



NJSIG

Board of Trustees Meeting

September 16, 2020



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

2020/2021 NJSIG Board of Trustees

Irene Le Febvre Chairperson ❖2019-2022 North Board Member	180 South Terrace Boonton, NJ 07005 (Boonton Town BOE)	O: F: C: (973)349-0664	H: (973)335-3382 momlefebvre@hotmail.com Committees: Claims, Policy
Christopher Russo, Ed.D. Vice-Chairperson ❖2019-2022 South Business Administrator	55 Grovers Mill Road Plainsboro, NJ 08536 (West Windsor-Plainsboro)	O: (609)716-5000x5020 F: C:	H: (609)694-1505 Christopher.Russo@ww-p.org Committees: Claims, Personnel
Thomas F. Connors, Ph.D. Trustee ❖2019-2022 Central Board Member	10 Seward Avenue Piscataway, NJ 08854 (Piscataway Twp BOE)	O: F: C: (732)491-3248	H: (732)463-3230 UConnDrTom@aol.com Committees: Finance
James J. Jencarelli, Jr. Trustee ❖2018-2021 North Superintendent	2 Mill Creek Road Sparta, NJ 07871 (Morris Hills Regional)	O: (973)664-2291 F: (973)627-6588 C: (201)320-7049	H: (201)320-7049 jjencarelli@mhrd.org Committees: Personnel
Joseph Meloche, Ed.D. Trustee ❖2019-2021 South Superintendent	45 Ranoldo Terrace Cherry Hill, NJ 08034 (Cherry Hill Public Schools)	O: (856)429-5600x4309 F: (856)616-9647 C: (856)229-4318	H: (856)321-1969 JMeloche@chclc.org Committees: Personnel
Steven K. Robinson Trustee ❖2018-2021 North Business Administrator	11 Foxcroft Drive Livingston, NJ 07039 (Livingston Twp. BOE)	O: (973)535-8000x8009 F: C: (973)476-1046	H: (732)617-1219 srobinson@livingston.org Committees: Finance
Dana Sullivan Trustee ❖2019-2022 Central Business Administrator	302 Elm Street, Rm 101 Westfield, NJ 07090 (Westfield BOE)	O: (908)789-4414 F: (908)789-4180 C: (201)803-2028	H: (973) 884-1737 dsullivan@westfieldnj12.org Committees: Claims, Policy
Stephanie Brown, Ed.D. Trustee ❖2020-2023 Central Superintendent	Joyce Kilmer School 21 West Church Street Milltown, NJ 08850 (Milltown BOE)	O: (732)214-2365 F: C: (732)513-4019	H: sbrown@milltownps.org Committees:
Josephine Sharpe Trustee ❖2020-2023 South Board Member	4300 Pacific Avenue Wildwood, NJ 08260 (Wildwood BOE)	O: F: C: (609)972-3177	H: jm.sharpe@hotmail.com Committees:
Jill Deitch, Esq. Executive Director	6000 Midlantic Drive, Suite 300 North Mt. Laurel, NJ 08054	O: (609)386-6060x3007 F: (609)386-8877	H: jdeitch@njsig.org

New Jersey Schools Insurance Group Trustee Terms

6/12/2019 Board Meeting

	<u>South</u>	<u>Central</u>	<u>North</u>
<u>NJASA</u>	Joeseph Meloche, Ed.D. 7/1/2019 - 6/30/2021	Gerald North 6/30/2022	James J. Jencarelli, Jr. 6/30/2021
<u>NJASBO</u>	Christopher Russo, Ed.D. 7/1/2019 - 6/30/2022	Dana Sullivan 6/30/2022	Steven K. Robinson 6/30/2021
<u>NJSBA</u>	Vacant 6/30/2020	Thomas F. Connors, Ph.D. 6/30/2022	Irene Le Febvre 6/30/2022

1/15/2020 Board Meeting


	<u>South</u>	<u>Central</u>	<u>North</u>
<u>NJASA</u>	Joeseph Meloche, Ed.D. 7/1/2019 - 6/30/2021	Stephanie Brown, Ed.D. 1/15/2020 - 6/30/2020	James J. Jencarelli, Jr. 6/30/2021
<u>NJASBO</u>	Christopher Russo, Ed.D. 7/1/2019 - 6/30/2022	Dana Sullivan 6/30/2022	Steven K. Robinson 6/30/2021
<u>NJSBA</u>	Vacant 6/30/2020	Thomas F. Connors, Ph.D. 6/30/2022	Irene Le Febvre 6/30/2022

3/9/2020 Board Meeting

	<u>South</u>	<u>Central</u>	<u>North</u>
<u>NJASA</u>	Joeseph Meloche, Ed.D. 7/1/2019 - 6/30/2021	Stephanie Brown, Ed.D. 1/15/2020 - 6/30/2020	James J. Jencarelli, Jr. 6/30/2021
<u>NJASBO</u>	Christopher Russo, Ed.D. 7/1/2019 - 6/30/2022	Dana Sullivan 6/30/2022	Steven K. Robinson 6/30/2021
<u>NJSBA</u>	Josephine Sharpe 3/9/2020 - 6/30/2020	Thomas F. Connors, Ph.D. 6/30/2022	Irene Le Febvre 6/30/2022

6/17/2020 Board Meeting

	<u>South</u>	<u>Central</u>	<u>North</u>
<u>NJASA</u>	Joeseeph Meloche, Ed.D. 7/1/2019 - 6/30/2021	Stephanie Brown, Ed.D. 7/1/2020 - 6/30/2023	James J. Jencarelli, Jr. 6/30/2021
<u>NJASBO</u>	Christopher Russo, Ed.D. 7/1/2019 - 6/30/2022	Dana Sullivan 6/30/2022	Steven K. Robinson 6/30/2021
<u>NJSBA</u>	Josephine Sharpe 7/1/2020 - 6/30/2023	Thomas F. Connors, Ph.D. 6/30/2022	Irene Le Febvre 6/30/2022

 : denotes changes made at Board meeting



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2020/2021 NJSIG Sub-fund Liaisons

Frank Rizzo BACCEIC Sub Fund Liaison ❖	Black Horse Pike Reg 580 Erial Road Blackwood, NJ 08012	O: 856-227-4106 x8007 F: 856-227-6835	frizzo@bhprsd.org
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Paula Smith CAIP Sub Fund Liaison ❖	Cape May Co. Tech. 188 Crest Haven Road Cape May Court House, NJ 08210	O: 609-465-2161 x611 F: 609-465-3069	psmith@capemaytech.com
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ERIC North Sub Fund Liaison ❖		O: F:	
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Gene Mercoli ERIC South Sub Fund Liaison ❖	Cumberland Cnty. Voc. 601 Bridgeton Avenue Bridgeton, NJ 08302	O: (856) 451-9000 F: (856) 451-8487	gmercoli@cumberland.tec.nj.us
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John Csatos ERIC West Sub Fund Liaison ❖	Florham Park P.O. Box 39 Florham Park, NJ 07932	O: (973)822-3880x1005 F: (973)822-0716	john.csatos@fpks.org
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MOCSSIF Sub Fund Liaison, ❖		O: F:	
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Anthony Dragona NJEIF Sub Fund Liaison ❖	Union City BOE 3912 Bergen Turnpike Union City, NJ 07087	O: (201) 348-5677 F: (201) 223-0471	adragona@union-city.k12.nj.us
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Meeting Dates 2020/2021

July 20, 2020

September 16, 2020

October 14, 2020

November 18, 2020

January 13, 2021

March 17, 2021

May 19, 2021

June 16, 2021

All meetings will take place at the Mount Laurel Office and via GoToMeeting at 10:00 a.m. unless otherwise noted.



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BOARD OF TRUSTEES MEETING
Wednesday September 16, 2020
6000 Midlantic Drive, Suite 300 North, Mount Laurel, NJ
Meeting 10:00 a.m.

SEPTEMBER AGENDA

PUBLIC SESSION

ITEM #

1. Call to Order

In accordance with the Sunshine Law and N.J.S.A. 10:4-10, due notice of all pending meetings 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.

2. Roll Call

Stephanie Brown, Ed.D.	Irene Le Febvre	Christopher Russo, Ed.D.
Thomas F. Connors, Ph.D.	Joseph Meloche, Ed.D.	Josephine Sharpe
James J. Jencarelli, Jr.	Steven K. Robinson	Dana Sullivan

3. Acceptance of the public and executive session minutes for July 20, 2020.

4. Public Participation - Opportunity for public to address the NJSIG Trustees regarding specific agenda items. Each person will have five minutes to speak.

5. Sub-fund Liaisons - Reports/Comments

6. Reports:

A. Executive Director Report	Jill Deitch
B. Accounting/Finance Report	Michele Carosi
C. Safety & Risk Control/Client Relations Report	Debra Rice
D. Underwriting Report	Claire King
E. Claims Report	Sherwin Archibald
F. Information Technology Report	Jeff Cook

7. Discussion Items:

- | | |
|---|-----------------|
| A. Risk Based Capital/Surplus Study Guideline | Michele Carosi |
| B. WTW Net liabilities (reserve) study, presentation | Stacy Mina, WTW |
| C. Korn Ferry – total remuneration study (incl. benefits) | Jill Deitch |

8. Action Items:

- | | |
|---|-------------------|
| A. WTW Net liabilities (reserve) study, adoption (NJSIG No. 0920-1) | Michele Carosi |
| B. Refund of member contributions, COVID-19 (NJSIG No. 0920-2) | Michele Carosi |
| C. Safety grant declaration (NJSIG No. 0920-3) | Michele Carosi |
| D. Trustee committee assignments (NJSIG No. 0920-4) | Jill Deitch |
| E. 2020-2021 Meeting dates (second reading) (NJSIG No. 0920-5) | Jill Deitch |
| F. Contracting: | |
| 1. Payroll admin. database software & servs. (NJSIG No. 0920-6) | Michele Carosi |
| 2. Outside counsel school/educ. lit. (NJSIG No. 0920-7) | Sherwin Archibald |
| G. Checking accounts and new claims ratification (NJSIG No. 0920-8) | Michele Carosi |
| H. Cash management and investment plan (NJSIG No. 0920-9) | Michele Carosi |

9. New Business

10. Executive Session

EXECUTIVE SESSION

EXECUTIVE SESSION RESOLUTION

WHEREAS, N.J.S.A. 10:4-6 et. seq., (“the Open Public Meetings Act”), authorizes public entities to meet in executive session under certain circumstances; and

WHEREAS, the Open Public Meetings Act requires that the Group adopt a resolution at a public meeting to go into private session; now, therefore,

BE IT RESOLVED by the Board of Trustees of the New Jersey Schools Insurance Group that it is necessary to meet in executive session to discuss certain items involving:

- A. Litigation;
- B. Matters involving attorney client privilege.

BE IT FURTHER RESOLVED that any discussion held by the Board of Trustees which need not remain confidential will be made public as soon as feasible. The minutes of the executive session will not be disclosed until the need for confidentiality no longer exists.

FURTHER RESOLVED that the Board of Trustees will not return to open session to conduct business at the conclusion of the executive session.



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Board of Trustees Meeting of September 16, 2020
Board of Trustees Meeting Minutes of July 20, 2020

New Jersey Schools Insurance Group's (NJSIG) Board of Trustees Meeting (Trustee Retreat) of July 20, 2020 at NJSIG's Mount Laurel office.

ATTENDEES

Trustees: Thomas F. Conners, Ph.D., Christopher Russo, Ed.D, Steven Robinson, Stephanie Brown, Ed. D., Dana Sullivan, Joseph Meloche, Ed. D., and Irene Le Febvre; Josephine Sharpe joined the meeting at 11:07 a.m.

Participants: David Rapuano, Esquire of *Archer*, Amanda Wethington of *Korn Ferry*, Matt Shirley of *Korn Ferry*

NJSIG

Staff: Jill Deitch, *Executive Director*, Michele Carosi, *Chief Financial Officer*, Jeff Cook, *Information Systems Manager*, Debra Rice, *Client Relations/ Safety and Risk Control Manager*, Claire King, *Underwriting Manager*, Neil Marek, *Liability Claims Supervisor*, Stephen Tucker, *General Counsel*, Beth Ferlicchi, *Assistant General Counsel*, Renee Johnson-Payne, *Executive Assistant*

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 10:18 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 June 27, 2020. Copies of these notices are on file with the New Jersey Secretary of State.

ITEM #2 ROLL CALL

Stephanie Brown, Ed.D.	√	Irene LeFebvre	√	Christopher Russo, Ed.D	√
Thomas F. Conners, Ph.D.	√	Joseph Meloche, Ed.D.	√	Josephine Sharp	√
James J. Jencarelli, Jr.	A	Steven Robinson	√	Dana Sullivan	√

ITEM #3 PUBLIC PARTICIPATION

There was no public participation.

ITEM #4 SUB-FUND LIAISONS – Reports/Comments

There were no sub-fund liaisons.

ITEM #5 REPORTS:

There were no NJSIG manager reports presented at this Trustee retreat.

ITEM #6 DISCUSSION ITEMS

A. Board of Trustees orientation

Discussion by Le Febvre of the topic of Board of Trustees orientation for new Board of Trustees members. Le Febvre offered an orientation to any new Board of Trustees member that might want to participate.

B. Board of Trustees committees

Discussion by Le Febvre of the Board of Trustees committees. Open discussion as to whether the Board is of the opinion that the current committee system sufficiently addresses the operations of the organization. Generally the consensus is that the committee system is sufficiently addressing the needs of the organization.

C. Position wage ranges and grades

Discussion of position wage ranges and grades. Introduction to topic by Le Febvre and Deitch.

Presentation by Wethington and Shirley of Korn Ferry on their methodology and the services they render. Trustees asked questions of Korn Ferry with regard to how Korn Ferry takes into account the benefits package that NJSIG employees are afforded as public employees.

Korn Ferry indicated that they can provide a total remuneration study that would include an analysis of the benefits package as well as any resulting modifications to the wage ranges. NJSIG can obtain a quote to have that benefits review.

D. Donated leave policy

Discussion of donated leave proposed policy. The Trustees generally were in agreement that this policy would not be a good idea, but they would consider other modifications to the sick leave policy that could boost morale without the problematic aspects of a donated leave policy.

E. Surplus policy draft

Surplus policy draft discussion led by Deitch. Plan to have a draft surplus policy for the Board's consideration soon.

F. COVID-19 grant/return of contributions

COVID-19 grant/return of contributions discussion led by Deitch. Reference to DOBI bulletin that directs insurance carriers to return premium as a result of exposure changes due to COVID-19. Discussion by Carosi about estimated COVID-19 grant/return of contributions amount.

G. Board meetings

Discussion of morning meetings and meeting schedule. Consensus is that morning meetings will work better. Discussion of numbering of resolutions.

ITEM #7 ACTION ITEMS:

A. Checking Accounts & New Claims Ratification

Action Taken: M (Robinson) \ S (Sullivan) \ Carried (Affirmative Votes = Brown, Le Febvre, Meloche, Robinson, Sullivan, Sharpe, Connors, Russo) 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 6/1/2020 to 6/30/2020 as shown in the online (Microscribe) version of the meeting package.

B. 2020-2021 Meeting Dates – First Reading

Action Taken: M (Russo) \ S (Sullivan) \ Carried (Affirmative Votes = Brown, Le Febvre, Meloche, Robinson, Sullivan, Sharpe, Connors, Russo) to approve the proposed 2020/2021 Meeting Dates (as revised) for a first reading.

C. Acceptance of the Public Session and Executive Session Minutes of June 17, 2020

Action Taken: M (Robinson) \ S (Meloche) \ Carried (Affirmative Votes = Brown, Le Febvre, Meloche, Robinson, Sullivan, Sharpe, Connors, Russo) to accept the June 17, 2020 public session and executive session Board of Trustees meeting minutes.

ITEM #8 NEW BUSINESS

There was no new business.

ITEM #9 EXECUTIVE SESSION

Action Taken: M (Meloche) \ S (Sullivan) \ Carried (Affirmative Votes = Brown, Le Febvre, Meloche, Robinson, Sullivan, Sharpe, Connors, Russo) to go into executive session to discuss litigation, matters of attorney client privilege, etc. 11:46 a.m.

Jill Deitch

Jill Deitch, Esq.
Executive Director



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Board of Trustees Meeting of September 16, 2020 Executive Director Report

As this school year gets underway, it looks very different than any other. Although many of the restrictions in New Jersey are beginning to ease, NJSIG members are facing difficult decisions and have an arduous journey ahead. NJSIG is determined to support its members in meaningful ways.

We recently met with all the sub-fund administrators to ensure members are still deriving valuable benefits from sub-fund membership despite suspension from in-person meetings. All of the upcoming sub-fund meetings this fall, and likely the winter, will be virtual. The focus of these meetings will be to ease the burdens our members face in this unprecedented time with presentations focusing on how the COVID-19 situation affects school districts in terms of employee leave benefits, delivering special education services, insurance coverage and more.

NJSIG moved almost the entirety of its operations to remote working in mid-March. Many employees are looking to return to the office, and NJSIG's most recent memorandum to staff regarding our response to the COVID-19 situation is attached. At this juncture, there is no mandated return date, but those employees who want to come to the office will be permitted to do so. The IT department created an app that employees will be required to access prior to entering any NJSIG office. The app contains a series of questions regarding current health status, travel, and exposure to COVID-19. We plan to introduce this program to the staff the week of September 14 and anticipate that more employees will be returning to the office thereafter as a result.

At today's meeting, Stacy Mina, our actuary from Willis Towers Watson, is going to present WTW's draft report on NJSIG's Estimated Net liabilities as of June 30, 2020. 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.

Claims activity between March 2020 and June 2020, on the workers' compensation and auto liability lines, was down significantly as a result of state-mandated school closures. In light of this, the Board authorized me at the June meeting to determine a manner in which to return some portion of member contributions.

I intend to send to the NJ Department of Banking and Insurance (DOBI) a request to permit NJSIG to immediately perform an initial partial refund of workers' compensation and auto liability member contributions for the 2019/2020 fiscal year. This initial refund would be performed in accordance with N.J.A.C. 11:15-4.21(d) and paid in proportion to the member's participation in the fund for 2019/2020. If you would like to see a proposed draft of the communication to DOBI, please let me know.

As I intend to outline in a detailed communication to DOBI, NJSIG is in a sufficiently strong financial position to offer this refund, and our decrease in claims experience supports a return of member contributions on the WC and AL lines. However, under the school board insurance group regulations (N.J.A.C. 11:15-4.21), initial refunds may not be issued until at least twenty-four months have elapsed from the end of the fiscal year. But these are not ordinary times, and we want to do everything we can to support our members. So, my letter requests that DOBI forgo the 24-month requirement of N.J.A.C. 11:15-4.21 so that NJSIG can immediately initiate this member refund for the 2019/2020 fiscal year. We will not be able to start issuing these refunds until we get approval from DOBI. I will of course keep you updated of any response from DOBI.

Respectfully Submitted,

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

NEW JERSEY SCHOOLS INSURANCE GROUP
MEMORANDUM

Date: September 11, 2020

To: All NJSIG Employees

From: Jill Deitch, Esq.
Executive Director

Subject: Interim guidance to protect NJSIG employees
from the spread of SARS-CoV-2 / COVID-19 (updated)

Employee health and safety is a top priority at the New Jersey Schools Insurance Group (“NJSIG”), and we want you to know that we are continuing to monitor the severe acute respiratory syndrome coronavirus 2 (“SARS-CoV-2”) / coronavirus disease 2019 (“COVID-19”) situation to help keep us all safe at work. It is also important to ensure the continuous delivery of essential NJSIG services to our members and their employees during this rapidly evolving situation. Below are important things we want you to know. All of the below procedures are effective immediately and will remain in effect until further notice. This guidance supersedes all prior guidance related to SARS-CoV-2 / COVID-19. This guidance is subject to change and may be superseded as conditions warrant.

1. Workplace safety

Employees should follow the Centers for Disease Control and Prevention’s (“CDC”) guidance regarding steps to prevent illness and social distancing when feasible while working, as detailed below.

Whitesell – the building management company for NJSIG’s Mount Laurel office – provided an update on May 13, 2020 outlining the measures they are taking to help make the building safe. This includes: “[n]ightly disinfecting high touch surfaces (tables, doorknobs, light switches, counter tops, handles, panels, etc.)[] weekly on Tuesday nights a disinfectant fogging will be done in hallways, common areas and entire rest rooms[] day porter added daily from 9am-3pm; disinfecting high touch points throughout the building, common areas and restrooms using EPA registered disinfectant with disposable towels for both daily & nightly cleaning[.]” The interior areas of NJSIG’s Mount Laurel office are also cleaned on a daily basis.

Soap is available for hand washing next to the sinks in all bathrooms and kitchens at NJSIG's Mount Laurel office. Disposable gloves are available for any employee that would like to utilize gloves while handling inbound deliveries.

While working, NJSIG employees should stay at least six (6) feet from all other people at all times. This includes other NJSIG employees, employees of member Boards of Education, as well as any member of the public with whom NJSIG employees may interact. For up-to-date guidance on job exposure risk classification, visit the Occupational Safety and Health Administration's website guidance on preparing workplaces for COVID-19 at <https://www.osha.gov/Publications/OSHA3990.pdf>.

In accordance with Executive Order 163, employees must wear face coverings when in the office and "in prolonged proximity to others." For a copy of Executive Order 163, visit the State of New Jersey's website at: <https://nj.gov/infobank/eo/056murphy/pdf/EO-163.pdf>. Due to the ambiguous nature of this directive, and out of an abundance of caution, please ensure that you wear a face covering at all times while you are in NJSIG's Marlboro or Mount Laurel offices, except when you are in your cubicle or office, so long as no one else is present in your cubicle or office. Note, however, in accordance with Executive Order 163, that face coverings are not required where they "would inhibit that individual's health [or] in other situations where the presence of a mask would pose a risk to the individual's safety" Unless obvious, employees seeking to rely on this exemption will need to provide appropriate medical documentation of a valid reason he or she cannot safely wear a mask.

Face coverings worn by employees should be selected in accordance with CDC guidance, which is available from the CDC website at: <https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/about-face-coverings.html>. NJSIG has obtained face coverings for any employee that would like one. General information regarding face coverings is available from the CDC website at: <https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/diy-cloth-face-coverings.html>. Employees must still follow guidance regarding steps to prevent illness and social distancing while working in the office even while wearing a face covering.

