, since the JIFs were expanding services, it would be all inclusive in the proposal.

*NJSIA Workers' Compensation Conference* - Mr. Wilkie advised that information on this conference was sent out and so far one person has expressed interest. It is an excellent seminar. The New Jersey Self-Insurers' Association had postponed their 2020 conference and have rescheduled it for November 3-5, 2021 at The Hard Rock in Atlantic City. The SPELL had previously approved covering the expense of attending members. An email has been sent to all members and past attendees. An update will be provided at the next SPELL meeting.

*Environmental Management Seminar* - Mr. Wilkie stated that this annual seminar was held remotely this year on Wednesday, July 14, 2021 via Zoom. There was excellent attendance and feedback. There were approximately 278 attendees. Three (3) CEUs were approved by the New Jersey Buildings & Grounds Association. He noted it is a valuable and worthwhile program and is asking for authorization to begin the planning for 2022, whether held remotely or in person.

Motion by Mr. Veneziani, second by Ms. Huder, to hold the annual Environmental Management Seminar in 2022.

*SPELL JIF IT/Cyber Risk Management Committee Discussion* – Mr. Tennant explained that the members of the committee are extremely busy and it has been difficult to get a response from anyone. He reported that he has been in contact with a number of vendors to deliver out some services, but the expense cannot be incurred within the SPELL budget at this time. Mr. Tennant has still been able to move forward on a number of issues and will be creating a 20 minute video on the coverage renewal, showing how the coverage works, how the deductible is applied, who has which deductible, what the limits are and how those work. That video will be followed with a series of no more than 20 minute videos discussing each of the various criteria in the renewal application, e.g., multi-factor identification, etc., what it means and the various options to achieve it. He hopes that will be accomplished over the next month or so.

*SPELL Joint Retreat* - Mr. Wilkie reported that a successful in-person retreat was held by the SPELL JIF on September 22-24, 2021 at The Grand in Cape May. The survey results are still coming in, but a preliminary review provided positive feedback. Surveys were sent out after

each day and all positive responses across the board were received. Responses as to whether we stay at the Grand or move back to Congress Hall – 60% stay at The Grand, 40% go back to Congress Hall. The survey results will be shared with all the members at the November JIF meetings. Further discussion on the venue and the program occurred. Mr. Wilkie advised that the presentations have been posted to the SPELL website.

*NJSBA/NJASBO/NJASA 2021 Virtual Fall Conference* - Mr. Wilkie reminded the members that the SPELL JIF will have an Exhibit Booth at the virtual Fall Conference on October 26-28, 2021.

*Resolution 2021-12 Authorizing BCIP JIF to Authorize a Coverage Endorsement* – Mr. Tennant asked Mr. Colling to explain to the members the present situation in his district concerning the Neeta Sports Association. Mr. Colling advised that Medford Lakes is a K-8 district and, approximately 10-16 years ago, the district eliminated middle school sports as a budgetary decision. Parents took over and formed the Neeta Sports Association, who are not paid and carry their own insurances, however, the one insurance they don't have is for organic pathogens. They are concerned that, with COVID, if it is traced back to NSA, the Board of Directors would be at risk and they have asked to come under the district's insurance, like a PTA or Ed Foundation. The coaches and the Board are all volunteer. District is looking for approval from the JIF and carrier.

Mr. Tennant advised that he approached the reinsurer with that request that Mr. Colling just outlined. The reinsurer initially declined the request. Mr. Tennant approached the reinsurer again and explained that the district is struggling from a Board of Education and public perception standpoint, asking them to make a specific endorsement that is supported by a Resolution of the SPELL and also BCIP as an exception. Great American was agreeable to providing pathogen coverage, as outlined by Mr. Tennant, for GL and ELL only, flat charge premium of \$6,000.00 and will not be prorated. It will go into effect when the Resolution is signed and will only be in effect until July 1, 2022. Mr. Tennant advised that this can only occur if the SPELL agrees, as it is their coverage document. Then BCIP needs to agree.

Mr. Grossi asked if the district has any control over Neeta Sports and Mr. Colling said, officially, the district has no control over the association. Further discussion took place regarding this matter. It was decided that no action would be taken on this Resolution at this time.

Mr. Tennant reported that the job preference law was signed by the Governor for people who have reached MMI. Basically, employers shall provide a hiring preference to an employee who has reached MMI and is unable to return to the position previously employed. He explained the new law and how it affects employers. He advised that he will send out an email to all the SPELL districts explaining the new law.

Mr. Wilkie shared a document received from Mr. Roselli at Qual-Lynx concerning Tik-Tok challenges telling students to vandalize various places in the schools such as restrooms, etc., and other things. Those present were aware of it and have already put systems in place to try to prevent deviant activity.

## **VII. MISCELLANEOUS BUSINESS AND PUBLIC COMMENT**

Mr. Wilkie advised that there may be a conflict with the next SPELL meeting date and Burlington ASBO. It was decided to change the meeting time from 10 am to 1pm.

The next meeting of the SPELL JIF is scheduled to be held on **Friday, February 11, 2022** at 1:00 p.m. either virtually via Zoom or at the Gallagher offices, 6000 Sagemore Drive, Suite 6203, Marlton, NJ 08053.

**VIII. MOTION REQUESTED** to adjourn the meeting

*Motion* by Mr. Wachter, second by Mr. Colling, to adjourn the October 1, 2021 meeting of the SPELL JIF. All in favor. Motion carried by unanimous vote.

The meeting adjourned at 11:30 a.m.

---