



NJSIG

Board of Trustees Meeting

May 19, 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	Boonton Board of Education 434 Lathrop Ave. Boonton, NJ 07005	momlefebvre@hotmail.com Committees: Claims, Policy
Christopher Russo, Ed.D. Vice-Chairperson ❖2019-2022 South Business Administrator	West Windsor-Plainsboro Regional 55 Grovers Mill Road Plainsboro, NJ 08536	Christopher.Russo@ww-p.org Committees: Claims, Personnel
Richard J. Casey Trustee ❖2021-2022 Central Board Member	Ocean Gate Board of Education 200 W. Arverne Ave., PO Box 1039 Ocean Gate, NJ 08740	richard.casey1@comcast.net Committee: Finance
James J. Jencarelli, Jr. Trustee ❖2018-2021 North Superintendent	Morris Hills Regional 2 Mill Creek Road Sparta, NJ 07871	jjencarelli@mhrd.org Committee: Personnel
Joseph Meloche, Ed.D. Trustee ❖2019-2021 South Superintendent	Cherry Hill Public Schools 45 Ranoldo Terrace Cherry Hill, NJ 08034	JMeloche@chclc.org Committee: Personnel
Steven K. Robinson Trustee ❖2018-2021 North Business Administrator	Livingston Township Board of Education 11 Foxcroft Drive Livingston, NJ 07039	srobinson@livingston.org Committee: Finance
Dana Sullivan Trustee ❖2019-2022 Central Business Administrator	Westfield Board of Education 302 Elm Street, Rm 101 Westfield, NJ 07090	dsullivan@westfieldnj12.org Committees: Claims, Policy
Stephanie Brown, Ed.D. Trustee ❖2020-2023 Central Superintendent	Milltown Board of Education Joyce Kilmer School 21 West Church Street Milltown, NJ 08850	sbrown@milltownps.org Committee: Finance
Josephine Sharpe Trustee ❖2020-2023 South Board Member	Wildwood Board of Education 4300 Pacific Avenue Wildwood, NJ 08260	jm.sharpe@hotmail.com Committee: Personnel
Jill Deitch, Esq. Executive Director	6000 Midlantic Drive, Suite 300 North Mount Laurel, NJ 08054	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

3/17/2021 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	Richard J. Casey 3/17/21 - 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.



New Jersey Schools Insurance Group
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BOARD OF TRUSTEES MEETING
Wednesday, May 19, 2021
6000 Midlantic Drive, Suite 300 North, Mount Laurel, NJ
Meeting 10:00 a.m.

MAY 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.
Richard J. Casey
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 March 17, 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. Trustee nominations
- C. Cyber coverage changes
- D. July/August Trustee retreat

Michele Carosi
 Jill Deitch
 Jill Deitch
 Jill Deitch

8. Action Items:

- A. 2021/2022 Budget – First reading
 (NJSIG No. 0521-1)
- B. 2021/2022 Plan of Risk Management – First reading
 (NJSIG No. 0521-2)
- C. 2021/2022 Meeting Dates – First reading
 (NJSIG No. 0521-3)
- D. WTW Rate Level Analysis July 1, 2021 – 2022
 (NJSIG No. 0521-4)
- E. Contracting:
 - 1. Outside counsel: GL, school/educ., WC
 (NJSIG No. 0521-5)
 - 2. Outside counsel: special subrogation/coverage
 (NJSIG No. 0521-6)
 - 3. Property inspections
 (NJSIG No. 0521-7)
- F. Checking accounts & new claims ratification
 (NJSIG No. 0521-8)

Jill Deitch

 Jill Deitch
 Jill Deitch
 Jill Deitch
 Sherwin Archibald
 Sherwin Archibald
 Debra Rice
 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 May 19, 2021
Board of Trustees Meeting Minutes of March 17, 2021

New Jersey Schools Insurance Group's (NJSIG) Board of Trustees Meeting of March 17, 2021 at NJSIG's Mount Laurel office.

ATTENDEES

Trustees: Irene Le Febvre, Joseph Meloche, Ed. D., Steven Robinson, Dana Sullivan, Christopher Russo, Ed. D.;

Participants: David Rapuano, Esq. of *Archer*, Richard J. Casey (nominated board member), Phil Williams of *Willis Re Pooling*, Joanne Kirby of *Willis Re Pooling*, Stacy Mina of *Willis Towers Watson*, 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*, Gail White of *Regional Risk Managers*, Jack Zisa of *Regional Risk Managers*, Bob Gemmell of *Brown and Brown Metro*

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*, Lauren Schilling, *Marketing and Communication Specialist*, Ivy Davis, *Sr. Business Development Specialist*, Joseph Semptimphelter, *Sr. Business Development Specialist*, Sameer Sarfraz, *Sr. Safety and Risk Control Rep.*, Joanne Gunter, *Sr. Safety and Risk Control Coordinator*, Jacquie Godfrey, *Safety and Risk Control Coordinator*, Leslie McMahon, *Actuarial Analyst*, and Anthony Fernandez, *Claims Examiner*

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 10:23 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.	A	Joseph Meloche, Ed.D.	√	Josephine Sharp	A
James J. Jencarelli, Jr.	A	Steven Robinson	√	Dana Sullivan	√
Irene LeFebvre		Christopher Russo, Ed.D	√		

ITEM #3 ACCEPTANCE OF THE PUBLIC SESSION AND EXECUTIVE SESSION MINUTES OF JANUARY 13, 2021.

Action Taken: M (Sullivan)\ S (Meloche)\ Carried (Affirmative Votes = Le Febvre, Meloche, Robinson, Russo, Sullivan) to accept the January 13, 2021 public session and executive session Board of Trustees meeting minutes.

ITEM #4 PUBLIC PARTICIPATION

There was no public participation.

ITEM #5 SUB-FUND LIAISONS – Reports/Comments

Latonya Brennan of Arthur J. Gallagher & Co. announced the release of ERIC North’s workers’ compensation newsletter focusing on COVID-19 issues. ERIC North members were pleased with the budgetary guidance presented by NJSIG. Brennan reported they are hosting a planning session for 2021-2022 to discuss timely topics.

Jay Lynch of Alliant/Boynton thanked Accounting and Client Relations for their assistance with the Safety Grant distribution for MOCSSIF. Their next 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 April 30, 2021. The budgetary guidance was well received.

Jack Zisa of Regional Risk Managers representing NJEIF thanked NJSIG for the 2021-2022 rate structure and the workers' compensation rates. Zisa announced NJEIF'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 March 18, 2021. Zisa thanked Client Relations for their assistance planning and presenting the meetings.

Al Kirk of Conner Strong on behalf of BACCIEC and ERIC South thanked NJSIG for the COVID-19 refund credits. There was positive feedback from the members relative to the COVID-19 refund credits. Kirk reported NJSIG was the only JIF providing COVID-19 refund credits. He also thanked Underwriting for distributing the renewal applications so timely.

Bob Gemmell of Brown and Brown Metro representing ERIC West thanked NJSIG for their support and overall blended rate structure. Gemmell reported ERIC West's virtual sub-fund meeting "Ethical Considerations in the Essential Employees Law and Canzanella Act," hosted by John H. Geaney on March 12, 2021 was a great way to educate a larger number of members.

Jim Ridgway of J. Byrne Insurance representing CAIP reported the COVID-19 refund credits were very well received by the membership and will positively impact the renewal season. Ridgway reported CAIP's virtual sub-fund meeting "Managing IEP Risks in the COVID-19 Era," hosted by David Nash, John Worthington, Jodi Howlett and Neil Marek, took place on February 10, 2021 and was very well received. He thanked NJSIG and Client Relations for their assistance in planning and presenting the meetings.

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 that NJSIG's budgetary guidance would be about a one percent increase across all lines, assuming the Board implements the rate recommendations on the retained risk. Deitch reported NJSIG has been working diligently to prepare returning approximately \$3.3 million in member contributions to members with

workers' compensation and auto liability coverage in the 2019-2020 policy year.

B. Accounting/Finance Report

Michele Carosi, Chief Financial Officer, provided an overview of her report and an update on the status of her department. Carosi explained the process and responsibility of preparing for the COVID-19 member contribution returns. Carosi announced the bill payer position will transition to the Accounting Department, reporting to Rebecca Fabiano, beginning in April 2021.

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 the success of the first virtual broker meeting. She thanked the sub-fund administrators for the efforts in quickly adapting to the COVID-19 pandemic to provide trainings in a virtual format and for offering QPA credits at all meetings. Rice announced NJSIG will offer members an accredited online Defensive Driving course through a partnership with the National Safety Council.

D. Underwriting Report

Claire King, Underwriting Manager, provided an overview of her report and an update on the status of her department. King announced after two years of working on a major upgrade of the underwriting software, it is in the final testing phase. King thanked the IT and Accounting Departments for all of their diligence and hard work.

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. Cook noted that the IT Department has been focused on ensuring NJSIG's systems have operated smoothly to ensure the COVID-19 credit project is successful.

Cook reported the Marlboro office is closed and all of our belongings are moved out and liquidated.

ITEM #7 DISCUSSION ITEMS

A. COVID-19 returns; update

Discussion item presented by Deitch. Deitch reported the COVID-19 return letters have been mailed to the membership and Client Relations emailed the COVID-19 return letter to the brokers and membership.

B. S3375: proposed bill re: medical treatment & WC claims

Discussion item presented by Deitch. Deitch explained the intent of proposed bill S3375. Deitch further explained another JIF reached out to NJSIG relative to exploring the impact of proposed bill S3375. Deitch sought Board feedback before exploring proposed bill S3375. Trustees were supportive of investigating the impact of this proposed bill.

C. Trustee nominations; Finance Committee nomination

Discussion item presented by Deitch. Deitch introduced Richard J. Casey as the Central Trustee Board Member nominee.

ITEM #8 ACTION ITEMS:

A. Nomination of Richard Casey, a member of the Ocean Gate Board of Education, to the NJSIG Board of Trustees (NJSIG No. 0321-3)

Action Taken: M (Sullivan)\ S (Robinson)\ Carried (Affirmative Votes = Le Febvre, Meloche, Robinson, Russo, Sullivan) to approve the NJSBA nomination of Richard J. Casey to serve on the NJSIG Board of Trustees, as the central Board Member representative for the term 3/17/21 to 6/30/22.

The Board also appointed Trustee Richard J. Casey to the Finance Committee.

B. Rate review for the July 1, 2021-2022 policy year (NJSIG No. 0321-1)

Mina provided a summary of WTW's actuarial analysis. Deitch presented WTW's written report. Mina presented an overview of WTW's pandemic projected loss analysis to see what a pandemic event loss could potentially look like when modeled. Mina noted that this analysis is based on a model, not based on NJSIG's experience. Noted that NJSIG's experience to date has tracked below the base model. Deitch recommended adopting the resolution as proposed, which would include implementing 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 (SBLL/E&O) for communicable disease claims.

Trustees inquired as to how the annual aggregate would be dealt with in practice in the event of a limit loss event. Tucker explained the various approaches to this issue, and that the current de facto approach is first-come, first-serve. Noted that other pools have had issues with annual aggregate erosion, but NJSIG has not run into this issue yet. Trustees find the default approach acceptable.

Action Taken: M (Sullivan)\ S (Robinson)\ Carried (Affirmative Votes = Casey, Le Febvre, Meloche, Robinson, Russo, Sullivan) to 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; and authorizing implementation of 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.

C. Excess and reinsurance for the 2021-2022 policy year (NJSIG No. 0321-2)

Action Taken: M (Sullivan) \ S (Russo) \ Carried (Affirmative Votes = Casey, Le Febvre, Meloche, Robinson, Russo, Sullivan) to approve the renewal of reinsurance coverage at a cost not to exceed \$43,906,832 based on expiring exposure data; and authorizing 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.

D. Contracting:

1. Property, GL/AL field adjuster services (NJSIG No. 0321-4)

Action Taken: M (Robinson) \ S (Meloche) \ Carried (Affirmative Votes = Casey, Le Febvre, Meloche, Robinson, Russo, Sullivan) to award the contracts for property field adjuster services (C-2021-0001) to MSW Adjustment Group, New Jersey Claims Associates, LLC, Norcross (A McLarens Company), Raphael & Associates and Vanguard Adjusters Group, Inc. and general and auto field liability adjuster services (C-2021-0002) to New Jersey Claims Associates, LLC, Norcross (A McLarens Company), Raphael & Associates and Vanguard Adjusters Group, Inc., based on the results of the committee's evaluation.

2. Financial Auditor (NJSIG No. 0321-5)

Action Taken: M (Sullivan) \ S (Russo) \ Carried (Affirmative Votes = Casey, Le Febvre, Meloche, Robinson, Russo, Sullivan) to award the contract for independent financial auditing and accounting consulting professional services 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.

E. Checking Accounts & New Claims Ratification (NJSIG No. 0321-6)

Action Taken: M (Robinson) \ S (Sullivan) \ Carried (Affirmative Votes = Casey, Le Febvre, Meloche, Robinson, Russo, 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 01/1/2021 to 02/28/2021 as shown in the online (Microscribe) version of the meeting package.

ITEM #9 NEW BUSINESS

There was no new business.

ITEM #10 EXECUTIVE SESSION

Action Taken: M (Meloche) \ S (Russo) \ Carried (Affirmative Votes = Casey, Le Febvre, Meloche, Robinson, Russo, Sullivan) to go into executive session to discuss litigation, matters of attorney client privilege, etc. at 11:43 a.m.

Jill Deitch

Jill Deitch, Esq.
Executive Director



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Board of Trustees Meeting of May 19, 2021 Executive Director Report

The reinsurance rates have been finalized and the news is quite favorable, overall. With all the uncertainty surrounding this renewal, I am pretty happy with where our rates wound up. As our final rates have been determined, the Underwriting department is busy getting quotes distributed to new and existing members.

The Willis Towers Watson Rate review for the July 1, 2021-2022 policy year will be included at the May meeting as an action item. While you previously approved a prior version of the rate review, while implementing the rates into NJSIG's NavRisk system, some adjustments were required. The overall rate change still falls within the reasonable range as previously identified by NJSIG's actuary, but I want to make sure you review and approve the revised final report.

Chief Financial Officer, Michele Carosi and I met with the finance committee on May 12, 2021 to discuss NJSIG's budget for the 2020/2021 fiscal year, which will be presented at the May meeting as an action item, for a first reading.

NJSIG sent credit invoices to the membership which reflects the amount of their NJSIG COVID-19 refund. Members can use their refund to offset outstanding member contributions/invoiced premiums for 20/21 or 21/22. Members were also able to request checks for the refund amount, rather than using the refund as a credit. Members who requested checks should be receiving them in the next week or two.

With respect to Trustee nominations, NJSIG's By-Laws require our Trustees to be equally divided between the north, central and southern regions of New Jersey. Each region of the state must have one (1) school board member, one (1) business administrator and one (1) superintendent as a trustee on the Board. The state is divided into thirds using the following divisions by county:

North: Bergen, Essex, Hudson, Morris, Passaic, Sussex, Warren

Central: Hunterdon, Mercer, Middlesex, Monmouth, Ocean, Somerset, Union

South: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Salem

Trustee James Jencarelli Jr.'s term expires in June 2021. He is a superintendent from the Northern part of the State. I reached out to Dr. Richard Bozza, Executive Director of the NJ Association of School Administrators for a nominee to fill Mr. Jencarelli's position. Dr. Bozza recommended Mr. Christopher Carrubba, Superintendent of both the Belvidere and Harmony School Districts in Warren County. I invited Mr. Carrubba to join us for our May Board meeting to find out what NJSIG is all about.

Respectfully Submitted,

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



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Board of Trustees Meeting of May 19, 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 (05/11/2021). 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 \$132.4 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 \$13.4 million of broker commissions as part of the direct bill procedures during the 2020/2021 fiscal year.

- **FINANCIAL REPORTS:**

Please find the attached financial reports for the FY2020/2021 third quarter (01/2021-03/2021). I have also included the 03/31/2021 Investment & Cash reports.

