



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

Board of Trustees Meeting of September 15, 2021 Accounting/Finance Report

- ACCOUNTING DEPARTMENT PROCESSES:

- (1) **Billing & Accounts Receivable Processes:** NJSIG's Accounting Department processed \$108.5 million of 2021/2022 renewal gross member contributions and endorsements in the PeopleSoft Billing Module as of the date of this report (09/08/2021). The Accounting Department is current with all business that was bound and exported from the Underwriting system (Navrisk). In addition, the Accounting Department continues to invoice NJSIG's members in the PeopleSoft Billing system for monthly Workers Compensation installments and miscellaneous endorsements as the billing data is exported from Navrisk. The Accounting Department collected and applied \$6.7 million of members' contribution deposits (to date) for the 2021/2022 fiscal year. Collections of NJSIG member contributions are kept current with the Accounting Department's issuance of color-coded NJSIG member statements on the 15th of each month.

- (2) **Accounts Payable:** All accounts payable vouchers and payments are current. The Accounting Department processed \$475,000 of broker commissions as part of the direct bill procedures during the 2020/2021 fiscal year.

- **FINANCIAL REPORTS:**

Please find the attached final *preliminary 06/30/2021 financial reports*. I have also included the 06/03/2021 Investment & Cash reports. The attached 06/30/21 financial reports were audited and approved by the Bowman auditors, but are pending trustee resolution of any 06/30/21 safety grant declaration and/or any COVID-19 Relief Assistance program (to be determined by the Trustees as action items at the 09/15/21 meeting).

The attached *preliminary 06/30/2021 financial reports* yield a positive change in net position of \$41.0 million (prior to any safety grant or COVID-19 Relief Assistance declarations). The following are the major contributors to this strong FY2020/2021 net change in position:

- **Member Contributions** – FY2020/2021 gross member contributions of \$141.7 million were the major source of income for the fiscal year. (This \$141.7 million was slightly higher (1.4%) from the FY2019/2020 amount of \$139.7 million). FY2020/2021 gross member contributions are offset by \$(16.1) million of broker commission expenses and \$(39.7) million of reinsurance expenses. (These same FY2019/2020 expense amounts were slightly lower by 4.5% for the \$(15.4) million of broker commission expenses and 9.4% for the \$(36.3) million of reinsurance expenses.) FY2020/2021 net member contributions were \$85.9 million (\$141.7+

\$(16.1) + \$(39.7)) versus the FY2019/2020 net member contributions of \$88 million (\$139.7 + \$(15.4) + \$(36.3)), which represents a net decrease of (2.4) percentage for FY2020/2021.

- **Investment Income** - FY2020/2021 net investment income of \$1.3 million was the second largest income contributor to the net change in position. (This \$1.3 million was \$6.7 million (83.4%) less compared to the FY2019/2020 \$8.0 million of net investment income. This is primarily the result of the unfavorable investment market conditions.)
- **Claims Results** – FY2020/2021 net claim expense (paid loss expenses, changes in reserves, reinsurance recovery and subrogation income) of \$(34.4) million was the largest offset to the operating income. (This \$(34.4) million of net claims expense was (25.8%) less than the FY2019/2020 net claims expense of \$(46.3) million). Favorable FY2020/2021 net paid claims were primarily the result of a decrease in paid claim losses and increases in reinsurance recoveries and subrogation income received, coupled with actuarial reductions in claims reserves.
- **Administrative Expenses** – All other FY2020/2021 administrative expenses (including payroll/personnel expenses) of \$(11.8) million were slightly lower (9.2%) than the FY2019/2020 administrative expense (including payroll/personnel expenses and excluding safety grant expense) of \$(13.0) million.

