

Atlantic County Insurance Commission

Report on Audit of Financial Statements

For the Years Ended December 31, 2025 and 2024

Atlantic County Insurance Commission

Financial Statements and Supplementary Information For the Years Ended December 31, 2025 and 2024

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Independent Auditors' Report

Board of Commissioners
Atlantic County Insurance Commission
9 Campus Drive, Suite 216
Parsippany, New Jersey

Opinion

We have audited the accompanying financial statements of the Atlantic County Insurance Commission (the "Commission"), a component unit of the County of Atlantic, State of New Jersey as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Commission as of December 31, 2025, and the respective changes in financial position and cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). 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 Commission 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.

Report on Prior Year Financial Statements

The financial statements of the Commission as of December 31, 2024, were audited by Bowman & Company LLP, whose owners became partners with PKF O'Connor Davies, LLP, and whose report dated October 10, 2025, expressed an unmodified opinion on those financial statements.

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 Commission'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.

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 auditing standards generally accepted in the United States of America and *Government Auditing Standards* 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 auditing standards generally accepted in the United States of America, *Government Auditing Standards* and the Division, 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 Commission'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 Commission'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 other required supplementary information 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 auditing standards generally accepted in the United States of America, 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Commission's basic financial statements. The accompanying supplementary schedules as listed in the table of contents are not a required part of the basic financial statements and are presented for purposes of additional analysis. The accompanying supplementary schedules listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 10, 2026, on our consideration of the Commission'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 Commission'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 Commission's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

Voorhees, New Jersey
September 10, 2026

**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**

Independent Auditors' Report

Board of Commissioners
Atlantic County Insurance Commission
9 Campus Drive, Suite 216
Parsippany, NJ 07054

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), the financial statements of the Atlantic County Insurance Commission (the "Commission"), a component unit of the County of Atlantic, State of New Jersey as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated September 10, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit, we considered the Commission'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission'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 entity'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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission'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* and audit requirements as prescribed by the Division.

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 Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Division in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PKF O'Connor Davies, LLP

Voorhees, New Jersey
September 10, 2026

Atlantic County Insurance Commission

Management's Discussion and Analysis - Unaudited

This section of the annual financial report of the Atlantic County Insurance Commission (the "Commission") presents a discussion and analysis of the financial performance of the Commission for the years ended December 31, 2025, 2024, and 2023. Please read it in conjunction with the basic financial statements and notes that follow this section.

Overview of Basic Financial Statements

The Commission's basic financial statements are prepared on the basis of accounting principles generally accepted in the United States of America for governmental entities and insurance enterprises where applicable. The primary purpose of the Commission is to provide property and casualty insurance coverage for Atlantic County Proper and its inter-agencies that are members of the Commission. The Commission maintains separate enterprise funds by incurred years and line of coverage. The basic financial statements are presented on an accrual basis of accounting. The three basic financial statements presented are as follows:

Comparative Statements of Net Position – These statements present information reflecting the Commission's assets, liabilities, and net position. Net position represents the amount of total assets less total liabilities.

Comparative Statements of Revenues, Expenses, and Changes in Net Position – These statements reflect the Commission's operating revenues and expenses, as well as non-operating items during the reporting period. The change in net position for an enterprise fund is similar to net profit or loss for any other insurance company.

Comparative Statements of Cash Flows – The comparative statements of cash flows is presented on the direct method of reporting, which reflects cash flows from operating, noncapital financing, and investing activities. Cash collections and payments are reflected in this statement to arrive at the net increase or decrease in cash for the year.

Financial Highlights

The following tables summarize the net position and results of operations for the Commission as of and for the years ended December 31, 2025, 2024, and 2023.

Summary Statements of Net Position				2024 to 2025 Change	
	12/31/2025	12/31/2024	12/31/2023	Amount	Percentage
Assets:					
Cash and Cash Equivalents	\$10,633,365	\$10,144,710	\$ 9,514,122	\$ 488,655	4.8%
Investment in Joint Venture	1,240,279	675,677	588,650	564,602	83.6%
Contributions and Other Receivables	2,660,847	3,174,996	3,824,750	(514,149)	-16.2%
Other Assets	-	9,543	36,446	(9,543)	-100.0%
Total Assets	14,534,491	14,004,926	13,963,968	529,565	3.8%
Liabilities, Reserves & Net Position					
Liabilities:					
Claims Reserves	19,862,002	19,121,271	18,580,903	740,731	3.9%
Other Liabilities & Reserves	218,236	11,169	16,344	207,067	1853.9%
Total Liabilities and Reserves	20,080,238	19,132,440	18,597,247	947,798	5.0%
Net Position - Unrestricted (Deficit)	\$ (5,545,747)	\$ (5,127,514)	\$(4,633,279)	\$(418,233)	-8.2%

Summary Statements of Revenues, Expenses, and Changes in Net Position				2024 to 2025 Change	
	12/31/2025	12/31/2024	12/31/2023	Amount	Percentage
Operating Revenue:					
Regular Contributions & Other Income	\$11,154,023	\$10,307,521	\$ 9,378,259	\$ 846,502	8.2%
Operating Expenses:					
Provision for Claims and Claims Expense	8,045,660	6,971,248	8,839,587	1,074,412	15.4%
Insurance Premiums	3,603,522	3,422,162	3,096,445	181,360	5.3%
Administrative and Operating	828,135	794,257	835,951	33,878	4.3%
Total Operating Expenses	12,477,317	11,187,667	12,771,983	1,289,650	11.5%
Operating Loss	(1,323,294)	(880,146)	(3,393,724)	(443,148)	-50.3%
Non-Operating Revenue (Expense):					
Change in Investment in Joint Venture	564,602	87,027	(341,897)	477,575	548.8%
NJCEJIF Dividend	43,225	-	-	43,225	100.0%
Investment Income	340,459	298,884	315,400	41,575	13.9%
Total Non-Operating Revenue (Expense)	948,286	385,911	(26,497)	562,375	145.7%
Return of Surplus	43,225	-	-	43,225	100.0%
Change In Net Position	\$ (418,233)	\$ (494,235)	\$(3,420,221)	\$ 76,002	15.4%

Financial Highlights Continued

On December 29, 2014, the Atlantic County Board of Chosen Freeholders adopted a resolution, which authorized the establishment of the Atlantic County Insurance Commission. The Commission was established under N.J.S.A. 40A:10-6, which authorizes a governing body of any local unit to establish an Insurance Commission for the purposes provided by law. This was based on the County's determination that cost savings and efficiencies can be achieved if the County Proper and its inter-agencies share the cost of insurance, claim management and services, a safety and loss control program and consolidation of insurance policies.