- **SPECIAL PROJECTS:**

Please see below for the details of additional Accounting/Finance special projects:

- (1) 2021/2022 Budget: - The final draft of the 2021/2022 budget is presented for the first reading in a separate section of this board package. On 05/12/2021, Jill Deitch and I met with the Finance Committee to review the budget, answer specific questions and discuss any Finance Committee requested revisions to the draft presented to them. The Finance Committee has approved the “first reading” of the draft budget included in this month’s board package. Please review this draft budget for discussion and for any additional recommendations at this meeting.
- (2) 2021/2022 Underwriting Changes (Testing in PeopleSoft): - The Accounting Department, the Underwriting Department and the IT Department collaboratively worked together to complete all testing of the major

modifications to the Underwriting system software (Navrisk) prior to the commencement of the FY2021/2022 renewal quoting season. All modifications were fully tested and will be properly reflected on the members' invoices, members' customer statements, members' accounts receivable balances and the NJSIG financial reports.

(3) COVID-19 Member Contribution Return – During the first week of May, the Accounting Dept. issued 378 return credit invoices to all qualifying members, totaling \$3,279,199. These invoices reflect each member's respective COVID-19 member contribution credit. As of today's date (5/11/2021), 117 members requested a physical check for this credit. The Accounting Dept. will issue 80 of those checks this week and 37 of those checks next week. Any remaining requests for checks will be addressed and processed as NJSIG receives such notification. In addition, the Accounting Dept. will also be tracking and applying all COVID-19 credits that members choose to apply as an offset to their future NJSIG member contribution payment(s).

(4) Payroll Provider Upgrade – NJSIG upgraded to a new payroll platform with the first payroll in March. NJSIG is not experiencing any issues with the payroll process on this new platform. However, several customized reports on the old platform were not migrated to the new platform by the payroll provider. NJSIG's Sr. Payroll & Benefits Specialist, Payroll & Cash Management Specialist and Senior Staff Accountant continue to work with the payroll provider and the NJSIG IT staff to develop several of these customized reports.

(5) 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 was effective April 1, 2021, when the Claims Bill Payer transitioned to the Accounting Dept., under the supervision of Rebecca Fabiano (Sr. Staff Accountant). The goal is to transition all of the Claims Dept. financial functions into the Accounting Dept. and to mirror these claims payable functions and the internal control procedures with the current Accounting Dept. administrative accounts payable procedures/controls. This process will be require time and additional resources (staffing), which will be presented to the board of trustees prior to any implementation or transition.

(6) FY 2020 Grant Allocation Analysis – I reconciled and verified all safety grant data to the Willis Towers Watson allocations and sub-fund administrator submitted data. NJSIG IT Dept. uploaded this data and released the opening of the member portal on 4/1/2021 for members to commence the grant application process.

Thank you,

Michele Carosi

Chief Financial Officer



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	344,320.13	358,978.08	46,579.14	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	127,750.14	158,637.50	16,614.92	22,662.50
5716 Group's Crime Insurance Exp.	13,738.50	0.00	0.00	0.00
5717 FSA Admin Fee	830.00	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	1,173,635.17	1,499,787.92	203,999.21	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>91,695,230.73</u>	<u>102,304,725.10</u>	<u>8,088,671.24</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>54,068,687.64</u>	<u>37,995,272.91</u>	<u>(7,625,469.58)</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	212,581,005.39	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	431,949,809.86	405,641,021.97
F&F Original Value	1,825,770.65	1,792,978.80
Accumulated Depreciation	(1,367,752.12)	(1,216,521.97)
TOTAL FIXED ASSETS	458,018.53	576,456.83
<u>Other Assets:</u>		
Prepaid General Insurance	182,764.08	129,639.58
Prepaid Crime Insurance	0.11	25,187.36
Prepaid General Expenses	127,841.99	143,203.57
Prepaid TPA Expenses	168,750.00	0.00
PREPAID ASSETS	479,356.18	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>3,716,522.18</u>	<u>5,502,811.51</u>
TOTAL ASSETS	<u>436,124,350.57</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

	<u>Current Balance</u>	<u>Prior Year</u>
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	<u>16,597,471.76</u>	<u>17,777,397.56</u>
TOTAL REINSURANCE PAYABLES	<u>1,992,353.79</u>	<u>1,900,085.83</u>
TOTAL EXCISE TAX LIABILITIES	<u>(4,948.05)</u>	<u>(5,249.33)</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>242,822,558.24</u>	<u>251,883,317.39</u>
Retained Earnings Fund Balance	139,233,104.69	107,824,597.90
Year-to-Date Earnings	54,068,687.64	52,012,375.02
Total Capital	<u>193,301,792.33</u>	<u>159,836,972.92</u>
Total Liabilities and Capital	<u>436,124,350.57</u>	<u>411,720,290.31</u>



NJSIG
Income Statement
For the Period Ending 2/28/2021

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Variance</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Income:					
Member Contributions	142,388,308.77	140,299,998.00	2,088,310.77	1,361.59	0.00
Retro Accounts Income	0.00	0.00	0.00	0.00	0.00
Total Income	142,388,308.77	140,299,998.00	2,088,310.77	1,361.59	0.00
Adjustments:					
Member Contribution Returns	0.00	0.00	0.00	0.00	0.00
4301 Reinsurance Recoveries	2,868,797.87	0.00	2,868,797.87	14,346.24	0.00
4303 Accrued Reins Recoveries	(860,306.00)	0.00	(860,306.00)	0.00	0.00
4304 Subrogation Income	629,486.90	0.00	629,486.90	40,879.68	0.00
4307 Claim Deduct'bl Credit	43,500.00	0.00	43,500.00	0.00	0.00
Recoveries & Subro Income	2,681,478.77	0.00	2,681,478.77	55,225.92	0.00
Revenue	145,069,787.54	140,299,998.00	4,769,789.54	56,587.51	0.00



NJSIG
Income Statement
For the Period Ending 2/28/2021

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Variance</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Expenses:					
5102 Salaries-Temporary Employees	885.92	30,666.66	(29,780.74)	0.00	3,833.33
5103 Salaries	4,099,437.84	4,403,784.67	(304,346.83)	506,632.48	550,473.08
5104 Salaries-Overtime	17,381.06	22,750.66	(5,369.60)	3,123.96	2,843.83
5105 Salaries-Third Party Sick Pay	0.00	0.00	0.00	0.00	0.00
5106 Deferred Compensation Pay	4,000.00	4,000.00	0.00	500.00	500.00
5108 Payroll Tax Expenses	258,065.43	342,128.00	(84,062.57)	48,853.84	42,766.00
5109 Pension Expense	0.00	621,425.34	(621,425.34)	0.00	77,678.17
5111 Recruiting Costs	0.00	1,666.66	(1,666.66)	0.00	208.33
5112 Post Retirement Bene Exp	0.00	164,476.00	(164,476.00)	0.00	20,559.50
5113 Employee Medical Benefits	620,405.70	734,758.00	(114,352.30)	79,024.25	91,844.75
5114 Employee Dental Benefits	43,525.03	45,086.66	(1,561.63)	5,570.78	5,635.83
5115 Employee Vision Benefits	16,507.99	18,343.34	(1,835.35)	1,996.65	2,292.92
5118 Employee ST Disab & Other Ins	45,097.38	53,333.34	(8,235.96)	6,016.68	6,666.67
5119 Defined Contrib Retirement Exp	548.23	1,824.66	(1,276.43)	0.00	228.08
Personnel Expenses	<u>5,105,854.58</u>	<u>6,444,244.00</u>	<u>(1,338,389.42)</u>	<u>651,718.64</u>	<u>805,530.50</u>
5203 Marketing Expenses	<u>1,565.25</u>	<u>6,000.00</u>	<u>(4,434.75)</u>	<u>125.00</u>	<u>750.00</u>
Member Services Dept Expenses	<u>1,565.25</u>	<u>6,000.00</u>	<u>(4,434.75)</u>	<u>125.00</u>	<u>750.00</u>
5227 Loss Prevention	<u>249.58</u>	<u>11,833.34</u>	<u>(11,583.76)</u>	<u>211.64</u>	<u>1,479.17</u>
Loss Control Dept Expenses	<u>249.58</u>	<u>11,833.34</u>	<u>(11,583.76)</u>	<u>211.64</u>	<u>1,479.17</u>
5252 Claims Audit Expense	0.00	60,000.00	(60,000.00)	0.00	7,500.00
5253 Claims Admin. Expenses	(463.00)	0.00	(463.00)	(35.00)	0.00
Claims Dept Expenses	<u>(463.00)</u>	<u>60,000.00</u>	<u>(60,463.00)</u>	<u>(35.00)</u>	<u>7,500.00</u>
5301 Accounting Fees	0.00	3,333.34	(3,333.34)	0.00	416.67
5303 Actuary Fees	93,804.33	193,333.34	(99,529.01)	39,812.03	24,166.67
5305 Loss Control Outside Services	154,334.27	181,000.00	(26,665.73)	21,977.98	22,625.00
5306 Legal & Professional Fees	2,935.00	83,333.34	(80,398.34)	0.00	10,416.67
5310 Third Party Admin.-Willis	450,000.00	450,000.00	0.00	56,250.00	56,250.00
Outside Service Fees	<u>701,073.60</u>	<u>911,000.01</u>	<u>(209,926.41)</u>	<u>118,040.01</u>	<u>113,875.00</u>



NJSIG
Income Statement
For the Period Ending 2/28/2021

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Variance</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Total Agent Commission Expense	14,067,393.57	12,785,689.00	1,281,704.57	0.58	0.00
5401 Claims Expense	35,102,001.68	47,948,156.00	(12,846,154.32)	3,514,174.53	5,993,519.50
Claims Expenses	35,102,001.68	47,948,156.00	(12,846,154.32)	3,514,174.53	5,993,519.50
Reinsurance Expenses	39,687,464.88	39,252,814.34	434,650.54	262.68	12,234.92
5352 IT - Office Equipment Supplies	1,406.97	20,333.34	(18,926.37)	428.10	2,541.67
5353 Office Equipment Maintenance	6,501.02	20,200.00	(13,698.98)	0.00	2,525.00
5354 Computer Software Maintenance	138,142.08	233,016.66	(94,874.58)	21,531.31	29,127.08
Information Technology Dept Expenses	146,050.07	273,550.00	(127,499.93)	21,959.41	34,193.75
5702 Depreciation Expense	383,281.15	410,260.66	(26,979.51)	38,961.02	51,282.58
5703 Dues & Subscriptions	21,620.73	75,820.67	(54,199.94)	4,025.03	9,477.58
5704 Misc. Bank Fees	71,370.64	68,916.66	2,453.98	0.00	8,614.58
5705 IRS & State Tax/Fees	9.80	0.00	9.80	0.00	0.00
5708 Rent Expense	318,961.82	331,812.00	(12,850.18)	40,364.53	41,476.50
5709 Office Supplies	8,928.60	14,943.34	(6,014.74)	653.92	1,867.92
5710 Office Operating Expenses	34,041.71	40,400.00	(6,358.29)	3,886.53	5,050.00
5711 Office Leased Expenses	9,844.43	13,000.00	(3,155.57)	430.75	1,625.00
5715 Group's Insurance Expense	154,840.80	181,300.00	(26,459.20)	27,090.66	22,662.50
5716 Group's Crime Insurance Exp.	13,738.50	0.00	13,738.50	0.00	0.00
5717 FSA Admin Fee	996.00	1,666.66	(670.66)	166.00	208.33
5723 Postage	26,651.84	46,333.34	(19,681.50)	2,138.99	5,791.67
5727 Employee Seminar Expenses	3,228.00	58,156.67	(54,928.67)	434.25	7,269.58
5728 Insurance Course Fees	3,489.75	9,999.99	(6,510.24)	0.00	1,250.00
5729 Tuition Reimbursement	0.00	24,500.00	(24,500.00)	0.00	3,062.50
5730 Audit Fees	(1,400.00)	48,666.66	(50,066.66)	4,069.00	6,083.33
5731 Consulting Fees	77,451.00	230,333.34	(152,882.34)	46,500.67	28,791.67
5732 Miscellaneous Expenses	1,640.67	3,666.66	(2,025.99)	157.85	458.33
5733 Disaster Recovery Expenses	113,019.92	78,361.34	34,658.58	6,921.50	9,795.17
5737 Cell Phone Expense	5,529.89	7,120.00	(1,590.11)	0.00	890.00
5746 Foreign Excise Tax	102,190.62	68,785.34	33,405.28	0.00	8,598.17
Business Operating Expenses	1,349,435.87	1,714,043.34	(364,607.47)	175,800.70	214,255.42
5201 Travel & Related Expenses	1,207.85	47,666.66	(46,458.81)	559.06	5,958.33



NJSIG
Income Statement
For the Period Ending 2/28/2021

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Variance</u>	<u>Actuals Month</u>	<u>Budget Month</u>
5851 Annual Meeting	16,063.30	40,600.00	(24,536.70)	132.90	5,075.00
5852 Trustee Meeting Expense	310.00	4,000.00	(3,690.00)	26.35	500.00
Conferences & Meeting Expenses	<u>17,581.15</u>	<u>92,266.66</u>	<u>(74,685.51)</u>	<u>718.31</u>	<u>11,533.33</u>
Total Expenses	<u>96,178,207.23</u>	<u>109,499,596.68</u>	<u>(13,321,389.45)</u>	<u>4,482,976.50</u>	<u>7,194,871.59</u>



NJSIG
Income Statement
For the Period Ending 2/28/2021

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Variance</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Other Revenue and Expenses:					
4414 Interest-NJ Cash Mgmt Fund	139.52	0.00	139.52	0.00	0.00
4423 Interest - InvBk Concentration	706,612.79	0.00	706,612.79	82,712.81	0.00
4424 Interest-Invest Fund (WT)	1,319,323.76	0.00	1,319,323.76	245,812.64	0.00
4425 Accrued Interest/Divid	(105,840.48)	0.00	(105,840.48)	(119,942.03)	0.00
Investment Income	<u>1,920,235.59</u>	<u>0.00</u>	<u>1,920,235.59</u>	<u>208,583.42</u>	<u>0.00</u>
4501 Unrealized Gain/Loss	(1,163,549.71)	0.00	(1,163,549.71)	(137,135.58)	0.00
Financial Income	<u>(1,163,549.71)</u>	<u>0.00</u>	<u>(1,163,549.71)</u>	<u>(137,135.58)</u>	<u>0.00</u>
4603 Miscellaneous Income	104.88	0.00	104.88	0.00	0.00
4604 Realized Gain/(Loss) Invest-WT	190,655.48	0.00	190,655.48	(13,257.81)	0.00
4605 Seminar Income	1,450.00	0.00	1,450.00	0.00	0.00
4609 Change in Unrnd Ag Comm	(36,755.07)	0.00	(36,755.07)	0.00	0.00
4610 Change in Unrnd Reins	(98,915.77)	0.00	(98,915.77)	0.00	0.00
Other Revenues	<u>56,539.52</u>	<u>0.00</u>	<u>56,539.52</u>	<u>(13,257.81)</u>	<u>0.00</u>
5901 Amortization of Inv. Premiums	(31,744.21)	0.00	(31,744.21)	(36,061.24)	0.00
Investment Expenses	<u>(31,744.21)</u>	<u>0.00</u>	<u>(31,744.21)</u>	<u>(36,061.24)</u>	<u>0.00</u>
Total Other Revenue and Expenses	<u>844,969.61</u>	<u>0.00</u>	<u>844,969.61</u>	<u>94,251.27</u>	<u>0.00</u>
Net Revenue	<u>49,736,549.92</u>	<u>30,800,401.32</u>	<u>18,936,148.60</u>	<u>(4,332,137.72)</u>	<u>(7,194,871.59)</u>