- **SPECIAL PROJECTS:**

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

- (1) 2020/2021 Financial Audit: This was the second year that NJSIG participated in a virtual/remote audit as a result of the COVID-19 pandemic. The Accounting Department seamlessly provided the Bowman auditors with all of their requests for schedules, reports, “prepared by client” worksheets and supporting documentation for their test/audit samplings. I worked closely with the auditors to answer all questions and coordinate the collection of sample data with the Accounting Department staff, as well as other department managers. The auditors have approved the attached preliminary financial reports and will prepare their audit report for your review and approval at the October (or November) meeting. I will share with you any of their updated and/or management recommendations, prior to the presentation of the final audit report at the October/November meeting.
- (2) COVID-19 Relief Assistance and 06/30/2021 Safety Grant – Jill Deitch and I will meet with the NJSIG Board of Trustee Finance Committee prior to the 09/15/2021 meeting to review the GAAP and statutory 06/30/21 financial reports and discuss possible options, methodologies and allocations for providing members with another COVID-19 relief assistance program and/or future safety grant(s) based on the FY2020/2021 results.
- (3) 2021/2022 Budget: The 2021/2022 budget that was adopted by the Trustees at the 06/2021 meeting was filed with NJ Department of Banking and Insurance and posted on the NJSIG website. I also am in the process of uploading this 2021/2022 budget data into the PeopleSoft budget module.

This upload of data allows me to present 2021/2022 budget to actual financial data within the statements that I provide to you at each meeting.

(4) Banking/Investments – Please note that Investors Bank contacted me during May, 2021 to notify NJSIG that the interest floor (the minimum amount of interest applied to NJSIG deposits/account balance) would be reduced from .50% to .40% on 06/01/2021. This floor rate reduction is the result of the economic environment and the Federal Reserve continuing to impose low interest rates. The interest rate on the NJSIG Investors Bank account is a maximum of the Federal Funds target/index rate less 25 basis point or a minimum of .40% (formerly .50%). I have also included a worksheet that illustrates how the rates are calculated and the history of our rates since 10/2019 through 09/2021. Please also note that NJSIG’s financial advisors, Wilmington Trust, will attend the November meeting to update the trustees on NJSIG’s investment portfolio and the state of the investment market. They will also address any other potential, permissible investment options (as per the NJSIG Cash Management & Investment policy) and answer any trustee questions related to investments.

Thank you,

Michele Carosi

Chief Financial Officer

N J S I G
SUMMARY OF CASH AND INVESTMENTS
AS OF 6/31/2021

CASH & CASH EQUIVALENTS:

Petty Cash	\$190.66
Cash Mgmt. Fund - N.J. State	\$342,652.90
Concentration Acct (TD Bank)	\$0.00
Claims Acct (TD Bank)	\$0.00
Concentration Acct (Investors)	\$218,396,439.77
Operating Acct (Investors)	(\$362,621.92)
Claims Acct (Investors)	(\$1,220,144.99)
Payroll Acct (Investors)	\$3.04
Assessmnt Collection Acct(INV)	\$0.00
Money Market (WT)	\$8,916.10

TOTALS AS OF 6/31/2021 \$217,165,435.56

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	\$89,860,000	(\$103,301)	\$90,141,033	47%
12 TO 24 MONTHS	\$100,605,000	\$0	\$100,475,461	53%
24 TO 36 MONTHS	\$0			
36 TO 48 MONTHS	\$0			
48 TO 60 MONTHS	\$0			
TOTALS	<u><u>\$190,465,000</u></u>	<u><u>(\$103,301)</u></u>	<u><u>\$190,616,495</u></u>	<u><u>100%</u></u>

TOTAL AS OF 6/31/2021	
CASH & CASH EQUIVALENTS	\$217,165,436
INVESTMENTS	\$190,616,495
TOTAL	<u><u>\$407,781,930</u></u>

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

6/30/2021

VALUED AS OF:

6/31/2021

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:

6/31/2021

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	\$0	\$0	486	\$0
01/02/2020	05/31/2021	UNITED STATES TREASURY NOTES DTD 05/31/2016 1.375% 5/31/2021	\$0	\$0	515	\$0
10/01/2019	06/30/2021	UNITED STATES TREASURY NOTES DTD 06/30/2016 1.125% 6/30/2021	\$0	\$0	638	\$0
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	(\$80,675)
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	(\$72,931)
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	(\$78,959)
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	(\$22,329)
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	(\$19,025)
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	(\$4,122)
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	(\$2,872)
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	(\$703)
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	(\$1,481)
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	(\$1,356)
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	(\$1,472)

