



## New Jersey Schools Insurance Group

6000 Midlantic Drive, Suite 300 North  
Mount Laurel, New Jersey 08054  
(609) 386-6060 • FAX (609) 386-8877  
www.njsig.org

### Board of Trustees Meeting of September 20, 2017 Comptroller/Financial Reporting Report

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The following are updates to and/or new accounting issues (if applicable) since the last Board Package.

➤ **ACCOUNTING DEPARTMENT PROCESSES:**

- (1) **Billing & Accounts Receivable Processes:** The NJSIG Accounting Department has processed \$129.1 million of 2017/2018 renewal gross premiums, and endorsements in our Billing Module as of the date of this report (08/31/2017). The Accounting Department is current with all business that has been bound and exported from the Underwriting system. In addition, the Accounting Department continues to invoice our members in our NJSIG's billing system for monthly Workers' Compensation installments, 2017/2018 Renewals (off 07/01/2017), miscellaneous endorsements as we receive the billing data from the Underwriting Department. The Accounting Department has collected and applied \$20.3 million of premium deposits (to date) for the 2017/2018 fiscal year. Collections of NJSIG contributions are kept current with the Accounting Department's issuance of our color-coded NJSIG Member Statements on the 15<sup>th</sup> of each month.
- (2) **Accounts Payable:** All Accounts Payable vouchers and payments are current. The Accounting Department has processed \$1.2 million of broker commissions as part of the Direct Bill procedures during the 2017/2018 fiscal year.

➤ **FINANCIAL REPORTING ISSUES 2016/2017:**

Please find the attached financial reports for 05/2017. I have also attached the ***preliminary 06/30/17 financials*** – pending resolution on the action items in this report, as well as any pending auditor adjustments. The most current Investment/Cash report is attached as well. I am currently working on the 07/2017 month-end close/reporting. I am also working on the 2017/2018 budget upload to the accounting system.



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Comptroller's Report

September 20, 2017

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### ➤ **SPECIAL PROJECTS:**

In addition to my standard accounting and financial reporting responsibilities, I have also been working on the following special projects since our last board meeting:

- (1) Wilmington Trust (Financial Advisors) Contracts and Implementation – After the 09/20/17 Board meeting, NJSIG should be ready to fully execute all contracts/agreements with Wilmington Trust (WT). Subsequent to the execution of these agreements, I will be the project leader for implementation of any WT systems and the liaison for operations with WT, NJSIG Executive Director and the NJSIG Finance Committee as it relates to future investing decisions through WT.
- (2) 2016/2017 Nisivoccia Fiscal Year-End Auditor: – I have worked closely with the Nisivoccia auditors over the summer months in forwarding them all the requested data and analyses needed to complete their audit in a very short time frame.

Please contact me if you have any questions or concerns email is [mcarosi@njsig.org](mailto:mcarosi@njsig.org) and cell number is 609-949-1973.

*Michele Carosi*

Michele Carosi, Comptroller



**NJSIG**  
**Income Statement**  
**AS OF 8/22/2017**  
**6/30/2017**

Account	Department	Description	Current Year 6/30/2017	Prior Year 6/30/2016
<b>Income:</b>				
		<b>Member Contributions</b>	<b>129,714,984.18</b>	<b>124,012,334.08</b>
4202		Retro Prem/Srvc Written	0.00	0.00
		Retro Accounts Income	0.00	0.00
		<b>Total Income</b>	<b>129,714,984.18</b>	<b>124,012,334.08</b>
<b>Adjustments:</b>				
4301		Reinsurance Recoveries	10,692,209.22	21,016,979.81
4302		Reins Recovery W/C 85/86	1,379.36	(1,364.54)
4303		Accrued Reins Recoveries	534,115.00	(1,892,475.39)
4304		Subrogation Income	1,110,218.44	1,237,058.32
4306		Reinsurance Rebate Income	0.00	0.00
		<b>Recoveries &amp; Subro Income</b>	<b>12,337,922.02</b>	<b>20,360,198.20</b>
		<b>Revenue</b>	<b>142,052,906.20</b>	<b>144,372,532.28</b>
<b>Expenses:</b>				
5102		Salaries-Temporary Employees	61,074.33	127,323.38
5103		Salaries	5,759,502.73	5,391,689.51
5104		Salaries - Overtime	0.81	3,843.13
5108		Payroll Tax Expenses	484,123.28	466,532.88
5109		Pension Expense	643,434.37	622,937.00
5109-68		GASB68-Pension Expense	1,621,569.00	724,917.00
5110		Employee Benefits Expense	0.00	0.00
5111		Recruiting Costs	24,742.82	10,753.50
5112		Reiree Med Bene Exp	182,402.00	288,182.81
5113		Employee Medical Benefits	934,501.67	884,408.38
5114		Employee Dental Benefits	54,271.87	50,881.41
5115		Employee Vision Benefits	22,571.16	21,202.43
5116		EE HRA Benefits	120,937.27	118,204.60
5117		Employee FSA Benefits	19,251.73	13,987.23
5118		Employee Short Term Disability & Other Ins	58,920.08	55,328.99
5119		Defined Contribution Retirement Expense	7,572.53	0.00
		<b>Personnel Expenses</b>	<b>9,994,875.65</b>	<b>8,780,192.25</b>
5202		Newsletter Expenses	0.00	0.00
5203		Marketing Expenses	19,856.92	19,053.17
		<b>Member Services Dept Expenses</b>	<b>19,856.92</b>	<b>19,053.17</b>
5227		Loss Prevention	141,846.67	156,926.39