External visitors to the office should be avoided unless critical to the continued functioning of the organization. In-person visits to member boards of education should be avoided unless requested by the member, and approved by your supervisor. Please conduct all meetings via teleconference, GoToMeeting, etc., wherever possible. No employees should report to NJSIG's Mount Laurel or Marlboro offices without first informing their supervisor.

Any employee reporting in person to NJSIG's Mount Laurel or Marlboro offices must first complete a COVID-19 self-screening survey before entering the workplace. A new COVID-19 self-screening survey must be completed on each date an employee plans on entering a NJSIG office. NJSIG's COVID-19 self-screening survey is available through the time off portal here: <http://dashboard.njsig.org/covid/>. Your time and attendance credentials should be used to login to complete the self-screening survey. Employees should complete the COVID-19 self-screening survey from home on the date they plan on working in the office, before leaving for the office. In the event that an employee forgets to complete their self-screening survey before leaving home, the employee must complete their self-screening survey in the reception area before entering any other area of the office.

With regard to office occupancy capacity, NJSIG's Mount Laurel office has 20,073 of occupied square feet. See Mount Laurel Bureau of Fire Prevention inspection report, available at https://www.mobile-eyes.com/inspectportal_viewreport.asp?file=1000184tl-10551687919&tr=db6cccfb-ce62-4fc0-9095-1cc62852fad7. For eighty (80) employees, this provides 250.9125 square feet per employee. Per the Federal Emergency Management Agency, U.S. Fire Administration, "[a]n assumed occupant load factor of greater than 113 square feet per person indicates that the building could potentially practice social distancing without any impact on the number of people present in the building." A copy of the Federal Emergency Management Agency, U.S. Fire Administration guidance regarding Understanding the impact of social distancing on occupancy is available at https://www.usfa.fema.gov/coronavirus/planning_response/occupancy_social_distancing.html.

2. Steps to prevent illness

Steps you can take to prevent spread of flu and the common cold will also help prevent SARS-CoV-2 / COVID-19:

- Wash hands often with soap and water. If not available, use hand sanitizer;
- Avoid touching your eyes, nose, or mouth with unwashed hands;
- Avoid contact with people who are sick;
- Stay home while you are sick and avoid contact with others; and,
- Cover your mouth and nose with a tissue or sleeve when coughing or sneezing.

This information was taken from the below-referenced New Jersey Department of Health ("NJDOH") website as of the date of this memorandum. For more up to date

guidance on what to do if you suspect you may be sick, visit the NJDOH's website at: https://www.nj.gov/health/cd/topics/covid2019_community.shtml.

Social distancing, also called “physical distancing,” means keeping space between yourself and other people outside of your home. To practice social or physical distancing:

- Stay at least 6 feet (2 meters) from other people;
- Do not gather in groups; and,
- Stay out of crowded places and avoid mass gatherings.

In addition to everyday steps to prevent SARS-CoV-2 / COVID-19, keeping space between you and others is one of the best tools we have to avoid being exposed to this virus and slowing its spread locally and across the country and world. This information was taken from the below-referenced CDC website as of the date of this memorandum. For more up to date guidance on steps to prevent illness, visit the CDC's website at: <https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/social-distancing.html>.

3. Watch for symptoms

People with SARS-CoV-2 / COVID-19 have had a wide range of symptoms reported – ranging from mild symptoms to severe illness. Symptoms may appear 2-14 days after exposure to the virus. People with these symptoms may have SARS-CoV-2 / COVID-19:

- Fever or chills;
- Cough;
- Shortness of breath or difficulty breathing;
- Fatigue;
- Muscle or body aches;
- Headache;
- New loss of taste or smell;
- Sore throat;
- Congestion or runny nose;
- Nausea or vomiting; or,
- Diarrhea.

This list does not include all possible symptoms.

This information was taken from the below-referenced CDC website as of the date of this memorandum. For more up to date guidance on what to do if you suspect you may be sick, visit the CDC's website at: <https://www.cdc.gov/coronavirus/2019-ncov/about/symptoms.html>.

Please let your manager and supervisor know if you think you have SARS-CoV-2 / COVID-19 or another respiratory illness. Managers and supervisors should notify the Legal Department of any employee that is present in the office with suspected respiratory illness, or is absent due to suspected respiratory illness.

4. Applicable leave time procedures

NJSIG's sick leave time policy is set forth in NJSIG Policy 6230. A copy of NJSIG Policy 6230 is available online at: https://www.njsig.org/downloads/bylaws/NJSIG_Policy_Manual_2020-2021.pdf#page=123. The following changes have been made to NJSIG's procedures with respect to SARS-CoV-2 / COVID-19, and in accordance with the Families First Coronavirus Response Act ("FFCRA"), Public Law 116-127:

- a. Diagnosis with SARS-CoV-2 / COVID-19: If an employee is diagnosed with SARS-CoV-2 / COVID-19, then the employee will be afforded such leave as is required under the FFCRA, if they provide documentation verifying the same within fifteen calendar days of the initial absence. As with any documentation of an illness, the documentation should be provided to the Legal Department. If an employee does not provide such documentation, then the employee will be required to utilize their own accrued sick leave time. Diagnosed employees should stay home and follow medical direction regarding treatment and absence from work.

Return to work is governed by the "return to work" provision below.

For guidance on what to do if you are sick, visit the CDC's website at: <https://www.cdc.gov/coronavirus/2019-ncov/about/steps-when-sick.html>.

- b. Self-quarantine or isolation: If an employee is not experiencing symptoms of respiratory illness, but is (i) directed by a medical professional or government

agency to self-isolate or quarantine due to suspicion of exposure to or diagnosis with COVID-19, and/or (ii) undergoing a period of self-quarantine or isolation pursuant to public health assessment recommendations, then the employee shall be permitted to work from home for the period of the COVID-19-related self-isolation or quarantine, if the employee provides documentation verifying the period of the COVID-19-related self-isolation or quarantine within fifteen calendar days of the initial absence and if working from home is possible for the employee's position. If a work from home arrangement cannot be accommodated, such employee will be afforded such leave as is required under the FFCRA during the period of the COVID-19-related self-isolation or quarantine. The documentation should be provided to the Legal Department. If an employee does not provide documentation of the COVID-19-related self-isolation or quarantine, then the employee will be required to utilize their own sick leave time accrued under NJSIG Policy 6230, if a work from home arrangement cannot be accommodated.

Return to work is governed by the "return to work" provision below.

- c. Symptoms of respiratory illness: If an employee is experiencing symptoms of respiratory illness consistent with COVID-19, the employee should immediately seek medical care and request to be tested for -19. If the medical facility is unable to provide such testing, the employee should obtain documentation stating the same, and request a date by which the medical facility will be able to provide such testing. Such documentation shall be provided to the Legal Department within fifteen calendar days of the employee's initial absence. If the employee provides such documentation, the employee will not be required to utilize sick leave time accrued under NJSIG Policy 6230 for the time period during which they are experiencing symptoms of respiratory illness consistent with COVID-19. If the medical facility provides the employee with a date by which it will be able to provide COVID-19 testing, the employee shall return to the medical facility to obtain such testing prior to returning to work. Employees with symptoms of respiratory illness consistent with COVID-19 should stay home and follow medical direction regarding treatment and absence from work.

Return to work is governed by the "return to work" provision below.

- d. Immediate family member's diagnosis with COVID-19: If an employee's absence is caused by the employee's need to care for an immediate family member who has been diagnosed with COVID-19, the employee shall submit

documentation verifying the family member's COVID-19-related illness to the Legal Department within fifteen calendar days of the employee's initial absence. If the employee presents such documentation, they will be afforded such leave as is required under the FFCRA. If no such documentation is received, the employee will be required to use sick leave time accrued under NJSIG Policy 6230.

- e. Immediate family member's self-quarantine or isolation: If an employee's absence is caused by the employee's need to care for an immediate family member who has been (i) directed by a medical professional or government agency to self-isolate or quarantine due to suspicion of exposure to or diagnosis with SARS-CoV-2 / COVID-19, and/or (ii) undergoing a period of self-quarantine or isolation pursuant to public health assessment recommendations, then the employee shall be permitted to work from home for the period of the immediate family member's COVID-19-related self-isolation or quarantine, if feasible. If a work from home arrangement cannot be accommodated or is not feasible, such employee will be afforded such leave as is required under the FFCRA during the period of the immediate family member's COVID-19-related self-isolation or quarantine, as long as the employee has provided NJSIG with documentation of the immediate family member's COVID-19-related self-isolation or quarantine. The employee shall provide documentation to the Legal Department verifying the immediate family member's COVID-19-related self-isolation or quarantine within fifteen calendar days of the initial absence.

- f. School / child care center closures or reduction in availability: Employees who are not under suspicion of having been exposed or diagnosed with COVID-19 but must to stay home with a child due to the closure or reduction in availability of a preschool program, elementary school, secondary school, or child care center related to COVID-19, will be required to provide documentation to the Legal Department verifying the closing or reduction in availability. Employees who provide such documentation shall be permitted to work from home, if feasible, during the period of the COVID-19-related closure or reduction in availability. If a work from home arrangement cannot be accommodated or is not feasible, such employee will be afforded such leave as is required under the FFCRA. While NJSIG's standard work week remains thirty-five hours, Managers are authorized to modify an employee's core hours under NJSIG Policy 6110 where necessary and where feasible to accommodate school closures or reduction in availability.

g. Required medical documentation: For cases where individuals are undergoing a period of treatment, isolation or quarantine under the circumstances described above, documentation from a local, state or federal governmental agency, a medical professional, office, or hospital or proof that the employee was recently in a location where the recommendation by a governmental agency is to self-quarantine will satisfy the requirement to provide documentation. Additional forms of documentation may also be permitted, as determined by NJSIG. If an employee is absent from work without sufficient documentation confirming treatment, diagnosis or quarantine or isolation due to exposure or potential exposure, standard leave rules apply.

h. Return to work:

- i. Employees who have been in close contact with someone who has COVID-19 will not be permitted to enter the workplace until the expiration of the recommended 14-day period of quarantine from the point of last exposure.

This information was taken from the below-referenced CDC website as of the date of this memorandum. For more up to date guidance on quarantine, visit the CDC's website at: <https://www.cdc.gov/coronavirus/2019-ncov/if-you-are-sick/isolation.html> and <https://www.cdc.gov/coronavirus/2019-ncov/if-you-are-sick/quarantine.html>.

- ii. Employees diagnosed with COVID-19 and employees that have displayed symptoms of respiratory illness consistent with COVID-19 will be not be permitted to enter the workplace until the following conditions have been met (based on the scenario presented):

1. *Scenario:* I think or know I had SARS-CoV-2 / COVID-19, and I had symptoms.

You can be around others after:

- i. 10 days since symptoms first appeared; and,
- ii. 24 hours with no fever without the use of fever-reducing medications; and,

- iii. SARS-CoV-2 / COVID-19 symptoms have improved (for example, cough, shortness of breath).

Most people do not require testing to decide when they can be around others; however, if your healthcare provider recommends testing, they will let you know when you can resume being around others based on your test results.

Note that these recommendations do not apply to persons with severe SARS-CoV-2 / COVID-19 or with severely weakened immune systems (immunocompromised). These persons should follow the guidance below for “I was severely ill with SARS-CoV-2 / COVID-19 or have a severely weakened immune system (immunocompromised) due to a health condition or medication. When can I be around others?”

- 2. *Scenario:* I tested positive for SARS-CoV-2 / COVID-19 but had no symptoms.

If you continue to have no symptoms, you can be with others after 10 days have passed since you had a positive viral test for SARS-CoV-2 / COVID-19. Most people do not require testing to decide when they can be around others; however, if your healthcare provider recommends testing, they will let you know when you can resume being around others based on your test results.

If you develop symptoms after testing positive, follow the guidance above for “I think or know I had SARS-CoV-2 / COVID-19, and I had symptoms.”

- 3. *Scenario:* I was severely ill with SARS-CoV-2 / COVID-19 or have a severely weakened immune system

(immunocompromised) due to a health condition or medication. When can I be around others?

People who are severely ill with SARS-CoV-2 / COVID-19 might need to stay home longer than 10 days and up to 20 days after symptoms first appeared. Persons who are severely immunocompromised may require testing to determine when they can be around others. Talk to your healthcare provider for more information. If testing is available in your community, it may be recommended by your healthcare provider. Your healthcare provider will let you know if you can resume being around other people based on the results of your testing.

Your doctor may work with an infectious disease expert or your local health department to determine whether testing will be necessary before you can be around others.

This information was taken from the below-referenced CDC website as of the date of this memorandum. For more up to date guidance on return to work after illness, visit the CDC's website at: <https://www.cdc.gov/coronavirus/2019-ncov/if-you-are-sick/end-home-isolation.html>.

For more information on the FFCRA, visit the U.S. Department of Labor's website at: <https://www.dol.gov/agencies/whd/pandemic/ffcra-employer-paid-leave>.

5. Working remotely; Working in the office

On March 21, 2020, the Governor of the State of New Jersey, Phillip D. Murphy issued Executive Order 107 in response to SARS-CoV-2 / COVID-19. This order states in pertinent part that “[a]ll New Jersey residents shall remain home or at their place of residence unless they are . . . reporting to, or performing, their job[.]” Executive Order 107, at 5 ¶ 2. This Executive Order also provides that “[a]ll businesses or non-profits in the State, whether closed or open to the public, must accommodate their workforce, wherever practicable, for telework or work-from-home arrangements.” Executive Order 107, at 10 ¶ 10. This Executive Order also provides that “[t]o the extent a business or non-profit has employees that cannot perform their functions via telework

or work-from-home arrangements, the business or non-profit should make best efforts to reduce staff on site to the minimal number necessary to ensure that essential operations can continue.” Executive Order 107, at 10 ¶ 11.

In accordance with Executive Order 107, we have made best efforts to reduce staff on site in NJSIG’s Mount Laurel office to the minimum necessary to ensure that essential operations can continue. This includes accommodating all employees, wherever practicable, with work-from-home arrangements. However, certain operations of NJSIG’s operations, including but not limited to mail operations, check issuance and the attendant supervision cannot presently be performed from home.

To that end, and in accordance with Executive Order 107, all employees that can perform their functions via work-from-home arrangements may do so until further notice. In the event that you are an employee that can perform your functions via a work-from-home arrangement, but you would prefer to work in the office on one or more dates, you must first notify your supervisor before reporting to the office.

For employees who have functions that cannot be performed from home, you should continue to coordinate with your supervisor regarding the dates on which you should report to NJSIG’s Mount Laurel office to perform these functions. In the event that you are an employee that cannot perform all of your functions via a work-from-home arrangement, and you would prefer to work in the office more frequently than you are currently required, you must first notify your supervisor before reporting to the office on any additional day(s).

All employees working from home will continue to be paid their normal wages. All employees working in the office will continue to be paid their normal wages. Non-exempt employees should continue to utilize the PayChex time and attendance online system to record all time worked, whether in the office, or at home. This system can be accessed online utilizing the following link: <https://timeandlabor.paychex.com/secure/>. Please notify your manager / supervisor immediately if you are in need of a device with which to work from home, or if you do not have internet access in your home. All employees should continue to record their time off requests that are unrelated to SARS-CoV-2 / COVID-19 using the NJSIG time off system, which is available on NJSIG’s intranet at <http://dashboard.njsig.org/TIMEOFF/>.

This interim guidance is based on Executive Orders 107 and 163, as well as the current guidance and information available from the CDC and NJDOH. For a copy of Executive Order 107, visit the State of New Jersey’s website at: <https://nj.gov/infobank/eo/056murphy/pdf/EO-107.pdf>. For a copy of Executive Order 163, visit the State of New Jersey’s website at:

<https://nj.gov/infobank/eo/056murphy/pdf/EO-163.pdf>. For more information on these mitigation strategies, visit the CDC's website at: <https://www.cdc.gov/coronavirus/2019-ncov/downloads/community-mitigation-strategy.pdf>.



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Board of Trustees Meeting of September 16, 2020 Accounting/Finance Report

- ACCOUNTING DEPARTMENT PROCESSES:

- (1) **Billing & Accounts Receivable Processes:** NJSIG's Accounting Department processed \$139.2 million of 2020/2021 renewal gross member contributions and endorsements in the PeopleSoft Billing Module as of the date of this report (09/08/2020). The Accounting Department is current with all business that was bound and exported from the Underwriting system (Navrisk). In addition, the Accounting Department continues to invoice NJSIG's members in the PeopleSoft Billing system for monthly Workers Compensation installments and miscellaneous endorsements as the billing data is exported from Navrisk. The Accounting Department collected and applied \$16.3 million of members' contribution deposits (to date) for the 2020/2021 fiscal year. Collections of NJSIG member contributions are kept current with the Accounting Department's issuance of color-coded NJSIG member statements on the 15th of each month.

- (2) **Accounts Payable:** All accounts payable vouchers and payments are current. The Accounting Department processed \$868,000 of broker commissions as part of the direct bill procedures during the 2020/2021 fiscal year.

- **FINANCIAL REPORTS:**

Please find the attached final 05/2020 financial reports and the ***preliminary 06/30/2020 financial reports***. I have also included the 06/03/2020 Investment & Cash reports. The attached 06/30/20 financial reports were audited and approved by the Bowman auditors, but are pending the resolution of the 06/30/20 safety grant declaration and/or a COVID-19 Relief Assistance program (to be determined by the Trustees as action items at the 09/16/20 meeting).

The attached ***preliminary 06/30/2020 financial reports*** yield a positive change in net position of \$36.7 million (prior to any safety grant or COVID-19 Relief Assistance declarations). The following are the major contributors to this strong FY2019/2020 net change in position:

- **Member Contributions** – FY2019/2020 gross member contributions of \$139.7 million were the major source of income for the fiscal year. (This \$139.7 million was slightly higher (5.8%) from the FY2018/2019 amount of \$132.1 million). FY2019/2020 gross member contributions are offset by \$(15.4) million of broker commission expenses and \$(36.3) million of reinsurance expenses. (These FY2018/2019 amounts were slightly lower for the \$(14.6) million of broker commission expenses (5.5%) and for the \$(34) million of reinsurance expenses (6.8%).) FY2019/2020 net member contributions were \$88 million ($\$139.7 + \$15.4 + \36.3) versus the

FY2018/2019 net member contributions of \$83.5 million (\$132.1 +\$(14.6) +\$(34)), which represents a net increase of 5.4% for FY2019/2020.

- **Investment Income** - FY2019/2020 net investment income of \$8 million was the second largest income contributor to the net change in position. (This \$8 million was flat compared to the FY2018/2019 \$8.1 million of net investment income.)
- **Claims Results** – FY2019/2020 net claim expense (paid loss expenses, changes in reserves, reinsurance recovery and subrogation income) of \$(46.3) million was the largest offset to the operating income. (This \$(46.3) million of net claims expense was (9.2%) less than the FY2018/2019 net claims expense of \$(51) million). Favorable FY2019/2020 net paid claims were primarily the result of a decrease in paid claim losses and increases in reinsurance recoveries and subrogation income received, coupled with actuarial reductions in claims reserves.
- **Administrative Expenses** – All other FY2019/2020 administrative expenses (including payroll/personnel expenses) of \$(13) million were slightly lower (3%) than the FY2018/2019 administrative expense (including payroll/personnel expenses and excluding safety grant expense) of \$(13.4) million.

- **SPECIAL PROJECTS:**

In addition to my standard responsibilities, I have also been working on the following special projects:

- (1) 2019/2020 Financial Audit: This was the first year that NJSIG participated in a virtual/remote audit as a result of the COVID-19 pandemic. It presented a few challenges, but was mostly a smooth transition from the in-office audit “field work”. I was able to provide the Bowman auditors with all of their requests for schedules, reports, “prepared by client” worksheets and supporting documentation for their test/audit samplings. I worked closely with them to answer all questions and also coordinated the collection of sample data with the Accounting Department staff, as well as other department managers. The auditors have approved the attached preliminary financial reports and will prepare their audit report for your review and approval at the October meeting. I will share with you any of their updated and/or management recommendations, prior to the presentation of the final audit report at the October meeting.
- (2) COVID-19 Relief Assistance and 06/30/2020 Safety Grant – Jill Deitch and I will meet with the NJSIG Board of Trustee Finance Committee prior to the 09/16/2020 meeting to review the GAAP and statutory 06/30/20 financial reports and discuss possible options, methodologies and allocations for providing members with a form of COVID-19 relief assistance and/or future safety grant(s) based on the FY2019/2020 results.
- (3) 2020/20201 Budget: The 2020/2021 budget that was adopted by the Trustees at the 06/2020 meeting was filed with NJ Department of Banking and Insurance. I also am in the process of uploading this 2020/2021 budget data into the PeopleSoft budget module. This upload of data allows me to present 2020/2021 budget to actual financial data within the statements that I provide to you at each meeting.

(4) Banking/Investments – Please note that Investors Bank contacted me during August to notify NJSIG that the interest floor (the minimum amount of interest applied to NJSIG deposits/account balance) will be reduced from .65% to .50% on 09/01/2020. This floor rate reduction is the result of the economic environment and the Federal Reserve’s rate reductions during 2020. The interest rate on the NJSIG Investors Bank account is a maximum of the Federal Funds target/index rate less 25 basis point or a minimum of .50% (formerly .65%). I have also included a worksheet that illustrates how the rates are calculated and the history of our rates since 10/2019 through 09/2020. Please also note that NJSIG’s financial advisors, Wilmington Trust, will attend the November meeting to update the trustees on NJSIG’s investment portfolio and the state of the investment market. They will also address any other potential, permissible investment options (as per the NJSIG Cash Management & Investment policy) and answer any trustee questions related to investments.