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

6/30/2021

VALUED AS OF:

6/31/2021

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	(\$1,035)
02/01/2021	12/31/2022	UNITED STATES TREASURY NOTES DTD 11231/2020 0.125% 12/31/2022	\$9,315,000	\$9,318,275	698	\$699
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	(\$195)
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	(\$100)
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	(\$188)
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	(\$143)
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	(\$388)
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	(\$168)
4/30/2021	4/30/2023	UNITED STATES TREASURY NOTES DTD 4/30/2021 0.125% 4/30/2023	\$9,400,000	\$9,392,656	730	(\$926)
6/02/2021	5/31/2023	UNITED STATES TREASURY NOTES DTD 5/30/2021 0.125% 5/31/2023	\$9,650,000	\$9,646,607	728	(\$135)
6/30/2021	6/30/2021	UNITED STATES TREASURY NOTES DTD 6/30/2021 0.125% 6/30/2023	\$10,345,000	\$10,319,138	0	\$0
TOTAL US TREASURIES			\$175,905,000	\$175,529,364		(\$288,502)
			\$190,465,000	\$190,073,197		(\$288,502)

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

VALUED AS OF:

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

			PAR VALUE AS OF:		
			6/31/2021		
			Three Year	Four Year	Five Year
Purchase			One Year To	Two Year To	To Maturity
Date	Due Date	Description	Maturity Date	Maturity Date	To Maturity
			Date	Date	To Maturity
			Date	Date	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	6/31/2021 Three Year To Maturity Date	Four Year To Maturity Date	Five Year To Maturity Date
03/17/2020	02/28/2021	UNITED STATES TREASURY NOTES DTD 02/29/2016 1.125% 2/28/2021	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	0.00				
01/02/2020	05/31/2021	UNITED STATES TREASURY NOTES DTD 05/31/2016 1.375% 5/31/2021	0.00				
10/01/2019	06/30/2021	UNITED STATES TREASURY NOTES DTD 06/30/2016 1.125% 6/30/2021	0.00				
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	6/31/2021 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 11231/2020 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			
4/30/2021	4/30/2023	UNITED STATES TREASURY NOTES DTD 4/30/2021 0.125% 4/30/2023		9,400,000.00			
6/02/2021	5/31/2023	UNITED STATES TREASURY NOTES DTD 5/30/2021 0.125% 5/31/2023		9,650,000.00			
6/30/2021	6/30/2021	UNITED STATES TREASURY NOTES DTD 6/30/2021 0.125% 6/30/2023		10,345,000.00			
TOTAL US TREASURIES			\$75,300,000	\$100,605,000			

\$89,860,000 \$100,605,000



NJSIG
Balance Sheet
For the Period Ended 6/30/2021

FINAL DRAFT AS OF 09/07/21

	<u>Current Balance</u>	<u>Prior Year</u>
<u>Current Assets:</u>		
CASH IN BANKS	217,156,518.88	189,221,643.76
Money Market (WT)	8,916.10	59,746.43
Invest Fund US Notes (WT)	175,905,000.20	160,085,000.20
Invest Prem/Disc - Notes (WT)	(87,144.11)	(337,501.50)
Market Value Adjust (WT)	254,795.58	1,940,698.39
Invest Fund-US Bills (WT)	14,560,000.00	28,430,000.00
Invest Prem/Disc Bills (WT)	(16,167.05)	(20,008.18)
MARKETABLE SECURITIES	190,625,400.72	190,157,935.34
Reins. Recovery Receivable	731,560.55	860,306.00
Reins. Recovery 85/86 Recvb'l	(43,024.61)	(24,922.70)
REINSURANCE RECEIVABLES	688,535.94	835,383.30
Interest/Divid Recvb'l - WT	284,803.73	579,960.61
INTEREST/DIVIDENDS RECEIVABLES	284,803.73	579,960.61
Misc. Accounts Receivable	0.00	0.00
Legal Settlement Recvb'l	100.00	100.00
MISC ACCOUNTS RECEIVABLES	100.00	100.00
Premium Recvb'l Installments	0.00	0.00
Premium Receivable	232,375.89	2,421,759.94
PREMIUM RECEIVABLES	232,375.89	2,421,759.94
TOTAL Current Assets	408,987,735.16	383,216,782.95
F&F Original Value	683,119.37	1,398,983.51
Accumulated Depreciation	(392,279.36)	(1,023,431.99)
TOTAL FIXED ASSETS	290,840.01	375,551.52
<u>Other Assets:</u>		
Prepaid General Insurance	131,209.73	101,550.27
Prepaid Crime Insurance	0.11	13,738.61
Prepaid General Expenses	55,808.57	66,207.76