**NJSIG**  
**Income Statement**  
**AS OF 8/22/2017**  
**6/30/2017**

Account	Department	Description	Current Year 6/30/2017	Prior Year 6/30/2016
5228		Office Equipment Maintenance	0.00	0.00
5229		Computer Software Maintenance	0.00	0.00
		Loss Control Dept Expenses	141,846.67	156,926.39
5252		Claims Audit Expense	0.00	14,867.59
5253		Claims Admin. Expenses	(68.00)	0.00
		Claims Dept Expenses	(68.00)	14,867.59
5301		Accounting Fees	940.00	1,140.00
5303		Actuary Fees	111,658.18	114,520.74
5305		Mngmt Maintenance Syst Expense	77,859.54	71,083.73
5306		Legal & Professional Fees	158,413.99	171,570.59
5310		Third Party Admin.-Willis	675,000.00	675,000.00
		Outside Service Fees	1,023,871.71	1,033,315.06
		Total Agent Commission Expense	14,870,511.35	14,675,360.14
5401		Claims Expense	64,447,176.00	68,439,096.09
5402		Change in Claims Reserves	(7,127,000.00)	4,064,000.00
5403		Change in Claims Reserves for ULAG	7,301,005.73	(222,594.12)
5404		NEPHA Deductible Reimb. Exp.	5,000.00	0.00
		Claims Expenses	64,626,181.73	72,280,501.97
5502		Reinsurance Exp (Group/Flat)	0.00	0.00
5505		Reinsurance Exp-District Bill	32,395,261.20	32,334,931.57
5507		Reinsurance Exp-NJSBAIG Paid	0.00	0.00
		Reinsurance Expenses	32,395,261.20	32,334,931.57
5352		IT - Office Equipment Supplies	13,649.35	13,483.97
5353		Office Equipment Maintenance	38,709.28	23,000.56
5354		Computer Software Maintenance	309,439.76	170,754.41
		Information Technology Dept	361,798.39	207,238.94
5702		Depreciation Expense	369,039.39	469,735.89
5703		Dues & Subscriptions	89,537.92	40,700.00
5704		Misc. Bank Fees	3,500.02	3,500.03
5705		IRS Penalty Fees	195.00	0.00
5708		Rent Expense	442,261.33	301,575.19
5709		Office Supplies	33,432.75	41,929.00
5710		Office Operating Expenses	61,496.61	97,148.61
5711		Office Leased Expenses	35,160.06	30,000.39
5712		Telephone Expense	0.00	199.00
5713		Employee Internet Reimbursmt	0.00	0.00
5714		Utilities	0.00	21,542.26
5715		Group's Insurance Expense	192,678.05	183,014.89
5716		Group's Crime Insurance Exp.	41,371.45	37,562.01
5717		FSA Admin Fee	1,272.40	0.00
5723		Postage	49,834.56	50,525.63
5727		Employee Seminar Expenses	24,906.44	26,609.69
5728		Insurance Course Fees	3,128.65	2,292.10
5729		Tuition Reimbursement	1,042.00	4,224.00
5730		Audit Fees	45,110.00	47,773.00



**NJSIG**  
**Income Statement**  
**AS OF 8/22/2017**  
**6/30/2017**

Account	Department	Description	Current Year 6/30/2017	Prior Year 6/30/2016
5731		Consulting Fees	260,936.58	195,189.31
5732		Miscellaneous Expenses	2,212.13	36,159.06
5733		Disaster Recovery Expenses	103,897.65	84,628.50
5734		Building Appraisal Fees	0.00	0.00
5735		DOBI Audit Fees	0.00	0.00
5736		Bad Debt Expense	522.18	0.00
5737		Employee Cell Phone Expense	13,292.88	16,721.47
5738		OPRA expenses	38,428.71	33,770.90
5807		Ins. Write-off Exp	(755,233.49)	0.00
5809		Safety Grant Distribution Exp	0.00	3,000,000.00
		Business Operating Expenses	<u>1,058,023.27</u>	<u>4,724,800.93</u>
5201		Travel & Related Expenses	64,792.39	118,333.36
5851		Annual Meeting	50,341.22	45,991.43
5852		Trustee Meeting Expense	5,934.83	9,136.88
		Conferences & Meeting Expenses	<u>121,068.44</u>	<u>173,461.67</u>
		Total Expenses	<u>124,613,227.33</u>	<u>134,400,649.68</u>



