

RESOLUTION NO. 01-25

PUBLIC ENTITY JOINT INSURANCE FUND

(Hereinafter referred to as the "Fund")

**CERTIFYING THE ELECTION OF
CHAIRPERSON AND SECRETARY**

BE IT RESOLVED, by the Governing Body of the Fund that the following persons have been elected as Chairperson and Secretary:

Chairperson – _____

Secretary – _____

BE IT FURTHER RESOLVED that the Chairperson and Secretary shall serve for the year 2025 and until their successors shall be elected and qualified.

ADOPTED:

This day before the Governing Body,

_____	January 28, 2025
Chairman	Date

_____	January 28, 2025
Secretary	Date

RESOLUTION NO. 02-25

PUBLIC ENTITY JOINT INSURANCE FUND
(Hereinafter referred to as the "Fund")

**CERTIFYING THE ELECTION OF
EXECUTIVE COMMITTEE**

BE IT RESOLVED, by the Governing Body of the Fund that the following persons have been elected to the Fund Executive Committee:

Chairperson – Rick Fernandez - City of Passaic

Secretary – Maria Rivera – City of Perth Amboy

Member – Adrienne McCall – City of East Orange

Member – Abby Levenson – City of Plainfield

Member – T. Missy Balmir – Borough of Roselle

Member – Dean Kazinci – Township of Teaneck

Member – Chris Hartwyk – City of Orange

Alternate – Naiima Horsley-Fauntleroy – City of Orange

BE IT FURTHER RESOLVED that the Executive Committee members shall serve for the year 2025 and until their successors shall be elected and qualified.

ADOPTED:

This day before the Governing Body,

Chairman

Date

January 28, 2025

Secretary

Date

January 28, 2025

RESOLUTION NO. 03-25

PUBLIC ENTITY JOINT INSURANCE FUND
(Hereinafter referred to as the "FUND")

ESTABLISHING PUBLIC MEETING PROCEDURES

WHEREAS the FUND must establish meeting procedures for Fund Year 2025, and

NOW, THEREFORE BE IT RESOLVED, by the Board of Fund Commissioners of the FUND that:

- I.** The Board of Fund Commissioners shall conduct Public Meetings Via MS Teams, and such other locations as may be necessary, to conduct the official business of the FUND on the fourth Tuesday of every month at 10:00 a.m. for the **2025 Fund Year** (unless noted otherwise).
- II.** The following are hereby designated the official newspaper(s) of the Fund:

Newark Star Ledger
The Times of Trenton
- III.** The FUND Attorney or designated assistant shall provide notice of any and all meetings, including special or emergency meetings, to each official newspaper and shall issue all official notices required to be published in at least one of the official newspapers.

ADOPTED: *this day by the Board of Fund Commissioners.*

_____	January 28, 2028
Chairman	Date

_____	January 28, 2025
Secretary	Date

RESOLUTION NO. 04-25

PUBLIC ENTITY JOINT INSURANCE FUND
(Hereinafter referred to as the “FUND”)

ESTABLISHING A FISCAL MANAGEMENT PLAN
FOR THE 2025 FUND YEAR

WHEREAS, THE FUND is duly constituted as a Municipal Joint Insurance Fund, as permitted under the laws promulgated by the State of New Jersey, (N.J.S.A. 40A-36, et seq.); and

WHEREAS, THE FUND is subject to the requirements contained within the Local Fiscal Affairs Law (N.J.S.A. 40A-5, et seq.); and

NOW, THEREFORE BE IT RESOLVED, by the FUND’s Board of Fund Commissioners that:

- I. The following financial institution(s) are hereby declared as the FUND’s Official Depositories effective January 1, 2025:

Bank of America
TD Bank

- II. All funds for Administrative Expenses, Claims in Excess of any Member’s Self-Insured Retention, Reinsurance, Dividends and Miscellaneous Expenses, shall be withdrawn from the Officially named Depository(ies) by check, which shall bear the signatures of two (2) of the following persons, duly authorized pursuant to this Resolution. In no event shall a check be issued wherein at least one signatory is not the Chairperson or Treasurer. In addition, upon approval of such disbursements by the Fund Commissioners, funds may be withdrawn for payment via electronic transfer.

_____, Ricardo Fernandez, Chairperson

_____, Patrick DeBlasio, Treasurer

_____, Jonathan Hall, Executive Director

_____, Jennifer Pressley, CFO, NIP Management Services, LLC

- I. The Cash and Investment Policy attached herewith, shall be adopted.
- II. SLC Management dba: Prime Advisors, Inc. (DBA SLC Management) shall be the FUND’s asset manager and advisor.

- III. The Fund will secure a line of credit against the investment portfolio. The purpose of the line will be to provide for options in Fund cash administration and used for any purpose that will be financially advantageous to the Fund.
- IV. The rate of interest assessed by the Fund, for delinquent assessments shall be ten (10) percent per annum, from the due date for any such assessment with a grace period for the first (1st) assessment installment paid to be February 15, the second (2nd) assessment installment paid to be May 15, and the third (3rd) assessment installment paid to be August 15.
- V. Certifying and Approval Officer for all FUND expenses shall be the FUND's Executive Director.

ADOPTED: *this day before the Board of Fund Commissioners:*

_____	_____ <u>January 28, 2025</u>
Chairman	Date

_____	_____ <u>January 28, 2025</u>
Secretary	Date

2025 CASH MANAGEMENT AND INVESTMENT POLICY

1.) Cash Management and Investment Objectives

The Public Entity Joint Insurance Fund (hereinafter referred to as the FUND) objectives in this area are:

- a.) Preservation of capital.
- b.) Adequate safekeeping of assets.
- c.) Maintenance of liquidity to meet operating needs, claims settlements and dividends.
- d.) Diversification of the FUND's portfolio to minimize risks associated with individual investments.
- e.) Maximization of total return, consistent with risk levels specified herein.
- f.) Investment of assets in accordance with State and Federal laws and Regulations.
- g.) Accurate and timely reporting of interest earnings, gains and losses by line of coverage in each Fund year.
- h.) Where legally permissible, cooperation with other local entity joint insurance funds, and the New Jersey Division of Investment in the planning and execution of investments in order to achieve economies of scale.
- i.) Stability in the value of the FUND's economic surplus.

2.) Permissible Investments

Investments shall be limited to the following:

- 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
- d.) 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.
- e.) Debt obligations of federal agencies or government corporations with maturities not greater than ten (10) years from the date of purchase, excluding mortgage backed obligations, providing that such investments are purchased through the New Jersey Division of Investment and are consistent with the Division's own

investment guidelines, and providing that the investment has a fixed rate of interest not dependent on any index or external factors.

- f.) Repurchase agreements of fully collateralized securities, subject to rules and conditions established by the N.J. Department of Community Affairs.

No investment or deposit shall have a maturity longer than ten (10) years from date of purchase.

3.) Authorized Depositories

In addition to the above, the FUND is authorized to deposit funds in certificates of deposit and other time deposits in banks covered by the Governmental Unit Depository Protection Act, NJSA 17:9-14 et seq. (GUDPA). Specifically authorized depositories are as follows:

TD Bank

The FUND is also authorized to invest its assets in the New Jersey Cash Management Fund.

4.) Authority for Investment Management

The Treasurer is authorized and directed to make investments, with a maturity of three months or longer, through asset managers that may be selected by the Executive Board. Such asset managers shall be discretionary trustees of the FUND.

Their actions and decisions shall be consistent with this plan and all appropriate regulatory constraints.

In executing investments, asset managers shall minimize transaction costs by purchasing securities on a competitive basis. When possible, federal securities shall be purchased directly from the US Treasury. Transactions shall not be processed through brokerages which are organizationally affiliated with the asset manager. Transactions may also be processed through the New Jersey Division of Investment by the Fund's asset managers.

5.) Preservation of Capital

Securities shall be purchased with the ability to hold until maturity.

6.) Safekeeping

Securities purchased on behalf of the FUND shall be delivered electronically or physically to the FUND's custodial bank, which shall maintain custodial and/or safekeeping accounts for such securities on behalf of the FUND.

7.) Selection of Asset Managers, Custodial Banks and Operating Banks

Asset managers, custodial banks and operating banks shall be retained for contract periods of one (1) year. Additionally, the FUND shall maintain the ability to change asset managers and/or custodial banks more frequently based upon performance appraisals and upon reasonable notice, and based upon changes in policy or procedures.

8.) Reporting

Asset managers will submit written statements describing the proposed investment strategy for achieving the objectives identified herein. Asset managers shall also submit revisions to strategy when justified as a result of changing market conditions or other factors. Such statements shall be provided to the Treasurer and Executive Director.

The Treasurer shall report to the Executive Committee at all regular meetings on all investments. This report shall include information on the balances in all bank and investment accounts, and purchases, sales, and redemptions occurring in the prior month.

