PUBLIC ENTITY JOINT INSURANCE FUND

FINANCIAL STATEMENTS AND
SUPPLEMENTAL DATA

December 31, 2025

PUBLIC ENTITY JOINT INSURANCE FUND

TABLE OF CONTENTS

MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)

The Public Entity Joint Insurance Fund (the "Fund") is not included in any other governmental "reporting entity" as defined by Governmental Accounting Standards Board ("GASB") Statement No. 14. The Fund is a pooling of the resources of its constituent member local units for the purpose of providing an efficient and cost-effective plan of risk management both through the pooling of risk among its members and the economies of scale in risk transfer methodologies that the size of the Fund permits. Each member local unit appoints one Commissioner to the Fund, and the Commissioners adopt budgets and set annual assessments from the members, approve annual risk management plans and oversee the operations of the Fund. The Fund is not considered a component unit of any of its member local units. In addition, the Fund does not have any component units. The following Management's Discussion and Analysis of the activities and financial performance of the Fund provides an introduction to the financial statements of the Fund as of and for the years ended December 31, 2025 and 2024. Please read the following in conjunction with the Fund's basic financial statements and accompanying notes.

The Management's Discussion and Analysis is an element of the reporting model adopted by the GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis – for State and Local Governments*, issued June 1999.

FINANCIAL HIGHLIGHTS

2025
Cash, cash equivalents and investments increased by $3,021,664 (115%) to $5,660,475 in 2025 from $2,638,811 in 2024 and total assets increased by $5,347,537 (26%) to $25,670,237 in 2025 from $20,322,700 in 2024.

Claims reserves increased by $3,840,999 (18%) to $24,700,268 in 2025 from $20,859,269 in 2024.

The Fund had a net loss of $2,171,589 in 2025 versus a net loss of $1,414,390 in 2024.

2024
Cash, cash equivalents and investments decreased by $82,652 (3%) to $2,638,811 in 2024 from $2,721,463 in 2023 and total assets increased by $1,876,181 (10%) to $20,322,700 in 2024 from $18,446,519 in 2023.

Claims reserves increased by $3,204,317 (18%) to $20,859,269 in 2024 from $17,654,952 in 2023.

The Fund had a net loss of $1,414,390 in 2024 versus a net gain of $5,566,538 in 2023.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Fund is a self-supporting entity and follows business-type activities fund reporting. The Fund's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Enterprise fund statements reflect short and long-term financial information about the activities and operations of the Fund. These statements are presented in a manner similar to a private business. See the notes to the financial statements for a summary of the Fund's significant accounting policies.

FINANCIAL ANALYSIS OF THE FUND

Financial Position

The following table summarizes the changes in financial position and increase/decrease in net position between December 31, 2025, 2024 and 2023:

	2025	2024	2023	2025-2024 $ Increase (Decrease)	2025-2024 % Increase (Decrease)
Cash, Cash Equivalents & Investments	$ 5,660,475	$ 2,638,811	$ 2,721,463	$ 3,021,664	115%
Due from Members	13,944,050	13,743,013	13,455,323	201,037	1%
Recoverable from Excess Carriers	6,034,775	2,680,304	1,868,573	3,354,471	125%
Other Assets	30,937	1,260,572	401,160	(1,229,635)	(98%)
Total Assets	25,670,237	20,322,700	18,446,519	5,347,537	26%
Total Liabilities	28,620,611	21,101,485	17,810,914	7,519,126	36%
Net Position (Deficit)	$ (2,950,374)	$ (778,785)	$ 635,605	$ (2,171,589)	(279%)

Assets

2025

The Fund's cash flow from operations is invested in an interest-bearing custody account and with the New Jersey Cash Management Fund. The Fund utilizes a nightly sweep for investment purposes with its financial institution. During 2025 and 2024, the Fund also invested its available funds in U.S. Treasury Securities and U.S. Government Agency Securities.

The Fund recorded receivables from members in the amount of $13,944,050. These receivables consisted of balances due from its members representing special (supplemental and retrospective) assessments receivable of $13,858,120 and deductible and co-insurance receivables of $85,930. A significant portion of these balances have not yet been billed to members. Supplemental assessments will be paid over a nine-year plan; retrospective assessments are billed when actual losses paid by the Fund exceed the member's loss fund; and deductibles and co-insurances are billed on a quarterly basis.

Recoverables from excess carriers represent amounts from claims that exceed retention levels in accordance with the Fund's excess insurance program. The balance of $6,034,775 as of December 31, 2025, reflects an amount due from excess carriers under the aggregate stop loss program for Fund Years 2015 and 2017 totaling $835,036 and excess recoveries on specified claims totaling $5,199,740.

Other assets include accrued interest and prepaid expense. The increase in total assets from 2024 primarily resulted from increases in recoverables from excess carriers and cash and cash equivalents, offset by a decrease in prepaid expense.

2024

The Fund's cash flow from operations is invested in an interest-bearing custody account and with the New Jersey Cash Management Fund. The Fund utilizes a nightly sweep for investment purposes with its financial institution. During 2024 and 2023, the Fund also invested its available funds in U.S. Treasury Securities and U.S. Government Agency Securities.

The Fund recorded receivables from members in the amount of $13,743,013. These receivables consisted of balances due from its members representing special (supplemental and retrospective) assessments receivable of $13,456,314 and deductible and co-insurance receivables of $286,699. A significant portion of these balances have not yet been billed to members. Supplemental assessments

FINANCIAL ANALYSIS OF THE FUND (CONTINUED)

will be paid over a nine-year plan; retrospective assessments are billed when actual losses paid by the Fund exceed the member's loss fund; and deductibles and co-insurances are billed on a quarterly basis.

Recoverables from excess carriers represent amounts from claims that exceed retention levels in accordance with the Fund's excess insurance program. The balance of $2,680,304 as of December 31, 2024, reflects an amount due from excess carriers under the aggregate stop loss program for Fund Year 2015 of $447,167 and excess recoveries on specified claims totaling $2,233,137.

Other assets include accrued interest and prepaid expense. The increase in total assets from 2023 primarily resulted from increases in special assessments receivable, recoverables from excess carriers, and prepaid expense.

Liabilities

The liability for unpaid losses and loss adjustment expenses reported in the financial statements includes case basis estimates of reported claims plus supplemental amounts for potential development of known claims and amounts for claims incurred but not yet reported. The ultimate liability for these claims has been calculated based upon loss projections utilizing certain assumptions and industry data. Management believes that its aggregate liability for unpaid losses and loss adjustment expenses at year end represents its best estimate, based upon the available data, of the amount necessary to cover the ultimate cost of losses; however, because of the limited population of insured risks, limited historical data and the nature of the coverage provided, it is not presently possible to determine whether actual loss experience will conform to the assumptions used in determining the estimated amounts for such liability at the statement of net position date. Accordingly, the ultimate liability could be in excess of or less than the amount indicated in the financial statements. As adjustments to these estimates become necessary, such adjustments are reflected in current operations.

Expenses payable represents the liability for expenses incurred at year end but not paid as of the statement of net position date.

Results of Operations

The following table summarizes the changes in results of operations between fiscal years 2025, 2024 and 2023:

	2025	2024	2023	2025-2024 $ Increase (Decrease)	2025-2024 % Increase (Decrease)
Revenues	$ 19,018,315	$ 16,574,435	$ 20,856,759	$ 2,443,880	15%
Claims	(9,811,707)	(7,801,920)	(5,791,806)	(2,009,787)	(26%)
Expenses	(11,505,468)	(10,363,665)	(9,553,094)	(1,141,803)	(11%)
Operating (loss) income	(2,298,860)	(1,591,151)	5,511,858	(707,709)	(44%)
Net investment gain	127,271	176,760	54,679	(49,489)	(28%)
Changes in net position	$ (2,171,589)	$ (1,414,390)	$ 5,566,538	$ (757,199)	(54%)

Revenues consist of Fund member contributions. The changes in revenues and expenses were in line with budgets adopted for the year as required by the New Jersey Department of Banking and Insurance and the Department of Community Affairs, State of New Jersey.

FINANCIAL ANALYSIS OF THE FUND (CONTINUED)

Cash Flow and Liquidity

The following table summarizes the changes in cash flow and liquidity for the fiscal years ended December 31, 2025 and 2024:

	2025	2024
Cash Flows from Operating Activities		
Cash Contributions Received from Participants and Other Sources	$ 17,181,893	$ 12,581,210
Cash Payments for Goods and Services	(3,890,495)	(2,870,454)
Cash Payments for Risk Transfer Premiums	(6,469,853)	(6,461,074)
Cash Payments for Costs of Claims	(4,000,759)	(3,637,040)
Net Cash from Operating Activities	2,820,786	(387,358)
Cash Flows from Investing Activities		
Sales (Purchases) of Investments - Net	(35,000)	140,000
Investment Income	121,905	173,979
Net Cash from Investing Activities	86,905	313,979
Net Change in Cash and Cash Equivalents	2,907,691	(73,379)
Cash and Cash Equivalents, Beginning of Year	1,620,152	1,693,531
Cash and Cash Equivalents, End of Year	$ 4,527,843	$ 1,620,152

In order to provide for an increase in the yield on investments while managing credit risk, in 2025 and 2024 the Fund continued investing in U.S. Treasury and U.S. Government Agency Securities.

The remaining amount of cash and cash equivalents held by the Fund is kept in a Governmental Unit Deposit Protection Act ("GUDPA") approved account which enables the Fund to maintain optimum liquidity. When cash is channeled into securities, the Fund's investment strategy is to invest in those assets whose maturities are similar to the actuarial expected payout of the related losses and loss adjustment expenses. The Fund has sufficient cash resources to meet its statement of net position liabilities as they become due.

Debt Administration

The Fund has no debt as of the date of this report.

FINANCIAL OUTLOOK

The Fund Administrator recommended a supplemental assessment to be considered by the Board of Fund Commissioners during the May 2026 meeting for fund years 2014 through 2024. Further analysis will be completed by the Board as they evaluate the need for a supplemental assessment, including evaluation of the actuarial results as of June 30, 2026, to be completed by the Fund's external actuary.

CONTACTING THE FUND'S MANAGEMENT

This financial report is designed to provide its constituent members and their residents and taxpayers, and the Fund's customers, investors and creditors, with a general overview of the Fund's finances and to demonstrate the Fund's accountability for the money it receives. If you have questions about this report or need additional information, please contact Jonathan Hall, Executive Director, Public Entity Joint Insurance Fund, NIP Group, Inc., 485 Rte 1 S, Building E, Iselin, NJ 08830.

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Honorable Chairperson
and Board of Fund Commissioners of the
Public Entity Joint Insurance Fund
Woodbridge, New Jersey 07095

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Public Entity Joint Insurance Fund (the "Fund"), as of and for the years ended December 31, 2025 and 2024, and the related notes to financial statements, which comprise the Fund's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above, except for the effects of any potential adjustments pertaining to the unaudited Incurred But Not Reported ("IBNR") reserve balance as described in the Basis for Qualified Opinion paragraph, present fairly, in all material respects, the financial position of the Fund as of December 31, 2025 and 2024, and the changes in financial position and cash flows thereof for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, and audit requirements prescribed by the State of New Jersey, Departments of Community Affairs ("DCA") and Banking and Insurance ("DOBI"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Fund, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

As permitted by the DCA and DOBI, audit procedures were not extended to the underlying actuarial assumptions for IBNR reserve amounts, as these assumptions are prepared by the Fund's actuary.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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INDEPENDENT AUDITORS' REPORT (CONTINUED)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards,* and audit requirements prescribed by the DCA and DOBI, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, *Government Auditing Standards,* and audit requirements prescribed by the DCA and DOBI, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and ten year claims development information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Other Supplementary Information

Management is responsible for the supplemental schedules included in the financial statements. The supplemental schedules, as listed in the table of contents, do not include the basic financial statements and our auditors' report thereon. Our opinion on the basic financial statements does not cover the other supplementary information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other supplementary information and consider whether a material inconsistency exists between the other supplementary information and the basic financial statements, or the other supplementary information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other supplementary information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2026, on our consideration of the Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund's internal control over financial reporting and compliance.