**NJSIG**  
**Income Statement**  
**AS OF 8/22/2017**  
**6/30/2017**

Account	Department	Description	Current Year 6/30/2017	Prior Year 6/30/2016
		<b>Other Revenue and Expenses:</b>		
4405		Partnership Distributions	0.00	0.00
4413		Interest-NJ St Inv Fund	139.64	782.52
4414		Interest-NJ Cash Mgmt Fund	1,792.47	786.82
4415		Interest-Commerce Concentr	924,327.05	308,075.28
4419		Interest - Operating Account	0.00	0.00
4420		Interest - Certificate of Dep	37,754.36	538,751.20
4421		Tri-State Capital Intrst Inc	0.00	0.00
4422		Interest - Beneficial Bank	0.00	0.00
4423		Interest-InvBk Concentration	368,606.27	0.00
		Investment Income	<u>1,332,619.79</u>	<u>848,395.82</u>
4501		Gain on Securities	0.00	0.00
		Financial Income	<u>0.00</u>	<u>0.00</u>
4603		Miscellaneous Income	5,010.87	1,579.01
4605		Seminar Income	3,944.13	9,910.00
4609		Willis Change in Unrnd Ag Comm	43,977.67	1,895.97
4610		Willis Change in Unrnd Reins	115,030.23	73,376.80
4620		Legal Settlement Income	0.00	0.00
		Other Revenues	<u>167,962.90</u>	<u>86,761.78</u>
5901		Amortization of Inv. Premiums	0.00	0.00
5902		Investment Costs	0.00	0.00
		Investment Expenses	<u>0.00</u>	<u>0.00</u>
		<b>Total Other Revenue and Expenses</b>	<u><b>1,500,582.69</b></u>	<u><b>935,157.60</b></u>
		<b>Net Revenue</b>	<u><b>18,940,261.56</b></u>	<u><b>10,907,040.20</b></u>



**NJSIG  
Income Statement  
For the Period Ending 6/30/2017**

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Variance</u>	<u>Actuals Month</u>	<u>Budget Month</u>	<u>Variance</u>
Income:						
Member Contributions	129,714,984.18	130,379,676.00	(664,691.82)	(160,681.12)	0.00	(160,681.12)
Retro Accounts Income	0.00	0.00	0.00	0.00	0.00	0.00
Total Income	129,714,984.18	130,379,676.00	(664,691.82)	(160,681.12)	0.00	(160,681.12)
Adjustments:						
4301 Reinsurance Recoveries	10,692,209.22	1,576,000.00	9,116,209.22	242,784.29	0.00	242,784.29
4302 Reins Recovery W/C 85/86	1,379.36	0.00	1,379.36	1,379.36	0.00	1,379.36
4303 Accrued Reins Recoveries	534,115.00	0.00	534,115.00	534,115.00	0.00	534,115.00
4304 Subrogation Income	1,110,218.44	0.00	1,110,218.44	105,128.14	0.00	105,128.14
Recoveries & Subro Income	12,337,922.02	1,576,000.00	10,761,922.02	883,406.79	0.00	883,406.79
Revenue	142,052,906.20	131,955,676.00	10,097,230.20	722,725.67	0.00	722,725.67