**NJSIG
Balance Sheet
For the Period Ended 6/30/2021**

FINAL DRAFT AS OF 09/07/21

	<u>Current Balance</u>	<u>Prior Year</u>
Prepaid TPA Expenses	112,500.00	112,500.00
PREPAID ASSETS	<u>299,518.41</u>	<u>293,996.64</u>
Unearned Reins Exp	108,381.78	98,915.77
Unearned Agent Comm.	38,593.17	36,755.07
UNEARNED EXPENSES	<u>146,974.95</u>	<u>135,670.84</u>
OTHER ASSETS	<u>0.00</u>	<u>0.00</u>
GASB68-Defer Out-ChngInAssump	421,603.00	1,445,992.00
GASB68-DeferOut-ChngProportion	904,457.00	1,531,257.00
GASB68-DeferOut-ExpectvsActual	236,635.00	259,917.00
GASB68-DeferOut-NETDiffProjInv	444,212.00	0.00
GASB68DeferOut-SubsqntContrib	878,970.00	796,240.00
DEFERRED OUTFLOWS	<u>2,885,877.00</u>	<u>4,033,406.00</u>
TOTAL OTHER ASSETS	<u>3,332,370.36</u>	<u>4,463,073.48</u>
TOTAL ASSETS	<u><u>412,610,945.53</u></u>	<u><u>388,055,407.95</u></u>
Accrued Expenses Payable	3,194,069.36	3,070,731.50
A/P Module INS01	(6,107.31)	(2,328.86)
Safety Grant Payable	11,092,711.17	15,550,247.42
Deferred Rent Liability	82,901.39	82,198.86
Federal Income Tax W/H	(5.60)	(5.60)
Medicare - Employer	(1.31)	(1.31)
FSA MED Payable	1,531.65	(1,482.58)
FSA Depend Payable	(497.54)	1,672.00
TOTAL CURRENT LIABILITIES	<u>14,364,601.81</u>	<u>18,701,031.43</u>
Estimated Unpaid Losses	183,242,000.00	191,332,000.00
Reserve-Unalloc Loss Adjust	9,100,000.00	8,700,000.00
Unearned Premiums	389,616.10	383,060.51
Post Retirement Bene Paybl	2,026,709.04	2,178,712.13
Rate Stabilization-ERIC North	593,362.40	593,362.40
Rate Stabilization-ERIC South	334,340.28	99,230.99
Rate Stabilization - ERIC West	197,760.85	197,760.85
Rate Stabilization - BACCEIC	319,325.66	319,325.66



