



1-888-NJ Pool 1

## 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](http://www.njsig.org)

### Board of Trustees Meeting of June 15, 2016

#### Action Item

#### 2016/2017 Budget

---

---

Last month the budget was available for discussion.

As per our bylaws and regulations the budget will be forwarded to the Department of Banking and Insurance (DOBI) once approved.

**Recommended Resolution:** Approve the 2016/2017 budget as attached.

*William Mayo*

William M. Mayo, CPCU, ARM  
Executive Director

May 27, 2016

Ms. Lisa Frawley  
State of New Jersey  
Department of Banking and Insurance  
20 West State Street  
CN325  
Trenton, NJ 08625

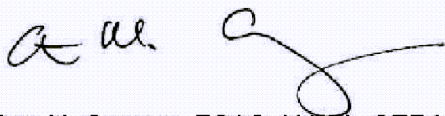
Dear Ms. Frawley:

The enclosed Statement of Actuarial Opinion dated May 27, 2016, relates to the 2016/17 fund year budgeted loss and allocated loss adjustment expenses of the New Jersey Schools Insurance Group (NJSIG).

This opinion is rendered for the sole purpose of regulatory review by the State of New Jersey. Publication in any other manner or use for any other purpose is prohibited without our prior written consent. A report supporting our findings has been provided to NJSIG. The report may contain workpapers, trade secrets and confidential information of NJSIG and Willis Towers Watson and as such is not intended to be subject to disclosure requirements under any Freedom of Information Act or similar laws.

Please feel free to contact me with any further questions.

Sincerely,



Ann M. Conway, FCAS, MAAA, CERA  
Managing Director  
(617) 638-3774

AMC/kfc

Enclosures

cc: William Mayo – NJSIG  
Michele Carosi – NJSIG

Ann M. Conway, FCAS, MAAA, CERA  
Managing Director

The Prudential Tower  
800 Boylston Street  
Boston, MA 02199-8103

T +1 617 638 3700  
D +1 617 638 3774  
F +1 617 638 3999  
W [willistowerswatson.com](http://willistowerswatson.com)

## IDENTIFICATION

I, Ann M. Conway, am associated with Towers Watson. I am a member of the American Academy of Actuaries and meet its qualification standards for signing statements of actuarial opinion. I am a Fellow of the Casualty Actuarial Society. I was appointed by the Board of Directors of New Jersey Schools Insurance Group (the Group) to render this opinion.

## SCOPE

I have examined the July 1, 2016 through June 30, 2017 budgeted loss and allocated loss adjustment expenses (ALAE) provision as shown in the Group's budget submitted to the New Jersey Department of Banking and Insurance.

### Item

Budgeted 2016/17 loss and ALAE provision (net of ceded reinsurance)	\$68,707,000
--	--------------

The amount above relates to loss and ALAE provisions for workers compensation, general liability, auto liability, auto physical damage and property coverages. Several other coverages (including errors & omissions liability) are not included in this provision because they are fully reinsured.

My examination of the loss and ALAE provision was based upon data and related information prepared by the Group. In this regard, I relied on William Mayo, Executive Director of the New Jersey Schools Insurance Group, as to the accuracy and completeness of the data. I evaluated the data used directly in my analysis for reasonableness and consistency. My evaluation did not reveal any data points materially affecting my analysis that fell outside of the range of reasonable possibilities. In performing this evaluation, I have assumed that the Group (a) used its best efforts to supply accurate and complete data and (b) did not knowingly provide any inaccurate data. In other respects my examination included the use of such actuarial assumptions and methods and such tests of calculations as I considered necessary.

My review was limited to the item listed above and did not include an analysis of the budgeted financial statement as a whole. My opinion on the loss and ALAE provision is based upon the assumption that the provision will be backed by valid assets, which have suitably scheduled maturities and/or adequate liquidity to meet cash flow requirements.

## RELEVANT COMMENTS

### *Salvage and Subrogation*

The loss and ALAE provision is established net of anticipated salvage and subrogation.

### *Discounting*

The Group does not discount its loss and ALAE provision.

### *Asbestos and Environmental Exposures*

I have reviewed the Group's exposure to asbestos and environmental claims. In my opinion, the chance of material liability related to asbestos and environmental claims is remote, since reported claim activity levels are minimal. The Group does write some expanded coverage for environmental exposures but this coverage is 100% reinsured.

*Reinsurance*

My opinion on the loss and ALAE provision net of ceded reinsurance assumes that all ceded reinsurance is valid and collectible. The majority of the Group's ceded reinsurance is with companies rated A- or better by a reputable insurance rating agency. I have not anticipated any contingent provision if the reinsurers do not meet their obligations to the Group as reflected in my analysis and other information provided to me.

**OPINION**

In my opinion, the amounts recorded in the 2016/17 Group budget, assuming no material change in the estimated exposures:

- a) meet the requirements of the insurance laws of the State of New Jersey that are applicable to self-insurance pools of educational institutions
- b) are consistent with amounts computed in accordance with the relevant standards of practice promulgated by the Actuarial Standards Board and the Casualty Actuarial Society's Statement of Principles Regarding Property and Casualty Insurance Ratemaking
- c) make a reasonable provision for the July 1, 2016 through June 30, 2017 fund year ultimate loss and ALAE, net of ceded reinsurance, under the Group's contracts and agreements

**VARIABILITY**

In evaluating whether the projected losses and ALAE make a reasonable provision for the actual incurred fund year losses, it is necessary to project future loss and ALAE payments. Actual future losses and ALAE will not develop exactly as projected and may, in fact, vary significantly from the projections.

Further, my projections make no provision for extraordinary future emergence of new classes of losses or types of losses not sufficiently represented in the Group's historical data base or which are not yet quantifiable.

An actuarial report, including underlying workpapers supporting the findings expressed in this statement of actuarial opinion has been provided to the Group and is available for regulatory examination.

This statement of opinion is solely for the use of, and only to be relied upon by the Group and the State of New Jersey Department of Banking and Insurance with which the Group files its budget.



---

Ann M. Conway, FCAS, MAAA, CERA  
Willis Towers Watson  
800 Boylston Street, 6<sup>th</sup> Floor  
Boston, MA 02199-8103  
(617) 638-3774  
[ann.conway@willistowerswatson.com](mailto:ann.conway@willistowerswatson.com)  
May 27, 2016