**NJSIG**  
**Income Statement**  
**For the Period Ending 6/30/2017**

	<b>Actuals YTD</b>	<b>Budget YTD</b>	<b>Variance</b>	<b>Actuals Month</b>	<b>Budget Month</b>	<b>Variance</b>	
Expenses:							
5102	Salaries-Temporary Employees	61,074.33	107,500.00	(46,425.67)	13,139.34	8,958.33	4,181.01
5103	Salaries	5,759,502.73	6,064,978.99	(305,476.26)	491,152.97	505,414.92	(14,261.95)
5104	Salaries-Overtime	0.81	3,000.00	(2,999.19)	0.00	250.00	(250.00)
5108	Payroll Tax Expenses	484,123.28	590,000.00	(105,876.72)	41,726.38	49,166.67	(7,440.29)
5109	Pension Expense	643,434.37	660,312.00	(16,877.63)	(340.19)	55,026.00	(55,366.19)
5109-68	GASB68-Pension Expense	1,621,569.00	0.00	1,621,569.00	1,621,569.00	0.00	1,621,569.00
5111	Recruiting Costs	24,742.82	7,500.00	17,242.82	928.07	625.00	303.07
5112	Post Retirement Bene Exp	182,402.00	171,553.00	10,849.00	182,402.00	14,296.08	168,105.92
5113	Employee Medical Benefits	934,501.67	1,245,828.00	(311,326.33)	77,727.50	103,819.00	(26,091.50)
5114	Employee Dental Benefits	54,271.87	56,400.00	(2,128.13)	4,476.64	4,700.00	(223.36)
5115	Employee Vision Benefits	22,571.16	24,720.00	(2,148.84)	1,970.71	2,060.00	(89.29)
5116	EE HRA Benefits	120,937.27	342,000.00	(221,062.73)	0.00	28,500.00	(28,500.00)
5117	Employee FSA Benefits	19,251.73	33,000.00	(13,748.27)	0.00	2,750.00	(2,750.00)
5118	Employee ST Disab & Other Ins	58,920.08	75,000.00	(16,079.92)	21,341.93	6,250.00	15,091.93
5119	Defined Contrib Retirement Exp	7,572.53	0.00	7,572.53	0.00	0.00	0.00
	Personnel Expenses	<u>9,994,875.65</u>	<u>9,381,791.99</u>	<u>613,083.66</u>	<u>2,456,094.35</u>	<u>781,816.00</u>	<u>1,674,278.35</u>
5203	Marketing Expenses	<u>19,856.92</u>	<u>12,000.00</u>	<u>7,856.92</u>	<u>179.17</u>	<u>1,000.00</u>	<u>(820.83)</u>
	Member Services Dept Expenses	<u>19,856.92</u>	<u>12,000.00</u>	<u>7,856.92</u>	<u>179.17</u>	<u>1,000.00</u>	<u>(820.83)</u>
5227	Loss Prevention	<u>141,846.67</u>	<u>175,400.00</u>	<u>(33,553.33)</u>	<u>10,836.22</u>	<u>14,616.67</u>	<u>(3,780.45)</u>
	Loss Control Dept Expenses	<u>141,846.67</u>	<u>175,400.00</u>	<u>(33,553.33)</u>	<u>10,836.22</u>	<u>14,616.67</u>	<u>(3,780.45)</u>
5252	Claims Audit Expense	0.00	12,000.00	(12,000.00)	0.00	1,000.00	(1,000.00)
5253	Claims Admin. Expenses	<u>(68.00)</u>	<u>0.00</u>	<u>(68.00)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	Claims Dept Expenses	<u>(68.00)</u>	<u>12,000.00</u>	<u>(12,068.00)</u>	<u>0.00</u>	<u>1,000.00</u>	<u>(1,000.00)</u>
5301	Accounting Fees	940.00	1,200.00	(260.00)	410.00	100.00	310.00
5303	Actuary Fees	111,658.18	180,000.00	(68,341.82)	(13,000.00)	15,000.00	(28,000.00)
5305	Mngmt Maintenance Syst Expense	77,859.54	90,000.00	(12,140.46)	53,000.00	7,500.00	45,500.00
5306	Legal & Professional Fees	158,413.99	300,000.00	(141,586.01)	14,934.47	25,000.00	(10,065.53)
5310	Third Party Admin.-Willis	675,000.00	675,000.00	0.00	337,500.00	56,250.00	281,250.00
	Outside Service Fees	<u>1,023,871.71</u>	<u>1,246,200.00</u>	<u>(222,328.29)</u>	<u>392,844.47</u>	<u>103,850.00</u>	<u>288,994.47</u>
	Total Agent Commission Expense	<u>14,870,511.35</u>	<u>15,924,027.00</u>	<u>(1,053,515.65)</u>	<u>1,889,999.89</u>	<u>3,465,159.33</u>	<u>(1,575,159.44)</u>