At December 31, 2025, total assets were \$14,534,491, an increase of \$529,565, or 3.8%, from \$14,004,926 at December 31, 2024. The increase was driven primarily by a \$488,655 increase in cash and cash equivalents and a \$564,602 increase in the Commission's investment in joint ventures, partially offset by a \$514,149 decrease in contributions and other receivables. Total liabilities and reserves increased \$947,798, or 5.0%, to \$20,080,238, principally reflecting a \$740,731 increase in claims reserves. As a result, the unrestricted net position deficit increased by \$418,233 to \$5,545,747 compared with \$5,127,514 at December 31, 2024. The Investment in Joint Ventures represents the Commission's share of net position in the New Jersey Counties Excess Joint Insurance Fund.

For 2025, regular contributions and other operating income increased \$846,502, or 8.2%, to \$11,154,023. Total operating expenses increased \$1,289,650, or 11.5%, to \$12,477,317, as the provision for claims and claims expense increased \$1,074,412, or 15.4%, and insurance premiums increased \$181,360, or 5.3%. Accordingly, the operating loss increased \$443,148 to \$1,323,294. Non-operating revenue increased by \$562,375 to \$948,286, primarily due to a \$477,575 increase in the change in investment in joint venture and a \$41,575 increase in investment income. These items, together with a return of surplus of \$43,225, resulted in a decrease in net position of \$418,233 for 2025, compared with a decrease of \$494,235 in 2024. Insurance premiums represent the assessment paid to the New Jersey Counties Excess Joint Insurance Fund (the "NJCE") and totaled \$3,603,522 in 2025, compared with \$3,422,162 in 2024. The NJCE is a cost-sharing excess fund that assumes risk on behalf of the Commission and the other members of that Fund.

Economic Conditions

The Commission's 2025 operating results reflect continued cost pressures in the insurance environment. Provision for claims and claims expenses increased \$1,074,412, or 15.4%, from 2024, and insurance premiums increased \$181,360, or 5.3%. These increases exceeded the 8.2% increase in regular contributions and other operating income and contributed to the increase in the operating loss. The future financial position of the Commission will continue to be affected by trends in medical costs, which affect workers' compensation costs, as well as claims frequency and severity and the cost of excess insurance coverage. The Commission will continue to focus on safety and loss-control efforts, reducing accident frequency and severity, and streamlining claims processing and management to mitigate the effect of these conditions on future operating results.

Contacting the Commission's Management

This financial report is designed to provide the Atlantic County Insurance Commission members and the Division of Local Government Services, Department of Community Affairs, State of New Jersey with a general overview of the Commission's finances and to demonstrate the Commission's accountability for the public funds it receives. If you have any questions about this report or need additional financial information, contact the Executive Director of the Atlantic County Insurance Commission office located at 9 Campus Drive, Suite 216, Parsippany, New Jersey 07054 or by phone at (201) 881-7632.

Atlantic County Insurance Commission
Comparative Statements of Net Position
As of December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
Cash and Cash Equivalents	\$ 10,633,365	\$ 10,144,710
Investment in Joint Venture	1,240,279	675,677
Contributions Receivable	2,617,622	3,174,996
Return of Surplus Receivable	43,225	-
Due From Member	<u>-</u>	<u>9,543</u>
Total Assets	<u>14,534,491</u>	<u>14,004,926</u>
LIABILITIES AND RESERVES		
Liabilities:		
Accrued Administrative Expenses	35,202	11,169
Due To NJCEJIF	119,788	-
Due to Member	20,021	-
Return of Surplus Payable	<u>43,225</u>	<u>-</u>
Total Liabilities	<u>218,236</u>	<u>11,169</u>
Claims Reserves:		
Case Reserves	14,929,555	14,651,089
IBNR Reserves	6,787,630	6,180,608
Less: Reserve Discount	(1,855,183)	(1,687,104)
Less: Excess Insurance Recoverable	<u>-</u>	<u>(23,322)</u>
Total Claims Reserves	<u>19,862,002</u>	<u>19,121,271</u>
Total Liabilities and Reserves	<u>20,080,238</u>	<u>19,132,440</u>
NET POSITION		
Unrestricted (Deficit)	<u><u>\$ (5,545,747)</u></u>	<u><u>\$ (5,127,514)</u></u>

See Notes to Financial Statements.

Atlantic County Insurance Commission
Comparative Statements of Revenues, Expenses, and Changes in Net Position
For the Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
OPERATING REVENUE:		
Regular Contributions	<u>\$ 11,154,023</u>	<u>\$ 10,307,521</u>
OPERATING EXPENSES:		
Provision for Claims and Claims Adjustment Expenses	8,045,660	6,971,248
Premium for Excess Insurance	3,603,522	3,422,162
Administrative Expenses:		
Actuary	10,053	9,856
Attorney	18,289	18,289
Auditor	12,207	11,625
Claims Administrator	328,430	318,860
Fund Administrator	129,892	129,892
Managed Care	230,745	224,025
Miscellaneous Expenses	173	880
Postage	8	8
Property Appraisal	-	(17,516)
Treasurer	8,238	8,238
Risk Management Consultants	85,000	85,000
Secretary	<u>5,100</u>	<u>5,100</u>
Total Operating Expenses	<u>12,477,317</u>	<u>11,187,667</u>
OPERATING LOSS	<u>(1,323,294)</u>	<u>(880,146)</u>
NON-OPERATING REVENUES:		
Change in Investment in Joint Venture	564,602	87,027
NJCEJIF Dividend	43,225	-
Investment Income	<u>340,459</u>	<u>298,884</u>
Total Non-Operating Revenues	<u>948,286</u>	<u>385,911</u>
Change in Net Position	(375,008)	(494,235)
NET POSITION		
Net Position (Deficit) - Beginning	(5,127,514)	(4,633,279)
Return of Surplus	<u>(43,225)</u>	<u>-</u>
Net Position (Deficit) - Ending	<u><u>\$ (5,545,747)</u></u>	<u><u>\$ (5,127,514)</u></u>

See Notes to Financial Statements.