**NJSIG  
Income Statement  
For the Periods Ending:**

**KEY:**

A7 - 7 months actual

E12 - Estimate based on A7

B16 - Budgeted 2016 amount

B17 - Budgeted 2017 amount

ACCT	DEPT	Description	FY 2013/2014 06/30/2014 Actuals YTD	FY 2014/2015 06/30/2015 Budget YTD	FY 2014/2015 06/30/2015 Actuals YTD	01/31/2016 7 Months Budget YTD	01/31/2016 7 Months Actuals YTD	FY 2015/2016 12 Months Budget YTD	FY 2015/2016 12 Months <i>PROJECTED</i>	FY 2015/2016 <i>PROJECTED</i> Variance	FY 2016/2017 12 Months Budget YTD
<b>Income:</b>											
4101		Audit Premium Written	1,235.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4102		Student Accident	(770.32)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4103		Workman's Compensation	65,084,249.77	66,744,662.00	64,512,337.93	67,058,688.19	63,382,697.25	67,058,688.19	63,511,336.08	A7 (3,547,352.11)	67,264,966.00
4104		Property	17,722,319.35	18,170,480.00	18,886,995.01	20,365,914.70	18,468,150.85	20,365,914.70	18,575,444.16	A7 (1,790,470.54)	19,414,236.00
4105		Automobile Liability	6,781,997.19	6,872,319.00	7,088,622.05	6,971,289.21	6,615,659.39	6,971,289.21	6,657,510.40	A7 (313,778.81)	7,110,715.00
4106		Automobile Phys. Damage	986,396.74	1,005,850.00	1,032,699.33	1,060,274.22	1,119,310.14	1,060,274.22	1,125,521.06	A7 65,246.84	1,081,480.00
4107		General Liability	9,285,129.76	9,731,402.00	9,952,930.04	10,142,363.81	9,562,438.56	10,142,363.81	9,619,887.85	A7 (522,475.96)	10,345,211.00
4108		Boiler	1,142,055.62	1,009,383.00	1,055,165.88	1,074,202.39	1,041,375.07	1,074,202.39	1,047,528.41	A7 (26,673.98)	1,095,686.00
4109		Errors & Omissions	11,295,543.63	12,474,393.00	12,727,029.50	15,739,323.41	15,120,734.38	15,739,323.41	15,197,458.26	A7 (541,865.15)	16,054,110.00
4110		Umbrella	4,472,064.43	4,614,377.00	4,711,185.72	4,813,891.34	4,656,938.75	4,813,891.34	4,678,466.70	A7 (135,424.64)	4,910,169.00
4111		Crime	577,587.69	573,390.00	601,312.49	601,004.32	601,713.85	601,004.32	603,233.52	A7 2,229.20	613,024.00
4113		Pollution Liability Income	52,686.62	0.00	52,416.54	0.00	53,909.54	0.00	53,909.54	A7 53,909.54	0.00
4114		E.D.P.	847,159.62	852,590.00	872,291.46	869,209.01	875,854.96	869,209.01	877,327.07	A7 8,118.06	886,593.00
4115		Cigna/Fireman's Fund Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4117		Retro Accounts Income	90,403.30	0.00	31,056.61	0.00	5,520.75	0.00	9,464.14	E12 9,464.14	0.00
4118		Willis Change in Unrnd Premium	118,873.11	0.00	156,026.10	0.00	0.00	0.00	0.00	0.00	0.00
4121		Builder's Risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4122		Supplemental Indemnity	1,085,052.70	1,140,624.00	1,183,685.62	1,185,843.31	1,474,222.08	1,185,843.31	1,474,222.08	A7 288,378.77	1,304,428.00
4123		Bond Premium	290,625.81	291,364.00	294,017.82	293,193.70	284,363.41	293,193.70	280,366.60	A7 (12,827.10)	299,058.00
4131		Willis ChngUnrndRetMgtFeePrem	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		<b>Premium Income</b>	<b>119,832,610.32</b>	<b>123,480,834.00</b>	<b>123,157,772.10</b>	<b>130,175,197.62</b>	<b>123,262,888.98</b>	<b>130,175,197.62</b>	<b>123,711,675.87</b>	<b>(6,463,521.75)</b>	<b>130,379,676.00</b>
4202		Retro Prem/Srvc Written	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		<b>Retro Accounts Income</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
		<b>Total Income</b>	<b>119,832,610.32</b>	<b>123,480,834.00</b>	<b>123,157,772.10</b>	<b>130,175,197.62</b>	<b>123,262,888.98</b>	<b>130,175,197.62</b>	<b>123,711,675.87</b>	<b>(6,463,521.75)</b>	<b>130,379,676.00</b>



**NJSIG  
Income Statement  
For the Periods Ending:**

**KEY:**

A7 - 7 months actual

E12 - Estimate based on A7

B16 - Budgeted 2016 amount

B17 - Budgeted 2017 amount

ACCT	DEPT	Description	FY 2013/2014 06/30/2014 Actuals YTD	FY 2014/2015 06/30/2015 Budget YTD	FY 2014/2015 06/30/2015 Actuals YTD	01/31/2016 7 Months Budget YTD	01/31/2016 7 Months Actuals YTD	FY 2015/2016 12 Months Budget YTD	FY 2015/2016 12 Months PROJECTED	FY 2015/2016 PROJECTED Variance	FY 2016/2017 12 Months Budget YTD
		<b>Adjustments:</b>									
4301		Reinsurance Recoveries	19,050,137.06	0.00	12,954,141.75	0.00	6,911,527.18	0.00	6,911,527.18	A7	1,576,000.00
4302		Reins Recovery W/C 85/86	14,148.70	0.00	(34,329.65)	0.00	0.00	0.00	0.00		0.00
4303		Accrued Reins Recoveries	838,892.64	0.00	1,892,475.39	0.00	(1,892,475.39)	0.00	(1,892,475.39)	A7	0.00
4304		Subrogation Income	0.00	0.00	1,127,723.08	0.00	662,217.00	0.00	662,217.00	A7	0.00
4306		Reinsurance Rebate Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
		<b>Recoveries &amp; Subro Income</b>	<b>19,903,178.40</b>	<b>0.00</b>	<b>15,940,010.57</b>	<b>0.00</b>	<b>5,681,268.79</b>	<b>0.00</b>	<b>5,681,268.79</b>		<b>1,576,000.00</b>
		<b>Revenue</b>	<b>139,735,788.72</b>	<b>123,480,834.00</b>	<b>139,097,782.67</b>	<b>130,175,197.62</b>	<b>128,944,157.77</b>	<b>130,175,197.62</b>	<b>129,392,944.66</b>	<b>(782,252.96)</b>	<b>131,955,676.00</b>
		<b>Expenses:</b>									
5102		Salaries-Temporary Employees	162,984.50	120,000.00	253,864.98	69,416.66	103,867.99	118,999.99	105,859.90	A7	107,500.00
5103		Salaries	5,194,780.10	5,770,300.00	5,472,796.80	3,501,630.05	3,093,001.63	6,002,794.37	5,302,288.51	E12	6,064,979.00
5104		Salaries - Overtime	8,930.47	500.00	20,195.37	1,750.00	3,403.66	3,000.00	3,403.66	A7	3,000.00
5108		Payroll Tax Expenses	449,225.14	484,525.00	451,129.41	307,293.00	264,125.66	526,788.00	452,786.85	E12	590,000.00
5109		Pension Expense	475,891.20	570,000.00	551,767.00	354,060.00	0.00	606,960.00	606,960.00	B16	660,312.00
5110		Employee Benefits Expense	380,317.25	0.00	(1,268.41)	0.00	0.00	0.00	0.00		0.00
5111		Recruiting Costs	8,271.74	8,500.00	5,447.45	5,833.33	7,668.25	10,000.00	7,826.50	A7	7,500.00
5112		Reiree Med Bene Exp	77,943.00	78,000.00	77,943.00	45,500.00	0.00	78,000.00	171,555.00	B17	171,553.00
5113		Employee Medical Benefits	474,341.62	905,000.00	859,315.26	670,670.00	526,013.26	1,149,720.00	901,737.02	E12	1,245,828.00
5114		Employee Dental Benefits	26,394.57	52,000.00	51,577.18	32,056.50	28,812.59	54,954.00	54,954.00	B16	56,400.00
5115		Employee Vision Benefits	10,659.76	24,000.00	21,131.34	14,000.00	12,060.04	24,000.00	24,000.00	B16	24,720.00
5116		EE HRA Benefits	156,490.38	340,000.00	204,229.21	199,500.00	40,973.60	342,000.00	342,000.00	B16	342,000.00
5117		Employee FSA Benefits	15,593.73	36,000.00	45,182.58	19,250.00	(829.94)	33,000.00	33,000.00	B16	33,000.00
5118		Employee ST Disab & Other Ins	20,825.00	75,000.00	57,283.57	43,750.00	22,744.29	75,000.00	75,000.00	B16	75,000.00
		<b>Personnel Expenses</b>	<b>7,462,648.46</b>	<b>8,463,824.99</b>	<b>8,070,594.74</b>	<b>5,264,709.54</b>	<b>4,101,841.03</b>	<b>9,025,216.36</b>	<b>8,081,371.43</b>	<b>(943,844.92)</b>	<b>9,381,792.00</b>
5202		Newsletter Expenses	2,350.16	5,000.00	3,348.23	0.00	0.00	0.00	0.00		0.00
5203		Marketing Expenses	10,724.63	49,500.00	25,677.09	7,000.00	2,862.72	12,000.00	5,260.49	E12	12,000.00
		<b>Member Services Dept Expns</b>	<b>13,074.79</b>	<b>54,500.00</b>	<b>29,025.32</b>	<b>7,000.00</b>	<b>2,862.72</b>	<b>12,000.00</b>	<b>5,260.49</b>	<b>(6,739.51)</b>	<b>12,000.00</b>
5227		Loss Prevention	157,379.78	161,200.00	153,669.54	93,508.33	95,867.40	160,300.00	164,344.11	E12	175,400.00
5228		Office Equipment Maintenance	74.54	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5229		Computer Software Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
		<b>Loss Control Dept Expenses</b>	<b>157,454.32</b>	<b>161,200.00</b>	<b>153,669.54</b>	<b>93,508.33</b>	<b>95,867.40</b>	<b>160,300.00</b>	<b>164,344.11</b>	<b>4,044.12</b>	<b>175,400.00</b>