Mercadien, P.C.
Certified Public Accountants

June 17, 2026

BASIC FINANCIAL STATEMENTS

PUBLIC ENTITY JOINT INSURANCE FUND

STATEMENTS OF NET POSITION (DEFICIT)
December 31, 2025 and 2024

	2025	2024
ASSETS		
Cash & Cash Equivalents	$ 4,527,843	$ 1,620,152
Investments	1,132,632	1,018,659
Due from Members:		
Special Assessments Receivable	13,858,120	13,456,314
Deductible & Co-Insurance Receivable	85,930	286,699
Recoverables from Excess Carriers	6,034,775	2,680,304
Accrued Interest	12,068	6,701
Prepaid Expense	18,869	1,253,871
Total Assets	$ 25,670,237	$ 20,322,700
LIABILITIES AND NET POSITION (DEFICIT)		
Liabilities:		
Claims:		
Case Reserves	$ 11,947,813	$ 9,853,956
IBNR Reserves	12,752,455	11,005,313
Claims Payable	3,762,995	-
Expenses:		
Accrued Expenses	157,348	242,216
Total Liabilities	28,620,611	21,101,485
Net Deficit	$ (2,950,374)	$ (778,785)

See notes to financial statements.

PUBLIC ENTITY JOINT INSURANCE FUND

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (DEFICIT)
Years Ended December 31, 2025 and 2024

	2025	2024
REVENUES		
Assessments - Participating Members	$ 17,089,704	$ 14,656,064
Special Assessments	1,928,611	1,918,371
Total Revenues	19,018,315	16,574,435
EXPENSES		
Provision for Claims and Claim Adjustment Expense - Net	9,811,707	7,801,920
Excess Insurance Premiums	7,723,724	7,320,705
Administrative Expenses	3,781,744	3,042,960
Total Expenses	21,317,175	18,165,585
Operating Loss	(2,298,860)	(1,591,150)
Non-Operating Expenses		
Net Investment Gain	127,271	176,760
Total Non-Operating Expenses	127,271	176,760
Changes in Net Position	(2,171,589)	(1,414,390)
Net Position (Deficit) - Beginning of Year	(778,785)	635,605
Net Position (Deficit) - End of Year	$ (2,950,374)	$ (778,785)

See notes to financial statements.

PUBLIC ENTITY JOINT INSURANCE FUND

STATEMENTS OF CASH FLOWS
Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Cash Contributions Received from Participants and Other Sources	$ 17,181,893	$ 12,581,210
Cash Payments for Goods and Services	(3,890,495)	(2,870,454)
Cash Payments for Risk Transfer Premiums	(6,469,853)	(6,461,074)
Cash Payments for Costs of Claims	(4,000,759)	(3,637,040)
Net Cash from Operating Activities	2,820,786	(387,358)
Cash Flows from Investing Activities		
Sales (Purchases) of Investments - Net	(35,000)	140,000
Investment Income	121,905	173,979
Net Cash from Investing Activities	86,905	313,979
Net Change in Cash and Cash Equivalents	2,907,691	(73,379)
Cash and Cash Equivalents, Beginning of Year	1,620,152	1,693,531
Cash and Cash Equivalents, End of Year	$ 4,527,843	$ 1,620,152
Reconciliation of Operating Loss to Net Cash from Operating Activities		
Operating Loss	$ (2,298,860)	$ (1,591,150)
Adjustment to Reconcile Operating Loss to Cash from Operating Activities		
Change in Assets and Liabilities		
Receivables & Prepaids	(2,320,508)	(1,959,052)
Claim Reserves & Payables	7,525,022	3,076,591
Accrued Expenses	(84,868)	86,253
Net Cash from Operating Activities	$ 2,820,786	$ (387,358)

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Fund

The Public Entity Joint Insurance Fund (the "Fund") was established, effective January 1, 2014, in accordance with P.L. 1983, c.372 of the State of New Jersey, entitled "An Act Concerning Joint Insurance Funds for Local Units of Government", codified as N.J.S.A. 40A:10-1 et seq. The Department of Banking and Insurance ("DOBI") and the Department of Community Affairs ("DCA") of the State of New Jersey have been designated by statute as oversight agencies for joint insurance funds and have issued regulations governing the operations of these funds. The Fund provides for a pooling of the participants' insurable risks and the associated resources available to manage these risks. The Fund operates in accordance with its bylaws and its Plan of Risk Management and Annual Budget.

Participating entities generally must remain in the Fund for a minimum of three (3) years unless terminated by a majority vote of the Fund Commissioners or a two-thirds vote of the Executive Committee for nonpayment of assessments or continued noncompliance after written notice to comply with the bylaws or other obligations. The Fund has eight members in total for 2025 and 2024.

Member contributions to the Fund for claim payments are based on the actuarial assumptions determined by the Fund's actuary. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to ensure the payment of the Fund's obligations.

The Fund's administration is provided by an executive director/administrator. Fees paid to the administrative consultants encompass the administrative duties that are performed at the administrative consultant's office. Accordingly, the Fund does not maintain any fixed assets or incur payroll expense.

The following primary coverages are offered by the Fund to its members:

a) Workers' Compensation
b) General Liability
c) Property Damage/APD
d) Auto Liability
e) Employment Practices Liability/Public Officials Liability

Reporting Entity

Governmental Accounting Standards Board ("GASB") Codification Section 2100, *"Defining Financial Reporting Entity"* establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. The Fund has determined that there were no additional entities required to be included in the reporting entity under the criteria as described above. In addition, the Fund is not includable in any other reporting entity on the basis of such criteria.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation and Accounting

The financial statements of the Fund have been prepared in accordance with accounting principles generally accepted in the United States of America. The Fund's financial statements are presented as those of an enterprise fund. The focus of an enterprise fund is a measurement of economic resources, that is, the determination of change in net position, financial position and cash flows.

Enterprise funds are used to account for activities that are operated in a manner similar to private business enterprises. The Fund uses the accrual basis of accounting, whereby income is recorded as earned and expenses are recognized as incurred.

Income Taxes

The Fund is a tax-exempt organization and is not subject to either federal or state income taxes.

Assessments

The gross claim fund assessment is determined by the actuary and, when combined with expense and excess premium projections, constitutes the Fund's budget. Assessments for participating municipalities are determined by underwriting criteria established by the Executive Committee.

Unpaid Claims Liabilities

The Fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Estimated amounts of excess insurance recoverable on unpaid claims are deducted from the liability for unpaid claims. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability, and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount, particularly for coverages such as general liability. Claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflect past inflation and on other factors that are considered to be appropriate modifiers of past experience. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made. Beginning in fiscal year 2021, the Fund discounts estimated claim liabilities as described in Note H. The recorded value of discounted estimated claim liabilities is subject to interest rate risk as the discount rate is based on management's estimate of potential investment portfolio performance.

In accordance with practices prescribed or permitted by the DCA and DOBI, the independent auditors' procedures were not extended to the underlying actuarial assumptions for Incurred But Not Reported (IBNR) reserve amounts since they are prepared by the Fund's actuary.

Recoverables from Excess Carriers

The Fund uses excess insurance agreements to reduce its exposure to large losses on certain types of insured events. Excess insurance permits recovery of a portion of losses from reinsurers, although it does not discharge the primary liability of the Fund as direct insurer of the risks reinsured. The Fund does not report reinsured risks as liabilities unless it is probable that those risks will not be covered by reinsurers.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Self-Insured Retention ("SIR") and Deductible & Co-Insurance Receivables

During the years ended December 31, 2025 and 2024, the Fund has recorded as accounts receivable recoverables due from members for claims expenses paid by the Fund based upon levels of self-retention, deductibles and co-insurance. SIR is billed on a monthly basis. Until 2024, deductible and co-insurance receivables were billed as claims were closed; starting 2024, these receivables are billed quarterly for ongoing years.

Special Assessments

Special assessments include supplemental assessments and retrospective assessments. Supplemental assessments are approved by a majority of the Commissioners to supplement the fund's claim or loss retention or administrative accounts to assure payment of the Fund's obligations, as authorized by N.J.A.C. 11:15-2.16. Each member of the Fund is assessed an additional proportionate amount as provided for in the Fund's bylaws and Plan of Risk Management or as directed by the Commissioner of DOBI. Retrospective assessments are member-specific assessments to certain members who elect a retrospective loss experience ratings plan that is authorized under the Fund's Plan of Risk Management. Supplemental assessments are scheduled to be collected over a nine-year plan and retrospective assessments are billed when actual losses paid by the Fund exceed the member's loss fund.

Administrative Expenses

Administrative expenses are comprised mainly of compensation for services rendered by servicing organizations and appointed officials pursuant to written fee guidelines submitted to and approved by a majority of the Commissioners.

Claims Case Reserves

Case reserves include estimated unpaid claim costs for claimants and allocated claims adjustment expenses as reported by the service agent.

Claims Incurred But Not Reported (IBNR) Reserves

In order to recognize claims incurred but not reported, a reserve is calculated by the Fund's actuary within an acceptable range from the estimated outstanding reserve.

IBNR reserves include:

a) Known loss events that are expected to, at a later time, be presented as claims,
b) Unknown loss events that are expected to become claims, and
c) Expected future development on claims already reported.

Summary of Risk Management Program

A summary of the Fund's Risk Management Program is provided in Schedule E, which is included in the Supplemental Schedules section of this report.

Rounding

Some schedules in the financial statements may have dollar differences due to rounding adjustments.

B. CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes amounts on deposit, money market accounts, and short-term investments with original maturities of ninety days or less.

Deposits were with contracted depository banks in interest-bearing accounts that were insured under the New Jersey Governmental Unit Deposit Protection Act ("GUDPA"). All such deposits are held in the Fund's name.

GUDPA permits the deposit of public funds in institutions located in New Jersey that are insured by the Federal Deposit Insurance Corporation (“FDIC”) or by any other agencies of the United States that insure deposits. GUDPA requires public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

> Each depository participating in the GUDPA system must pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or $200 million. The minimum 5% pledge applies to institutions that are categorized as "well capitalized" by federal banking standards. The percentage of the required pledge will increase for institutions that are less than "well capitalized."
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> No collateral is required for amounts covered by FDIC or National Credit Union Share Insurance Fund (“NCUSIF”) insurance. The collateral which may be pledged to support these deposits includes obligations of state and federal governments, insured securities and other collateral approved by the DOBI. When the capital position of the depository deteriorates, or the depository takes an unusually large amount of public deposits, the DOBI requires additional collateral to be pledged.
>
> If a governmental depository fails and the FDIC or NCUSIF insurance does not insure or pay out the full amount of public deposits, the collateral pledged to protect these funds would first be liquidated and paid out. If this amount is insufficient, other institutions holding public funds would be assessed pro rata up to 4% of their uninsured public funds. Although these protections do not constitute a 100% guarantee of the safety of all funds, no governmental unit under GUDPA has ever lost protected deposits.

As of December 31, 2025 and 2024, the carrying value of the Fund’s cash and cash equivalents was $4,527,843 and $1,620,152, respectively. As of December 31, 2025 and 2024, the Fund’s bank balances were $4,806,623 and $2,858,466, respectively, and were exposed to risk as follows:

	2025	2024
Insured	$ 317,429	$ 359,096
Uninsured and Collateralized	4,489,194	2,499,370
Total	$ 4,806,623	$ 2,858,466

B. CASH AND CASH EQUIVALENTS (CONTINUED)

Deposits

Custodial credit risk is the risk that in the event of a bank failure, the local unit's deposits may not be returned to it. As of December 31, 2025 and 2024, with respect to the Fund's bank balances, $317,429 and $359,096, respectively, were covered by federal depository insurance and $4,489,194 and $2,499,370, respectively, were covered by the collateral pool maintained by the banks as required by New Jersey statutes. The Fund adheres to the requirements of the GUDPA statute.

Concentration of Credit Risk – This is the risk associated with the amount of investments the Fund has with any one issuer that exceeds five percent or more of its total investments. Investments issued or explicitly guaranteed by the U.S. government are excluded from this requirement. None of the investments held by the Fund are exposed to concentration of credit risk.

Credit Risk – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. In general, the Fund does not have an investment policy regarding credit risk, however, the Fund had no investments that were subject to credit risks as of December 31, 2025 and 2024.

Interest Rate Risk – This is the risk that changes in interest rates will adversely affect the fair value of an investment. The Fund does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from interest rate fluctuations. However, its practice is to hold investments to maturity.

C. INVESTMENTS

New Jersey statutes and the cash management plan of the Fund's Board of Commissioners permit the Fund to purchase the following types of investments:

a. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America.
b. Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase and has a fixed rate of interest not dependent on any index or external factors.
c. Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located; or bonds or other obligations, having a maturity date not exceeding 397 days, approved by the Division of Investment of the Department of Treasury for investment by local units.
d. Government money market mutual funds.
e. Repurchase agreements of fully collateralized securities, subject to rules and conditions established by the DCA.
f. Local government investment pools.

