



NJSIG

Board of Trustees Meeting

March 17, 2021



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
Vacant Trustee ❖2019-2022 Central Board Member		O: F: C:	H: Committees:
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 Trustee Terms

6/12/2019 Board Meeting

	<u>South</u>	<u>Central</u>	<u>North</u>
<u>NJASA</u>	Joseph 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>	Joseph 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>	Joseph 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>	Joseph 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

1/13/2021 Board Meeting

	<u>South</u>	<u>Central</u>	<u>North</u>
<u>NJASA</u>	Joseph 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	Vacant 6/30/2022	Irene Le Febvre 6/30/2022

 : denotes changes made at Board meeting



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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, March 17, 2021
6000 Midlantic Drive, Suite 300 North, Mount Laurel, NJ
Meeting 10:00 a.m.

MARCH 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.
James J. Jencarelli, Jr.
Irene Le Febvre

Joseph Meloche, Ed.D
Steven K. Robinson
Christopher Russo, Ed.D.

Josephine Sharpe
Dana Sullivan

3. Acceptance of the public and executive session minutes for January 13, 2021.

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
- B. Accounting/Finance Report
- C. Safety & Risk Control/Client Relations Report

Jill Deitch
Michele Carosi
Debra Rice

- D. Underwriting Report
- E. Claims Report
- F. Information Technology Report

Claire King
 Sherwin Archibald
 Jeff Cook

7. Discussion Items:

- A. COVID-19 returns; update
- B. S3375: proposed bill re: medical treatment & WC claims
- C. Trustee nominations; Finance Committee nomination

Jill Deitch
 Jill Deitch
 Jill Deitch

8. Action Items:

- A. WTW Rate Level Analysis July 1, 2021 - 2022
 - 1. Presentation of analysis on retained risk/SIR
 - 2. Recommendations to the Board on retained risk/SIR (NJSIG No. 0321-1)
- B. Excess and reinsurance for the 2021-2022 policy year (NJSIG No. 0321-2)
- C. Contracting:
 - 1. Property, GL/AL field adjuster services (NJSIG No. 0321-3)
 - 2. Financial auditor (NJSIG No. 0321-4)
- D. Checking accounts & new claims ratification (NJSIG No. 0321-5)

Stacy Mina, WTW
 Jill Deitch
 Jill Deitch

Sherwin Archibald
 Michele Carosi
 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; and/or
- B. Matters involving attorney client privilege; and/or
- C. Matters involving pending contract negotiation; and/or
- D. Matters involving terms and conditions of employment of current public employee

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 March 17, 2021
Board of Trustees Meeting Minutes of January 13, 2021

New Jersey Schools Insurance Group's (NJSIG) Board of Trustees Meeting of January 13, 2021 at NJSIG's Mount Laurel office.

ATTENDEES

Trustees: Stephanie Brown, Ed. D., Irene Le Febvre, Joseph Meloche, Ed. D., Steven Robinson, Christopher Russo, Ed. D., Dana Sullivan; Josephine Sharpe (joined the meeting at 10:25 a.m.)

Participants: David Rapuano, Esq. of *Archer*, Phil Williams of *Willis Re Pooling*, Jay Lynch of *Alliant/Boynton*, Latonya Brennan of *Arthur J. Gallagher & Co.*, Dan Regan of *Arthur J. Gallagher & Co.*, Casey Byrne of *J. Byrne Agency*, Jim Ridgway of *J. Byrne Insurance*, Alfred Kirk of *Conner Strong*

NJSIG

Staff: Jill Deitch, Esq., *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*, Sherwin Archibald, *Claims Manager*, Stephen Tucker, Esq., *General Counsel*, Beth Ferlicchi, Esq., *Assistant General Counsel*, Renee Johnson-Payne, *Executive Assistant*, Ivy Davis, *Sr. Business Development Specialist*, Sameer Sarfraz, *Sr. Safety and Risk Control Rep.* and Raven Perry Ivery, Jr. *Safety and Risk Control Rep.*

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 10:05 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

September 11, 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. Connors, Ph.D.	A	Joseph Meloche, Ed.D.	√	Josephine Sharp	√
James J. Jencarelli, Jr.	A	Steven Robinson	√	Dana Sullivan	√

ITEM #3 ACCEPTANCE OF THE PUBLIC SESSION AND EXECUTIVE SESSION MINUTES OF NOVEMBER 18, 2020.

Action Taken: M (Sullivan)\ S (Meloche)\ Carried (Affirmative Votes = Brown, Le Febvre, Meloche, Robinson, Russo, Sullivan) to accept the November 18, 2020 public session and executive session Board of Trustees meeting minutes.

ITEM #4 PUBLIC PARTICIPATION

Irene Le Febvre, Chairperson, announced Dr. Thomas F. Connors' resignation from the NJSIG Board of Trustees as of January 13, 2021 and read his farewell statement, thanking both the other Trustees and NJSIG for the opportunity to serve as a Trustee.

ITEM #5 SUB-FUND LIAISONS – Reports/Comments

Latonya Brennan of Arthur J. Gallagher & Co. provided a report on ERIC North's recent virtual sub-fund meeting "Managing IEP Risks in the COVID Era," hosted by David Nash, John Worthington, Jodi Howlett and Neil Marek. She thanked NJSIG Trustees Dana Sullivan and Chris Russo for their support and noted that attendees received two QPA credits.

Jay Lynch of Alliant/Boynton reported that MOCSSIF's virtual sub-fund meeting, "Ethical Behavior when Managing WC Claims," hosted by John Geaney, Esq., is scheduled for January 29, 2021 and noted that attendees will receive one QPA credit.

Al Kirk of Conner Strong announced that BACCIEC and ERIC South's virtual sub-fund meeting, "Managing IEP Risks in the COVID-19 Era,"

hosted by David Nash, John Worthington, Jodi Howlett and Neil Marek, will take place on February 11, 2021.

Jim Ridgway of J. Byrne Insurance announced CAIP's virtual sub-fund meeting "Workers' Compensation in the COVID Era," hosted by John Geaney, Esq., will take place on February 10, 2021.

ITEM #6 REPORTS:

A. Executive Director's Report

Jill Deitch, Executive Director, provided an overview of her report and an update on the status of NJSIG. Deitch discussed NJSIG's request to NJ Department of Insurance and Banking (DOBI) to return portions of member contributions related to COVID-19. Deitch also reported that NJSIG is still in negotiations for reinsurance and excess insurance. Deitch provided preliminary feedback relative to property reinsurance rates for 2021/2022.

B. Accounting/Finance Report

Michele Carosi, Chief Financial Officer, provided an overview of her report and an update on the status of her department.

C. Client Relations and Safety and Risk Control Report

Debra Rice, Client Relations and Safety and Risk Control Manager, provided an overview of her report and an update on the status of her department. Rice discussed working with sub-fund administrators and brokers on retention strategies and new member opportunities.

D. Underwriting Report

Claire King, Underwriting Manager, provided an overview of her report and an update on the status of her department. King added that NJSIG is aiming to have workers' compensation experience modification factors (MOD's) released to members by February 1, 2021, with a deadline of February 15, 2021.

E. Claims Report

Sherwin Archibald, Claims Manager, provided an overview of his report and an update on the status of his department.

F. Information Technology Report

Jeff Cook, Information Systems Manager, provided an overview of his report and an update on the status of his department.

ITEM #7 DISCUSSION ITEMS

A. Willis Towers Watson pricing study; timeline

Discussion item presented by Deitch. Deitch reported the pricing study was received just prior to the Board of Trustees meeting and that the Trustees could expect to vote on the acceptance of the final study at the March 2021 Board meeting.

B. COVID-19 refund, DOBI, update

Discussion item presented by Deitch. Deitch reported that DOBI has acknowledged NJSIG's request to return portions of member contributions related to COVID-19 but has not issued a decision yet. DOBI inquired as to whether any reinsurers/excess insurers returned premium, and we answered this inquiry in the negative. Deitch and Carosi indicated that if DOBI approves NJSIG's request, the plan is to issue each member a credit that will be applied to their next invoice, unless a member requests that a check be issued instead.

C. Reinsurance property renewal meetings, update

Discussion item presented by Deitch and Phil Williams, Willis Re. Deitch provided an update on the status of reinsurance negotiations, and indicated that we have been successful at pushing reinsurers/excess insurers to provide quotes sooner so that NJSIG can provide more detailed budgetary guidance in early March.

D. Upcoming virtual sub-fund administrator meeting

Deitch reported a virtual sub-fund administrator meeting is scheduled for January 26, 2021.

E. Upcoming virtual broker meeting

Deitch reported a virtual broker meeting is planned for March 4, 2021 where budgetary guidance with respect to the 2021/2022 rates will be delivered.

ITEM #8 ACTION ITEMS:

A. Checking accounts & new claims ratification (NJSIG No. 0121-1)

Action Taken: M (Robinson) \ S (Russo) \ Carried (Affirmative Votes = Brown, Le Febvre, Meloche, Russo, Robinson, Sharpe, Sullivan) 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 11/1/2020 to 12/31/2020 as shown in the online (Microscribe) version of the meeting package.

B. Checking accounts signature changes (NJSIG No. 0121-2)

Action Taken: M (Sullivan) \ S (Russo) \ Carried (Affirmative Votes = Brown, Le Febvre, Meloche, Russo, Robinson, Sharpe, Sullivan) to approve and execute the changes to each respective Investors Bank NJSIG Account as indicated on the Account Authorization letter as shown in the online (Microscribe) version of the meeting package.

ITEM #9 NEW BUSINESS

Trustees: Le Febvre raised the issue of filling the positions for former Trustee Dr. Thomas F. Connors and current Trustee James J. Jencarelli, Jr. It was also noted that there is now a vacancy on the Finance Committee that needs to be filled.

ITEM #10 EXECUTIVE SESSION

Action Taken: M (Meloche) \ S (Connors) \ Carried (Affirmative Votes = Brown, Le Febvre, Meloche, Russo, Robinson, Sharpe,

Sullivan) to go into executive session to discuss litigation, matters of attorney client privilege, etc. at 10:48 a.m.