Atlantic County Insurance Commission
Comparative Statements of Cash Flows
For the Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from Regular Contributions	\$ 11,711,397	\$ 10,957,275
Payments for Claim Payments	(7,155,577)	(6,403,977)
Payments for Insurance Premiums	(3,603,522)	(3,422,162)
Payments to Professionals and Suppliers	(804,102)	(799,432)
	<u>148,196</u>	<u>331,704</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment Income	<u>340,459</u>	<u>298,884</u>
Net Increase in Cash and Cash Equivalents	488,655	630,588
CASH AND CASH EQUIVALENTS		
Cash and Cash Equivalents - Beginning	<u>10,144,710</u>	<u>9,514,122</u>
Cash and Cash Equivalents - Ending	<u><u>\$ 10,633,365</u></u>	<u><u>\$ 10,144,710</u></u>
Reconciliation of Operating Loss to		
Cash Flows from Operating Activities:		
Operating Loss	\$ (1,323,294)	\$ (880,146)
Adjustments to Reconcile Operating Loss to		
Net Cash From Operating Activities:		
Changes in Assets and Liabilities:		
Contributions Receivable	557,374	649,754
Due From Member	129,331	26,903
Accrued Administrative Expenses	24,033	(5,175)
Due To Member	20,021	-
Claims Reserves	<u>740,731</u>	<u>540,368</u>
Net Cash Flows From Operating Activities	<u><u>\$ 148,196</u></u>	<u><u>\$ 331,704</u></u>
Supplemental Disclosure - Non-cash Activity:		
Change in Investment in Joint Venture	<u><u>\$ 564,602</u></u>	<u><u>\$ 87,027</u></u>

See Notes to Financial Statements.

Atlantic County Insurance Commission

Notes to Financial Statements
December 31, 2025 and 2024

Note 1: Organization and Description of the Commission

Effective December 29, 2014, the Atlantic County Insurance Commission (the "Commission") was formed in accordance with P.L. 1992, C.51, entitled "An Act Concerning Insurance Funds for Local Units of Government," and supplementing Chapter 10 of Title 40A:10-6. The Commission is operated in accordance with regulations of the Division of Local Government Services, Department of Community Affairs, State of New Jersey for the purpose of securing significant savings in insurance cost, as well as providing stability in coverage.

The Board of Commissioners of the Commission may approve subsequent membership by a majority vote of the Commissioners or may terminate any member by a majority vote, after proper notice has been given. Early terminations require prior approval by the Commissioners.

During 2025, members of the Commission included the Atlantic County, Atlantic County Improvement Authority and Atlantic County Utility Authority.

All members' assessments, including a reserve for contingencies, are based on annual actuarial assumptions determined by the Commission's actuary. The Commissioners may order additional assessments to supplement the Commission's claim, loss retention or administrative accounts to assure the payment of the Commission's obligations.

The Commission offers the following primary insurance coverage to its members:

- Workers' Compensation including Employers' Liability.
- General Liability other than motor vehicles.
- Property damage other than motor vehicles.
- Automobile Liability and damage.

Through membership in the New Jersey Counties Excess Joint Insurance Fund (the "NJCEJIF"), the Commission offers the following ancillary insurance coverage to its members:

- Public Officials Liability/Employment Practices Liability.
- Crime.
- Pollution Liability.
- Medical Professional Liability.
- Employed Lawyers Liability.
- Cyber Liability.

The Commission provides coverage on a self-insured basis and secures excess insurance in a form and an amount from an insurance company acceptable to the Commissioner of Insurance.

Property and Casualty Insurance

The limits of Commission liability per occurrence for property and casualty coverages net of member entity deductibles for December 31, 2025 were as follows:

Property	\$250,000
Auto	\$500,000
General Liability	\$500,000
Workers' Compensation	\$750,000

Coverage in excess of the Commission's retention limits is provided through the Commission's membership in the NJCEJIF.

Atlantic County Insurance Commission

Notes to Financial Statements
December 31, 2025 and 2024

Note 2: Summary of Significant Accounting Policies

The following is a summary of the more significant policies followed by the Atlantic County Insurance Commission in the preparation of the accompanying financial statements:

Component Unit

In evaluating how to define the Commission for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in Governmental Accounting Standards Board ("GASB") Statements No. 14, *The Financial Reporting Entity*, as amended. Blended component units, although legally separate entities, are in substance part of the primary entity's operations. Each discretely presented component unit would be or is reported in a separate column in the financial statements to emphasize that it is legally separate from the primary entity.

The basic, but not the only criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the primary entity. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the primary entity is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary entity could warrant its inclusion within the reporting entity.

Based upon the application of these criteria, the Commission has no component units and is a component unit of the County of Atlantic, State of New Jersey.

Basis of Presentation

The financial statements of the Commission have been prepared in accordance with accounting principles generally accepted in the United States of America applicable to enterprise funds of State and Local Governments on a going concern basis. The focus of enterprise funds is the measurement of economic resources, that is, the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Enterprise funds are accounted for using the accrual basis of accounting.

Revenues - Exchange and Non-Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. Member assessments are recognized as revenue at the time of assessment.