**NJSIG  
Income Statement  
For the Periods Ending:**

**KEY:**

A7 - 7 months actual

E12 - Estimate based on A7

B16 - Budgeted 2016 amount

B17 - Budgeted 2017 amount

ACCT	DEPT	Description	FY 2013/2014 06/30/2014 Actuals YTD	FY 2014/2015 06/30/2015 Budget YTD	FY 2014/2015 06/30/2015 Actuals YTD	01/31/2016 7 Months Budget YTD	01/31/2016 7 Months Actuals YTD	FY 2015/2016 12 Months Budget YTD	FY 2015/2016 12 Months <b>PROJECTED</b>	FY 2015/2016 <b>PROJECTED</b> Variance	FY 2016/2017 12 Months Budget YTD
5252		Claims Audit Expense	0.00	50,000.00	8,471.18	4,433.33	7,581.58	7,600.00	7,581.58	A7 (18.42)	12,000.00
5253		Claims Admin. Expenses	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		Claims Dept Expenses	0.00	51,000.00	8,471.18	4,433.33	7,581.58	7,600.00	7,581.58	(18.42)	12,000.00
5301		Accounting Fees	960.00	1,300.00	1,210.00	692.42	260.00	1,187.00	857.14	E12 (329.86)	1,200.00
5303		Actuary Fees	125,908.52	135,000.00	148,269.66	93,333.33	55,960.75	160,000.00	160,000.00	B16 0.00	180,000.00
5305		Mngmt Maintenance Syst Expense	0.00	30,000.00	54,470.76	37,916.67	61,352.92	65,000.00	65,000.00	B16 0.00	90,000.00
5306		Legal & Professional Fees	299,798.11	275,000.00	179,710.86	175,000.00	78,708.09	300,000.00	158,941.87	E12 (141,058.13)	300,000.00
5310		Third Party Admin.-Willis	843,750.00	675,000.00	506,250.00	393,750.00	337,500.00	675,000.00	675,000.00	B16 0.00	675,000.00
		Outside Service Fees	1,270,416.63	1,116,300.00	889,911.28	700,692.42	533,781.76	1,201,187.00	1,059,799.01	(141,387.99)	1,246,200.00
5309		MOCSSIF Agent Commission Exp.	420,442.59	444,442.00	344,570.00	0.00	0.63	398,646.48	398,646.48	B16 0.00	411,216.00
5311		Agent Commission Exp	12,258,873.97	12,669,812.00	12,825,878.22	7,513,277.93	12,543,840.13	12,879,905.02	12,599,052.72	A7 (280,852.30)	13,591,492.00
5312		NJEIF Agent Commission Exp.	408,263.79	443,386.00	456,864.00	0.00	0.72	492,058.76	492,058.76	B16 0.00	506,030.00
5315		ERIC North Agent Comm. Exp.	500,000.00	500,000.00	500,000.00	0.00	296,856.20	500,000.00	500,000.00	B16 0.00	500,000.00
5316		ERIC South Agent Comm Exp	239,548.09	252,806.00	239,872.00	0.00	0.75	248,267.96	248,267.96	B16 0.00	256,823.00
5318		ERIC WEST AG. COMM EXP	350,458.99	323,269.00	371,535.00	0.00	0.02	297,254.87	297,254.87	B16 0.00	306,376.00
5319		BACCEIC Agent Commission Exp	153,939.24	204,383.00	201,505.00	0.00	0.82	208,537.94	208,537.94	B16 0.00	215,508.00
5320		CAIP Agent Commission Expense	152,347.27	128,228.00	168,022.56	0.00	0.09	132,255.44	132,255.44	B16 0.00	136,582.00
		Total Agent Commission Expe	14,483,873.94	14,966,326.00	15,108,246.78	7,513,277.93	12,840,699.36	15,156,926.47	14,876,074.17	(280,852.30)	15,924,027.00
5401		Claims Expense	71,217,675.16	68,110,411.00	79,557,899.87	39,959,518.67	45,952,542.14	68,502,032.00	68,502,032.00	B16 0.00	68,707,000.00
5402		Change in Claims Reserves	14,387,000.00	0.00	(184,000.00)	0.00	0.00	0.00	0.00	0.00	0.00
5403		Change in Claims Reserves for ULAG	50,662.35	0.00	(66,496.62)	0.00	0.00	0.00	0.00	0.00	0.00
		Claims Expenses	85,655,337.51	68,110,411.00	79,307,403.25	39,959,518.67	45,952,542.14	68,502,032.00	68,502,032.00	0.00	68,707,000.00
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	26,782,841.56	28,130,596.00	29,021,094.05	19,533,575.13	32,163,849.88	33,486,128.80	32,318,500.66	A7 (1,167,628.14)	33,495,926.00
5507		Reinsurance Exp-NJSBAIG Paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		Reinsurance Expenses	26,782,841.56	28,130,596.00	29,021,094.05	19,533,575.13	32,163,849.88	33,486,128.80	32,318,500.66	(1,167,628.14)	33,495,926.00
5352		IT - Office Equipment Supplies	20,415.50	22,000.00	11,672.12	12,833.33	8,407.13	22,000.00	22,000.00	B16 0.00	27,000.00
5353		Office Equipment Maintenance	29,132.06	36,100.00	15,192.00	25,900.00	8,930.74	44,400.00	39,400.00	B16 (5,000.00)	39,400.00
5354		Computer Software Maintenance	224,458.77	207,500.00	195,587.00	140,443.33	99,169.96	240,760.00	244,291.94	B16 3,531.94	296,760.00
		Information Technology Dept	274,006.33	265,600.00	222,451.12	179,176.66	116,507.83	307,159.99	305,691.93	(1,468.06)	363,160.00
5702		Depreciation Expense	322,461.97	454,000.00	369,371.35	285,748.75	273,519.33	489,855.00	468,975.99	E12 (20,879.01)	578,740.00