Thank you,

Michele Carosi

Chief Financial Officer



NJSIG
Balance Sheet
For the Period Ended 6/30/2020

FINAL DRAFT - 09/09/2020

	<u>Current Balance</u>	<u>Prior Year</u>
<u>Current Assets:</u>		
CASH IN BANKS	189,221,643.76	169,732,210.35
Money Market (WT)	59,746.43	10,599.53
Invest Fund US Notes (WT)	160,085,000.20	157,815,000.20
Invest Prem/Disc - Notes (WT)	(337,501.50)	(690,228.65)
Market Value Adjust (WT)	1,940,698.39	158,428.82
Invest Fund-US Bills (WT)	28,430,000.00	27,905,000.00
Invest Prem/Disc Bills (WT)	(20,008.18)	(545,488.69)
MARKETABLE SECURITIES	190,157,935.34	184,653,311.21
Reins. Recovery Receivable	860,306.00	1,777,188.00
Reins. Recovery 85/86 Recvb'l	(24,922.70)	(39,274.66)
REINSURANCE RECEIVABLES	835,383.30	1,737,913.34
Interest/Divid Recvb'l - WT	579,960.61	792,833.21
INTEREST/DIVIDENDS RECEIVABLES	579,960.61	792,833.21
Legal Settlement Recvb'l	100.00	100.00
MISC ACCOUNTS RECEIVABLES	100.00	100.00
Premium Recvb'l Installments	0.00	0.00
Premium Receivable	2,421,759.94	1,875,789.80
PREMIUM RECEIVABLES	2,421,759.94	1,875,789.80
TOTAL Current Assets	383,216,782.95	358,792,157.91
F&F Original Value	1,398,983.51	1,437,167.70
Accumulated Depreciation	(1,023,431.99)	(901,641.51)
TOTAL FIXED ASSETS	375,551.52	535,526.19
<u>Other Assets:</u>		
Prepaid General Insurance	101,550.27	97,536.12
Prepaid Crime Insurance	13,738.61	18,578.09
Prepaid General Expenses	66,207.76	168,484.64
Prepaid TPA Expenses	112,500.00	112,500.00
PREPAID ASSETS	293,996.64	397,098.85



NJSIG
Balance Sheet
For the Period Ended 6/30/2020

FINAL DRAFT - 09/09/2020

	<u>Current Balance</u>	<u>Prior Year</u>
Unearned Reins Exp	98,915.77	93,207.05
Unearned Agent Comm.	36,755.07	34,559.05
UNEARNED EXPENSES	<u>135,670.84</u>	<u>127,766.10</u>
OTHER ASSETS	<u>0.00</u>	<u>0.00</u>
GASB68-Defer Out-ChngInAssump	1,445,992.00	2,631,505.00
GASB68-DeferOut-ChngProportion	1,531,257.00	2,268,736.00
GASB68-DeferOut-ExpectvsActual	259,917.00	304,540.00
GASB68DeferOut-SubsqntContrib	796,240.00	819,170.00
DEFERRED OUTFLOWS	<u>4,033,406.00</u>	<u>6,023,951.00</u>
TOTAL OTHER ASSETS	<u>4,463,073.48</u>	<u>6,548,815.95</u>
TOTAL ASSETS	<u>388,055,407.95</u>	<u>365,876,500.05</u>
Accrued Expenses Payable	3,070,731.50	3,129,488.29
A/P Module INS01	(2,328.86)	(996.95)
Safety Grant Payable	13,550,247.42	18,293,558.31
Unclaimed Prop/Escheat Payable	0.00	2,099.74
Deferred Rent Liability	82,198.86	0.00
Federal Income Tax W/H	(5.60)	(5.60)
Medicare - Employer	(1.31)	(1.31)
FSA MED Payable	(1,482.58)	(2,426.95)
FSA Depend Payable	1,672.00	(398.32)
TOTAL CURRENT LIABILITIES	<u>16,701,031.43</u>	<u>21,421,317.21</u>
Estimated Unpaid Losses	191,332,000.00	200,277,000.00
Reserve-Unalloc Loss Adjust	8,700,000.00	8,700,000.00
Unearned Premiums	383,060.51	362,347.61
Post Retirement Bene Paybl	2,178,712.13	2,199,849.57
Rate Stabilization-ERIC North	593,362.40	593,362.40
Rate Stabilization-ERIC South	99,230.99	99,230.99
Rate Stabilization - ERIC West	197,760.85	197,760.85
Rate Stabilization - BACCCEIC	319,325.66	319,325.66
Rate Stabilization - MOCSSIF	320,824.09	320,824.09
Rate Stabilization - NJEIF	437,559.63	437,559.63
TOTAL LONG TERM LIABILITIES	<u>204,561,836.26</u>	<u>213,507,260.80</u>



NJSIG
Balance Sheet
For the Period Ended 6/30/2020

FINAL DRAFT - 09/09/2020

	<u>Current Balance</u>	<u>Prior Year</u>
Pensions Payable	40,018.05	42,157.38
GASB68-Pension Payable	14,481,115.00	15,969,473.00
DCRP Payable	0.00	1,079.41
403B/T. Rowe Price Payable	4,125.72	4,222.67
Retro Claims (Cash)	183,615.94	158,047.79
Group Term Life Payable	199.67	197.65
Agent Comm. Payable	186,562.56	160,150.21
TOTAL OTHER LIABILITIES	<u>14,895,636.94</u>	<u>16,335,328.11</u>
TOTAL REINSURANCE PAYABLES	<u>1,894,225.90</u>	<u>1,378,710.44</u>
TOTAL EXCISE TAX LIABILITIES	<u>(5,216.27)</u>	<u>2,723.59</u>
GASB68-DeferIn-DiffInInvest	228,590.00	149,794.00
GASB68-DeferIn-ChngIn Proport	176,714.00	68,024.00
GASB68-DeferIn-ChngInAssump	5,026,349.00	5,106,188.00
GASB68-DeferIn-ExpectVsActual	63,971.00	82,344.00
GASB75-DeferIn-ExpectVSActual	(34.00)	(34.00)
GASB68-DeferIn-SpecLiabIndivER	0.00	246.00
TOTAL DEFERRED INFLOWS	<u>5,495,590.00</u>	<u>5,406,562.00</u>
TOTAL LIABILITIES	<u>243,543,104.26</u>	<u>258,051,902.15</u>
Retained Earnings Fund Balance	107,824,597.90	82,580,853.44
Year-to-Date Earnings	36,687,705.79	25,243,744.46
Total Capital	<u>144,512,303.69</u>	<u>107,824,597.90</u>
Total Liabilities and Capital	<u>388,055,407.95</u>	<u>365,876,500.05</u>



NJSIG
Income Statement
For the Period Ending 6/30/2020

FINAL DRAFT - 09/09/2020

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Income:				
Member Contributions	<u>139,702,527.82</u>	<u>136,040,314.00</u>	<u>(384,613.83)</u>	<u>0.00</u>
Retro Accounts Income	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Income	<u>139,702,527.82</u>	<u>136,040,314.00</u>	<u>(384,613.83)</u>	<u>0.00</u>
Adjustments:				
4301 Reinsurance Recoveries	6,345,535.50	1,450,000.00	813,563.80	0.00
4302 Reins Recovery W/C 85/86	14,351.96	0.00	14,351.96	0.00
4303 Accrued Reins Recoveries	(916,882.00)	0.00	860,306.00	0.00
4304 Subrogation Income	688,581.29	0.00	19,859.63	0.00
4307 Claim Deduct'bl Credit	<u>133,388.00</u>	<u>0.00</u>	<u>39,000.00</u>	<u>0.00</u>
Recoveries & Subro Income	<u>6,264,974.75</u>	<u>1,450,000.00</u>	<u>1,747,081.39</u>	<u>0.00</u>
Revenue	<u>145,967,502.57</u>	<u>137,490,314.00</u>	<u>1,362,467.56</u>	<u>0.00</u>



NJSIG
Income Statement
For the Period Ending 6/30/2020
FINAL DRAFT - 09/09/2020

		<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Expenses:					
5102	Salaries-Temporary Employees	44,347.95	129,336.00	9,492.00	10,778.00
5103	Salaries	6,074,655.56	6,772,600.80	503,648.07	564,383.40
5104	Salaries-Overtime	20,952.66	57,560.04	2,128.52	4,796.67
5105	Salaries-Third Party Sick Pay	0.00	0.00	0.00	0.00
5106	Deferred Compensation Pay	2,500.00	0.00	500.00	0.00
5108	Payroll Tax Expenses	587,731.35	546,924.00	41,968.26	45,577.00
5109	Pension Expense	803,692.00	966,197.04	0.00	80,516.42
5109-68	GASB68-Pension Expense	568,285.00	0.00	568,285.00	0.00
5111	Recruiting Costs	13,377.50	24,750.00	0.00	2,062.50
5112	Post Retirement Bene Exp	(9,699.00)	265,757.04	(9,699.00)	22,146.42
5113	Employee Medical Benefits	919,821.53	1,181,790.00	76,610.99	98,482.50
5114	Employee Dental Benefits	61,486.64	68,492.04	5,331.19	5,707.67
5115	Employee Vision Benefits	26,308.40	27,555.00	2,054.24	2,296.25
5118	Employee ST Disab & Other Ins	69,856.57	81,999.96	6,049.86	6,833.33
5119	Defined Contrib Retirement Exp	4,790.50	6,222.96	0.00	518.58
	Personnel Expenses	<u>9,188,106.66</u>	<u>10,129,184.88</u>	<u>1,206,369.13</u>	<u>844,098.74</u>
5203	Marketing Expenses	<u>5,581.42</u>	<u>14,499.96</u>	<u>2,341.69</u>	<u>1,208.33</u>
	Member Services Dept Expenses	<u>5,581.42</u>	<u>14,499.96</u>	<u>2,341.69</u>	<u>1,208.33</u>
5227	Loss Prevention	<u>9,814.41</u>	<u>27,848.04</u>	<u>46.67</u>	<u>2,320.67</u>
	Loss Control Dept Expenses	<u>9,814.41</u>	<u>27,848.04</u>	<u>46.67</u>	<u>2,320.67</u>
5252	Claims Audit Expense	0.00	102,000.00	0.00	8,500.00
5253	Claims Admin. Expenses	(124.00)	0.00	(12.00)	0.00
	Claims Dept Expenses	<u>(124.00)</u>	<u>102,000.00</u>	<u>(12.00)</u>	<u>8,500.00</u>
5301	Accounting Fees	3,273.00	0.00	0.00	0.00
5303	Actuary Fees	156,538.58	275,000.04	71,295.38	22,916.67
5305	Loss Control Outside Services	246,628.07	294,776.04	13,989.67	24,564.67
5306	Legal & Professional Fees	35,881.13	200,000.04	3,905.00	16,666.67
5310	Third Party Admin.-Willis	675,000.00	675,000.00	112,500.00	56,250.00



NJSIG
Income Statement
For the Period Ending 6/30/2020
FINAL DRAFT - 09/09/2020

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Outside Service Fees	1,117,320.78	1,444,776.12	201,690.05	120,398.01
Total Agent Commission Expense	15,397,885.75	14,074,957.00	1,985,822.09	1,982,000.00
5401 Claims Expense	61,524,852.78	72,431,439.00	4,470,514.52	6,035,953.25
5402 Change in Claims Reserves	(8,945,000.00)	0.00	(8,945,000.00)	0.00
Claims Expenses	52,579,852.78	72,431,439.00	(4,474,485.48)	6,035,953.25
Reinsurance Expenses	36,301,004.30	36,068,289.04	(997.73)	9,129.67
5352 IT - Office Equipment Supplies	18,142.35	36,800.04	146.30	3,066.67
5353 Office Equipment Maintenance	10,049.70	30,300.00	1,597.74	2,525.00
5354 Computer Software Maintenance	337,632.57	347,154.96	21,316.75	28,929.58
Information Technology Dept Expenses	365,824.62	414,255.00	23,060.79	34,521.25
5702 Depreciation Expense	573,720.83	631,074.96	55,532.93	52,589.58
5703 Dues & Subscriptions	86,226.20	113,316.00	2,724.88	9,443.00
5704 Misc. Bank Fees	93,046.60	93,575.04	0.00	7,797.92
5705 IRS & State Tax/Fees	10,460.48	0.00	0.00	0.00
5708 Rent Expense	502,376.40	483,753.96	39,376.40	40,312.83
5708-DEFER Rent - Deferred Exp(Inc)	82,198.86	0.00	82,198.86	0.00
5709 Office Supplies	21,757.38	37,740.00	1,210.69	3,145.00
5710 Office Operating Expenses	58,517.75	65,184.00	5,387.55	5,432.00
5711 Office Leased Expenses	15,391.12	19,500.00	2,110.85	1,625.00
5712 Telephone Expense	0.00	999.96	0.00	83.33
5715 Group's Insurance Expense	184,377.42	225,699.96	18,358.68	18,808.33
5716 Group's Crime Insurance Exp.	32,316.48	42,000.00	2,289.75	3,500.00
5717 FSA Admin Fee	2,081.20	4,118.04	166.00	343.17
5723 Postage	53,796.61	69,500.04	3,325.13	5,791.67
5727 Employee Seminar Expenses	17,810.79	147,050.04	590.50	12,254.17
5728 Insurance Course Fees	719.00	34,600.08	0.00	2,883.34
5729 Tuition Reimbursement	4,995.00	40,490.04	0.00	3,374.17
5730 Audit Fees	71,400.00	71,400.00	71,400.00	5,950.00
5731 Consulting Fees	223,092.74	287,500.08	4,816.67	23,958.34
5732 Miscellaneous Expenses	2,197.77	3,699.96	172.37	308.33



NJSIG
Income Statement
For the Period Ending 6/30/2020
FINAL DRAFT - 09/09/2020

		<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Actuals Month</u>	<u>Budget Month</u>
5733	Disaster Recovery Expenses	111,580.40	129,042.00	11,075.28	10,753.50
5737	Cell Phone Expense	11,049.31	15,999.96	782.87	1,333.33
5738	OPRA expenses	0.00	24,999.96	0.00	2,083.33
5746	Foreign Excise Tax	82,679.42	64,815.96	(5.04)	5,401.33
	Business Operating Expenses	<u>2,241,791.76</u>	<u>2,606,060.04</u>	<u>301,514.37</u>	<u>217,171.67</u>
5201	Travel & Related Expenses	43,668.98	103,604.88	328.97	8,633.74
5851	Annual Meeting	56,734.05	63,400.00	132.92	0.00
5852	Trustee Meeting Expense	2,576.72	9,999.96	261.95	833.33
	Conferences & Meeting Expenses	<u>102,979.75</u>	<u>177,004.84</u>	<u>723.84</u>	<u>9,467.07</u>
	Total Expenses	<u>117,310,038.23</u>	<u>137,490,313.92</u>	<u>(753,926.58)</u>	<u>9,264,768.66</u>



NJSIG
Income Statement
For the Period Ending 6/30/2020
FINAL DRAFT - 09/09/2020

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Actuals Month</u>	<u>Budget Month</u>	
Other Revenue and Expenses:					
4414	Interest-NJ Cash Mgmt Fund	5,160.03	3,999.96	47.83	333.33
4423	Interest - InvBk Concentration	2,611,616.07	2,000,000.04	102,287.27	166,666.67
4424	Interest-Invest Fund (WT)	3,092,797.41	1,599,999.96	324,287.53	133,333.33
4425	Accrued Interest/Divid	(501,331.75)	0.00	(145,329.69)	0.00
	Investment Income	<u>5,208,241.76</u>	<u>3,603,999.96</u>	<u>281,292.94</u>	<u>300,333.33</u>
4501	Unrealized Gain/Loss	1,782,269.57	0.00	(180,388.21)	0.00
	Financial Income	<u>1,782,269.57</u>	<u>0.00</u>	<u>(180,388.21)</u>	<u>0.00</u>
4603	Miscellaneous Income	237.48	0.00	0.00	0.00
4604	Realized Gain/(Loss) Invest-WT	1,683,238.27	0.00	97,125.98	0.00
4605	Seminar Income	20,525.00	11,750.04	0.00	979.17
4609	Change in Unrnd Ag Comm	2,196.02	0.00	36,755.07	0.00
4610	Change in Unrnd Reins	5,708.72	0.00	98,915.77	0.00
	Other Revenues	<u>1,711,905.49</u>	<u>11,750.04</u>	<u>232,796.82</u>	<u>979.17</u>
5901	Amortization of Inv. Premiums	672,175.37	0.00	56,976.72	0.00
	Investment Expenses	<u>672,175.37</u>	<u>0.00</u>	<u>56,976.72</u>	<u>0.00</u>
	Total Other Revenue and Expenses	<u>8,030,241.45</u>	<u>3,615,750.00</u>	<u>276,724.83</u>	<u>301,312.50</u>
	Net Revenue	<u>36,687,705.79</u>	<u>3,615,750.08</u>	<u>2,393,118.97</u>	<u>(8,963,456.16)</u>

N J S I G
SUMMARY OF CASH AND INVESTMENTS
AS OF **6/30/2020**

CASH & CASH EQUIVALENTS:

Petty Cash	\$190.66
Cash Mgmt. Fund - N.J. State	\$342,444.95
Concentration Acct (TD Bank)	\$0.00
Claims Acct (TD Bank)	(\$12,286.50)
Concentration Acct (Investors)	\$192,084,125.76
Operating Acct (Investors)	(\$781,215.01)
Claims Acct (Investors)	(\$2,411,618.56)
Assessmnt Collection Acct(INV)	\$0.00
Money Market (WT)	\$59,746.63

TOTALS AS OF **6/30/2020** **\$189,281,387.93**

INVESTMENTS:

(Including amortization of premiums/discounts & excluding market value adjustments)

	<u>MATURITY</u> <u>AMOUNT</u>	<u>AMORTIZED</u> <u>PREMIUM/DISCOUNT</u> <u>VALUE</u>	<u>TOTAL MARKET</u> <u>VALUE</u>	<u>% OF</u> <u>INVEST</u>
0 TO 12 MONTHS	\$103,170,000	(\$357,510)	\$103,546,745	54%
12 TO 24 MONTHS	\$85,345,000	\$0	\$86,551,444	46%
24 TO 36 MONTHS	\$0			
36 TO 48 MONTHS	\$0			
48 TO 60 MONTHS	\$0			
TOTALS	<u>\$188,515,000</u>	<u>(\$357,510)</u>	<u>\$190,098,189</u>	<u>100%</u>

TOTAL AS OF	6/30/2020	
CASH & CASH EQUIVALENTS		\$189,281,388
INVESTMENTS		\$190,098,189
	TOTAL	<u>\$379,379,577</u>

**NEW JERSEY SCHOOLS INSURANCE GROUP
INVESTMENT PREMIUMS - FISCAL YEAR**

6/30/2020

VALUED AS OF:

6/30/2020

SOURCE: Wilmington Trust Statements:
Account Detailed Summary Report
Investment Detail Report

Purchase Date	Due Date	Description	Maturity /Par Value	Purchase Price	# of days held to maturity	Interest %	Amortiz. Invest prem/disc
2/20/2019	1/02/2020	UNITED STATES TREASURY BILLS DTD 01/03/2019 Due/ 01/02/2020	\$0	\$0	316	0.875%	\$0
2/20/2019	1/02/2020	UNITED STATES TREASURY BILLS DTD 01/03/2019 Due/ 01/02/2020	\$0	\$0	316	0.875%	\$0
2/05/2019	1/30/2020	UNITED STATES TREASURY BILLS DTD 01/31/2019 Due/ 01/30/2020	\$0	\$0	359	0.875%	\$0
05/15/2020	09/10/2020	UNITED STATES TREASURY BILLS DTD 09/12/2019 Due/ 09/10/2020	\$4,800,000	\$4,798,191	118	0.875%	\$0
06/02/2020	11/03/2020	UNITED STATES TREASURY BILLS DTD 06/02/2020 Due/ 11/03/2020	\$9,520,000	\$9,513,284	154	0.875%	\$0
05/15/2020	11/20/2020	UNITED STATES TREASURY BILLS DTD 05/14/2020 Due/11/12/2020	\$4,860,000	\$4,856,704	189	0.875%	\$0
06/16/2020	12/10/2020	UNITED STATES TREASURY BILLS DTD 06/11/2020 Due/12/10/2020	\$9,250,000	\$9,241,814	177	0.875%	\$0
TOTAL CASH EQUIVALENTS			\$28,430,000	\$28,409,992			
1/10/2019	8/31/2019	UNITED STATES TREASURY NOTES DTD 08/31/2012 1.000% 8/31/2019	\$0	\$0	233	0.875%	\$0
06/06/2019	8/31/2019	UNITED STATES TREASURY NOTES DTD 08/31/2017 1.250% 8/31/2019	\$0	\$0	86	0.875%	\$0
1/10/2018	9/15/2019	UNITED STATES TREASURY NOTES DTD 09/15/2016 0.875% 09/15/2019	\$0	\$0	613	0.875%	\$0
1/10/2018	10/15/2019	UNITED STATES TREASURY NOTES DTD 10/15/2016 1.000% 10/15/2019	\$0	\$0	643	0.875%	\$0
3/29/2019	10/31/2019	UNITED STATES TREASURY NOTES DTD 10/31/2012 1.250% 10/31/2019	\$0	\$0	216	0.875%	\$0
1/10/2018	11/15/2019	UNITED STATES TREASURY NOTES DTD 11/15/2016 1.000% 11/15/2019	\$0	\$0	674	0.875%	\$0
1/10/2018	11/15/2019	UNITED STATES TREASURY NOTES DTD 11/15/2016 1.000% 11/15/2019	\$0	\$0	674	0.875%	\$0
05/09/2019	11/30/2019	UNITED STATES TREASURY NOTES DTD 11/30/2017 1.750% 11/30/2019	\$0	\$0	205	0.875%	\$0

**NEW JERSEY SCHOOLS INSURANCE GROUP
INVESTMENT PREMIUMS - FISCAL YEAR**

6/30/2020

VALUED AS OF:

6/30/2020

SOURCE: Wilmington Trust Statements:
Account Detailed Summary Report
Investment Detail Report