Jill Deitch

Jill Deitch, Esq.
Executive Director



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Board of Trustees Meeting of March 17, 2021 Executive Director Report

NJSIG released the much anticipated budgetary guidance on March 4th at NJSIG's annual Broker meeting. Despite all the uncertainty and chaos in the market with COVID-19 and natural disasters, we project that our combined overall guidance across all lines would be up less than one percent, if the Board implements my proposed rate recommendations on our retained risk, i.e., our self-insured retention (SIR), or the portion of risk that NJSIG holds in-house. Although we issued rate guidance based on the information we had from the reinsurance and excess carriers at that time, Willis Re, NJSIG's reinsurance broker, continues to negotiate with the reinsurance and excess carriers to obtain the best rates, with the best available coverage. We remain hopeful that rates ultimately improve from the guidance we issued.

Since receiving permission from the New Jersey Department of Banking and Insurance (DOBI) to return approximately \$3.3 million in member contributions to NJSIG members with workers' compensation and auto liability coverage in the 2019/2020 policy year, we have been working hard to get our systems ready to issue refund credits or checks. We expect letters and emails to be going out to members in the next week or so advising the exact amount each member can expect. Client Relations representatives also have a list of the amounts of each member's refund if brokers and members are eager to find out what they can expect. By default, members will receive their refund in the form of a credit towards their next payment; however, refund checks will be issued to any member that requests their refund in that form.

Having waded through the process of providing this COVID-19 relief, we are better prepared to begin to address refunds for the future. We are hoping to implement a plan soon to make regular returns of member contributions, as older policy years with positive surplus are closed out. While this refund program is still in the planning phases, I believe that once implemented, it will provide members with a useful tool in exercising greater agency in stabilizing year over year rate fluctuations. This can help achieve our goal of overall rate stability year over year.

The prime differentiator between NJSIG and a commercial insurer is the fact that NJSIG does not operate for-profit. As a school board insurance group, our goal is to collect just the right amount of contributions to cover our members' claims; no more and no less. If NJSIG does not collect sufficient contributions to cover all losses, then we would need to issue supplemental assessments. Conversely, if we collect too much, we need to refund that to the members. As predicting the future is an imperfect science, implementing a regular refund program creates a reliable mechanism by which NJSIG can return member contributions that are in excess of those needed to cover the claims.

Respectfully Submitted,

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



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Board of Trustees Meeting of March 17, 2021 Accounting/Finance Report

- ACCOUNTING DEPARTMENT PROCESSES:

- (1) **Billing & Accounts Receivable Processes:** NJSIG's Accounting Department processed \$142 million of 2020/2021 renewal gross member contributions and endorsements in the PeopleSoft Billing Module as of the date of this report (03/08/2021). 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 \$122 million of members' contribution deposits (to date) for the 2020/2021 fiscal year. The Accounting Department manages the collection status of NJSIG member contributions by distributing the color-coded NJSIG account statements to members on the 15th of each month.

- (2) **Accounts Payable:** All accounts payable vouchers and payments are current. The Accounting Department processed \$12.8 million of broker commissions as part of the direct bill procedures during the 2020/2021 fiscal year.

- **FINANCIAL REPORTS:**

Please find the attached FY20/21 financial reports for 12/2020 and 01/2021. I have also included the 01/31/2021 Investment & Cash reports.

- **SPECIAL PROJECTS:**

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

- (1) 2021/2022 Underwriting Changes (Testing in PeopleSoft): The Underwriting Department plans to implement several changes for the 2021/2022 policy renewals (i.e. breaking down reinsurance carrier data by individual carriers and/or breaking out lines of coverage (formerly included as part of the property package line of coverage)). The Accounting staff is diligently working with the IT Dept., using data provided by the Underwriting staff to test all these changes and the required modifications in PeopleSoft. This testing must be completed with full confidence in the PeopleSoft financial reporting processes and financial data prior to a “go live” implementation of the changes in Navrisk, the Underwriting system. These underwriting changes impact the following processes/reports in PeopleSoft:

- Billing processes – the NJSIG invoices sent to members and the supporting data in the Accounts Receivable module require modifications
- Accounts Payable processes – there will be an increase in the volume of carrier payable invoices and payments to carriers.
- Financial Reporting – NJSIG Premium reports, Commission reports, Reinsurance Carrier Payable reports, Balance Sheet and Income statements require modifications for these Underwriting changes.

(2) COVID-19 Member Contribution Return – The Accounting Dept. is prepared to begin processing the COVID-19 member contribution return invoices in PeopleSoft immediately following the completion of the underwriting test data (# (1) above). Jill Deitch has prepared individual letters for each member indicating that member’s specific COVID-19 contribution return amount and requesting their notification to the Accounting Dept. if they prefer a physical check instead of a credit (reduction) to a future payment. The Accounting Dept. will be responsible for the processing of any requested checks and/or the tracking of credits applied as it relates to each member’s COVID-19 contribution return amount.

(3) Payroll Provider Upgrade – NJSIG’s Sr. Payroll & Benefits Specialist, Payroll & Cash Management Specialist and Senior Staff Accountant are currently working with the payroll provider on this project. NJSIG will “go live” with this new platform this month (March 2021).

(4) Claims Dept. Financial Reporting: As we discussed at a prior board meeting, many of the financial reporting processes in the Claims Dept. eventually will

be transitioned into the Accounting Dept. The first phase of this transition will occur during April 2021. The Claims Dept. Bill Payer will be transitioned into the Accounting Dept., under the supervision of Rebecca Fabiano (Sr. Staff Accountant). The process of transitioning all of the Claims Dept. financial functions will be require time and additional resources, which will be presented to the board of trustees prior to any implementation or transition.

(5) FY 2020 Grant Allocation Analysis – I have been collaboratively working with NJSIG’s independent actuaries, the IT Dept. and NJSIG’s sub-fund administrators to develop, analyze, verify and/or approve data for release to sub-fund members via NJSIG’s safety grant portal. The portal is scheduled to open to all members in April.

(6) 2021-2022 Budgets: I have started the analysis reporting for the 2021/2022 budget. Over the next month, I will be working with the NJSIG department managers and with the executive director to finalize the budget for the first reading at the May meeting. I will also reach out to the Finance Committee (prior to the May meeting) to set up a conference call for budget review, discussion and/or Finance Committee recommendations for revisions.

Thank you,

Michele Carosi

Chief Financial Officer



NJSIG
Balance Sheet
For the Period Ended 12/31/2020

	<u>Current Balance</u>	<u>Prior Year</u>
<u>Current Assets:</u>		
CASH IN BANKS	216,672,164.24	192,421,738.34
Money Market (WT)	58,791.20	99,613.13
Invest Fund US Notes (WT)	165,670,000.20	168,665,000.20
Invest Prem/Disc - Notes (WT)	(182,044.27)	(685,896.27)
Market Value Adjust (WT)	1,051,185.71	213,560.41
Invest Fund-US Bills (WT)	23,875,000.00	18,610,000.00
Invest Prem/Disc Bills (WT)	(15,018.24)	(429,629.38)
MARKETABLE SECURITIES	190,457,914.60	186,472,648.09
Reins. Recovery Receivable	0.00	0.00
Reins. Recovery 85/86 Recvb'l	(24,922.70)	(39,274.66)
REINSURANCE RECEIVABLES	(24,922.70)	(39,274.66)
Interest/Divid Recvb'l - WT	455,273.96	1,000,075.02
INTEREST/DIVIDENDS RECEIVABLES	455,273.96	1,000,075.02
Legal Settlement Recvb'l	100.00	100.00
MISC ACCOUNTS RECEIVABLES	100.00	100.00
Premium Recvb'l Installments	26,644,556.66	26,423,210.70
Premium Receivable	6,117,159.45	4,005,039.00
PREMIUM RECEIVABLES	32,761,716.11	30,428,249.70
TOTAL Current Assets	440,322,246.21	410,283,536.49
F&F Original Value	1,566,300.65	1,545,068.28
Accumulated Depreciation	(1,330,445.91)	(1,167,799.52)
TOTAL FIXED ASSETS	235,854.74	377,268.76
<u>Other Assets:</u>		
Prepaid General Insurance	36,281.00	0.00
Prepaid Crime Insurance	0.11	0.11
Prepaid General Expenses	135,588.44	101,900.57
Prepaid TPA Expenses	225,000.00	0.00
PREPAID ASSETS	396,869.55	101,900.68



NJSIG
Balance Sheet
For the Period Ended 12/31/2020

	<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	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	0.00	0.00
DEFERRED OUTFLOWS	<u>3,237,166.00</u>	<u>5,204,781.00</u>
TOTAL OTHER ASSETS	<u>3,634,035.55</u>	<u>5,306,681.68</u>
TOTAL ASSETS	<u>444,192,136.50</u>	<u>415,967,486.93</u>
Accrued Expenses Payable	122,294.69	122,294.69
A/P Module INS01	(509.38)	(12,149.67)
Safety Grant Payable	11,092,711.17	13,550,247.42
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	2,595.22	(1,306.23)
FSA Depend Payable	(123.87)	(711.44)
TOTAL CURRENT LIABILITIES	<u>11,299,159.78</u>	<u>13,658,367.86</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	0.00	0.00
Post Retirement Bene Paybl	2,168,075.52	2,193,826.89
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>204,168,139.14</u>	<u>213,138,890.51</u>
Pensions Payable	42,319.85	42,347.76
GASB68-Pension Payable	14,481,115.00	15,969,473.00
403B/T. Rowe Price Payable	0.22	0.22
Retro Claims (Cash)	154,038.23	241,679.75