**NJSIG**  
**Income Statement**  
**For the Period Ending 6/30/2017**

	<b>Actuals YTD</b>	<b>Budget YTD</b>	<b>Variance</b>	<b>Actuals Month</b>	<b>Budget Month</b>	<b>Variance</b>	
5401	Claims Expense	64,447,176.00	68,707,000.00	(4,259,824.00)	5,252,148.78	5,725,583.33	(473,434.55)
5402	Change in Claims Reserves	(7,127,000.00)	0.00	(7,127,000.00)	(7,127,000.00)	0.00	(7,127,000.00)
5403	Change in Rsrv for ULAG	7,301,005.73	0.00	7,301,005.73	7,301,005.73	0.00	7,301,005.73
5404	NEPHA Deductible Reimb. Exp.	5,000.00	0.00	5,000.00	0.00	0.00	0.00
	Claims Expenses	<u>64,626,181.73</u>	<u>68,707,000.00</u>	<u>(4,080,818.27)</u>	<u>5,426,154.51</u>	<u>5,725,583.33</u>	<u>(299,428.82)</u>
5505	Reinsurance Exp-District Bill	32,395,261.20	33,495,926.00	(1,100,664.80)	0.00	2,791,327.17	(2,791,327.17)
	Reinsurance Expenses	<u>32,395,261.20</u>	<u>33,495,926.00</u>	<u>(1,100,664.80)</u>	<u>0.00</u>	<u>2,791,327.17</u>	<u>(2,791,327.17)</u>
5352	IT - Office Equipment Supplies	13,649.35	27,000.00	(13,350.65)	2,131.04	2,250.00	(118.96)
5353	Office Equipment Maintenance	38,709.28	39,400.00	(690.72)	0.00	3,283.33	(3,283.33)
5354	Computer Software Maintenance	309,439.76	296,760.00	12,679.76	31,825.73	24,730.00	7,095.73
	Information Technology Dept Expenses	<u>361,798.39</u>	<u>363,160.00</u>	<u>(1,361.61)</u>	<u>33,956.77</u>	<u>30,263.33</u>	<u>3,693.44</u>
5702	Depreciation Expense	369,039.39	578,740.00	(209,700.61)	31,455.01	48,228.33	(16,773.32)
5703	Dues & Subscriptions	89,537.92	89,764.99	(227.07)	2,797.83	7,480.42	(4,682.59)
5704	Misc. Bank Fees	3,500.02	3,500.00	0.02	291.67	291.67	0.00
5705	IRS Penalty Fees	195.00	0.00	195.00	0.00	0.00	0.00
5708	Rent Expense	442,261.33	466,697.00	(24,435.67)	0.00	38,891.42	(38,891.42)
5709	Office Supplies	33,432.75	72,170.00	(38,737.25)	5,566.28	6,014.17	(447.89)
5710	Office Operating Expenses	61,496.61	61,578.00	(81.39)	4,886.11	5,131.50	(245.39)
5711	Office Leased Expenses	35,160.06	39,500.00	(4,339.94)	7,382.33	3,291.67	4,090.66
5712	Telephone Expense	0.00	2,500.00	(2,500.00)	0.00	208.33	(208.33)
5715	Group's Insurance Expense	192,678.05	225,000.00	(32,321.95)	20,480.83	18,750.00	1,730.83
5716	Group's Crime Insurance Exp.	41,371.45	20,000.00	21,371.45	5,255.60	1,666.67	3,588.93
5717	FSA Admin Fee	1,272.40	0.00	1,272.40	343.40	0.00	343.40
5723	Postage	49,834.56	63,500.00	(13,665.44)	979.22	5,291.67	(4,312.45)
5727	Employee Seminar Expenses	24,906.44	110,174.99	(85,268.55)	13,317.60	9,181.25	4,136.35
5728	Insurance Course Fees	3,128.65	7,999.99	(4,871.34)	155.00	666.67	(511.67)
5729	Tuition Reimbursement	1,042.00	21,750.00	(20,708.00)	0.00	1,812.50	(1,812.50)
5730	Audit Fees	45,110.00	70,500.00	(25,390.00)	46,000.00	47,583.33	(1,583.33)
5731	Consulting Fees	260,936.58	342,500.02	(81,563.44)	125,274.55	28,541.67	96,732.88
5732	Miscellaneous Expenses	2,212.13	7,450.00	(5,237.87)	511.52	620.83	(109.31)
5733	Disaster Recovery Expenses	103,897.65	114,409.99	(10,512.34)	7,149.40	9,534.17	(2,384.77)
5736	Bad Debt Expense	522.18	0.00	522.18	522.18	0.00	522.18
5737	Cell Phone Expense	13,292.88	19,000.00	(5,707.12)	1,231.49	1,583.33	(351.84)
5738	OPRA expenses	38,428.71	100,000.00	(61,571.29)	0.00	8,333.33	(8,333.33)
5807	Ins. Write-off Exp	(755,233.49)	0.00	(755,233.49)	(755,233.49)	0.00	(755,233.49)
	Business Operating Expenses	<u>1,058,023.27</u>	<u>2,416,734.98</u>	<u>(1,358,711.71)</u>	<u>(481,633.47)</u>	<u>243,102.92</u>	<u>(724,736.39)</u>



**NJSIG**  
**Income Statement**  
**For the Period Ending 6/30/2017**

	<b>Actuals YTD</b>	<b>Budget YTD</b>	<b>Variance</b>	<b>Actuals Month</b>	<b>Budget Month</b>	<b>Variance</b>
5201 Travel & Related Expenses	64,792.39	150,835.99	(86,043.60)	7,018.35	12,569.67	(5,551.32)
5851 Annual Meeting	50,341.22	50,600.00	(258.78)	1,378.75	4,216.67	(2,837.92)
5852 Trustee Meeting Expense	5,934.83	20,000.00	(14,065.17)	827.37	0.00	827.37
Conferences & Meeting Expenses	<u>121,068.44</u>	<u>221,436.00</u>	<u>(100,367.56)</u>	<u>9,224.47</u>	<u>16,786.33</u>	<u>(7,561.86)</u>
Total Expenses	<u>124,613,227.33</u>	<u>131,955,675.96</u>	<u>(7,342,448.63)</u>	<u>9,737,656.38</u>	<u>13,174,505.08</u>	<u>(3,436,848.70)</u>