C. INVESTMENTS (CONTINUED)

Investments are recorded at market value based on quoted market prices.

Investments at year end are categorized to give an indication of the level of risk assumed by the Fund. The categories are described as follows:

Category A –Insured, registered or securities held by the Fund or its agent in the Fund's name.

Category B –Uninsured and unregistered with securities held by the counterparty's trust department or agent in the Fund's name.

Category C –Uninsured and unregistered with securities held by the counterparty, or its trust department or agent, but not in the Fund's name.

The Fund's Level 1 investments at December 31, 2025 and 2024, are categorized as follows:

		Market Value	
	Risk Category	2025	2024
U.S. Treasury Securities	A	$ 1,132,632	$ 1,018,659
		$ 1,132,632	$ 1,018,659

Based upon existing investment policies, the Fund is generally not exposed to interest rate risk as, depending upon market conditions, investments can be held to maturity. Also, investments held are limited to U.S. Treasury or U.S. Government Agency securities, thereby mitigating credit risk and concentration of credit risk, nor are the Fund's deposits and investments exposed to foreign currency risks.

As of December 31, 2025 and 2024, the Fund had net unrealized investment gains in the amount of $48,773 and $22,802, respectively, which represent the difference between investment market value and cost basis. The composition of the net investment income as shown in the statements of revenues, expenses and changes in net position for years ended December 31, 2025 and 2024, is as follows:

	2025	2024
Change in unrealized investment gains	$ 25,971	$ 7,602
Interest income	101,300	169,158
	$ 127,271	$ 176,760

D. PERMANENT FUND TRANSFERS

Permanent inter-trust fund transfers are made upon the approval of the Commissioners, following prior written notification to the Commissioners of DOBI and the DCA.

Inter-year fund transfers require prior approval of the DCA and DOBI. The fund may seek approval from the Commissioners to make inter-year fund transfers at any time from a claims or loss retention trust account from any year which has been completed for at least 24 months. The inter-year fund transfer may be in any amount subject to the limitation that after the transfer, the remaining net current surplus must equal or exceed the surplus retention requirement calculated according to regulation.

D. PERMANENT FUND TRANSFERS (CONTINUED)

The membership for each fiscal year involving inter-year fund transfers must be identical between fiscal years. This requirement may be waived by the Commissioners provided the fund demonstrates it maintains records of each member's pro rata share of each claim or loss retention account, and that the transfer may be made so that any potential dividend shall not be reduced for a member that did not participate in the year receiving the transfer.

All fund transfers are recognized at the time actual transfers take place. There were no such transfers during 2025 or 2024.

E. RETURN OF SURPLUS

Refunds are recognized upon authorization of the Commissioners. Any reserves for a Fund year in excess of the amount necessary to fund all obligations for that fiscal year as certified by the Fund's actuary may be declared to be refundable by the Fund, subject to the effective time periods set forth by regulation. The initial and any subsequent refund for any year from a Claim or Loss Retention Account is subject to the limitation that after the refund, the remaining net current surplus must equal or exceed the surplus retention requirement calculated according to regulation. A full and final refund is not allowed until all case reserves and IBNR reserves are closed.

F. MINIMUM SURPLUS (NET POSITION) REQUIREMENT

The State of New Jersey has no statutory minimum surplus requirement.

G. DEFICIT (NET POSITION)

The Fund will liquidate any deficit in a net position year by transferring from another net position year or by assessing members for additional contributions, in accordance with applicable New Jersey statutes and regulations.

At December 31, 2025 and 2024, the following Fund years' unrestricted net position were in a deficit position:

Fund Year	2025	2024
2014	$ (34,140)	$ -
2017	(34,340)	-
2018	(224,892)	-
2019	(132,162)	(84,222)
2020	(241,638)	(379,725)
2021	(26,266)	-
2022	(808,684)	(435,952)
2023	(2,012,073)	(2,221,917)
2024	(580,715)	-

In 2022, the Fund authorized supplemental assessments to all members totaling $7,244,644 based on fund years 2014 through 2020 due to their deficit status, to be received in accordance with a five-year installment plan. In 2023, the Fund Administrator recommended amending the prior supplemental assessment levied on fund years 2014-2020 to include fund years 2021 and 2022. The amended supplemental assessment was approved by the Board of Fund Commissioners in their December 2023 meeting resulting in the revised total supplemental assessment in the amount of $13,670,234, payable over a nine-year installment plan. At December 31, 2025 and 2024, the receivable related to the supplemental assessment was $8,257,844 and $9,575,440, respectively.

G. DEFICIT (NET POSITION) (CONTINUED)

Beginning in 2022, the Fund authorized retrospective assessments for fund years 2022 through 2025. to members who elected a retrospective loss experience ratings plan. Revenue recognized related to retrospective assessments was $1,928,611 and $1,918,371 in 2025 and 2024, respectively. As of December 31, 2025 and 2024, receivables on the retrospective assessments were $5,600,276 and $3,880,876, respectively.

H. LOSS RESERVES

The liability for unpaid losses and loss adjustment expenses represents an estimate of the ultimate net cost of all losses and loss adjustment expenses incurred but not yet paid as of December 31, 2025 and 2024. This estimate is based on the estimated ultimate cost of settling the claims considering the historical experience of the Fund, various other industry statistics, including effects of inflation and other societal or economic factors, and the Fund's self-insured retention level.

The estimate of outstanding losses was recorded by the Fund as of December 31, 2025 and 2024, based on an actuarial determined range of estimates.

Actuarial Standard of Practice No. 36 states, "the actuary may determine a range of reasonable estimates that reflects the uncertainties associated with analyzing the reserves due to which the management believes that the liability for unpaid losses is adequate to cover the ultimate cost of reported and unreported claims incurred but not yet paid. However, the ultimate cost may be more or less than the estimated liability." The unpaid losses are stated net of any recoveries from excess-loss insurance. The Fund has created a loss reserve for any reported and potential unreported losses which have taken place but in which the Fund has not received notices or reports of losses. Amounts shown as negative loss reserves, if any, represent payments to the claims servicing agent in excess of claims paid and case reserves on the Fund's loss runs. These amounts, if any, are shown on the statements of net position as accounts receivable.

The Fund also purchases excess insurance policies, which provide coverage to the Fund for claims in excess of $1,000,000 for workers' compensation claims, $750,000 for general, automobile, law enforcement, employment practices, and public officials liability claims ($500,000 in 2024), and $250,000 for property and auto physical damage claims.

For the years 2014 and 2015, an "inner corridor endorsement" was put in place for workers' compensation claims with a limit of $250,000 per claim and $250,000 in total. For 2016 and subsequent, the limit was increased to $250,000 per claim and $500,000 in total. Effective January 1, 2023, the Fund removed the corridor retention.

The Fund established an all lines of business stop loss aggregate for the years 2014 through 2020. The Fund did not establish an all lines of business stop loss aggregate for the years 2021 through 2025.

A contingent liability exists with respect to insurance coverage, which would become an actual liability in the event the insuring company might be unable to meet its obligations to the Fund under existing insurance agreements.

H. LOSS RESERVES (CONTINUED)

The following table sets forth the case reserves for reported claims and reserves for claims related to IBNR established for each respective fund year at December 31, 2025, which have been estimated by the Fund's management.

	Property Fund	General Liability Fund	Automotive Liability Fund	Workers' Compensation Fund	Total
2014 Fund Year:					
Case Reserves	$ -	$ 226	$ -	$ 1,999	$ 2,225
Losses Incurred But Not Reported (IBNR)	-	29,568	-	18,986	48,554
	$ -	$ 29,794	$ -	$ 20,985	$ 50,779
2015 Fund Year:					
Case Reserves	$ -	$ -	$ -	$ -	$ -
Losses Incurred But Not Reported (IBNR)	-	-	-	-	-
	$ -	$ -	$ -	$ -	$ -
2016 Fund Year:					
Case Reserves	$ -	$ 336	$ -	$ 6,656	$ 6,992
Losses Incurred But Not Reported (IBNR)	-	52,005	-	45,858	97,863
	$ -	$ 52,341	$ -	$ 52,514	$ 104,855
2017 Fund Year:					
Case Reserves	$ -	$ -	$ -	$ -	$ -
Losses Incurred But Not Reported (IBNR)	-	-	-	-	-
	$ -	$ -	$ -	$ -	$ -
2018 Fund Year:					
Case Reserves	$ -	$ 152,676	$ -	$ 94,748	$ 247,424
Losses Incurred But Not Reported (IBNR)	729	40,730	1,858	79,294	122,611
	$ 729	$ 193,406	$ 1,858	$ 174,042	$ 370,035
2019 Fund Year:					
Case Reserves	$ -	$ 387,542	$ -	$ 183,883	$ 571,425
Losses Incurred But Not Reported (IBNR)	572	159,695	12,397	121,531	294,195
	$ 572	$ 547,237	$ 12,397	$ 305,414	$ 865,620
2020 Fund Year:					
Case Reserves	$ -	$ 352,675	$ 3,379	$ 385,220	$ 741,274
Losses Incurred But Not Reported (IBNR)	-	14,746	-	-	14,746
	$ -	$ 367,421	$ 3,379	$ 385,220	$ 756,020

H. LOSS RESERVES (CONTINUED)

	Property Fund	General Liability Fund	Automotive Liability Fund	Workers' Compensation Fund	Total
2021 Fund Year:					
Case Reserves	$ 49,150	$ 1,103,696	$ 130,692	$ 584,326	$ 1,867,864
Losses Incurred But Not Reported (IBNR)	1,432	252,592	58,482	323,968	636,474
	$ 50,582	$ 1,356,288	$ 189,174	$ 908,294	$ 2,504,338
2022 Fund Year:					
Case Reserves	$ 72,117	$ 933,585	$ 606,282	$ 1,146,524	$ 2,758,508
Losses Incurred But Not Reported (IBNR)	1,899	446,502	245,852	574,565	1,268,818
	$ 74,016	$ 1,380,087	$ 852,134	$ 1,721,089	$ 4,027,326
2023 Fund Year:					
Case Reserves	$ 33,452	$ 414,434	$ 489,453	$ 1,128,173	$ 2,065,512
Losses Incurred But Not Reported (IBNR)	(8,624)	1,369,031	439,311	489,210	2,288,928
	$ 24,828	$ 1,783,465	$ 928,764	$ 1,617,383	$ 4,354,440
2024 Fund Year:					
Case Reserves	$ 52,009	$ 859,478	$ -	$ 1,964,533	$ 2,876,020
Losses Incurred But Not Reported (IBNR)	17,084	1,785,503	572,157	813,922	3,188,666
	$ 69,093	$ 2,644,981	$ 572,157	$ 2,778,455	$ 6,064,686
2025 Fund Year:					
Case Reserves	$ 73,100	$ 183,531	$ -	$ 553,936	$ 810,567
Losses Incurred But Not Reported (IBNR)	111,868	2,121,151	526,209	2,032,372	4,791,600
	$ 184,968	$ 2,304,682	$ 526,209	$ 2,586,308	$ 5,602,167
Total:					
Case Reserves	$ 279,829	$ 4,388,180	$ 1,229,806	$ 6,049,998	$ 11,947,813
Losses Incurred But Not Reported (IBNR)	124,960	6,271,523	1,856,266	4,499,706	12,752,455
	$ 404,789	$10,659,703	$ 3,086,072	$ 10,549,704	$ 24,700,268

H. LOSS RESERVES (CONTINUED)

The following table sets forth the case reserves for reported claims and reserves for claims related to IBNR established for each respective fund year at December 31, 2024, which have been estimated by the Fund's management.