NJSIG
Balance Sheet
For the Period Ended 6/30/2021

FINAL DRAFT AS OF 09/07/21

	<u>Current Balance</u>	<u>Prior Year</u>
Rate Stabilization - MOCSSIF	320,824.09	320,824.09
Rate Stabilization - NJEIF	547,067.62	437,559.63
TOTAL LONG TERM LIABILITIES	<u>197,071,006.04</u>	<u>204,561,836.26</u>
Pensions Payable	(1,173.15)	40,018.05
GASB68-Pension Payable	12,995,945.00	14,481,115.00
403B/T. Rowe Price Payable	4,496.55	4,125.72
Retro Claims (Cash)	143,226.79	183,615.94
Group Term Life Payable	(2,173.07)	199.67
Agent Comm. Payable	131,036.40	186,562.56
TOTAL OTHER LIABILITIES	<u>13,271,358.52</u>	<u>14,895,636.94</u>
TOTAL REINSURANCE PAYABLES	<u>1,961,113.16</u>	<u>1,894,225.90</u>
TOTAL EXCISE TAX LIABILITIES	<u>(4,833.16)</u>	<u>(5,216.27)</u>
Member Return Payable FY19/20	0.32	3,279,199.00
TOTAL MEMBER RETURN PAYABLES	<u>0.32</u>	<u>3,279,199.00</u>
GASB68-DeferIn-DiffInInvest	0.00	228,590.00
GASB68-DeferIn-ChngIn Proport	240,567.00	176,714.00
GASB68-DeferIn-ChngInAssump	5,441,525.00	5,026,349.00
GASB68-DeferIn-ExpectVsActual	45,959.00	63,971.00
GASB75-DeferIn-ExpectVSActual	(34.00)	(34.00)
TOTAL DEFERRED INFLOWS	<u>5,728,017.00</u>	<u>5,495,590.00</u>
TOTAL LIABILITIES	<u>232,391,263.69</u>	<u>248,822,303.26</u>
Retained Earnings Fund Balance	139,233,104.69	107,824,597.90
Year-to-Date Earnings	40,986,577.15	31,408,506.79
Total Capital	<u>180,219,681.84</u>	<u>139,233,104.69</u>
Total Liabilities and Capital	<u>412,610,945.53</u>	<u>388,055,407.95</u>



NJSIG
Income Statement
For the Period Ending 6/30/2021
FINAL DRAFT AS OF 09/07/21

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Actuals Month</u>	<u>Budget Month</u>
Income:				
Member Contributions	141,666,992.76	140,299,998.00	(734,127.49)	0.00
Retro Accounts Income	0.00	0.00	0.00	0.00
Total Income	141,666,992.76	140,299,998.00	(734,127.49)	0.00
Adjustments:				
Member Contribution Returns	0.00	0.00	0.00	0.00
4301 Reinsurance Recoveries	9,152,788.78	0.00	204,756.03	0.00
4302 Reins Recovery W/C 85/86	(18,101.91)	0.00	(18,101.91)	0.00
4303 Accrued Reins Recoveries	(128,745.45)	0.00	731,560.55	0.00
4304 Subrogation Income	852,573.33	0.00	15,732.35	0.00
4307 Claim Deduct'bl Credit	61,841.73	0.00	15,750.00	0.00
Recoveries & Subro Income	9,920,356.48	0.00	949,697.02	0.00
Revenue	151,587,349.24	140,299,998.00	215,569.53	0.00



NJSIG
Income Statement
For the Period Ending 6/30/2021
FINAL DRAFT AS OF 09/07/21