Expenses - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

Atlantic County Insurance Commission

Notes to Financial Statements
December 31, 2025 and 2024

Note 2: Summary of Significant Accounting Policies (Cont'd)

Cash, Cash Equivalents, and Investments

Cash and cash equivalents include petty cash, change funds and cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the comparative statements of cash flows. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey government units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States of America or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments, which may be purchased by New Jersey governmental units. These permissible investments generally include bonds or other obligations of the United States of America or obligations guaranteed by the United States of America, government money market mutual funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, bonds, or other obligations of the local unit or bonds or other obligations of governmental unit of which the local unit is a part or within which the governmental unit is located, bonds or other obligations approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units, local government investment pools, deposits with the State of New Jersey Cash Management Fund, and agreements for the purchase of fully collateralized securities with certain provisions. In addition, other State statutes permit investments in obligations issued by local authorities and other state agencies.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

Additionally, the Commission has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the GUDPA. In lieu of designating a depository, the cash management plan may provide that the local unit make deposits with the State of New Jersey Cash Management Fund.

Annual Contributions

Annual contributions are based on loss funds as determined by the Commission's actuary and are received in three installments. Total contributions are recognized as earned revenue evenly over the fiscal contract period or period of risk, if different. All past-due contributions bear interest at the rate established annually by the Commissioners.

Atlantic County Insurance Commission

Notes to Financial Statements
December 31, 2025 and 2024

Note 2: Summary of Significant Accounting Policies (Cont'd)

Supplemental Contributions

The Commissioners shall by majority vote levy upon the participating county agencies, additional assessments wherever needed to supplement the Commission's claim, loss retention or administrative accounts, after consideration of anticipated investment income, to assure the payment of the Commission's obligations. Supplemental contributions to cover a deficit are recognized as revenue upon approval whether or not actually received.

Interest Income Allocation

Interest income was allocated based on the ratio of monthly average invested cash balances by line of coverage to the total amount invested applied to interest income credited for the month.

Unpaid Claims Liabilities

The Commission establishes property and casualty claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) 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.

Because actual claims 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 reflected in reserves and cumulative expenses in the periods being reported upon.

A. Reported Claims Case Reserves.

Case reserves include estimated unpaid claims cost for both future payments of losses and related allocated claim adjustment expenses as reported by the service agent, Qual-Lynx, Inc.

B. Claims Incurred But Not Reported ("IBNR") Reserve.

In order to recognize claims incurred but not reported, a reserve is calculated by the Commission's actuary, The Actuarial Advantage Inc.

Case and IBNR Reserves represent the estimated liability on expected future development on claims already reported to the Commission plus claims incurred, but not yet reported and unknown loss events that are expected to become claims. The liabilities for claims and related adjustment expenses are evaluated using Commission and industry data, case basis evaluations and other statistical analyses, and represent estimates of the ultimate net cost of all losses incurred through December 31, 2025 and 2024. These liabilities are subject to variability between estimated ultimate losses determined as described and the actual experience as it emerges, including the impact of future changes in claim severity, frequency and other factors.

Management believes that the liabilities for unpaid claims above are adequate. The estimates are reviewed periodically and as adjustments to these liabilities become necessary, such adjustments are reflected in cumulative operations.

Atlantic County Insurance Commission

Notes to Financial Statements
December 31, 2025 and 2024

Note 2: Summary of Significant Accounting Policies (Cont'd)

Excess Coverage

Coverage in excess of the Commission's property and casualty self-insured retention limits is provided through the Commission's membership in the NJCEJIF as described in Note 6.

Subrogation

Subrogation and all other recoverable claim amounts, excluding excess insurance, are recognized upon receipt of cash only.

Refunds

As per Article VIII of the Commission's Rules and Regulations, any monies for a Fund year in excess of the amount necessary to fund all obligations for that year as certified by an actuary may be declared to be refundable by the Commission. A refund for any year shall be paid only in proportion to the member's participation in the Commission for such year. Payment of a refund shall not be contingent on the member's continued membership in the Commission. The Commission may apply a refund to any arrearage owed by the member to the Commission. Otherwise, at the option of the member, the refund may be retained by the Commission and applied towards the member's next annual contribution.

Administrative Expenses

Administrative expenses are comprised mainly of compensation for services rendered by servicing organizations submitted and approved by a majority of the Commissioners/Executive Committee. In instances where invoices have not been submitted for specific periods, the maximum allowable contract amount has been accrued.

Income Taxes

The Commission is exempt from income taxes under Section 115 of the Internal Revenue Code.

Net Position

In accordance with the provisions of the GASB Statement No. 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments," the Commission has classified its net position as unrestricted. This component of net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets" and includes net position that may be allocated for specific purposes by the Board.

Operating and Non-Operating Revenues and Expenses

Operating revenues include all revenues derived from member contributions. Non-operating revenues principally consist of investment income and positive changes in the Commission's investment in the NJCEJIF.

Operating expenses include expenses associated with the Commission's operations, including claims expense, insurance and administrative expenses. Non-operating expenses include negative changes in the Commission's investment in the NJCEJIF.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Atlantic County Insurance Commission

Notes to Financial Statements
December 31, 2025 and 2024

Note 3: Cash and Cash Equivalents

Custodial Credit Risk Related to Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Commission's deposits might not be recovered. Although the Commission does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation ("FDIC"). Public funds owned by the Commission in excess of FDIC-insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings or funds that may pass to the Commission relative to the happening of a future condition. If the Commission had any such funds, they would be shown as Uninsured and Uncollateralized.

Of the Commission's bank balance of \$11,145,832 at December 31, 2025, \$250,000 was insured while \$10,895,832 was collateralized under GUDPA.

Of the Commission's bank balance of \$10,366,338 at December 31, 2024, \$250,000 was insured while \$10,116,338 was collateralized under GUDPA.

Note 4: Investment in Joint Venture

As discussed in Note 6, the Commission is a member of the NJCEJIF. The NJCEJIF is carrying the individual fund year surplus as unrestricted net position on the Comparative Statements of Net Position. The allocations of those funds attributed to the NJCEJIF's individual members are based on the member's percentage of assessments. The Commission's allocated share of surplus for the years ended December 31, 2025 and 2024, was \$1,240,279 and \$675,677, respectively.