**NJSIG**  
**Income Statement**  
**For the Period Ending 6/30/2017**

	<b>Actuals YTD</b>	<b>Budget YTD</b>	<b>Variance</b>	<b>Actuals Month</b>	<b>Budget Month</b>	<b>Variance</b>
<b>Other Revenue and Expenses:</b>						
4413 Interest-NJ St Inv Fund	139.64	258.00	(118.36)	0.00	21.50	(21.50)
4414 Interest-NJ Cash Mgmt Fund	1,792.47	224.00	1,568.47	212.33	18.67	193.66
4415 Interest-Commerce Concentr	924,327.05	152,000.00	772,327.05	890.98	12,666.67	(11,775.69)
4420 Interest - Certificate of Dep	37,754.36	75,000.00	(37,245.64)	0.00	6,250.00	(6,250.00)
4423 Interest - InvBk Concentration	368,606.27	0.00	368,606.27	204,271.50	0.00	204,271.50
Investment Income	<u>1,332,619.79</u>	<u>227,482.01</u>	<u>1,105,137.78</u>	<u>205,374.81</u>	<u>18,956.83</u>	<u>186,417.98</u>
Financial Income	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
4603 Miscellaneous Income	5,010.87	0.00	5,010.87	0.00	0.00	0.00
4605 Seminar Income	3,944.13	3,250.00	694.13	0.00	270.83	(270.83)
4609 Change in Unrnd Ag Comm	43,977.67	0.00	43,977.67	43,977.67	0.00	43,977.67
4610 Change in Unrnd Reins	115,030.23	0.00	115,030.23	115,030.23	0.00	115,030.23
Other Revenues	<u>167,962.90</u>	<u>3,250.00</u>	<u>164,712.90</u>	<u>159,007.90</u>	<u>270.83</u>	<u>158,737.07</u>
Investment Expenses	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Other Revenue and Expenses	<u>1,500,582.69</u>	<u>230,732.00</u>	<u>1,269,850.69</u>	<u>364,382.71</u>	<u>19,227.67</u>	<u>345,155.04</u>
Net Revenue	<u>18,940,261.56</u>	<u>230,732.04</u>	<u>18,709,529.52</u>	<u>(8,650,548.00)</u>	<u>(13,155,277.41)</u>	<u>4,504,729.41</u>



**NJSIG  
Income Statement  
For the Period Ending 5/31/2017**

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Variance</u>	<u>Actuals Month</u>	<u>Budget Month</u>	<u>Variance</u>
Income:						
Member Contributions	129,875,665.30	130,379,676.00	(504,010.70)	7,310.96	0.00	7,310.96
Retro Accounts Income	0.00	0.00	0.00	0.00	0.00	0.00
Total Income	129,875,665.30	130,379,676.00	(504,010.70)	7,310.96	0.00	7,310.96
Adjustments:						
4301 Reinsurance Recoveries	10,449,424.93	1,576,000.00	8,873,424.93	354,383.14	0.00	354,383.14
4304 Subrogation Income	1,005,090.30	0.00	1,005,090.30	69,119.58	0.00	69,119.58
Recoveries & Subro Income	11,454,515.23	1,576,000.00	9,878,515.23	423,502.72	0.00	423,502.72
Revenue	141,330,180.53	131,955,676.00	9,374,504.53	430,813.68	0.00	430,813.68