	Property Fund	General Liability Fund	Automotive Liability Fund	Workers' Compensation Fund	Total
2014 Fund Year:					
Case Reserves	$ -	$ 29,610	$ -	$ 4,494	$ 34,104
Losses Incurred But Not Reported (IBNR)	-	29,712	-	19,440	49,152
	$ -	$ 59,322	$ -	$ 23,934	$ 83,256
2015 Fund Year:					
Case Reserves	$ -	$ -	$ -	$ -	$ -
Losses Incurred But Not Reported (IBNR)	-	-	-	-	-
	$ -	$ -	$ -	$ -	$ -
2016 Fund Year:					
Case Reserves	$ -	$ 803	$ -	$ 16,488	$ 17,291
Losses Incurred But Not Reported (IBNR)	-	29,174	-	43,118	72,292
	$ -	$ 29,977	$ -	$ 59,606	$ 89,583
2017 Fund Year:					
Case Reserves	$ -	$ 83,608	$ -	$ 139,244	$ 222,852
Losses Incurred But Not Reported (IBNR)	-	-	-	-	-
	$ -	$ 83,608	$ -	$ 139,244	$ 222,852
2018 Fund Year:					
Case Reserves	$ -	$ 232,489	$ -	$ 60,248	$ 292,737
Losses Incurred But Not Reported (IBNR)	-	28,751	-	94,560	123,311
	$ -	$ 261,240	$ -	$ 154,808	$ 416,048
2019 Fund Year:					
Case Reserves	$ -	$ 915,481	$ 311,357	$ 320,080	$ 1,546,918
Losses Incurred But Not Reported (IBNR)	-	144,547	15,413	106,601	266,561
	$ -	$ 1,060,028	$ 326,770	$ 426,681	$ 1,813,479

H. LOSS RESERVES (CONTINUED)

	Property Fund	General Liability Fund	Automotive Liability Fund	Workers' Compensation Fund	Total
2020 Fund Year:					
Case Reserves	$ -	$ 1,142,303	$ 59,811	$ 722,793	$ 1,924,907
Losses Incurred But Not Reported (IBNR)	-	(35,374)	67,331	116,506	148,463
	$ -	$ 1,106,929	$ 127,142	$ 839,299	$ 2,073,370
2021 Fund Year:					
Case Reserves	$ 58,155	$ 835,147	$ 58,593	$ 629,618	$ 1,581,513
Losses Incurred But Not Reported (IBNR)	-	411,405	130,876	402,457	944,738
	$ 58,155	$ 1,246,552	$ 189,469	$ 1,032,075	$ 2,526,251
2022 Fund Year:					
Case Reserves	$ 117,345	$ 860,669	$ 104,790	$ 982,483	$ 2,065,287
Losses Incurred But Not Reported (IBNR)	(6,357)	1,282,613	322,211	511,774	2,110,241
	$ 110,988	$ 2,143,282	$ 427,001	$ 1,494,257	$ 4,175,528
2023 Fund Year:					
Case Reserves	$ 43,860	$ 411,420	$ 20,259	$ 1,004,694	$ 1,480,233
Losses Incurred But Not Reported (IBNR)	(29,267)	2,121,474	450,983	729,170	3,272,360
	$ 14,593	$ 2,532,894	$ 471,242	$ 1,733,864	$ 4,752,593
2024 Fund Year:					
Case Reserves	$ 128,383	$ 209,569	$ -	$ 350,161	$ 688,113
Losses Incurred But Not Reported (IBNR)	1,359	2,096,105	527,308	1,393,425	4,018,197
	$ 129,742	$ 2,305,674	$ 527,308	$ 1,743,586	$ 4,706,310
Total:					
Case Reserves	$ 347,743	$ 4,721,098	$ 554,810	$ 4,230,303	$ 9,853,954
Losses Incurred But Not Reported (IBNR)	(34,265)	6,108,407	1,514,122	3,417,051	11,005,315
	$ 313,478	$10,829,505	$ 2,068,932	$ 7,647,354	$ 20,859,269

The undiscounted amounts of the case and IBNR reserves as of December 31, 2025, approximately $13,500,396 and $14,744,842, respectively, differ from the carrying values of $11,947,813 and $12,752,455, respectively, due to the case and IBNR reserves being discounted at an interest rate of 3.47%, which was estimated by management and is based on the 2-year treasury annual interest rate as of December 31, 2025. The undiscounted amounts of the case and IBNR reserves as of December 31, 2024, approximately $11,351,991 and $13,038,415, respectively, differ from the carrying values of $9,853,956 and $11,005,313, respectively, due to the case and IBNR reserves being discounted at an interest rate of 3.90%, which was estimated by management and is based on the 2-year treasury annual interest rate as of March 5, 2025.

I. RELATED PARTIES

The Fund pays administrative consulting, claims handling and underwriting fees to affiliated companies of the Fund's administrator. For the years ended December 31, 2025 and 2024, the Fund paid $1,983,103 and $1,699,891, respectively, to these companies as per the management agreements.

J. CHANGES IN UNPAID CLAIMS AND LIABILITIES

As discussed in Note A, the Fund establishes a liability for both reported and unreported insured events, which includes estimates of future payments of losses and unrelated allocated claims adjustment expenses.

The following represents changes in those aggregate reported case reserves for the Fund during 2025 and 2024, and for all open Fund years, net of excess insurance recoveries.

	2025	2024
Total Unpaid Claims and Claims Adjustment Expenses – All Fund Years – Beginning of Year	$ 9,853,956	$ 8,770,970
Incurred Claims and Claims Adjustment Expenses:		
Provision for Insured Events – Current Year	1,409,100	1,059,124
Changes in Provision for Insured Events – Prior Years	4,685,516	3,660,902
Total Incurred Claims and Claims Adjustment Expenses - All Fund Years - Subtotal	6,094,616	4,720,026
Subtotal	15,948,572	13,490,996
Payments:		
Claims and Claims Adjustment Expenses, Net	(4,000,759)	(3,637,040)
Total Unpaid Claims and Claims Adjustment Expenses – All Fund Years – End of Year	$ 11,947,813	$ 9,853,956

K. PENDING LITIGATION

In the ordinary course of business, the Fund may be party to litigation. As of December 31, 2025, in the opinion of management based upon consultation with legal counsel, there were no matters pending or threatened which would have a material adverse effect on the financial position of the Fund.

L. ADOPTED GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) STATEMENTS

The GASB has issued Statement No. 100, "*Accounting Changes and Error Corrections-an amendment of GASB Statement No. 62*." This Statement was required to be adopted by the Fund for the year ended December 31, 2024. The adoption of this Statement had no effect on previously reported amounts.

The GASB has issued Statement No. 102, "*Certain Risk Disclosures*." This Statement was required to be adopted by the Fund for the year ended December 31, 2025. The adoption of this Statement had no effect on previously reported amounts.

M. PENDING GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) STATEMENTS

The GASB has issued Statement No. 103, *"Financial Reporting Model Improvements."* This Statement is required to be adopted by the Fund for the year ending December 31, 2026. The Fund has not determined the effect of GASB Statement No. 103 on the financial statements.

The GASB has issued Statement No. 105, *"Subsequent Events."* This Statement is required to be adopted by the Fund for the year ending December 31, 2027. The Fund has not determined the effect of GASB Statement No. 105 on the financial statements.

N. SUBSEQUENT EVENTS

Management has evaluated events subsequent to December 31, 2025 through June 17, 2026, noting no significant subsequent events requiring disclosure.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

PUBLIC ENTITY JOINT INSURANCE FUND

TEN YEAR CLAIMS DEVELOPMENT INFORMATION (UNAUDITED)

Exhibit A

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Underwriting Income-Required Contributions	$ 6,347,965	$ 6,933,139	$ 7,032,520	$ 7,310,565	$ 7,968,318	$ 8,396,395	$ 9,706,350	$ 12,636,502	$ 14,656,064	$ 17,089,704
Special Assessments	-	-	-	-	-	-	7,831,039	8,220,257	1,918,371	1,928,611
Investment Income	39,757	34,939	73,363	57,000	53,306	31,790	19,114	54,679	176,760	127,271
	6,387,722	6,968,078	7,105,883	7,367,565	8,021,624	8,428,185	17,556,503	20,911,438	16,751,195	19,145,586
Excess Insurance Premiums	2,618,761	2,797,380	3,153,664	3,447,031	3,470,180	4,165,572	5,751,815	6,852,184	7,320,705	7,723,724
Administrative Expenses	1,536,294	1,686,817	1,707,610	1,873,145	2,050,849	2,018,730	2,334,752	2,700,910	3,042,960	3,781,744
	4,155,055	4,484,197	4,861,274	5,320,176	5,521,029	6,184,302	8,086,567	9,553,094	10,363,665	11,505,468
Estimated Incurred Claims-End of Policy Year	557,645	1,200,295	724,364	1,160,840	1,044,890	1,673,142	1,358,682	1,443,436	1,059,152	1,409,100
Cumulative Paid Claims:										
End of Policy Year	282,911	603,954	451,119	612,387	324,473	518,392	652,426	615,961	371,039	598,533
One Year Later	641,493	1,052,391	562,520	789,274	688,446	769,177	966,801	1,809,305	1,212,305	-
Two Years Later	1,138,092	1,369,505	815,336	1,345,948	1,373,173	1,043,349	1,386,658	2,143,766	-	-
Three Years Later	1,552,764	2,004,315	1,208,540	2,182,163	2,354,565	1,849,026	1,928,913	-	-	-
Four Years Later	2,001,963	2,284,396	1,842,721	2,723,604	3,339,911	2,363,138	-	-	-	-
Five Years Later	2,126,215	2,727,344	2,014,898	3,301,063	4,519,176	-	-	-	-	-
Six Years Later	2,468,939	2,884,500	2,196,053	4,296,865	-	-	-	-	-	-
Seven Years Later	2,533,934	2,911,956	2,734,554	-	-	-	-	-	-	-
Eight Years Later	2,573,842	3,175,000	-	-	-	-	-	-	-	-
Nine Years Later	2,607,201	-	-	-	-	-	-	-	-	-
Cumulative Incurred Claims:										
End of Policy Year	557,645	1,200,295	724,364	1,160,840	1,044,890	1,673,142	1,358,682	1,443,436	1,059,152	1,409,100
One Year Later	1,281,531	1,835,894	866,861	2,242,940	1,569,722	2,621,946	2,115,661	3,289,538	4,088,325	-
Two Years Later	1,868,622	2,867,016	1,844,863	3,412,987	3,456,208	2,442,004	3,451,945	4,209,278	-	-
Three Years Later	2,308,196	3,175,000	2,249,344	3,868,182	5,122,849	3,430,539	4,687,421	-	-	-
Four Years Later	2,535,035	3,101,971	2,725,790	4,527,238	5,264,818	4,231,002	-	-	-	-
Five Years Later	2,736,687	3,174,999	2,518,044	4,847,981	5,260,450	-	-	-	-	-
Six Years Later	2,579,417	3,125,851	2,488,790	4,868,290	-	-	-	-	-	-
Seven Years Later	2,572,321	3,140,667	2,981,978	-	-	-	-	-	-	-
Eight Years Later	2,591,133	3,175,000	-	-	-	-	-	-	-	-
Nine Years Later	2,614,193	-	-	-	-	-	-	-	-	-
Increase in Cumulative Incurred Claims from End of Policy Year	$ 2,056,548	$ 1,974,705	$ 2,257,614	$ 3,707,450	$ 4,215,560	$ 2,557,860	$ 3,328,739	$ 2,765,842	$ 3,029,173	$ -

SUPPLEMENTAL SCHEDULES (UNAUDITED)

PUBLIC ENTITY JOINT INSURANCE FUND

OPERATING RESULTS ANALYSIS – ALL YEARS COMBINED
Year Ended December 31, 2025 Schedule A

	COVERAGES AND OTHER ACCOUNTS						
	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	EXCESS INSURANCE POLICIES	GENERAL AND ADMINISTRATIVE	TOTALS
1. Underwriting Income:							
Regular Contributions	$ 3,751,428	$ 14,036,023	$ 2,974,006	$ 12,297,865	$ 49,627,677	$ 25,267,563	$ 107,954,562
Special Assessment	2,151,051	8,999,421	1,580,935	7,166,870	-	-	19,898,278
	5,902,480	23,035,444	4,554,942	19,464,735	49,627,677	25,267,563	127,852,840
2. Incurred Liabilities:							
Claims	10,317,080	37,094,175	8,045,573	30,791,812	-	-	86,248,640
Expenses	-	-	-	-	51,264,637	25,208,379	76,473,016
Total Liabilities	10,317,080	37,094,175	8,045,573	30,791,812	51,264,637	25,208,379	162,721,656
3. Underwriting Surplus/(Deficit)	(4,414,601)	(14,058,730)	(3,490,632)	(11,327,077)	(1,636,956)	59,184	(34,868,816)
4. Adjustments:							
Investment Income	-	-	-	-	-	651,831	651,831
Investment Activity (Realized/Unrealized)	-	-	-	-	-	41,866	41,866
Recoveries	5,801,151	12,400,049	2,288,242	10,735,302	-	-	31,224,744
Total Adjustments	5,801,151	12,400,049	2,288,242	10,735,302	-	693,697	31,918,441
5. Gross Operating Surplus/(Deficit)	1,386,550	(1,658,682)	(1,202,389)	(591,775)	(1,636,956)	752,881	(2,950,374)
6. Return of Surplus	-	-	-	-	-	-	-
7. Net Current Position/(Deficit)	$ 1,386,550	$ (1,658,682)	$ (1,202,389)	$ (591,775)	$ (1,636,956)	$ 752,881	$ (2,950,374)