Note 5: Changes in Unpaid Claims Liabilities

As discussed in Note 2, the Commission establishes a liability for both reported and unreported insured events, which includes estimates of future payments of losses and related allocated claim adjustment expenses.

Atlantic County Insurance Commission

Notes to Financial Statements
December 31, 2025 and 2024

Note 5: Changes in Unpaid Claims Liabilities (Cont'd)

The following represents changes in those aggregate undiscounted reported and unreported liabilities for the years ended December 31, 2025 and 2024, and for all open fund years net of excess insurance recoveries:

	<u>2025</u>	<u>2024</u>
Total unpaid claim and claim adjustment expenses all fund years - Beginning	<u>\$ 19,121,271</u>	<u>\$ 18,580,903</u>
Incurred claims and claims adjustment expenses:		
Provision for insured events of current fund year	6,436,342	5,498,276
Changes in provision for insured events of prior fund years	<u>1,609,318</u>	<u>1,472,972</u>
Total incurred claims and claims adjustment expenses all fund years	<u>8,045,660</u>	<u>6,971,248</u>
Payments (Net of Recoveries):		
Claims and claim adjustments expenses:		
Attributable to insured events of current fund year	1,286,151	790,561
Attributable to insured events of prior fund years	<u>6,018,778</u>	<u>5,640,319</u>
Total payments all fund years	<u>7,304,929</u>	<u>6,430,880</u>
Total unpaid claim and claim adjustment expenses all fund years - Ending	<u><u>\$ 19,862,002</u></u>	<u><u>\$ 19,121,271</u></u>

Note 6: Membership in Joint Insurance Funds

New Jersey Counties Excess Joint Insurance Fund

Effective December 29, 2014, the Commission became a member of the New Jersey Counties Excess Joint Insurance Fund (The "NJCEJIF"). The NJCEJIF is a risk-sharing public entity risk pool that is a self-administered group of county insurance fund commissions established for the purpose of providing excess insurance coverage to participating property and casualty members. Each member appoints an official to represent their respective insurance fund commission for the purpose of creating a governing body from which officers for the NJCEJIF are elected.

As a member of the NJCEJIF, the Commission could be subject to supplemental assessments in the event of deficiencies. If the assets of the NJCEJIF were to be exhausted, members would become jointly and severally liable for the NJCEJIF's liabilities.

The NJCEJIF can declare and distribute dividends to members upon approval of the State of New Jersey Department of Insurance. These distributions are divided among the members in the same ratio as their individual assessment relates to the total assessment of the membership for that fund year.

Atlantic County Insurance Commission

Notes to Financial Statements
December 31, 2025 and 2024

Note 6: Membership in Joint Insurance Funds (Cont'd)

Selected Financial Information

Selected summarized financial information for the NJCEJIF at December 31, 2025 and 2024, is as follows:

	<u>2025</u>	<u>2024</u>
Total Assets	<u>\$ 47,236,424</u>	<u>\$ 39,858,431</u>
Total Liabilities & Reserves	<u>\$ 28,369,860</u>	<u>\$ 27,884,976</u>
Net Position	<u>\$ 18,866,564</u>	<u>\$ 11,973,455</u>
Total Revenue	<u>\$ 44,640,431</u>	<u>\$ 43,035,053</u>
Total Expenses	<u>\$ 37,247,323</u>	<u>\$ 41,739,422</u>
Change In Net Position	<u>\$ 7,393,108</u>	<u>\$ 1,295,631</u>
Surplus Transfer	<u>\$ -</u>	<u>\$ -</u>
Return of Surplus	<u>\$ 500,000</u>	<u>\$ -</u>

Financial statements for the NJCEJIF are available at the office of the NJCEJIF's Executive Director:

PERMA
9 Campus Drive, Suite 216
Parsippany, NJ 07054
(201) 881-7632

Note 7: Related Party Transactions

As disclosed in Note 6, the Commission is a member of the NJCEJIF and, accordingly, has an ownership interest in the NJCEJIF. Excess insurance premiums paid to the NJCEJIF for the years ended December 31, 2025 and 2024, were \$3,603,522 and \$3,422,162, respectively.

Note 8: Return of Surplus

During 2025, the Board of Commissioners approved a \$43,225 dividend representing a passthrough of NJCEJIF dividends paid proportionally to its members. The Commission paid \$17,583 from the 2017 Fund Year, \$8,922 from the 2018 Fund Year, and \$16,720 from the 2019 Fund Year.

The Board of Commissioners did not approve a dividend in 2024.

Atlantic County Insurance Commission

Notes to Financial Statements
December 31, 2025 and 2024

Note 9: Contingencies

Claims Activity - In the normal course of its operations, the Commission has a number of lawsuits filed by claimants in various stages. Although estimated loss reserves have been established by the Fund, a number of these cases may possibly be settled for amounts in excess of the Fund's loss reserves. No provision for these contingencies has been included in the financial statements since the amounts are not reasonably estimable.

Workers' compensation claims continue to be affected by the changes in the public employee pension plans that reduce the plans' contribution to total disability claims. Fortunately, the Commission's members are experiencing a lower rate of other employee accidents because of improved safety programs. Liability claims continue to be affected by the New Jersey Tort Claims Act (NJTCA) where the statute of limitations for sexual molestation lawsuits and the reluctance of the NJ Court System to grant summary judgments when Title 59 immunities should apply. Property claims continue to be affected by the increased frequency and severity of natural catastrophes.

The Commission continues to monitor these developments and will assess any material impact on the Fund's net position or results of operations in future reporting periods.

Note 10: Subsequent Events

The Commission has evaluated subsequent events after December 31, 2025 through September 10, 2026, the date on which the financial statements are available to be issued.