**NJSIG  
Income Statement  
For the Periods Ending:**

**KEY:**

A7 - 7 months actual

E12 - Estimate based on A7

B16 - Budgeted 2016 amount

B17 - Budgeted 2017 amount

ACCT	DEPT	Description	FY 2013/2014	FY 2014/2015	FY 2014/2015	01/31/2016	01/31/2016	FY 2015/2016	FY 2015/2016	FY 2015/2016	FY 2016/2017	
			06/30/2014 Actuals YTD	06/30/2015 Budget YTD	06/30/2015 Actuals YTD	7 Months Budget YTD	7 Months Actuals YTD	12 Months Budget YTD	12 Months Actuals YTD	12 Months Budget YTD	12 Months Actuals YTD	12 Months Actuals YTD
5703		Dues & Subscriptions	41,240.84	34,500.00	28,172.17	17,791.66	21,685.01	30,499.99	39,950.42	E12	9,450.43	89,765.00
5704		Misc. Bank Fees	3,500.03	3,500.00	3,232.36	2,041.67	2,041.68	3,500.00	3,500.00	B16	0.00	3,500.00
5708		Rent Expense	175,453.84	195,000.00	193,191.29	188,714.17	150,826.95	323,510.00	376,949.01	E12	53,439.01	466,697.00
5709		Office Supplies	23,785.71	42,126.00	29,630.80	24,465.00	17,817.82	41,940.00	53,578.05	E12	11,638.05	72,170.00
5710		Office Operating Expenses	93,075.21	105,499.99	85,515.03	50,168.42	71,590.89	86,003.00	84,287.35		(1,715.66)	61,578.00
5711		Office Leased Expenses	23,273.44	29,500.00	31,599.87	16,975.00	17,603.21	29,100.00	35,427.70	E12	6,327.70	39,500.00
5712		Telephone Expense	10,831.50	2,500.00	(2,735.59)	2,858.33	0.00	4,900.00	4,900.00	B16	0.00	2,500.00
5713		Employee Internet Reimbursmt	6,814.57	0.00	1,839.03	0.00	0.00	0.00	0.00		0.00	0.00
5714		Utilities	45,542.37	45,000.00	31,071.52	19,366.67	21,157.26	33,200.00	36,929.59	E12	3,729.58	0.00
5715		Group's Insurance Expense	192,169.87	215,000.00	194,352.20	130,083.33	98,162.91	223,000.00	223,000.00	B16	0.00	225,000.00
5716		Group's Crime Insurance Exp.	80,149.02	47,000.00	35,832.04	27,416.67	21,692.26	47,000.00	47,000.00	B16	0.00	20,000.00
5723		Postage	58,071.89	61,000.00	59,908.79	36,166.67	22,500.69	62,000.00	45,961.13	E12	(16,038.87)	63,500.00
5727		Employee Seminar Expenses	22,758.67	74,749.99	23,427.84	35,000.01	16,199.29	60,000.01	28,915.35	E12	(31,084.66)	110,175.00
5728		Insurance Course Fees	2,129.00	4,200.00	1,087.24	4,375.00	1,992.15	7,500.00	3,415.11	E12	(4,084.89)	8,000.00
5729		Tuition Reimbursement	6,165.00	12,000.00	3,930.00	9,851.92	1,310.00	16,889.00	2,245.71	E12	(14,643.29)	21,750.00
5730		Audit Fees	43,350.00	44,225.00	119,927.00	0.00	1,773.00	45,000.00	46,773.00		1,773.00	70,500.00
5731		Consulting Fees	385,792.05	273,500.00	284,114.83	155,166.67	64,900.05	266,000.00	266,000.00	B16	0.00	342,500.00
5732		Miscellaneous Expenses	48,360.35	33,750.00	33,550.19	38,354.17	37,285.73	65,750.00	64,039.17	E12	(1,710.84)	7,450.00
5733		Disaster Recovery Expenses	50,875.15	53,600.00	40,756.37	69,323.33	41,141.93	118,840.00	123,617.86		4,777.87	114,410.00
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
5737		Employee Cell Phone Expense	14,752.43	17,000.00	13,864.00	10,243.33	8,671.53	17,560.00	16,972.15	E12	(587.85)	19,000.00
5738	540	OPRA Expense	0.00	0.00	0.00	58,333.33	0.00	100,000.00	0.00		(100,000.00)	100,000.00
5807		Ins. Write-off Exp	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00
5809		Safety Grant Distribution Exp	1,700,000.00	0.00	2,200,000.00	0.00	0.00	0.00	0.00		0.00	0.00
		Business Operating Expenses	3,350,552.91	1,747,650.99	3,781,638.33	1,182,444.09	891,871.69	2,072,047.02	1,972,437.60		(99,609.42)	2,416,735.00
5201		Travel Related Expense	187,854.32	301,324.99	156,150.99	100,916.67	72,296.18	173,000.00	139,952.38	E12	(33,047.62)	150,836.00
5851		Annual Meeting	39,175.30	88,100.00	63,783.93	47,600.00	42,596.43	47,600.00	42,596.43	A7	(5,003.57)	50,600.00
5852		Trustee Meeting Expense	13,131.59	24,000.00	16,283.91	14,000.00	7,027.04	24,000.00	12,046.35	E12	(11,953.65)	20,000.00
		Conferences & Meeting Expen	240,161.21	413,424.99	236,218.83	162,516.67	121,919.65	244,600.00	194,595.17		(50,004.84)	221,436.00
		<b>Total Expenses</b>	<b>139,690,367.66</b>	<b>123,480,833.96</b>	<b>136,828,724.42</b>	<b>74,600,852.77</b>	<b>96,829,325.04</b>	<b>130,175,197.64</b>	<b>127,487,688.16</b>		<b>(2,687,509.48)</b>	<b>131,955,676.00</b>