NJSIG
Balance Sheet
For the Period Ended 12/31/2020

	<u>Current Balance</u>	<u>Prior Year</u>
Group Term Life Payable	192.99	139.60
Agent Comm. Payable	2,359,453.41	2,063,452.15
TOTAL OTHER LIABILITIES	<u>17,037,119.70</u>	<u>18,317,092.48</u>
TOTAL REINSURANCE PAYABLES	<u>1,999,469.82</u>	<u>1,907,157.52</u>
TOTAL EXCISE TAX LIABILITIES	<u>(4,363.92)</u>	<u>4,049.56</u>
Member Return Payable FY19/20	3,279,199.00	0.00
TOTAL MEMBER RETURN PAYABLES	<u>3,279,199.00</u>	<u>0.00</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>243,274,313.52</u>	<u>252,432,119.93</u>
Retained Earnings Fund Balance	139,233,104.69	107,824,597.90
Year-to-Date Earnings	61,684,718.29	55,710,769.10
Total Capital	<u>200,917,822.98</u>	<u>163,535,367.00</u>
Total Liabilities and Capital	<u>444,192,136.50</u>	<u>415,967,486.93</u>



NJSIG
Income Statement
For the Period Ending 12/31/2020

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Income:				
Member Contributions	142,386,834.62	140,299,998.00	34,335.19	0.00
Retro Accounts Income	0.00	0.00	0.00	0.00
Total Income	142,386,834.62	140,299,998.00	34,335.19	0.00
Adjustments:				
Member Contribution Returns	0.00	0.00	0.00	0.00
4301 Reinsurance Recoveries	2,810,399.86	0.00	729,952.54	0.00
4303 Accrued Reins Recoveries	(860,306.00)	0.00	0.00	0.00
4304 Subrogation Income	317,138.53	0.00	18,991.69	0.00
4307 Claim Deduct'bl Credit	28,500.00	0.00	0.00	0.00
Recoveries & Subro Income	2,295,732.39	0.00	748,944.23	0.00
Revenue	144,682,567.01	140,299,998.00	783,279.42	0.00



NJSIG
Income Statement
For the Period Ending 12/31/2020

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Expenses:				
5102 Salaries-Temporary Employees	885.92	23,000.00	0.00	3,833.33
5103 Salaries	3,075,897.64	3,302,838.50	516,603.82	550,473.08
5104 Salaries-Overtime	13,008.69	17,063.00	2,852.82	2,843.83
5105 Salaries-Third Party Sick Pay	0.00	0.00	0.00	0.00
5106 Deferred Compensation Pay	3,000.00	3,000.00	500.00	500.00
5108 Payroll Tax Expenses	159,542.50	256,596.00	35,748.55	42,766.00
5109 Pension Expense	0.00	466,069.00	0.00	77,678.17
5111 Recruiting Costs	0.00	1,250.00	0.00	208.33
5112 Post Retirement Bene Exp	0.00	123,357.00	0.00	20,559.50
5113 Employee Medical Benefits	462,983.26	551,068.50	77,510.62	91,844.75
5114 Employee Dental Benefits	32,383.47	33,815.00	5,408.06	5,635.83
5115 Employee Vision Benefits	10,340.70	13,757.50	0.00	2,292.92
5118 Employee ST Disab & Other Ins	24,676.12	40,000.00	(3,660.20)	6,666.67
5119 Defined Contrib Retirement Exp	548.23	1,368.50	548.23	228.08
Personnel Expenses	<u>3,783,266.53</u>	<u>4,833,183.00</u>	<u>635,511.90</u>	<u>805,530.50</u>
5203 Marketing Expenses	<u>1,234.50</u>	<u>4,500.00</u>	<u>205.75</u>	<u>750.00</u>
Member Services Dept Expenses	<u>1,234.50</u>	<u>4,500.00</u>	<u>205.75</u>	<u>750.00</u>
5227 Loss Prevention	<u>32.52</u>	<u>8,875.00</u>	<u>5.42</u>	<u>1,479.17</u>
Loss Control Dept Expenses	<u>32.52</u>	<u>8,875.00</u>	<u>5.42</u>	<u>1,479.17</u>
5252 Claims Audit Expense	0.00	45,000.00	0.00	7,500.00
5253 Claims Admin. Expenses	(78.00)	0.00	0.00	0.00
Claims Dept Expenses	<u>(78.00)</u>	<u>45,000.00</u>	<u>0.00</u>	<u>7,500.00</u>
5301 Accounting Fees	0.00	2,500.00	0.00	416.67
5303 Actuary Fees	23,161.85	145,000.00	18,166.20	24,166.67
5305 Loss Control Outside Services	111,867.45	135,750.00	20,876.33	22,625.00
5306 Legal & Professional Fees	1,427.50	62,500.00	0.00	10,416.67
5310 Third Party Admin.-Willis	337,500.00	337,500.00	56,250.00	56,250.00
Outside Service Fees	<u>473,956.80</u>	<u>683,250.01</u>	<u>95,292.53</u>	<u>113,875.00</u>



NJSIG
Income Statement
For the Period Ending 12/31/2020

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Total Agent Commission Expense	14,067,391.47	12,785,689.00	4,958.70	0.00
5401 Claims Expense	24,498,567.56	35,961,117.00	5,024,094.08	5,993,519.50
Claims Expenses	24,498,567.56	35,961,117.00	5,024,094.08	5,993,519.50
Reinsurance Expenses	39,685,449.23	39,228,344.50	14,251.34	12,234.92
5352 IT - Office Equipment Supplies	868.87	15,250.00	466.88	2,541.67
5353 Office Equipment Maintenance	6,501.02	15,150.00	0.00	2,525.00
5354 Computer Software Maintenance	103,147.10	174,762.50	19,126.53	29,127.08
Information Technology Dept Expenses	110,516.99	205,162.50	19,593.41	34,193.75
5702 Depreciation Expense	307,013.92	307,695.50	50,400.83	51,282.58
5703 Dues & Subscriptions	13,341.06	56,865.50	1,605.12	9,477.58
5704 Misc. Bank Fees	47,565.09	51,687.50	0.00	8,614.58
5705 IRS & State Tax/Fees	9.80	0.00	0.00	0.00
5708 Rent Expense	237,852.76	248,859.00	40,970.76	41,476.50
5709 Office Supplies	7,180.13	11,207.50	73.87	1,867.92
5710 Office Operating Expenses	24,380.61	30,300.00	2,167.64	5,050.00
5711 Office Leased Expenses	8,225.15	9,750.00	1,675.97	1,625.00
5715 Group's Insurance Expense	111,135.22	135,975.00	1,260.56	22,662.50
5716 Group's Crime Insurance Exp.	13,738.50	0.00	2,289.75	0.00
5717 FSA Admin Fee	830.00	1,250.00	166.00	208.33
5723 Postage	21,450.87	34,750.00	3,467.84	5,791.67
5727 Employee Seminar Expenses	2,064.50	43,617.50	199.00	7,269.58
5728 Insurance Course Fees	1,807.75	7,499.99	30.75	1,250.00
5729 Tuition Reimbursement	0.00	18,375.00	0.00	3,062.50
5730 Audit Fees	(5,469.00)	36,500.00	0.00	6,083.33
5731 Consulting Fees	30,325.33	172,750.00	625.00	28,791.67
5732 Miscellaneous Expenses	1,147.03	2,750.00	16.00	458.33
5733 Disaster Recovery Expenses	50,396.73	58,771.00	8,575.71	9,795.17
5737 Cell Phone Expense	3,941.41	5,340.00	781.66	890.00
5746 Foreign Excise Tax	102,138.03	51,589.00	90.22	8,598.17
Business Operating Expenses	979,074.89	1,285,532.50	114,396.68	214,255.42
5201 Travel & Related Expenses	528.03	35,750.00	0.00	5,958.33



NJSIG
Income Statement
For the Period Ending 12/31/2020

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Actuals Month</u>	<u>Budget Month</u>
5851 Annual Meeting	15,797.50	30,450.00	132.90	5,075.00
5852 Trustee Meeting Expense	260.40	3,000.00	0.00	500.00
Conferences & Meeting Expenses	<u>16,585.93</u>	<u>69,200.00</u>	<u>132.90</u>	<u>11,533.33</u>
 Total Expenses	<u>83,615,998.42</u>	<u>95,109,853.51</u>	<u>5,908,442.71</u>	<u>7,194,871.59</u>



**NJSIG
Income Statement
For the Period Ending 12/31/2020**

	<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	139.52	0.00	48.12	0.00
4423 Interest - InvBk Concentration	530,823.32	0.00	94,357.53	0.00
4424 Interest-Invest Fund (WT)	1,069,727.05	0.00	65,814.51	0.00
4425 Accrued Interest/Divid	(131,020.93)	0.00	83,420.18	0.00
Investment Income	<u>1,469,668.96</u>	<u>0.00</u>	<u>243,640.34</u>	<u>0.00</u>
4501 Unrealized Gain/Loss	(889,512.68)	0.00	(159,234.30)	0.00
Financial Income	<u>(889,512.68)</u>	<u>0.00</u>	<u>(159,234.30)</u>	<u>0.00</u>
4604 Realized Gain/(Loss) Invest-WT	163,083.21	0.00	0.00	0.00
4609 Change in Unrnd Ag Comm	(36,755.07)	0.00	0.00	0.00
4610 Change in Unrnd Reins	(98,915.77)	0.00	0.00	0.00
Other Revenues	<u>27,412.37</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
5901 Amortization of Inv. Premiums	(10,581.05)	0.00	(25,969.77)	0.00
Investment Expenses	<u>(10,581.05)</u>	<u>0.00</u>	<u>(25,969.77)</u>	<u>0.00</u>
Total Other Revenue and Expenses	<u>618,149.70</u>	<u>0.00</u>	<u>110,375.81</u>	<u>0.00</u>
Net Revenue	<u>61,684,718.29</u>	<u>45,190,144.49</u>	<u>(5,014,787.48)</u>	<u>(7,194,871.59)</u>