NJSIG
Balance Sheet
For the Period Ended 2/28/2021

	<u>Current Balance</u>	<u>Prior Year</u>
<u>Current Assets:</u>		
CASH IN BANKS	213,346,419.31	196,020,428.32
Money Market (WT)	19,185,929.63	57,403.70
Invest Fund US Notes (WT)	146,735,000.20	187,640,000.20
Invest Prem/Disc - Notes (WT)	(130,034.04)	(617,338.01)
Market Value Adjust (WT)	777,148.68	1,177,993.65
Invest Fund-US Bills (WT)	23,910,000.00	0.00
Invest Prem/Disc Bills (WT)	(20,669.59)	0.04
MARKETABLE SECURITIES	<u>190,457,374.88</u>	<u>188,258,059.58</u>
Reins. Recovery Receivable	0.00	0.00
Reins. Recovery 85/86 Recvb'l	(24,922.70)	(39,274.66)
REINSURANCE RECEIVABLES	<u>(24,922.70)</u>	<u>(39,274.66)</u>
Interest/Divid Recvb'l - WT	481,483.69	672,038.46
INTEREST/DIVIDENDS RECEIVABLES	<u>481,483.69</u>	<u>672,038.46</u>
Misc. Accounts Receivable	(15,000.00)	0.00
Legal Settlement Recvb'l	100.00	100.00
MISC ACCOUNTS RECEIVABLES	<u>(14,900.00)</u>	<u>100.00</u>
Premium Recvb'l Installments	14,351,954.13	14,224,469.93
Premium Receivable	8,727,248.59	3,218,599.68
PREMIUM RECEIVABLES	<u>23,079,202.72</u>	<u>17,443,069.61</u>
TOTAL Current Assets	<u>427,324,657.90</u>	<u>402,354,421.31</u>
F&F Original Value	1,830,475.68	1,792,978.80
Accumulated Depreciation	(1,406,713.14)	(1,261,851.50)
TOTAL FIXED ASSETS	<u>423,762.54</u>	<u>531,127.30</u>
<u>Other Assets:</u>		
Prepaid General Insurance	218,682.89	158,494.72
Prepaid Crime Insurance	0.11	22,897.61
Prepaid General Expenses	119,343.84	135,907.09



NJSIG
Balance Sheet
For the Period Ended 2/28/2021

	<u>Current Balance</u>	<u>Prior Year</u>
Prepaid TPA Expenses	112,500.00	112,500.00
PREPAID ASSETS	<u>450,526.84</u>	<u>429,799.42</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>3,687,692.84</u>	<u>5,634,580.42</u>
TOTAL ASSETS	<u><u>431,436,113.28</u></u>	<u><u>408,520,129.03</u></u>
Accrued Expenses Payable	122,294.69	122,294.69
A/P Module INS01	(7,268.27)	0.00
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	(689.09)	(2,598.35)
FSA Depend Payable	(497.54)	(114.76)
TOTAL CURRENT LIABILITIES	<u>11,288,742.91</u>	<u>13,669,822.09</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	2,165,839.57	2,191,916.57
Rate Stabilization-ERIC North	593,362.40	593,362.40
Rate Stabilization-ERIC South	99,230.99	99,230.99
Rate Stabilization - ERIC West	197,760.85	197,760.85
Rate Stabilization - BACCEIC	319,325.66	319,325.66
Rate Stabilization - MOCSSIF	320,824.09	320,824.09
Rate Stabilization - NJEIF	437,559.63	437,559.63



NJSIG
Balance Sheet
For the Period Ended 2/28/2021

	Current Balance	Prior Year
TOTAL LONG TERM LIABILITIES	<u>204,165,903.19</u>	<u>213,136,980.19</u>
Pensions Payable	42,780.14	41,623.17
GASB68-Pension Payable	14,481,115.00	15,969,473.00
403B/T. Rowe Price Payable	4,346.55	4,075.72
Retro Claims (Cash)	152,708.96	203,303.41
Group Term Life Payable	218.30	176.36
Agent Comm. Payable	1,627,982.20	1,186,475.38
TOTAL OTHER LIABILITIES	<u>16,309,151.15</u>	<u>17,405,127.04</u>
TOTAL REINSURANCE PAYABLES	<u>1,932,820.47</u>	<u>1,902,978.92</u>
TOTAL EXCISE TAX LIABILITIES	<u>(4,948.05)</u>	<u>(5,193.85)</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>242,466,458.67</u>	<u>251,516,276.39</u>
Retained Earnings Fund Balance	139,233,104.69	107,824,597.90
Year-to-Date Earnings	49,736,549.92	49,179,254.74
Total Capital	<u>188,969,654.61</u>	<u>157,003,852.64</u>
Total Liabilities and Capital	<u>431,436,113.28</u>	<u>408,520,129.03</u>



NJSIG
Income Statement
For the Period Ending 3/31/2021

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Variance</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Income:					
Member Contributions	142,400,844.98	140,299,998.00	2,100,846.98	12,536.21	0.00
Retro Accounts Income	0.00	0.00	0.00	0.00	0.00
Total Income	142,400,844.98	140,299,998.00	2,100,846.98	12,536.21	0.00
Adjustments:					
Member Contribution Returns	0.00	0.00	0.00	0.00	0.00
4301 Reinsurance Recoveries	2,868,797.87	0.00	2,868,797.87	0.00	0.00
4303 Accrued Reins Recoveries	(860,306.00)	0.00	(860,306.00)	0.00	0.00
4304 Subrogation Income	629,486.90	0.00	629,486.90	0.00	0.00
4307 Claim Deduct'bl Credit	43,500.00	0.00	43,500.00	0.00	0.00
Recoveries & Subro Income	2,681,478.77	0.00	2,681,478.77	0.00	0.00
Revenue	145,082,323.75	140,299,998.00	4,782,325.75	12,536.21	0.00



NJSIG
Income Statement
For the Period Ending 3/31/2021

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Variance</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Expenses:					
5102 Salaries-Temporary Employees	885.92	34,500.00	(33,614.08)	0.00	3,833.33
5103 Salaries	4,099,437.84	4,954,257.76	(854,819.92)	0.00	550,473.08
5104 Salaries-Overtime	17,381.06	25,594.50	(8,213.44)	0.00	2,843.83
5105 Salaries-Third Party Sick Pay	0.00	0.00	0.00	0.00	0.00
5106 Deferred Compensation Pay	4,000.00	4,500.00	(500.00)	0.00	500.00
5108 Payroll Tax Expenses	258,065.43	384,894.00	(126,828.57)	0.00	42,766.00
5109 Pension Expense	887,696.00	699,103.50	188,592.50	887,696.00	77,678.17
5111 Recruiting Costs	0.00	1,875.00	(1,875.00)	0.00	208.33
5112 Post Retirement Bene Exp	0.00	185,035.50	(185,035.50)	0.00	20,559.50
5113 Employee Medical Benefits	714,770.99	826,602.75	(111,831.76)	94,365.29	91,844.75
5114 Employee Dental Benefits	49,021.91	50,722.50	(1,700.59)	5,496.88	5,635.83
5115 Employee Vision Benefits	18,531.88	20,636.25	(2,104.37)	2,023.89	2,292.92
5118 Employee ST Disab & Other Ins	53,310.36	60,000.00	(6,689.64)	8,212.98	6,666.67
5119 Defined Contrib Retirement Exp	548.23	2,052.75	(1,504.52)	0.00	228.08
Personnel Expenses	<u>6,103,649.62</u>	<u>7,249,774.50</u>	<u>(1,146,124.88)</u>	<u>997,795.04</u>	<u>805,530.50</u>
5203 Marketing Expenses	<u>1,690.25</u>	<u>6,750.00</u>	<u>(5,059.75)</u>	<u>125.00</u>	<u>750.00</u>
Member Services Dept Expenses	<u>1,690.25</u>	<u>6,750.00</u>	<u>(5,059.75)</u>	<u>125.00</u>	<u>750.00</u>
5227 Loss Prevention	<u>290.83</u>	<u>13,312.50</u>	<u>(13,021.67)</u>	<u>41.25</u>	<u>1,479.17</u>
Loss Control Dept Expenses	<u>290.83</u>	<u>13,312.50</u>	<u>(13,021.67)</u>	<u>41.25</u>	<u>1,479.17</u>
5252 Claims Audit Expense	0.00	67,500.00	(67,500.00)	0.00	7,500.00
5253 Claims Admin. Expenses	(463.00)	0.00	(463.00)	0.00	0.00
Claims Dept Expenses	<u>(463.00)</u>	<u>67,500.00</u>	<u>(67,963.00)</u>	<u>0.00</u>	<u>7,500.00</u>
5301 Accounting Fees	0.00	3,750.00	(3,750.00)	0.00	416.67
5303 Actuary Fees	102,567.63	217,500.00	(114,932.37)	8,763.30	24,166.67
5305 Loss Control Outside Services	171,040.60	203,625.00	(32,584.40)	16,706.33	22,625.00
5306 Legal & Professional Fees	5,117.50	93,750.00	(88,632.50)	2,182.50	10,416.67
5310 Third Party Admin.-Willis	506,250.00	506,250.00	0.00	56,250.00	56,250.00
Outside Service Fees	<u>784,975.73</u>	<u>1,024,875.01</u>	<u>(239,899.28)</u>	<u>83,902.13</u>	<u>113,875.00</u>



NJSIG
Income Statement
For the Period Ending 3/31/2021

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Variance</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Total Agent Commission Expense	14,080,489.16	12,785,689.00	1,294,800.16	13,095.59	0.00
5401 Claims Expense	39,777,954.28	53,941,675.50	(14,163,721.22)	4,675,952.60	5,993,519.50
Claims Expenses	39,777,954.28	53,941,675.50	(14,163,721.22)	4,675,952.60	5,993,519.50
Reinsurance Expenses	39,715,757.57	39,265,049.25	450,708.32	28,292.69	12,234.92
5352 IT - Office Equipment Supplies	1,995.47	22,875.00	(20,879.53)	588.50	2,541.67
5353 Office Equipment Maintenance	6,501.02	22,725.00	(16,223.98)	0.00	2,525.00
5354 Computer Software Maintenance	158,045.86	262,143.75	(104,097.89)	19,903.78	29,127.08
Information Technology Dept Expenses	166,542.35	307,743.75	(141,201.40)	20,492.28	34,193.75
5702 Depreciation Expense	383,281.15	461,543.25	(78,262.10)	0.00	51,282.58
5703 Dues & Subscriptions	24,832.14	85,298.26	(60,466.12)	3,211.41	9,477.58
5704 Misc. Bank Fees	71,370.64	77,531.25	(6,160.61)	0.00	8,614.58
5705 IRS & State Tax/Fees	9.80	0.00	9.80	0.00	0.00
5708 Rent Expense	359,326.35	373,288.50	(13,962.15)	40,364.53	41,476.50
5709 Office Supplies	10,672.87	16,811.25	(6,138.38)	1,744.27	1,867.92
5710 Office Operating Expenses	34,371.71	45,450.00	(11,078.29)	330.00	5,050.00
5711 Office Leased Expenses	11,095.60	14,625.00	(3,529.40)	1,251.17	1,625.00
5715 Group's Insurance Expense	181,962.46	203,962.50	(22,000.04)	27,121.66	22,662.50
5716 Group's Crime Insurance Exp.	35,606.79	0.00	35,606.79	21,868.29	0.00
5717 FSA Admin Fee	1,279.20	1,875.00	(595.80)	283.20	208.33
5723 Postage	29,798.62	52,125.00	(22,326.38)	3,146.78	5,791.67
5727 Employee Seminar Expenses	5,162.25	65,426.26	(60,264.01)	1,934.25	7,269.58
5728 Insurance Course Fees	3,690.75	11,249.99	(7,559.24)	201.00	1,250.00
5729 Tuition Reimbursement	0.00	27,562.50	(27,562.50)	0.00	3,062.50
5730 Audit Fees	(1,400.00)	54,750.00	(56,150.00)	0.00	6,083.33
5731 Consulting Fees	77,992.67	259,125.00	(181,132.33)	541.67	28,791.67
5732 Miscellaneous Expenses	1,802.91	4,125.00	(2,322.09)	162.24	458.33
5733 Disaster Recovery Expenses	115,639.92	88,156.50	27,483.42	2,620.00	9,795.17
5737 Cell Phone Expense	7,298.70	8,010.00	(711.30)	1,768.81	890.00
5746 Foreign Excise Tax	102,305.51	77,383.50	24,922.01	114.89	8,598.17
Business Operating Expenses	1,456,100.04	1,928,298.75	(472,198.71)	106,664.17	214,255.42
5201 Travel & Related Expenses	1,269.25	53,625.00	(52,355.75)	61.40	5,958.33



NJSIG
Income Statement
For the Period Ending 3/31/2021

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Variance</u>	<u>Actuals Month</u>	<u>Budget Month</u>
5851 Annual Meeting	16,196.20	45,675.00	(29,478.80)	132.90	5,075.00
5852 Trustee Meeting Expense	392.15	4,500.00	(4,107.85)	82.15	500.00
Conferences & Meeting Expenses	<u>17,857.60</u>	<u>103,800.00</u>	<u>(85,942.40)</u>	<u>276.45</u>	<u>11,533.33</u>
Total Expenses	<u>102,104,844.43</u>	<u>116,694,468.27</u>	<u>(14,589,623.84)</u>	<u>5,926,637.20</u>	<u>7,194,871.59</u>



NJSIG
Income Statement
For the Period Ending 3/31/2021

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Variance</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Other Revenue and Expenses:					
4414 Interest-NJ Cash Mgmt Fund	139.52	0.00	139.52	0.00	0.00
4423 Interest - InvBk Concentration	799,861.19	0.00	799,861.19	93,248.40	0.00
4424 Interest-Invest Fund (WT)	1,595,579.95	0.00	1,595,579.95	276,256.19	0.00
4425 Accrued Interest/Divid	(258,883.48)	0.00	(258,883.48)	(153,043.00)	0.00
Investment Income	<u>2,136,697.18</u>	<u>0.00</u>	<u>2,136,697.18</u>	<u>216,461.59</u>	<u>0.00</u>
4501 Unrealized Gain/Loss	(1,306,267.60)	0.00	(1,306,267.60)	(142,717.89)	0.00
Financial Income	<u>(1,306,267.60)</u>	<u>0.00</u>	<u>(1,306,267.60)</u>	<u>(142,717.89)</u>	<u>0.00</u>
4603 Miscellaneous Income	104.88	0.00	104.88	0.00	0.00
4604 Realized Gain/(Loss) Invest-WT	247,022.67	0.00	247,022.67	56,367.19	0.00
4605 Seminar Income	1,450.00	0.00	1,450.00	0.00	0.00
4609 Change in Unrnd Ag Comm	(36,755.07)	0.00	(36,755.07)	0.00	0.00
4610 Change in Unrnd Reins	(98,915.77)	0.00	(98,915.77)	0.00	0.00
Other Revenues	<u>112,906.71</u>	<u>0.00</u>	<u>112,906.71</u>	<u>56,367.19</u>	<u>0.00</u>
5901 Amortization of Inv. Premiums	(541.78)	0.00	(541.78)	31,202.43	0.00
Investment Expenses	<u>(541.78)</u>	<u>0.00</u>	<u>(541.78)</u>	<u>31,202.43</u>	<u>0.00</u>
Total Other Revenue and Expenses	<u>943,878.07</u>	<u>0.00</u>	<u>943,878.07</u>	<u>98,908.46</u>	<u>0.00</u>
Net Revenue	<u>43,921,357.39</u>	<u>23,605,529.74</u>	<u>20,315,827.66</u>	<u>(5,815,192.53)</u>	<u>(7,194,871.59)</u>



NJSIG
Balance Sheet
For the Period Ended 3/31/2021

	Current Balance	Prior Year
<u>Current Assets:</u>		
CASH IN BANKS	215,123,039.86	191,307,427.98
Money Market (WT)	69,079.65	226,440.09
Invest Fund US Notes (WT)	175,480,000.20	187,820,000.20
Invest Prem/Disc - Notes (WT)	(113,220.25)	(485,890.87)
Market Value Adjust (WT)	634,430.79	2,627,808.16
Invest Fund-US Bills (WT)	14,560,000.00	0.00
Invest Prem/Disc Bills (WT)	(16,167.05)	0.04
MARKETABLE SECURITIES	190,614,123.34	190,188,357.62
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	330,395.29	534,792.24
INTEREST/DIVIDENDS RECEIVABLES	330,395.29	534,792.24
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	11,347,206.00	11,190,646.55
Premium Receivable	3,441,788.70	2,619,219.54
PREMIUM RECEIVABLES	14,788,994.70	13,809,866.09
TOTAL Current Assets	420,816,730.49	395,801,269.27
F&F Original Value	1,840,271.63	1,849,528.80
Accumulated Depreciation	(1,406,713.14)	(1,315,110.07)
TOTAL FIXED ASSETS	433,558.49	534,418.73
<u>Other Assets:</u>		
Prepaid General Insurance	191,561.23	142,645.25
Prepaid Crime Insurance	(21,868.18)	20,607.86
Prepaid General Expenses	113,664.94	115,303.59



