PUBLIC ENTITY JOINT INSURANCE FUND
MEETING MINUTES
MAY 19, 2026, at 10:00 AM
Via – MS Teams FOR ALL MEMBERS
FOR PUBLIC ONLY 609-246-5769; Passcode 990 314 821#

MEETING OF THE PUBLIC ENTITY JOINT INSURANCE FUND CALLED TO ORDER AT 10:01 AM

OPEN PUBLIC MEETING ACT STATEMENT READ INTO RECORD

PLEDGE OF ALLEGIANCE

ROLL CALL OF FUND COMMISSIONERS

City of East Orange – A. McCall
City of Orange – L. Copeland
City of Passaic – R. Fernandez
City of Perth Amboy – J. Cryan
City of Plainfield – L. Carden
Borough of Roselle – Absent
Township of Teaneck – Absent
Town of West New York – K. Schweitzer

APPROVAL OF 5/19/2026 MEETING MINUTES

MOTION: Commr. McCall
SECOND: Commr. Fernandez
ABSTAIN: None

ADOPTION OF RESOLUTIONS

- **Resolution 20-26 – Approving Certain Disbursements –** $185,487.92
- **Resolution 21-26 – Approving Claims Payments –** $2,403,028.50

MOTION: Commr. **McCall**
SECOND: Commr. **Copeland**
ABSTAIN: None

EXECUTIVE DIRECTOR'S REPORT – J. Hall – NIP Management Services

- **March 2026 Financial Overview & FastTrack –** March 2026 Financial Overview & FastTrack - A presentation was provided explaining the purpose of a Joint Insurance Fund, emphasizing that the Fund operates as a shared self-insurance pooling arrangement rather than an insurance company. Members jointly share risk, purchase excess insurance, and benefit from collective purchasing power and professional services. The April Fast Track financial review showed deficits in certain prior fund years, particularly 2023 and 2024, while 2025 reflected a surplus and 2026 was tracking close to projected expectations through April.
- **Supplemental Assessment –** Management recommended that the Board consider expanding the supplemental assessment to include Fund Year 2024. The recommendation is based on development of adverse claims, primarily in Workers' Compensation, as well as General Liability and Automobile Liability. The proposed additional supplemental assessment totals approximately $4 million. Members were advised that any adjustment would not impact 2026 cash flow and would instead be incorporated into 2027 installment schedules if approved by the Board later in the year. Customized illustrations for each member municipality will be distributed before further consideration. Discussion focused on causes of increased claims costs. Management noted that claim frequency has remained generally stable, while claim severity has increased due to medical inflation, complex shoulder injuries, lifting-related injuries, and rising liability claim settlements. Police, fire, and public works operations were identified as key areas of exposure.
- **Year-End Financial Audit Status –** The year-end financial audit was reported as complete and filed with the applicable state agencies. Presentation of the audit is scheduled for the next Board meeting.
- **Service Provider Agreements for 2026 –** One outstanding Indemnity and Trust Agreement and several service provider agreements remain outstanding. Members were reminded that payments cannot be made until required agreements are received.

TREASURY REPORT – P. DeBlasio – Fund Treasurer

- **Treasury Report –** All submitted bills and claims were paid. The Fund's cash position reflected an opening balance of approximately $8.9 million, receipts of approximately $1.8 million, disbursements of approximately $4 million, and an ending balance of approximately $6.7 million. Fund investments extending through 2031 were reported to be earning approximately 4.27 percent.
- **Accounts Receivable -** Accounts receivable remain in strong condition, with the overwhelming majority reported as current.

CLAIMS REPORT – R. Persico – NIP Management Services

- **Claims KPI Report for April 2026 –** Bob Perisco presented the KPI report for April data. The claims portfolio reflects 994 open claims, with 94 new claims reported and 138 closed, resulting in a strong 146% closing ratio, indicating closures are significantly outpacing new intake. Workers' Compensation continues to dominate the book at 55.7% of open claims, followed by Auto (13.8%), General Liability (10.2%), Law Enforcement Liability (6.3%), Employment

Practices Liability (5.9%), and Other (8.1%), highlighting a consistent exposure mix. Year-to-date reported claims through April show relative stability over time, with volumes ranging from 426 to 490 claims annually, suggesting no material spike in frequency and an overall steady claims environment.

- **Claims Spotlight -** Bob Perisco presented the Claim Spotlight. Workers' compensation costs continue to rise, driven by increased litigation, higher medical and legal expenses, and growing severity in permanent partial disability claims, including multi-body-part exposure and reopened claims. From 2021 to 2026, costs increased consistently across all PPD categories, with escalation in the range of approximately 23.7% to 24.0%. Specific examples include PPD at 12.5%, increasing from $19,350 to $24,000, 25% from $44,154 to $54,720, 35% from $94,920 to $117,600, and 50% from $193,800 to $239,700, reflecting significant upward pressure on indemnity costs and reinforcing the need for disciplined claims management and litigation control to mitigate ongoing exposure**.**

RISK CONTROL REPORT – K. Skeba – NIP Management Services

- **No Accidents Today-** A generalized overview of how members were progressing was provided. Each applicable line of coverage was compared using last year's loss data vs this year's. Who currently qualifies for awards was also discussed.
- **Distracted Driver Challenge Results-** How the challenge works was reviewed. We also discussed how many courses each member had completed. The importance of driver training was mentioned as AL claims totals continue to rise. Lastly, the winners of the competition were announced.
- **Upcoming Events in July:** First Amendment / Constitutional Audits, Title 59 Defense Best Practices

UNDERWRITING REPORT – R. Smith – NIP Management Services

- **Renewal Initiatives for 2027** – Meetings are underway with excess carriers in hopes of a smooth and uneventful 2027 excess placement.
- **New Member Attestation Process** – Risk Managers and representatives from each municipality will be signing off on all applications as well as property, payroll and vehicle schedules as per the directives of the executive committee.
- **Property Audit & Valuation Review** – We continue to review the data and are working hand in hand with our property excess partners to determine any outliers or incorrectly valued locations. It is the risk manager's responsibility to adjust these values.
- **2027 Excess Renewal Strategy** – 2027 Renewal will kick off in July. Upon creation of the new fund year in the portal, and alongside continued trending values as we have done in the past, an email campaign will launch to alert risk managers that the new year has been created and renewal season is open.

MEMBER UPDATES

NEW BUSINESS

OPEN FORUM

MOTION TO ADJOURN

Commr. McCall motioned to adjourn the meeting at 11:08 AM, and Commr. Copeland seconded the motion. The motion carried unanimously.

Prepared by M. Delgado

____

Madeline Delgado

____

ALSO, PRESENT:

XXX-XXX-7040
B. Ergoz
D. Springer
E. Bonanno
G. Crosby
I. Jimenez
J. Brown
J. Hall
J. Leahy
J. Pressley
J. Razzano
J. Zisa
K. Guerriero
K. Guze
K. Larkin
K. Skeba
L. DAlessio
M. Sweisfort
M. Delgado
N. Hydock
P. DeBlasio
R, Hope
R. Persico
R. Smith
S. Smith
S. Edwards
S. Hobbs
S. Molfetas
T. Fragoso