Purchase Date	Due Date	Description	Maturity /Par Value	Purchase Price	# of days held to maturity	Interest %	Amortiz. Invest prem/disc
1/10/2018	12/15/2019	UNITED STATES TREASURY NOTES DTD 12/15/2016 1.375% 12/15/2019	\$0	\$0	704	0.875%	\$0
05/15/2019	12/31/2019	UNITED STATES TREASURY NOTES DTD 12/31/2012 1.125% 12/31/2019	\$0	\$0	230	0.875%	\$0
1/10/2018	1/15/2020	UNITED STATES TREASURY NOTES DTD 01/15/2017 1.375% 01/15/2020	\$0	\$0	735	0.875%	\$0
1/10/2018	1/15/2020	UNITED STATES TREASURY NOTES DTD 01/15/2017 1.375% 01/15/2020	\$0	\$0	735	0.875%	\$0
02/15/2018	02/15/2020	UNITED STATES TREASURY NOTES DTD 02/15/2017 1.375% 02/15/2020	\$0	\$0	730	0.875%	\$0
02/20/2019	03/15/2020	UNITED STATES TREASURY NOTES DTD 03/15/2017 1.625% 03/15/2020	\$0	\$0	389	0.875%	\$0
03/15/2019	04/15/2020	UNITED STATES TREASURY NOTES DTD 04/15/2017 1.500% 04/15/2020	\$0	\$0	397	0.875%	\$0
04/04/2019	05/31/2020	UNITED STATES TREASURY NOTES DTD 05/31/2013 1.3750% 5/31/2020	\$0	\$0	423	0.875%	\$0
04/17/2019	06/15/2020	UNITED STATES TREASURY NOTES DTD 06/15/2017 1.500% 6/15/2020	\$0	\$0	425	0.875%	\$0
06/21/2019	07/15/2020	UNITED STATES TREASURY NOTES DTD 07/15/2017 1.500% 7/15/2020	\$9,425,000	\$9,384,502	390	0.875%	(\$38,940)
07/15/2019	08/31/2020	UNITED STATES TREASURY NOTES DTD 07/31/2015 1.375% 8/31/2020	\$9,220,000	\$9,158,413	413	0.875%	(\$52,341)
07/18/2019	09/30/2020	UNITED STATES TREASURY NOTES DTD 09/30/2015 1.375% 9/30/2020	\$9,295,000	\$9,234,002	440	0.875%	(\$48,884)
10/01/2019	01/31/2021	UNITED STATES TREASURY NOTES DTD 01/31/2016 1.375% 1/31/2021	\$9,250,000	\$9,209,170	488	0.875%	(\$22,925)
01/15/2020	02/28/2021	UNITED STATES TREASURY NOTES DTD 02/29/2016 1.125% 2/28/2021	\$9,600,000	\$9,549,000	410	0.875%	(\$18,941)
03/17/2020	02/28/2021	UNITED STATES TREASURY NOTES DTD 02/29/2016 1.125% 2/28/2021	\$9,400,000	\$9,464,258	348	0.875%	\$19,388
10/01/2019	03/31/2021	UNITED STATES TREASURY NOTES DTD 03/31/2016 1.250% 3/31/2021	\$9,250,000	\$9,193,633	547	0.875%	(\$28,235)
12/31/2019	04/30/2021	UNITED STATES TREASURY NOTES DTD 04/30/2016 1.250% 4/30/2021	\$9,300,000	\$9,275,660	486	0.875%	(\$12,396)

**NEW JERSEY SCHOOLS INSURANCE GROUP
INVESTMENT PREMIUMS - FISCAL YEAR**

6/30/2020

VALUED AS OF:

6/30/2020

SOURCE: Wilmington Trust Statements:
Account Detailed Summary Report
Investment Detail Report

Purchase Date	Due Date	Description	Maturity /Par Value	Purchase Price	# of days held to maturity	Interest %	Amortiz. Invest prem/disc
01/02/2020	05/31/2021	UNITED STATES TREASURY NOTES DTD 05/31/2016 1.375% 5/31/2021	\$9,425,000	\$9,398,124	515	0.875%	(\$12,344)
10/01/2019	06/30/2021	UNITED STATES TREASURY NOTES DTD 06/30/2016 1.125% 6/30/2021	\$10,245,000	\$10,160,159	638	0.875%	(\$36,437)
12/16/2019	07/31/2021	UNITED STATES TREASURY NOTES DTD 07/31/2016 1.125% 7/31/2021	\$9,600,000	\$9,514,875	593	0.875%	(\$27,487)
11/15/2019	08/31/2021	UNITED STATES TREASURY NOTES DTD 08/30/2016 1.125% 8/31/2021	\$9,300,000	\$9,219,715	655	0.875%	(\$28,192)
10/01/2019	09/30/2021	UNITED STATES TREASURY NOTES DTD 09/30/2016 1.125% 9/30/2021	\$9,200,000	\$9,109,797	730	0.875%	(\$33,857)
10/01/2019	10/31/2021	UNITED STATES TREASURY NOTES DTD 10/31/2019 1.5% 10/31/2021	\$9,725,000	\$9,698,408	761	0.875%	(\$9,574)
12/02/2019	11/30/2021	UNITED STATES TREASURY NOTES DTD 11/30/2019 1.5% 11/30/2021	\$9,200,000	\$9,175,922	729	0.875%	(\$7,139)
01/31/2020	01/31/2022	UNITED STATES TREASURY NOTES DTD 1/31/2020 1.375% 1/31/2022	\$9,325,000	\$9,319,172	731	0.875%	(\$2,021)
02/18/2020	01/31/2022	UNITED STATES TREASURY NOTES DTD 1/31/2020 1.375% 1/31/2022	\$9,325,000	\$9,321,357	713	0.875%	(\$1,008)
TOTAL US TREASURIES			\$160,085,000	\$159,386,166			(\$361,332)
			\$188,515,000	\$187,796,158			(\$361,332)

**NEW JERSEY SCHOOLS INSURANCE GROUP
INVESTMENT PREMIUMS - FISCAL YEAR**

VALUED AS OF:

SOURCE: Wilmington Trust Statements:
Account Detailed Summary Report
Investment Detail Report

PAR VALUE AS OF:

6/30/2020

Purchase Date	Due Date	Description	One Year To Maturity Date	Two Year To Maturity Date	Three Year To Maturity Date	Four Year To Maturity Date	Five Year To Maturity Date
2/20/2019	1/02/2020	UNITED STATES TREASURY BILLS DTD 01/03/2019 Due/ 01/02/2020		0.00			
2/20/2019	1/02/2020	UNITED STATES TREASURY BILLS DTD 01/03/2019 Due/ 01/02/2020		0.00			
2/05/2019	1/30/2020	UNITED STATES TREASURY BILLS DTD 01/31/2019 Due/ 01/30/2020		0.00			
05/15/2020	09/10/2020	UNITED STATES TREASURY BILLS DTD 09/12/2019 Due/ 09/10/2020	4,800,000.00				
06/02/2020	11/03/2020	UNITED STATES TREASURY BILLS DTD 06/02/2020 Due/ 11/03/2020	9,520,000.00				
05/15/2020	11/20/2020	UNITED STATES TREASURY BILLS DTD 05/14/2020 Due/11/12/2020	4,860,000.00				
06/16/2020	12/10/2020	UNITED STATES TREASURY BILLS DTD 06/11/2020 Due/12/10/2020	9,250,000.00				

TOTAL CASH EQUIVALENTS

\$28,430,000 \$0

1/10/2019	8/31/2019	UNITED STATES TREASURY NOTES DTD 08/31/2012 1.000% 8/31/2019	0.00
06/06/2019	8/31/2019	UNITED STATES TREASURY NOTES DTD 08/31/2017 1.250% 8/31/2019	0.00
1/10/2018	9/15/2019	UNITED STATES TREASURY NOTES DTD 09/15/2016 0.875% 09/15/2019	0.00
1/10/2018	10/15/2019	UNITED STATES TREASURY NOTES DTD 10/15/2016 1.000% 10/15/2019	0.00
3/29/2019	10/31/2019	UNITED STATES TREASURY NOTES DTD 10/31/2012 1.250% 10/31/2019	0.00
1/10/2018	11/15/2019	UNITED STATES TREASURY NOTES DTD 11/15/2016 1.000% 11/15/2019	0.00
1/10/2018	11/15/2019	UNITED STATES TREASURY NOTES DTD 11/15/2016 1.000% 11/15/2019	0.00
05/09/2019	11/30/2019	UNITED STATES TREASURY NOTES DTD 11/30/2017 1.750% 11/30/2019	0.00

**NEW JERSEY SCHOOLS INSURANCE GROUP
INVESTMENT PREMIUMS - FISCAL YEAR**

VALUED AS OF:

SOURCE: Wilmington Trust Statements:
Account Detailed Summary Report
Investment Detail Report

PAR VALUE AS OF:

6/30/2020

Purchase Date	Due Date	Description	One Year To Maturity Date	Two Year To Maturity Date	Three Year To Maturity Date	Four Year To Maturity Date	Five Year To Maturity Date
1/10/2018	12/15/2019	UNITED STATES TREASURY NOTES DTD 12/15/2016 1.375% 12/15/2019					
			0.00				
05/15/2019	12/31/2019	UNITED STATES TREASURY NOTES DTD 12/31/2012 1.125% 12/31/2019					
			0.00				
1/10/2018	1/15/2020	UNITED STATES TREASURY NOTES DTD 01/15/2017 1.375% 01/15/2020					
			0.00				
1/10/2018	1/15/2020	UNITED STATES TREASURY NOTES DTD 01/15/2017 1.375% 01/15/2020					
			0.00				
02/15/2018	02/15/2020	UNITED STATES TREASURY NOTES DTD 02/15/2017 1.375% 02/15/2020					
			0.00				
02/20/2019	03/15/2020	UNITED STATES TREASURY NOTES DTD 03/15/2017 1.625% 03/15/2020					
			0.00				
03/15/2019	04/15/2020	UNITED STATES TREASURY NOTES DTD 04/15/2017 1.500% 04/15/2020					
			0.00				
04/04/2019	05/31/2020	UNITED STATES TREASURY NOTES DTD 05/31/2013 1.3750% 5/31/2020					
			0.00				
04/17/2019	06/15/2020	UNITED STATES TREASURY NOTES DTD 06/15/2017 1.500% 6/15/2020					
			0.00				
06/21/2019	07/15/2020	UNITED STATES TREASURY NOTES DTD 07/15/2017 1.500% 7/15/2020					
			9,425,000.00				
07/15/2019	08/31/2020	UNITED STATES TREASURY NOTES DTD 07/31/2015 1.375% 8/31/2020					
			9,220,000.00				
07/18/2019	09/30/2020	UNITED STATES TREASURY NOTES DTD 09/30/2015 1.375% 9/30/2020					
			9,295,000.00				
10/01/2019	01/31/2021	UNITED STATES TREASURY NOTES DTD 01/31/2016 1.375% 1/31/2021					
			9,250,000.00				
01/15/2020	02/28/2021	UNITED STATES TREASURY NOTES DTD 02/29/2016 1.125% 2/28/2021					
			9,600,000.00				
03/17/2020	02/28/2021	UNITED STATES TREASURY NOTES DTD 02/29/2016 1.125% 2/28/2021					
			9,400,000.00				
10/01/2019	03/31/2021	UNITED STATES TREASURY NOTES DTD 03/31/2016 1.250% 3/31/2021					
			9,250,000.00				
12/31/2019	04/30/2021	UNITED STATES TREASURY NOTES DTD 04/30/2016 1.250% 4/30/2021					
			9,300,000.00				

**NEW JERSEY SCHOOLS INSURANCE GROUP
INVESTMENT PREMIUMS - FISCAL YEAR**

VALUED AS OF:

SOURCE: Wilmington Trust Statements:
Account Detailed Summary Report
Investment Detail Report

PAR VALUE AS OF:

6/30/2020

Purchase Date	Due Date	Description	One Year To Maturity Date	Two Year To Maturity Date	Three Year To Maturity Date	Four Year To Maturity Date	Five Year To Maturity Date
01/02/2020	05/31/2021	UNITED STATES TREASURY NOTES DTD 05/31/2016 1.375% 5/31/2021		9,425,000.00			
10/01/2019	06/30/2021	UNITED STATES TREASURY NOTES DTD 06/30/2016 1.125% 6/30/2021		10,245,000.00			
12/16/2019	07/31/2021	UNITED STATES TREASURY NOTES DTD 07/31/2016 1.125% 7/31/2021		9,600,000.00			
11/15/2019	08/31/2021	UNITED STATES TREASURY NOTES DTD 08/30/2016 1.125% 8/31/2021		9,300,000.00			
10/01/2019	09/30/2021	UNITED STATES TREASURY NOTES DTD 09/30/2016 1.125% 9/30/2021		9,200,000.00			
10/01/2019	10/31/2021	UNITED STATES TREASURY NOTES DTD 10/31/2019 1.5% 10/31/2021		9,725,000.00			
12/02/2019	11/30/2021	UNITED STATES TREASURY NOTES DTD 11/30/2019 1.5% 11/30/2021		9,200,000.00			
01/31/2020	01/31/2022	UNITED STATES TREASURY NOTES DTD 1/31/2020 1.375% 1/31/2022		9,325,000.00			
02/18/2020	01/31/2022	UNITED STATES TREASURY NOTES DTD 1/31/2020 1.375% 1/31/2022		9,325,000.00			

TOTAL US TREASURIES

\$74,740,000 \$85,345,000

\$103,170,000 \$85,345,000



NJSIG
Balance Sheet
For the Period Ended 5/31/2020

	<u>Current Balance</u>	<u>Prior Year</u>
<u>Current Assets:</u>		
CASH IN BANKS	189,352,377.36	173,159,895.57
Money Market (WT)	9,315,556.29	148,958.67
Invest Fund US Notes (WT)	169,260,000.20	138,950,000.20
Invest Prem/Disc - Notes (WT)	(377,650.76)	(743,465.13)
Market Value Adjust (WT)	2,121,086.60	(8,523.90)
Invest Fund-US Bills (WT)	9,660,000.00	46,525,000.00
Invest Prem/Disc Bills (WT)	(5,105.57)	(732,668.17)
MARKETABLE SECURITIES	189,973,886.76	184,139,301.67
Reins. Recovery Receivable	0.00	0.00
Reins. Recovery 85/86 Recvb'l	(39,274.66)	(40,873.32)
REINSURANCE RECEIVABLES	(39,274.66)	(40,873.32)
Interest/Divid Recvb'l - WT	725,290.30	793,344.98
INTEREST/DIVIDENDS RECEIVABLES	725,290.30	793,344.98
Legal Settlement Recvb'l	100.00	100.00
MISC ACCOUNTS RECEIVABLES	100.00	100.00
Premium Recvb'l Installments	3,033,822.51	2,901,322.81
Premium Receivable	3,930,066.93	1,881,681.64
PREMIUM RECEIVABLES	6,963,889.44	4,783,004.45
TOTAL Current Assets	386,976,269.20	362,834,773.35
F&F Original Value	1,850,913.86	1,954,569.53
Accumulated Depreciation	(1,419,829.41)	(1,408,474.15)
TOTAL FIXED ASSETS	431,084.45	546,095.38
<u>Other Assets:</u>		
Prepaid General Insurance	116,468.24	113,792.14
Prepaid Crime Insurance	16,028.36	21,674.42
Prepaid General Expenses	85,374.09	150,102.38
Prepaid TPA Expenses	0.00	168,750.00
PREPAID ASSETS	217,870.69	454,318.94



NJSIG
Balance Sheet
For the Period Ended 5/31/2020

	<u>Current Balance</u>	<u>Prior Year</u>
Unearned Reins Exp	0.00	0.00
Unearned Agent Comm.	0.00	0.00
UNEARNED EXPENSES	<u>0.00</u>	<u>0.00</u>
OTHER ASSETS	<u>0.00</u>	<u>0.00</u>
GASB68-Defer Out-ChngInAssump	2,631,505.00	3,554,597.00
GASB68-DeferOut-ChngProportion	2,268,736.00	1,808,057.00
GASB68-DeferOut-ExpectvsActual	304,540.00	415,448.00
GASB68-DeferOut-NETDiffProjInv	0.00	120,142.00
GASB68DeferOut-SubsqntContrib	0.00	0.00
DEFERRED OUTFLOWS	<u>5,204,781.00</u>	<u>5,898,244.00</u>
TOTAL OTHER ASSETS	<u>5,422,651.69</u>	<u>6,352,562.94</u>
TOTAL ASSETS	<u><u>392,830,005.34</u></u>	<u><u>369,733,431.67</u></u>
Accrued Expenses Payable	122,294.69	122,294.69
A/P Module INS01	(533.84)	(2,440.35)
Safety Grant Payable	13,550,247.42	16,293,558.31
Unclaimed Prop/Escheat Payable	0.00	2,099.74
Federal Income Tax W/H	(5.60)	(5.60)
Medicare - Employer	(1.31)	(1.31)
FSA MED Payable	(532.29)	(3,174.66)
FSA Depend Payable	1,269.66	(398.32)
TOTAL CURRENT LIABILITIES	<u>13,672,738.73</u>	<u>16,411,932.50</u>
Estimated Unpaid Losses	200,277,000.00	207,638,000.00
Reserve-Unalloc Loss Adjust	8,700,000.00	8,900,000.00
Unearned Premiums	0.00	0.00
Post Retirement Bene Paybl	2,188,911.13	1,957,403.89
Rate Stabilization-ERIC North	593,362.40	593,362.40
Rate Stabilization-ERIC South	99,230.99	99,230.99
Rate Stabilization - ERIC West	197,760.85	197,760.85
Rate Stabilization - BACCCEIC	319,325.66	319,325.66
Rate Stabilization - MOCSSIF	320,824.09	320,824.09
Rate Stabilization - NJEIF	437,559.63	437,559.63
TOTAL LONG TERM LIABILITIES	<u>213,133,974.75</u>	<u>220,463,467.51</u>
Pensions Payable	42,644.62	43,338.89
GASB68-Pension Payable	15,969,473.00	17,643,695.00
DCRP Payable	0.00	1,079.41



NJSIG
Balance Sheet
For the Period Ended 5/31/2020

	<u>Current Balance</u>	<u>Prior Year</u>
403B/T. Rowe Price Payable	4,075.72	0.00
Retro Claims (Cash)	187,833.39	175,672.42
Group Term Life Payable	240.02	233.90
Agent Comm. Payable	403,265.99	279,261.85
TOTAL OTHER LIABILITIES	<u>16,607,532.74</u>	<u>18,143,281.47</u>
TOTAL REINSURANCE PAYABLES	<u>1,895,223.63</u>	<u>1,378,710.44</u>
TOTAL EXCISE TAX LIABILITIES	<u>(5,211.23)</u>	<u>2,723.59</u>
GASB68-DeferIn-DiffInInvest	149,794.00	0.00
GASB68-DeferIn-ChngIn Proport	68,024.00	94,493.00
GASB68-DeferIn-ChngInAssump	5,106,188.00	3,541,565.00
GASB68-DeferIn-ExpectVsActual	82,344.00	0.00
GASB75-DeferIn-ExpectVSActual	(34.00)	(17.00)
GASB68-DeferIn-SpecLiabIndivER	246.00	0.00
TOTAL DEFERRED INFLOWS	<u>5,406,562.00</u>	<u>3,636,041.00</u>
TOTAL LIABILITIES	<u>250,710,820.62</u>	<u>260,036,156.51</u>
Retained Earnings Fund Balance	107,824,597.90	82,580,853.44
Year-to-Date Earnings	34,294,586.82	27,116,421.72
Total Capital	<u>142,119,184.72</u>	<u>109,697,275.16</u>
Total Liabilities and Capital	<u>392,830,005.34</u>	<u>369,733,431.67</u>



NJSIG
Income Statement
For the Period Ending 5/31/2020

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Income:				
Member Contributions	140,087,141.65	136,040,314.00	266.05	0.00
Retro Accounts Income	0.00	0.00	0.00	0.00
Total Income	140,087,141.65	136,040,314.00	266.05	0.00
Adjustments:				
4301 Reinsurance Recoveries	5,531,971.70	1,450,000.00	252,481.41	0.00
4303 Accrued Reins Recoveries	(1,777,188.00)	0.00	0.00	0.00
4304 Subrogation Income	668,721.66	0.00	21,999.22	0.00
4307 Claim Deduct'bl Credit	94,388.00	0.00	0.00	0.00
Recoveries & Subro Income	4,517,893.36	1,450,000.00	274,480.63	0.00
Revenue	144,605,035.01	137,490,314.00	274,746.68	0.00



NJSIG
Income Statement
For the Period Ending 5/31/2020

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Expenses:				
5102 Salaries-Temporary Employees	34,855.95	118,558.00	6,391.87	10,778.00
5103 Salaries	5,571,007.49	6,208,217.40	498,014.72	564,383.40
5104 Salaries-Overtime	18,824.14	52,763.37	814.82	4,796.67
5105 Salaries-Third Party Sick Pay	0.00	0.00	0.00	0.00
5106 Deferred Compensation Pay	2,000.00	0.00	500.00	0.00
5108 Payroll Tax Expenses	545,763.09	501,347.00	43,997.50	45,577.00
5109 Pension Expense	803,692.00	885,680.62	0.00	80,516.42
5111 Recruiting Costs	13,377.50	22,687.50	0.00	2,062.50
5112 Post Retirement Bene Exp	0.00	243,610.62	0.00	22,146.42
5113 Employee Medical Benefits	843,210.54	1,083,307.50	75,513.05	98,482.50
5114 Employee Dental Benefits	56,155.45	62,784.37	5,232.03	5,707.67
5115 Employee Vision Benefits	24,254.16	25,258.75	2,054.24	2,296.25
5118 Employee ST Disab & Other Ins	63,806.71	75,166.63	5,968.06	6,833.33
5119 Defined Contrib Retirement Exp	4,790.50	5,704.38	0.00	518.58
Personnel Expenses	<u>7,981,737.53</u>	<u>9,285,086.14</u>	<u>638,486.29</u>	<u>844,098.74</u>
5203 Marketing Expenses	<u>3,239.73</u>	<u>13,291.63</u>	<u>330.75</u>	<u>1,208.33</u>
Member Services Dept Expenses	<u>3,239.73</u>	<u>13,291.63</u>	<u>330.75</u>	<u>1,208.33</u>
5227 Loss Prevention	<u>9,767.74</u>	<u>25,527.37</u>	<u>46.67</u>	<u>2,320.67</u>
Loss Control Dept Expenses	<u>9,767.74</u>	<u>25,527.37</u>	<u>46.67</u>	<u>2,320.67</u>
5252 Claims Audit Expense	0.00	93,500.00	0.00	8,500.00
5253 Claims Admin. Expenses	(112.00)	0.00	0.00	0.00
Claims Dept Expenses	<u>(112.00)</u>	<u>93,500.00</u>	<u>0.00</u>	<u>8,500.00</u>
5301 Accounting Fees	3,273.00	0.00	0.00	0.00
5303 Actuary Fees	85,243.20	252,083.37	0.00	22,916.67
5305 Loss Control Outside Services	232,638.40	270,211.37	12,429.17	24,564.67
5306 Legal & Professional Fees	31,976.13	183,333.37	3,060.00	16,666.67
5310 Third Party Admin.-Willis	562,500.00	618,750.00	0.00	56,250.00
Outside Service Fees	<u>915,630.73</u>	<u>1,324,378.11</u>	<u>15,489.17</u>	<u>120,398.01</u>