NJSIG
Balance Sheet
For the Period Ended 3/31/2021

	<u>Current Balance</u>	<u>Prior Year</u>
Prepaid TPA Expenses	56,250.00	56,250.00
PREPAID ASSETS	<u>339,607.99</u>	<u>334,806.70</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>3,576,773.99</u>	<u>5,539,587.70</u>
TOTAL ASSETS	<u><u>424,827,062.97</u></u>	<u><u>401,875,275.70</u></u>
Accrued Expenses Payable	122,294.69	122,294.69
A/P Module INS01	(839.05)	(4,776.73)
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	(3,953.53)	(4,135.85)
FSA Depend Payable	(497.54)	193.58
TOTAL CURRENT LIABILITIES	<u>11,291,907.69</u>	<u>13,663,816.20</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	2,164,328.05	2,190,268.09
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 - BACCEIC	319,325.66	319,325.66
Rate Stabilization - MOCSSIF	320,824.09	320,824.09
Rate Stabilization - NJEIF	437,559.63	437,559.63



NJSIG
Balance Sheet
For the Period Ended 3/31/2021

	Current Balance	Prior Year
TOTAL LONG TERM LIABILITIES	<u>204,164,391.67</u>	<u>213,135,331.71</u>
Pensions Payable	(44,740.09)	41,711.15
GASB68-Pension Payable	14,481,115.00	15,969,473.00
403B/T. Rowe Price Payable	(8,692.44)	0.22
Retro Claims (Cash)	145,726.22	196,265.72
Group Term Life Payable	(4,541.34)	182.42
Agent Comm. Payable	916,365.18	810,035.25
TOTAL OTHER LIABILITIES	<u>15,485,232.53</u>	<u>17,017,667.76</u>
TOTAL REINSURANCE PAYABLES	<u>1,961,113.16</u>	<u>1,904,082.08</u>
TOTAL EXCISE TAX LIABILITIES	<u>(4,833.16)</u>	<u>(5,185.47)</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>241,672,600.89</u>	<u>251,122,274.28</u>
Retained Earnings Fund Balance	139,233,104.69	107,824,597.90
Year-to-Date Earnings	43,921,357.39	42,928,403.52
Total Capital	<u>183,154,462.08</u>	<u>150,753,001.42</u>
Total Liabilities and Capital	<u>424,827,062.97</u>	<u>401,875,275.70</u>

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

6/30/2021

VALUED AS OF:

3/31/2021

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	\$0	\$0	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			\$14,560,000	\$14,543,833		
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	\$0	\$0	410	\$0

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

6/30/2021

VALUED AS OF:

3/31/2021

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	\$0	\$0	348	\$0
10/01/2019	03/31/2021	UNITED STATES TREASURY NOTES DTD 03/31/2016 1.250% 3/31/2021	\$0	\$0	547	\$0
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	(\$23,165)
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	(\$24,229)
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	(\$72,873)
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	(\$67,612)
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	(\$61,777)
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	(\$67,714)
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	(\$19,149)
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	(\$16,019)
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	(\$3,396)
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	(\$2,407)
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	(\$464)
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	(\$917)
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	(\$840)
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	(\$889)

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

6/30/2021

VALUED AS OF:

3/31/2021

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	(\$571)
02/01/2021	12/31/2022	UNITED STATES TREASURY NOTES DTD 11/23/2020 0.125% 12/31/2022	\$9,315,000	\$9,318,275	698	\$272
03/01/2021	1/31/2023	UNITED STATES TREASURY NOTES DTD 1/31/2021 0.125% 1/31/2023	\$9,625,000	\$9,623,872	701	(\$48)
03/31/2021	1/31/2023	UNITED STATES TREASURY NOTES DTD 1/31/2021 0.125% 1/31/2023	\$3,100,000	\$3,099,273	671	(\$1)
03/01/2021	2/28/2023	UNITED STATES TREASURY NOTES DTD 2/28/2021 0.125% 2/28/2023	\$9,650,000	\$9,648,869	729	(\$47)
03/31/2021	2/28/2023	UNITED STATES TREASURY NOTES DTD 2/28/2021 0.125% 2/28/2023	\$3,100,000	\$3,098,910	699	(\$2)
3/25/2021	3/31/2023	UNITED STATES TREASURY NOTES DTD 3/31/2021 0.125% 3/31/2023	\$9,420,000	\$9,417,056	736	(\$24)
3/31/2021	3/31/2023	UNITED STATES TREASURY NOTES DTD 3/31/2021 0.125% 3/31/2023	\$3,100,000	\$3,098,668	730	(\$2)
TOTAL US TREASURIES			\$175,480,000	\$175,004,906		(\$361,874)
			\$190,040,000	\$189,548,739		(\$361,874)

**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	3/31/2021 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	0.00				
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			\$14,560,000		\$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	0.00				

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

VALUED AS OF:

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

Purchase Date	Due Date	Description	PAR VALUE AS OF:				
			One Year To Maturity Date	Two Year To Maturity Date	3/31/2021 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	0.00				
10/01/2019	03/31/2021	UNITED STATES TREASURY NOTES DTD 03/31/2016 1.250% 3/31/2021	0.00				
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	3/31/2021 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			
02/01/2021	12/31/2022	UNITED STATES TREASURY NOTES DTD 11/23/2020 0.125% 12/31/2022		9,315,000.00			
03/01/2021	1/31/2023	UNITED STATES TREASURY NOTES DTD 1/31/2021 0.125% 1/31/2023		9,625,000.00			
03/31/2021	1/31/2023	UNITED STATES TREASURY NOTES DTD 1/31/2021 0.125% 1/31/2023		3,100,000.00			
03/01/2021	2/28/2023	UNITED STATES TREASURY NOTES DTD 2/28/2021 0.125% 2/28/2023		9,650,000.00			
03/31/2021	2/28/2023	UNITED STATES TREASURY NOTES DTD 2/28/2021 0.125% 2/28/2023		3,100,000.00			
3/25/2021	3/31/2023	UNITED STATES TREASURY NOTES DTD 3/31/2021 0.125% 3/31/2023		9,420,000.00			
3/31/2021	3/31/2023	UNITED STATES TREASURY NOTES DTD 3/31/2021 0.125% 3/31/2023		3,100,000.00			
TOTAL US TREASURIES			\$94,645,000	\$80,835,000			

\$109,205,000 \$80,835,000

N J S I G
SUMMARY OF CASH AND INVESTMENTS
AS OF **3/31/2021**

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)	\$216,784,715.67
Operating Acct (Investors)	(\$118,324.32)
Claims Acct (Investors)	(\$1,596,003.20)
Payroll Acct (Investors)	\$312,155.95
Assessmnt Collection Acct(INV)	(\$600,880.52)
Money Market (WT)	\$69,079.65

TOTALS AS OF **3/31/2021** **\$215,192,120.09**

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	\$109,205,000	(\$129,387)	\$109,739,316	58%
12 TO 24 MONTHS	\$80,835,000	\$0	\$80,805,728	42%
24 TO 36 MONTHS	\$0			
36 TO 48 MONTHS	\$0			
48 TO 60 MONTHS	\$0			
TOTALS	<u><u>\$190,040,000</u></u>	<u><u>(\$129,387)</u></u>	<u><u>\$190,545,044</u></u>	<u><u>100%</u></u>

TOTAL AS OF	3/31/2021	
CASH & CASH EQUIVALENTS		\$215,192,120
INVESTMENTS		\$190,545,044
TOTAL		<u><u>\$405,737,164</u></u>



New Jersey Schools Insurance Group
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Board of Trustees Meeting May 19, 2021 Client Relations and Safety and Risk Control Report

Client Relations and Safety and Risk Control

- NJSIG released updated COVID-19 Coverage and Employment FAQs compiled by Legal, Underwriting, Claims, Client Relations, Capehart Scatchard, and Cleary, Giacobbe, Alfieri, Jacobs LLC, on April 27, 2021.
- COVID-19 Refund letters were sent to all NJSIG business administrators and brokers. Members have the option of receiving this refund as a credit against future contributions or in the form of a refund check. (232 members have requested checks)
- Spring sub-fund meetings have concluded and were a big success. Meeting participation continues to be consistently positive and QPA credits were offered at all.
- NJSIG is a sponsor of the NJSBA's First Annual Virtual Spring Symposium on May 12-13, 2021. We will be hosting a 50 minute session on Family Medical Leave: Understanding FMLA and NJFLA with Cleary, Giacobbe, Alfieri, Jacobs LLC on Wednesday, May 12, 2021 at 1:00 pm.
- On April 22, 2021, we announced our enhanced partnership with National Safety Council (NSC), who hosts an online defensive driving course for NJSIG's members. We have 7 members who requested the course with a total of 248 participants. We received positive feedback on the convenience that the online course offers.
- The renewal season has started for Client Relations. They are working closely with Underwriting and there already are a few new member submissions. A new

member checklist, provided by Underwriting, is required with every new member application to help streamline the process.

- Safety and Risk Control and Client Relations continue to attend both in person and virtual safety committee meetings, trainings and claims reviews.
- **Safety Grant Updates:**
 - Applications are due by June 1
 - Applications Approved – 193

Debra Rice
Client Relations/Safety and Risk Control Manager



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Board of Trustees Meeting of May 19, 2021 Underwriting Report

Reinsurance negotiations wrapped up in late April and the 2021-2022 member renewal season is underway. There are no significant reinsurer or pass-through carrier changes for 21-22. While capacity on both the property and casualty side was not an issue this renewal, as was the case last year, negotiations with the excess casualty and cyber reinsurers were more protracted than usual.

Unfortunately, in keeping with a national insurer trend in response to the COVID-19 pandemic, all casualty reinsurers on the renewal program have opted to exclude coverage for claims arising out of communicable diseases. In response, the Board of Trustees approved an increase in NJSIG's self-insured retention (SIR) from \$500,000 to \$1,000,000 on Auto Liability and General Liability in order to provide a higher communicable disease sublimit within the NJSIG SIR.

Additionally, as a result of a substantial increase in cyber liability losses, both nationally and in New Jersey, the NJSIG cyber reinsurer has significantly increased member retentions and premiums, tightened underwriting requirements and reiterated the importance of every NJSIG member having a comprehensive cyber loss control program in place to minimize exposure.

Immediately after all of the Group's reinsurance renewal quotes were negotiated and formally bound in late April via Willis Towers Watson, the new rates were thoroughly and satisfactorily tested in the NavRisk underwriting software prior to the release of first renewal proposal. As of 5/10/21, the department has received 238 renewal submissions, 7 new member submissions, and 19 current member additional lines submissions. Additionally, the NJSIG underwriters have released approximately 50 renewal quote proposals and several member requests to bind coverage have already been received. These statistics are consistent with prior years and all underwriting processes are running smoothly.

All statutorily required auto insurance identification cards and workers' compensation posting notices have been manually customized and assembled into packets by department staff for timely mailing to members prior to 7/1/21.

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



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Board of Trustees Meeting of May 19, 2021 Claims Report

CLAIM ACTIVITY

By major coverage, newly received claims (including record only) with an entry date after March 17, 2021:

Auto liability: 39
General liability: 58
Professional liability: 45
Property: 18
Workers' compensation: 324

By major coverage, closed claims (including record only) with a last closed date after March 17, 2021:

Auto liability: 40
General liability: 76
Professional liability: 36
Property: 25
Workers' compensation: 414

CLAIM OUTCOMES

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

- Claims activity.
- Claims trending.

Sherwin Archibald
Claims Manager



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Board of Trustees Meeting of May 19, 2020 IT Report

New Jersey Cybersecurity & Communications Integration Cell (NJCCIC)

In a continued effort to stay ahead of attacks and to keep informed about cybersecurity events, NJSIG became a member of NJCCIC. As a component organization within New Jersey Homeland Security the New Jersey Cybersecurity and Communications Integration Cell (NJCCIC), NJCCIC offers cybersecurity information sharing, threat intelligence, and incident reporting. The NJCCIC provides cybersecurity services, including the development and distribution of cyber alerts and advisories, cyber tips and best practices for effectively managing cyber risk. Other services include threat briefings, risk assessments, incident response support, and training. This membership will not only help keep NJSIG informed and educated on cybersecurity threats and best practices, we plan to share our experience with the entire NJSIG membership.

Thin Client Workstations with Virtual Desktops

The IT department is researching possibly moving to virtual desktops using thin client workstations. The use of thin client workstations would reduce NJSIG's yearly equipment costs while providing the same performance as a more robust workstation. Using thin client workstations with virtual desktops will add more functionality when working remotely, without sacrificing performance. Virtual desktops provide centralized administration of all employees, allowing the IT department to push security features, software updates and upgrades to the virtual machines more efficiently.

IT Department

We have almost completed the upgrade and testing of the servers that host our website and dashboards. We will have this completed by end of month.

The IT department has completed the coverage breakout programming in both the underwriting system (Navrisk) and the accounting system (Peoplesoft). The report formatting the quotes and proposals in Navrisk is complete. We continue to work on the Peoplesoft reports and invoices that need to be completed by the end of June.

The IT department has been working with the claims and accounting departments to add functionality in Origami and Imageright to stream line processes and to provide tools for supervisors to monitor these new processes. We also had to change some workflows so that we are able to accommodate moving some of the accounting functions from claims to the accounting department.

Jeffrey Cook
Information Systems Manager



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Board of Trustees Meeting of May 19, 2021
2021/2022 Budget – First Reading
Action Item
(NJSIG No. 0521-1)

The NJ Department of Banking and Insurance (DOBI) requires NJSIG to file the next fiscal year budget by 06/30/2021. Attached is the draft of the fiscal year 2021/2022 NJSIG budget. Executive Director Jill Deitch and I met with the Finance Committee to review and discuss the attached budget in detail. The 2021/2022 final NJSIG budget will be on the June 2021 agenda as an action item for Trustee approval to submit to DOBI. Attached please find the 2021/2022 draft NJSIG budget for your review and discussion at the May 2021 meeting.

Recommended Resolution (NJSIG No. 0521-1): to approve the attached 2021/2022 NJSIG budget as a first reading.