9.) Audit

This plan, and all matters pertaining to the implementation of it, shall be subject to the FUND's annual audit.

10.) Cash Flow Projections

Asset maturity decisions shall be guided by cash flow factors payout factors supplied by the Fund Actuary and reviewed by the Executive Director and the Treasurer.

11.) Cash Management

All moneys turned over to the Treasurer shall be deposited within forty-eight (48) hours in accordance with NJSA 40A:5-15.

In the event a check is made payable to the Treasurer rather than the Fund, the following procedure is to be followed:

- a.) The Treasurer endorses the check to the Fund and deposits it into the Fund account.
- b.) The Treasurer notifies the payer and requests that in the future any check be made payable to the Fund.

The Treasurer shall minimize the possibility of idle cash accumulating in accounts by assuring that all amounts in excess of negotiated compensating balances are kept in interest bearing accounts or promptly swept into the investment portfolio.

The method of calculating banding fees and compensating balances shall be documented to the Executive Committee at least annually.

Cash may be withdrawn from investment pools under the discretion of asset managers only to fund operations, claims imprest accounts, or approved dividend payments.

The Treasurer shall escheat to the State of New Jersey checks which remain outstanding for twelve or more months after the date of issuance. However, prior to implementing such procedures, the Treasurer, with the assistance of the claims agent, as needed, shall confirm that the outstanding check continues to represent a valid claim against the FUND.

RESOLUTION NO. 05-25

PUBLIC ENTITY JOINT INSURANCE FUND

(Hereinafter referred to as the "FUND")

ESTABLISHING A FUND RECORDS PROGRAM

WHEREAS: The FUND must establish a formal record retention program for the 2025 Fund Year.

NOW, THEREFORE BE IT RESOLVED, by the FUND's Board of Fund Commissioners that:

- I.** _____, **Fund Secretary**, is hereby designated as custodian of the FUND records, which shall be kept at the office of the Fund Administrator, located at:
- NIP Group, Inc.
900 Route 9 North, Suite 503
Woodbridge, NJ 07095
- II.** Jonathan Hall, President for NIP Management Services, LLC is hereby designated as **Assistant Fund Secretary**.
- III.** The firm of Trenk, Isabel, Siddiqi & Shahdanian, PC is hereby designated as **Deputy Custodian** of the FUND records.
- IV.** The records of the FUND shall be retained in accordance with the municipal records retention schedule as promulgated by the New Jersey Division of Archives and Records Management, and/or otherwise specified by the New Jersey Department of Insurance and Community Affairs.
- V.** Each fund professional and service organization shall have the duty and obligation to maintain such records as are entrusted to him/her and to relinquish such records to the Fund Secretary upon termination of services or otherwise upon request.

ADOPTED: *this day by the Board of Fund Commissioners*

Chairman

Date

January 28, 2025

Secretary

Date

January 28, 2025

RESOLUTION NO. 06-25

PUBLIC ENTITY JOINT INSURANCE FUND

(Hereinafter the "Fund" or the "PEJIF")

ESTABLISHING THE 2025 PLAN OF RISK MANAGEMENT

BE IT RESOLVED by the Fund's Board of Commissioners that, effective January 1, 2025, the 2025 Plan of Risk Management shall be:

2025 RISK MANAGEMENT PLAN

1.) **The perils or liability to be insured against.**

The following coverages are provided to the Fund's members.

- ☐ **Excess Workers' Compensation**
- ☐ **Excess General Liability**
- ☐ **Excess Auto Liability**
- ☐ **Excess Public Officials Liability (including Errors & Omissions, Employment Practices, Sexual Harassment and Sexual Abuse)**
- ☐ **Excess Employee Benefits Liability**
- ☐ **Excess Law Enforcement Activities Liability**
- ☐ **Property (including Auto Physical Damage)**
- ☐ **Boiler & Machinery**
- ☐ **Crime (with Statutory Position Bonds)**
- ☐ **Non-Owned Aircraft Liability**
- ☐ **Cyber Liability**
- ☐ **Disaster Management Services**
- ☐ **Pollution & Tank Liability (on an optional basis)**
- ☐ **Watercraft Hull Physical Damage (on an optional basis)**
- ☐ **Unmanned Aircraft Systems (on an optional basis)**

2.) **The limits of coverage.**

a) Workers' Compensation (WC)

The Fund covers excess claims to the following limits:

- ☐ Workers' Compensation - Statutory inclusive of Member deductible/SIR (per SIR Exhibit on file with the Administrator's office). The minimum Fund retention is \$1,000,000 inclusive of Member deductible/SIR.
- ☐ Employer's Liability - \$16,000,000 inclusive of member deductible/SIR (per SIR Exhibit on file with the Administrator's office). The minimum Fund retention is \$1,000,000 inclusive of Member deductible/SIR.
- ☐ USL&H – included in Workers' Compensation for damages arising out of NJ State Law.
- ☐ Maritime Coverage / Jones Act - included in Employer's Liability.

b) General Liability (GL)

The Fund covers excess liability claims as follows:

- ☐ General Liability - \$15,750,000 per occurrence, or in the aggregate per Member per Fund year, inclusive of Member deductible/SIR (per SIR Exhibit as on file with the Administrator's office).
 - **Includes Sexual Abuse & Molestation Liability**
- ☐ The minimum Fund retention for all General Liability & related coverages is \$750,000 inclusive of Member deductible/SIR (per SIR Exhibit on file with the Administrator's office).

c) Automobile Liability (AL)

The Fund covers Automobile Liability claims as follows:

- ☐ Automobile Liability - \$15,750,000 for any one occurrence, inclusive of Member deductible/SIR (per SIR Exhibit on file with the Administrator's office), subject to the following sublimits:
 - Automobile Medical Payments: \$5,000 for each insured.
 - Uninsured Motorists/ Underinsured Motorists: Minimum coverage amounts of \$15,000 for single-person injuries. \$30,000 for injuries of all persons involved in an accident. \$5,000 for property damage.
 - No Fault Insurance (PIP): NJ minimum statutory limits.

- ☐ The minimum Fund retention for all Automobile Liability coverage is \$750,000, inclusive of Member deductible/SIR.

d) Public Officials Liability (POL)

- ☐ The Fund covers \$15,750,000 per occurrence and in the aggregate on a claims-made basis per Member for each Fund year, inclusive of Member deductible/SIR and coinsurance payments (per SIR Exhibit on file with the Administrator's office).
- ☐ Public Officials Liability coverage includes:
 - a. Errors & Omissions**
 - b. Employment Practices Liability**
 - c. Sexual Harassment Liability**

- ☐ The minimum Fund retention for POL is \$750,000, inclusive of Member deductible/SIR/coinsurance.

e) Employee Benefits Liability

The Fund covers Employee Benefits Liability claims as follows:

- ☐ Employee Benefits Liability - \$15,750,000 per claim, or in the aggregate per Member per Fund year, inclusive of Member deductible/SIR
- ☐ The minimum Fund retention is \$750,000, inclusive of Member deductible/SIR/coinsurance. Member's deductible/SIR is the same as the General Liability deductible/SIR (per SIR Exhibit on file with the Administrator's office).

g) Law Enforcement Liability (LEL)

- ☐ The Fund covers \$15,750,000 per occurrence and in the aggregate per Member for each Fund year, inclusive of Member deductible/SIR (per SIR Exhibit on file with the Administrator's office).
- ☐ The minimum Fund retention for all Law Enforcement Activities Liability claims is \$750,000, inclusive of Member deductible/SIR.

Corridor Retention - Applicable to losses at \$250k per Occurrence with a \$500k Aggregate in addition to the Fund retention. Once losses between \$750,000 and \$1,000,000 reach \$500,000, then the casualty retention will reduce to \$750,000 for all future losses. This corridor retention collectively applies to (GL, AL, POL, EB and LEL).

b) Property / Auto Physical Damage

- ☐ The Fund has purchased Property insurance with total limits of \$250,000,000.
 - A sublimit of \$5,000,000 (annual aggregate) for the peril of Flood.
 - Other sublimits and any member-specific limits are per the excess policy form.
- ☐ The Fund retention is \$250,000, except as follows:
 - Named Windstorm: 2% of total insurable values per unit affected, subject to a minimum of \$250,000 per location affected.
 - Flood - \$500,000 per premises or vehicle.
 - Other retentions are as per excess policy form.
- ☐ Limits, sublimits and Fund retentions are inclusive of Member deductible/SIR (per SIR Exhibit on file with the Administrator's office).
- ☐ Automobile Physical Damage: Included in Property limit. The Fund retention is as stated above and inclusive of Member deductible/SIR (per SIR Exhibit on file with the Administrator's office).
- ☐ Vehicles manufactured 10 or more years prior to current membership year, with an original cost new of less than \$50,000, are not covered for physical damage. This exclusion may be waived on a Member-by-Member basis, subject to Underwriting.

c) Boiler & Machinery

- ☐ The Fund has purchased Boiler & Machinery insurance as part of the Property insurance policy with coverage as included in the \$250,000,000 policy limit and inclusive of Member deductible/SIR (per SIR Exhibit on file with the Administrator's office).
- ☐ Sublimits are per the excess policy form.
- ☐ The minimum Fund retention is \$250,000 inclusive of Member deductible/SIR (per SIR Exhibit on file with the Administrator's office).

d) Crime (with Statutory Position Bonds)

- ☐ The Fund has purchased Crime insurance with limits of \$1,000,000 for Employee Dishonesty & related perils.