NJSIG
Balance Sheet
For the Period Ended 1/31/2021

	<u>Current Balance</u>	<u>Prior Year</u>
<u>Current Assets:</u>		
CASH IN BANKS	212,580,839.39	195,041,547.92
Money Market (WT)	9,259,421.07	121,425.06
Invest Fund US Notes (WT)	156,420,000.20	187,515,000.20
Invest Prem/Disc - Notes (WT)	(156,112.27)	(687,610.45)
Market Value Adjust (WT)	914,284.26	445,288.29
Invest Fund-US Bills (WT)	23,910,000.00	0.00
Invest Prem/Disc Bills (WT)	(20,669.59)	0.04
MARKETABLE SECURITIES	190,326,923.67	187,394,103.14
Reins. Recovery Receivable	0.00	0.00
Reins. Recovery 85/86 Recvb'l	(24,922.70)	(39,274.66)
REINSURANCE RECEIVABLES	(24,922.70)	(39,274.66)
Interest/Divid Recvb'l - WT	600,396.44	592,804.91
INTEREST/DIVIDENDS RECEIVABLES	600,396.44	592,804.91
Misc. Accounts Receivable	(15,000.00)	0.00
Legal Settlement Recvb'l	100.00	100.00
MISC ACCOUNTS RECEIVABLES	(14,900.00)	100.00
Premium Recvb'l Installments	17,356,702.26	17,258,293.31
Premium Receivable	11,124,604.80	5,393,447.35
PREMIUM RECEIVABLES	28,481,307.06	22,651,740.66
TOTAL Current Assets	431,949,643.86	405,641,021.97
F&F Original Value	1,825,770.65	1,792,978.80
Accumulated Depreciation	(1,381,794.50)	(1,216,521.97)
TOTAL FIXED ASSETS	443,976.15	576,456.83
<u>Other Assets:</u>		
Prepaid General Insurance	159,987.67	129,639.58
Prepaid Crime Insurance	22,776.53	25,187.36
Prepaid General Expenses	127,841.99	143,203.57
Prepaid TPA Expenses	168,750.00	0.00
PREPAID ASSETS	479,356.19	298,030.51



NJSIG
Balance Sheet
For the Period Ended 1/31/2021

	<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	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	0.00	0.00
DEFERRED OUTFLOWS	<u>3,237,166.00</u>	<u>5,204,781.00</u>
TOTAL OTHER ASSETS	<u>3,716,522.19</u>	<u>5,502,811.51</u>
TOTAL ASSETS	<u>436,110,142.20</u>	<u>411,720,290.31</u>
Accrued Expenses Payable	122,294.69	122,294.69
A/P Module INS01	(2,571.79)	(3,985.59)
Safety Grant Payable	11,092,711.17	13,550,247.42
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	1,598.60	(1,360.89)
FSA Depend Payable	(403.54)	(423.10)
TOTAL CURRENT LIABILITIES	<u>11,295,821.08</u>	<u>13,666,765.62</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	0.00	0.00
Post Retirement Bene Paybl	2,167,007.04	2,192,692.09
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>204,167,070.66</u>	<u>213,137,755.71</u>
Pensions Payable	43,357.86	42,754.08
GASB68-Pension Payable	14,481,115.00	15,969,473.00



NJSIG
Balance Sheet
For the Period Ended 1/31/2021

	Current Balance	Prior Year
403B/T. Rowe Price Payable	4,746.55	0.22
Retro Claims (Cash)	172,159.81	209,183.37
Group Term Life Payable	262.18	223.72
Agent Comm. Payable	1,895,830.36	1,555,763.17
TOTAL OTHER LIABILITIES	16,597,471.76	17,777,397.56
TOTAL REINSURANCE PAYABLES	1,992,353.79	1,900,085.83
TOTAL EXCISE TAX LIABILITIES	(4,948.05)	(5,249.33)
Member Return Payable FY19/20	3,279,199.00	0.00
TOTAL MEMBER RETURN PAYABLES	3,279,199.00	0.00
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	5,495,590.00	5,406,562.00
TOTAL LIABILITIES	242,822,558.24	251,883,317.39
Retained Earnings Fund Balance	139,233,104.69	107,824,597.90
Year-to-Date Earnings	54,054,479.27	52,012,375.02
Total Capital	193,287,583.96	159,836,972.92
Total Liabilities and Capital	436,110,142.20	411,720,290.31



NJSIG
Income Statement
For the Period Ending 1/31/2021

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Income:				
Member Contributions	142,386,947.18	140,299,998.00	112.56	0.00
Retro Accounts Income	0.00	0.00	0.00	0.00
Total Income	142,386,947.18	140,299,998.00	112.56	0.00
Adjustments:				
Member Contribution Returns	0.00	0.00	0.00	0.00
4301 Reinsurance Recoveries	2,854,451.63	0.00	44,051.77	0.00
4303 Accrued Reins Recoveries	(860,306.00)	0.00	0.00	0.00
4304 Subrogation Income	588,607.22	0.00	271,468.69	0.00
4307 Claim Deduct'bl Credit	43,500.00	0.00	15,000.00	0.00
Recoveries & Subro Income	2,626,252.85	0.00	330,520.46	0.00
Revenue	145,013,200.03	140,299,998.00	330,633.02	0.00



NJSIG
Income Statement
For the Period Ending 1/31/2021

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Expenses:				
5102 Salaries-Temporary Employees	885.92	26,833.33	0.00	3,833.33
5103 Salaries	3,592,805.36	3,853,311.59	516,907.72	550,473.08
5104 Salaries-Overtime	14,257.10	19,906.83	1,248.41	2,843.83
5105 Salaries-Third Party Sick Pay	0.00	0.00	0.00	0.00
5106 Deferred Compensation Pay	3,500.00	3,500.00	500.00	500.00
5108 Payroll Tax Expenses	209,211.59	299,362.00	49,669.09	42,766.00
5109 Pension Expense	0.00	543,747.17	0.00	77,678.17
5111 Recruiting Costs	0.00	1,458.33	0.00	208.33
5112 Post Retirement Bene Exp	0.00	143,916.50	0.00	20,559.50
5113 Employee Medical Benefits	541,381.45	642,913.25	78,398.19	91,844.75
5114 Employee Dental Benefits	37,954.25	39,450.83	5,570.78	5,635.83
5115 Employee Vision Benefits	14,511.34	16,050.42	4,170.64	2,292.92
5118 Employee ST Disab & Other Ins	39,080.70	46,666.67	14,404.58	6,666.67
5119 Defined Contrib Retirement Exp	548.23	1,596.58	0.00	228.08
Personnel Expenses	<u>4,454,135.94</u>	<u>5,638,713.50</u>	<u>670,869.41</u>	<u>805,530.50</u>
5203 Marketing Expenses	<u>1,440.25</u>	<u>5,250.00</u>	<u>205.75</u>	<u>750.00</u>
Member Services Dept Expenses	<u>1,440.25</u>	<u>5,250.00</u>	<u>205.75</u>	<u>750.00</u>
5227 Loss Prevention	<u>37.94</u>	<u>10,354.17</u>	<u>5.42</u>	<u>1,479.17</u>
Loss Control Dept Expenses	<u>37.94</u>	<u>10,354.17</u>	<u>5.42</u>	<u>1,479.17</u>
5252 Claims Audit Expense	0.00	52,500.00	0.00	7,500.00
5253 Claims Admin. Expenses	(428.00)	0.00	(350.00)	0.00
Claims Dept Expenses	<u>(428.00)</u>	<u>52,500.00</u>	<u>(350.00)</u>	<u>7,500.00</u>
5301 Accounting Fees	0.00	2,916.67	0.00	416.67
5303 Actuary Fees	53,992.30	169,166.67	30,830.45	24,166.67
5305 Loss Control Outside Services	132,356.29	158,375.00	20,488.84	22,625.00
5306 Legal & Professional Fees	2,935.00	72,916.67	1,507.50	10,416.67
5310 Third Party Admin.-Willis	393,750.00	393,750.00	56,250.00	56,250.00
Outside Service Fees	<u>583,033.59</u>	<u>797,125.01</u>	<u>109,076.79</u>	<u>113,875.00</u>



NJSIG
Income Statement
For the Period Ending 1/31/2021

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Total Agent Commission Expense	14,067,392.99	12,785,689.00	1.52	0.00
5401 Claims Expense	31,587,827.15	41,954,636.50	7,089,259.59	5,993,519.50
Claims Expenses	31,587,827.15	41,954,636.50	7,089,259.59	5,993,519.50
Reinsurance Expenses	39,687,202.20	39,240,579.42	1,752.97	12,234.92
5352 IT - Office Equipment Supplies	978.87	17,791.67	110.00	2,541.67
5353 Office Equipment Maintenance	6,501.02	17,675.00	0.00	2,525.00
5354 Computer Software Maintenance	116,610.77	203,889.58	13,463.67	29,127.08
Information Technology Dept Expenses	124,090.66	239,356.25	13,573.67	34,193.75
5702 Depreciation Expense	358,362.51	358,978.08	51,348.59	51,282.58
5703 Dues & Subscriptions	17,595.70	66,343.09	4,254.64	9,477.58
5704 Misc. Bank Fees	71,370.64	60,302.08	23,805.55	8,614.58
5705 IRS & State Tax/Fees	9.80	0.00	0.00	0.00
5708 Rent Expense	278,597.29	290,335.50	40,744.53	41,476.50
5709 Office Supplies	8,274.68	13,075.42	1,094.55	1,867.92
5710 Office Operating Expenses	30,155.18	35,350.00	5,774.57	5,050.00
5711 Office Leased Expenses	9,413.68	11,375.00	1,188.53	1,625.00
5715 Group's Insurance Expense	125,679.55	158,637.50	14,544.33	22,662.50
5716 Group's Crime Insurance Exp.	15,809.08	0.00	2,070.58	0.00
5717 FSA Admin Fee	996.00	1,458.33	166.00	208.33
5723 Postage	24,512.85	40,541.67	3,061.98	5,791.67
5727 Employee Seminar Expenses	2,793.75	50,887.09	729.25	7,269.58
5728 Insurance Course Fees	3,489.75	8,749.99	1,682.00	1,250.00
5729 Tuition Reimbursement	0.00	21,437.50	0.00	3,062.50
5730 Audit Fees	(5,469.00)	42,583.33	0.00	6,083.33
5731 Consulting Fees	30,950.33	201,541.67	625.00	28,791.67
5732 Miscellaneous Expenses	1,482.82	3,208.33	335.79	458.33
5733 Disaster Recovery Expenses	106,098.42	68,566.17	55,701.69	9,795.17
5737 Cell Phone Expense	5,529.89	6,230.00	1,588.48	890.00
5746 Foreign Excise Tax	102,190.62	60,187.17	52.59	8,598.17
Business Operating Expenses	1,187,843.54	1,499,787.92	208,768.65	214,255.42
5201 Travel & Related Expenses	648.79	41,708.33	120.76	5,958.33