**NJSIG  
Income Statement  
For the Periods Ending:**

**KEY:**

A7 - 7 months actual

E12 - Estimate based on A7

B16 - Budgeted 2016 amount

B17 - Budgeted 2017 amount

ACCT	DEPT	Description	FY 2013/2014 06/30/2014 Actuals YTD	FY 2014/2015 06/30/2015 Budget YTD	FY 2014/2015 06/30/2015 Actuals YTD	01/31/2016 7 Months Budget YTD	01/31/2016 7 Months Actuals YTD	FY 2015/2016 12 Months Budget YTD	FY 2015/2016 12 Months <i>PROJECTED</i>	FY 2015/2016 <i>PROJECTED</i> Variance	FY 2016/2017 12 Months Budget YTD
<b>Other Revenue and Expenses:</b>											
4405		Partnership Distributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4413		Interest-NJ St Inv Fund	851,500.03	316,110.00	148,514.08	150.50	291.97	258.00	500.52	E12 242.52	258.00
4414		Interest-NJ Cash Mgmt Fund	182.89	17.00	206.25	130.67	291.87	224.00	500.35	E12 276.34	224.00
4415		Interest-Commerce Concentr	178,304.99	30,949.00	162,758.69	100,069.67	106,115.18	171,548.00	181,911.74	E12 10,363.73	152,000.00
4419		Interest - Operating Account	0.37	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4420		Interest - Certificate of Dep	502,707.65	142,189.00	762,608.96	359,559.67	(814,230.86)	616,388.00	(33,804.86)	E12 (650,192.86)	75,000.00
4421		Tri-State Capital Intrst Inc	0.62	0.00	0.61	0.00	0.00	0.00	0.00	0.00	0.00
4422			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		Investment Income	1,532,696.55	489,265.00	1,074,088.59	459,910.51	(707,531.84)	788,418.01	149,107.75	(639,310.27)	227,482.00
4501		Gain on Securities	(685,704.26)	0.00	(109,794.40)	0.00	0.00	0.00	0.00	0.00	0.00
		Financial Income	(685,704.26)	0.00	(109,794.40)	0.00	0.00	0.00	0.00	0.00	0.00
4603		Miscellaneous Income	12,618.48	0.00	11,438.56	0.00	1,579.01	0.00	1,579.01	A7 1,579.01	0.00
4605		Seminar Income	6,800.00	0.00	3,865.00	1,895.83	8,390.00	3,250.00	8,390.00	A7 5,140.00	3,250.00
4609		Willis Change in Unrnd Ag Comm	492.42	0.00	(24,791.50)	0.00	0.00	0.00	0.00	0.00	0.00
4610		Willis Change in Unrnd Reins	(56,738.94)	0.00	(78,830.10)	0.00	0.00	0.00	0.00	0.00	0.00
4620		Legal Settlement Income	520.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		Other Revenues	(36,308.04)	0.00	(88,318.04)	1,895.83	9,969.01	3,250.00	9,969.01	6,719.01	3,250.00
5901		Amortization of Inv. Premiums	75,665.76	0.00	32,810.60	0.00	0.00	0.00	0.00	0.00	0.00
5902		Investment Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		Investment Expenses	75,665.76	0.00	32,810.60	0.00	0.00	0.00	0.00	0.00	0.00
		<b>Total Other Revenue and Expense</b>	<b>735,018.49</b>	<b>489,265.00</b>	<b>843,165.55</b>	<b>461,806.34</b>	<b>(697,562.83)</b>	<b>791,668.01</b>	<b>159,076.76</b>	<b>(632,591.25)</b>	<b>230,732.00</b>
		<b>Net Revenue</b>	<b>780,439.55</b>	<b>489,265.03</b>	<b>3,112,223.80</b>	<b>56,036,151.18</b>	<b>31,417,269.90</b>	<b>791,667.99</b>	<b>2,064,333.26</b>	<b>1,272,665.27</b>	<b>230,732.00</b>



## New Jersey Schools Insurance Group

6000 Midlantic Drive  
Mount Laurel, New Jersey 08054  
(609) 386-6060 • FAX (609) 386-8877  
[www.njsig.org](http://www.njsig.org)

### 2016/2017 Budget

#### PREMIUM INCOME

Account # 4105 – 4118

Budget: \$ 130,379,676

#### GROSS PREMIUM

##### Estimated at current levels

Workersø Compensation	\$ 67,264,966
Property	\$ 19,414,236
Auto Liability	\$ 7,110,715
Auto Physical Damage	\$ 1,081,480
General Liability	\$ 10,345,211
Boiler	\$ 1,095,686
E&O	\$ 16,054,110
Excess Liability	\$ 4,910,169
Crime	\$ 613,024
Pollution	\$ 0
E.D.P.	\$ 886,593
Retro Income	\$ 0
Builders Risk	\$ 0
Workersø Compensation Supplemental Indemnity	\$ 1,304,428
Bond	\$ 299,058

**TOTAL**

**\$ 130,379,676**



## New Jersey Schools Insurance Group

6000 Midlantic Drive  
Mount Laurel, New Jersey 08054  
(609) 386-6060 • FAX (609) 386-8877  
[www.njsig.org](http://www.njsig.org)

### **2016/2017 Budget**

#### **REINSURANCE RECOVERY**

**Account # 4301**

**Budget: \$ 1,576,000**

**2016/2017 Reinsurance Recovery Expected  
(as per Reinsurance Carrier):**

<b>Plainfield Fire</b>	<b>\$ 500,000</b>
<b>CAT 68 Pipe Freeze</b>	<b>\$ 180,000</b>
<b>Edison BOE</b>	<b>\$ 646,000</b>
<b>Hurricane Sandy</b>	<b>\$ 250,000</b>

**TOTAL**

**\$ 1,576,000**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### INVESTMENT INCOME

Account # 4406 - 4420

**Budget: \$ 230,732**

Estimated Investment Income

\$ 230,732

**TOTAL**

**\$ 230,732**



## New Jersey Schools Insurance Group

6000 Midlantic Drive  
Mount Laurel, New Jersey 08054  
(609) 386-6060 • FAX (609) 386-8877  
[www.njsig.org](http://www.njsig.org)

### 2016/2017 Budget

#### SALARIES TEMPORARY EMPLOYEES

<b>Account # 5102</b>	<b>Budget: \$ 107,500</b>
<b>Claims</b>	<b>\$ 65,000</b>
<b>Information Technology</b>	<b>\$ 10,000</b>
<b>Administrative</b>	<b>\$ 32,500</b>
<b>TOTAL</b>	<b>\$ 107,500</b>



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### SALARIES

**Account # 5103**

**Budget: \$ 6,064,979**

#### PERSONNEL SALARY EXPENSE

500 – Claims	\$ 2,389,767
510 – Loss Control	\$ 548,895
530 – Legal	\$ 128,750
540 – Administrative	\$ 745,114
550 – Accounting	\$ 486,196
560 – Underwriting	\$ 1,007,257
570 – Information Technology	\$ 759,000

All increases scheduled for 9/1/2016.