- ☐ The Fund retention is \$10,000, including the Member deductible of \$1,000.
- ☐ The Fund has extended its Crime insurance to include Statutory Position Bonds on file with the insurer, with limits of \$1,000,000. There is no Fund retention or Member deductible for this extension. Higher limits are available where required, subject to underwriting acceptance by the insurer.

e) Non-Owned Aircraft Liability

- ☐ The Fund has purchased Non-Owned Aircraft Liability insurance with limits of \$5,000,000/ Occurrence & Policy Aggregate. The Fund retention is -0- and there is no Member deductible.

f) Cyber Liability

- ☐ The Fund has purchased Cyber Liability insurance with an annual aggregate limit of \$3,000,000 per Member. Subject to implementation of the Upfort Shield, Breach Response and Security Breach are sub-limited at \$2M and \$3M, respectively. Lower limits apply when the Upfort Shield is not implemented.
- ☐ Coverage includes a \$3M - Data Network Liability, Regulatory Defense and Penalties, Website Media Content Liability, PCI Fines; \$2M - Cyber Extortion, & Data Recovery Costs; and First Party Coverages – Business Interruption System Failure - \$1.5M; Dependent Business Security Breach - \$3M; Dependent Business System Failure - \$500k; Crime includes Fraudulent Instruction@ \$150,000, Funds Transfer Fraud@ \$150,000 Telephone Fraud@ \$150,000. Lower limits apply when the Upfort Shield is not implemented.
- ☐ The Member deductible is \$25k per claim for each Member with implementation of the Upfort Shield
- ☐ The Fund deductible is:
 - \$50K per claim for each Member with implementation of the Upfort Shield
 - \$75K per claim for each Member when the Upfort Shield is **not** implemented

g) Disaster Management Services Insurance

- ☐ The Fund has purchased an insurance-backed service contract for Disaster Management Services, to a maximum cost of \$10,000,000 per occurrence subject to an annual aggregate maximum cost (Fund-wide) of \$20,000,000.
- ☐ The cost of the services is insured; no Member deductible or Fund retention.

h) Site Pollution Liability

- ☐ The Fund has made available separate optional Pollution Liability insurance outside of the Fund budget, for participating Members, with limits of \$1,000,000/ Pollution Incident, \$2,000,000 per Member Aggregate Limit and \$3,000,000 Policy Aggregate Limit, subject to a Member deductible of \$25,000/Incident. There is no Fund retention.

i) Underground Storage Tank Liability

- ☐ Underground Tank Liability insurance is available to Members on an optional basis outside of the Fund budget, subject to underwriters' acceptance, with limits (per NJS requirements) of \$1,000,000/ Incident & \$2,000,000 Incident Aggregate Limit/ \$1,000,000 Legal Defenses Aggregate Limit, and subject to a Member deductible. The Fund is not party to this insurance and there is no Fund retention.

j) Hull and Machinery

- ☐ The Fund has purchased, outside of the Fund budget, Watercraft Hull and Machinery Damage insurance for participating Members, with limits per a Schedule of Vessels, subject to a Member deductible per scheduled Vessel. Member deductible/SIR (per SIR Exhibit on file with the Administrator's office). There is no Fund retention.

k) Unmanned Aircraft Liability & Hull

- ☐ The Fund has purchased, outside of the Fund budget, Unmanned Aircraft Systems Liability & Hull (physical damage) insurance for participating Members, with limits of \$1,000,000/ Occurrence Aircraft Liability and Hull limits per a Schedule of Aircraft and Equipment, subject to a Member deductible (per SIR Exhibit on file with the Administrator's office). There is no Fund retention.

3) The amount of unpaid claims to be established.

- a) The general reserving philosophy is to set reserves based upon the probable total cost of the claim at the time of conclusion. Historically, on claims aged eighteen (18) months, the Fund expects the claims servicing company to set reserves at 85% accuracy. The Fund also establishes reserves recommended by the Fund's actuary for claims that have been incurred but not yet reported so that the Fund has adequate reserves to pay all claims and allocated loss adjusted expense liability.
- b) Claims reserves are subject to regular review by the Fund's Executive Director/Administrator, Actuary, Attorney, Executive Committee and claims servicing company. Reserves on large or unusual claims are also subject to

review by the claims departments of the commercial insurance companies or reinsurance companies providing primary or excess coverages to the Fund.

4) The method of assessing contributions to be paid by each member of the Fund.

- a) By November 15th of each year, the actuary computes the probable net cost for the upcoming Fund year by line of coverage and for each prior Fund year. The actuary includes all budget items in these computations. The annual assessment of each participating municipality is its pro rata share of the probable net cost of the upcoming Fund year for each line of coverage as computed by the actuary.
- b) The calculation of pro rata shares is based on each municipality's experience modified manual premium for that line of coverage. The total amount of each member's annual assessment is certified by majority vote of the Fund's Executive Committee or Board of Commissioners at least one (1) month prior to the beginning of the next fiscal year (usually at the PEJIF's budget hearing).
- c) The treasurer deposits each member's assessment into the appropriate accounts, including the administrative account, and the claim or loss retention trust fund account by Fund year for each type of coverage in which the member participates.
- d) If a local unit becomes a member of the Fund or elects to participate in a line of coverage after the start of the Fund year, such participant's assessments and supplement assessments are reduced in proportion to that part of the year which had elapsed.
- e) The Fund's Executive Committee may by majority vote levy upon the participating municipalities additional assessments wherever needed or so ordered by the Commissioner of Insurance to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations. All supplemental assessments are charged to the participating municipalities by applicable Fund year, and shall be apportioned by the year's assessments for that line of coverage.
- f) Should any member fail or refuse to pay its assessments or supplemental assessments, or should the Fund fail to assess funds required to meet its obligations, the chairman or in the event by his or her failure to do so, the custodian of the Fund's assets, shall notify the Commissioner of Insurance and the Director of Community Affairs. Past due assessments shall bear interest at the rate established annually by the Fund's Executive Committee.

5) Procedures governing loss adjustment and legal expenses.

- a) The Fund maintains a panel of claims service companies to handle claims. This panel is selected by the members. The performance of the claims adjusters is monitored and periodically audited by the Executive Director's office, the PEJIF's attorney's office, as well as the claims department of the PEJIF's three major

insurers/reinsurers. Every three years, the PEJIF's internal auditors also conduct an audit.

- i) Any member shall obtain written approval from the Fund Administrator prior to issuing any Requests for Qualifications or Requests for Proposals for claims adjusting services.
- ii) For Employment Practices Liability, Public Officials Liability, and Law Enforcement Liability claims, the Fund has engaged NIP Management Services, LLC (NIP) as its claims service company. No member selection of alternate claims service company for these coverages is permitted.
- iii) All claims service companies are subject to approval by the Fund Administrator and must adhere to all guidelines as promulgated by the Fund Administrator's office and the applicable insurance carrier(s).
- b) Each member local unit is provided with a claims reporting procedure and appropriate forms.
- c) To provide for quality defense and control costs, the Fund has established an approved defense attorney panel with firms that specialize in Title 59 matters. Any member that carries a self-insured retention may appoint an approved defense attorney of its choice to the panel for purposes of defense of claims within that self-insured retention. The performance of the defense attorneys is overseen by the Fund Litigation Managers, as well as the various firms that audit the claims adjusters.

6) Coverage to be purchased from a commercial insurer, if any.

- a) Excess Workers' Compensation - The Fund purchased an excess specific Workers' Compensation policy from Safety National Casualty Insurance Co. and Allied World Assurance Company at limits of:
 - i) Workers' Compensation – Statutory including \$1,000,000 Fund retention.
 - ii) Employer's Liability - \$15,000,000 including \$1,000,000 Fund retention.
 - iii) USL&H - included in Workers' Compensation.
 - iv) Merchant Marine Act / Jones Act- Included in Employer's Liability.
- b) Excess Liability - The Fund has purchased excess General Liability, Automobile Liability, Law Enforcement Liability, Public Official's Liability, Employment Practices Liability, Employee Benefits Liability coverage, from Safety National Group, Berkley Public Entity and Great American:
 - i. Excess General Liability - \$15,500,000 including \$500,000 retention.
 - ii. Excess Auto Liability - \$15,500,000 million including \$500,000 retention.
 - iii. Excess POL (Claims-Made) - \$15,500,000 million including \$500,000 retention.