NJSIG
Income Statement
For the Period Ending 5/31/2020

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Total Agent Commission Expense	13,412,063.66	12,092,957.00	(0.05)	0.00
5401 Claims Expense	57,054,338.26	66,395,485.75	4,694,610.94	6,035,953.25
Claims Expenses	57,054,338.26	66,395,485.75	4,694,610.94	6,035,953.25
Reinsurance Expenses	36,302,002.03	36,059,159.37	8.52	9,129.67
5352 IT - Office Equipment Supplies	17,996.05	33,733.37	886.23	3,066.67
5353 Office Equipment Maintenance	8,451.96	27,775.00	1,597.74	2,525.00
5354 Computer Software Maintenance	316,315.82	318,225.38	16,948.88	28,929.58
Information Technology Dept Expenses	342,763.83	379,733.75	19,432.85	34,521.25
5702 Depreciation Expense	518,187.90	578,485.38	53,178.78	52,589.58
5703 Dues & Subscriptions	83,501.32	103,873.00	1,753.88	9,443.00
5704 Misc. Bank Fees	93,046.60	85,777.12	0.00	7,797.92
5705 IRS & State Tax/Fees	10,460.48	0.00	0.00	0.00
5708 Rent Expense	463,000.00	443,441.13	39,376.40	40,312.83
5709 Office Supplies	20,546.69	34,595.00	24.92	3,145.00
5710 Office Operating Expenses	53,130.20	59,752.00	3,976.89	5,432.00
5711 Office Leased Expenses	13,280.27	17,875.00	950.80	1,625.00
5712 Telephone Expense	0.00	916.63	0.00	83.33
5715 Group's Insurance Expense	166,018.74	206,891.63	17,785.23	18,808.33
5716 Group's Crime Insurance Exp.	30,026.73	38,500.00	2,289.75	3,500.00
5717 FSA Admin Fee	1,915.20	3,774.87	166.00	343.17
5723 Postage	50,471.48	63,708.37	681.02	5,791.67
5727 Employee Seminar Expenses	17,220.29	134,795.87	554.50	12,254.17
5728 Insurance Course Fees	719.00	31,716.74	0.00	2,883.34
5729 Tuition Reimbursement	4,995.00	37,115.87	0.00	3,374.17
5730 Audit Fees	0.00	65,450.00	0.00	5,950.00
5731 Consulting Fees	218,276.07	263,541.74	666.67	23,958.34
5732 Miscellaneous Expenses	2,025.40	3,391.63	140.37	308.33
5733 Disaster Recovery Expenses	100,505.12	118,288.50	8,575.29	10,753.50
5737 Cell Phone Expense	10,266.44	14,666.63	754.89	1,333.33
5738 OPRA expenses	0.00	22,916.63	0.00	2,083.33
5746 Foreign Excise Tax	82,684.46	59,414.63	0.00	5,401.33
Business Operating Expenses	1,940,277.39	2,388,888.37	130,875.39	217,171.67



NJSIG
Income Statement
For the Period Ending 5/31/2020

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Actuals Month</u>	<u>Budget Month</u>
5201 Travel & Related Expenses	43,340.01	94,971.14	0.00	8,633.74
5851 Annual Meeting	56,601.13	63,400.00	132.92	0.00
5852 Trustee Meeting Expense	2,314.77	9,166.63	52.70	833.33
Conferences & Meeting Expenses	<u>102,255.91</u>	<u>167,537.77</u>	<u>185.62</u>	<u>9,467.07</u>
Total Expenses	<u>118,063,964.81</u>	<u>128,225,545.26</u>	<u>5,499,466.15</u>	<u>7,282,768.66</u>



NJSIG
Income Statement
For the Period Ending 5/31/2020

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Other Revenue and Expenses:				
4414 Interest-NJ Cash Mgmt Fund	5,112.20	3,666.63	80.83	333.33
4423 Interest - InvBk Concentration	2,509,328.80	1,833,333.37	106,309.45	166,666.67
4424 Interest-Invest Fund (WT)	2,768,509.88	1,466,666.63	738.10	133,333.33
4425 Accrued Interest/Divid	(356,002.06)	0.00	198,477.45	0.00
Investment Income	<u>4,926,948.82</u>	<u>3,303,666.63</u>	<u>305,605.83</u>	<u>300,333.33</u>
4501 Unrealized Gain/Loss	1,962,657.78	0.00	(255,842.62)	0.00
Financial Income	<u>1,962,657.78</u>	<u>0.00</u>	<u>(255,842.62)</u>	<u>0.00</u>
4603 Miscellaneous Income	237.48	0.00	0.00	0.00
4604 Realized Gain/(Loss) Invest-WT	1,586,112.29	0.00	108,374.22	0.00
4605 Seminar Income	20,525.00	10,770.87	250.00	979.17
4609 Change in Unrnd Ag Comm	(34,559.05)	0.00	0.00	0.00
4610 Change in Unrnd Reins	(93,207.05)	0.00	0.00	0.00
Other Revenues	<u>1,479,108.67</u>	<u>10,770.87</u>	<u>108,624.22</u>	<u>979.17</u>
5901 Amortization of Inv. Premiums	615,198.65	0.00	55,402.10	0.00
Investment Expenses	<u>615,198.65</u>	<u>0.00</u>	<u>55,402.10</u>	<u>0.00</u>
Total Other Revenue and Expenses	<u>7,753,516.62</u>	<u>3,314,437.50</u>	<u>102,985.33</u>	<u>301,312.50</u>
Net Revenue	<u>34,294,586.82</u>	<u>12,579,206.24</u>	<u>(5,121,734.14)</u>	<u>(6,981,456.16)</u>

INVESTORS BANK
NJSIG recent rate history

Date	Fed Action	New FF Target Rate	NJSIG Rate (FFTR-.25%)
10/29/19	Reduced 25 bpts	1.75%	1.50%
03/03/20	Reduced 50 bpts	1.25%	1.00%
03/16/20	Reduced 100 bpts	0.25%	.65%*
09/01/20	N/A	0.25%	.50%**

*Floor rate of .65% was applied. Other wise, based on the NJSIG index of FFTR -.25%, the rate would have been 0.00%

** Floor rate of .50% initiate by Investors Bank



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

Board of Trustees Meeting September 16, 2020 Client Relations and Safety and Risk Control Report

Client Relations

We have received many coverage questions regarding going back to school in a COVID-19 world. There was a big team effort to get out coverage FAQs as well as an employment FAQs to our membership before the school year started. The feedback from members and brokers has been overwhelmingly positive.

We conducted a kickoff meeting with each Sub-fund Administrator to review how we will transition to virtual sub-fund meetings. We reviewed our progress with conducting business virtually and discussed 2021/2022 renewal strategy. We are currently scheduling and preparing for the first virtual sub-fund meetings of the year starting in September.

Safety Grant checks will be delivered starting the end of September. We intend to hand deliver the checks directly to the Business Administrators, but will forward the checks by certified mail if hand delivery is not available.

We will be participating in the NJSBA Virtual Workshop Oct 20-22. NJSIG will be giving a one hour presentation, "Knowing Your Ethical Obligations and Avoiding Complaints." One QPA credit is pending approval.

Safety and Risk Control

Safety and Risk Control staff are conducting virtual meetings with members to train nurses, review loss control services, and conduct safety committee meetings. At the end of August, we held our first in-person training since March, for 85 district employees. The training went well and the member and NJSIG followed the state mandated social distancing guidelines.

Safety and Risk Control team has called every member Business Administrator to ask if we can be of any assistance to them and to offer virtual training/ education support for their staff.

Debra Rice
Client Relations/Safety and Risk Control Manager



New Jersey Schools Insurance Group
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Board of Trustees Meeting of September 16, 2020 Underwriting Report

We are pleased to announce the promotion of Shevon Bennett from Commercial Underwriter to Senior Commercial Underwriter. Shevon is a dedicated team member and an asset to the department.

Despite the challenges presented to our members and brokers by the COVID-19 pandemic, NJSIG experienced another successful renewal season. All 2020-2021 renewal proposals were issued timely and we welcomed three new members:

Central Regional Board of Education
Mount Olive Board of Education
Washington Township Board of Education (Gloucester)

All 2020-2021 invoices and policy documentation have been issued to the membership.

All 2019-2020 year-end reports and 2020-2021 first adjustment reports containing bound exposure and premium data have been prepared and sent to Willis Re Pooling for review and distribution to the various reinsurers.

Requests for renewal certificates of insurance remained characteristically high throughout the summer; however, we expect requests for new certificates to be slightly lower than normal until schools resume completely in-person instruction and all school activities return to normal.

Property appraisals for the next cycle of approximately 50 members are in progress and should be completed by December.

The 2020-2021 jurisdictional boiler inspection program provided to members by our equipment breakdown reinsurer is also underway and will continue throughout the program year. As we enter the third year of inspections with the current equipment breakdown provider, the members and NJSIG remain very pleased with the process and the highly professional services provided.

Claire A. King, J.D., AIC
Underwriting Manager



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Board of Trustees Meeting of September 16, 2020 Claims Report

CLAIM ACTIVITY

By major coverage, newly received claims (including record only) with an entry date after June 17, 2020:

Auto liability: 15
General liability: 79
Professional liability: 124
Property: 76
Workers' compensation: 246

By major coverage, closed claims (including record only) with a last closed date after June 17, 2020:

Auto liability: 33
General liability: 114
Professional liability: 107
Property: 48
Workers' compensation: 401

CLAIM OUTCOMES

NJSIG continues to obtain favorable outcomes through the efforts of the claims department.

- Claims activity report.
- Claims department focus and direction in 2020/2021.

- Petitioner sustained fractures in both arms which required surgical fixation as a result of a trip and fall. Summary Judgment motion granted dismissing the claims against plaintiff. The case was dismissed based on a special employee relationship. Plaintiff's demand was \$525K.

Sherwin Archibald
Claims Manager



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Board of Trustees Meeting of September 16, 2020 IT Report

Disaster Recovery Proposed Changes

NJSIG's lease for the Marlboro office expires in February 2021. We have begun researching options for NJSIG's disaster recovery technical needs as well as the needs for a physical location. During this search, we have relied on our experience with the COVID-19 situation where staff has been performing most work remotely but some work functions require staff to be onsite. .

During our review, we looked at our current overall costs for rent, internet services, security, and hardware and compared it to some other solutions that are available. We believe that we could cut costs fairly significantly. With these other options, we would lose a permanent physical office and utilize shared office space if and when we were to declare a disaster and the Mount Laurel office space was not habitable. Our technical data and server backups and replication needs would be moved to a cloud storage solution. Having these two new options in place would serve as viable options for our disaster recovery needs.

Jeffrey Cook
Information Systems Manager



New Jersey Schools Insurance Group
6000 Midlantic Drive, Suite 300 North
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Board of Trustees Meeting September 16, 2020
Discussion Item
Risk Based Capital/Surplus Study Guideline as of June 30, 2020

NJSIG will review and present each fiscal year-end fund surplus versus the Risk Based Capital (RBC)/Total Adjusted Capital (TAC) established by the resolution passed at the June 30, 2016 meeting. That resolution stated the following:

Each year-end, until a new surplus study is performed, NJSIG should adopt the methodology that the NJSIG member equity (surplus) target threshold should minimally meet the adapted RBC value (as determined by Sigma), including a yearly inflation factor (as measured by the Consumer Price Index and published by the Bureau of Labor Statistics), times the RBC ratio range of 2.15 – 3.30 (as determined by Sigma). The Group's adapted RBC is to be evaluated at a minimum of every five years by an independent firm. Sigma Actuarial Consulting Group was engaged to perform a strategic Total Adjusted Capital/Risk Based Capital (TAC/RBC) analysis for NJSIG. Sigma used the Group's preliminary 06/30/16 financial reports which included the 06/30/16 Willis Towers Watson study of ultimate liabilities, the 06/30/16 GASB68 adjustments (as per the NJ KPMG state report) and the assumption of a \$3 million 2015/2016 safety grant.

NJSIG's adapted RBC from the 06/30/2016 Sigma Actuarial Surplus Study was \$31.6 million.

The published twelve month inflation rate at 06/2017 (as measured by the Consumer Price Index and published by the Bureau of Labor Statistics) was 1.6%. NJSIG's 06/30/2017 RBC/TAC adjusted for 1.6% inflation was \$32.1 million.

The published twelve month inflation rate at 06/2018 (as measured by the Consumer Price Index and published by the Bureau of Labor Statistics) was 2.9%. NJSIG's 06/30/2018 RBC/TAC adjusted for 2.9% inflation was \$33.1 million.

The published twelve month inflation rate at 06/2019 (as measured by the Consumer Price Index and published by the Bureau of Labor Statistics) was 1.6%. NJSIG's 06/30/2019 RBC/TAC adjusted for 1.6% inflation was \$33.6 million.

The published twelve month inflation rate at 06/2020 (as measured by the Consumer Price Index and published by the Bureau of Labor Statistics) was 1.0%. NJSIG's 06/30/2020 RBC/TAC adjusted for 1.0% inflation was \$33.9 million.

The RBC ratio range (as determined by Sigma) is 2.15 – 3.30. Multiplying NJSIG's 06/2020 inflation adjusted RBC by these ratios sets the NJSIG 06/30/2020 RBC/TAC Surplus threshold/guideline ranges between \$72.9 million and \$111.9 million.

The current, projected 06/30/2020 NJSIG surplus (prior to fiscal year-end auditor adjustments, safety grant declarations and/or COVID-19 relief assistance) is \$144.5 million (as of 09/09/20).

This projected 06/30/2020 NJSIG surplus of \$144.5 million exceeds the upper threshold of risk based capital of \$111.9 million. Please note that this signifies the strong financial position of NJSIG. The NAIC RBC is the method used to establish minimum capital appropriate to support an insurance company's overall business operations in consideration of its size and risk profile. The \$72.9 million to \$111.9 million threshold sets the minimum amounts of surplus required as per the RBC calculations from the Sigma actuarial study. NJSIG's projected 06/30/20 surplus of \$144.5 million (prior to any fiscal year-end auditor adjustments, safety grant declarations and/or COVID-19 relief assistance) exceeds these minimum amounts.

The July 2020 Trustee Retreat included discussions regarding NJSIG surplus retention and methods to determine adequate levels with minimum risk of assessments. NJSIG had many meeting since that retreat and will be pursuing a new surplus policy to internally analyze and determine surplus thresholds – surplus floors (i.e. minimums according to statute) and surplus goals (i.e. maximums according to NJSIG's policy). It is the intention of NJSIG that the surplus study will replace this threshold analysis for all future fiscal year ends.

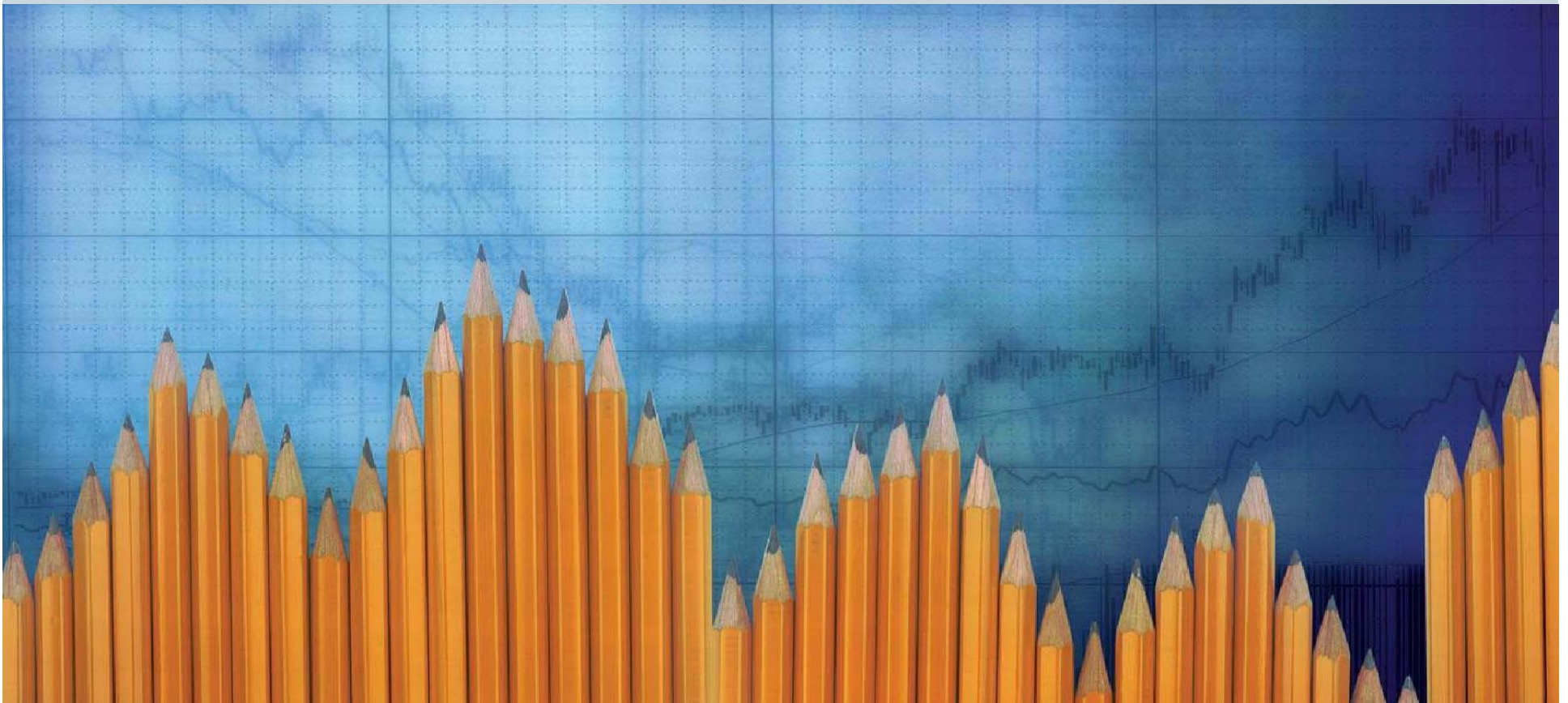
Michele Carosi
Chief Financial Officer

New Jersey School Insurance Group

Board of Directors Meeting

September 18, 2020

Presented by: Stacy L.T. Mina, FCAS, MAAA, CPCU



Agenda

- Scope and Distribution
- Indicated Loss & ALAE Liabilities as of June 30, 2020
- Potential Rate Implications for Program Year 2021-22
- Questions
- Appendix