PUBLIC ENTITY JOINT INSURANCE FUND

2025 FUND YEAR OPERATING RESULTS ANALYSIS
Year Ended December 31, 2025

Schedule A-1

	COVERAGES AND OTHER ACCOUNTS						
	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	EXCESS INSURANCE POLICIES	GENERAL AND ADMINISTRATIVE	TOTALS
1. Underwriting Income:							
Regular Contributions	$ 767,835	$ 2,381,169	$ 741,925	$ 1,693,307	$ 7,723,724	$ 3,781,744	$ 17,089,704
Special Assessment	212,007	657,465	204,853	467,539	-	-	1,541,864
	979,842	3,038,634	946,778	2,160,847	7,723,724	3,781,744	18,631,568
2. Incurred Liabilities:							
Claims	574,401	2,307,572	529,469	2,789,259	-	-	6,200,701
Expenses	-	-	-	-	7,723,724	3,781,744	11,505,468
Total Liabilities	574,401	2,307,572	529,469	2,789,259	7,723,724	3,781,744	17,706,169
3. Underwriting Surplus/(Deficit)	405,441	731,062	417,309	(628,412)	-	-	925,400
4. Adjustments:							
Investment Income	-	-	-	-	-	101,300	101,300
Investment Activity (Realized/Unrealized)	-	-	-	-	-	25,971	25,971
Recoveries	-	-	-	-	-	-	-
Total Adjustments	-	-	-	-	-	127,271	127,271
5. Gross Current Position/(Deficit)	405,441	731,062	417,309	(628,412)	-	127,271	1,052,671
6. Return of Surplus	-	-	-	-	-	-	-
7. Net Current Position/(Deficit)	$ 405,441	$ 731,062	$ 417,309	$ (628,412)	$ -	$ 127,271	$ 1,052,671
Current Year Claims	$ 574,401	$ 2,307,572	$ 529,469	$ 2,789,259	$ -	$ -	$ 6,200,701
Prior Year Claims	-	-	-	-	-	-	-
Change in Claims Liabilities	$ 574,401	$ 2,307,572	$ 529,469	$ 2,789,259	$ -	$ -	$ 6,200,701

PUBLIC ENTITY JOINT INSURANCE FUND

2024 FUND YEAR OPERATING RESULTS ANALYSIS
Year Ended December 31, 2025

Schedule A-2

	COVERAGES AND OTHER ACCOUNTS						
	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	EXCESS INSURANCE POLICIES	GENERAL AND ADMINISTRATIVE	TOTALS
1. Underwriting Income:							
Regular Contributions	$ 713,358	$ 1,571,331	$ 407,110	$ 1,600,601	$ 7,320,705	$ 3,042,960	$ 14,656,064
Special Assessment	370,127	815,287	211,230	830,474	-	-	2,227,117
	1,083,485	2,386,618	618,340	2,431,074	7,320,705	3,042,960	16,883,181
2. Incurred Liabilities:							
Claims	398,607	2,839,586	583,269	3,501,485	-	-	7,322,947
Expenses	-	-	-	-	7,320,705	3,042,960	10,363,665
Total Liabilities	398,607	2,839,586	583,269	3,501,485	7,320,705	3,042,960	17,686,612
3. Underwriting Surplus/(Deficit)	684,878	(452,968)	35,071	(1,070,411)	-	-	(803,431)
4. Adjustments:							
Investment Income	-	-	-	-	-	173,869	173,869
Investment Activity (Realized/Unrealized)	-	-	-	-	-	2,891	2,891
Recoveries	-	-	-	45,956	-	-	45,956
Total Adjustments	-	-	-	45,956	-	176,760	222,716
5. Gross Current Position/(Deficit)	684,878	(452,968)	35,071	(1,024,455)	-	176,760	(580,715)
6. Return of Surplus	-	-	-	-	-	-	-
7. Net Current Position/(Deficit)	$ 684,878	$ (452,968)	$ 35,071	$ (1,024,455)	$ -	$ 176,760	$ (580,715)
Current Year Claims	$ 398,607	$ 2,839,586	$ 583,269	$ 3,501,485	$ -	$ -	$ 7,322,947
Prior Year Claims	340,788	2,336,461	538,344	1,861,752	-	-	5,077,345
Change in Claims Liabilities	$ 57,819	$ 503,125	$ 44,925	$ 1,639,733	$ -	$ -	$ 2,245,602

PUBLIC ENTITY JOINT INSURANCE FUND

2023 FUND YEAR OPERATING RESULTS ANALYSIS
Year Ended December 31, 2025

Schedule A-3

	COVERAGES AND OTHER ACCOUNTS						
	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	EXCESS INSURANCE POLICIES	GENERAL AND ADMINISTRATIVE	TOTALS
1. Underwriting Income:							
Regular Contributions	$ 262,582	$ 1,656,484	$ 366,240	$ 1,458,542	$ 6,166,579	$ 2,726,075	$ 12,636,502
Special Assessment	94,548	596,449	131,872	525,176	-	-	1,348,045
	357,130	2,252,933	498,112	1,983,718	6,166,579	2,726,075	13,984,547
2. Incurred Liabilities:							
Claims	507,476	2,115,740	951,343	5,189,873	-	-	8,764,432
Expenses	-	-	-	-	6,852,184	2,700,910	9,553,094
Total Liabilities	507,476	2,115,740	951,343	5,189,873	6,852,184	2,700,910	18,317,525
3. Underwriting Surplus/(Deficit)	(150,346)	137,193	(453,231)	(3,206,154)	(685,605)	25,165	(4,332,978)
4. Adjustments:							
Investment Income	-	-	-	-	-	32,602	32,602
Investment Activity (Realized/Unrealized)	-	-	-	-	-	22,077	22,077
Recoveries	-	-	-	2,266,227	-	-	2,266,227
Total Adjustments	-	-	-	2,266,227	-	54,679	2,320,906
5. Gross Current Position/(Deficit)	(150,346)	137,193	(453,231)	(939,928)	(685,605)	79,844	(2,012,073)
6. Return of Surplus	-	-	-	-	-	-	-
7. Net Current Position/(Deficit)	$ (150,346)	$ 137,193	$ (453,231)	$ (939,928)	$ (685,605)	$ 79,844	$ (2,012,073)
Current Year Claims	$ 507,476	$ 2,115,740	$ 951,343	$ 5,189,873	$ -	$ -	$ 8,764,432
Prior Year Claims	445,509	2,647,046	493,821	5,253,976	-	-	8,840,352
Change in Claims Liabilities	$ 61,967	$ (531,306)	$ 457,522	$ (64,103)	$ -	$ -	$ (75,920)

PUBLIC ENTITY JOINT INSURANCE FUND

2022 FUND YEAR OPERATING RESULTS ANALYSIS
Year Ended December 31, 2025

Schedule A-4

	COVERAGES AND OTHER ACCOUNTS						
	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	EXCESS INSURANCE POLICIES	GENERAL AND ADMINISTRATIVE	TOTALS
1. Underwriting Income:							
Regular Contributions	$ 191,375	$ 1,110,242	$ 145,191	$ 928,287	$ 4,986,564	$ 2,344,691	$ 9,706,350
Special Assessment	282,713	1,640,128	214,486	1,371,331	-	-	3,508,659
	474,088	2,750,370	359,677	2,299,618	4,986,564	2,344,691	13,215,009
2. Incurred Liabilities:							
Claims	578,071	2,021,905	948,119	2,835,434	-	-	6,383,529
Expenses	-	-	-	-	5,751,815	2,334,752	8,086,567
Total Liabilities	578,071	2,021,905	948,119	2,835,434	5,751,815	2,334,752	14,470,096
3. Underwriting Surplus/(Deficit)	(103,983)	728,465	(588,442)	(535,816)	(765,251)	9,939	(1,255,087)
4. Adjustments:							
Investment Income	-	-	-	-	-	21,087	21,087
Investment Activity (Realized/Unrealized)	-	-	-	-	-	(1,973)	(1,973)
Recoveries	35,000	-	-	392,289	-	-	427,289
Total Adjustments	35,000	-	-	392,289	-	19,114	446,403
5. Gross Current Position/(Deficit)	(68,983)	728,465	(588,442)	(143,527)	(765,251)	29,053	(808,684)
6. Return of Surplus	-	-	-	-	-	-	-
7. Net Current Position/(Deficit)	$ (68,983)	$ 728,465	$ (588,442)	$ (143,527)	$ (765,251)	$ 29,053	$ (808,684)
Current Year Claims	$ 578,071	$ 2,021,905	$ 948,119	$ 2,835,434	$ -	$ -	$ 6,383,529
Prior Year Claims	1,340,708	2,550,920	428,501	2,357,286	-	-	6,677,415
Change in Claims Liabilities	$ (762,637)	$ (529,015)	$ 519,618	$ 478,148	$ -	$ -	$ (293,886)

See independent auditors' report.

PUBLIC ENTITY JOINT INSURANCE FUND

2021 FUND YEAR OPERATING RESULTS ANALYSIS
Year Ended December 31, 2025

Schedule A-5

	COVERAGES AND OTHER ACCOUNTS						
	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	EXCESS INSURANCE POLICIES	GENERAL AND ADMINISTRATIVE	TOTALS
1. Underwriting Income:							
Regular Contributions	$ 247,058	$ 1,168,099	$ 151,252	$ 877,097	$ 3,978,873	$ 1,974,016	$ 8,396,395
Special Assessment	262,611	1,241,632	160,773	932,311	-	-	2,597,327
	509,669	2,409,731	312,025	1,809,408	3,978,873	1,974,016	10,993,722
2. Incurred Liabilities:							
Claims	5,554,419	3,878,687	381,926	1,474,580	-	-	11,289,612
Expenses	-	-	-	-	4,165,572	2,018,730	6,184,302
Total Liabilities	5,554,419	3,878,687	381,926	1,474,580	4,165,572	2,018,730	17,473,914
3. Underwriting Surplus/(Deficit)	(5,044,751)	(1,468,956)	(69,901)	334,829	(186,699)	(44,714)	(6,480,192)
4. Adjustments:							
Investment Income	-	-	-	-	-	45,240	45,240
Investment Activity (Realized/Unrealized)	-	-	-	-	-	(13,450)	(13,450)
Recoveries	5,131,483	1,288,276	-	2,377	-	-	6,422,136
Total Adjustments	5,131,483	1,288,276	-	2,377	-	31,790	6,453,926
5. Gross Current Position/(Deficit)	86,733	(180,680)	(69,901)	337,205	(186,699)	(12,924)	(26,266)
6. Return of Surplus	-	-	-	-	-	-	-
7. Net Current Position/(Deficit)	$ 86,733	$ (180,680)	$ (69,901)	$ 337,205	$ (186,699)	$ (12,924)	$ (26,266)
Current Year Claims	$ 5,554,419	$ 3,878,687	$ 381,926	$ 1,474,580	$ -	$ -	$ 11,289,612
Prior Year Claims	5,135,865	2,748,657	324,267	1,319,439	-	-	9,528,227
Change in Claims Liabilities	$ 418,555	$ 1,130,030	$ 57,659	$ 155,141	$ -	$ -	$ 1,761,385