- iv. Excess Law Enforcement Liability - \$15,500,000 million including \$500,000 retention.
 - v. Excess Employee Benefits Liability (Claims-Made): \$15,500,000 including \$500,000 retention.
- c) Property - The Fund has purchased Property insurance (including Auto Physical Damage) from Chubb Insurance Group, at a limit of \$250,000,000, exceeding the probable maximum loss exposure of the Fund members.
- d) Boiler & Machinery- The Fund has purchased Boiler & Machinery insurance from Chubb Insurance Group, at a limit included in the Property insurance policy limit, exceeding the probable maximum loss exposure of the Fund members.
- e) Crime/ Statutory Position Bond - The Fund has purchased Crime/ Statutory Position Bond insurance from Fidelity & Deposit Insurance Company, at a limit of \$1,000,000.
- f) Non-Owned Aircraft Liability - The Fund has purchased Non-Owned Aircraft Liability insurance from Global Aerospace, Inc., at a limit of \$5,000,000
- g) Cyber Liability Coverage - The Fund has purchased Cyber Liability insurance from APIP (Beazley & XL) at an annual aggregate limit of \$3,000,000.
- b) Site Pollution Liability – The Fund has made available optional Pollution/ Liability insurance outside the PEJIF budget for participating Members from Allied World Assurance Company, at limits of \$1,000,000 per Pollution Incident, \$2,000,000 per Member Aggregate Limit, and \$3,000,000 Policy Aggregate Limit.
- h) Underground Storage Tank Liability - There are no member UST Tank Liability insurance placements as of January 1, 2025.
- i) Hull and Machinery Physical Damage – The Fund has purchased optional Hull and Machinery Physical Damage insurance from Atlantic Specialty Insurance Co., at limits per a Schedule of Vessels on file with the Administrator’s office.
- j) Unmanned Aircraft Liability and Hull – The Fund has purchased optional Unmanned Aircraft Systems insurance from Global Aerospace, Inc. at limits of \$1,000,000 for Aircraft Liability, and Hull limits per a Schedule of Aircraft and Equipment on file with the Administrator’s office.

Please Note: The Fund follows the policy forms of its excess insurers in determining coverage for its retained layers (SIR’s) noted in Section 2. In the event that the excess insurer determines that no coverage exists for all or part of a claim made against or by a Member of the Fund, the Member shall be responsible for all or a portion of any uncovered claims expense, indemnity settlement or other costs associated with such claim. Please also note that the

coverage descriptions herein, in all particulars, are superseded by the applicable policy wordings including all limits, terms, conditions, exclusions and endorsements. This document is not intended to be all-inclusive, and does not alter, amend or change the Fund's coverage. Please refer to specific policies for limits, terms, conditions and exclusions.

7) Procedures for the closure of Fund years, including the maintenance of all relevant accounting records.

- a) The Fund adopts a resolution closing the year and transfers all remaining assets to the closed Fund year account. This amount is allocated by member local units using the same procedure as is used to calculate a dividend. Each month, interest is credited to the closed Fund year account by member.
- b) Each year, the Fund's Executive Committee will determine if a dividend is appropriate from the closed Fund year account, and will make application to the Department of Insurance as appropriate. Further, in the event an open Fund year incurs a deficit, the Fund's Executive Committee will consider an inter-year transfer from the closed Fund year account to offset the deficit. In either case, the dividend or inter-Fund year transfer will be calculated on a member by member basis.
- c) A member may apply to the Fund's Executive Committee for a return of that member's remaining share of the closed Fund year account when five (5) years have passed since the last Fund year in which the member participated has been closed. The Fund's Executive Committee will decide on the former member's request after evaluating the likelihood of any additional assessments.
- d) The Fund will retain all records in accordance with the Fund's record retention program.

8) Assumptions and Methodology used for the calculation of appropriate reserve requirements to be established and administered in accordance with sound actuarial principles.

- a) The general approach in estimating the loss reserves of the Fund is to project ultimate losses for each Fund year using paid and incurred loss data. At least two traditional actuarial methodologies are used: the paid loss development method and the incurred loss development method. From the two different indications resulting from these methods the Fund Actuary chooses a "selected" estimate of ultimate losses. Subtraction of the paid losses from the select ultimate losses yields the loss reserve liability or funding requirement.
- b) The following is an overview of the two actuarial methods used to project the ultimate losses.

Paid Loss Development Method - This method uses historical accident year paid loss patterns to project ultimate losses for each accident year. Because this method

does not use case reserve data, estimates from it are not affected by changes in case reserving practices. However, the results of this method are sensitive to changes in the rate of which claims are settled and losses are paid, and may underestimate ultimate losses if provisions are not included for very large open claims.

Case Incurred Loss Development Method - This method is similar to the paid loss development method except it uses historical case incurred loss patterns (paid plus case outstanding reserves) to estimate ultimate losses. Because the data used includes case reserve estimates, the results from this method may be affected by changes in case reserve adequacy.

9) The maximum amount a certifying and approving officer may approve pursuant to N.J.A.C. 11:15-2.22.

- a) \$10,000, but up to \$25,000 with verbal or written approval from the affected municipality commissioner or alternate commissioner.
- b) \$25,000 Emergency Court House Authority upon the joint authorization of the Fund Attorney and Executive Director, but up to \$50,000 with verbal or written approval of a majority of the executive Committee.
- c) Any and all actions must be ratified by the entire Board of Fund Commissioners at the meeting immediately following the authorization.

10) Special Assessments - NJSA 11:15-2.16 provides for additional assessments "...to supplement the fund's claim or loss retention or administrative accounts to ensure payment of the fund's obligations..." Should the Fund levy a special assessment in accordance with such provision, each affected member shall have the option to pay the additional amount due in ten (10) equal annual installments, subject to adjustment each year based on actual incurred losses for the special assessment years. Should any member subject to such special assessment discontinue its membership in the PEJIF, the full balance of any remaining unpaid installments shall become immediately due and payable to the PEJIF.

11) The following Consent to Settle Endorsement is hereby included in the Plan of Risk Management:

**PUBLIC ENTITY JOINT INSURANCE FUND
900 ROUTE 9 NORTH, SUITE 503
WOODBIDGE, NJ 07095
PROPERTY/CASUALTY POLICIES**

POLICY ENDORSEMENT – CONSENT TO SETTLE

This endorsement modifies insurance provided under the following:

GENERAL LIABILITY COVERAGE PART
AUTOMOBILE LIABILITY COVERAGE PART
LAW ENFORCEMENT LIABILITY COVERAGE PART
PUBLIC OFFICIALS AND EMPLOYMENT PRACTICES LIABILITY COVERAGE PART

This endorsement does not extend insurance for any above coverage part if item 3 of the declarations for this policy indicates “not covered” for such coverage part.

Section A. **COMMON POLICY CONDITIONS**, Paragraph 6. **Defense and Settlement** in the Common Policy Conditions, Exclusions and Definitions section of this policy is deleted in its entirety and replaced with the following:

5. Defense and Settlement

- a) We have no duty to defend any Insured against a claim or suit that is not covered by this policy.
- b) We have the right and duty to defend the Insured against any claim or suit seeking damages for an occurrence or wrongful act covered by this policy, but only when the Retained Limit has been exhausted by your payment to a third party of judgments, settlements, or defense costs.
- c) When we have no duty to defend, we shall have the right and you shall avail us the opportunity to associate in the defense of any claim or suit which in our sole opinion may exceed the Retained Limit. In the event we incur any defense costs in the exercise of our right to defend such claim or suit you shall not be liable to reimburse us for those defense costs.
- d) We may investigate any claim or suit which in our sole opinion is likely to exceed the Retained Limit. It is hereby understood and agreed that the Insured has sole authority to settle any claim or suit that is within the Retained Limit. We have sole authority to settle any claim or suit that is above the Retained Limit.
- e) You may not settle any claim or suit that exceeds the applicable Retained Limit without our prior written consent. If you fail to obtain our written consent, we will have no obligation to provide coverage for that claim or suit under this policy.
- f) If you elect not to appeal a judgement in excess of the Retained Limit, we may do so at our expense.
- g) Our duty to defend and pay defense costs ends when the applicable Limit of Indemnity shown in Item 4. of the Declarations has been exhausted by payment of judgments or settlements.

12) The following Selection of Counsel Endorsement is hereby included in the Plan of Risk Management:

**PUBLIC ENTITY JOINT INSURANCE FUND
900 ROUTE 9 NORTH, SUITE 503
WOODBIDGE, NJ 07095
DEFENSE COUNSEL GUIDELINES**

DEFENSE COUNSEL GUIDELINES ENDORSEMENT – SELECTION OF COUNSEL

This ENDORSEMENT modifies the Defense Counsel Guidelines for the 2025 fund year relating to the following:

PUBLIC OFFICIALS AND EMPLOYMENT PRACTICES LIABILITY

Designation of Approved Counsel

The PEJIF strives to provide the best possible legal defense of all litigated matters, both for the benefit of the member in question and the membership in general.