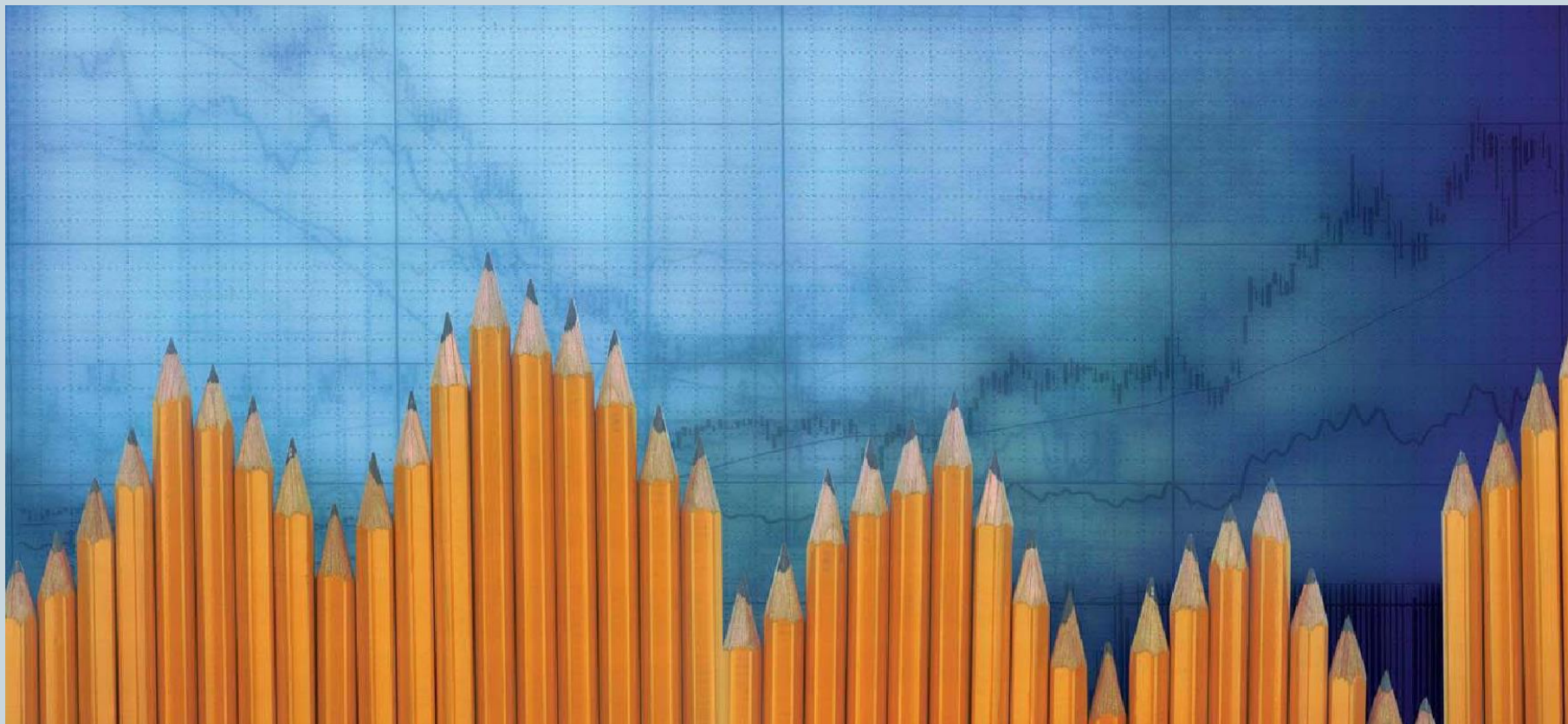
Scope and Distribution



Scope and Distribution

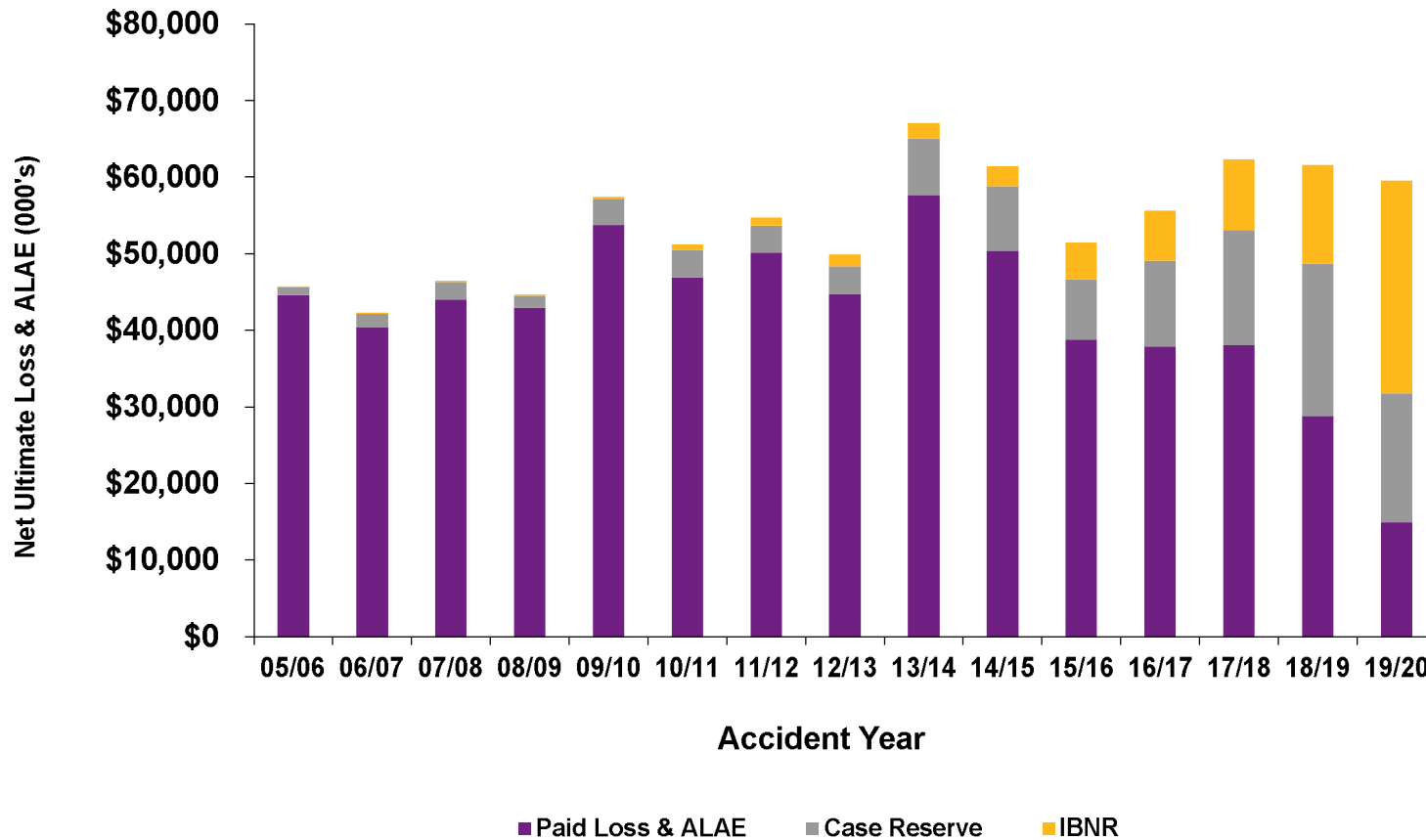
- NJSIG retained Willis Towers Watson to prepare an actuarial analysis of unpaid loss and ALAE as of June 30, 2020
- Willis Towers Watson presented the results of its review in a draft report dated August 10, 2020
- Estimates are produced on a net of reinsurance and salvage/subrogation basis
- The report provides unpaid loss estimates at an actuarial central estimate and above the central estimate
- The following slides provide a high-level summary of Willis Towers Watson's report
- Any conclusions drawn from these slides may be inappropriate and/or incomplete without a thorough reading of the full report
- The distribution of the slides contained herein is limited to the management of NJSIG and its Board of Trustees
- Ann M. Conway, Stacy L.T. Mina and Jason Brown are members of the American Academy of Actuaries and meet its qualification standards to render the actuarial opinion contained herein

Indicated Loss & ALAE Liabilities as of June 30, 2020

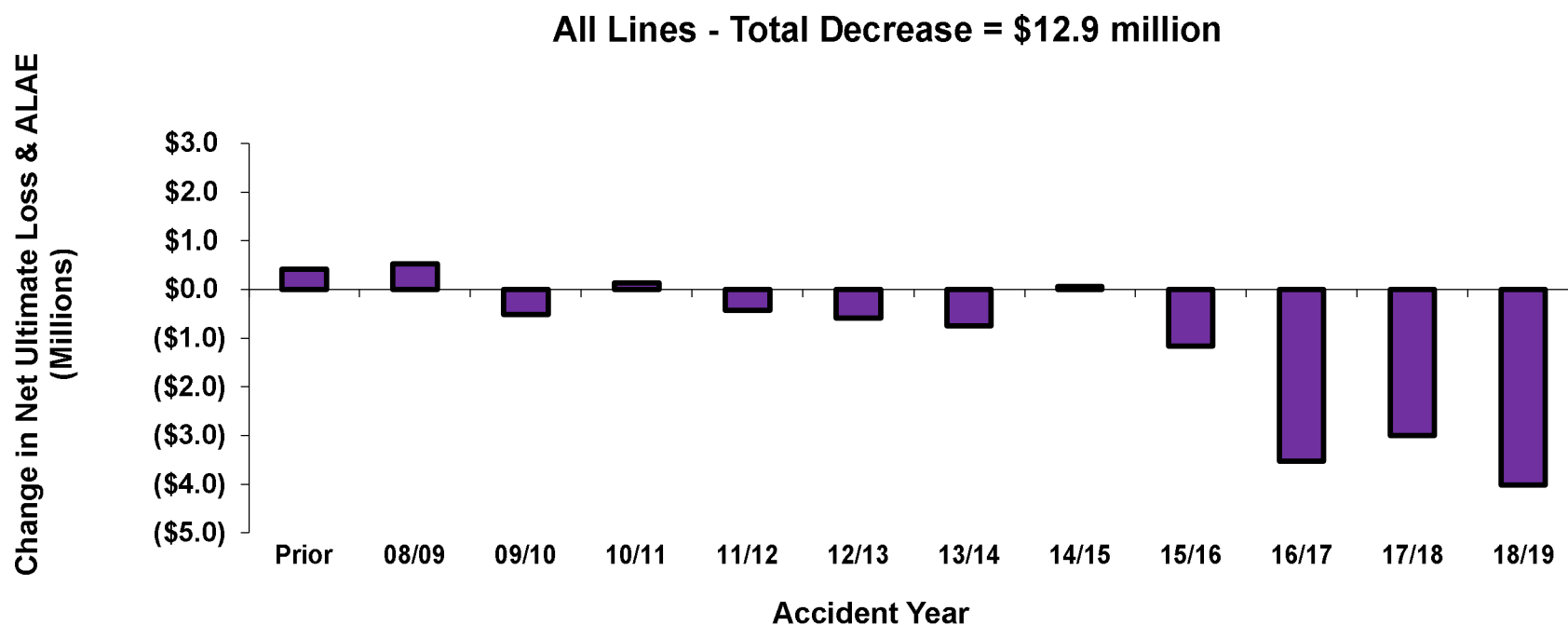


As an accident year ages, IBNR generally decreases and paid losses increase; more uncertainty in recent years' estimates

Total Net Ultimate Loss & ALAE by Component
Central Estimates (\$000s)



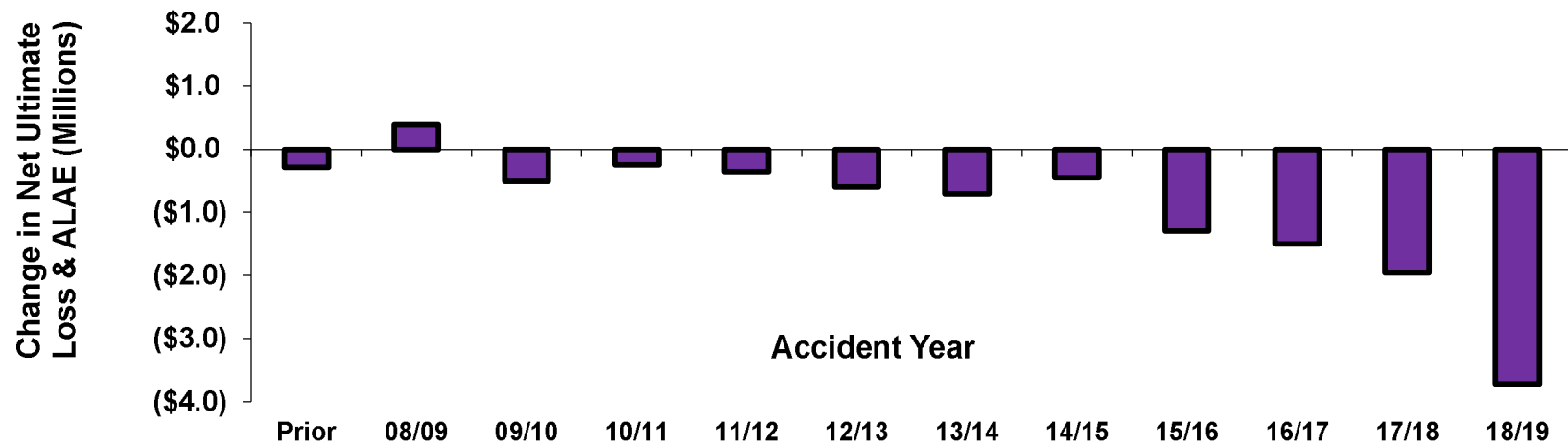
Emergence during fiscal year 2019-2020 was favorable



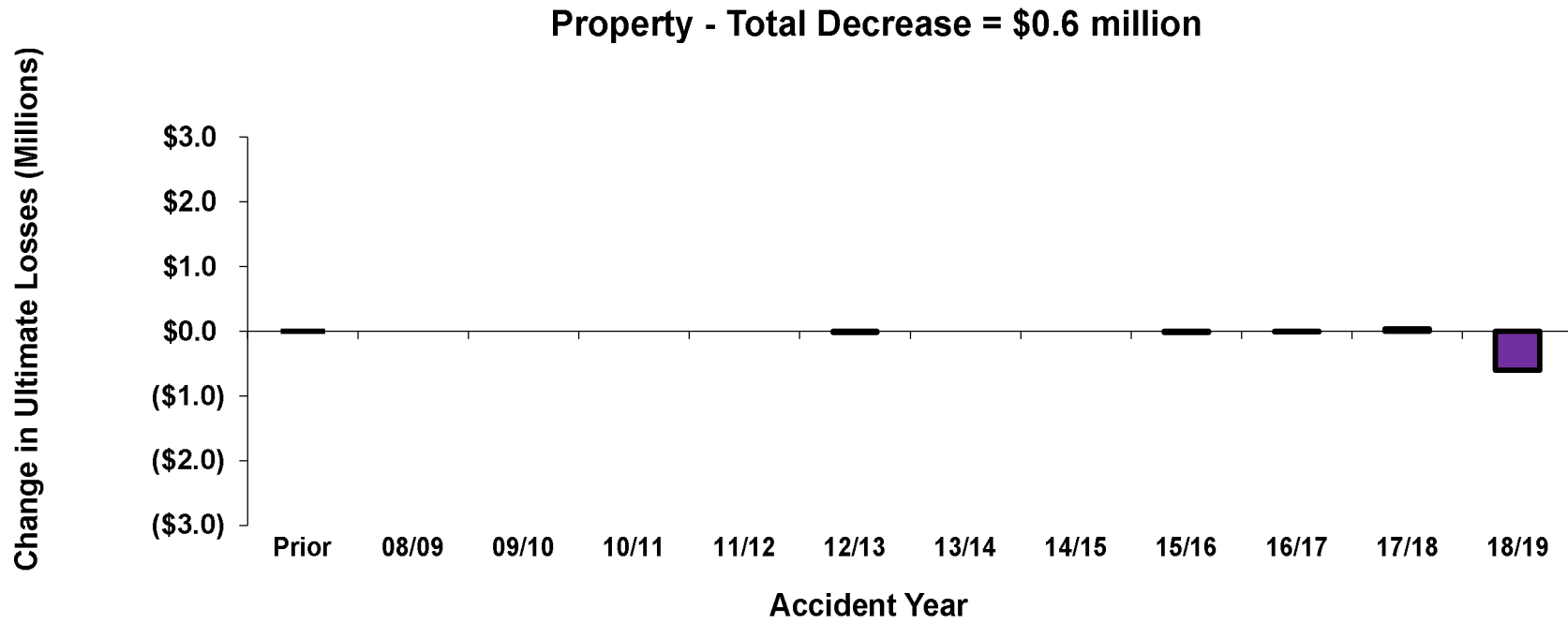
- There is increased uncertainty inherent in our estimates due to COVID-19; potential for:
 - Late reported claims
 - Deterioration of claimant medical condition due to delay of medical care

Workers compensation emergence favorable across nearly all accident years

Workers Compensation - Total Decrease = \$11.2 million



Property Ultimate Loss change since 2019

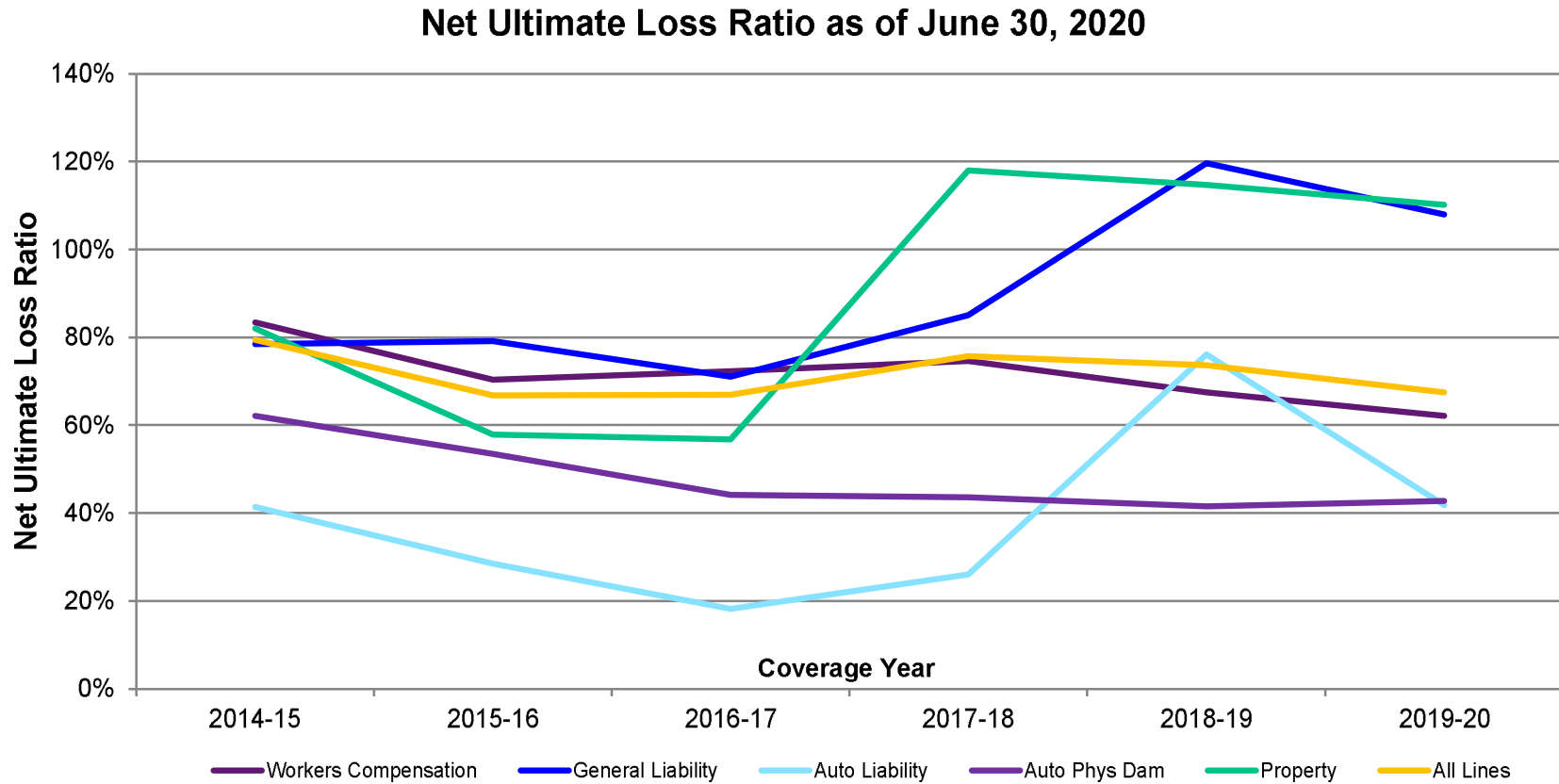


Auto Liability emergence is favorable overall, but has seen some deterioration in the more recent accident years

Auto Liability - Total Decrease = \$0.6 million



The 2019-20 all lines combined net loss and ALAE ratio is consistent with prior years



Unallocated Loss Adjustment Expense Liability

- We use a blend of NJSIG and insurance industry data
- Indicated liabilities at central estimate decreased from \$8.3 to \$8.2 million
- Booked reserves are \$8.7 million (65% confidence level)

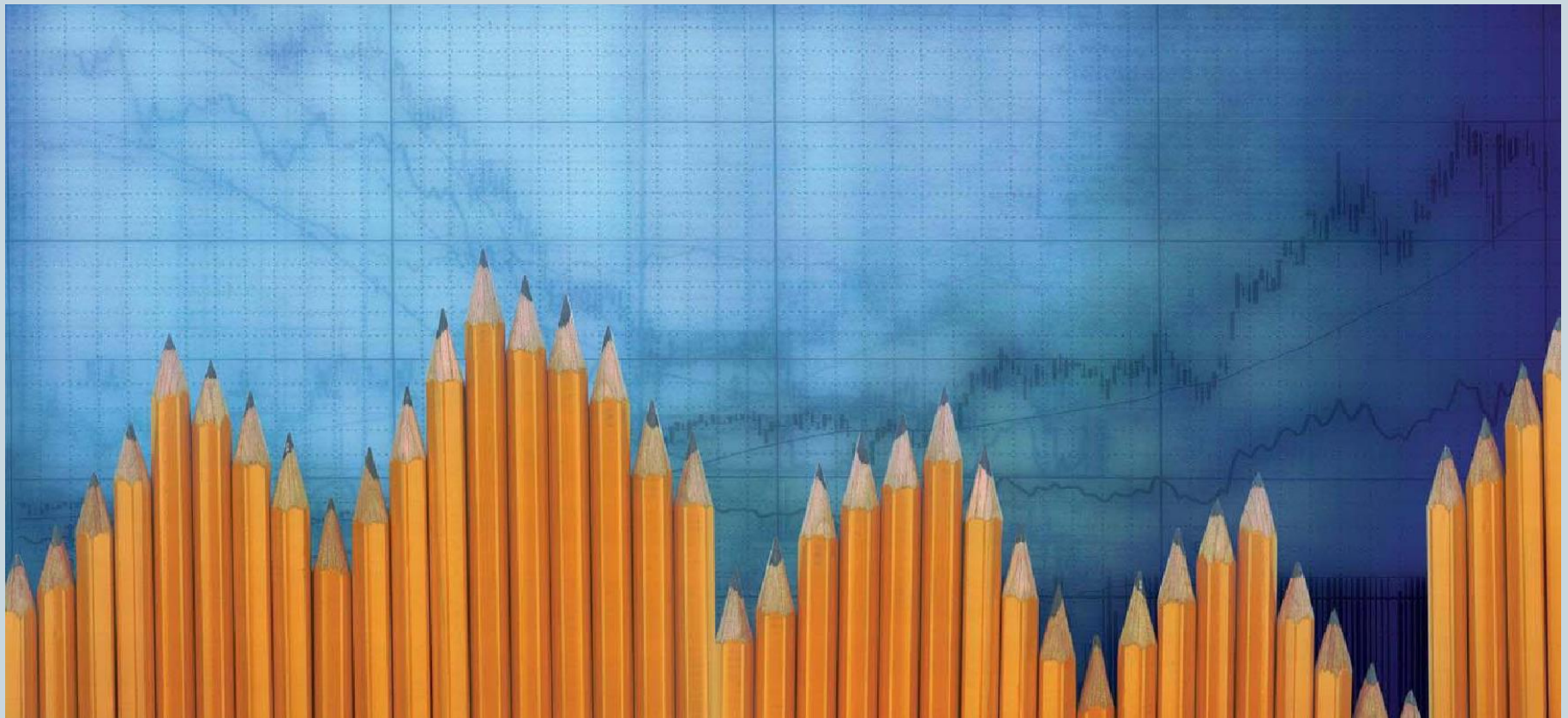
Loss and LAE reserve variability can significantly impact surplus

Impact of Variability on Booked Loss and LAE Reserves and Surplus (\$ Millions)

	Liabilities @6/30/2020	Difference versus Booked	Surplus
Booked*	\$200.0	\$—	\$144.5
Central Estimate	188.9	(11.1)	155.7
65% Percentile	200.0	0	144.5
75% Percentile	209.7	9.7	134.8
90% Percentile	231.2	31.1	113.4

*Booked numbers are preliminary and prior to any safety grant declaration.