Atlantic County Insurance Commission

Required Supplementary Information

For the Year Ended December 31, 2025

Atlantic County Insurance Commission
 Required Supplementary Information
 Reconciliation of Claims Liabilities By Fund
 For the Year Ended December 31, 2025

	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Total</u>
Total unpaid claims and claim adjustment expenses - Beginning	\$ 332,197	\$ 2,839,767	\$ 1,067,637	\$ 14,881,670	\$ 19,121,271
Incurred claims and claims adjustment expenses:					
Provision for insured events of current fund year	139,179	748,265	199,742	5,349,156	6,436,342
Changes in provision for insured events of prior fund years	199,962	186,163	(441,066)	1,664,259	1,609,318
Total incurred claims and claims adjustment expenses all fund years	339,141	934,428	(241,324)	7,013,415	8,045,660
Payments (Net of Recoveries):					
Claims and claims adjustment expenses:					
Attributable to insured events of current fund year	120,395	6,515	21,912	1,137,329	1,286,151
Attributable to insured events of prior fund years	503,118	884,697	206,498	4,424,465	6,018,778
Total payments all fund years	623,513	891,212	228,410	5,561,794	7,304,929
Total unpaid claims and claim adjustment expenses - Ending	\$ 47,825	\$ 2,882,983	\$ 597,903	\$ 16,333,291	\$ 19,862,002

Atlantic County Insurance Commission
Required Supplementary Information
Ten-Year Claims Development Information
As of December 31, 2025

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Net Earned Required Contribution and Investment Revenue:										
Earned	\$ 8,310,009	\$ 8,367,377	\$ 8,122,056	\$ 8,178,357	\$ 8,255,793	\$ 8,417,920	\$ 8,811,415	\$ 9,497,616	\$ 10,428,032	\$ 11,209,590
Ceded	1,852,128	1,851,881	1,900,538	1,978,578	2,035,547	2,350,240	2,811,307	3,096,445	3,422,163	3,603,522
	6,457,881	6,515,496	6,221,518	6,199,779	6,220,246	6,067,680	6,000,108	6,401,171	7,005,869	7,606,068
Unallocated Expenses	863,503	860,947	858,568	859,397	856,581	808,886	820,565	818,750	811,803	827,582
Estimated Claims and Expenses, End of Policy Year:										
Incurred	3,417,955	4,188,908	4,184,234	3,890,333	5,199,066	5,392,942	5,736,708	5,771,616	5,498,276	6,436,342
Ceded					11,996					
Net Incurred	3,417,955	4,188,908	4,184,234	3,890,333	5,187,070	5,392,942	5,736,708	5,771,616	5,498,276	6,436,342
Paid (Cumulative) as of:										
End of Policy Year	920,455	1,220,000	696,088	685,691	1,126,062	1,397,421	1,173,161	1,305,842	790,561	1,286,151
One Year Later	1,736,849	2,172,095	1,828,155	1,794,300	2,250,927	2,913,014	3,047,248	2,888,336	1,842,170	
Two Years Later	2,529,052	2,909,321	2,616,449	2,492,374	3,080,626	3,886,465	4,211,608	4,963,570		
Three Years Later	3,243,858	3,588,980	3,387,397	3,022,010	3,727,053	4,853,262	5,295,272			
Four Years Later	3,650,336	4,020,323	3,798,919	3,410,483	4,109,886	5,572,095				
Five Years Later	3,879,482	4,585,278	4,138,074	3,676,043	4,331,798					
Six Years Later	4,278,852	4,913,927	4,759,059	3,814,623						
Seven Years Later	4,816,956	5,104,158	4,847,419							
Eight Years Later	4,987,806	5,224,205								
Nine Years Later	5,338,548									
Reestimated Ceded Claims and Expenses	-	-	-	-	23,322	-	-	-	-	-
Reestimated Incurred Claims and Expenses:										
End of Policy Year	3,417,955	4,188,908	4,184,234	3,890,333	5,187,070	5,392,942	5,736,708	5,771,616	5,498,276	6,436,342
One Year Later	2,915,150	3,879,618	4,008,711	3,401,971	4,474,182	7,016,178	7,298,448	6,419,703	5,397,620	
Two Years Later	3,952,147	4,376,856	4,303,482	3,726,476	4,895,549	6,964,165	7,878,536	7,228,944		
Three Years Later	4,417,599	4,625,162	5,261,264	4,313,580	4,675,477	7,119,609	8,176,080			
Four Years Later	4,578,605	5,488,508	5,380,290	4,615,546	4,827,641	6,955,210				
Five Years Later	4,802,581	5,714,000	5,835,813	4,626,330	5,118,476					
Six Years Later	5,320,817	5,747,020	5,836,523	4,706,552						
Seven Years Later	5,795,664	5,621,648	5,715,316							
Eight Years Later	5,942,849	5,511,503								
Nine Years Later	6,005,192									
Change in Estimated Incurred Claims and Expenses from End of Policy Year	\$ 2,587,237	\$ 1,322,595	\$ 1,531,082	\$ 816,219	\$ (68,594)	\$ 1,562,268	\$ 2,439,372	\$ 1,457,328	\$ (100,656)	\$ -

Atlantic County Insurance Commission

Supplementary Information

For the Year Ended December 31, 2025

Atlantic County Insurance Commission
 Supplementary Information
 Statement of Fund Year 2025 Account Operating Results Analysis
 For the Period January 1, 2025 to December 31, 2025

Coverages and Other Accounts

	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>NJCEJIF</u>	<u>Expense & Contingency</u>	<u>Total</u>
UNDERWRITING INCOME:							
Regular Contributions	\$ 436,692	\$ 403,176	\$ 215,882	\$ 5,652,350	\$ 3,603,522	\$ 842,401	\$ 11,154,023
INCURRED LIABILITIES:							
Claims Expenses	139,179	748,265	199,742	5,349,156	3,603,522	827,582	6,436,342
							4,431,104
Total Liabilities	139,179	748,265	199,742	5,349,156	3,603,522	827,582	10,867,446
UNDERWRITING SURPLUS (DEFICIT)							
	297,513	(345,089)	16,140	303,194	-	14,819	286,577
ADJUSTMENTS:							
Investment Income	3,823	3,383	1,636	43,260	1,991	1,474	55,567
Permanent Transfers							-
Total Adjustments	3,823	3,383	1,636	43,260	1,991	1,474	55,567
GROSS SURPLUS (DEFICIT)							
Return of Surplus	301,336	(341,706)	17,776	346,454	1,991	16,293	342,144
							-
NET SURPLUS (DEFICIT)							
BEFORE UNALLOCATED INVESTMENT	\$ 301,336	\$ (341,706)	\$ 17,776	\$ 346,454	\$ 1,991	\$ 16,293	342,144
Investment in Joint Venture							469,093
NET SURPLUS							\$ 811,237