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Actuals Month</u>	<u>Budget Month</u>	
Expenses:					
5102	Salaries-Temporary Employees	8,766.82	46,000.00	3,546.85	3,833.33
5103	Salaries	6,101,792.80	6,605,677.01	485,135.15	550,473.08
5104	Salaries-Overtime	23,725.88	34,126.00	2,159.55	2,843.83
5105	Salaries-Third Party Sick Pay	0.00	0.00	0.00	0.00
5106	Deferred Compensation Pay	6,000.00	6,000.00	500.00	500.00
5108	Payroll Tax Expenses	457,846.71	513,192.00	61,860.24	42,766.00
5109	Pension Expense	887,675.91	932,138.00	0.00	77,678.17
5109-68	GASB68-Pension Expense	(22,484.00)	0.00	(22,484.00)	0.00
5111	Recruiting Costs	0.00	2,500.00	0.00	208.33
5112	Post Retirement Bene Exp	(136,127.00)	246,714.00	(136,127.00)	20,559.50
5113	Employee Medical Benefits	925,230.65	1,102,137.00	75,089.61	91,844.75
5114	Employee Dental Benefits	65,270.79	67,630.00	5,376.00	5,635.83
5115	Employee Vision Benefits	24,500.98	27,515.00	1,989.70	2,292.92
5118	Employee ST Disab & Other Ins	68,937.06	80,000.00	5,893.14	6,666.67
5119	Defined Contrib Retirement Exp	548.23	2,737.00	0.00	228.08
	Personnel Expenses	<u>8,411,684.83</u>	<u>9,666,366.00</u>	<u>482,939.24</u>	<u>805,530.50</u>
5203	Marketing Expenses	<u>2,353.25</u>	<u>9,000.00</u>	<u>413.00</u>	<u>750.00</u>
	Member Services Dept Expenses	<u>2,353.25</u>	<u>9,000.00</u>	<u>413.00</u>	<u>750.00</u>
5227	Loss Prevention	<u>414.58</u>	<u>17,750.00</u>	<u>41.25</u>	<u>1,479.17</u>
	Loss Control Dept Expenses	<u>414.58</u>	<u>17,750.00</u>	<u>41.25</u>	<u>1,479.17</u>
5252	Claims Audit Expense	0.00	90,000.00	0.00	7,500.00
5253	Claims Admin. Expenses	(539.00)	0.00	(6.00)	0.00
	Claims Dept Expenses	<u>(539.00)</u>	<u>90,000.00</u>	<u>(6.00)</u>	<u>7,500.00</u>
5301	Accounting Fees	0.00	5,000.00	0.00	416.67
5303	Actuary Fees	191,954.06	290,000.00	75,662.34	24,166.67
5305	Loss Control Outside Services	255,574.61	271,500.00	23,006.34	22,625.00
5306	Legal & Professional Fees	16,856.00	125,000.00	10,826.00	10,416.67
5310	Third Party Admin.-Willis	675,000.00	675,000.00	112,500.00	56,250.00



NJSIG
Income Statement
For the Period Ending 6/30/2021
FINAL DRAFT AS OF 09/07/21

	Actuals YTD	Budget YTD	Actuals Month	Budget Month
Outside Service Fees	1,139,384.67	1,366,500.01	221,994.68	113,875.00
Total Agent Commission Expense	16,113,981.56	14,806,604.00	2,033,491.79	2,020,915.00
5401 Claims Expense	51,971,438.04	71,922,234.00	4,204,043.97	5,993,519.50
5402 Change in Claims Reserves	(8,090,000.00)	0.00	(8,090,000.00)	0.00
5403 Change in Rsrv for ULAG	400,000.00	0.00	400,000.00	0.00
Claims Expenses	44,281,438.04	71,922,234.00	(3,485,956.03)	5,993,519.50
Reinsurance Expenses	39,715,757.57	39,301,754.00	0.00	12,234.92
5352 IT - Office Equipment Supplies	2,834.35	30,500.00	297.00	2,541.67
5353 Office Equipment Maintenance	7,609.40	30,300.00	0.00	2,525.00
5354 Computer Software Maintenance	211,657.84	349,525.00	23,333.14	29,127.08
Information Technology Dept Expenses	222,101.59	410,325.00	23,630.14	34,193.75
5702 Depreciation Expense	533,334.21	615,391.00	36,944.57	51,282.58
5703 Dues & Subscriptions	35,741.79	113,731.01	4,959.76	9,477.58
5704 Misc. Bank Fees	95,184.40	103,375.00	0.00	8,614.58
5705 IRS & State Tax/Fees	9.80	0.00	0.00	0.00
5708 Rent Expense	462,872.70	497,718.00	40,364.53	41,476.50
5708-DEFER Rent - Deferred Exp(Inc)	702.53	0.00	702.53	0.00
5709 Office Supplies	13,094.13	22,415.00	683.30	1,867.92
5710 Office Operating Expenses	48,094.43	60,600.00	3,581.66	5,050.00
5711 Office Leased Expenses	14,331.19	19,500.00	1,370.30	1,625.00
5715 Group's Insurance Expense	245,663.96	271,950.00	21,868.29	22,662.50
5716 Group's Crime Insurance Exp.	13,738.50	0.00	0.00	0.00
5717 FSA Admin Fee	2,389.20	2,500.00	446.00	208.33
5723 Postage	42,316.07	69,500.00	4,747.86	5,791.67
5727 Employee Seminar Expenses	12,823.50	87,235.01	3,459.75	7,269.58
5728 Insurance Course Fees	4,067.75	14,999.99	0.00	1,250.00
5729 Tuition Reimbursement	0.00	36,750.00	0.00	3,062.50
5730 Audit Fees	71,600.00	73,000.00	73,000.00	6,083.33
5731 Consulting Fees	157,379.35	345,500.00	78,303.34	28,791.67
5732 Miscellaneous Expenses	3,135.03	5,500.00	527.33	458.33