Potential Rate Implications for Program Year 2021-22



Preliminary Rate Indications

- The results that follow are based on our June 30, 2020 liability analysis; actual rate indications will be based on data evaluated as of September 30, 2020
- Willis Towers Watson has not performed an in-depth analysis of rates at this point

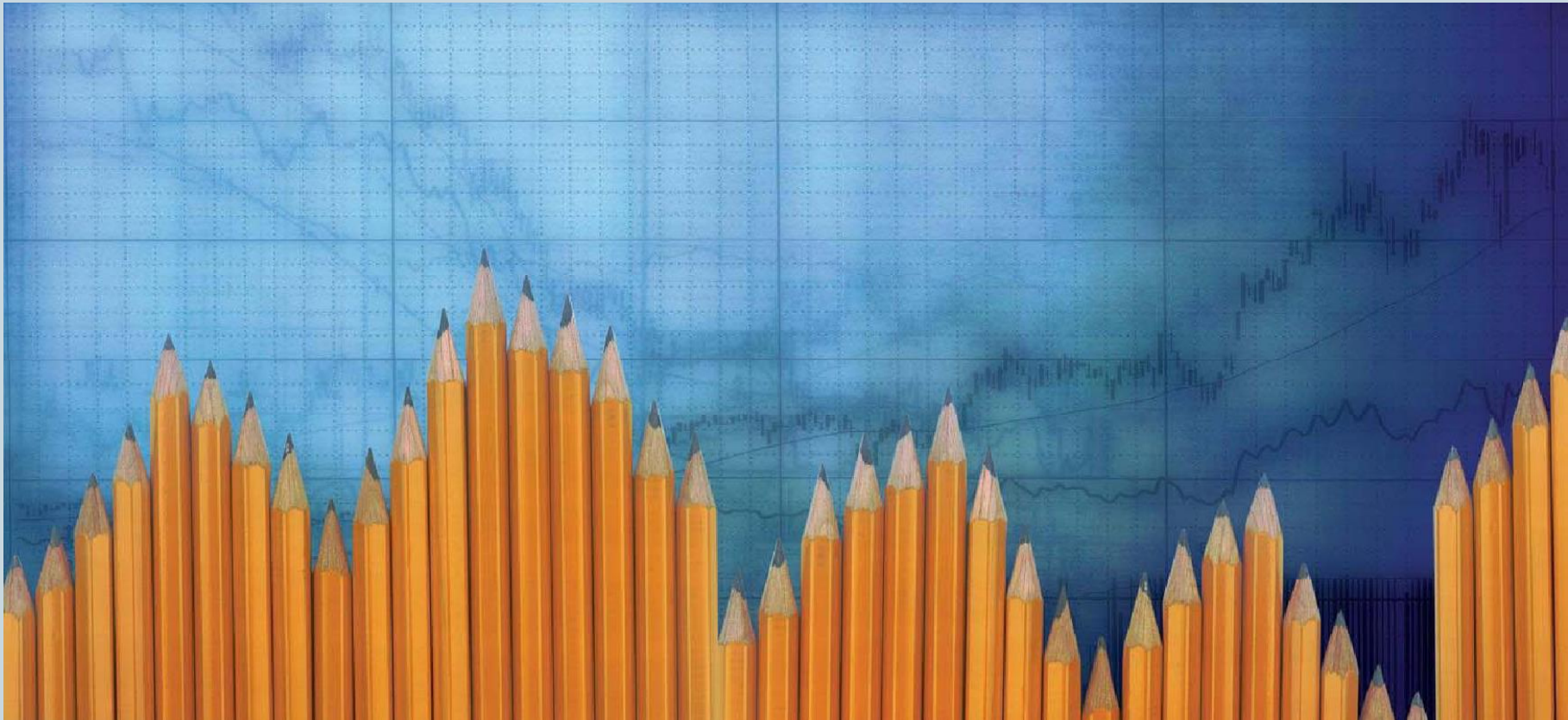
The July 1, 2021 rate level indication implies lower rates in total driven by workers compensation

Coverage	Initial Expected 2021-22 Rate Change	Direction of 2021-22 Rate Indication from Initial Expected
Workers Compensation	(5)%	Lower
General Liability	3%	Flat
Auto Liability	1.7%	Lower
Auto Physical Damage	0%	Flat
Property	2.4%	Flat
Total	(3.5)%	Lower

Questions and Discussion



Appendix



There is uncertainty inherent in the estimates of unpaid loss and ALAE

- Our estimates are based on historical claim and loss information
- There is no guarantee that estimates will prove to be accurate, and will change with future updates as new data emerges
- Multiple projection techniques (methods and models) are used, which provide various indications of the ultimate loss and LAE
- The confidence levels provided here are not all inclusive
- These estimates are based on NJSIG's historical experience and do not reflect extreme events that have a remote possibility of occurring

There is uncertainty inherent in the estimates of unpaid loss and ALAE (cont)

The inherent uncertainty associated with ultimate loss and LAE estimates is magnified in this case due to the following:

- NJSIG's mix of business is weighted toward coverages such as workers compensation and general liability for which the estimation of unpaid loss is more uncertain than for shorter-tailed property and casualty lines.
- NJSIG has relatively high per occurrence retentions, which increases the uncertainty associated with our liability estimates.
- The geographic (New Jersey) and industry (schools) concentration of NJSIG could cause adverse results due to legislative or judicial changes or catastrophic events (e.g., hurricanes).
- The passage of SAM legislation in New Jersey significantly extends the statute of limitations and may impact loss amounts in ways that are not quantifiable at this time.
- Recent changes in claims handling procedures and coverage determination increase the uncertainty associated with our liability estimates.
- There may be claims related to COVID-19 in the loss data provided to us. Our analysis does not make any adjustments for the impact of the coronavirus, either from a claims standpoint or its effects on economic and legal activity, except insofar as COVID-19 claims are in the loss data and are implicitly analyzed. The level of uncertainty inherent in our conclusions and underlying volatility in potential future outcomes is therefore increased as a result of COVID-19.

Glossary

AL – Automobile liability

ALAE – Allocated loss adjustment expense

APD – Automobile physical damage

Case Reserves – claim value estimate set by adjuster (reported loss – paid loss)

E&O – Errors and omissions

Frequency – Claims per unit of exposure

GL – General Liability

IBNR – Incurred But Not Reported (ultimate loss – reported loss)

LAE – Loss adjustment expense (ALAE + ULAE)

Severity – Average loss per claim

ULAE – Unallocated loss adjustment expense

WC – Workers compensation



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Board of Trustees Meeting of September 16, 2020
Action Item
Reserve Study as of June 30, 2020

Representatives from Willis Towers Watson (WTW) will be available by telephone for their presentation of the June 30, 2020 reserve study and to answer any questions.

The WTW study presents the 06/30/2020 actuarially determined liability estimates for:

- (1) Estimated Net Unpaid Loss and Allocated Loss Adjustment Expense (ALAE)**
- (2) Unallocated Loss Adjustment Expense (ULAE)**

These liabilities are reflected at the 65% confidence level in the financials for NJSIG's 2019/2020 fund year.

Estimated Net Unpaid Loss and Allocated Loss Adjustment Expense (ALAE) liability:

WTW has estimated NJSIG's net unpaid loss and ALAE liabilities in a range for the 2019/2020 fund year. The estimated ultimate liability is shown by confidence levels. The 50% confidence level is \$180,693,000. They also opined at the 65%, 75% and 90% levels which yielded reserves of \$191,332,000, \$200,595,000 and \$221,157,000, respectively. The higher the confidence level the more conservative the estimated ultimate liability.

NJSIG has chosen a confidence level of 65% for the 2019/2020 year resulting in a \$191,332,000 ultimate unpaid loss and ALAE liability.

Unallocated Loss Adjustment Expense (ULAE) liability:

WTW also performed an additional reserving analysis for 2019/2020 to determine NJSIG's liability for unpaid claims and unpaid losses and loss/claim adjustment expense. Their analysis resulted in Unallocated Loss Adjustment Expense (ULAE) liability amounts according to confidence levels. The 50% confidence level is \$8,200,000. They also opined at the 65%, 75% and 90% levels which yielded reserves of \$8,700,000, \$9,100,000 and \$10,000,000, respectively. Again, the higher the confidence level the more conservative the estimated ULAE liability.

NJSIG has chosen a confidence level of 65% for the 2019/2020 year resulting in an \$8,700,000 ULAE liability

The 2019/2020 recommendation is to use the WTW's 65% confidence level of \$191,332,000 of ultimate unpaid loss and ALAE liabilities and \$8,700,000 of ULAE liabilities. The changes in these liabilities contribute \$8.9 million (for the ultimate unpaid loss and ALAE) and \$0 (for ULAE) to NJSIG's 2019/2020 change in net position. Prior to any 2019/2020 Safety Grant declarations, the resulting 2019/2020 net change in position will increase NJSIG's surplus from \$107.8 million to \$144.6 million. (Any Safety Grant allocation will decrease the 2019/2020 surplus by the exact safety grant amount.)

Recommended Resolution: Approve the 08/10/2020 draft WTW 06/30/2020 reserve study as as final and adopt the 65% confidence level estimates of ultimate unpaid loss and ALAE liability and the ULAE liability from the WTW 06/30/2020 reserve study. The 65% confidence level estimates are \$191,332,000 for the unpaid loss and ALAE liability and \$8,700,000 for the ULAE liability.

Michele Carosi
Chief Financial Officer



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Board of Trustees Meeting September 16, 2020
Action Item
Resolution Authorizing the Issuance of Initial Member Refunds

At the June 17, 2020 Board of Trustees meeting, the Board voted to authorize management to explore returning a portion of the members' contributions for the 2019/2020 fiscal year due to the reduced claims activity associated with the closure of members' schools due to the COVID-19 pandemic. For the period of March 16, 2020 through June 30, 2020, NJSIG's workers' compensation and auto liability claim activity was substantially reduced compared to that of March 16, 2019 through June 30, 2019.

To this end, management has determined that the most effective way to return a portion of members' contributions would be to conduct an initial refund of member contributions for the 2019/2020 fiscal year. This initial refund would be conducted pursuant to N.J.A.C. 11:15-4.21(a), and the refund would be of a portion of member contributions for the workers' compensation fund and commercial automobile liability fund which is in excess of the amount necessary to fund all obligations for those funds for the 2019/2020 fiscal year. However, in light of N.J.A.C. 11:15-4.21(b), which requires that "[t]he fund may seek approval from the Commissioner to make initial refund payments from a claims or loss retention fund account remaining from any year which has been completed at least 24 months by submitting a written notification to the Department, with accompanying documentation as set forth in this subsection, at least 30 days prior to the proposed refund[,]" NJSIG must first seek the approval of the Commissioner of the Department of Banking and Insurance prior to conducting an initial member refund.

Recommended Resolution (NJSIG No. 0920-2): Attached

Michele Carosi
Chief Financial Officer



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Resolution Authorizing the Issuance of Initial Member Refunds

NJSIG No. 0920-2

WHEREAS, the New Jersey Schools Insurance Group (“NJSIG”) is a school board insurance group authorized by N.J.S.A. 18A:18B-1, et seq. to provide risk transfer mechanisms for its members;

WHEREAS, in response to the COVID-19 pandemic, on March 16, 2020, the Governor of the State of New Jersey, Philip D. Murphy, signed Executive Order 104, which stated in pertinent part “[a]ll public, private, and parochial preschool program premises, and elementary and secondary schools, including charter and renaissance schools, shall be closed to students beginning on Wednesday, March 18, 2020, and shall remain closed as long as this Order remains in effect[,]” and this order remained in effect through June 30, 2020;

WHEREAS, in response to the COVID-19 pandemic, on May 12, 2020, the Commissioner of the New Jersey Department of Banking and Insurance, Marlene Caride, signed Bulletin No. 20-22, ordering “insurers to make an initial premium refund or other adjustment to all adversely-impacted New Jersey policyholders” for the lines



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Resolution Authorizing the Issuance of Initial Member Refunds

NJSIG No. 0920-2

of insurance listed in Bulletin No. 20-22, including “Commercial automobile insurance” and “Workers’ compensation insurance[;]”

WHEREAS, although NJSIG is not an “insurer” under N.J.S.A. 18A:18B-3(d), NJSIG has received member inquiries regarding return of contributions in response to commercial insurers conducting premium refunds pursuant to Bulletin No. 20-22;

WHEREAS, for the period of March 16, 2020 through June 30, 2020, NJSIG’s workers’ compensation and auto liability claim activity was substantially reduced compared to that of March 16, 2019 through June 30, 2019;

WHEREAS, as a member-focused school board insurance group, NJSIG has endeavored to support our member schools in any way possible during this extraordinarily challenging time;

WHEREAS, NJSIG seeks to refund a certain percentage of member contributions for the workers’ compensation fund and commercial automobile liability fund from the 2019/2020 fiscal year;



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Resolution Authorizing the Issuance of Initial Member Refunds

NJSIG No. 0920-2

WHEREAS, N.J.A.C. 11:15-4.21(a) provides that “[a]ny monies for a fund year in excess of the amount necessary to fund all obligations for that fiscal year as certified by an actuary may be declared to be refundable by the fund not less than 24 months after the end of the fiscal year[;]”

WHEREAS, N.J.A.C. 11:15-4.21(b) provides that “[t]he fund may seek approval from the Commissioner to make initial refund payments from a claims or loss retention fund account remaining from any year which has been completed at least 24 months by submitting a written notification to the Department, with accompanying documentation as set forth in this subsection, at least 30 days prior to the proposed refund[;]” and,

NOW THEREFORE, BE IT RESOLVED, that:

- 1) The Executive Director is hereby authorized to seek approval from the Commissioner of the New Jersey Department of Banking and Insurance pursuant to N.J.A.C. 11:15-4.21(b) to request a waiver of the twenty-four month requirement of N.J.A.C. 11:15-4.21(a) due to the COVID-19 pandemic, and to



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Resolution Authorizing the Issuance of Initial Member Refunds

NJSIG No. 0920-2

conduct an initial member refund on the workers' compensation and commercial automobile liability lines for the 2019/2020 fiscal year upon receipt of such approval;

- 2) Upon receipt of approval of the Commissioner, the Executive Director is authorized to conduct an initial refund of \$3,100,232 in workers' compensation member contributions for the 2019/2020 fiscal year, and of \$178,967 in auto liability member contributions for the 2019/2020 fiscal year, to be performed in accordance with N.J.A.C. 11:15-4.21(d) and paid in proportion to the member's participation in the respective funds.

I certify that the foregoing is a true copy of a Resolution passed by the New Jersey Schools Insurance Group at the meeting duly held on the 16th day of September, 2020.



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Resolution Authorizing the Issuance of Initial Member Refunds

NJSIG No. 0920-2

New Jersey Schools Insurance Group

By: _____

Irene Le Febvre, Chairperson

Board Secretary
Use Only

DATE:

MOVED BY:

SECONDED BY:

VOTE:



New Jersey Schools Insurance Group
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www.njsig.org

Board of Trustees Meeting of September 16, 2020
Action Item
Safety Grant

NJSIG's most recent fund year ending 6/30/2020 resulted in a \$36.7 million GAAP change in net position, when using the actuary's 65% confidence level reserving methodology, and prior to any COVID-19 relief assistance or new safety grant allocation. NJSIG's 6/30/2020 investment income is \$8 million. The resulting GAAP net fiscal year surplus for 2019/2020 (i.e., \$36.7 million minus \$8 million) totals \$28.7 million. However, NJSIG's statutory net fiscal year surplus for 2019/2020 totals \$11,451,865.

NJSIG has consistently strengthened its reserves to the actuaries' 65% confidence level over the past four years. Since NJSIG's reserves currently exceed the minimum range of actuarially determined thresholds, there is no imperative for additional 2019/2020 reserving.

NJSIG's Safety Grant Policy #3710 mandates that safety grant declarations are based on net fiscal year surplus. Net fiscal year surplus means that amount of monies in a trust account established pursuant to N.J.A.C. 11:15-4.6(b) 10 that is in excess of all costs, earned investment income, refunds made pursuant to N.J.A.C. 11:15-4.21, incurred losses and loss adjustment expenses, and incurred but not reported reserves, including the associated loss adjustment expenses attributed to the fund, net of any recoverable per occurrence or aggregate excess insurance or reinsurance for a particular year. Thus, safety grants cannot be paid for with investment income. As such, the \$8 million of 2019/2020 investment income must be credited to NJSIG's net fiscal year surplus.

NJSIG currently has \$13.5 million in cumulative, outstanding (i.e., not yet paid) safety grants that have been allocated by the Board in prior fiscal years and are scheduled to be paid out as follows:

Allocated/ As of FY:	FY DATE Paid to Member:	FY 16/17 Grant Amounts	FY 17/18 Grant Amounts	FY 18/19 Grant Amounts	TOTAL PAYABLE
18/19	10/2020 (20/21)	1,500,000.00	3,000,000.00		4,500,000.00
19/20	10/2021 (21/22)	1,500,000.00	3,000,000.00		4,500,000.00
20/21	10/2022 (22/23)		2,500,000.00	2,000,000.00	<u>4,500,000.00</u>
					13,500,000.00

NJSIG management recommends the following actions for the remaining \$28.7 million of 2019/2020 GAAP net fiscal year surplus:

- Adding a new \$2 million safety grant declaration to fiscal year 2021/2022, to be paid out in October 2023
- Retaining the remaining \$26.7 million GAAP net fiscal year surplus, some of which NJSIG plans to refund to WC and GL members, due to the decreased exposures related to COVID-19 on these lines

Implementing these recommendations would result in cumulative, outstanding safety grant allocations of \$15.5 million (up from \$13.5 million), to be paid out as follows:

Allocated/ As of FY:	FY DATE Paid to Member:	FY 16/17 Grant Amounts	FY 17/18 Grant Amounts	FY 18/19 Grant Amounts	FY 19/20 Grant Amounts	TOTAL PAYABLE
18/19	10/2020 (20/21)	1,500,000.00	3,000,000.00			4,500,000.00
19/20	10/2021 (21/22)	1,500,000.00	3,000,000.00			4,500,000.00
20/21	10/2022 (22/23)		2,500,000.00	2,000,000.00		4,500,000.00
21/22	10/2023 (23/24)				2,000,000.00	<u>2,000,000.00</u>
						15,500,000.00

Implementing these recommendations would also increase NJSIG's GAAP aggregate net current surplus for all fiscal years (i.e., the sum of NJSIG's net fiscal year surplus for all fiscal years and all lines of coverage), from \$107.8 million to \$142.5 million (after the FY2020 safety grant allocation and prior to any return of COVID-19 relief assistance).

It is the intention of NJSIG to work towards phasing out the safety grant program, while simultaneously phasing in a refund/dividend program that would return any excess surplus to members by fiscal year, by line of coverage.

Recommended Resolution (NJSIG No. 0920-3): Approve a new \$2 million safety grant to be expensed from the 2019/2020 fund year for inclusion with cumulative future safety grant awards, allocated to fiscal year 2021/2022 and to be distributed in October 2023, as per NJSIG's Safety Grant Policy #3710 guidelines.

Michele Carosi
Chief Financial Officer



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Board of Trustees Meeting of September 16, 2020
Action Item
Trustee committee nominations

In order to ensure that all NJSIG Trustee Committees are fully staffed, and that all Trustees have an opportunity to serve on a least one Trustee Committee, it is proposed that Stephanie Brown, Ed.D. be assigned to the Finance Committee and Josephine Sharpe be assigned to the Personnel Committee.

Recommended Resolution (NJSIG No. 0920-4): the Board of Trustees assigns Trustee Stephanie Brown, Ed.D. to the Finance Committee and Trustee Josephine Sharpe to the Personnel Committee.

Jill Deitch, Esq.
Executive Director



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2020/2021 NJSIG Board of Trustees

Irene Le Febvre Chairperson ❖2019-2022 North Board Member	180 South Terrace Boonton, NJ 07005 (Boonton Town BOE)	O: F: C: (973)349-0664	H: (973)335-3382 momlefebvre@hotmail.com Committees: Claims, Policy
Christopher Russo, Ed.D. Vice-Chairperson ❖2019-2022 South Business Administrator	55 Grovers Mill Road Plainsboro, NJ 08536 (West Windsor-Plainsboro)	O: (609)716-5000x5020 F: C:	H: (609)694-1505 Christopher.Russo@ww-p.org Committees: Claims, Personnel
Thomas F. Connors, Ph.D. Trustee ❖2019-2022 Central Board Member	10 Seward Avenue Piscataway, NJ 08854 (Piscataway Twp BOE)	O: F: C: (732)491-3248	H: (732)463-3230 UConnDrTom@aol.com Committees: Finance
James J. Jencarelli, Jr. Trustee ❖2018-2021 North Superintendent	2 Mill Creek Road Sparta, NJ 07871 (Morris Hills Regional)	O: (973)664-2291 F: (973)627-6588 C: (201)320-7049	H: (201)320-7049 jjencarelli@mhrd.org Committees: Personnel
Joseph Meloche, Ed.D. Trustee ❖2019-2021 South Superintendent	45 Ranoldo Terrace Cherry Hill, NJ 08034 (Cherry Hill Public Schools)	O: (856)429-5600x4309 F: (856)616-9647 C: (856)229-4318	H: (856)321-1969 JMeloche@chclc.org Committees: Personnel
Steven K. Robinson Trustee ❖2018-2021 North Business Administrator	11 Foxcroft Drive Livingston, NJ 07039 (Livingston Twp. BOE)	O: (973)535-8000x8009 F: C: (973)476-1046	H: (732)617-1219 srobinson@livingston.org Committees: Finance
Dana Sullivan Trustee ❖2019-2022 Central Business Administrator	302 Elm Street, Rm 101 Westfield, NJ 07090 (Westfield BOE)	O: (908)789-4414 F: (908)789-4180 C: (201)803-2028	H: (973) 884-1737 dsullivan@westfieldnj12.org Committees: Claims, Policy
Stephanie Brown, Ed.D. Trustee ❖2020-2023 Central Superintendent	Joyce Kilmer School 21 West Church Street Milltown, NJ 08850 (Milltown BOE)	O: (732)214-2365 F: C: (732)513-4019	H: sbrown@milltownps.org Committees: Finance
Josephine Sharpe Trustee ❖2020-2023 South Board Member	4300 Pacific Avenue Wildwood, NJ 08260 (Wildwood BOE)	O: F: C: (609)972-3177	H: jm.sharpe@hotmail.com Committees: Personnel
Jill Deitch, Esq. Executive Director	6000 Midlantic Drive, Suite 300 North Mt. Laurel, NJ 08054	O: (609)386-6060x3007 F: (609)386-8877	H: jdeitch@njsig.org



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

Board of Trustees Meeting of September 16, 2020
Action Item – Second Reading
2020/2021 Meeting Dates

Each year the meeting dates are set for the next fiscal year. Below are the proposed meeting dates for the July 1, 2020 to June 30, 2021 fund year.

