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New Jersey Schools Insurance Group

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Board of Trustees Meeting of March 15, 2017

Action Item

Reinsurance

Reinsurance proposals for all lines of coverage have been received and reviewed, with the exception of the School Boards Legal Liability. The worst-case estimate is for a 10% rate increase. For pollution coverage, the incumbent carrier provided a quote that is being tested with other carriers for better terms and pricing. Based on the Willis presentation of renewal terms for each line of coverage, and using worst-case assumptions for the School Board Legal Liability and Pollution lines of coverage the renewal of reinsurance coverage at a cost not to exceed \$33,438,847 based on expiring exposure data.

Recommended Resolution: to approve the renewal of reinsurance coverage at a cost not to exceed \$33,438,847 based on expiring exposure data. Further, the Board of Trustees authorizes the Executive Director to renew with alternative responsible carriers if the terms and conditions offered by those carriers provides a clear advantage in Member pricing or coverage terms.

William Mayo

William Mayo, CPCU, ARM
Executive Director