**TOTAL**

**\$ 6,064,979**



## New Jersey Schools Insurance Group

6000 Midlantic Drive  
Mount Laurel, New Jersey 08054  
(609) 386-6060 • FAX (609) 386-8877  
[www.njsig.org](http://www.njsig.org)

### 2016/2017 Budget

#### OVERTIME

Account # 5104

Budget: \$ 3,000

Administrative

\$ 3,000

**TOTAL**

**\$ 3,000**



## New Jersey Schools Insurance Group

6000 Midlantic Drive  
Mount Laurel, New Jersey 08054  
(609) 386-6060 • FAX (609) 386-8877  
[www.njsig.org](http://www.njsig.org)

### 2016/2017 Budget

#### PAYROLL TAXES

**Account # 5108**

**Budget: \$ 590,000**

Social Security  
Unemployment tax

\$ 590,000

**TOTAL**

**\$ 590,000**





## New Jersey Schools Insurance Group

6000 Midlantic Drive  
Mount Laurel, New Jersey 08054  
(609) 386-6060 • FAX (609) 386-8877  
[www.njsig.org](http://www.njsig.org)

### 2016/2017 Budget

#### EMPLOYEE PENSION EXPENSE

**Account # 5109**

**Budget: \$ 660,312**

Pension Expense - Estimated \$ 660,312  
Defined by the State of New Jersey actuary  
Based on employer appropriation.

**TOTAL**

**\$ 660,312**



## New Jersey Schools Insurance Group

6000 Midlantic Drive  
Mount Laurel, New Jersey 08054  
(609) 386-6060 • FAX (609) 386-8877  
[www.njsig.org](http://www.njsig.org)

### 2016/2017 Budget

#### RECRUITMENT

**Account # 5111**

**Budget: \$ 7,500**

Help Wanted ads in local newspapers,  
Careerbuilder.com or Monster.com

Administrative

\$ 7,500

**TOTAL**

**\$ 7,500**



## New Jersey Schools Insurance Group

450 Veterans Drive  
Burlington, New Jersey 08016  
(609) 386-6060 • FAX (609) 386-8877  
[www.njsig.org](http://www.njsig.org)

### **2016/2017 Budget**

#### **RETIREE MEDICAL BENEFITS**

**Account # 5112**

**Budget: \$ 171,553**

This funds the retiree medical benefits account. The NJSIG will pay \$500/month for medical benefits to retired employees that have accumulated 25 years of service at a minimum age of 60.

The budget amount has been determined by an actuary study.

**TOTAL**

**\$ 171,553**



## New Jersey Schools Insurance Group

6000 Midlantic Drive  
Mount Laurel, New Jersey 08054  
(609) 386-6060 • FAX (609) 386-8877  
[www.njsig.org](http://www.njsig.org)

### 2016/2017 Budget

#### EMPLOYEE MEDICAL BENEFITS

Account # 5113

Budget: \$ 1,245,828

Assumed 6% premium increase.  
(2015 average increase ó 7.4%)

\$ 1,245,828

**TOTAL**

**\$ 1,245,828**



## New Jersey Schools Insurance Group

6000 Midlantic Drive  
Mount Laurel, New Jersey 08054  
(609) 386-6060 • FAX (609) 386-8877  
[www.njsig.org](http://www.njsig.org)

### 2016/2017 Budget

#### EMPLOYEE DENTAL BENEFITS

**Account # 5114**

**Budget: \$ 56,400**

NJ State Actuary Report recommends  
no increase

**\$ 56,400**

**TOTAL**

**\$ 56,400**



## New Jersey Schools Insurance Group

6000 Midlantic Drive  
Mount Laurel, New Jersey 08054  
(609) 386-6060 • FAX (609) 386-8877  
[www.njsig.org](http://www.njsig.org)

### 2016/2017 Budget

#### EMPLOYEE VISION BENEFITS

Account # 5115

Budget: \$ 24,720

Flat three year term expires 12/2015

\$ 24,720

**TOTAL**

**\$ 24,720**



## New Jersey Schools Insurance Group

6000 Midlantic Drive  
Mount Laurel, New Jersey 08054  
(609) 386-6060 • FAX (609) 386-8877  
[www.njsig.org](http://www.njsig.org)

### 2016/2017 Budget

#### EE HRA BENEFITS

Account # 5116

**Budget: \$ 342,000**

Based on 75 employees.

\$ 342,000

**TOTAL**

**\$ 342,000**



## New Jersey Schools Insurance Group

6000 Midlantic Drive  
Mount Laurel, New Jersey 08054  
(609) 386-6060 • FAX (609) 386-8877  
[www.njsig.org](http://www.njsig.org)

### **2016/2017 Budget**

#### **EMPLOYEE FSA BENEFITS**

**Account # 5117**

**Budget: \$ 33,000**

**TOTAL**

**\$ 33,000**





## New Jersey Schools Insurance Group

6000 Midlantic Drive  
Mount Laurel, New Jersey 08054  
(609) 386-6060 • FAX (609) 386-8877  
[www.njsig.org](http://www.njsig.org)

### **2016/2017 Budget**

#### **EE SHORT TERM DISABILITY BENEFITS**

**Account # 5118**

**Budget: \$ 75,000**

Based on 75 employees

**TOTAL**

**\$ 75,000**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### TRAVEL AND RELATED EXPENSE

**Account # 5201**

**Budget: \$ 150,836**

Claims	\$ 40,000
Loss Control	\$ 46,636
Legal	\$ 5,000
Administrative	\$ 9,200
Accounting	\$ 1,000
Underwriting	\$ 49,000
Information Technology	\$ 0

**TOTAL**

**\$ 150,836**



## New Jersey Schools Insurance Group

6000 Midlantic Drive  
Mount Laurel, New Jersey 08054  
(609) 386-6060 • FAX (609) 386-8877  
[www.njsig.org](http://www.njsig.org)

### 2016/2017 Budget

#### MARKETING/ADVERTISING EXPENSE

Account # 5203

Budget: \$ 12,000

Miscellaneous brochure folders training materials and advertising expenses	\$12,000
---	----------

**TOTAL**

**\$ 12,000**



## New Jersey Schools Insurance Group

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

### 2016/2017 Budget

#### LOSS PREVENTION MISCELLANEOUS EXPENSE

<b>Account # 5227</b>	<b>Budget: \$ 175,400</b>
Training Academy Expenses	
Food for 20 classes @ \$150 each	\$ 3,000
250 folders for classes	\$ 500
NJ Safety Council ó DDC	
500 Books @ \$13.50 per student	\$ 6,750
500 Certification @ \$10 per student	\$ 5,000
NJSIGtrain.org	\$10,000
First Aid/CPR/AED Training	\$ 2,000
CPI Books & Certificates	\$ 2,000
Safety Materials	
Video	\$ 500
Family Safety Magazine	\$ 600
Top Health Newsletter	\$ 600
Safety Awards	
45 @ \$100 each	\$ 4,500
Safety Calendars	
600 @ \$3.25	\$ 1,950
Safety Committee Recognition	\$ 1,000
Awards/Poster/Frames	
WeTip (discretionary)	\$ 1,000
Dupont/Coastal/Video Stream	\$ 3,000
Safe School Online Training	\$ 125,000
Boiler Seminar	\$ 8,000
<b>TOTAL</b>	<b>\$ 175,400</b>



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### CLAIMS AUDIT

**Account # 5252**

**Budget: \$ 12,000**

Claim Audit	\$ 12,000
Independent auditor reviews claim operation	

**TOTAL**

**\$ 12,000**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### ACCOUNTING FEES

**Account # 5301**

**Budget: \$ 1,200**

Accounting Fees	\$ 1,200
Contractor used to support monthly closing	

**TOTAL**

**\$ 1,200**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### ACTUARIAL FEES

**Account # 5303**

**Budget: \$ 180,000**

Two reserve studies, one rating study, and miscellaneous services performed by independent actuary.