**NJSIG**  
**Income Statement**  
**For the Period Ending 5/31/2017**

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Variance</u>	<u>Actuals Month</u>	<u>Budget Month</u>	<u>Variance</u>
Expenses:						
5102 Salaries-Temporary Employees	47,934.99	98,541.66	(50,606.67)	9,065.60	8,958.33	107.27
5103 Salaries	5,268,349.76	5,559,564.08	(291,214.32)	496,863.33	505,414.92	(8,551.59)
5104 Salaries-Overtime	0.81	2,750.00	(2,749.19)	0.00	250.00	(250.00)
5108 Payroll Tax Expenses	442,396.90	540,833.34	(98,436.44)	43,761.63	49,166.67	(5,405.04)
5109 Pension Expense	643,774.56	605,286.00	38,488.56	340.19	55,026.00	(54,685.81)
5111 Recruiting Costs	23,814.75	6,875.00	16,939.75	0.00	625.00	(625.00)
5112 Post Retirement Bene Exp	0.00	157,256.91	(157,256.91)	0.00	14,296.08	(14,296.08)
5113 Employee Medical Benefits	856,774.17	1,142,009.00	(285,234.83)	87,381.77	103,819.00	(16,437.23)
5114 Employee Dental Benefits	49,795.23	51,700.00	(1,904.77)	4,772.58	4,700.00	72.58
5115 Employee Vision Benefits	20,600.45	22,660.00	(2,059.55)	0.00	2,060.00	(2,060.00)
5116 EE HRA Benefits	120,937.27	313,500.00	(192,562.73)	0.00	28,500.00	(28,500.00)
5117 Employee FSA Benefits	19,251.73	30,250.00	(10,998.27)	0.00	2,750.00	(2,750.00)
5118 Employee ST Disab & Other Ins	37,578.15	68,750.00	(31,171.85)	3,254.75	6,250.00	(2,995.25)
5119 Defined Contrib Retirement Exp	7,572.53	0.00	7,572.53	0.00	0.00	0.00
Personnel Expenses	<u>7,538,781.30</u>	<u>8,599,975.99</u>	<u>(1,061,194.69)</u>	<u>645,439.85</u>	<u>781,816.00</u>	<u>(136,376.15)</u>
5203 Marketing Expenses	<u>19,677.75</u>	<u>11,000.00</u>	<u>8,677.75</u>	<u>179.17</u>	<u>1,000.00</u>	<u>(820.83)</u>
Member Services Dept Expenses	<u>19,677.75</u>	<u>11,000.00</u>	<u>8,677.75</u>	<u>179.17</u>	<u>1,000.00</u>	<u>(820.83)</u>
5227 Loss Prevention	<u>131,010.45</u>	<u>160,783.34</u>	<u>(29,772.89)</u>	<u>10,138.44</u>	<u>14,616.67</u>	<u>(4,478.23)</u>
Loss Control Dept Expenses	<u>131,010.45</u>	<u>160,783.34</u>	<u>(29,772.89)</u>	<u>10,138.44</u>	<u>14,616.67</u>	<u>(4,478.23)</u>
5252 Claims Audit Expense	0.00	11,000.00	(11,000.00)	0.00	1,000.00	(1,000.00)
5253 Claims Admin. Expenses	(68.00)	0.00	(68.00)	(5.00)	0.00	(5.00)
Claims Dept Expenses	<u>(68.00)</u>	<u>11,000.00</u>	<u>(11,068.00)</u>	<u>(5.00)</u>	<u>1,000.00</u>	<u>(1,005.00)</u>
5301 Accounting Fees	530.00	1,100.00	(570.00)	0.00	100.00	(100.00)
5303 Actuary Fees	124,658.18	165,000.00	(40,341.82)	0.00	15,000.00	(15,000.00)
5305 Mngmt Maintenance Syst Expense	24,859.54	82,500.00	(57,640.46)	649.55	7,500.00	(6,850.45)
5306 Legal & Professional Fees	143,479.52	275,000.00	(131,520.48)	21,897.55	25,000.00	(3,102.45)
5310 Third Party Admin.-Willis	337,500.00	618,750.00	(281,250.00)	0.00	56,250.00	(56,250.00)
Outside Service Fees	<u>631,027.24</u>	<u>1,142,350.00</u>	<u>(511,322.76)</u>	<u>22,547.10</u>	<u>103,850.00</u>	<u>(81,302.90)</u>



**NJSIG**  
**Income Statement**  
**For the Period Ending 5/31/2017**

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Variance</u>	<u>Actuals Month</u>	<u>Budget Month</u>	<u>Variance</u>
Total Agent Commission Expense	12,980,511.46	12,458,867.66	521,643.80	(0.49)	1,132,624.33	(1,132,624.82)
5401 Claims Expense	59,195,027.22	62,981,416.66	(3,786,389.44)	5,508,800.64	5,725,583.33	(216,782.69)
5404 NEPHA Deductible Reimb. Exp.	5,000.00	0.00	5,000.00	0.00	0.00	0.00
Claims Expenses	59,200,027.22	62,981,416.66	(3,781,389.44)	5,508,800.64	5,725,583.33	(216,782.69)
5505 Reinsurance Exp-District Bill	32,395,261.20	30,704,598.84	1,690,662.36	0.00	2,791,327.17	(2,791,327.17)
Reinsurance Expenses	32,395,261.20	30,704,598.84	1,690,662.36	0.00	2,791,327.17	(2,791,327.17)
5352 IT - Office Equipment Supplies	11,518.31	24,750.00	(13,231.69)	2,549.29	2,250.00	299.29
5353 Office Equipment Maintenance	38,709.28	36,116.66	2,592.62	21,477.00	3,283.33	18,193.67
5354 Computer Software Maintenance	277,614.03	272,030.00	5,584.03	22,909.66	24,730.00	(1,820.34)
Information Technology Dept Expenses	327,841.62	332,896.66	(5,055.04)	46,935.95	30,263.33	16,672.62
5702 Depreciation Expense	337,584.38	530,511.66	(192,927.28)	32,968.93	48,228.33	(15,259.40)
5703 Dues & Subscriptions	86,740.09	82,284.58	4,455.51	3,689.75	7,480.42	(3,790.67)
5704 Misc. Bank Fees	3,208.35	3,208.34	0.01	291.67	291.67	0.00
5705 IRS Penalty Fees	195.00	0.00	195.00	195.00	0.00	195.00
5708 Rent Expense	442,261.33	427,805.59	14,455.74	37,735.09	38,891.42	(1,156.33)
5709 Office Supplies	27,866.47	66,155.84	(38,289.37)	4,836.45	6,014.17	(1,177.72)
5710 Office Operating Expenses	56,610.50	56,446.50	164.00	4,451.39	5,131.50	(680.11)
5711 Office Leased Expenses	27,777.73	36,208.34	(8,430.61)	981.00	3,291.67	(2,310.67)
5712 Telephone Expense	0.00	2,291.66	(2,291.66)	0.00	208.33	(208.33)
5715 Group's Insurance Expense	172,197.22	206,250.00	(34,052.78)	16,400.54	18,750.00	(2,349.46)
5716 Group's Crime Insurance Exp.	36,115.85	18,333.34	17,782.51	3,400.17	1,666.67	1,733.50
5717 FSA Admin Fee	929.00	0.00	929.00	171.70	0.00	171.70
5723 Postage	48,855.34	58,208.34	(9,353.00)	10,352.96	5,291.67	5,061.29
5727 Employee Seminar Expenses	11,588.84	100,993.74	(89,404.90)	2,962.40	9,181.25	(6,218.85)
5728 Insurance Course Fees	2,973.65	7,333.33	(4,359.68)	155.00	666.67	(511.67)
5729 Tuition Reimbursement	1,042.00	19,937.50	(18,895.50)	0.00	1,812.50	(1,812.50)
5730 Audit Fees	(890.00)	22,916.66	(23,806.66)	0.00	2,083.33	(2,083.33)
5731 Consulting Fees	135,662.03	313,958.35	(178,296.32)	8,046.47	28,541.67	(20,495.20)
5732 Miscellaneous Expenses	1,700.61	6,829.16	(5,128.55)	374.10	620.83	(246.73)
5733 Disaster Recovery Expenses	96,748.25	104,875.83	(8,127.58)	8,847.70	9,534.17	(686.47)
5737 Cell Phone Expense	12,061.39	17,416.66	(5,355.27)	1,145.69	1,583.33	(437.64)
5738 OPRA expenses	38,428.71	91,666.66	(53,237.95)	0.00	8,333.33	(8,333.33)