The PEJIF supports the members' selection of law firms to handle PEJIF litigated matters on its behalf. The PEJIF may recommend special counsel be appointed to litigated matters that present the potential for a significant impact to the general membership, in terms of costs of litigation or indemnity, areas of particular expertise or in matters in which more than one member is implicated.

Counsel which has participated, directed, or otherwise offered advice and counsel in any capacity during the course of an investigation of an employees' complaint may not serve as defense counsel in a employment practices liability matter that involves the same employee.

Law firms assigned to defend a PEJIF member may not prosecute a case against the PEJIF or another PEJIF member without the written consent of the Executive Director of the PEJIF.

13) Retrospective Rating Plan

The following Retrospective Rating Endorsement is hereby included in the Plan of Risk Management:

**PUBLIC ENTITY JOINT INSURANCE FUND
900 ROUTE 9 NORTH, SUITE 503
WOODBIDGE, NJ 07095
PROPERTY/CASUALTY POLICIES**

POLICY ENDORSEMENT - RETROSPECTIVE RATING PLAN – INCURRED LOSSES

MEMBER: _____

This ENDORSEMENT modifies such insurance as is afforded by the provisions of the Policies for the **2025** fund year relating to the following:

WORKERS' COMPENSATION
COMPREHENSIVE GENERAL, LAW ENFORCEMENT AND AUTO LIABILITY
PROPERTY AND BOILER AND MACHINERY
COMPREHENSIVE CRIME
PUBLIC OFFICIALS AND EMPLOYMENT PRACTICES LIABILITY

RETROSPECTIVE RATING PLAN ASSESSMENT STANDARD ELEMENTS

For the purposes of this ENDORSEMENT, the standard elements are explained here:

- A. STANDARD ASSESSMENT shall be the assessment we would charge during the rating plan period if you had not chosen a retrospective rating plan
- B. BASIC ASSESSMENT shall be less than STANDARD ASSESSMENT. It shall be STANDARD ASSESSMENT multiplied by the BASIC ASSESSMENT FACTOR. The BASIC ASSESSMENT FACTOR shall be the ratio of the following items to the STANDARD ASSESSMENT:
 - 1. Excess Insurance Costs
 - 2. General Expenses
 - 3. Risk Management Expenses
 - 4. Underwriting Expenses
 - 5. Administrative Fees

The actual BASIC ASSESSMENT FACTOR will be determined after the STANDARD ASSESSMENT is determined.

- C. LIMITED INCURRED LOSSES RETAINED BY THE FUND shall mean the FUND'S financial responsibility for claims paid by the member after due credit for any excess insurance or subrogation receivable. Specifically, it shall include 1) losses paid and reserved, plus 2) allocated loss adjustment expense (ALAE), and 3) this total then limited to the FUND's retention.

RETROSPECTIVE RATING PLAN ASSESSMENT FORMULA

- A. RETROSPECTIVE RATING PLAN ASSESSMENT is the sum of BASIC ASSESSMENT and LIMITED INCURRED LOSSES RETAINED BY THE FUND.
- B. The retrospective rating plan assessment shall not be more than the MAXIMUM ASSESSMENT. The maximum assessment is determined by applying the maximum retrospective rating plan assessment factor, shown in the Schedule, to the STANDARD ASSESSMENT.

PROVISIONS

The provisions of the coverage form or policy to which this ENDORSEMENT is attached apply, unless modified by this ENDORSEMENT.

- A. In the fashion provided for in the Fund's by-laws, plan of risk management, cash management plan and policies and procedures, the MEMBER shall pay the FUND the STANDARD ASSESSMENT.
- B. As of a valuation date of Eighteen (18) months after the inception of the fund year, and every Twelve (12) months thereafter, the FUND shall compute the RETROSPECTIVE RATING PLAN ASSESSMENT, subject to the MAXIMUM ASSESSMENT.
- C. The final computation of the RETROSPECTIVE RATING PLAN ASSESSMENT shall be as of the valuation date when the FUND closes the fund year to which this ENDORSEMENT applies.
- D. Notwithstanding any subsection above, the MEMBER shall remain subject to FUND-wide dividends and additional assessments in accordance with the FUND's bylaws. These additional assessment or dividends, if any, shall be computed based on the MEMBER'S RETROSPECTIVE RATING PLAN ASSESSMENT, subject to the MAXIMUM ASSESSMENT.
- E. Upon computation of any RETROSPECTIVE RATING PLAN ASSESSMENT, the MEMBER shall owe the FUND or the FUND shall owe the MEMBER as the case may be, the difference between amount paid/incurred by the MEMBER to date and the MEMBER'S RETROSPECTIVE RATING PLAN ASSESSMENT, subject to the MAXIMUM ASSESSMENT.

- F. If the MEMBER owes the FUND an additional assessment under this ENDORSEMENT, this amount shall be payable to the FUND within 180 days after the FUND bills the MEMBER, or upon the MEMBER withdrawing from the FUND, whichever is earlier.
- G. If the FUND owes the MEMBER a return assessment under this ENDORSEMENT, this amount shall be payable to the MEMBER 180 days after the next meeting of the FUND's Board of Fund Commissioners, or Executive Committee thereof.
- H. This endorsement shall only be effective if approved by resolution of the MEMBER'S Governing Body.

Schedule

- A. Other policies subject to this Retrospective Rating Plan Endorsement

WORKERS' COMPENSATION
COMPREHENSIVE GENERAL AND AUTO LIABILITY
EXCESS LIABILITY
PROPERTY AND BOILER AND MACHINERY
COMPREHENSIVE CRIME
PUBLIC OFFICIALS AND EMPLOYMENT PRACTICES

- B. Maximum Retrospective Rating Plan Assessment Factor:_____
- C. The standard maximum assessment is based on estimates of standard assessment. The actual maximum assessment will be calculated based on the actual standard assessment and the factor, shown in the Schedule, Item B :

The coverage provided under this ENDORSEMENT is subject to all of the terms and CONDITIONS of this policy. All other terms and CONDITIONS of this Policy remain unchanged.

Effective Date: January 1, 2025

14) Self-Insured Retention Endorsement

THIS DOCUMENT IS INCORPORATED IN THE PEJIF PLAN OF RISK MANAGEMENT. PLEASE READ IT CAREFULLY.

MEMBER: _____

SELF-INSURED RETENTION ENDORSEMENT

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
AUTOMOBILE LIABILITY COVERAGE PART
PROFESSIONAL LIABILITY COVERAGE PART
LAW ENFORCEMENT LIABILITY COVERAGE PART**

It is understood and agreed that such insurance as provided by this policy, specifically the Insuring Agreement and Supplementary Payments Provisions are modified and subject to the following provisions:

1. The total limit of liability of the Public Entity Joint Insurance Fund ("PEJIF") as stated in the Plan of Risk Management shall apply excess of the retained limit (herein called the Self-Insured Retention) as stated in the endorsement, and the Insured Member agrees to assume this retained limit:

Self Insured Retention: \$ _____ per Occurrence
\$ _____ per claim

2. The PEJIF's obligation under this policy applies only to the amount excess of the Self-Insured Retention. Your bankruptcy, insolvency, or inability to pay the Self- Insured Retention shall not increase our obligation under the policy.

The Insured Member shall have the obligation to provide, at its own expense, proper defense and investigation of any claim and to accept any reasonable offer of settlement within the Self-Insured Retention. The Insured Member's obligation to provide for its own defense is terminated upon the exhaustion of the Self-Insured Retention referenced above. In the event that there is any other insurance, whether or not collectible, applicable to an occurrence, claim or suit within the Self-Insured Retention, the Insured Member must make actual payment for the full Self-Insured Retention amount before the limits of insurance under this policy apply.

Compliance with this clause is a condition precedent for coverage under this policy. In the event of the failure of the Insured Member to comply with this clause, no loss, cost or expense shall be payable by the PEJIF.