Atlantic County Insurance Commission
 Supplementary Information
 Statement of Fund Year 2024 Account Operating Results Analysis
 For the Period January 1, 2024 to December 31, 2025

Coverages and Other Accounts

	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>NJCEJIF</u>	<u>Expense & Contingency</u>	<u>Total</u>
UNDERWRITING INCOME:							
Regular Contributions	\$ 394,572	\$ 366,883	\$ 174,047	\$ 5,124,497	\$ 3,422,163	\$ 825,359	\$ 10,307,521
INCURRED LIABILITIES:							
Claims Expenses	248,339	242,533	147,469	4,759,279	3,422,163	811,803	5,397,620
Total Liabilities	248,339	242,533	147,469	4,759,279	3,422,163	811,803	9,631,586
UNDERWRITING SURPLUS	146,233	124,350	26,578	365,218	-	13,556	675,935
ADJUSTMENTS:							
Investment Income	6,023	8,764	3,957	96,878	1,630	3,259	120,511
Permanent Transfers							-
Total Adjustments	6,023	8,764	3,957	96,878	1,630	3,259	120,511
GROSS SURPLUS	152,256	133,114	30,535	462,096	1,630	16,815	796,446
Return of Surplus							-
NET SURPLUS BEFORE UNALLOCATED INVESTMENT	\$ 152,256	\$ 133,114	\$ 30,535	\$ 462,096	\$ 1,630	\$ 16,815	796,446
Investment in Joint Venture							31,907
NET SURPLUS							\$ 828,353

Atlantic County Insurance Commission
 Supplementary Information
 Statement of Fund Year 2023 Account Operating Results Analysis
 For the Period January 1, 2023 to December 31, 2025

Coverages and Other Accounts

	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>NJCEJIF</u>	<u>Expense & Contingency</u>	<u>Total</u>
UNDERWRITING INCOME:							
Regular Contributions	\$ 322,000	\$ 321,000	\$ 154,000	\$ 4,640,000	\$ 3,096,447	\$ 844,812	\$ 9,378,259
INCURRED LIABILITIES:							
Claims Expenses	644,178	779,091	180,073	5,625,602	3,096,445	818,750	7,228,944
							3,915,195
Total Liabilities	644,178	779,091	180,073	5,625,602	3,096,445	818,750	11,144,139
UNDERWRITING SURPLUS (DEFICIT)	(322,178)	(458,091)	(26,073)	(985,602)	2	26,062	(1,765,880)
ADJUSTMENTS:							
Investment Income	2,637	14,361	4,748	90,274		7,337	119,357
Permanent Transfers							-
Total Adjustments	2,637	14,361	4,748	90,274	-	7,337	119,357
GROSS SURPLUS (DEFICIT)	(319,541)	(443,730)	(21,325)	(895,328)	2	33,399	(1,646,523)
Return of Surplus							-
NET SURPLUS (DEFICIT)							
BEFORE UNALLOCATED INVESTMENT	\$ (319,541)	\$ (443,730)	\$ (21,325)	\$ (895,328)	\$ 2	\$ 33,399	(1,646,523)
Investment in Joint Venture							(254,338)
NET DEFICIT							\$ (1,900,861)

Atlantic County Insurance Commission
 Supplementary Information
 Statement of Fund Year 2022 Account Operating Results Analysis
 For the Period January 1, 2022 to December 31, 2025

Coverages and Other Accounts

	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>NJCEJIF</u>	<u>Expense & Contingency</u>	<u>Total</u>
UNDERWRITING INCOME:							
Regular Contributions	\$ 295,493	\$ 304,349	\$ 177,158	\$ 4,287,000	\$ 2,811,307	\$ 831,515	\$ 8,706,822
INCURRED LIABILITIES:							
Claims Expenses	513,019	947,226	280,433	6,435,402	2,811,307	820,565	8,176,080
							3,631,872
Total Liabilities	513,019	947,226	280,433	6,435,402	2,811,307	820,565	11,807,952
UNDERWRITING SURPLUS (DEFICIT)	(217,526)	(642,877)	(103,275)	(2,148,402)	-	10,950	(3,101,130)
ADJUSTMENTS:							
Investment Income	622	17,358	6,530	64,459	54	15,570	104,593
Permanent Transfers							-
Total Adjustments	622	17,358	6,530	64,459	54	15,570	104,593
GROSS SURPLUS (DEFICIT)	(216,904)	(625,519)	(96,745)	(2,083,943)	54	26,520	(2,996,537)
Return of Surplus							-
NET SURPLUS (DEFICIT)							
BEFORE UNALLOCATED INVESTMENT	\$ (216,904)	\$ (625,519)	\$ (96,745)	\$ (2,083,943)	\$ 54	\$ 26,520	(2,996,537)
Investment in Joint Venture							80,224
NET DEFICIT							\$ (2,916,313)

Atlantic County Insurance Commission
 Supplementary Information
 Statement of Fund Year 2021 Account Operating Results Analysis
 For the Period January 1, 2021 to December 31, 2025