NJSIG
Income Statement
For the Period Ending 1/31/2021

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Actuals Month</u>	<u>Budget Month</u>
5851 Annual Meeting	15,930.40	35,525.00	132.90	5,075.00
5852 Trustee Meeting Expense	283.65	3,500.00	23.25	500.00
Conferences & Meeting Expenses	<u>16,862.84</u>	<u>80,733.33</u>	<u>276.91</u>	<u>11,533.33</u>
 Total Expenses	<u>91,709,439.10</u>	<u>102,304,725.10</u>	<u>8,093,440.68</u>	<u>7,194,871.59</u>



NJSIG
Income Statement
For the Period Ending 1/31/2021

	<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	139.52	0.00	0.00	0.00
4423 Interest - InvBk Concentration	623,899.98	0.00	93,076.66	0.00
4424 Interest-Invest Fund (WT)	1,073,511.12	0.00	3,784.07	0.00
4425 Accrued Interest/Divid	14,101.55	0.00	145,122.48	0.00
Investment Income	<u>1,711,652.17</u>	<u>0.00</u>	<u>241,983.21</u>	<u>0.00</u>
4501 Unrealized Gain/Loss	(1,026,414.13)	0.00	(136,901.45)	0.00
Financial Income	<u>(1,026,414.13)</u>	<u>0.00</u>	<u>(136,901.45)</u>	<u>0.00</u>
4603 Miscellaneous Income	104.88	0.00	104.88	0.00
4604 Realized Gain/(Loss) Invest-WT	203,913.29	0.00	40,830.08	0.00
4605 Seminar Income	1,450.00	0.00	1,450.00	0.00
4609 Change in Unrnd Ag Comm	(36,755.07)	0.00	0.00	0.00
4610 Change in Unrnd Reins	(98,915.77)	0.00	0.00	0.00
Other Revenues	<u>69,797.33</u>	<u>0.00</u>	<u>42,384.96</u>	<u>0.00</u>
5901 Amortization of Inv. Premiums	4,317.03	0.00	14,898.08	0.00
Investment Expenses	<u>4,317.03</u>	<u>0.00</u>	<u>14,898.08</u>	<u>0.00</u>
Total Other Revenue and Expenses	<u>750,718.34</u>	<u>0.00</u>	<u>132,568.64</u>	<u>0.00</u>
Net Revenue	<u>54,054,479.27</u>	<u>37,995,272.91</u>	<u>(7,630,239.02)</u>	<u>(7,194,871.59)</u>

N J S I G
SUMMARY OF CASH AND INVESTMENTS
AS OF **1/31/2021**

CASH & CASH EQUIVALENTS:

Petty Cash	\$190.66
Cash Mgmt. Fund - N.J. State	\$342,584.47
Concentration Acct (TD Bank)	\$0.00
Claims Acct (TD Bank)	(\$1,398.27)
Concentration Acct (Investors)	\$215,182,793.97
Operating Acct (Investors)	(\$1,354,682.49)
Claims Acct (Investors)	(\$1,181,703.48)
Payroll Acct (Investors)	\$3.04
Assessmnt Collection Acct(INV)	(\$406,947.93)
Money Market (WT)	\$9,259,421.07

TOTALS AS OF **1/31/2021** **\$221,840,261.04**

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	\$137,480,000	(\$176,782)	\$138,093,915	76%
12 TO 24 MONTHS	\$42,850,000	\$0	\$42,973,588	24%
24 TO 36 MONTHS	\$0			
36 TO 48 MONTHS	\$0			
48 TO 60 MONTHS	\$0			
TOTALS	<u><u>\$180,330,000</u></u>	<u><u>(\$176,782)</u></u>	<u><u>\$181,067,502</u></u>	<u><u>100%</u></u>

TOTAL AS OF	1/31/2021	
CASH & CASH EQUIVALENTS		\$221,840,261
INVESTMENTS		\$181,067,502
TOTAL		<u><u>\$402,907,763</u></u>

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

6/30/2021

VALUED AS OF:

1/31/2021

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	Amortiz. Invest prem/disc
05/15/2020	09/10/2020	UNITED STATES TREASURY BILLS DTD 09/12/2019 Due/ 09/10/2020	\$0	\$0	118	\$0
07/15/2020	10/06/2020	UNITED STATES TREASURY BILLS DTD 05/05/2020 Due/ 10/06/2020	\$0	\$0	83	\$0
06/02/2020	11/03/2020	UNITED STATES TREASURY BILLS DTD 06/02/2020 Due/ 11/03/2020 (orig disc/prem = \$6698.72)	\$0	\$0	154	\$0
05/15/2020	11/12/2020	UNITED STATES TREASURY BILLS DTD 05/14/2020 Due/11/12/2020	\$0	\$0	181	\$0
06/16/2020	12/10/2020	UNITED STATES TREASURY BILLS DTD 06/11/2020 Due/12/10/2020	\$0	\$0	177	\$0
08/31/2020	01/12/2021	UNITED STATES TREASURY BILLS DTD 08/11/2020 Due/01/12/2021	\$0	\$0	134	\$0
09/30/2020	03/25/2021	UNITED STATES TREASURY BILLS DTD 03/26/2020 Due/03/25/2021	\$9,350,000	\$9,345,497	176	\$0
09/10/2020	09/09/2021	UNITED STATES TREASURY BILLS DTD 09/10/2020 Due/09/09/2021	\$5,025,000	\$5,018,268	364	\$0
01/12/2021	12/30/2021	UNITED STATES TREASURY BILLS DTD 12/31/2020 Due/12/30/2021	\$9,535,000	\$9,525,565	352	\$0
TOTAL CASH EQUIVALENTS			\$23,910,000	\$23,889,330		
06/21/2019	07/15/2020	UNITED STATES TREASURY NOTES DTD 07/15/2017 1.500% 7/15/2020	\$0	\$0	390	\$0
07/15/2019	08/31/2020	UNITED STATES TREASURY NOTES DTD 07/31/2015 1.375% 8/31/2020	\$0	\$0	413	\$0
07/18/2019	09/30/2020	UNITED STATES TREASURY NOTES DTD 09/30/2015 1.375% 9/30/2020	\$0	\$0	440	\$0
10/01/2019	01/31/2021	UNITED STATES TREASURY NOTES DTD 01/31/2016 1.375% 1/31/2021	\$0	\$0	488	\$0
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	(\$45,685)

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

6/30/2021

VALUED AS OF:

1/31/2021

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	Amortiz. Invest prem/disc
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	\$59,088
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	(\$50,390)
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	(\$20,867)
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	(\$21,686)
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	(\$65,027)
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	(\$59,142)
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	(\$54,545)
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	(\$60,424)
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	(\$17,087)
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	(\$14,070)
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	(\$2,926)
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	(\$2,106)
10/06/2020	04/30/2022	UNITED STATES TREASURY NOTES DTD 4/30/2020 0.125% 4/30/2022	\$9,625,000	\$9,623,496	571	(\$308)
11/03/2020	09/30/2022	UNITED STATES TREASURY NOTES DTD 9/30/2020 0.125% 9/30/2022	\$4,800,000	\$4,795,688	696	(\$551)
11/03/2020	10/31/2022	UNITED STATES TREASURY NOTES DTD 10/31/2020 0.125% 10/31/2022	\$4,800,000	\$4,795,875	727	(\$505)
11/12/2020	10/31/2022	UNITED STATES TREASURY NOTES DTD 10/31/2020 0.125% 10/31/2022	\$4,900,000	\$4,895,406	718	(\$512)

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

6/30/2021

VALUED AS OF:

1/31/2021

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	Amortiz. Invest prem/disc
12/10/2020	11/30/2022	UNITED STATES TREASURY NOTES DTD 11/30/2020 0.125% 11/30/2022	\$9,400,000	\$9,396,328	720	(\$270)
TOTAL US TREASURIES			\$156,420,000	\$155,906,872		(\$357,015)
			\$180,330,000	\$179,796,203		(\$357,015)

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

VALUED AS OF:

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

Purchase Date	Due Date	Description	PAR VALUE AS OF:				
			One Year To Maturity Date	Two Year To Maturity Date	1/31/2021 Three Year To Maturity Date	Four Year To Maturity Date	Five Year To Maturity Date
05/15/2020	09/10/2020	UNITED STATES TREASURY BILLS DTD 09/12/2019 Due/ 09/10/2020	0.00				
07/15/2020	10/06/2020	UNITED STATES TREASURY BILLS DTD 05/05/2020 Due/ 10/06/2020	0.00				
06/02/2020	11/03/2020	UNITED STATES TREASURY BILLS DTD 06/02/2020 Due/ 11/03/2020 (orig disc/prem = \$6698.72)	0.00				
05/15/2020	11/12/2020	UNITED STATES TREASURY BILLS DTD 05/14/2020 Due/11/12/2020	0.00				
06/16/2020	12/10/2020	UNITED STATES TREASURY BILLS DTD 06/11/2020 Due/12/10/2020	0.00				
08/31/2020	01/12/2021	UNITED STATES TREASURY BILLS DTD 08/11/2020 Due/01/12/2021	0.00				
09/30/2020	03/25/2021	UNITED STATES TREASURY BILLS DTD 03/26/2020 Due/03/25/2021	9,350,000.00				
09/10/2020	09/09/2021	UNITED STATES TREASURY BILLS DTD 09/10/2020 Due/09/09/2021	5,025,000.00				
01/12/2021	12/30/2021	UNITED STATES TREASURY BILLS DTD 12/31/2020 Due/12/30/2021	9,535,000.00				
TOTAL CASH EQUIVALENTS			\$23,910,000				\$0
06/21/2019	07/15/2020	UNITED STATES TREASURY NOTES DTD 07/15/2017 1.500% 7/15/2020	0.00				
07/15/2019	08/31/2020	UNITED STATES TREASURY NOTES DTD 07/31/2015 1.375% 8/31/2020	0.00				
07/18/2019	09/30/2020	UNITED STATES TREASURY NOTES DTD 09/30/2015 1.375% 9/30/2020	0.00				
10/01/2019	01/31/2021	UNITED STATES TREASURY NOTES DTD 01/31/2016 1.375% 1/31/2021	0.00				
01/15/2020	02/28/2021	UNITED STATES TREASURY NOTES DTD 02/29/2016 1.125% 2/28/2021	9,600,000.00				