3. In the event of a claim or claims arising which appear likely to exceed the Self-Insured Retention, no costs, other than adjusting expenses, shall be incurred by the Insured Member without the written consent of the PEJIF. Furthermore, the Insured Member's claims third party administrator shall invoice the PEJIF Administrator within 30 days of the date of payment of any claims cost incurred and paid above the Insured Member's Self-Insured Retention.
4. The PEJIF shall have the right, but not the duty, in all cases to assume charge of the investigation, defense and/or settlement of any claim and upon written request from the PEJIF the Insured Member shall pay directly any expense or loss incurred by the PEJIF in the investigation, defense and/or settlement of any claim or reimburse the PEJIF for any and all amounts paid by the PEJIF within the Self-Insured Retention.
5. Commercial General Liability - Insured Member's Duties in the Event of Occurrence, Claim or Suit:
 - a) The Insured Member shall report promptly to the PEJIF each claim or loss for which the estimated amount of net loss is 50% or more of the Self-Insured Retention listed above.
 - b) The Insured Member shall report all cases of serious injury which, notwithstanding consideration of liability or coverage might involve this insurance but not limited to the following:
 - 1) Spinal Cord injury - paraplegia, quadriplegia;
 - 2) Amputations - requiring prosthesis;
 - 3) Brain damage affecting mentality or central nervous system such as permanent disorientation, behavior disorder, personality change, seizures, motor deficit, inability to speak (aphasia), hemiplegia or unconsciousness (comatose);
 - 4) Blindness;
 - 5) Burns - involving over 10% of body with third degree, or 30% of body with second degree;
 - 6) Multiple fractures - involving more than one member or non-union;
 - 7) Fracture of both heel bones (fractured bilateral or calcis);

- 8) Nerve Damage causing paralysis and loss of sensation in arm and hand (brachial plexus nerve damage);
- 9) Massive internal injuries affecting body organs;
- 10) Injury to nerves at base of spinal canal (Cauda Equina) or any other back injury resulting from incontinence of bowel and/or bladder;
- 11) Fatalities;
- 12) Any other serious injury which, in the judgment of the Insured Member, might involve the PEJIF;
- 13) Sexual Assault / Molestation
- 14) All construction defect claims.

It is agreed that the above reporting requirements shall be a condition precedent to coverage. Notwithstanding the above provisions the responsibility to guarantee proper reporting remains that of the Insured Member. The failure of the Insured Member to comply with the reporting requirements may result in a denial of coverage under the policy.

- c) The Insured Member shall cooperate with the PEJIF and, upon the PEJIF's request, assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the Insured Member because of liability with respect to which insurance is afforded under the policy; and the Insured Member shall attend hearings and trials and assist in securing and giving evidence and obtaining witnesses.
6. The Insured Member shall at all times:
- a) Give to the PEJIF, or their duly appointed representatives, such information, assistance, and signed statements as the PEJIF may require, and
 - b) Assist in the defense of any claim without charge to the PEJIF.
7. The Insured Member shall indemnify and hold harmless the PEJIF from any and all loss and all costs, including but not limited to adjusting expense and attorneys fees incurred in the investigation, defense and/or settlement of any claim incurred by the PEJIF included within the Self-Insured Retention.

The Insured Member shall further indemnify and hold the PEJIF harmless from any and all costs incurred by the PEJIF, including but not limited to the reasonable value of PEJIF employee services and attorney's fees incurred in the enforcement of this agreement.

15) Establishing loss reporting guidelines.

INITIAL CASUALTY CLAIMS REPORTING:

*Per the Policy wording, loss reporting is **required** for any claims involving:-*

1. Catastrophic Losses (fatalities, amputation of major extremity, paraplegia/quadruplegia, severe burns, significant brain injuries)
2. Discrimination or Violation of Civil Rights.
3. Third Party claims, other than Auto Liability, involving Law Enforcement Activities.
4. Environmental impact/Toxic tort.
5. Any alleged Sexual/Physical Abuse.
6. Coverage questions.
7. (a) any claim whose value reaches 75% of the retention; and/or
(b) the cost of which is likely to result in payment by Underwriters under this Policy.
8. Any loss where there is a question as to whether there will be coverage under Underwriters' policy.

Losses should be reported within 30 days of when the loss meets the reporting criteria.

A captioned claim report completed by the handling adjuster, based upon the formats below and inclusive of all of the details indicated, must be sent. Reports should include copies of the following documents when available: incident and accident reports (both internal and official), suit papers, tort claim/statutory notice of claims, and/or EEOC (or similar state agency) complaints or notices.

Please do not send medical records or bills (unless specifically requested), blank discovery, or non-substantive pleadings.

Whenever possible, the report and supporting documents should be sent electronically, as more fully explained below.

INITIAL WORKERS COMPENSATION CLAIM REPORTING

*Loss Reporting is **required** for claims involving:-*

1. Fatalities.
2. Amputation of Major Extremity.
3. Paraplegia.
4. Quadriplegia.
5. Severe Burns.
6. Significant brain injuries.
7. (a) any claim whose value reaches 75% of the retention; and/or
(b) the cost of which is likely to result in payment by the Company under this Policy.

8. Where it is anticipated that the claimant will be determined to be permanently and totally disabled.

Losses should be reported within 30 days of when the loss meets the reporting criteria.

A captioned claim report completed by the handling adjuster, based upon the formats below and inclusive of all of the details indicated, must be sent. Reports should include copies of the following documents when available: claimant's state "First Report of Injury", incident and accident reports (both internal and official), suits, pertinent narrative medical reports.

Please do not send routine medical records or bills (unless specifically requested), blank discovery, nor non-substantive pleadings.

SUBSEQUENT CASUALTY/WORKERS COMPENSATION CLAIM REPORTING:

Subsequent formal reporting should be done via a captioned report completed by the handling adjuster, at appropriate intervals as conditions warrant (typically every 60 days). However, the TPA shall be responsible for reporting more frequently if the file is particularly active; and critical events should be reported as soon as practical, regardless of the "due date" of the next formal report.

Periodic formal reporting shall follow the same format (below) as the initial report, noting any updates. Reports should include copies of the following documents when available: incident and accident reports (both internal and official), suits, tort claim/statutory notice of claims, complaint notices, defense counsel's substantive reports.

Please do not send medical records or bills (unless specifically requested), blank discovery, or non-substantive pleadings.

Whenever possible, the report and supporting documents should be sent electronically, as more fully explained below.

ADJUSTER'S CAPTIONED CASUALTY/WORKERS COMPENSATION REPORT FORMAT:

1. Identify by type of report (include all that apply)
 - A. Initial
 - B. Coverage questions
 - C. Interim
 - D. Authority request
 - Include what has been paid, status of the SIR, status of the aggregate if applicable.
 - E. Reimbursement request
 - Show payments by claimant/line of business, less SIR and less any amounts previously paid.

- F. Closing/Final
2. Information to be included (A thru D should be in the reference section of the header):
- A. Insured - This is to include the name of the Named Insured, any “Member” entity and/or the department within the Named Insured/”Member”
 - B. Claimant(s) - This is to include the name of each claimant, age, involvement in the loss (i.e. if auto whether the operator, passenger, pedestrian, etc.)
 - C. Date of Loss - This is the date the event/accident actually occurred.
- Date Claim was First Made to the Insured – Date that the Insured first received any type of notice that a claim was being made against them.
- Date Claim was First Made to TPA - Date the TPA was first advised by the Insured of the loss.
- D. Coverage - This is to include the correct policy number; effective dates; the line(s) of coverage applicable to the loss; the SIR applicable; and Underwriters’ excess limits. If applicable, information on any other excess coverage should also be provided.
 - E. Description of loss - To include full details of how the accident/event occurred, and what investigation has been completed to date.
 - F. Liability - To include adjuster's assessment of liability; any immunity law that may be applicable (including caps on damages); whether the negligence scheme in the applicable venue is pure or modified comparative negligence/fault, or strict contributory negligence; other parties that may be responsible or may contribute (including name of carrier/limits if known)
 - G. Injuries/Damages - Details on injury to each claimant, age, occupation, medical expense, wage information, MIB/CIB report information, disability if any, future treatment,
 - H. Litigation - If applicable include copy of complaint; name of defence counsel; who is being Defended; reputation of plaintiff counsel if known; any comment on jurisdiction if known; defence counsel's initial/subsequent evaluation; defence counsel’s litigation plan and budget
 - I. Mediation Date/Arbitration Date/Trial Date - If case in suit advise of these dates as soon as they are learned.

- J. Pre-Mediation/Pre-Arbitration/Pre-Trial Evaluation – Include the adjuster's evaluation as well as defence counsel's evaluation, to include a discussion of the major issues; pluses and minuses of our defence; potential verdict, arbitration, or mediation settlement range; worst case scenario; best case scenario; adjuster's/defence counsel's recommendation; Insured's input/opinion. Ideally, this should be received no later than thirty five days before the scheduled mediation, arbitration, or trial date; even if there is the potential that the mediation, arbitration, or trial will not proceed on the date scheduled. It is Underwriters' expectation that both counsel and the adjuster should not be called to mediation, arbitration or trial without sufficient notice.
- K. Demand/Offer - Advise of demands/offers and if there are any time limits on the demands by the claimant. Include comments on whether the insured has been contacted for authority within the SIR and whether granted/denied (with explanation).
- L. Comments - This should include what needs to be done yet, time frame for completion and next date a report can be expected.
- M. Total Experience - Indicate Loss and Expense payments, remaining reserve, and Total Experience for each claimant.