September 16, 2020

October 14, 2020

November 18, 2020

January 13, 2021

March 17, 2021

May 19, 2021

June 16, 2021

Recommended Resolution (NJSIG No. 0920-05): to approve the proposed 2020/2021 meeting dates.

Jill Deitch

Jill Deitch, Esq.
Executive Director



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Board of Trustees Meeting of September 16, 2020
Action Item
Payroll administration database software and services

As a part of NJSIG's efforts to maintain compliance with the PSCL, NJSIG issued a request for proposals for payroll administration database software and services (A-2020-0001). As a result of this open and fair process, NJSIG received two proposals. These proposals were evaluated using weighted evaluation criteria, and the results of that evaluation are attached. Thus, it is proposed that the contract for payroll administration database software and services be awarded to PayChex, Inc. based on the results of the committee's evaluation.

Recommended Resolution (NJSIG No. 0920-06): to adopt the contract for payroll administration database software and services be awarded to PayChex, Inc. based on the results of the committee's evaluation.

Michele Carosi
Chief Financial Officer

**NEW JERSEY SCHOOLS INSURANCE GROUP
MEMORANDUM**

Date: September 9, 2020

To: Board of Trustees
New Jersey Schools Insurance Group

From: Evaluation Committee for A-2020-0001

Subject: Payroll administration database software and services (A-2020-0001)
competitive contracting narrative summary report and
recommendations

The New Jersey Schools Insurance Group (“NJSIG”) is a school board insurance group, also known as a governmental risk pool, established in accordance with P.L. 1983, c. 108, that provides insurance coverage and risk management services to member school districts.

The concept of pooling is one whereby public entities can join together to provide protection from risks on a group basis. As a school board insurance group, NJSIG is governed by a Board of Trustees which is comprised of school board members, superintendents and business administrators from NJSIG member districts.

By joining NJSIG, members collectively attain benefits not possible individually and pool their premiums into a common fund to be used for the benefit of all member districts. NJSIG is comprised of approximately four hundred boards of education and charter school districts, and offers members a cost-effective method of obtaining coverage for all property and casualty lines, including but not limited to: workers’ compensation, general liability, automobile liability, excess liability, property, error and omissions, bonds, crime, electronic data processing, environmental liability, equipment breakdown, and auto physical damage coverage. NJSIG provides claims administration, underwriting and loss control services for members.

NJSIG issues payroll checks according to a semi-monthly pay period. Approximately seventy-five (75) checks are issued each pay period. NJSIG has approximately seventy-five (75) full-time employees.

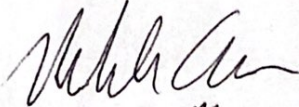
NJSIG sought proposals from qualified organizations to provide payroll administration database software and services. NJSIG’s objective with this RFP was to identify an organization to provide payroll administration database software and services for NJSIG. A full copy of the scope of work is contained within the request

for proposals for payroll administration database software and services (A-2020-0001). This solicitation was conducted in a fair and open process in accordance with the requirements for competitive contracting under the Public School Contracts Law, N.J.S.A. 18A:18A-1, et seq. Proposers were invited to submit proposals to provide payroll administration database software and services via a fair and open competitive contracting process. As a result of this solicitation, NJSIG received two proposals in total.

An evaluation committee was convened to evaluate and summarize the proposals based on weighted evaluation criteria. These weighted evaluation criteria were designed to fairly evaluate all proposals, and are based on the model evaluation criteria set forth by the State of New Jersey, Department of Community Affairs, Division of Local Government Services as codified at N.J.A.C. 5:34-4.2. This evaluation methodology is designed to fairly evaluate the responsiveness of each proposal, and the responsibility of each proposer, based on the technical criteria, management criteria and cost criteria. A complete copy of the evaluation criteria, the relative weights assigned to the evaluation criteria and an explanation of the factors each criteria are intended to evaluate is included in the request for proposals for payroll administration database software and services (A-2020-0001).

The results of the evaluation committee are summarized below:

1. Paychex, Inc. had an 85% mean composite score. The evaluation committee found this proposal reasonable as to cost. The evaluation committee found the proposal to be responsive as to management and technical criteria. The evaluation committee found Paychex, Inc.'s response to be the most thorough and professional. Paychex, Inc. also has an outstanding track record of providing reports and support for NJSIG's payroll and tax administration needs. The evaluation committee recommends accepting this proposal.
2. Unicorn HMO, LLC had a 55% mean composite score. The evaluation committee found this proposal reasonable as to cost. The evaluation committee found the proposal to be not responsive as to management and technical criteria. The evaluation committee found Unicorn HMO, LLC's response to be vague and too broad. The fee structure within their response did not seem to meet all the needs and scheduling of NJSIG's payroll and tax services. The Unicorn HMO, LLC "team" that would be assigned to NJSIG's account did not appear to have the same payroll and tax background and expertise as the Paychex "team" assigned to NJSIG. The evaluation committee recommends rejecting this proposal.


MC
9/10/2020



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

**Resolution Authorizing the Execution of
Contracts Pursuant to the Public School Contracts Law
NJSIG No. 0920-6**

WHEREAS, the New Jersey Schools Insurance Group (“NJSIG”) is authorized by N.J.S.A. 18A:18B-1, et seq. to provide risk transfer mechanisms for its members;

WHEREAS, NJSIG requires payroll administration database software and services;

WHEREAS, NJSIG has engaged in an open and fair process for the procurement of payroll administration database software and services, pursuant to which proposals were solicited; and,

WHEREAS, an evaluation committee was convened by NJSIG and has evaluated all proposals submitted.

NOW THEREFORE, BE IT RESOLVED, that:

- 1) NJSIG awards the contract for payroll administration database software and services to:
 - a. PayChex, Inc.
- 2) NJSIG awards the contract for payroll administration database software and services to this provider based on technical criteria, management criteria and cost criteria;
- 3) The Executive Director is hereby authorized to execute a contract with the above-referenced provider;
- 4) This designation is in accordance with the Public School Contracts Law, N.J.S.A. 18A:18A-1, et seq.;



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**Resolution Authorizing the Execution of
Contracts Pursuant to the Public School Contracts Law
NJSIG No. 0920-6**

5) A notice of this action shall be published once in the official newspaper designated by NJSIG, and is on file and available for public inspection at the office of NJSIG.

I certify that the foregoing is a true copy of a Resolution passed by the New Jersey Schools Insurance Group at the meeting duly held on the 16th day of September, 2020.

New Jersey Schools Insurance Group

By: _____

Irene Le Febvre, Chairperson

Board Secretary
Use Only

DATE:

MOVED BY:

SECONDED BY:

VOTE:



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

Board of Trustees Meeting of September 16, 2020
Action Item
Outside Counsel

NJSIG was formally notified that an attorney at a law firm currently approved to represent NJSIG members under C-2020-0003 (school/education litigation) was leaving their existing employment to join the law firm, The Busch Law Group LLC. The matters in which this attorney represents NJSIG members are in varying stages of litigation, and the attorney that left their predecessor firm to join The Busch Law Group LLC is currently the attorney most familiar with the NJSIG member matters that they were handling prior to their departure.

If these matters remained at the current law firm, NJSIG would be required to expend resources for new attorneys at the current law firm to learn the matters so as to competently represent the NJSIG members in those matters. Thus, it is proposed that The Busch Law Group LLC be approved on an interim basis to represent NJSIG members under C-2020-0003. The Busch Law Group LLC would then be required to submit a proposal in the ordinary course once the request for proposals for school/education litigation are issued, to be eligible to represent NJSIG members in new matters.

Recommended Resolution (NJSIG No. 0920-7): to approve The Busch Law Group LLC on an interim basis to represent NJSIG members under C-2020-0003. The Busch Law Group LLC would then be required to submit a proposal in the ordinary course once the request for proposals for school/education litigation are issued, to be eligible to represent NJSIG members in new matters.

Jill Deitch, Esq.
Executive Director



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**Resolution Authorizing the Execution of
Contracts Pursuant to the Public School Contracts Law
NJSIG No. 0920-7**

WHEREAS, the New Jersey Schools Insurance Group (“NJSIG”) is authorized by N.J.S.A. 18A:18B-1, et seq. to provide insurance coverage for its members;

WHEREAS, NJSIG requires professional services in the form of outside counsel to represent the interests of NJSIG’s members in claims;

WHEREAS, NJSIG was formally notified that an attorney at a law firm currently approved to represent NJSIG members under C-2020-0003 (school/education litigation) was leaving their existing employment to join the law firm, The Busch Law Group LLC;

WHEREAS, the matters in which this attorney represents NJSIG members are in varying stages of litigation, and the attorney that left their predecessor firm to join The Busch Law Group LLC is currently the attorney most familiar with the NJSIG member matters that they were handling prior to their departure;

WHEREAS, if these matters remained at the current law firm, NJSIG would be required to expend resources for new attorneys at the current law firm to learn the matters so as to competently represent the NJSIG members in those matters.

NOW THEREFORE, BE IT RESOLVED that:



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**Resolution Authorizing the Execution of
Contracts Pursuant to the Public School Contracts Law
NJSIG No. 0920-7**

- 1) NJSIG supplements the existing designations as Outside Counsel as to the following area based on this attorney's demonstrated service to NJSIG members in existing matters:
 - a. School/Education Litigation (C-2020-0003):
 - i. The Busch Law Group LLC.
- 2) The Executive Director is hereby authorized to execute a professional services agreement with the above-referenced service provider;
- 3) The Chief Legal Officer, with the advice of the Claims Manager, is hereby authorized to retain firms designated as Outside Counsel that have executed a professional service agreement as to the above area to represent NJSIG members in specific matters in accordance with NJSIG Policy 2212;
- 4) This designation is in accordance with the Public School Contracts Law, N.J.S.A. 18A:18A-1, et seq.;
- 5) A notice of this action shall be published once in the official newspaper designated by NJSIG, and is on file and available for public inspection at the office of NJSIG.

I certify that the foregoing is a true copy of a Resolution passed by the New Jersey Schools Insurance Group at the meeting duly held on the 16th day of September, 2020.



New Jersey Schools Insurance Group
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**Resolution Authorizing the Execution of
Contracts Pursuant to the Public School Contracts Law
NJSIG No. 0920-7**

New Jersey Schools Insurance Group

By: _____

Irene Le Febvre, Chairperson

Board Secretary
Use Only

DATE:

MOVED BY:

SECONDED BY:

VOTE:



New Jersey Schools Insurance Group
6000 Midlantic Drive, Suite 300 North
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Board of Trustees Meeting of September 16, 2020
Action Item
Checking Accounts and New Claims

Attached are the check registers for July and August 2020.

In addition, attached is a list of all new claims. The claims list has been provided to coincide with the check registers. The list includes all new claims for July and August 2020. This report shows the nature and financials for each claim.

Recommended Resolution (NJSIG No. 0920-8): 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 7/1/2020 to 8/31/2020 as shown in the online (Microscribe) version of the meeting package.

Michele Carosi
Chief Financial Officer



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Board of Trustees Meeting September 16, 2020
Action Item:
Cash Management and Investment Plan

Please find the attached NJSIG Cash Management and Investment Plan. There are no changes within the plan except for the update to the terms of 09/2020 - 09/2021 sections that have changed are highlighted on the attachment. Please present all questions or comments at the meeting.

Recommended Resolution (NJSIG No. 0920-9): Accept the changes on the attached Cash Management and Investment Plan for the 09/2020 – 09/2021 effective period.

Michele Carosi
Chief Financial Officer



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NEW JERSEY SCHOOLS INSURANCE GROUP CASH MANAGEMENT AND INVESTMENT PLAN

1.) Cash Management and Investment Objectives

The New Jersey Schools Insurance Group's (hereinafter referred to as "NJSIG") objectives in this area are:

- a.) Preservation of capital;
- b.) Adequate safekeeping of assets;
- c.) Maintenance of liquidity to meet operating needs, claims settlements and grants/dividends;
- d.) Diversification of NJSIG's portfolio to minimize risks associated with individual investments;
- e.) Maximization of total return, consistent with risk levels specified herein;
- f.) Investment of assets in accordance with State and Federal Laws and Regulations;
- g.) Accurate and timely reporting of interest earnings, gains and losses by line of coverage in each fund year; and,
- h.) Stability in the value of NJSIG's economic surplus.

2.) Permissible Investments

All investments shall be made in accordance with this cash management plan and consistent with the statutes and regulations of the State Investment Council governing the investment of surplus public monies of the State of New Jersey. All investments shall be made in accordance with N.J.S.A. 18A:20-37, N.J.S.A. 18A:18B-4(b)(2) and N.J.A.C. 11:15-4.4(a). All investments shall comply with N.J.S.A. 18A:18B, et seq. (P.L. 1983, c. 108), State of New Jersey Joint Insurance Fund Statutes on purchasing

of securities and be approved by the State of New Jersey, Department of Banking and Insurance (“DOBI”) and State of New Jersey, State Investment Council (“SIC”). Investments will be limited to the following (exceptions will be allowed if written approval is received from DOBI, SIC and by the NJSIG Finance Committee):

- a.) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- b.) Government money market mutual funds;
- c.) Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors;
- d.) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;
- e.) Bonds or other obligations, having a maturity date not exceeding 397 days, approved by the Division of Investment of the Department of Treasury, the State Investment Council and the Department of Banking and Insurance for investment by local units;
- f.) Local government investment pools;
- g.) Deposits with the State of New Jersey Cash Management Fund; and,
- h.) Repurchase agreements of fully collateralized securities, subject to rules and conditions established by the State of New Jersey Department of Community Affairs, State of New Jersey Department of Banking and Insurance and the State of New Jersey State Investment Council.

3.) Authorized Depositories

In addition to the above, NJSIG’s is authorized to deposit funds in certificates of deposit and other time deposits in banks covered by the Governmental Unit Depository Protection Act, N.J.S.A. 17:9-14, et seq. (“GUDPA”). Specifically authorized depositories are as follows:

- a.) Investor’s Bank;
- b.) Wilmington Trust; and,
- c.) New Jersey Cash Management Fund.

All such depositories shall acknowledge in writing receipt of this Plan by sending a copy of acknowledgement to NJSIG’s Executive Director.

4.) NJSIG for Investment Management

NJSIG's Executive Director (or retained asset manager) is directed by the NJSIG Finance Committee to authorize investments which are consistent with this plan and all appropriate regulatory constraints. When possible, federal securities shall be purchased directly from the U.S. Treasury. Transactions may also be processed through the New Jersey Division of Investment by NJSIG's Executive Director and/or a retained asset manager.

The following institution is hereby designated as the firm with whom NJSIG's Executive Director may deal for purposes of buying and selling securities identified in this Plan as "Permissible Investments" (permitted investments) or otherwise providing for Deposits:

- d.) Investor's Bank;
- e.) Wilmington Trust; and,
- f.) New Jersey Cash Management Fund.

All such institutions shall acknowledge in writing receipt of this Plan by sending a copy of acknowledgement to NJSIG's Executive Director.

5.) Preservation of Capital

Securities shall be purchased with the ability to hold until maturity.

6.) Safekeeping

Securities purchased on behalf of NJSIG's shall be delivered electronically or physically to NJSIG's custodial bank, which shall maintain custodial and/or safekeeping of the accounts for such securities on behalf of NJSIG's. These securities will be covered by a custodial agreement with the financial institution in the State of New Jersey. The custodial agreement will comply with the required language in N.J.S.A. 18A:20-37-1(b) and the NAIC Financial Condition Handbook Guidelines on Custodian and Safekeeping Agreements. Such institution shall provide for the designation of such investment in the name of NJSIG's to assure that there is no unauthorized use of the funds or the Permitted Investments or deposits. The purchase of any Permitted Investments that involve securities shall be executed by a

“delivery versus payment” method to insure that such Permitted Investments are either received by NJSIG or by a third party custodian prior to or upon the release of NJSIG’s payment

To assure that all parties with whom NJSIG’s deals either by way of Deposits or Permitted Investments are aware of the authority and the limits set forth in this Plan, all such parties shall be supplied with a copy of this Plan in writing and all such parties shall acknowledge the receipt of that Plan in writing, a copy of which shall be on file with NJSIG’s Executive Director.

7.) Reporting for Asset Managers

The asset manager will submit written statements describing the proposed investment strategy for achieving the objectives identified herein. The asset manager shall also submit revisions to strategy when justified as a result of changing market conditions or other factors. Such statements shall be provided to NJSIG’s Executive Director and Chief Financial Officer. The asset manager shall provide NJSIG’s Executive Director with a copy of the institution's annual National Association of Security Dealers' audit.

8.) Reporting Requirements

Asset managers will submit written statements to NJSIG’s Executive Director and Chief Financial Officer describing the proposed investment strategy for achieving the objectives identified herein. Asset managers shall also submit revisions to strategy when justified as a result of changing market conditions or other factors. Such statements shall be provided to NJSIG’s Executive Director and Chief Financial Officer. The statements shall also include confirmation that all investments are made in accordance with this plan. Additionally, the Asset Manager shall include a statement that verifies the reconciliation and determination of the appropriate fair value of NJSIG’s portfolio based on valuation guidelines that shall be kept on file in NJSIG’s Executive Director’s office.

NJSIG’s Chief Financial Officer shall report to the NJSIG Board of Trustee at all regular meetings on all investments. This report shall include information on the balances in all bank and investment accounts, and purchases, sales, and redemptions occurring in the prior month.

9.) Audit

This plan, and all matters pertaining to the implementation of it, shall be subject to NJSIG's annual audit and to audits by DOBI.

10.) Cash Flow Projections

Asset management decisions shall be guided by cash flow factors and payout factors supplied by NJSIG's Actuary and reviewed by the NJSIG Finance Committee, NJSIG's Executive Director and NJSIG's Chief Financial Officer.

11.) Cash Management

All moneys turned over to NJSIG shall be deposited within forty-eight (48) hours in accordance with N.J.S.A. 40A:5-15 and N.J.S.A. 18A:20-37.

NJSIG's Executive Director shall minimize the possibility of idle cash accumulating in accounts by assuring that all amounts in excess of negotiated compensating balances are kept in interest bearing accounts or promptly credited into the investment portfolio.

Cash may be withdrawn from investment pools under the discretion of NJSIG's Executive Director and/or NJSIG's asset managers and only to fund operations.

NJSIG's Chief Financial Officer shall escheat to the State of New Jersey checks which remain outstanding for three years or more after the date of issuance. However, prior to implementing such procedures, NJSIG's Chief Financial Officer, with the assistance of NJSIG's Claims Manager, shall confirm that the outstanding check continues to represent a valid claim against NJSIG.

12.) Authorized Signatories and Verification

Checks over \$5,000 require two (2) signatures. NJSIG's Executive Director is the primary signatory on all accounts. The alternate primary signatories on all accounts is NJSIG's Claims Manager (except for the Concentration Account, the Assessment Collection Account and the Claims Account) and/or the NJASBO Representative Trustee and/or NJSIG's Board of Trustee Chairperson. All wire transactions require

a dual initiation and approval process of initiation by NJSIG's Executive Director and/or NJSIG's IT Manager and approval by NJSIG's Underwriting Manager and/or NJSIG's Claim Manager.

The following is a listing of NJSIG's accounts and the authorized signatories on the accounts:

Concentration Account: The Executive Director is the designated authority on this account. Additional designations on these accounts will be the NJASBO Representative Trustee and the NJSIG Board of Trustees Chairperson.

Operating Account: The Executive Director, the Claims Manager, the Liability Claims Supervisor and the Medical Claims Supervisor are the designated authorities on this account. The NJASBO Representative Trustee and the NJSIG Board of Trustees Chairperson are the additional signatories on this account.

Claims Account: The Executive Director, the Underwriting Manager and the Safety and Risk Control and Client Relations Manager are the designated authorities on this account. The NJASBO Representative Trustee and the NJSIG Board of Trustees Chairperson are the additional signatories on this account.

Payroll Account: The Executive Director and the Claims Manager are the designated authorities on this account. The NJASBO Representative Trustee and the NJSIG Board of Trustees Chairperson are the additional signatories on this account.

FSA/DCA Account: The Executive Director and the Claims Manager are the designated authorities on this account. The NJASBO Representative Trustee and the NJSIG Board of Trustees Chairperson are the additional signatories on this account.

Assessment Collections Account: The Executive Director is the designated authority on this account. Additional designations on these accounts will be the NJASBO Representative Trustee and the NJSIG Board of Trustees Chairperson.

Wilmington Trust Accounts: The Executive Director is designated authority on this account. Additional designations on these accounts will be the NJASBO Representative Trustee and the NJSIG Board of Trustees Chairperson

NJ Cash Management Fund: The Executive Director is the designated authority on this account. Additional designations on these accounts will be the NJASBO Representative Trustee and the NJSIG Board of Trustees Chairperson.

13.) Deviations/Amendments

Any recommendation regarding a deviation or amendment to the Cash Management Plan (to the extent permitted by law then in effect), must first be approved by two-thirds (2/3) vote of the NJSIG Finance Committee, and then forwarded to the NJSIG Board of Trustees for action.

14.) Term of Plan

This Plan shall be in effect from 09/2020 to (approximately) 09/30/2021. This Plan was approved and adopted by the NJSIG Board of Trustees for such period of time. The Plan may be amended from time to time. To the extent that any amendment is adopted by the NJSIG Board of Trustees, NJSIG's Executive Director will supply copies of the amendments to all of the parties who otherwise have received the copy of the originally approved Plan, which amendment shall be acknowledged in writing in the same manner as the original Plan was so acknowledged.

Acknowledgement of receipt

I have received a copy of the NJSIG Cash Management Plan and I understand and agree that I must abide by the terms of this Cash Management Plan.

Signed: _____

Print Name: _____

Title: _____

Organization: _____

Date: _____