PUBLIC ENTITY JOINT INSURANCE FUND

2020 FUND YEAR OPERATING RESULTS ANALYSIS
Year Ended December 31, 2025

Schedule A-6

	COVERAGES AND OTHER ACCOUNTS						
	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	EXCESS INSURANCE POLICIES	GENERAL AND ADMINISTRATIVE	TOTALS
1. Underwriting Income:							
Regular Contributions	$ 212,350	$ 1,478,108	$ 167,383	$ 716,995	$ 3,415,728	$ 1,977,754	$ 7,968,318
Special Assessment	208,897	1,454,070	164,661	705,335	-	-	2,532,963
	421,247	2,932,178	332,044	1,422,330	3,415,728	1,977,754	10,501,281
2. Incurred Liabilities:							
Claims	422,770	6,082,613	1,330,812	5,517,451	-	-	13,353,646
Expenses	-	-	-	-	3,470,180	2,050,849	5,521,029
Total Liabilities	422,770	6,082,613	1,330,812	5,517,451	3,470,180	2,050,849	18,874,675
3. Underwriting Surplus/(Deficit)	(1,523)	(3,150,435)	(998,768)	(4,095,121)	(54,452)	(73,095)	(8,373,394)
4. Adjustments:							
Investment Income	-	-	-	-	-	65,857	65,857
Investment Activity (Realized/Unrealized)	-	-	-	-	-	(12,551)	(12,551)
Recoveries	69,250	3,097,767	602,719	4,308,714	-	-	8,078,450
Total Adjustments	69,250	3,097,767	602,719	4,308,714	-	53,306	8,131,756
5. Gross Current Position/(Deficit)	67,726	(52,667)	(396,049)	213,593	(54,452)	(19,789)	(241,638)
6. Return of Surplus	-	-	-	-	-	-	-
7. Net Current Position/(Deficit)	$ 67,726	$ (52,667)	$ (396,049)	$ 213,593	$ (54,452)	$ (19,789)	$ (241,638)
Current Year Claims	$ 422,770	$ 6,082,613	$ 1,330,812	$ 5,517,451	$ -	$ -	$ 13,353,646
Prior Year Claims	358,347	6,230,746	1,312,250	5,376,726	-	-	13,278,069
Change in Claims Liabilities	$ 64,423	$ (148,133)	$ 18,562	$ 140,724	$ -	$ -	$ 75,577

PUBLIC ENTITY JOINT INSURANCE FUND

2019 FUND YEAR OPERATING RESULTS ANALYSIS
Year Ended December 31, 2025

Schedule A-7

	COVERAGES AND OTHER ACCOUNTS						
	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	EXCESS INSURANCE POLICIES	GENERAL AND ADMINISTRATIVE	TOTALS
1. Underwriting Income:							
Regular Contributions	$ 229,224	$ 897,639	$ 156,053	$ 582,834	$ 3,641,802	$ 1,803,014	$ 7,310,566
Special Assessment	366,480	1,435,131	249,495	931,826	-	-	2,982,931
	595,704	2,332,770	405,548	1,514,660	3,641,802	1,803,014	10,293,497
2. Incurred Liabilities:							
Claims	368,959	3,159,129	1,607,690	2,213,888	-	-	7,349,666
Expenses	-	-	-	-	3,447,031	1,873,145	5,320,176
Total Liabilities	368,959	3,159,129	1,607,690	2,213,888	3,447,031	1,873,145	12,669,842
3. Underwriting Surplus/(Deficit)	226,745	(826,359)	(1,202,142)	(699,229)	194,771	(70,131)	(2,376,345)
4. Adjustments:							
Investment Income	-	-	-	-	-	52,920	52,920
Investment Activity (Realized/Unrealized)	-	-	-	-	-	4,080	4,080
Recoveries	-	557,094	733,340	896,749	-	-	2,187,183
Total Adjustments	-	557,094	733,340	896,749	-	57,000	2,244,183
5. Gross Current Position/(Deficit)	226,745	(269,265)	(468,802)	197,521	194,771	(13,131)	(132,162)
6. Return of Surplus	-	-	-	-	-	-	-
7. Net Current Position/(Deficit)	$ 226,745	$ (269,265)	$ (468,802)	$ 197,521	$ 194,771	$ (13,131)	$ (132,162)
Current Year Claims	$ 368,959	$ 3,159,129	$ 1,607,690	$ 2,213,888	$ -	$ -	$ 7,349,666
Prior Year Claims	359,932	2,922,027	1,622,667	2,112,608	-	-	7,017,234
Change in Claims Liabilities	$ 9,027	$ 237,101	$ (14,977)	$ 101,281	$ -	$ -	$ 332,432

PUBLIC ENTITY JOINT INSURANCE FUND

2018 FUND YEAR OPERATING RESULTS ANALYSIS
Year Ended December 31, 2025

Schedule A-8

	COVERAGES AND OTHER ACCOUNTS						
	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	EXCESS INSURANCE POLICIES	GENERAL AND ADMINISTRATIVE	TOTALS
1. Underwriting Income:							
Regular Contributions	$ 295,049	$ 903,354	$ 177,777	$ 794,517	$ 3,108,490	$ 1,753,333	$ 7,032,520
Special Assessments	86,323	264,297	52,013	232,454	-	-	635,087
	381,372	1,167,651	229,790	1,026,971	3,108,490	1,753,333	7,667,607
2. Incurred Liabilities:							
Claims	394,066	3,209,200	545,550	474,087	-	-	4,622,904
Expenses	-	-	-	-	3,153,664	1,707,610	4,861,274
Total Liabilities	394,066	3,209,200	545,550	474,087	3,153,664	1,707,610	9,484,178
3. Underwriting Surplus/(Deficit)	(12,694)	(2,041,549)	(315,761)	552,884	(45,174)	45,723	(1,816,571)
4. Adjustments:							
Investment Income	-	-	-	-	-	61,396	61,396
Investment Activity (Realized/Unrealized)	-	-	-	-	-	11,967	11,967
Recoveries	1,209	1,294,066	223,040	-	-	-	1,518,316
Total Adjustments	1,209	1,294,066	223,040	-	-	73,363	1,591,679
5. Gross Current Position/(Deficit)	(11,485)	(747,483)	(92,720)	552,884	(45,174)	119,086	(224,892)
6. Return of Surplus	-	-	-	-	-	-	-
7. Net Current Position/(Deficit)	$ (11,485)	$ (747,483)	$ (92,720)	$ 552,884	$ (45,174)	$ 119,086	$ (224,892)
Current Year Claims	$ 394,066	$ 3,209,200	$ 545,550	$ 474,087	$ -	$ -	$ 4,622,904
Prior Year Claims	398,748	2,940,706	543,692	428,252	-	-	4,311,399
Change in Claims Liabilities	$ (4,682)	$ 268,494	$ 1,858	$ 45,835	$ -	$ -	$ 311,505

See independent auditors' report.

PUBLIC ENTITY JOINT INSURANCE FUND

2017 FUND YEAR OPERATING RESULTS ANALYSIS
Year Ended December 31, 2025

Schedule A-9

	COVERAGES AND OTHER ACCOUNTS						
	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	EXCESS INSURANCE POLICIES	GENERAL AND ADMINISTRATIVE	TOTALS
1. Underwriting Income:							
Regular Contributions	$ 294,925	$ 1,011,479	$ 199,017	$ 947,425	$ 2,741,212	$ 1,739,083	$ 6,933,141
Special Assessments	78,969	270,835	53,289	253,684	-	-	656,777
	373,894	1,282,314	252,306	1,201,109	2,741,212	1,739,083	7,589,918
2. Incurred Liabilities:							
Claims	549,103	2,690,998	163,797	1,852,518	-	-	5,256,416
Expenses	-	-	-	-	2,797,380	1,686,817	4,484,197
Total Liabilities	549,103	2,690,998	163,797	1,852,518	2,797,380	1,686,817	9,740,613
3. Underwriting Surplus/(Deficit)	(175,209)	(1,408,684)	88,509	(651,409)	(56,168)	52,266	(2,150,695)
4. Adjustments:							
Investment Income	-	-	-	-	-	26,891	26,891
Investment Activity (Realized/Unrealized)	-	-	-	-	-	8,048	8,048
Recoveries	207,791	1,369,503	22,838	481,284	-	-	2,081,416
Total Adjustments	207,791	1,369,503	22,838	481,284	-	34,939	2,116,355
5. Gross Current Position/(Deficit)	32,582	(39,181)	111,347	(170,125)	(56,168)	87,205	(34,340)
6. Return of Surplus	-	-	-	-	-	-	-
7. Net Current Position/(Deficit)	$ 32,582	$ (39,181)	$ 111,347	$ (170,125)	$ (56,168)	$ 87,205	$ (34,340)
Current Year Claims	$ 549,103	$ 2,690,998	$ 163,797	$ 1,852,518	$ -	$ -	$ 5,256,416
Prior Year Claims	591,202	2,334,776	163,797	1,817,561	-	-	4,907,336
Change in Claims Liabilities	$ (42,099)	$ 356,222	$ -	$ 34,957	$ -	$ -	$ 349,080

PUBLIC ENTITY JOINT INSURANCE FUND

2016 FUND YEAR OPERATING RESULTS ANALYSIS
Year Ended December 31, 2025

Schedule A-10

	COVERAGES AND OTHER ACCOUNTS						
	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	EXCESS INSURANCE POLICIES	GENERAL AND ADMINISTRATIVE	TOTALS
1. Underwriting Income:							
Regular Contributions	$ 256,782	$ 779,037	$ 156,874	$ 976,075	$ 2,588,499	$ 1,590,699	$ 6,347,966
Special Assessment	67,041	203,393	40,957	254,836	-	-	566,227
	323,823	982,430	197,831	1,230,911	2,588,499	1,590,699	6,914,193
2. Incurred Liabilities:							
Claims	558,948	4,240,046	850,915	907,696	-	-	6,557,605
Expenses	-	-	-	-	2,618,761	1,536,294	4,155,055
Total Liabilities	558,948	4,240,046	850,915	907,696	2,618,761	1,536,294	10,712,660
3. Underwriting Surplus/(Deficit)	(235,125)	(3,257,616)	(653,084)	323,215	(30,262)	54,405	(3,798,467)
4. Adjustments:							
Investment Income	-	-	-	-	-	35,540	35,540
Investment Activity (Realized/Unrealized)	-	-	-	-	-	4,217	4,217
Recoveries	299,021	2,729,459	695,009	122,059	-	-	3,845,548
Total Adjustments	299,021	2,729,459	695,009	122,059	-	39,757	3,885,305
5. Gross Current Position/(Deficit)	63,896	(528,157)	41,925	445,274	(30,262)	94,162	86,838
6. Return of Surplus	-	-	-	-	-	-	-
7. Net Current Position/(Deficit)	$ 63,896	$ (528,157)	$ 41,925	$ 445,274	$ (30,262)	$ 94,162	$ 86,838
Current Year Claims	$ 558,948	$ 4,240,046	$ 850,915	$ 907,696	$ -	$ -	$ 6,557,605
Prior Year Claims	616,409	4,217,184	700,915	901,781	-	-	6,436,289
Change in Claims Liabilities	$ (57,461)	$ 22,862	$ 150,000	$ 5,915	$ -	$ -	$ 121,316

PUBLIC ENTITY JOINT INSURANCE FUND

2015 FUND YEAR OPERATING RESULTS ANALYSIS
Year Ended December 31, 2025

Schedule A-11

	COVERAGES AND OTHER ACCOUNTS						
	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	EXCESS INSURANCE POLICIES	GENERAL AND ADMINISTRATIVE	TOTALS
1. Underwriting Income:							
Regular Contributions	$ 206,733	$ 651,492	$ 116,103	$ 1,009,664	$ 2,398,231	$ 1,481,904	$ 5,864,127
Special Assessment	106,672	336,162	59,908	520,974	-	-	1,023,716
	313,405	987,654	176,011	1,530,638	2,398,231	1,481,904	6,887,843
2. Incurred Liabilities:							
Claims	271,510	3,119,160	53,846	3,907,707	-	-	7,352,223
Expenses	-	-	-	-	2,424,689	1,469,005	3,893,694
Total Liabilities	271,510	3,119,160	53,846	3,907,707	2,424,689	1,469,005	11,245,917
3. Underwriting Surplus/(Deficit)	41,895	(2,131,506)	122,165	(2,377,068)	(26,458)	12,899	(4,358,074)
4. Adjustments:							
Investment Income	-	-	-	-	-	15,913	15,913
Investment Activity (Realized/Unrealized)	-	-	-	-	-	(5,031)	(5,031)
Recoveries	57,397	2,063,883	11,295	2,219,648	-	-	4,352,223
Total Adjustments	57,397	2,063,883	11,295	2,219,648	-	10,882	4,363,105
5. Gross Current Position/(Deficit)	99,292	(67,624)	133,460	(157,421)	(26,458)	23,781	5,031
6. Return of Surplus	-	-	-	-	-	-	-
7. Net Current Position/(Deficit)	$ 99,292	$ (67,624)	$ 133,460	$ (157,421)	$ (26,458)	$ 23,781	$ 5,031
Current Year Claims	$ 271,510	$ 3,119,160	$ 53,846	$ 3,907,707	$ -	$ -	$ 7,352,223
Prior Year Claims	356,144	2,997,871	53,846	3,794,173	-	-	7,202,034
Net Change in Claims Liabilities	$ (84,634)	$ 121,289	$ -	$ 113,534	$ -	$ -	$ 150,189

See independent auditors' report.