INITIAL PROPERTY CLAIM REPORTING:

Loss reporting is required for claims involving:

1. Claims involving a coverage question.
2. (a) any claim whose value reaches 75% of the retention; and/or
(b) the cost of which is likely to result in payment by the Company under this Policy.

An Initial Advice/Loss Notice providing basic scope of loss and reserve information should be submitted within 10 working days whenever possible.

The Initial Advice/Loss Notice should include the following: Insured, risk location, policy number, deductible & SIR, date of loss, date loss reported, a brief description of the scope of the loss, and an initial reserve recommendation if possible.

The adjuster's initial captioned report should follow within 30 days.

The adjuster's initial captioned report should include the following:

Date of loss

Description of Peril resulting in direct physical loss to the Insured Property

Any other perils involved

Any coverage issues identified

Location(s)/Property (ies) Involved (as named in Schedule of Values) and Scheduled Value

Scope of damage by Insured Location, including any Coverage Extensions applicable
What has been done and what requires to be done
Salvage/Subro potential
Reports (fire, weather, expert, etc.), photos, diagrams
Date of next report (estimate)

The adjuster's subsequent captioned reports should follow every 60-90 days.

The adjuster's subsequent captioned report should include the following (where applicable):

What has been done since the last formal report
Verified and agreed repair estimate(s)
Discussion of salvage/subrogation activity
What requires to be done
Date of next report (estimate)
Request for authorisation to obtain proofs (if applicable)

USE AND ASSIGNMENT OF EXPERTS

If a claim investigation requires the use of an expert (i.e. engineering, construction, cause and origin, etc.), authorisation must be approved prior to engaging the expert in order to assure that the cost will be considered part of **Ultimate Net Loss** (see General Policy Definitions). The adjuster will be expected to explain why an expert is needed and what is expected to be accomplished that cannot be accomplished by other means. Underwriters will make every reasonable effort to accommodate requests where the need can be supported.

In the event of a bona fide emergency need for an expert after hours or on weekends, and contact with NIP has not been able to be accomplished within 24 hours of the initial attempt, the adjuster should proceed with the assignment. However, please note that Underwriters' expectation is that the need for experts should not, typically, arise on an emergency basis.

REQUESTS FOR SETTLEMENT AUTHORITY

The adjuster should be aware that settlement authority requests should be made timely, and they should be made for all of the authority reasonably necessary for the situation at hand: settlement offer, mediation, arbitration, pre-trial conferences, etc. Emergency requests for authority in excess of a \$100,000 above the SIR or additional authority in that amount are difficult to accommodate from a logistical standpoint. This process can take as long as a week, or more; especially when there are coverage issues involved. Emergency requests for authority, or additional authority, are difficult to accommodate from a logistical standpoint.

IMPORTANT INFORMATION AND REPORTING REQUIREMENTS INVOLVING PER OCCURRENCE RETENTIONS AND MULTIPLE LINES LOSSES

The adjuster should be aware that the Insured's Self Insured Retention for any single line of coverage under the policy is written on an "each and every" basis. Further, the policy may have a "Clash Coverage" or "Multiple Lines Loss Protection" feature that may apply when a single occurrence or event results in claims under more than one line of coverage under the policy.

Thus, it is important to recognize that if the total incurred for the total number of claims within any one line of coverage meets the 75% of SIR reporting threshold, ALL claims within that line of coverage need to be reported.

Further, in the event that one occurrence results in claims under multiple lines of coverage under the policy, and any one claim meets the 75% of SIR reporting requirement, ALL claims insured under the Policy arising from the occurrence must be reported.

CATASTROPHE LOSS HANDLING

Immediately survey accounts that are located in the affected area to determine degree of damage or confirm damages will not exceed the S.I.R. Note - the account may have a specific S.I.R. for wind or flood and the S.I.R. applies on an occurrence basis.

A report is required confirming damages and suggested reserve within 10 working days. If emergency advances above the SIR are required, the request for funds should detail amounts already expended and intended incurred expenditures to support the advance request. An Adjuster's Initial Report should follow within 30 days.

All reports should refer to the correct CAT Number if known/available.

**IMPORTANT INFORMATION REGARDING MANDATORY REPORTING
UNDER SECTION 111 OF THE MEDICARE, MEDICAID AND SCHIP
EXTENSION ACT OF 2007 (MMSEA)**

Pursuant to the terms of the policy between Underwriters and the Named Insured, it is Underwriters interpretation of Section 111 of the MMSEA that the Insured is the Responsible Reporting Entity (RRE) for any claims made against the Insured that may be covered under the policy. Therefore, compliance with the Act in regard to RRE's rests with the Insured. If the TPA is designated by the Insured as the party responsible for making reports on behalf of the Insured under the act for claims that fall within the Self Insured Retention, it is Underwriters position that the TPA has that same duty for claims in excess of the Self Insured Retention.

If there are any questions regarding any of the above, or if for any reason you are not able to comply with theses reporting guidelines, please contact Cindy or Philip as soon as possible.

Auto Physical Damage and Property claims must be reported to Travelers when the value is at 50% or will exceed the PEJIF retention of 50,000. The claims should be called into Travelers at 1-800-238-6225 until further notice.

For workers compensation **Safety National** provides excess coverage statutory or unlimited excess \$750,000. If the exposure exceeds or likely to exceed 50% of the retention the claim must be reported to Safety National. Immediate reporting should occur on fatalities, spinal cord injuries (Para/quads), second or third degree burns over 25% or more of the body, brain injuries, amputation of a major extremity, and multiple serious injuries to two or more employees. The reports can be sent to Safety by fax: 314.995.3897 or email via safety's web site. Safetynational.com

Please visit their web site for further instruction. A SN reporting form is noted above.

When reporting to the excess carrier, please copy the PEJIF Litigation Manager on liability claims and the VP of Claims on workers' compensation and property.

In regards to data, on a monthly basis submit the TPA must submit to the PEJIF SVP of Claims:

- Detailed loss runs for both members (copy data reported for PEJIF).
- A report that identifies claims that have been noted for subrogation potential.

Secretary

Date

RESOLUTION NO. 07-25

PUBLIC ENTITY JOINT INSURANCE FUND (Hereinafter referred to as the "FUND")

APPOINTING CERTAIN PROFESSIONALS AND SERVICE ORGANIZATIONS

WHEREAS, the FUND is duly constituted as a Public Entity Joint Insurance Fund, as permitted under the laws promulgated by the State of New Jersey, (N.J.S.A. 40A-36, et seq.); and

WHEREAS, the FUND finds it necessary and appropriate to obtain certain professional services and other extraordinary and other unspecifiable services, as defined in the Local Public Contracts Law, (N.J.S.A. 40A-11, et seq.) for the 2025 Fund Year.

NOW, THEREFORE BE IT RESOLVED, by the FUND's Board of Commissioners that the following professional services are being awarded under a fair and open process:

- **Pringle Quinn Anzano** is hereby appointed as **Fund Attorney** and shall serve at an hourly rate of \$185 not to exceed \$20,000 annually.
- **Mercadien, P.C.** is hereby appointed as **Fund Auditor** for the Audit of the Financial Statements for the Year Ended December 31, 2020, with services to be performed in 2021, and shall serve at an annual fee not to exceed \$53,580, which includes administrative costs.
- **NIP Management Services, LLC** is hereby appointed as **Claims Administrator – Professional Lines and Property & Liability Lines for Selected Members** at an annual fee not to exceed 3.45% of members' gross joint insurance fund assessment.
- **Milliman, Inc.** is hereby appointed as **Actuary** for the Fund and shall be appointed and qualified at an annual amount not to exceed \$44,000.
- **NIP Management Services, LLC** is hereby appointed to provide **Claims and Risk Control Management Services** at an annual fee not to exceed 3% of members' gross joint insurance fund assessment.
- **NIP Management Services, LLC** is hereby appointed to provide **Loss Control Services** to the Fund and shall serve at an annual fee not to exceed \$125,000.
- **Business and Governmental Insurance Agency** is hereby appointed as **Underwriting Manager/Insurance Broker** for the Fund and shall serve at an annual fee not to exceed 2% of members' gross joint insurance fund assessment.
- **Patrick J. DeBlasio, CPA, CFMO** is hereby appointed as **Fund Treasurer** and shall serve at an annual fee not to exceed \$6,000.
- **NIP Management Services, LLC** is hereby appointed as **Administrator** for the Fund and shall serve at an annual fee not to exceed 6% of members' gross joint insurance fund assessment.
- **SLC Management dba: Prime Advsiors, Inc.** is appointed as **Investment Advisor** for the Fund and shall serve at a fee of 0.00025 of the Account Balance, not to exceed \$17,000 annually.