**NJSIG**  
**Income Statement**  
**For the Period Ending 5/31/2017**

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Variance</u>	<u>Actuals Month</u>	<u>Budget Month</u>	<u>Variance</u>
Business Operating Expenses	1,539,656.74	2,173,632.07	(633,975.33)	137,006.01	197,602.92	(60,596.91)
5201 Travel & Related Expenses	57,774.04	138,266.33	(80,492.29)	9,076.75	12,569.67	(3,492.92)
5851 Annual Meeting	48,962.47	46,383.34	2,579.13	2,133.75	4,216.67	(2,082.92)
5852 Trustee Meeting Expense	5,107.46	20,000.00	(14,892.54)	831.00	0.00	831.00
Conferences & Meeting Expenses	111,843.97	204,649.66	(92,805.69)	12,041.50	16,786.33	(4,744.83)
Total Expenses	<u>114,875,570.95</u>	<u>118,781,170.88</u>	<u>(3,905,599.93)</u>	<u>6,383,083.17</u>	<u>10,796,470.08</u>	<u>(4,413,386.91)</u>



**NJSIG**  
**Income Statement**  
**For the Period Ending 5/31/2017**

	<u>Actuals YTD</u>	<u>Budget YTD</u>	<u>Variance</u>	<u>Actuals Month</u>	<u>Budget Month</u>	<u>Variance</u>
Other Revenue and Expenses:						
4413 Interest-NJ St Inv Fund	139.64	236.50	(96.86)	0.00	21.50	(21.50)
4414 Interest-NJ Cash Mgmt Fund	1,580.14	205.34	1,374.80	199.11	18.67	180.44
4415 Interest-Commerce Concentr	923,436.07	139,333.34	784,102.73	42,249.33	12,666.67	29,582.66
4420 Interest - Certificate of Dep	37,754.36	68,750.00	(30,995.64)	0.00	6,250.00	(6,250.00)
4423 Interest - InvBk Concentration	164,334.77	0.00	164,334.77	164,333.93	0.00	164,333.93
Investment Income	<u>1,127,244.98</u>	<u>208,525.17</u>	<u>918,719.81</u>	<u>206,782.37</u>	<u>18,956.83</u>	<u>187,825.54</u>
Financial Income	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
4603 Miscellaneous Income	5,010.87	0.00	5,010.87	2,631.00	0.00	2,631.00
4605 Seminar Income	3,944.13	2,979.16	964.97	0.00	270.83	(270.83)
Other Revenues	<u>8,955.00</u>	<u>2,979.16</u>	<u>5,975.84</u>	<u>2,631.00</u>	<u>270.83</u>	<u>2,360.17</u>
Investment Expenses	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Other Revenue and Expenses	<u>1,136,199.98</u>	<u>211,504.34</u>	<u>924,695.64</u>	<u>209,413.37</u>	<u>19,227.67</u>	<u>190,185.70</u>
Net Revenue	<u>27,590,809.56</u>	<u>13,386,009.46</u>	<u>14,204,800.10</u>	<u>(5,742,856.12)</u>	<u>(10,777,242.41)</u>	<u>5,034,386.29</u>