PUBLIC ENTITY JOINT INSURANCE FUND

2014 FUND YEAR OPERATING RESULTS ANALYSIS
Year Ended December 31, 2025

Schedule A-12

	COVERAGES AND OTHER ACCOUNTS						
	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	EXCESS INSURANCE POLICIES	GENERAL AND ADMINISTRATIVE	TOTALS
1. Underwriting Income:							
Regular Contributions	$ 74,158	$ 427,589	$ 189,081	$ 712,521	$ 1,557,270	$ 1,052,290	$ 4,012,909
Special Assessment	14,668	84,573	37,398	140,929	-	-	277,568
	88,826	512,162	226,479	853,450	1,557,270	1,052,290	4,290,477
2. Incurred Liabilities:							
Claims	138,750	1,429,538	98,836	127,835	-	-	1,794,959
Expenses	-	-	-	-	1,538,932	1,005,562	2,544,494
Total Liabilities	138,750	1,429,538	98,836	127,835	1,538,932	1,005,562	4,339,453
3. Underwriting Surplus/(Deficit)	(49,924)	(917,376)	127,643	725,615	18,338	46,728	(48,976)
4. Adjustments:							
Investment Income	-	-	-	-	-	19,216	19,216
Investment Activity (Realized/Unrealized)	-	-	-	-	-	(4,380)	(4,380)
Recoveries	-	-	-	-	-	-	-
Total Adjustments	-	-	-	-	-	14,836	14,836
5. Gross Current Position/(Deficit)	(49,924)	(917,376)	127,643	725,615	18,338	61,564	(34,140)
6. Return of Surplus	-	-	-	-	-	-	-
7. Net Current Position/(Deficit)	$ (49,924)	$ (917,376)	$ 127,643	$ 725,615	$ 18,338	$ 61,564	$ (34,140)
Current Year Claims	$ 138,750	$ 1,429,538	$ 98,836	$ 127,835	$ -	$ -	$ 1,794,959
Prior Year Claims	132,458	1,337,917	98,836	122,277	-	-	1,691,488
Change in Claims Liabilities	$ 6,292	$ 91,621	$ -	$ 5,558	$ -	$ -	$ 103,471

PUBLIC ENTITY JOINT INSURANCE FUND

FUND YEAR CLAIMS ANALYSIS – ALL YEARS COMBINED
Year Ended December 31, 2025

Schedule B

	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	TOTALS
Claims Incurred	$ 9,912,292	$ 26,434,473	$ 4,959,501	$ 20,242,108	$ 61,548,374
Case Reserves	279,828	4,388,179	1,229,806	6,049,998	11,947,813
IBNR Reserves	124,960	6,271,523	1,856,266	4,499,706	12,752,455
Subtotal	10,317,080	37,094,175	8,045,573	30,791,812	86,248,640
Less:					
Recoveries	5,801,151	12,400,049	2,288,242	10,735,302	31,224,744
Subtotal	5,801,151	12,400,049	2,288,242	10,735,302	31,224,744
Claims Expense (Net)	$ 4,515,930	$ 24,694,126	$ 5,757,331	$ 20,056,510	$ 55,023,896

PUBLIC ENTITY JOINT INSURANCE FUND

2025 FUND YEAR CLAIMS ANALYSIS
Year Ended December 31, 2025

Schedule B-1

	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	TOTALS
Claims Incurred	$ 389,433	$ 2,889	$ 3,260	$ 202,951	$ 598,533
Case Reserves	73,100	183,531	-	553,936	810,567
IBNR Reserves	111,868	2,121,151	526,209	2,032,372	4,791,600
Subtotal	574,401	2,307,571	529,469	2,789,259	6,200,700
Less:					
Recoveries	-	-	-	-	-
Subtotal	-	-	-	-	-
Claims Expense (Net)	$ 574,401	$ 2,307,571	$ 529,469	$ 2,789,259	$ 6,200,700

PUBLIC ENTITY JOINT INSURANCE FUND

2024 FUND YEAR CLAIMS ANALYSIS
Year Ended December 31, 2025

Schedule B-2

	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	TOTALS
Claims Incurred	$ 329,514	$ 194,605	$ 11,112	$ 723,030	$ 1,258,261
Case Reserves	52,009	859,478	-	1,964,533	2,876,020
IBNR Reserves	17,084	1,785,503	572,157	813,922	3,188,666
Subtotal	398,607	2,839,586	583,269	3,501,485	7,322,947
Less:					
Recoveries	-	-	-	45,956	45,956
Subtotal	-	-	-	45,956	45,956
Claims Expense (Net)	$ 398,607	$ 2,839,586	$ 583,269	$ 3,455,529	$ 7,276,991

PUBLIC ENTITY JOINT INSURANCE FUND

2023 FUND YEAR CLAIMS ANALYSIS
Year Ended December 31, 2025

Schedule B-3

	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	TOTALS
Claims Incurred	$ 482,648	$ 332,276	$ 22,579	$ 3,572,490	$ 4,409,993
Case Reserves	33,452	414,434	489,453	1,128,173	2,065,512
IBNR Reserves	(8,624)	1,369,031	439,311	489,210	2,288,928
Subtotal	507,476	2,115,741	951,343	5,189,873	8,764,433
Less:					
Recoveries	-	-	-	2,266,227	2,266,227
Subtotal	-	-	-	2,266,227	2,266,227
Claims Expense (Net)	$ 507,476	$ 2,115,741	$ 951,343	$ 2,923,646	$ 6,498,206

See independent auditors' report.

PUBLIC ENTITY JOINT INSURANCE FUND

2022 FUND YEAR CLAIMS ANALYSIS
Year Ended December 31, 2025

Schedule B-4

	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	TOTALS
Claims Incurred	$ 504,055	$ 641,817	$ 95,985	$ 1,114,345	$ 2,356,202
Case Reserves	72,117	933,585	606,282	1,146,524	2,758,508
IBNR Reserves	1,899	446,502	245,852	574,565	1,268,818
Subtotal	578,071	2,021,904	948,119	2,835,434	6,383,528
Less:					
Recoveries	35,000	-	-	392,289	427,289
Subtotal	35,000	-	-	392,289	427,289
Claims Expense (Net)	$ 543,071	$ 2,021,904	$ 948,119	$ 2,443,145	$ 5,956,239

PUBLIC ENTITY JOINT INSURANCE FUND

2021 FUND YEAR CLAIMS ANALYSIS
Year Ended December 31, 2025

Schedule B-5

	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	TOTALS
Claims Incurred	$ 5,503,837	$ 2,522,399	$ 192,752	$ 566,286	$ 8,785,274
Case Reserves	49,150	1,103,696	130,692	584,326	1,867,864
IBNR Reserves	1,432	252,592	58,482	323,968	636,474
Subtotal	5,554,419	3,878,687	381,926	1,474,580	11,289,612
Less:					
Recoveries	5,131,483	1,288,276	-	2,377	6,422,136
Subtotal	5,131,483	1,288,276	-	2,377	6,422,136
Claims Expense (Net)	$ 422,936	$ 2,590,411	$ 381,926	$ 1,472,203	$ 4,867,476

See independent auditors' report.

PUBLIC ENTITY JOINT INSURANCE FUND

2020 FUND YEAR CLAIMS ANALYSIS
Year Ended December 31, 2025

Schedule B-6

	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	TOTALS
Claims Incurred	$ 422,770	$ 5,715,192	$ 1,327,433	$ 5,132,230	$ 12,597,626
Case Reserves	-	352,675	3,379	385,220	741,274
IBNR Reserves	-	14,746	-	-	14,746
Subtotal	422,770	6,082,613	1,330,812	5,517,451	13,353,646
Less:					
Recoveries	69,250	3,097,767	602,719	4,308,714	8,078,450
Subtotal	69,250	3,097,767	602,719	4,308,714	8,078,450
Claims Expense (Net)	$ 353,520	$ 2,984,846	$ 728,093	$ 1,208,737	$ 5,275,196

See independent auditors’ report.

PUBLIC ENTITY JOINT INSURANCE FUND

2019 FUND YEAR CLAIMS ANALYSIS
Year Ended December 31, 2025

Schedule B-7

	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	TOTALS
Claims Incurred	$ 368,387	$ 2,611,894	$ 1,595,293	$ 1,908,474	$ 6,484,048
Case Reserves	-	387,542	-	183,883	571,425
IBNR Reserves	572	159,695	12,397	121,531	294,195
Subtotal	368,959	3,159,131	1,607,690	2,213,888	7,349,668
Less:					
Recoveries	-	557,094	733,340	896,749	2,187,183
Subtotal	-	557,094	733,340	896,749	2,187,183
Claims Expense (Net)	$ 368,959	$ 2,602,037	$ 874,350	$ 1,317,139	$ 5,162,485

PUBLIC ENTITY JOINT INSURANCE FUND

2018 FUND YEAR CLAIMS ANALYSIS
Year Ended December 31, 2025

Schedule B-8

	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	TOTALS
Claims Incurred	$ 393,337	$ 3,015,795	$ 543,692	$ 300,045	$ 4,252,870
Case Reserves	-	152,676	-	94,748	247,424
IBNR Reserves	729	40,730	1,858	79,294	122,611
Subtotal	394,066	3,209,201	545,550	474,087	4,622,905
Less:					
Recoveries	1,209	1,294,066	223,040	-	1,518,316
Subtotal	1,209	1,294,066	223,040	-	1,518,316
Claims Expense (Net)	$ 392,857	$ 1,915,135	$ 322,510	$ 474,087	$ 3,104,589

See independent auditors' report.

PUBLIC ENTITY JOINT INSURANCE FUND

2017 FUND YEAR CLAIMS ANALYSIS
Year Ended December 31, 2025

Schedule B-9

	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	TOTALS
Claims Incurred	$ 549,103	$ 2,690,998	$ 163,797	$ 1,852,518	$ 5,256,416
Case Reserves	-	-	-	-	-
IBNR Reserves	-	-	-	-	-
Subtotal	549,103	2,690,998	163,797	1,852,518	5,256,416
Less:					
Recoveries	207,791	1,369,503	22,838	481,284	2,081,416
Subtotal	207,791	1,369,503	22,838	481,284	2,081,416
Claims Expense (Net)	$ 341,313	$ 1,321,495	$ 140,959	$ 1,371,234	$ 3,175,000

See independent auditors’ report.

PUBLIC ENTITY JOINT INSURANCE FUND

2016 FUND YEAR CLAIMS ANALYSIS
Year Ended December 31, 2025

Schedule B-10

	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	TOTALS
Claims Incurred	$ 558,948	$ 4,187,704	$ 850,915	$ 855,182	$ 6,452,749
Case Reserves	-	336	-	6,656	6,992
IBNR Reserves	-	52,005	-	45,858	97,863
Subtotal	558,948	4,240,045	850,915	907,696	6,557,604
Less:					
Recoveries	299,021	2,729,459	695,009	122,059	3,845,548
Subtotal	299,021	2,729,459	695,009	122,059	3,845,548
Claims Expense (Net)	$ 259,927	$ 1,510,586	$ 155,906	$ 785,637	$ 2,712,056

PUBLIC ENTITY JOINT INSURANCE FUND

2015 FUND YEAR CLAIMS ANALYSIS
Year Ended December 31, 2025

Schedule B-11

	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	TOTALS
Claims Incurred	$ 271,510	$ 3,119,160	$ 53,846	$ 3,907,707	$ 7,352,223
Case Reserves	-	-	-	-	-
IBNR Reserves	-	-	-	-	-
Subtotal	271,510	3,119,160	53,846	3,907,707	7,352,223
Less:					
Recoveries	57,397	2,063,883	11,295	2,219,648	4,352,223
Subtotal	57,397	2,063,883	11,295	2,219,648	4,352,223
Claims Expense (Net)	$ 214,113	$ 1,055,278	$ 42,551	$ 1,688,059	$ 3,000,000

See independent auditors' report.

PUBLIC ENTITY JOINT INSURANCE FUND

2014 FUND YEAR CLAIMS ANALYSIS
Year Ended December 31, 2025

Schedule B-12

	PROPERTY	GENERAL LIABILITY	AUTOMOTIVE	WORKERS' COMPENSATION	TOTALS
Claims Incurred	$ 138,750	$ 1,399,743	$ 98,836	$ 106,850	$ 1,744,179
Case Reserves	-	226	-	1,999	2,225
IBNR Reserves	-	29,568	-	18,986	48,554
Subtotal	138,750	1,429,537	98,836	127,835	1,794,958
Less:					
Recoveries	-	-	-	-	-
Subtotal	-	-	-	-	-
Claims Expense (Net)	$ 138,750	$ 1,429,537	$ 98,836	$ 127,835	$ 1,794,958

See independent auditors’ report.