Michele Carosi
Chief Financial Officer



NJSIG
Income Statement
For the Periods Ending

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Account	Department	Description	FY 2018/2019 Actuals YTD	FY 2019/2020 Budget YTD	FY 2019/2020 Actuals YTD	FY 2019/2020 Variance	02/28/2021 8 MONTHS Budget YTD	02/28/2021 8 MONTHS Actuals YTD	06/30/2021 12 MONTHS Budget YTD	06/30/2021 12 MONTHS PROJECTED	FY 2021/2022 Budget YTD
		Income:									
4101		Audit Premium Written	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
4102		Student Accident	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
4103		Workman's Compensation	73,404,560.50	75,621,752.00	76,453,624.14	831,872.14	73,741,020.00	74,528,138.42	73,741,020.00	74,528,138.42	A8 74,731,702.00
4104		Property	18,394,959.86	18,926,664.00	20,047,949.84	1,121,285.84	22,158,736.00	22,926,982.99	22,158,736.00	22,926,982.99	A8 24,571,046.00
4105		Automobile Liability	5,585,102.76	5,616,377.00	5,940,733.96	324,356.96	4,501,960.00	4,758,407.10	4,501,960.00	4,758,407.10	A8 3,171,700.00
4106		Automobile Phys. Damage	981,623.21	994,196.00	1,036,001.41	41,805.41	708,400.00	879,948.49	708,400.00	879,948.49	A8 831,543.00
4107		General Liability	7,993,389.75	8,117,367.00	8,429,518.37	312,151.37	9,958,305.00	10,111,671.62	9,958,305.00	10,111,671.62	A8 9,886,550.00
4108		Boiler	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
4109		Errors & Omissions	16,423,464.84	17,350,405.00	17,889,216.16	538,811.16	18,330,643.00	17,513,485.66	18,330,643.00	17,513,485.66	A8 18,772,508.00
4110		Umbrella	4,445,181.13	4,559,320.00	4,829,300.79	269,980.79	5,479,908.00	5,591,627.17	5,479,908.00	5,591,627.17	A8 7,268,220.00
4111		Crime	609,872.22	613,186.00	628,035.45	14,849.45	616,719.00	656,427.38	616,719.00	656,427.38	A8 228,850.00
4113		Pollution Liability Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
4114		E.D.P.	992,050.54	1,011,526.00	1,045,180.22	33,654.22	1,022,781.00	1,104,711.11	1,022,781.00	1,104,711.11	A8 0.00
4115		Cigna/Fireman's Fund Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
4117		Retro Accounts Income	6,931.74	0.00	8,443.80	8,443.80	0.00	2,078.90	0.00	3,118.35	E12 0.00
4118		Willis Change in Unrnd Premium	(4,864.44)	0.00	(20,712.90)	(20,712.90)	0.00	383,060.51	0.00	383,060.51	A8 0.00
4121		Builder's Risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
4122		Supplemental Indemnity	1,801,768.00	1,725,512.00	1,839,317.55	113,805.55	1,769,388.00	2,019,357.69	1,769,388.00	2,019,357.69	A8 2,214,469.00
4123		Bond Premium	274,946.18	274,209.00	284,416.15	10,207.15	278,379.00	139,594.27	278,379.00	139,594.27	A8 0.00
4125		Equipment Breakdown	1,223,125.12	1,229,800.00	1,291,502.88	61,702.88	1,733,759.00	1,771,455.87	1,733,759.00	1,771,455.87	A8 1,694,221.00
	560	Underwriting Department									94,509.00
4126		Crisis Management									94,509.00
	560	Underwriting Department									1,150,002.00
4127		Cyber Liability									1,150,002.00
	560	Underwriting Department									356,393.00
4128		Environmental									356,393.00
	560	Underwriting Department									57,536.00
4129		Restart									57,536.00
4131		Willis ChngUnerndRetMgtFeePrem	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
		Premium Income	132,132,111.41	136,040,314.00	139,702,527.82	3,662,213.82	140,299,998.00	142,386,947.18	140,299,998.00	142,387,986.63	145,029,249.00
4202		Retro Prem/Srvc Written	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		Retro Accounts Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



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		Total Income	132,132,111.41	136,040,314.00	139,702,527.82	3,662,213.82	140,299,998.00	142,386,947.18	140,299,998.00	142,387,986.63	145,029,249.00
		Adjustments:									
4700		Contribution Return - 00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4703		WComp Contrib Return	0.00	0.00	(3,100,232.00)	(3,100,232.00)	0.00	0.00	0.00	0.00	0.00
4705		AL Contrib Return	0.00	0.00	(178,967.00)	(178,967.00)	0.00	0.00	0.00	0.00	0.00
4799		Contribution Return - 99	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		Member Contribution Returns	0.00	0.00	(3,279,199.00)	(3,279,199.00)	0.00	0.00	0.00	0.00	0.00
4301		Reinsurance Recoveries	2,861,889.33	1,450,000.00	6,345,535.50	4,895,535.50	0.00	2,854,451.63	0.00	2,854,451.63	A8 0.00
4302		Reins Recovery W/C 85/86	1,598.66	0.00	14,351.96	14,351.96	0.00	0.00	0.00	0.00	A8 0.00
4303		Accrued Reins Recoveries	1,465,038.38	0.00	(916,882.00)	(916,882.00)	0.00	(860,306.00)	0.00	(860,306.00)	A8 0.00
4304		Subrogation Income	1,432,764.67	0.00	688,581.29	688,581.29	0.00	588,607.22	0.00	588,607.22	A8 0.00
4306		Reinsurance Rebate Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
4307		Claim Deductible Credit	0.00	0.00	133,388.00	133,388.00	0.00	43,500.00	0.00	43,500.00	A8 0.00
		Recoveries & Subro Income	5,761,291.04	1,450,000.00	6,264,974.75	4,814,974.75	0.00	2,626,252.85	0.00	2,626,252.85	0.00
		Revenue	137,893,402.45	137,490,314.00	142,688,303.57	5,197,989.57	140,299,998.00	145,013,200.03	140,299,998.00	145,014,239.48	145,029,249.00
		Expenses:									
5102		Salaries-Temporary Employees	50,887.19	129,336.00	44,347.95	(84,988.05)	30,666.66	885.92	46,000.00	1,328.88	E12 27,500.00
5103		Salaries	5,927,674.45	6,772,600.80	6,074,655.56	(697,945.24)	4,403,784.67	4,099,437.84	6,605,677.01	6,149,156.76	E12 6,795,064.00
5104		Salaries - Overtime	56,964.46	57,560.04	20,952.66	(36,607.38)	22,750.66	17,381.06	34,126.00	26,071.59	E12 25,099.00
5106		Deferred Compensation Pay	0.00	0.00	2,500.00	2,500.00	4,000.00	4,000.00	6,000.00	6,000.00	E12 6,000.00
5108		Payroll Tax Expenses	462,554.13	546,924.00	587,731.35	40,807.35	342,128.00	258,065.43	513,192.00	387,098.15	E12 657,592.00
5109		Pension Expense	829,775.16	966,197.04	803,692.00	(162,505.04)	621,425.34	0.00	932,138.00	932,138.00	B21 902,324.00
5109-68		GASB68-Pension Expense	789,779.00	0.00	568,285.00	568,285.00	0.00	0.00	0.00	0.00	E12 0.00
5110		Employee Benefits Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	E12 0.00
5111		Recruiting Costs	2,087.20	24,750.00	13,377.50	(11,372.50)	1,666.66	0.00	2,500.00	2,500.00	2,000.00
5112		Retiree Med Bene Exp	243,406.00	265,757.04	(9,699.00)	(275,456.04)	164,476.00	0.00	246,714.00	246,714.00	B21 64,693.00
5113		Employee Medical Benefits	934,580.25	1,181,790.00	919,821.53	(261,968.47)	734,758.00	524,251.69	1,102,137.00	786,377.54	E12 1,085,808.00
5114		Employee Dental Benefits	58,053.69	68,492.04	61,486.64	(7,005.40)	45,086.66	37,954.25	67,630.00	56,931.38	E12 72,235.00
5115		Employee Vision Benefits	23,911.80	27,555.00	26,308.40	(1,246.60)	18,343.34	16,507.99	27,515.00	24,761.99	E12 29,834.00
5116		EE HRA Benefits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
5117		Employee FSA Benefits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
5118		Employee Short Term Disability & Other Ins	65,166.30	81,999.96	69,856.57	(12,143.39)	53,333.34	45,097.38	80,000.00	80,000.00	B21 81,000.00
5119		Defined Contribution Retirement Expense	5,992.09	6,222.96	4,790.50	(1,432.46)	1,824.66	548.23	2,737.00	822.35	E12 1,262.00
		Personnel Expenses	9,450,831.72	10,129,184.88	9,188,106.66	(941,078.22)	6,444,244.00	5,004,129.79	9,666,366.00	8,699,900.62	9,750,411.00
5202		Newsletter Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	E12 0.00



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5203		Marketing Expenses	7,744.53	14,499.96	5,581.42	(8,918.54)	6,000.00	1,440.25	9,000.00	2,160.38	E12	7,000.00
		Member Services Dept. Expenses	7,744.53	14,499.96	5,581.42	(8,918.54)	6,000.00	1,440.25	9,000.00	2,160.38		7,000.00
5227		Loss Prevention	89,407.60	27,848.04	9,814.41	(18,033.63)	11,833.34	37.94	17,750.00	56.91	E12	1,930.00
5228		Office Equipment Maintenance	0.00	0.00	0.00		0.00	0.00	0.00	0.00	E12	0.00
5229		Computer Software Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	E12	0.00
		Loss Control Dept. Expenses	89,407.60	27,848.04	9,814.41	(18,033.63)	11,833.34	37.94	17,750.00	56.91		1,930.00
5252		Claims Audit Expense	0.00	102,000.00	0.00	(102,000.00)	60,000.00	0.00	90,000.00	0.00	A8	0.00
5253		Claims Admin. Expenses	(762.00)	0.00	(124.00)	(124.00)	0.00	(428.00)	0.00	(642.00)	E12	0.00
		Claims Dept. Expenses	(762.00)	102,000.00	(124.00)	(102,124.00)	60,000.00	(428.00)	90,000.00	(642.00)		0.00
5301		Accounting Fees	0.00	0.00	3,273.00	3,273.00	3,333.34	0.00	5,000.00	0.00	E12	5,000.00
5303		Actuary Fees	201,279.29	275,000.04	156,538.58	(118,461.46)	193,333.34	93,804.33	290,000.00	290,000.00	B21	249,500.00
5305		Loss Control Outside Services	257,658.86	294,776.04	246,628.07	(48,147.97)	181,000.00	140,227.94	271,500.00	210,341.91	E12	384,500.00
5306		Legal & Professional Fees	112,576.23	200,000.04	35,881.13	(164,118.91)	83,333.34	2,935.00	125,000.00	119,750.00		75,000.00
5310		Third Party Admin.-Willis	675,000.00	675,000.00	675,000.00	0.00	450,000.00	393,750.00	675,000.00	675,000.00	B21	675,000.00
		Outside Service Fees	1,246,514.38	1,444,776.12	1,117,320.78	(327,455.34)	911,000.01	630,717.27	1,366,500.01	1,295,091.92		1,389,000.00
5309		MOCSSIF Agent Commission Exp.	350,000.00	364,000.00	364,000.00	0.00	0.00	0.00	364,000.00	364,000.00	B21	298,917.00
5311		Agent Commission Exp	12,609,016.45	12,092,957.00	13,411,789.78	1,318,832.78	12,785,689.00	14,067,393.57	12,785,689.00	14,067,391.48	A8	13,311,813.00
5312		NJEIF Agent Commission Exp.	400,000.00	400,000.00	400,000.00	0.00	0.00	0.00	400,000.00	400,000.00	B21	400,000.00
5315		ERIC North Agent Comm. Exp.	400,000.00	400,000.00	400,000.00	0.00	0.00	0.00	400,000.00	400,000.00	B21	400,000.00
5316		ERIC South Agent Comm Exp	201,932.68	225,000.00	197,588.32	(27,411.68)	0.00	0.00	190,760.00	190,760.00	B21	218,664.00
5318		ERIC WEST AG. COMM EXP	362,826.69	330,000.00	354,887.77	24,887.77	0.00	0.00	397,030.00	397,030.00	B21	415,717.00
5319		BACCEIC Agent Commission Exp	175,000.00	175,000.00	175,000.00	0.00	0.00	0.00	175,000.00	175,000.00	B21	183,750.00
5320		CAIP Agent Commission Expense	82,695.69	88,000.00	94,619.88	6,619.88	0.00	0.00	94,125.00	94,125.00	B21	104,998.00
		Total Agent Commission Expense	14,581,471.51	14,074,957.00	15,397,885.75	1,322,928.75	12,785,689.00	14,067,393.57	14,806,604.00	16,088,306.48		15,333,859.00
5401		Claims Expense	64,332,022.64	72,431,439.00	61,524,852.78	(10,906,586.22)	47,948,156.00	31,587,827.15	71,922,234.00	71,922,234.00		72,414,116.00
5402		Change in Claims Reserves	(7,361,000.00)	0.00	(8,945,000.00)	(8,945,000.00)	0.00	0.00	0.00	0.00		0.00
5403		Change in Claims Reserves for ULAG	(200,000.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5404		NEPHA Deductible Reimb. Exp.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5405		Claims Deductible Debit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
		Claims Expenses	56,771,022.64	72,431,439.00	52,579,852.78	(19,851,586.22)	47,948,156.00	31,587,827.15	71,922,234.00	71,922,234.00		72,414,116.00
5502		Reinsurance Exp (Group/Flat)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5505		Reinsurance Exp-District Bill	34,019,892.22	35,958,733.00	36,106,458.65	147,725.65	39,154,935.00	39,531,036.90	39,154,935.00	39,531,036.90	A8	42,977,965.00
5507		Reinsurance Exp-NJSBAIG Paid	10,754.65	109,556.04	194,545.65	84,989.61	97,879.34	156,427.98	146,819.00	156,427.98	A8	250,137.00



NJSIG
Income Statement
For the Periods Ending

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Account	Department	Description	FY 2018/2019 Actuals YTD	FY 2019/2020 Budget YTD	FY 2019/2020 Actuals YTD	FY 2019/2020 Variance	02/28/2021 8 MONTHS Budget YTD	02/28/2021 8 MONTHS Actuals YTD	06/30/2021 12 MONTHS Budget YTD	06/30/2021 12 MONTHS PROJECTED	FY 2021/2022 Budget YTD
		Reinsurance Expenses	34,030,646.87	36,068,289.04	36,301,004.30	232,715.26	39,252,814.34	39,687,464.88	39,301,754.00	39,687,464.88	43,228,102.00
5352		IT - Office Equipment Supplies	8,538.36	36,800.04	18,142.35	(18,657.69)	20,333.34	1,406.97	30,500.00	30,500.00	B21 25,500.00
5353		Office Equipment Maintenance	14,837.26	30,300.00	10,049.70	(20,250.30)	20,200.00	6,501.02	30,300.00	30,300.00	B21 15,500.00
5354		Computer Software Maintenance	311,231.16	347,154.96	337,632.57	(9,522.39)	233,016.66	134,338.80	349,525.00	349,525.00	B21 349,055.00
		Information Technology Dept.	334,606.78	414,255.00	365,824.62	(48,430.38)	273,550.00	142,246.79	410,325.00	410,325.00	390,055.00
5702		Depreciation Expense	504,818.62	631,074.96	573,720.83	(57,354.13)	410,260.66	358,362.51	615,391.00	615,391.00	B21 635,795.00
5703		Dues & Subscriptions	286,204.53	113,316.00	86,226.20	(27,089.80)	75,820.67	19,481.90	113,731.01	113,731.01	B21 46,850.00
5704		Misc. Bank Fees	90,771.82	93,575.04	93,046.60	(528.44)	68,916.66	71,370.64	103,375.00	107,055.96	E12 103,875.00
5705		IRS Penalty Fees	0.00	0.00	10,460.48	10,460.48	0.00	9.80	0.00	9.80	A8 0.00
5708		Rent Expense	382,656.02	483,753.96	502,376.40	18,622.44	331,812.00	318,961.82	497,718.00	478,442.73	E12 502,757.00
5708-DEFER		Rent - Deferred Exp(Inc.)	0.00	0.00	82,198.86	82,198.86	0.00	0.00	0.00	0.00	E12 0.00
5709		Office Supplies	101,538.28	37,740.00	21,757.38	(15,982.62)	14,943.34	8,903.68	22,415.00	13,355.52	E12 22,000.00
5710		Office Operating Expenses	54,560.51	65,184.00	58,517.75	(6,666.25)	40,400.00	34,041.71	60,600.00	51,062.57	E12 69,400.00
5711		Office Leased Expenses	30,381.56	19,500.00	15,391.12	(4,108.88)	13,000.00	9,844.43	19,500.00	19,500.00	B21 12,000.00
5712		Telephone Expense	0.00	999.96	0.00	(999.96)	0.00	0.00	0.00	0.00	B21 0.00
5713		Employee Internet Reimbursmt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B21 0.00
5714		Utilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	B21 0.00
5715		Group's Insurance Expense	196,213.38	225,699.96	184,377.42	(41,322.54)	181,300.00	125,679.55	271,950.00	271,950.00	B21 337,585.00
5716		Group's Crime Insurance Exp.	36,888.48	42,000.00	32,316.48	(9,683.52)	0.00	15,809.08	0.00	0.00	B21 0.00
5717		FSA Admin Fee	1,437.70	4,118.04	2,081.20	(2,036.84)	1,666.66	996.00	2,500.00	1,494.00	E12 2,000.00
5723		Postage	61,970.13	69,500.04	53,796.61	(15,703.43)	46,333.34	26,651.84	69,500.00	39,977.76	E12 52,500.00
5727		Employee Seminar Expenses	19,860.44	147,050.04	17,810.79	(129,239.25)	58,156.67	2,793.75	87,235.01	4,190.63	E12 47,086.00
5728		Insurance Course Fees	3,098.08	34,600.08	719.00	(33,881.08)	9,999.99	3,489.75	14,999.99	5,234.63	E12 10,400.00
5729		Tuition Reimbursement	13,096.63	40,490.04	4,995.00	(35,495.04)	24,500.00	0.00	36,750.00	36,750.00	B21 26,250.00
5730		Audit Fees	82,475.00	71,400.00	71,400.00	0.00	48,666.66	(1,400.00)	73,000.00	73,000.00	B21 74,300.00
5731		Consulting Fees	124,735.38	287,500.08	223,092.74	(64,407.34)	230,333.34	77,451.00	345,500.00	345,500.00	B21 287,500.00
5732		Miscellaneous Expenses	7,618.03	3,699.96	2,197.77	(1,502.19)	3,666.66	1,624.67	5,500.00	5,500.00	B21 6,500.00
5733		Disaster Recovery Expenses	112,629.12	129,042.00	111,580.40	(17,461.60)	78,361.34	113,019.92	117,542.00	169,529.88	E12 90,000.00
5734		Building Appraisal Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5735		DOBI Audit Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5736		Bad Debt Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5737		Employee Cell Phone Expense	14,177.72	15,999.96	11,049.31	(4,950.65)	7,120.00	5,529.89	10,680.00	8,294.84	E12 9,480.00
5738		OPRA expenses	0.00	24,999.96	0.00	(24,999.96)	0.00	0.00	0.00	0.00	B21 0.00
5746		Accrued Excise Tax	63,870.71	64,815.96	82,679.42	17,863.46	68,785.34	102,190.62	103,178.00	102,190.62	A8 124,257.00
5798		A/P Discounts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5804		Assessments Written-off	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5805		Admin Write-off Exp.	(15,660.71)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5806		Ins. Refund Control Exp.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5807		Ins. Write-off Exp	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5808		Ins. Discount Exp	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