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

VALUED AS OF:

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

Purchase Date	Due Date	Description	PAR VALUE AS OF:				
			One Year To Maturity Date	Two Year To Maturity Date	1/31/2021 Three Year To Maturity Date	Four Year To Maturity Date	Five Year To Maturity Date
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				
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			
10/06/2020	04/30/2022	UNITED STATES TREASURY NOTES DTD 4/30/2020 0.125% 4/30/2022		9,625,000.00			
11/03/2020	09/30/2022	UNITED STATES TREASURY NOTES DTD 9/30/2020 0.125% 9/30/2022		4,800,000.00			
11/03/2020	10/31/2022	UNITED STATES TREASURY NOTES DTD 10/31/2020 0.125% 10/31/2022		4,800,000.00			
11/12/2020	10/31/2022	UNITED STATES TREASURY NOTES DTD 10/31/2020 0.125% 10/31/2022		4,900,000.00			

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

VALUED AS OF:

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

Purchase Date	Due Date	Description	PAR VALUE AS OF:				
			One Year To Maturity Date	Two Year To Maturity Date	1/31/2021 Three Year To Maturity Date	Four Year To Maturity Date	Five Year To Maturity Date
12/10/2020	11/30/2022	UNITED STATES TREASURY NOTES DTD 11/30/2020 0.125% 11/30/2022		9,400,000.00			
TOTAL US TREASURIES			\$113,570,000	\$42,850,000			
			\$137,480,000	\$42,850,000			



New Jersey Schools Insurance Group
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Board of Trustees Meeting March 17, 2021 Client Relations and Safety and Risk Control Report

Client Relations and Safety and Risk Control

- Client Relations and Safety and Risk Control is working with members who experienced greater than 10% WC mod increases. An analysis of member's claims reports and current trends enable Safety and Risk Control representatives to target specific trainings to aide in minimizing future claims.
- Since NJSIG members have been mostly remote, safety committee meetings have been paused. We would prefer to see these meetings take place monthly or quarterly and Safety and Risk Control is actively working with members to help bring back Safety Committee meetings virtually.
- Client Relations is preparing to host upcoming Sub-fund Administrator one-on-one meetings. The goal is to plan for the year ahead and exchange ideas as we expect to continue hosting remote meetings for the foreseeable future.
- Client Relations continues to work with Enquiron; an extension to the NEPHA Hotline providing HR tools and a myriad of helpful resources. We will be reintroducing these resources mid-March to all NJSIG members. Al Kirk (BACCEIC / ERIC South) has assisted in facilitating this virtual training.
- Winter sub-fund meetings have concluded and were a big success. Meeting participation was outstanding, and the offering of QPA credits at all meetings was a big draw.
- Spring sub-fund meetings are being scheduled:
 - March 12: ERIC West
 - March 18: NJEIF
 - More dates to come

- NJSIG is planning to attend NJSBA's First Annual Virtual Spring Symposium May 12-13, 2021. NJSBA's Spring Symposium will provide education leaders an opportunity to connect, share best practices and learn about the latest developments in the field of education. This new event will feature more than 40 sessions running concurrently over eight tracks on topics including cyber/school security, school law, finance, special education and educational practices. The conference will be available to registrants for 30 days following the live show so participants can access all sessions. NJSIG will be hosting a 50 minute session on a topic TBD.
- We are pleased to offer our members an accredited online Defensive Driving course for their school bus drivers. We have partnered with National Safety Council (NSC) and will share a co-branded website that will allow NJSIG's Safety and Risk Department to monitor member requests and verify all test results.
- An in-person class used to take 6 hours and required all drivers to attend at one time. It was always difficult for members to find a day that could accommodate everyone. The online course is 4 hours. The drivers will now have the convenience of taking the course at home and can work it around their individual schedules.

Debra Rice
Client Relations/Safety and Risk Control Manager



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Board of Trustees Meeting of March 17, 2021 Underwriting Report

All 2021-2022 Workers' Compensation Experience Modifiers were calculated and delivered to the respective NJSIG brokers by February 1st.

The 2021-2022 Renewal Applications and Schedules were updated and delivered to all NJSIG brokers the week of March 1st. The new applications are also available for download on the NJSIG website. Approximately 25 member renewal submissions have been received to date.

Underwriting continues to work diligently with the NJSIG IT and Accounting departments on the testing and implementation of several NavRisk software enhancements in preparation for the 2021-2022 renewal season. Many other internal underwriting tools, forms and quality control checklists are currently being updated, tested and implemented in preparation for the upcoming renewal.

I continue to actively participate along with Executive Director Jill Deitch and other members of the NJSIG management team in numerous property and casualty reinsurer meetings facilitated by Willis Pooling.

Members from the NJSIG Underwriting, Accounting, Information Technology and Legal Departments will meet with Willis Pooling during the first week in April to review and confirm the final rates to be utilized in the NavRisk underwriting software system. The new rates and underwriting software will then be thoroughly tested for accuracy by the underwriters prior to the release of the first renewal quote. NJSIG expects to begin releasing renewal quotes on or about April 15th.

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



New Jersey Schools Insurance Group
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Board of Trustees Meeting of March 17, 2021 Claims Report

CLAIM ACTIVITY

By major coverage, newly received claims (including record only) with an entry date after January 13, 2021:

Auto liability: 54
General liability: 58
Professional liability: 36
Property: 20
Workers' compensation: 364

By major coverage, closed claims (including record only) with a last closed date after January 13, 2021:

Auto liability: 58
General liability: 71
Professional liability: 54
Property: 28
Workers' compensation: 318

CLAIM OUTCOMES

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

- Claims activity.
- Claims trending.
- Update on COVID-19 claim handling guidelines.

Sherwin Archibald
Claims Manager

SENATE, No. 3375

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED JANUARY 21, 2021

Sponsored by:
Senator TROY SINGLETON
District 7 (Burlington)

SYNOPSIS

Concerns medical treatment arising from workers' compensation claims.

CURRENT VERSION OF TEXT

As introduced.



S3375 SINGLETON

2

1 AN ACT concerning medical treatments arising from workers'
2 compensation claims, supplementing chapter 15 of Title 34 of
3 the Revised Statutes, and amending various sections of the
4 statutory law.

5

6 **BE IT ENACTED** by the Senate and General Assembly of the State
7 of New Jersey:

8

9 1. R.S.34:15-53 is amended to read as follows:

10 34:15-53. Within 20 days after the filing of an answer, or the
11 expiration of the time for filing an answer if no answer is filed, the
12 secretary of the division shall fix a time and place for hearing the
13 petition, or shall send the petition and answer or a transcript of the
14 petition and answer to the director, a deputy director or 1 of the
15 referees, in which case such director, deputy director or referee,
16 within 20 days after the filing of the answer, shall fix a time and
17 place for the hearing of the petition. Such time shall be not less than
18 4 weeks nor more than 6 weeks after the filing of the petition,
19 provided however, that in cases where the extent of permanent
20 disability, total or partial, is an issue, the determination of such
21 issue shall be deferred as provided in section 34:15-16 of this Title.
22 The petition shall be heard either in the county in which the injury
23 occurred or in which the petitioner or respondent resides, or in
24 which the respondent's place of business is located, or in which the
25 respondent may be served with process. When a time and place has
26 been fixed for such hearing, the director, deputy director or the
27 referee to whom the cause has been referred shall give at least 10
28 days' notice to each party of the time and place of hearing. Unless
29 the petitioner or respondent gives good cause to the director, deputy
30 director, or the referee that an in-person proceeding is necessary for
31 the proper administration of justice, any administrative matter,
32 conference, or hearing to approve a settlement shall be conducted
33 by telephone or video conferencing. The director, deputy director or
34 any referee to whom a cause has been referred, shall have power to
35 adjourn the hearing thereof from time to time in his discretion.

36 (cf: P.L.1956, c.141, s.7)

37

38 2. R.S.34:15-64 is amended to read as follows:

39 34:15-64. a. The commissioner, director and the judges of
40 compensation may make such rules and regulations for the conduct
41 of the hearing not inconsistent with the provisions of this chapter as
42 may, in the commissioner's judgment, be necessary. The official
43 conducting any hearing under this chapter may allow to the party in
44 whose favor judgment is entered, costs of witness fees and a
45 reasonable attorney fee, not exceeding 20% of the judgment; and a

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

S3375 SINGLETON

1 reasonable fee not exceeding \$400 for any one witness, except that
2 the following fees may be allowed for a medical witness:

3 (1) (a) A fee of not more than \$600 paid to an evaluating
4 physician for an opinion regarding the need for medical treatment
5 or for an estimation of permanent disability, if the physician
6 provides the opinion or estimation in a written report; and

7 (b) An additional fee of not more than \$400 paid to the
8 evaluating physician who makes a court appearance to give
9 testimony; or

10 (2) (a) A fee of not more than \$450 paid to a treating physician
11 for the preparation and submission of a report including the entire
12 record of treatment, medical history, opinions regarding diagnosis,
13 prognosis, causal relationships between the treated condition and
14 the claim, the claimant's ability to return to work with or without
15 restrictions, what, if any, restrictions are appropriate, and the
16 anticipated date of return to work, and any recommendations for
17 further treatment; and

18 (b) (i) An additional fee of not more than \$300 per hour, with
19 the total amount not to exceed \$2,500, paid to the treating physician
20 who gives testimony concerning causal relationship, ability to work
21 or the need for treatment; or

22 (ii) An additional fee of not more than \$300 per hour, with the
23 total amount not to exceed \$1,500, paid to the treating physician
24 who gives a deposition concerning causal relationship, ability to
25 work or the need for treatment.