**\$ 180,000**

**TOTAL**

**\$ 180,000**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### MANAGEMENT MAINTENANCE SYSTEM EXPENSE

**Account # 5305**

**Budget: \$ 90,000**

School Dude reimbursements are made to members that have maintenance direct (MD) and scored a minimum of two from School Dude. \$ 90,000

**TOTAL**

**\$ 90,000**





## 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](http://www.njsig.org)

### 2016/2017 Budget

#### LEGAL AND PROFESSIONAL FEES

Account # 5306

Budget: \$ 300,000

Archer & Greiner	\$ 125,000
Employment Law and Bullying Hotline	\$ 175,000

**TOTAL**

**\$ 300,000**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### AGENT FEES

Account # 5309-5320

Budget: \$ 15,924,027

Auto Liability & Physical Damage	\$ 1,218,247
General Liability	\$ 1,558,618
Property	\$ 2,807,305
EDP ó Electronic Data Processing	\$ 131,197
Boiler & Machinery (equipment breakdown)	\$ 161,124
Auto Liability/General Liability Excess	\$ 735,393
Workersø Compensation	\$ 4,325,906
Errors & Omissions	\$ 2,388,701
Crime	\$ 90,688
Bond	\$ 43,870
Workersø Compensation Supplemental Indemnity	\$ 130,443
Pollution	\$ 0
Sub Fund Agent Commissions	\$ 2,332,535

**TOTAL**

**\$ 15,924,027**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### THIRD PARTY ADMIN FEE

**Account # 5310**

**Budget: \$ 675,000**

Broker Fees

\$ 675,000

Provide retail and reinsurance brokerage services - Willis

**TOTAL**

**\$ 675,000**



## New Jersey School Insurance Group

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

### 2016/2017 Budget

#### INFORMATION TECHNOLOGY OFFICE SUPPLIES

**Account # 5352**

**Budget: \$27,000**

CD Copies	\$ 4,000
Cintas Paper Shredding @ 100 per month	\$ 4,000
Kodak Scanner Supplies	\$ 1,500
Miscellaneous Expenses	\$ 10,000
Pitney Bowes Supplies	\$ 4,000
Shredder Supplies	\$3,500

**TOTAL**

**\$ 27,000**



## New Jersey School Insurance Group

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

### 2016/2017 Budget

#### OFFICE EQUIPMENT MAINTENANCE

**Account # 5353**

**Budget: \$ 39,400**

Avalanche (ML350) 1yr 13x5x4 Support	\$ 1,000
Dresx1 (Mt. Laurel) DL 380 G5	\$ 1,000
Dresx2 (Mt. Laurel) DL 380 G5	\$ 1,000
Dresx3 (Mt. Laurel) DL 380 G5	\$ 1,000
DR Backup (Mt. Laurel) DL 380 G5	\$ 1,000
DR San 4300 (DRISCSI 1)	\$ 2,800
DR San 4300 (DRISCSI 2)	\$ 2,800
DR Cisco Router 2901 (DRISCSI 2)	\$ 800
ESX1 DL380 G6	\$ 1,000
ESX2 DL380 G6	\$ 1,000
ESX3 DL380 G6	\$ 1,000
ISCSI1 SAN 4500	\$ 3,000
ISCSI2 SAN 4500	\$ 3,000
ISCSI3 SAN 4500	\$ 3,000
Kodak Scanner Support	\$ 4,000
Misc. Hardware Support	\$ 10,000
Backup	\$ 1,000
ImageRight Full Text DL 380 G4	\$ 1,000

**TOTAL**

**\$ 39,400**



## New Jersey School Insurance Group

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

### 2016/2017 Budget

#### COMPUTER SOFTWARE MAINTENANCE

**Account # 5354**

**Budget: \$ 296,760**

1099Pro	\$ 1,000
Brook Trout Fax Board Software	\$ 1,000
Cisco Support	\$ 1,600
Comcast Internet/TV	\$ 6,000
Escrow Tech for NavRisk	\$ 1,000
Ethernet 40MB Broadview (Data/Phone)	\$ 52,800
Go To Meeting	\$ 700
ImageRight	\$ 52,800
ImageRight (After 9-5) Support	\$ 2,000
Micro Scribe (Paperless Board Package)	\$ 2,360
Microsoft Web Mail	\$ 4,800
Misc. Software Support/Licensing	\$ 10,000
NavRisk Programming Projects	\$ 10,000
Oracle Database Support (STARS)	\$ 25,000
eFax (Cloud Faxing)	\$14,400
SSL VPN	\$ 9,000
STARS Programming Projects	\$ 10,000
Trend Micro Client/Server Protection	\$ 4,000
Veeam	\$ 2,500
VmWare	\$ 25,000
VmWare (upgrade 5.1 to 6.1)	\$10,000
VmWare View Licensing	\$ 7,500
Watchguard (Mt. Laurel/Marlboro)	\$ 10,000
Windows Server 2012	\$ 5,000
Zetafax	\$ 1,800
Constant Contact Software	\$ 1,000
Crystal Reports	\$500
ISO Data Analytics	\$25,000

**TOTAL**

**\$ 296,760**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### AGENT FEES CLAIMS EXPENSE

**Account # 5401**

**Budget: \$ 68,707,000**

#### CLAIMS EXPENSE

From Actuary Pricing Study

\$ 68,707,000

**TOTAL**

**\$ 68,707,000**



## New Jersey School Insurance Group

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

### 2016/2017 Budget

#### REINSURANCE EXPENSE

Account # 5505

Budget: \$ 33,495,926

#### NET REINSURANCE

Auto Liability	\$ 1,175,998
General Liability	\$ 1,084,324
Property	\$ 10,116,908
E.D.P	\$ 135,408
Boiler	\$ 869,144
Excess Liability	\$ 3,915,322
Workersø Compensation	\$ 1,497,416
E&O	\$ 13,528,119
Crime	\$ 108,958
Bond	\$ 53,398
Workersø Compensation Supplemental Indemnity	\$ 1,010,931

**TOTAL**

**\$ 33,495,926**





## New Jersey School Insurance Group

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

### 2016/2017 Budget

#### DEPRECIATION

**Account # 5702**

**Budget: \$ 578,740**

1401 Capital

Monitors 22" LCD Flat Screen	\$250/each	\$ 5,000
Desktop Workstations/Thin Clients	\$1,250/each	\$ 25,000
All in One Printers (9 Road Personnel)	\$130/each	\$ 650
HP Laptop (Upgrades)	\$1,800/each	\$ 7,200
Laserjet Printers	\$2,000/each	\$ 4,000
LCD Projector	\$1,800/each	\$ 3,600
STARS		\$ 119,250
PeopleSoft (Oracle)		\$ 14,000
NavRisk		\$ 70,614
NavRisk Portal		\$ 21,000
2 Desktop Scanning \$200/each		\$ 400
60 VM Ware View Desktops \$200/each		\$ 12,000
SSL Certs		\$ 7,000
ImageRight Upgrade		\$ 50,000
STARS upgrade		\$ 50,000
New Claims Mgmt system migration		\$100,000
Upgrade 6 ESX servers (3 MTL, 3DR)		\$ 50,000
Office Furniture		\$100,000