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			FY 2018/2019	FY 2019/2020	FY 2019/2020	FY 2019/2020	02/28/2021	02/28/2021	06/30/2021	06/30/2021		FY 2021/2022
Account	Department	Description	Actuals YTD	Budget YTD	Actuals YTD	Variance	8 MONTHS	8 MONTHS	12 MONTHS	12 MONTHS	PROJECTED	Budget YTD
5809		Safety Grant Distribution Exp	2,000,000.00	0.00	2,000,000.00	2,000,000.00	0.00	0.00	0.00	0.00		0.00
		Business Operating Expenses	4,173,341.43	2,606,060.04	4,241,791.76	1,635,731.72	1,714,043.34	1,294,812.56	2,571,065.00	2,462,160.92		2,460,535.00
5201		Travel & Related Expenses	69,647.29	103,604.88	43,668.98	(59,935.90)	47,666.66	1,207.85	71,500.00	1,811.78	E12	34,241.00
5851		Annual Meeting	53,480.18	63,400.00	56,734.05	(6,665.95)	40,600.00	15,930.40	60,900.00	15,930.40	A8	17,000.00
5852		Trustee Meeting Expense	5,577.50	9,999.96	2,576.72	(7,423.24)	4,000.00	310.00	6,000.00	465.00	E12	3,000.00
		Conferences & Meeting Expenses	128,704.97	177,004.84	102,979.75	(74,025.09)	92,266.66	17,448.25	138,400.00	18,207.18		54,241.00
		Total Expenses	120,813,530.43	137,490,313.92	119,310,038.23	(18,180,275.69)	109,499,596.68	92,433,090.45	140,299,998.02	140,585,266.28		145,029,249.00



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Account	Department	Description	FY 2018/2019 Actuals YTD	FY 2019/2020 Budget YTD	FY 2019/2020 Actuals YTD	FY 2019/2020 Variance	02/28/2021 8 MONTHS Budget YTD	02/28/2021 8 MONTHS Actuals YTD	06/30/2021 12 MONTHS Budget YTD	06/30/2021 12 MONTHS PROJECTED	FY 2021/2022 Budget YTD
		Other Revenue and Expenses:									
4405		Partnership Distributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
4411		Interest -Concentration Acct	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
4413		Interest-NJ St Inv Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
4414		Interest-NJ Cash Mgmt Fund	7,420.22	3,999.96	5,160.03	1,160.07	0.00	139.52	0.00	139.52	A8 0.00
4415		Interest-Commerce Concentr	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
4418		Interest on Assessment Recvbl's	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
4419		Interest - Operating Account	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
4420		Interest - Certificate of Dep	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
4421		Tri-State Capital Intrst Inc	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
4422		Interest - Beneficial Bank	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
4423		Interest-InvBk Concentration	3,603,627.30	2,000,000.04	2,611,616.07	611,616.03	0.00	623,899.98	0.00	623,899.98	A8 0.00
4424		Interest _ invest Fund (WT)	2,897,739.82	1,599,999.96	3,092,797.41	1,492,797.45	0.00	1,073,511.12	0.00	1,073,511.12	A8 0.00
4425		Accrued Interest/Divid	(334,351.16)	0.00	(501,331.75)	(501,331.75)	0.00	14,101.55	0.00	14,101.55	A8 0.00
4426		Accrued Interest-US Treas Bill	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
		Investment Income	6,174,436.18	3,603,999.96	5,208,241.76	1,604,241.80	0.00	1,711,652.17	0.00	1,711,652.17	
4501		Gain on Securities	688,183.69	0.00	1,782,269.57	1,782,269.57	0.00	(1,026,414.13)	0.00	(1,026,414.13)	A8 0.00
		Financial Income	688,183.69	0.00	1,782,269.57	1,782,269.57	0.00	(1,026,414.13)	0.00	(1,026,414.13)	
4603		Miscellaneous Income	2,572.00	0.00	237.48	237.48	0.00	104.88	0.00	104.88	A8 0.00
4604		Realized Gain/(Loss) Invest-WT	872,515.17	0.00	1,683,238.27	1,683,238.27	0.00	203,913.29	0.00	203,913.29	A8 0.00
4605		Seminar Income	12,275.00	11,750.04	20,525.00	8,774.96	0.00	1,450.00	0.00	1,450.00	A8 0.00
4609		Willis Change in Unrnd Ag Comm	(431.75)	0.00	2,196.02	2,196.02	0.00	(36,755.07)	0.00	(36,755.07)	A8 0.00
4610		Willis Change in Unrnd Reins	2,867.34	0.00	5,708.72	5,708.72	0.00	(98,915.77)	0.00	(98,915.77)	A8 0.00
4620		Legal Settlement Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
		Other Revenues	889,797.76	11,750.04	1,711,905.49	1,700,155.45	0.00	69,797.33	0.00	69,797.33	
5901		Amortization of Inv. Premiums	(411,454.81)	0.00	672,175.37	672,175.37	0.00	4,317.03	0.00	4,317.03	A8 0.00
5902		Investment Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
5903		Write Down of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
5904		Loss/(Gain) on Sale of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
5905		Invest - Paid Accrued Interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	A8 0.00
		Investment Expenses	(411,454.81)	0.00	672,175.37	672,175.37	0.00	4,317.03	0.00	4,317.03	
		Total Other Revenue and Expenses	8,163,872.44	3,615,750.00	8,030,241.45	4,414,491.45	0.00	750,718.34	0.00	750,718.34	0.00
		Net Revenue	25,243,744.46	3,615,750.08	31,408,506.79	27,792,756.71	30,800,401.32	53,330,827.92	(0.02)	5,179,691.54	0.00



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

Board of Trustees Meeting of May 19, 2021
Action Item – First Reading
2021/2022 Plan of Risk Management
NJSIG No. 0521-2

The Plan of Risk Management (PORM) is required to be submitted to the Department of Banking and Insurance (DOBI) each year. The draft attached is for first reading. The PORM will be on the June agenda for approval.

Recommended Resolution NJSIG No. 0521-2: to approve the attached 2021/2022 Plan of Risk Management as a first reading.

Jill Deitch, Esq.
Executive Director

New Jersey Schools Insurance Group



PLAN OF RISK MANAGEMENT

2020~~1~~-2021~~2~~

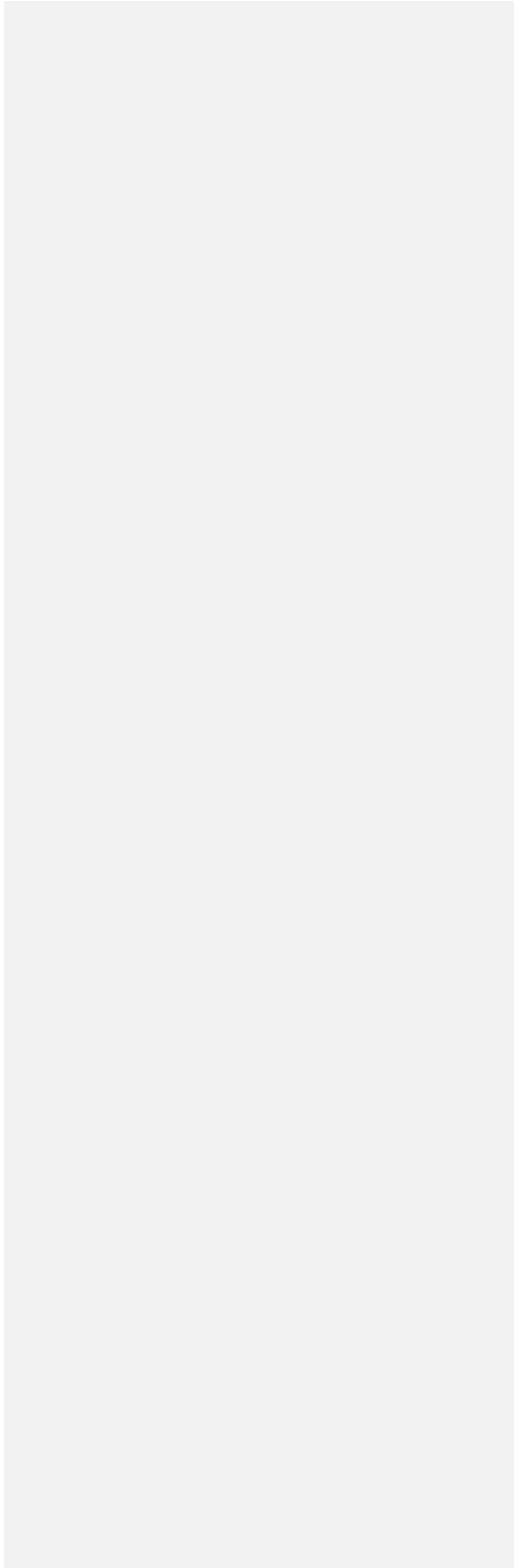


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NEW JERSEY SCHOOLS INSURANCE GROUP

PLAN OF RISK MANAGEMENT

The mission of New Jersey Schools Insurance Group (“NJSIG”), a public school insurance pool, is to ensure the availability of insurance to New Jersey public schools by offering the best coverage at the lowest possible cost while providing risk management education, training and services.

I. INTRODUCTION

NJSIG is a joint insurance fund formed under the provisions of N.J.S.A. 18A:18B-1 et. seq. NJSIG’s membership is comprised of public schools. NJSIG commenced operations in October 1983.

NJSIG’s objectives include the following:

- A.** Providing eligible public schools with a long-term alternative to the conventional insurance market as a means of stabilizing the otherwise cyclical nature of insurance expenditures;
- B.** Maintaining proactive safety and loss prevention programs specific to issues inherent in public schools;
- C.** Aggressively evaluating, defending and/or settling claims made against members which fall within the defined coverages afforded through NJSIG;
- D.** Maintaining a responsible funding posture in an effort to ensure long-term financial security for NJSIG and, by extension, the membership.

II. COVERAGE PROVIDED, LIMITS OF LIABILITY, SELF-INSURED RETENTIONS AND DEDUCTIBLES

A. GENERAL

NJSIG offers coverage to its members through one or more of the following vehicles:

- Pooled self-insurance
- Excess insurance
- Reinsurance
- Individual contracts

NJSIG offers its members the following coverages:

1. Workers' Compensation and Employers' Liability
2. Automobile Liability
3. General Liability
4. Property
5. Equipment Breakdown
6. Automobile Physical Damage
7. School Leaders Errors and Omissions Liability
8. Crime ~~and~~ Bonds
9. Electronic Data Processing
10. Excess Liability
11. Supplemental Indemnity
12. Cyber Liability and Breach Response
13. Environmental Liability

The specific limits of coverages afforded by NJSIG incorporate individual member deductibles, funded self-insured retentions and various jointly purchased conventional and excess/reinsurance policies. Unless specifically stated to the contrary, limits shown in the following sections shall be considered to be inclusive of applicable pooled self-insured retention.

NJSIG also provides for aggregate excess insurance where applicable.

B. PROPERTY

- | | |
|---------------------------------------|------------------------------|
| 1. Limit of liability | \$500,000,000 per occurrence |
| 2. NJSIG self-insured retention (SIR) | \$1,000,000 per occurrence |
| 3. Member deductible | \$1,000 to \$50,000 |
| 4. Perils included | see policies "Appendix A" |

C. EQUIPMENT BREAKDOWN

- 1. Limit of liability \$100,000,000 per loss
- 2. NJSIG self-insured retention \$0
- 3. Member deductible 12 hours/~~\$1,000~~-\$25,000
- 4. Policy conditions refer to specific policy language

D. COMPREHENSIVE GENERAL AND AUTOMOBILE LIABILITY

- 1. Limit of liability between \$1,000,000 and \$31,000,000 per occurrence
- 2. NJSIG self-insured retention (SIR): ~~\$500,000~~1,000,000 per occurrence
- 3. Member deductible liability options \$0-\$50,000 except \$1,000 employee benefits
- 4. Insuring agreement provides coverage for bodily injury, property damage and personal injury liability arising out of the business activities of the member. See specific policy language.

E. WORKERS' COMPENSATION

- 1. Limits of liability:
 - (a) Workers' Compensation statutory
 - (b) Employers Liability \$3,000,000 per occurrence
- 2. NJSIG specific self-insured retention
 - (a) Workers' Compensation \$1,000,000
 - (b) Employers Liability \$1,000,000
- 3. Member deductible none

F. SCHOOL LEADERS ERRORS & OMISSIONS LIABILITY

- 1. Coverage A Limits of liability between \$1,000,000 and \$31,000,000 per occurrence/aggregate, per member. Limit chosen by district may be subject to retroactive dates. Refer to specific policy language.

- | | | |
|----|------------------------------|--------------------------------------------------|
| 2. | Coverage B | \$100,000/\$300,000 or
\$50,000/\$150,000 |
| 3. | Member deductible | between \$5,000 to \$250,000 Coverage
A and B |
| 4. | Insuring agreements | refer to specific policy language. |
| 5. | NJSIG self-insured retention | \$0 |

G. REINSURANCE

1. NJSIG may purchase reinsurance or excess insurance, which is subject to the terms and conditions of the specific excess or reinsurance carrier agreements. NJSIG purchased reinsurance for the following:
 - (a) Property: NJSIG cedes 100% net loss per occurrence in excess of \$1,000,000 to a maximum of \$500,000,000.
 - (b) Comprehensive General Liability and Automobile Liability: NJSIG cedes 100% net loss per occurrence in excess of ~~\$500,000~~1,000,000.
 - (c) Workers' Compensation and Employers Liability: NJSIG places excess statutory limits of liability and employers' liability in excess of \$1,000,000 per occurrence.
2. The cost of reinsurance is variable depending on member exposure. The final number will be determined by audit at year-end. Based upon known exposures the total reinsurance cost is estimated to be ~~\$3643~~3643,000,000.

III. OPERATIONAL PHILOSOPHY

A. SUB-FUNDS

NJSIG organized the state into seven (7) predominately geographical groups known as sub-funds. There is also an eighth group consisting of non-geographical members.

Continued membership in the sub-fund is predicated on members meeting the minimum standards of participation and maintaining the required loss profile as defined by the Standards of Participation outlined herein.

These sub-funds have no decision making authority relative to the operation of NJSIG. Sub-fund governing documents do not supersede any governing documents of NJSIG.

Each sub-fund is individually analyzed and priced by NJSIG's actuary for workers' compensation based on that particular sub-fund's loss experience, size and premium volume.

Each of the seven geographical sub-funds has a sub-fund administrator. The sub-fund administrator is an insurance broker with demonstrated school board risk management expertise and a contract with NJSIG.

Members may be removed from a sub-fund if they do not meet the Standards of Participation outlined herein.