26 b. (1) No fee for an evaluating physician pursuant to this
27 section shall be contingent on whether a judgment or award is or is
28 not made in favor of the petitioner.

29 (2) No evaluating or treating physician shall charge any fee for a
30 report, testimony or deposition in excess of the amount permitted
31 pursuant to the provisions of this section.

32 c. A fee shall be allowed at the discretion of the judge of
33 compensation when, in the official's judgment, the services of an
34 attorney and medical or expert witnesses are necessary for the
35 proper presentation of the case. In determining a reasonable fee for
36 medical or expert witnesses, the official shall consider (1) the time,
37 personnel, and other cost factors required to conduct the
38 examination or expert services; (2) the extent, adequacy and
39 completeness of the medical evaluation or expert services; (3) the
40 objective measurement of bodily function and the avoidance of the
41 use of subjective complaints; and (4) the necessity of a court
42 appearance of the medical or expert witness. When, however, at a
43 reasonable time, prior to any hearing compensation has been offered
44 and the amount then due has been tendered in good faith or paid
45 within 26 weeks from the date of the notification to the employer of
46 an accident or an occupational disease or the employee's final active
47 medical treatment or within 26 weeks after the employee's return to
48 work whichever is later or within 26 weeks after employer's

1 notification of the employee's death, the reasonable allowance for
2 attorney fee shall be based upon the amount of compensation,
3 theretofore offered, tendered in good faith or paid after the
4 establishment of an attorney-client relationship pursuant to a written
5 agreement, and the amount of the judgment or award in excess of
6 the amount of compensation, theretofore offered. When the amount
7 of the judgment is less than \$200, an attorney fee may be allowed
8 not in excess of \$50. Any fees that the judge of compensation
9 determines are necessary for the proper presentation of the case
10 shall not be limited by any other provision of chapter 15 of Title 34
11 of the Revised Statutes.

12 d. All counsel fees of claimants' attorneys for services
13 performed in matters before the Division of Workers'
14 Compensation, whether or not allowed as part of a judgment, shall
15 be first approved by the judge of compensation before payment.
16 Whenever a judgment or award is made in favor of a petitioner, the
17 judges of compensation or referees of formal hearings shall direct
18 amounts to be deducted for the petitioner's expenses and to be paid
19 directly to the persons entitled to the same, the remainder to be paid
20 directly to the petitioner. In a matter in which compensation,
21 including compensation for medical services, is denied or not
22 promptly provided, and the compensation is paid after a motion
23 claiming the compensation is filed on behalf of the petitioner, the
24 respondent shall pay the actual costs in presenting the motion,
25 including but not limited to the costs of all expert witnesses,
26 together with a counsel fee to the petitioner's counsel in the amount
27 of 20 percent of the expense of all medical and temporary benefits
28 paid by the respondent after the motion filing.

29 (cf: P.L.2018, c.105, s.1)

30

31 3. (New section) When an employer furnishes treatment
32 pursuant to R.S.34:15-15, the relationship between treating
33 physician and injured employee shall be deemed the same as if
34 privately contracted between physician and patient, except that the
35 employer shall pay the usual, reasonable, or customary charges for
36 reasonable and necessary treatment causally related to the injury or
37 occupational disease as further provided under this section. Any
38 employer, insurance carrier, or third-party administrator who hires,
39 contacts, designates, or manages medical treatment shall provide
40 the time, date, and substance of any communications with the
41 treating physician to the patient or the patient's legal representative
42 as soon as is practicable. Any written or electronic communication
43 shall be provided contemporaneously to the employee or the
44 employee's designated representatives upon request by employee or
45 employee's authorized representatives. Nurses or rehabilitation
46 professionals who attend medical treatment appointments either
47 personally or via electronic means shall be authorized to do so by
48 the patient or the patient's legal representative. The substance of

1 nurse or rehabilitation professional participation shall be revealed to
2 the patient or the patient's legal representative. No medical provider
3 shall withhold any communication from an employer or its
4 insurance carrier, or third-party administrator, to a treating
5 physician, from an injured worker or legal representative of an
6 injured worker upon request, without documented therapeutic
7 medical reason for the withholding that record. Any willful or
8 repeated violation of this section shall be punishable pursuant to
9 section 1 of P.L.2008, c.93 (C.34:15-28.2) and section 9 of
10 P.L.2001, c.326 (C.34:15-128.5).

11

12 4. (New section) Once an employer, its carrier, or its third
13 party administrator authorizes treatment or medical services, or the
14 Division of Workers' Compensation determines the treatment or
15 medical services are the responsibility of the employer, the
16 employer, carrier, or third-party administrator shall not delay or
17 deny authorization for any treatment, diagnostic studies,
18 procedures, therapies or medications recommended by an
19 authorized medical care provider. No employer, carrier or third-
20 party administrator shall de-authorize any medical care provider
21 authorized to treat or provide services to a petitioner without first
22 securing an order from a judge of compensation. A violation of this
23 section shall be punishable pursuant to section 1 of P.L.2008, c.93
24 (C.34:15-28.2).

25

26 5. This act shall take effect immediately.

27

28

29

STATEMENT

30

31 This bill concerns medical treatment arising from workers'
32 compensation claims.

33 The bill increases the transparency of medical providers'
34 communications with injured workers. Specifically, the bill
35 provides that any employer, insurance carrier, or third-party
36 administrator, who hires, contacts, designates, or manages medical
37 treatment, must provide the time, date, and substance of any
38 communications with the treating physician to the patient or their
39 legal representative as soon as is practicable thereafter. Any written
40 or electronic communication shall be provided contemporaneously
41 to the employee or their designated representatives upon notice
42 from the employee or the employee's authorized representatives.
43 Under this bill, no medical provider shall withhold any
44 communication from an employer or its insurance carrier, or third-
45 party administrator to a treating physician, from an injured worker
46 or legal representative of an injured worker upon request, without
47 documented therapeutic medical reason for withholding that record.

S3375 SINGLETON

6

1 The bill also mandates non-interference with medical treatment.
2 Once treatment or medical services have been authorized by the
3 employer or its carrier or its third party administrator or determined
4 by the Division of Workers' Compensation to be the responsibility
5 of the employer, no employer, carrier or third-party administrator
6 shall delay or deny authorization for any treatment, diagnostic
7 studies, procedures, therapies or medications recommended by any
8 authorized medical care providers. No employer, carrier or third-
9 party administrator shall de-authorize any medical care provider
10 authorized to treat or provide services to a petitioner without first
11 securing an order from a judge of compensation.

12 The bill also amends existing law to provide for compensation
13 for expert witnesses in workers' compensation hearings, and to
14 allow these hearings to utilize telephone or video conferencing.



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Board of Trustees Meeting March 17, 2021
Action Item
Rate review for the July 1, 2021-2022 policy year

NJSIG No. 0321-01

Each year NJSIG's actuary, Willis Towers Watson, evaluates the Member contributions necessary to cover NJSIG's retained risk on specified lines of coverage, i.e., NJSIG's self-insured retention (SIR), or the portion of risk that NJSIG holds in-house. Willis Tower Watson indicates the range of contributions they recommend NJSIG should collect from members so as cover the SIR/retained risk on the specified coverages. The coverage extended to members beyond this SIR/retained risk is covered by excess or reinsurance.

In determining the appropriate level of member contributions in the 2021/2022 policy year within the Willis Towers Watson range, I believe it is important to consider the cost of the SIR/retained risk to the membership in conjunction with the cost of excess and reinsurance. As we discussed during the January meeting, as an organization we are facing two primary issues during this renewal: 1) a second consecutive year of double digit rate increases on the property coverage this renewal due to widespread hardening of the property excess/reinsurance market; and, 2) hardening of the professional and casualty market driven by recent legislative changes and catastrophic losses.

More specifically, based on what we know from the property reinsurers to date, we can anticipate a 19% increase on the property reinsurance. The cost of reinsurance forms approximately 68% of our overall blended property rate. The other approximately 32% comes from NJSIG's SIR.

Following our January Board meeting, we met with our excess/reinsurance providers on the general liability (GL) and auto liability (AL) lines. The GL/AL excess reinsurers indicate a 15% increase on their retentions.



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They are attributing these increases to member experience, uncertainty surrounding COVID-19 claims and continued concern regarding the sexual abuse reviver statute. Reinsurance forms approximately 16% of our overall blended GL rate. Reinsurance forms approximately 32% of our overall blended AL rate. Finally, our WC reinsurer has also indicated an anticipated increase of 4.5%, although reinsurance cost makes up a much smaller portion of the overall blended WC rate (approximately 2.25%).

These projected reinsurance increases must be balanced against the long-term goal of the organization to keep NJSIG's rates as cost-effective and stable as possible, with the least amount of volatility. However, we also need to stay within the range deemed to be reasonable by NJSIG's actuary, to avoid having to impose assessments on our members in the future.

Accordingly, in an effort to address these issues, I requested that NJSIG's actuaries prepare proposed rate guidance on NJSIG's SIR/retained risk. I recommend that the Board adopt the following rates on NJSIG's SIR/retained risk, which are all well within the ranges identified as reasonable by our actuaries:

Workers' compensation: -4.8%

General liability: +.6%

Automobile liability: -18.8%

Automobile property damage: -17.1%

Property: +3.9%

Crime: -58.8%

These changes combine to a -4.6% for all of the above coverages combined for NJSIG's SIR/retained risk.



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This overall change falls within the reasonable range from the Willis Towers Watson actuarial report that was presented to you. NJSIG's actuary has opined that they believe that this proposed rate change is reasonable. If implemented, this guidance would reduce overall rates on the workers' compensation line of coverage; offset significant increases in the reinsurance rates, as outlined above; and provide an overall rate reduction on NJSIG's SIR/retained risk, with all lines combined. Furthermore, when combined with our current best estimates for reinsurance at this time, these changes would result in an overall increase in premium of approximately +0.84%.