- **Princeton Public Affairs Group**. Is hereby appointed as **Governmental Affairs Consultant** for the Fund and shall serve at an annual fee not to exceed \$5,250.
- **Rutgers/UMDNJ is appointed Employee Assistance Provider** for participating Members of the Fund and shall serve at a fee not to exceed \$202.77 per hour for training, adjustable due to member participation.
- **Harbor Technology** is hereby appointed as **Cyber Security Consultant** for the Fund and shall be appointed and qualified at an annual amount not to exceed \$36,000.
- **EANJ** is hereby appointed as **Human Resources Education & Employment Practices Services Provider** - for the Fund and shall be appointed and qualified at an annual amount not to exceed \$15,381.
- **Engle Martin** is hereby appointed as **Independent Adjusting & Appraisal Services** provider for the Fund and shall be appointed and qualified at an annual amount not to exceed per the proposal received on October 10, 2024

All Professionals and Service Organizations appointed pursuant to this Resolution shall serve the Fund pursuant to the terms of their Professional Services Contract(s) attached hereto.

ADOPTED: *this day by the Board of Fund Commissioners,*

Chairman

January 28, 2025
Date

Secretary

January 28, 2025
Date

RESOLUTION NO. 08-25

**RESOLUTION APPOINTING APPROVED DEFENSE COUNSEL
FOR THE PUBLIC ENTITY JOINT INSURANCE FUND**
(“Hereinafter referred to as the “FUND”)

WHEREAS, the Public Entity Joint Insurance Fund is responsible for providing a defense to certain claims brought against its members in accordance with the Fund’s coverage documents; and

WHEREAS, in order to appoint defense counsel, a law firm must be on the approved counsel list of the Public Entity Joint Insurance Fund to defend any members of the Fund; and

WHEREAS, the law firms shown in this resolution have been proposed as Defense Counsel for the Public Entity Joint Insurance Fund for the year 2025;

NOW, THEREFORE BE IT RESOLVED, by the Board of Fund Commissioners of the Public Entity Joint Insurance Fund that the law firms named in this resolution be and the same are hereby appointed as an approved defense counsel for the Public Entity Joint Insurance Fund for the year 2025:

(See attached list of Fund Defense Counsel)

BE IT FURTHER RESOLVED that the Chairman of the Public Entity Joint Insurance Fund is hereby authorized to execute this resolution.

ADOPTED: *this day by the Board of Fund Commissioners*

Chairman

January 28, 2025
Date

Secretary

January 28, 2025
Date

PEJIF DEFENSE PANEL LISTING 2025

A

Apruzzese, McDermott, Mastro& Murphy, P.C.
Michael Armstrong, LLC
Antonelli Kantor
Anderson Kill (5.21.24)

B

Bates Carey (5.21.214)
BELOTTA LAW FIRM

Eric Bernstein & Associates

C

Chasan Leyner& Lamparello
Clarence Barry-Austin LLC
Connie Bentley & Mcghee
Cruser, Mitchell & Sanchez, Llc

D

Decotiis Fitzpatrick & Cole, LLP
Diktas Gillen, PC
Dvorak & Associates, Llc

F

Florio & Kenny

G

Genelle P. Franklin
Genova Burns
Gilberto M. Garcia
Grieco & Defilippo, LLC

H

Thomas B. Hanrahan& Associates
Hunt Hamlin & Ridley

I

Inglesino, Webster & Taylor, LLC

J

Jalloh & Jalloh
Jasinski, P.C.
James Jude Plaia, Esq.

K

King, Moench, Hirniak & Mehta, LLP
Ed Kologi and Michael Simitz
Robert Renaud

L

Lamb Kreitzer, LLC
Evelyn D. Latse LLC
Leitner Tort Defazio & Brause
Linder & Wing, LLC

M

Margolis Edelstein
Marks, O'Neill, O'Brien, Doherty & Kelly, P. C.
McCucker, Amselmi Rosen & Carvelli, PC
McDonald and Rogers, LLC
Myers & Pico, LLC

N

James P. Nolan & Associates

O

O'Donnell, McCord, P.C.

P

Pashman, Stein, Walder, Hayden
PRB Attorneys at Law, LLC

Q

R

Reppert, Kelly & Vytell

S

Scarinci Hollenbeck David Stanziale, LLC
Douglas Standriff
Schaffer Shain Jalloh PC
Savo, Schalk, Corsini, Warner, Gillespie, O'Grodnick & Fisher, P.A.
Alexander G. Fisher | Partner
56 East Main Street, Suite 301. Somerville, NJ 08876

T

Traub Lieberman Straus & Shrewsberry LLP

U

V

W

John H. Watson Jr Esquire
Joseph M. Wenzel, Esq.
Weber Dowd Law
Whipple Azzarello, LLC
Wood Smith Henning & Berman LLP

X

Y

Z

John Zidziunas, LLP

By request of Excess Carrier

Wood Smith Henning & Berman LLP
400 Connell Drive
Suite 1300
Berkeley Heights, NJ 07922
Attorney: Kelly Waters, Esq.

Margolis Edelstein
400 Connell Drive
Suite 5400
Berkeley Heights, NJ 07922
Attorney: Emery Mishky

Margolis Edelstein
100 Century Parkway
Suite 200
Mount Laurel, NJ 08054
Attorneys: Bruce Barrett, Robert Kaplan, and Colleen Ready

Traub Lieberman Straus & Shrewsberry LLP
322 Highway 35, Third Floor
Red Bank, NJ 07701
Attorney: Aileen Droughton

Coverage

(David Blake/Marshall Dennehy)
Victoria Pekerman/Shapiro, Croland
Audrey Shields/Golden, Rothschild

RESOLUTION NO. 09-25

PUBLIC ENTITY JOINT INSURANCE FUND
(Hereinafter referred to as the “FUND”)

APPROVING THE FUND BUDGET FOR FISCAL YEAR 2024

WHEREAS, N.J.S.A. 11:15-2.4 requires that the Joint Insurance Fund commissioners approve the FUND budget by a majority vote; and

WHEREAS, the adopted FUND budget must be filed with the Commissioner of Banking and Insurance and the Commissioner of Community Affairs; and

WHEREAS, copies of the FUND budget must be made available to the governing bodies of each member municipality;

NOW, THEREFORE BE IT RESOLVED, by the FUND’s Board of Commissioners that the attached revised budget (adjusted to add new members) is approved for the 2025 FUND fiscal year.

Adopted: this day by the Board of Fund Commissioners

Chairman

January 28, 2025
Date

Secretary

January 28, 2025
Date

Public Entity Joint Insurance Fund
2025 Assessment Summary
As of January 17, 2025

Loss Fund Assessments

WC	1,711,654	
GL	592,096	
LEL	572,318	
AL	749,964	
Property	776,154	
EPL/POL	1,212,950	
Cyber	29,605	
5X10 Liab 30% Allocation	187,029	
Total Loss Fund Assessments		<u>5,831,769</u>

Excess Insurance

WC	1,279,378	
GL	1,118,653	
LEL	566,430	
AL	1,104,851	
EPL/POL	2,322,375	
Property	772,568	
Cyber	386,667	
Other	33,888	
Total Excess Insurance		<u>7,584,810</u>

Underwriting Expenses

General Expenses	1,488,131	
Risk Management Expenses	1,006,269	
Underwriting Expenses	236,753	
Administrative Fees	688,846	
Total Underwriting Expenses		<u>3,420,000</u>

Other Costs

Environmental Costs	46,062	
EANJ Costs	15,381	
Other Add-On(s)	191,682	
		<u>253,125</u>

Total 2025 Assessment	<u>17,089,704</u>
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RESOLUTION NO. 10-25

PUBLIC ENTITY JOINT INSURANCE FUND
(Hereinafter the “FUND”)

APPROVING CERTAIN DISBURSEMENTS

WHEREAS, the Bylaws of the FUND require that the Board of Commissioners approve all disbursements by a majority vote, and

WHEREAS, the attached bill of items sets forth certain bills or demands for monies.

NOW, THEREFORE BE IT RESOLVED, by the FUND’s Board of Fund Commissioners that the attached bill of items totaling **\$804,998.05** is approved for payment.

Adopted: *this day by the Board of Fund Commissioners*

Chairman

January 28, 2025
Date

Secretary

January 28, 2025
Date

RESOLUTION NO. 11-25

PUBLIC ENTITY JOINT INSURANCE FUND

(Hereinafter referred to as the "FUND")

APPROVING CLAIMS PAYMENTS

BE IT RESOLVED by the Board of Fund Commissioners of the Public Entity Joint Insurance Fund, that confirmation and authorization approval is made in issuance of the attached claims payments totaling **\$3,235,960.57** against the fund.

ADOPTED: *this day before the Board of Fund Commissioners:*

Chairman

January 28, 2025
Date

Secretary

January 28, 2025
Date