B. CONTRIBUTION

1. Each year, the actuary shall compute the probable net cost for the upcoming year by line of coverage.
2. The annual contribution of each member shall be its share of the probable net cost for the upcoming year based upon exposures, loss portfolio and experience modifiers.
3. A member's right to continue membership in a particular sub-fund for the full term of its commitment is contingent upon meeting the Standards of Participation outlined herein.
4. The calculation of contribution for each member shall be based on the overall annual budget. Contribution may be modified to reflect the loss history or underwriting data of the individual member.
5. NJSIG's Board of Trustees votes and approves the budget at least one (1) month prior to the beginning of the next fiscal year.
6. The annual contribution shall be paid in one (1) installment, except Workers' Compensation, where members may request up to a maximum of twelve (12) monthly installments.

C. BROKERS

Members are required to retain the services of a broker. Service expectations of brokers include, but are not limited to the following:

1. The broker retained must be licensed by the State of New Jersey.
2. The broker shall be paid commission by NJSIG as defined in the standard Broker Commission policy, NJSIG Policy 8010.
3. The broker's specific responsibilities shall include but not be limited to:

- (a) Continuous evaluation of the member's exposures, losses, policies and risk portfolio.
 - (b) Expert knowledge and guidance with respect to coverages, limits and deductibles applicable to the member's individual exposures.
 - (c) Preparation and completion of reports, applications, statements of values, schedules and other required underwriting documentation to obtain coverage terms.
 - (d) Review of member's insurance costs in preparation of the member's insurance budget.
 - (e) Review of the member's loss experience, engineering reports and participation in the member's safety committee meetings.
 - (f) Advise NJSIG's Safety and Risk Control department of specific and necessary trainings required by a member based on review of losses and exposures as well as frequency and trending concerns.
 - (g) Assist and guide in the claims process, as necessary.
 - (h) Attend their member's respective sub-fund meetings including annual trainings.
 - (i) Attend NJSIG's annual broker's meeting.
4. The broker shall be a New Jersey licensed Property/Casualty Insurance Producer who has demonstrated and provided proof of prior experience in the management of public entity insurance risks. The broker shall maintain at least a \$5,000,000 per claim errors & omissions insurance limit and provide evidence of coverage to NJSIG prior to binding. Brokers earning less than \$30,000 of annual NJSIG commission may request an annual exemption for the \$5,000,000 errors and omissions insurance minimum requirement. Such requests must be submitted to the Underwriting Manager in writing 60 days prior to renewal.

D. CLAIMS RESPONSE AND RESERVING

1. CLAIM DEPARTMENT STATEMENT

- (a) Customer Service

NJSIG is committed to partnering with members to provide extraordinary claim service.

(b) Quality Services

Departmental procedures have been developed and are continuously updated to meet the present and future needs of members.

IV. STANDARDS OF PERFORMANCE

A. GENERAL LIABILITY/AUTOMOBILE LIABILITY

1. Coverages

Claims will be promptly reviewed for coverage. If there is a question concerning coverage, the issue(s) will be documented and reviewed. If issues of coverage remain, the matter will be referred to coverage counsel with a request for a timely determination. Excess and/or reinsurance carriers will be informed as required. Upon determination of coverage, any remaining questions or issues will be documented and communicated with a reservation of rights letter.

2. Initial Technical Processing

New losses are assigned promptly, reserved and entered into the claim system within one business day of receipt. Appropriate matters are centrally index to cross reference prior claims. An acknowledgement letter is sent to the member when the file is set up, with a copy to the broker.

3. Member/Claimant Contact

- (a) All members must be contacted within two business days of assignment.
- (b) All claimants will be contacted within two business days of assignment. If verbal contact is not made, written correspondence will follow.

4. Investigation

- (a) Investigation of claims will be guided by the adjuster assigned, Claims Supervisor or Claims Manager.

5. Reporting and Communication

- (a) The claim file will be documented detailing all significant developments. Correspondence will be addressed and answered timely, as necessary.
- (b) Reserves outside of the adjuster's authority will be reviewed and approved by a Claims Supervisor, ~~and/or~~ Claims Manager and/or Chief Legal Officer.
- (c) Claims that are 50% of NJSIG's retention, catastrophic losses or that

meet the criteria under any reinsurance or excess reporting guidelines, shall be reported to the reinsurer/excess carrier immediately.

~~(e)~~

~~(e)~~(d) All files are reviewed on a periodic and as needed basis by the claims adjuster and Claims Supervisor.

6. Recovery/Subrogation/Contribution

- (a) Claims with subrogation recovery and/or contribution potential shall be recognized, investigated and documented.
- (b) If recovery, subrogation and/or contribution is to be waived or compromised, it must be approved by the Claims Manager or Claims Supervisor.

7. General

- (a) NJSIG's Safety and Risk Control department will be notified as to conditions which may require corrective measures. NJSIG's Safety and Risk Control department will contact the broker of record and member and ensure the condition is given appropriate attention.
- (b) For all physical damage automobile losses, the vehicle must be inspected by an independent auto appraiser within five business days of assignment and concluded within ten business days. If damages are less than \$2,000, two estimates may be reviewed by the claims adjuster in lieu of a physical inspection.
- (c) Centers for Medicare and Medicaid Services (CMS) reporting shall be complied with in all cases involving bodily injury.

B. WORKERS' COMPENSATION

1. Coverages

Claims will be promptly reviewed for coverage. If there is a question concerning coverage, the issue(s) will be documented and reviewed. If issues of coverage remain, the matter will be referred to coverage counsel with a request for a timely determination. Excess and/or reinsurance carriers will be informed as required. Upon determination of coverage, any remaining questions or issues will be documented and communicated.

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2. Initial Technical Processing

New losses are assigned promptly, reserved and entered into the claims system within one business day of receipt. Appropriate matters are centrally indexed to cross reference prior claims. An acknowledgement letter is sent to the member when the file is set up, with a copy to the broker.

3. Member/Claimant Contact

All members and claimants must be contacted within two business days of assignment for lost time cases.

4. Investigation

- (a) The claimant should be interviewed or a statement obtained for all claims involving questionable and/or serious exposure when appropriate.
- (b) A detailed investigation shall be conducted for all claims commensurate with the potential exposure.

5. Reporting and Communication

- (a) The claim file will be documented detailing all significant developments. Correspondence will be addressed and answered timely, as necessary.
- (b) Reserves outside of the adjuster's authority will be reviewed and approved by a Claims Supervisor, ~~and/or~~ Claims Manager and /or Chief Legal Officer.
- (c) Claims that are 50% of NJSIG's retention, catastrophic losses or that meet the criteria under any reinsurance or excess reporting guidelines shall be reported to the reinsurer/excess carrier immediately.
- (d) All files are reviewed on a periodic and as needed basis by the claims adjuster and Claims Supervisor.

6. Recovery/Subrogation/Contribution

- (a) Claims with subrogation recovery and/or contribution potential shall be recognized, investigated and documented.
- (b) If recovery, subrogation and/or contribution is to be waived or compromised, it must be approved by the Claims Manager or Claims Supervisor.

7. General

- (a) NJSIG's Safety and Risk Control department will be notified as to conditions which may require corrective measures. NJSIG's Safety and Risk Control department will contact the member and ensure the condition is given appropriate attention.
- (b) Compensability analysis shall be in accordance with New Jersey law.
- (c) Initial indemnity payment on all lost time cases shall occur within twenty-one (21) business days of receipt of loss.
- (d) Medical bills should be processed/paid within ten (10) business days of receipt.
- (e) Lost wages and permanency claims are to be properly calculated based on current New Jersey law and disability chart. The disability chart is updated by the State of New Jersey annually.
- (f) Physician contact and treatment control is completed based on the treatment plan established by the claims adjuster along with the managed care provider.
- (g) Centers for Medicare and Medicaid Services (CMS) reporting shall be complied with in all cases involving bodily injury. The First Report of Injury (FROI) and the Subsequent Report of Injury (SROI) are complied with in accordance with New Jersey law.

C. PROPERTY

1. Coverage

Claims will be promptly reviewed for coverage. If there is a question concerning coverage, the issue(s) will be documented and reviewed. If issues of coverage remain, the matter will be referred to coverage counsel with a request for a timely determination. Excess and/or reinsurance carriers will be informed as required. Upon determination of coverage any questions or issues will be documented and communicated.

2. Initial Technical Processing

New claims are assigned promptly, reserved and entered into the claims system within one business day of receipt. Appropriate matters are centrally indexed to cross-reference prior claims. An acknowledgement letter is sent to the Member when the file is set up, with a copy to the broker.

3. Member Contact

All members must be contacted within two (2) business days of assignment. If verbal contact is not made, written correspondence will be sent.

4. Investigation

A NJSIG claims adjuster, along with a designated property appraiser, if necessary, will be assigned to verify damages, cause of loss and provide an appraisal/estimate for needed repair or replacement. If a physical inspection is necessary, it will be completed within three (3) business days of assignment. If no inspection is warranted, receipts, purchase orders, or other substantiated documentation will be obtained to verify and pay the loss. All claims with significant subrogation potential will be assigned to subrogation counsel, as necessary.

5. Reporting and Communication

(a) The claim file will be documented detailing all significant developments. Correspondence will be addressed and answered timely, as necessary.

(b) Reserves outside of the adjuster's authority will be reviewed and approved by a Claims Supervisor, ~~and/or~~ Claims Manager ~~and/or~~ Chief Legal Officer.

(c) Claims that are 50% of NJSIG's retention, catastrophic losses or that meet the criteria under reinsurance or excess reporting guidelines shall be reported to the reinsurer/excess carrier immediately.

(d) All claims are reviewed on periodic and as needed bases by the claims adjuster and Claims Supervisor.

6. Recovery/Subrogation

(a) Claims with subrogation recovery and/or contribution potential shall be identified, investigated and documented.

(b) If subrogation, recovery and/or contribution is to be waived or compromised, it must be approved by the Claims Manager or Claims Supervisor.

7. General

(a) NJSIG's Safety and Risk Control department will be notified of conditions which may require corrective measures. NJSIG's Safety and Risk Control department will contact the broker of record and member and ensure the condition is given appropriate attention.

(b) A proof of loss will be required on all property claims. The proof of

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loss must be signed and notarized by the school business administrator.

D. PRODUCTIVITY/PENDING STANDARDS

1. The number of claims per adjuster shall be determined by the adjuster's Claims Supervisor.
2. The goal is for all claims adjusters to close one file for every file that is opened.

E. LEGAL CLAIM HANDLING

1. Counsel Billing

Counsel bills must be submitted for each matter, adhering to NJSIG's litigation guidelines. Itemized bills should contain a description of each charged activity, date of service and time allocated for each activity. The bills must indicate total time spent and total charges. The claims adjuster is expected to audit each bill and communicate with counsel on questionable charges.

2. Legal Handling

Counsel should perform only legal work. Investigative activities should be conducted by the claims adjuster. The claims adjuster and counsel should work together to determine who is appropriate to handle negotiations, if appropriate. All negotiations shall be documented in the file and confirmation of that authority shall be provided to counsel.

F. CLAIM PAYMENT PROCEDURES

1. Once a medical, legal, or service bill is verified, the claims adjuster shall highlight the amount to be paid. The claims adjuster shall initial the bill, date it, indicate the payment and coverage type, and forward it to the bill processor for payment. The bill processor must verify the payment. Bills are to be paid within ten (10) calendar days of receipt, unless further clarification is necessary.

G. INCOMING/OUTGOING CORRESPONDENCE

1. All incoming mail is date stamped on the same day it is received and tasked to the respective claim adjuster. Prior to close of business, the claims adjuster will process the task and determine if it is a priority or scheduled activity for a later date.
2. Any correspondence without an addressee or claim number will be brought to the attention of a Claims Supervisor for further action.

H. OUTSIDE INDEPENDENT ADJUSTERS ASSIGNMENTS

1. The claims adjuster maintains control of any investigation. Should the services

of an independent appraiser or adjuster become necessary, their activities and direction are guided by the NJSIG claims adjuster.

I. REPORTING GUIDELINES WORKERS' COMPENSATION

A summary report will be completed within ten (10) business days by the claims adjuster. The contents of that report shall include:

1. Occurrence/accident description
2. Compensability acceptance/denial – if denied explanation
3. Injury
4. Subrogation
5. Action plan
6. Reserve

The above information shall be added to the claims file. This information should be brief with an explanation in each category.

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J. REPORTING GUIDELINES - GENERAL LIABILITY/AUTOMOBILE LIABILITY

A summary report will be completed within fifteen (15) business days by the claims adjuster. The contents of that report shall include:

1. Description of loss/occurrence
2. Liability
3. Damages
4. Action plan
5. Reserve

The above information shall be added to the claims file. This information should be brief with an explanation in each category.

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K. REPORTING GUIDELINES - PROPERTY

A summary report will be completed within fifteen (15) business days by the claims adjuster. The contents of that report shall include:

1. Description of loss/occurrence
2. Coverages
3. Scope of damages
4. Action plan
5. Reserve

The above information shall be added to the claims file. This information should be brief with an explanation in each category.

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L. REHABILITATION GUIDELINES - ADMINISTRATIVE CONTROLS

1. The following criteria shall be used when a claim is to be referred for medical rehabilitation.
 - (a) The following injuries are to be immediately referred for medical rehabilitation:
 - Spinal cord injuries
 - Serious head injuries
 - Amputations
 - Severe burn
 - Crush injuries
 - Heart Problems
 - Stress-related disorders
 - Serious eye injuries
 - Complex regional pain syndrome (RSD)
 - (b) Other possible referrals for medical rehabilitation, post initial injury, could include:
 - Herniated disc
 - Multiple fractures
 - Exacerbation of pre-existing condition
 - Exacerbation of congenital condition
 - Extensive over-treatment for a soft tissue injury

V. GENERAL COMMENTS

A. DISCRETIONARY SETTLEMENT AND TRIAL AUTHORITY

Workers' Compensation Claims

NJSIG will pay workers' compensation medical and wage loss benefits when such payments are appropriate.

On contested workers' compensation claims, the following authority levels will apply:

Settlement Authority

Up to \$60,000	Claims Representative and Senior Claims Representative
Up to \$75,000	Claims Examiner
Up to \$100,000	Claims Supervisor
Up to \$200,000	Claims Manager
Up to \$300,000	Claims Manager and Chief Legal Officer
\$300,001 and above	Board of Trustees

The Claims Manager shall have discretion to adjust any individual's authority under \$200,000. A Claims Supervisor shall have the discretion to adjust any individual's authority under \$75,000.

Personal Injury Protection, Medical, Wage Loss, Third-Party Property Damage, and Personal Injury Claims

NJSIG will pay personal injury protection, medical, wage loss, third-party property damage, personal injury and/or other benefits when such payments are appropriate.

On these lines the following authority levels will apply:

Settlement Authority

Up to \$60,000	Claims Representative and Senior Claims Representative
Up to \$75,000	Claims Examiner
Up to \$100,000	Claims Supervisor
Up to \$200,000	Claims Manager
Up to \$300,000	Claims Manager and Chief Legal Officer
\$300,001 and above	Board of Trustees

The Claims Manager shall have discretion to adjust any individual's authority under \$200,000. A Claims Supervisor shall have the discretion to adjust any individual's authority under \$75,000.

First-Party Property Damage Claims

NJSIG will pay first-party claims for property damage when such payments are appropriate.

On all first-party claims for property damage, the following authority levels apply:

Settlement Authority

Up to \$60,000	Claims Representative and Senior Claims Representative
Up to \$75,000	Claims Examiner
Up to \$100,000	Claims Supervisor
Up to \$200,000	Claims Manager
Up to \$300,000	Claims Manager and Chief Legal Officer
\$300,001 and above	Board of Trustees

The Claims Manager shall have discretion to adjust any individual's authority under \$200,000. A Claims Supervisor shall have the discretion to adjust any individual's authority under \$75,000.

All matters scheduled for trial shall be presented to the board.

B. CLAIMS COMMITTEE

NJSIG shall establish a Claims Committee. This committee shall be comprised of the Claims Manager, Chief Legal Officer, and up to three Board of Trustee members. The Claims Committee shall have authority to approve claims, provided that the amount is recommended by both the Claims Manager and the Chief Legal Officer. All three Trustee participants will be notified of any such meetings, however, only one Trustee is required to participate in order to extend settlement authority, in addition to the Claims Manager and the Chief Legal Officer. Agreement by a majority of attendees, along with the recommendation of the Claims Manager and Chief Legal Officer, shall be sufficient to establish claim settlement value.