Recommended Resolution (NJSIG No. 0321-1): Approve the Willis Towers Watson rate review for the July 1, 2021/2022 policy year report dated March 12, 2021, and the rates contained therein, including increasing NJSIG's self-insured retention for the general liability and automobile liability to \$1,000,000 for the 2021/2022 policy year. The Executive Director is also authorized to implement a communicable disease sub-limit of \$1,000,000 per occurrence, with a pool-wide annual aggregate of \$9,000,000 on the general liability, automobile liability and school board leader liability.

Jill Deitch, Esq.
Executive Director



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Board of Trustees Meeting March 17, 2021
Action Item
Excess and reinsurance for the 2021-2022 policy year

NJSIG No. 0321-02

NJSIG has begun receiving quotes for reinsurance and excess insurance for the 2021/2022 policy year. As I indicated at our last meeting meeting, Willis Re, NJSIG's current insurance broker, has indicated that the market for reinsurance and excess insurance continues to "harden" for a second consecutive year. "Hardening" is a term of art in the insurance industry that generally means insurance rates are increasing, and available insurance capacity is decreasing. Willis Re has aggressively marketed NJSIG's lines of business to reinsurance and excess insurance carriers so as to ensure we are able to obtain the necessary coverage for our membership at acceptable rates.

Willis Re's prediction regarding the market conditions has proven prescient, with significant hardening noted across multiples lines of coverage for the second consecutive year.. Most significantly, NJSIG is facing double digit rate increases on the property and casualty coverages, with lesser but significant increase on the professional liability coverage. Notably, while cyber coverage has traditionally made up a minor component of the overall program, claims activity has spiked nationwide and thus rates are increasing significantly.

Willis Re's guidance for a worst-case scenario at this juncture is that excess and reinsurance for the 2021/2022 policy year will not exceed \$43,906,832 based on expiring exposure data. NJSIG continues to pursue further price negotiations with carriers and is investigating higher retention limits in certain coverages. NJSIG also continues to explore increased aggregate limits where appropriate.



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Recommended Resolution (NJSIG No. 0321-02): to approve the renewal of reinsurance coverage at a cost not to exceed \$43,906,832 based on expiring exposure data. Further, the Board of Trustees authorizes the Executive Director to renew with alternative responsible carriers if the terms and conditions offered by those carriers provide a clear advantage in Member pricing or coverage terms.

Jill Deitch, Esq.
Executive Director



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Board of Trustees Meeting of March 17, 2021
Action Item
Property GL AL field adjuster services
NJSIG No. 0321-03

As a part of NJSIG's efforts to maintain compliance with the PSCL, NJSIG issued a request for proposals for property field adjuster services (C-2021-0001) and general and auto field liability adjuster services (C-2021-0002). As a result of this open and fair process, NJSIG received six proposals for property field adjuster services (C-2021-0001) and four proposals for general and auto field liability adjuster services (C-2021-0002). These proposals were evaluated using weighted evaluation criteria, and the results of that evaluation are attached. Thus, based on the results of the committee's evaluation, it is proposed that contracts be awarded as follows:

- 1) For property field adjuster services (C-2021-0001) to:
 - a. MSW Adjustment Group;
 - b. New Jersey Claims Associates, LLC;
 - c. Norcross (A McLarens Company);
 - d. Raphael & Associates; and
 - e. Vanguard Adjusters Group, Inc.

- 2) For general liability and auto liability field adjuster services (C-2021-0002) to:
 - a. New Jersey Claims Associates, LLC;
 - b. Norcross (A McLarens Company);
 - c. Raphael & Associates; and
 - d. Vanguard Adjusters Group, Inc.

Sherwin Archibald
Claims Manager



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**Resolution Authorizing the Execution of a
Contract Pursuant to the Public School Contracts Law**

NJSIG No. 0321-03

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 property, general liability and auto liability field adjuster services;

WHEREAS, NJSIG has engaged in an open and fair process for the procurement of property, general liability and auto liability field adjuster 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 contracts for property field adjuster services to:
 - a. MSW Adjustment Group;
 - b. New Jersey Claims Associates, LLC;
 - c. Norcross (A McLarens Company);
 - d. Raphael & Associates; and



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**Resolution Authorizing the Execution of a
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NJSIG No. 0321-03

- e. Vanguard Adjusters Group, Inc.
- 2) NJSIG awards contracts for general liability and auto liability field adjuster services to:
 - a. New Jersey Claims Associates, LLC;
 - b. Norcross (A McLarens Company);
 - c. Raphael & Associates; and
 - d. Vanguard Adjusters Group, Inc.
- 3) NJSIG awards contracts for property, general liability and auto liability field adjuster services to these providers based on technical criteria, management criteria and cost criteria;
- 4) The Executive Director is hereby authorized to execute contracts with the above-referenced providers;
- 5) 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 a
Contract Pursuant to the Public School Contracts Law**

NJSIG No. 0321-03

- 6) 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 17th day of March, 2021.

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
MEMORANDUM**

Date: March 9, 2021

To: Board of Trustees
New Jersey Schools Insurance Group

From: Evaluation Committee for Property Field Adjuster Services (C-2021-0001) and General and Auto Field Liability Adjuster Services (C-2021-0002) RFP

Subject: Property Field Adjuster Services (C-2021-0001) and General and Auto Field Liability Adjuster Services (C-2021-0002) 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 self-administers all claims on its property, general liability, and auto liability lines. NJSIG sought proposals from one or more qualified organizations to provide property, general liability and auto liability field adjuster services to assist its

claims department in conducting field investigations and procuring the documentation necessary for proper claims evaluation.

A full copy of the scope of work is contained within the request for proposals for Property Field Adjuster Services (C-2021-0001) and General and Auto Field Liability Adjuster Services (C-2021-0002). 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 property field adjuster services and general and auto liability field adjuster services via a fair and open competitive contracting process. As a result of this solicitation, NJSIG received six proposals for Property Field Adjuster Services (C-2021-0001) and four proposals for General and Auto Field Liability Adjuster Services (C-2021-0002).

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 Property Field Adjuster Services (C-2021-0001) and General and Auto Field Liability Adjuster Services (C-2021-0002).

The results of the evaluation committee are summarized below:

Property Field Adjuster Services (C-2021-0001)

1. MSW Adjustment Group had a 79 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 recommends accepting this proposal.
2. New Jersey Claims Associates, LLC had an 82.75 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 recommends accepting this proposal.

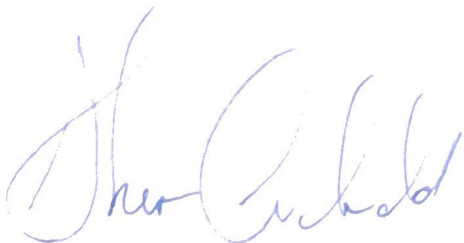
3. Norcross (A McLarens Company) had an 80.25 mean composite score. The evaluation committee found this proposal reasonable as to cost. The evaluation committee found the proposal to be responsive as to management and technical criteria. The evaluation committee recommends accepting this proposal.
4. Ottoson Adjusting & Consulting Group, Inc. had a 60.75 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 recommends rejecting this proposal.
5. Raphael & Associates had an 84.75 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 recommends accepting this proposal.
6. Vanguard Adjusters Group, Inc. had an 80.75 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 recommends accepting this proposal.

General and Auto Field Liability Adjuster Services (C-2021-0002):

1. New Jersey Claims Associates, LLC had an 81.25 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 recommends accepting this proposal.
2. Norcross (A McLarens Company) had a 77.75 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 recommends accepting this proposal.
3. Raphael & Associates had an 84.5 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 recommends accepting this proposal.

4. Vanguard Adjusters Group, Inc. had an 80 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 recommends accepting this proposal.



3/9/21



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Board of Trustees Meeting March 17, 2021
Action Item
Financial Auditor

NJSIG No. 0321-04

As a public entity insurance group, NJSIG is required under N.J.S.A. 18A:18B-4(8) and N.J.A.C. 11:15-4.24 to obtain an annual certified financial audit performed in conformity with generally accepted accounting principles. To this end, it is proposed that the contract for independent financial auditing and accounting consulting professional services be awarded to Bowman & Company, LLP based on the results of the evaluation that was conducted in 2018, and this service provider's demonstrated service to NJSIG.

Recommended Resolution: to adopt the contract for independent financial auditing and accounting consulting professional services be awarded to Bowman & Company, LLP based on the results of the evaluation that was conducted in 2018.

Michele Carosi
Chief Financial Officer



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**Resolution Authorizing the Execution of
Contracts Pursuant to the Public School Contracts Law**

NJSIG No. 0321-04

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 independent financial auditing and accounting consulting professional services to aid in management of the organization and comply with N.J.S.A. 18A:18B-4(8) and N.J.A.C. 11:15-4.24;

NOW THEREFORE, BE IT RESOLVED that:

- 1) NJSIG awards the contract for independent financial auditing and accounting consulting professional services to Bowman & Company, LLP;
- 2) NJSIG awards the contract for independent financial auditing and accounting consulting professional services to this service provider based on the service provider’s demonstrated service to NJSIG;
- 3) The Executive Director is hereby authorized to execute a contract with the above-referenced service provider;
- 4) These contracts are awarded 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. 0321-04

- 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.
- 6) 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 9th day of March, 2020.



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**Resolution Authorizing the Execution of
Contracts Pursuant to the Public School Contracts Law**

NJSIG No. 0321-04

New Jersey Schools Insurance Group

By: _____

Irene Le Febvre, Chairperson

Board Secretary
Use Only

DATE:

MOVED BY:

SECONDED BY:

VOTE:



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Board of Trustees Meeting of March 17, 2021
Action Item
Checking Accounts and New Claims

NJSIG No. 0321-5

Attached are the check registers for January and February 2021.

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 January and February 2021. This report shows the nature and financials for each claim.

Recommended Resolution (NJSIG No. 0321-5): 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 01/1/2021 to 02/28/2020 as shown in the online (Microscribe) version of the meeting package.

Michele Carosi
Chief Financial Officer