NJSIG
Income Statement
For the Period Ending 6/30/2021
FINAL DRAFT AS OF 09/07/21

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Actuals Month</u>	<u>Budget Month</u>
5733 Disaster Recovery Expenses	164,639.92	117,542.00	0.00	9,795.17
5737 Cell Phone Expense	9,648.15	10,680.00	783.15	890.00
5746 Foreign Excise Tax	102,305.51	103,178.00	0.00	8,598.17
Business Operating Expenses	<u>2,033,072.12</u>	<u>2,571,065.00</u>	<u>271,742.37</u>	<u>214,255.42</u>
5201 Travel & Related Expenses	1,354.37	71,500.00	85.12	5,958.33
5851 Annual Meeting	16,594.92	60,900.00	132.92	5,075.00
5852 Trustee Meeting Expense	602.75	6,000.00	176.50	500.00
Conferences & Meeting Expenses	<u>18,552.04</u>	<u>138,400.00</u>	<u>394.54</u>	<u>11,533.33</u>
Total Expenses	<u>111,938,201.25</u>	<u>140,299,998.02</u>	<u>(451,315.02)</u>	<u>9,215,786.59</u>



NJSIG
Income Statement
For the Period Ending 6/30/2021
FINAL DRAFT AS OF 09/07/21

	<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	207.95	0.00	7.43	0.00
4423	Interest - InvBk Concentration	1,055,669.32	0.00	72,057.83	0.00
4424	Interest-Invest Fund (WT)	1,947,697.25	0.00	203,123.01	0.00
4425	Accrued Interest/Divid	(304,540.96)	0.00	(111,873.53)	0.00
	Investment Income	<u>2,699,033.56</u>	<u>0.00</u>	<u>163,314.74</u>	<u>0.00</u>
4501	Unrealized Gain/Loss	(1,685,902.81)	0.00	(202,566.61)	0.00
	Financial Income	<u>(1,685,902.81)</u>	<u>0.00</u>	<u>(202,566.61)</u>	<u>0.00</u>
4603	Miscellaneous Income	1,304.88	0.00	0.00	0.00
4604	Realized Gain/(Loss) Invest-WT	383,079.90	0.00	84,841.41	0.00
4605	Seminar Income	1,450.00	0.00	0.00	0.00
4609	Change in Unrnd Ag Comm	1,838.10	0.00	38,593.17	0.00
4610	Change in Unrnd Reins	9,466.01	0.00	108,381.78	0.00
	Other Revenues	<u>397,138.89</u>	<u>0.00</u>	<u>231,816.36</u>	<u>0.00</u>
5901	Amortization of Inv. Premiums	72,840.48	0.00	65,437.67	0.00
	Investment Expenses	<u>72,840.48</u>	<u>0.00</u>	<u>65,437.67</u>	<u>0.00</u>
	Total Other Revenue and Expenses	<u>1,337,429.16</u>	<u>0.00</u>	<u>127,126.82</u>	<u>0.00</u>
	Net Revenue	<u>40,986,577.15</u>	<u>(0.02)</u>	<u>794,011.37</u>	<u>(9,215,786.59)</u>

NJSIG recent rate history

Date	Fed Action	New FF Target Rate	NJSIG Rate (FFTR-.25%)
10/29/19	Reduced 25 bpts	1.75%	1.50%
03/03/20	Reduced 50 bpts	1.25%	1.00%
03/16/20	Reduced 100 bpts	0.25%	.65%*
09/01/20	N/A	0.25%	.50%**
09/01/20	N/A	0.25%	.40%***

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

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

** Floor rate of .40% initiated by Investors Bank