C. FINANCIAL MANAGEMENT

All actuarial, investment and banking functions of NJSIG are outlined in NJSIG's policies, cash management plan, procedures and bylaws.

D. SAFETY AND LOSS PREVENTION

In an effort to identify and prevent loss, NJSIG will implement safety and risk control programs and procedures intended to reduce and eliminate conditions or practices which may lead to loss.

E. STANDARDS OF PARTICIPATION

The following are the eligibility requirements for new or continued membership as approved by the Board of Trustees:

1. Member's claims history, policies and risk management philosophy should demonstrate safety performance and initiatives consistent with NJSIG's requirements.
2. Member must provide access to all member-owned or leased property for safety inspection and evaluation by NJSIG's assigned Safety and Risk Control representative(s) to ensure member meets or continues to meet safety standards.
3. Member must establish and maintain an active Safety Committee and actively participate in NJSIG-sponsored safety programs and trainings.
4. Member must be in compliance with all Federal and New Jersey Statutes governing the operations of public schools and the accompanying regulations.
5. Member must promptly pay all contributions or other obligations arising out of or related to the member's participation in NJSIG.
6. Member must actively participate in all NJSIG-directed meetings, programs or activities to ensure the continued successful operation of NJSIG.
7. Member must provide NJSIG with a copy of a properly executed resolution of participation, substantially in the form approved by NJSIG, and a properly executed indemnity and trust agreement, substantially in the form approved by NJSIG.

NJSIG will notify the member of any concerns as to the eligibility requirements outlined above. In each case, NJSIG will work with the member to address and correct, as necessary, the concerns. Continued improvement with safety and loss control programs, as guided by a member of the NJSIG Safety and Risk Control team, will be required to remain eligible. Should a member fail to work with NJSIG in addressing any eligibility concern, NJSIG may seek termination of membership as outlined in the NJSIG Bylaws.



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**Board of Trustees Meeting of May 19, 2021
Action Item – First Reading
2021/2022 Meeting Dates
(NJSIG No. 0521-3)**

Each year the meeting dates are set for the next fiscal year. Below are the proposed meeting dates for the July 1, 2021 to June 30, 2022 fund year. The meeting dates will be an action item on the June agenda.

September 15, 2021

October 20, 2021

November 17, 2021

January 26, 2022

March 23, 2022

May 18, 2022

June 15, 2022

Recommended Resolution (NJSIG No. 0521-3): to approve the proposed 2021/2022 meeting dates as a first reading.

Jill Deitch

Jill Deitch, Esq.
Executive Director



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Board of Trustees Meeting May 19, 2021
Action Item
Rate review for the July 1, 2021-2022 policy year
(NJSIG No. 0521-4)

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. NJSIG's actuary 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.

At the March 17, 2021 meeting, you approved the rate review for the July 1, 2021-2022 policy year that was prepared by NJSIG's actuary. In the course of reviewing these rates for implementation, NJSIG and Willis Towers Watson identified several necessary revisions. With these revisions, the changes combine to a -4.1% for the workers' compensation, general liability, automobile liability, automobile property damage, property and crime coverages combined, which is down from -4.6% from the previous report. With these revisions, the overall change continues to fall within the range that NJSIG's actuary has indicated is reasonable in their revised report, and they have opined that they believe that this proposed rate change is reasonable.

Recommended Resolution (NJSIG No. 0521-04): Approve the Willis Towers Watson revised rate review for the July 1, 2021/2022 policy year report dated April 21, 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 of May 19, 2021
Action Item
Outside Counsel
(NJSIG No. 0521-5)

As a part of NJSIG's efforts to maintain compliance with the PSCL, NJSIG issued requests for qualifications for outside counsel for General Litigation (C-2021-0003); Complex General Litigation (C-2021-0004); School / Education Litigation (C-2021-0005); General Workers' Compensation Litigation (C-2021-0006); and Complex Workers' Compensation Litigation (C-2021-0007). As a result of this competitive contracting process, NJSIG received numerous proposals from qualified firms. These proposals were evaluated using the weighted evaluation criteria.

The designation of a firm as approved outside counsel is not a retention for a specific matter, and does not entitle a firm to be retained for a specific matter. Rather, these firms would now be eligible to handle matters on behalf of NJSIG members. Individual case assignments will be determined by NJSIG based on the unique requirements of each matter. The recommended cutoff for qualifying for the outside counsel designation for General Litigation (C-2021-0003); Complex General Litigation (C-2021-0004); General Workers' Compensation Litigation (C-2021-0006); and Complex Workers' Compensation Litigation (C-2021-0007) was an average score of 70 or greater. The recommended cutoff for qualifying for the outside counsel designation for School / Education Litigation (C-2021-0005) was an average score of 75 or greater. Thus, it is proposed that the firms identified in the attached resolution be designated as outside counsel in the respective areas.

Recommended Resolution (NJSIG No.0521-5): to approve the firms identified in the attached resolution be designated as outside counsel in the respective areas.

Sherwin Archibald
Claims Manager



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**Resolution Authorizing the Execution of
Contracts Pursuant to the Public School Contracts Law
NJSIG No. 0521-5**

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

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

WHEREAS, NJSIG has engaged in a fair and open competitive contracting process, 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 designates the following firms as Outside Counsel as to each respective area based on technical criteria, management criteria, cost criteria and the service provider’s demonstrated service to public entities in the State of New Jersey:

- a. General Litigation (C-2021-0003):
 - i. Adams Gutierrez & Lattiboudere LLC;
 - ii. Anderson & Shah, LLC;



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**Resolution Authorizing the Execution of
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- iii. Biancamano & DiStefano;
- iv. Birchmeier & Powell, LLC;
- v. Brown & Connery LLP;
- vi. Buglione, Hutton & DeYoe, LLC;
- vii. Busch Law Group;
- viii. Capehart Scatchard;
- ix. Cleary Giacobbe Alfieri Jacobs, LLC;
- x. Diego F. Navas, Attorney-at-Law;
- xi. DiFrancesco Bateman, P.C.;
- xii. Eric M. Bernstein & Associates;
- xiii. Florio Perrucci Steinhardt Cappelli Tipton & Taylor LLC;
- xiv. Hill Wallack, LLP;
- xv. Inglesino Webster Wyciskala & Taylor LLC;
- xvi. Keenan & Doris LLC;
- xvii. Law office of Stephen E. Gertler;
- xviii. Methfessel & Werbel;



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- xix. Pashman Stein Walder Hayden;
 - xx. Purcell Mulcahy Flanagan, LLC;
 - xxi. Shain Schaffer;
 - xxii. Stahl & Delaurentis PC;
 - xxiii. Weiner Law Group LLP; and
 - xxiv. Wiley Malehorn Sirota & Raynes.
- b. Complex General Litigation (C-2021-0004):
- i. Anderson & Shah, LLC;
 - ii. Biancamano & DiStefano;
 - iii. Birchmeier & Powell, LLC;
 - iv. Capehart Scatchard;
 - v. Cleary Giacobbe Alfieri Jacobs LLC;
 - vi. Diego F. Navas, Attorney-at-law;
 - vii. DiFrancesco Bateman;
 - viii. Hill Wallack LLP;
 - ix. Inglesino Webster Wyciskala & Taylor LLC;



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NJSIG No. 0521-5**

- x. Methfessel & Werbel; and
 - xi. Pashman Stein Walder Hayden.
- c. School / Education Litigation (C-2021-0005):
- i. Busch Law Group;
 - ii. Capehart Scatchard;
 - iii. Cleary Giacobbe Alfieri Jacobs, LLC;
 - iv. Machado Law Group; and
 - v. Purcell Mulcahy Flanagan, LLC.
- d. General Workers' Compensation Litigation (C-2021-0006):
- i. Biancamano & Di Stefano;
 - ii. Braff, Harris, Sukoneck & Maloof;
 - iii. Brown & Connery, LLP;
 - iv. Buglione, Hutton & DeYoe, LLC;
 - v. Cleary Giacobbe Alfieri Jacobs, LLC;
 - vi. Hill Wallak, LLP;
 - vii. Leitner Tort DeFazio & Brause;



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NJSIG No. 0521-5**

- viii. Shain Schaffer; and
- ix. Weiner Law Group LLP.
- e. Complex Workers' Compensation Litigation (C-2021-0007):
 - i. Biancamano & Di Stefano;
 - ii. Braff, Harris, Sukoneck & Maloof;
 - iii. Brown & Connery, LLP;
 - iv. Capehart Scatchard;
 - v. Cleary Giacobbe Alfieri Jacobs, LLC; and
 - vi. Leitner Tort DeFazio & Brause.
- 2) The Executive Director is hereby authorized to execute professional services agreements with the above-referenced service providers;
- 3) The Chief Legal Officer/General Counsel, with the advice of the Claims Manager, is hereby authorized to retain firms designated as Outside Counsel that have executed a professional service agreement as to each respective area to represent NJSIG members in specific matters in accordance with NJSIG Policy 2212;



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

**Resolution Authorizing the Execution of
Contracts Pursuant to the Public School Contracts Law
NJSIG No. 0521-5**

- 4) This designation is in accordance with the Public School Contracts Law, N.J.S.A.
18A:18A-1, et seq.;
- 5) A notice of this action shall be published once in the official newspaper designated by NJSIG, and is on file and available for public inspection at the office of NJSIG.

I certify that the foregoing is a true copy of a Resolution passed by the New Jersey Schools Insurance Group at the meeting duly held on the 19th day of May, 2021.



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**Resolution Authorizing the Execution of
Contracts Pursuant to the Public School Contracts Law
NJSIG No. 0521-5**

New Jersey Schools Insurance Group

By: _____

Irene Le Febvre, Chairperson

Board Secretary
Use Only

DATE:

MOVED BY:

SECONDED BY:

VOTE:



New Jersey Schools Insurance Group
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Board of Trustees Meeting of May 19, 2021
Action Item
Special Coverage Counsel
(NJSIG No. 0521-06)

NJSIG currently requires professional services in the form of outside counsel to represent the interests of NJSIG and its member in a matter with claims involving principles of reinsurance coverage. These claims require specialization and expertise. NJSIG is confident that Pashman Stein Walder Hayden has the specialization and expertise to handle this matter. Thus, NJSIG seeks to retain Pashman Stein Walder Hayden to pursue this matter. NJSIG would engage Pashman Stein Walder Hayden on this matter at the hourly rate NJSIG normally pays to firms handling claims involving insurance coverage litigation. It is proposed that, as outlined on the attached resolution, Pashman Stein Walder Hayden be designated as outside counsel for this matter.

Recommended Resolution (NJSIG No. 0521-6): to approve Pashman Stein Walder Hayden in the form of outside counsel to represent the interests of NJSIG and a member district in a matter with claims involving principles of reinsurance coverage, which claims require specialization and expertise.

Sherwin Archibald
Claims Manager



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

NJSIG No. 0521-6

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 currently requires professional services in the form of outside counsel to represent the interests of NJSIG and a member district in a matter with claims involving principles of reinsurance coverage, which claims require specialization and expertise;

NOW THEREFORE, BE IT RESOLVED:

- 1) NJSIG designates Pashman Stein Walder Hayden as outside counsel to represent the interests of NJSIG and its member in a matter with claims involving principles of reinsurance coverage;
- 2) The Executive Director is hereby authorized to execute a professional services agreement with the above-referenced firm to provide such services;
- 3) 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. 0521-6

- 4) 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 19th day of May, 2021.

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 May 19, 2021
Action Item
Loss Control Property Inspection Services
(NJSIG No. 0521-07)

As a part of NJSIG's efforts to maintain compliance with the Public School Contracts Law, N.J.S.A. 18A:18A-5(a)(10), NJSIG issued a request for proposals for loss control property inspection services (LC-2021-0001). As a result of this open and fair process, NJSIG received two proposals for loss control property inspection services (LC-2021-0001). These proposals were evaluated using weighted evaluation criteria, and the results of that evaluation are outlined in the attached Loss control property inspection services RFP (LC-2021-0001) Evaluation Committee narrative summary report and recommendations. Based on the results of the committee's evaluation, it is proposed that a contract be awarded to H&S Loss Control Inspections, Inc.

Recommended Resolution (NJSIG No.0521-7): to adopt the contract for Loss control property inspection services (LC-2021-0001) be awarded to H&S Loss Control Inspections, Inc. based on the results of the committee's evaluation.

Debra Rice
Client Relations/Safety and Risk Control Manager



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

NJSIG No. 0521-7

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 loss control property services;

WHEREAS, NJSIG has engaged in an open and fair process for the procurement of loss control property inspection 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 loss control property inspection services to:
 - a. H&S Loss Control Inspections, Inc.
- 2) NJSIG awards contracts for loss control property inspection services to this provider based on technical criteria, management criteria and cost criteria;
- 3) The Executive Director is hereby authorized to execute a contract with the above-referenced provider;



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

NJSIG No. 0521-7

- 4) This designation is in accordance with the Public School Contracts Law, N.J.S.A. 18A:18A-1, et seq.;
- 5) A notice of this action shall be published once in the official newspaper designated by NJSIG, and is on file and available for public inspection at the office of NJSIG.

I certify that the foregoing is a true copy of a Resolution passed by the New Jersey Schools Insurance Group at the meeting duly held on the 17th day of March, 2021.



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

NJSIG No. 0521-7

New Jersey Schools Insurance Group

By: _____

Irene Le Febvre, Chairperson

Board Secretary
Use Only

DATE:

MOVED BY:

SECONDED BY:

VOTE:

**NEW JERSEY SCHOOLS INSURANCE GROUP
MEMORANDUM**

Date: May 17, 2021

To: Board of Trustees
New Jersey Schools Insurance Group

From: Evaluation Committee for loss control property inspection services
RFP (LC-2021-0001)

Subject: Loss control property inspection services RFP (LC-2021-0001)
Evaluation Committee 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 three hundred and seventy-five 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, crime, electronic data processing, environmental liability, equipment breakdown, and auto physical damage coverage. NJSIG provides claims administration, underwriting and loss control services for members.

The NJSIG Loss Control Department provides a variety of loss control and risk management services for members in an effort to reduce claim frequency and severity. As part of these efforts, NJSIG offers loss control property inspection services. These property inspection services are intended to reduce loss frequency and severity through

the identification of risks. NJSIG sought proposals from one or more qualified organizations to provide loss control property inspection services for its members.

A full copy of the scope of work is contained within the request for proposals (“RFP”) for loss control property inspection services (LC-2021-0001). This solicitation was conducted in a fair and open process in accordance with the requirements for the purchase of “[i]nsurance, including the purchase of insurance coverage and consultant services, which exception shall be in accordance with the requirements for extraordinary unspecifiable services” under the Public School Contracts Law, N.J.S.A. 18A:18A-5(a)(10). This solicitation was specifically seeking proposals from qualified organizations that desire to provide loss control property inspection services for NJSIG, within the scope of work described in the RFP.

As a result of this solicitation, NJSIG received two proposals for loss control property inspection services (LC-2021-0001).

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 loss control property inspection services (LC-2021-0001).

The evaluation committee’s recommended cutoff for qualifying to provide loss control property inspection services was an average score of 85 or greater.

The results of the evaluation committee are summarized below:

1. Safety and Health Compliance Consultants had a 51 mean composite score. The evaluation committee’s recommended cutoff for qualifying to provide loss control property inspection services was an average score of 85 or greater. Thus, the evaluation committee recommends rejecting this proposal.
2. H&S Loss Control Inspections, Inc. had a 90 mean composite score. The evaluation committee’s recommended cutoff for qualifying to provide loss control property inspection services was an average score of 85 or greater. Thus, the evaluation committee recommends accepting this proposal.



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Board of Trustees Meeting of May 19, 2021
Action Item
Checking Accounts and New Claims
NJSIG No. 0521-8

Attached are the check registers for March and April 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 March and April 2021. This report shows the nature and financials for each claim.

Recommended Resolution (NJSIG No. 0521-8): Approve and ratify the checks and new claims which have been issued from accounts XXXXXXXX210 (operating account) and XXXXXXXX229 (claim account) for the period of 03/1/2021 to 04/30/2021 as shown in the online (Microscribe) version of the meeting package.

Michele Carosi
Chief Financial Officer