**Subtotal of Capital – Carry Forward**

**\$ 639,714**

**Continued on next page**



## New Jersey School Insurance Group

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

### 2016/2017 Budget

#### DEPRECIATION

##### Account # 5702

##### 1401 Capital

<b>Subtotal of Capital – from Previous Pages</b>	<b>\$ 639,714</b>
--	-------------------

Total Capital 2016/2017	\$ 639,714
-------------------------	------------

Total 2017/2016 Depreciation Expenses Budgeted	\$ 331,624
--	------------

+ Carried forward Depreciation Expenses from previous years	<u>\$ 247,116</u>
--	-------------------

Budget plus Carry Forward = 2016/2017 Depreciation Budget	\$ 578,740
---	------------

**TOTAL**

**Depreciation Budget= \$ 578,740**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### DUES & SUBSCRIPTIONS

**Account # 5703**

**Budget: \$ 89,765**

Claims	\$ 25,000
Loss Control	\$ 2,500
Legal	\$1,995
Administrative	\$ 56,770
Underwriting	\$3,500

**TOTAL**

**\$ 89,765**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### MISCELLANOUS BANKING FEES

**Account # 5704**

**Budget: \$ 3,500**

Miscellaneous Banking Fees

\$ 3,500

**TOTAL**

**\$3,500**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### RENT EXPENSE

**Account # 5708**

**Budget: \$ 466,697**

Rent and Fees ó Mt. Laurel Office

\$ 466,697

**TOTAL**

**\$ 466,697**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### OFFICE SUPPLIES

**Account # 5709**

**Budget: \$ 72,170**

**Office Supplies**

Administrative	\$68,670
Underwriting	\$3,500

**TOTAL**

**\$ 72,170**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### OFFICE OPERATING EXPENSES

<b>Account # 5710</b>	<b>Budget: \$ 61,578</b>
UAS ó Monthly \$160	\$ 2,400
Coffee Services (ML & DR)	\$ 4,000
Water Services (ML & DR)	\$1,000
Paychex	\$ 48,994
Verizon Wireless Tablet Fee	\$5,184
<b>TOTAL</b>	<b>\$61,578</b>



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### LEASE PAYMENTS

**Account # 5711**

**Budget: \$ 39,500**

Lease Payments (copiers, fax machine and Pitney Bowes)	\$ 32,000
---	-----------

Pitney Bowes Postage Machine	\$7,500
------------------------------	---------

**TOTAL**

**\$39,500**





## 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](http://www.njsig.org)

### 2016/2017 Budget

#### TELEPHONE EXPENSE

**Account # 5712**

**Budget: \$ 2,500**

Including long distance & fax lines

\$ 2,500

**TOTAL**

**\$2,500**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### GROUP'S INSURANCE

**Account # 5715**

**Budget: \$ 225,000**

Property/Liability	\$ 225,000
Workersø Compensation	
Errors & Omissions	
Data Breach	

**TOTAL**

**\$ 225,000**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### CRIME INSURANCE

Account # 5716

Budget: \$ 20,000

Crime Coverage

\$ 20,000

**TOTAL**

**\$20,000**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### POSTAGE

Account # 5723

Budget: \$ 63,500

Federal Express Postage	\$10,000
Pitney Bowes - Administrative	\$50,000
Pitney Bowes Pre-Sort ó IT	\$3,500

**TOTAL**

**\$ 63,500**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### EMPLOYEE SEMINAR EXPENSE

**Account # 5727**

**Budget: \$ 110,175**

Claims	\$ 10,000
Loss Control	\$ 12,000
Legal	\$4,200
Administrative	\$ 25,625
Accounting	\$ 5,500
Underwriting	\$ 17,350
Information Technology	\$ 35,500

**TOTAL**

**\$ 110,175**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### INSURANCE EDUCATION

**Account # 5728**

**Budget: \$ 8,000**

Claims	\$ 1,000
Underwriting	\$ 7,000

**TOTAL**

**\$ 8,000**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### TUITION REIMBURSEMENT

**Account # 5729**

**Budget: \$ 21,750**

Loss Control	\$3,000
Administrative	\$15,750
Accounting	\$3,000

**TOTAL**

**\$ 21,750**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### FINANCIAL AUDITS

**Account # 5730**

**Budget: \$ 70,500**

Nisivoccia, LLP ó Fiscal Year End Audit	\$ 45,500
Nisivoccia, LLP ó Special Payroll Audit	\$25,000

**TOTAL**

**\$ 70,500**





## 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](http://www.njsig.org)

### 2016/2017 Budget

#### CONSULTING FEES

**Account # 5731**

**Budget: \$ 342,500**

Consultants for Information Technology, Accounting,  
Loss Control and Administration

Loss Control

WeTip and property Inspection \$ 50,000

Accounting

PeopleSoft \$ 35,000

Information Technology

\$ 35,000

Administrative

\$ 207,500

CBIZ

Crisis Management

Retreat

My Community Workplace

Hay Group

Legal One

ISO

Watson Consulting

Legal

Atlantic Workforce Solutions \$ 15,000

**TOTAL**

**\$ 342,500**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### MISCELLANEOUS

**Account # 5732**

**Budget: \$ 7,450**

Claims	\$250
Underwriting	
Storage Facility Files	\$2,200
Administrative	
Miscellaneous	\$1,000
Petty Cash Reimbursements	\$4,000

**TOTAL**

**\$7,450**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### DISASTER RECOVERY

Account # 5733

Budget: \$ 114,410

#### Disaster Recovery

Information Technology ó Site Costs \$ 105,610

Rent	\$ 56,610
Analog Phone Line	\$ 3,600
Ethernet Line	\$ 32,400
ADT ó Alarm System	\$ 2,400
PSE&G	\$ 5,400
Postage	\$ 1,200
Comcast/Verizon	\$ 3,000
Misc. Annual Fees	\$ 1,000

Administrative ó Site Costs \$8,800

Cleaning Service	\$ 4,000
Copier Maintenance	\$ 4,800

**TOTAL**

**\$ 114,410**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### CELL PHONES

Account # 5737

Budget: \$ 19,000

\$1,500/month x 12 months	\$ 18,000
Data & International Package Annual Fee	\$ 1,000

**TOTAL**

**\$ 19,000**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### OPEN PUBLIC RECORDS ACTS (OPRA) EXPENSES

**Account # 5738**

**Budget: \$ 100,000**

Miscellaneous Administrative Expenses  
related to OPRA requests.

\$ 100,000

**TOTAL**

**\$ 100,000**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### ANNUAL MEETING

**Account #5851**

**Budget: \$ 50,600**

Hotel & Meeting Rooms Expense and Employee Meals	\$ 6,000
Booth Storage and Freight	\$ 3,000
NJSIG Booth Space	\$ 16,000
Union Labor & Booth Furniture	\$ 3,500
Convention Handouts/Materials	\$ 3,000
Trustee Accommodations	\$ 3,600
Badges	\$ 500
Annual Meeting and Luncheon	\$ 15,000

**Total**

**\$ 50,600**



## 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](http://www.njsig.org)

### 2016/2017 Budget

#### BOARD OF TRUSTEES MEETINGS

Account# 5852

Budget: \$ 20,000

\$ 20,000

**TOTAL**

**\$ 20,000**