PUBLIC ENTITY JOINT INSURANCE FUND

2025 FUND YEAR EXPENSE ANALYSIS – REPORT YEAR 2025
Year Ended December 31, 2025 — Schedule C

Excess Insurance:	
Excess Insurance Premiums	$ 7,723,724
Subtotal Excess Insurance	7,723,724
Administrative Expenses:	
Legal	3,117
Treasurer	5,500
Other:	
Auditor	20,500
Administrative Consultant	855,532
Safety Director	130,050
Underwriting Manager	236,752
Non-Contract Professional Services	477,702
Claims Administration	1,012,319
Actuary	67,400
Risk Management	972,872
Subtotal Administrative Expenses	3,781,744
Total Expenses	$ 11,505,468

PUBLIC ENTITY JOINT INSURANCE FUND

2024 FUND YEAR EXPENSE ANALYSIS – REPORT YEAR 2024
Year Ended December 31, 2025 Schedule C-1

Excess Insurance:	
Excess Insurance Premiums	$ 7,320,705
Subtotal Excess Insurance	7,320,705
Administrative Expenses:	
Legal	3,928
Treasurer	6,000
Other:	
Auditor	20,000
Administrative Consultant	733,508
Safety Director	125,000
Underwriting Manager	203,012
Non-Contract Professional Services	176,453
Claims Administration	884,870
Actuary	39,000
Risk Management	851,189
Subtotal Administrative Expenses	3,042,960
Total Expenses	$ 10,363,665

PUBLIC ENTITY JOINT INSURANCE FUND

2023 FUND YEAR EXPENSE ANALYSIS – REPORT YEAR 2023
Year Ended December 31, 2025 Schedule C-2

Excess Insurance:	
Excess Insurance Premiums	$ 6,852,184
Subtotal Excess Insurance	6,852,184
Administrative Expenses:	
Legal	3,975
Treasurer	6,000
Other:	
Auditor	19,000
Administrative Consultant	728,351
Safety Director	83,749
Underwriting Manager	207,885
Non-Contract Professional Services	42,144
Claims Administration	727,579
Actuary	36,500
Risk Management	845,727
Subtotal Administrative Expenses	2,700,910
Total Expenses	$ 9,553,094

Excess Insurance:	
Excess Insurance Premiums	$ 5,751,815
Subtotal Excess Insurance	5,751,815
Administrative Expenses:	
Legal	10,355
Treasurer	6,000
Other:	
Auditor	19,000
Administrative Consultant	543,925
Safety Director	45,366
Underwriting Manager	187,571
Non-Contract Professional Services	20,860
Claims Administration	615,298
Actuary	54,275
Risk Management	832,101
Subtotal Administrative Expenses	2,334,752
Total Expenses	$ 8,086,567

Excess Insurance:	
Excess Insurance Premiums	$ 4,165,572
Subtotal Excess Insurance	4,165,572
Administrative Expenses:	
Legal	6,705
Treasurer	6,000
Other:	
Auditor	16,670
Administrative Consultant	441,442
Safety Director	54,508
Underwriting Manager	156,638
Non-Contract Professional Services	22,814
Claims Administration	556,962
Actuary	26,400
Risk Management	730,590
Subtotal Administrative Expenses	2,018,730
Total Expenses	$ 6,184,302

PUBLIC ENTITY JOINT INSURANCE FUND

2020 FUND YEAR EXPENSE ANALYSIS – REPORT YEAR 2020
Year Ended December 31, 2025 — Schedule C-5

Excess Insurance:	
Excess Insurance Premiums	$ 3,470,180
Subtotal Excess Insurance	3,470,180
Administrative Expenses:	
Legal	12,712
Treasurer	6,000
Other:	
Auditor	16,670
Administrative Consultant	441,896
Safety Director	53,091
Underwriting Manager	153,567
Non-Contract Professional Services	43,001
Claims Administration	539,380
Actuary	8,800
Risk Management	775,732
Subtotal Administrative Expenses	2,050,849
Total Expenses	$ 5,521,029

PUBLIC ENTITY JOINT INSURANCE FUND

2019 FUND YEAR EXPENSE ANALYSIS – REPORT YEAR 2019
Year Ended December 31, 2025 — Schedule C-6

Excess Insurance:	
Excess Insurance Premiums	$ 3,447,031
Subtotal Excess Insurance	3,447,031
Administrative Expenses:	
Legal	17,293
Treasurer	6,000
Other:	
Auditor	17,000
Administrative Consultant	405,422
Safety Director	53,563
Underwriting Manager	140,892
Non-Contract Professional Services	39,428
Claims Administration	505,164
Actuary	22,800
Risk Management	665,584
Subtotal Administrative Expenses	1,873,146
Total Expenses	$ 5,320,177

Excess Insurance:	
Excess Insurance Premiums	$ 3,153,664
Subtotal Excess Insurance	3,153,664
Administrative Expenses:	
Legal	10,956
Treasurer	6,000
Other:	
Auditor	17,000
Administrative Consultant	383,170
Safety Director	39,785
Underwriting Manager	133,159
Non-Contract Professional Services	34,421
Claims Administration	420,958
Actuary	18,600
Risk Management	643,561
Subtotal Administrative Expenses	1,707,610
Total Expenses	$ 4,861,274

PUBLIC ENTITY JOINT INSURANCE FUND

2017 FUND YEAR EXPENSE ANALYSIS – REPORT YEAR 2017
Year Ended December 31, 2025 Schedule C-8

Excess Insurance:	
Excess Insurance Premiums	$ 2,797,380
Subtotal Excess Insurance	2,797,380
Administrative Expenses:	
Legal	10,524
Treasurer	6,000
Other:	
Auditor	17,000
Administrative Consultant	375,812
Safety Director	31,386
Underwriting Manager	130,601
Non-Contract Professional Services	26,975
Claims Administration	414,054
Actuary	30,000
Risk Management	644,465
Subtotal Administrative Expenses	1,686,817
Total Expenses	$ 4,484,197

PUBLIC ENTITY JOINT INSURANCE FUND

2016 FUND YEAR EXPENSE ANALYSIS – REPORT YEAR 2016
Year Ended December 31, 2025 Schedule C-9

Excess Insurance:	
Excess Insurance Premiums	$ 2,618,761
Subtotal Excess Insurance	2,618,761
Administrative Expenses:	
Legal	5,301
Treasurer	5,000
Other:	
Auditor	17,442
Administrative Consultant	343,797
Safety Director	18,991
Underwriting Manager	119,475
Non-Contract Professional Services	29,694
Claims Administration	342,813
Actuary	23,000
Risk Management	630,781
Subtotal Administrative Expenses	1,536,294
Total Expenses	$ 4,155,055

PUBLIC ENTITY JOINT INSURANCE FUND

2015 FUND YEAR EXPENSE ANALYSIS – REPORT YEAR 2015
Year Ended December 31, 2025 Schedule C-10

Excess Insurance:	
Excess Insurance Premiums	$ 2,424,689
Subtotal Excess Insurance	2,424,689
Administrative Expenses:	
Legal	5,394
Treasurer	5,000
Other:	
Auditor	17,442
Administrative Consultant	321,490
Safety Director	148,415
Underwriting Manager	111,723
Non-Contract Professional Services	27,997
Claims Administration	367,523
Actuary	25,750
Risk Management	438,271
Subtotal Administrative Expenses	1,469,005
Total Expenses	$ 3,893,694

2014 FUND YEAR EXPENSE ANALYSIS – REPORT YEAR 2014
Year Ended December 31, 2025 Schedule C-11

Excess Insurance:	
Excess Insurance Premiums	$ 1,538,932
Subtotal Excess Insurance	1,538,932
Administrative Expenses:	
Legal	10,277
Treasurer	5,000
Other:	
Auditor	16,000
Administrative Consultant	224,484
Safety Director	13,484
Underwriting Manager	78,430
Non-Contract Professional Services	11,136
Claims Administration	324,395
Actuary	34,000
Risk Management	288,356
Subtotal Administrative Expenses	1,005,562
Total Expenses	$ 2,544,494

PUBLIC ENTITY JOINT INSURANCE FUND

CUMULATIVE OPERATING RESULTS ANALYSIS
Year Ended December 31, 2025 | Schedule D

Underwriting Income:	
Regular Contributions	$ 107,954,562
Special Assessments	19,898,278
Total Revenues	127,852,840
Expenses:	
Claims:	
Incurred, Net of Recoveries	30,323,627
Case Reserves	11,947,813
IBNR Reserves	12,752,455
Claims - Net of Recoveries	55,023,895
Excess Insurance Premiums	51,264,637
Administrative	25,208,379
Total Expenses	76,473,016
Operating Gain (Loss)	(3,644,071)
Non-Operating Income:	
Investment Income	651,831
Realized/Unrealized Loss	41,866
Total Non-Operating Income	693,697
Net Income	(2,950,374)
Cumulative Net Position - December 31, 2025	$ (2,950,374)

PUBLIC ENTITY JOINT INSURANCE FUND

PROGRAM SUMMARY – FUND YEAR 2025
Year Ended December 31, 2025 Schedule E

	Property	Liability	Automobile	Workers' Compensation	Employment Practices Liability
Limits	$ 250,000,000	$ 15,750,000 per occurrence	$ 15,750,000 per occurrence	Statutory	$ 15,750,000 per occurrence
Fund Retention					
Specific Aggregate:					
Property	$ 250,000	$ 750,000	$ 750,000	$ 1,000,000	$ 750,000
Auto Property	250,000				
All Lines of Business					
Stop Loss Aggregate	N/A				
Number of Participants	8	8	8	8	8

Excess Coverage	Insurer	Fund Retention	Limit
Property	Alliant Property Insurance Program	as noted above	$250,000,000
Auto Phys. Damage	Alliant Property Insurance Program	as noted above	As per Policy Limit
Casualty	Safety National Casualty Co.,		
- General Liability	Berkley Public Entity,	as noted above	$15,750,000
- Auto Liability	and Great American Insurance Group		$15,750,000
- Public Officials Liab.			$15,750,000
- Employment Prac.			$15,750,000
- Law Enforce. Liab.			$15,750,000
- Employee Ben. Liab.			$15,750,000
Boiler & Machinery	Alliant Property Insurance Program	The minimum fund retention is $250,000 inclusive of Member deductible / SIR	$250,000,000
Crime & Bonds	Fidelity & Deposit Co. of Maryland	$10,000	$1,000,000
XS Work Comp.	Safety National Casualty Co. and Allied World Assurance Company	$1,000,000	Statutory
XS Employers Liability	Safety National Casualty Co. and Allied World Assurance Company	$1,000,000	$15,000,000
Disaster Management Services	Lloyd's of London (Brit Syndicate 2987)	$0	$20,000,000
Cyber Liability	Alliant Property Insurance Program (Beazley) and XL Insurance Company	$50,000-$75,000	$6,000,000
Unmanned Aircraft (drones)	Global Aerospace, Inc.	$0	per schedule on file
Non-Owned Aircraft Liability	Global Aerospace, Inc.	$0	$5,000,000
Site Pollution Liability	Allied World Assurance Company	$0	$3,000,000
Hull & Machinery	Atlantic Specialty Insurance Co.	$0	per schedule on file

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Chairperson
and Board of Fund Commissioners of the
Public Entity Joint Insurance Fund
Woodbridge, New Jersey 07095

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements as prescribed by the State of New Jersey, Department of Community Affairs ("DCA"), and Department of Banking and Insurance ("DOBI"), the financial statements of the Public Entity Joint Insurance Fund (the "Fund"), as of and for the year ended December 31, 2025, and the related notes to financial statements, which comprise the Fund's basic financial statements, as listed in the table of contents, and have issued our report thereon dated, June 17, 2026. The opinion on the Fund's financial statements was qualified as permitted by the DCA and DOBI, as audit procedures were not extended to the underlying actuarial assumptions for Incurred But Not Reported (IBNR) reserve amounts, as these assumptions are prepared by the Fund's actuary.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Fund's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Fund's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (CONTINUED)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mercadien, P.C.
Certified Public Accountants

June 17, 2026

SCHEDULE OF CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None reported.

PUBLIC ENTITY JOINT INSURANCE FUND

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

None reported.