Coverages and Other Accounts

	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>NJCEJIF</u>	<u>Expense & Contingency</u>	<u>Total</u>
UNDERWRITING INCOME:							
Regular Contributions	\$ 296,000	\$ 311,000	\$ 193,000	\$ 4,342,000	\$ 2,350,240	\$ 818,476	\$ 8,310,716
INCURRED LIABILITIES:							
Claims Expenses	481,720	58,098	224,024	6,191,368	2,350,240	808,886	6,955,210
Total Liabilities	481,720	58,098	224,024	6,191,368	2,350,240	808,886	10,114,336
UNDERWRITING SURPLUS (DEFICIT)	(185,720)	252,902	(31,024)	(1,849,368)	-	9,590	(1,803,620)
ADJUSTMENTS:							
Investment Income	5	24,520	6,018	54,301		22,360	107,204
Permanent Transfers							-
Total Adjustments	5	24,520	6,018	54,301	-	22,360	107,204
GROSS SURPLUS (DEFICIT)	(185,715)	277,422	(25,006)	(1,795,067)	-	31,950	(1,696,416)
Return of Surplus							-
NET SURPLUS (DEFICIT)							
BEFORE UNALLOCATED INVESTMENT	\$ (185,715)	\$ 277,422	\$ (25,006)	\$ (1,795,067)	\$ -	\$ 31,950	(1,696,416)
Investment in Joint Venture							(30,690)
NET DEFICIT							\$ (1,727,106)

Atlantic County Insurance Commission
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Coverages and Other Accounts

	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>NJCEJIF</u>	<u>Expense & Contingency</u>	<u>Total</u>
UNDERWRITING INCOME:							
Regular Contributions	\$ 317,726	\$ 325,000	\$ 204,000	\$ 4,358,000	\$ 2,035,547	\$ 863,715	\$ 8,103,988
INCURRED LIABILITIES:							
Claims	548,013	304,613	40,094	4,225,756	2,035,547	856,581	5,118,476
Expenses							2,892,128
Total Liabilities	548,013	304,613	40,094	4,225,756	2,035,547	856,581	8,010,604
UNDERWRITING SURPLUS (DEFICIT)	(230,287)	20,387	163,906	132,244	-	7,134	93,384
ADJUSTMENTS:							
Investment Income		20,453	10,160	99,056	4	22,132	151,805
Permanent Transfers							-
Total Adjustments	-	20,453	10,160	99,056	4	22,132	151,805
GROSS SURPLUS (DEFICIT)	(230,287)	40,840	174,066	231,300	4	29,266	245,189
Return of Surplus							-
NET SURPLUS (DEFICIT)							
BEFORE UNALLOCATED INVESTMENT	\$ (230,287)	\$ 40,840	\$ 174,066	\$ 231,300	\$ 4	\$ 29,266	245,189
Investment in Joint Venture							92,187
NET SURPLUS							\$ 337,376

Atlantic County Insurance Commission
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Coverages and Other Accounts

	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>NJCEJIF</u>	<u>Expense & Contingency</u>	<u>Total</u>
UNDERWRITING INCOME:							
Regular Contributions	\$ 225,000	\$ 319,000	\$ 214,000	\$ 4,388,000	\$ 1,978,578	\$ 863,338	\$ 7,987,916
INCURRED LIABILITIES:							
Claims	160,091	617,210	40,015	3,889,236	1,978,578	859,397	4,706,552
Expenses							2,837,975
Total Liabilities	160,091	617,210	40,015	3,889,236	1,978,578	859,397	7,544,527
UNDERWRITING SURPLUS (DEFICIT)	64,909	(298,210)	173,985	498,764	-	3,941	443,389
ADJUSTMENTS:							
Investment Income	5,890	16,711	16,148	110,865	763	17,517	167,894
Permanent Transfers							-
NJCEJIF Dividend					22,547		22,547
Total Adjustments	5,890	16,711	16,148	110,865	23,310	17,517	190,441
GROSS SURPLUS (DEFICIT)	70,799	(281,499)	190,133	609,629	23,310	21,458	633,830
Return of Surplus					34,779		34,779
NET SURPLUS (DEFICIT)	\$ 70,799	\$ (281,499)	\$ 190,133	\$ 609,629	\$ (11,469)	\$ 21,458	599,051
BEFORE UNALLOCATED INVESTMENT							
Investment in Joint Venture							161,608
NET SURPLUS							\$ 760,659

Atlantic County Insurance Commission
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 For the Period January 1, 2018 to December 31, 2025

Coverages and Other Accounts

	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>NJCEJIF</u>	<u>Expense & Contingency</u>	<u>Total</u>
UNDERWRITING INCOME:							
Regular Contributions	\$ 228,000	\$ 313,000	\$ 218,000	\$ 4,448,200	\$ 1,900,538	\$ 862,967	\$ 7,970,705
INCURRED LIABILITIES:							
Claims Expenses	63,267	1,002,553	57,941	4,591,555	1,900,538	858,568	5,715,316
Total Liabilities	63,267	1,002,553	57,941	4,591,555	1,900,538	858,568	8,474,422
UNDERWRITING SURPLUS (DEFICIT)	164,733	(689,553)	160,059	(143,355)	-	4,399	(503,717)
ADJUSTMENTS:							
Investment Income	16,928	13,238	17,316	74,986		19,961	142,429
Permanent Transfers							-
Total Adjustments	16,928	13,238	17,316	74,986	-	19,961	142,429
GROSS SURPLUS (DEFICIT)	181,661	(676,315)	177,375	(68,369)	-	24,360	(361,288)
Return of Surplus							-
NET SURPLUS (DEFICIT)	\$ 181,661	\$ (676,315)	\$ 177,375	\$ (68,369)	\$ -	\$ 24,360	(361,288)
BEFORE UNALLOCATED INVESTMENT							
Investment in Joint Venture							210,247
NET DEFICIT							\$ (151,041)

Atlantic County Insurance Commission
 Supplementary Information
 Statement of Fund Year 2017 Account Operating Results Analysis
 For the Period January 1, 2017 to December 31, 2025

Coverages and Other Accounts

	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>NJCEJIF</u>	<u>Expense & Contingency</u>	<u>Total</u>
UNDERWRITING INCOME:							
Regular Contributions	\$ 235,000	\$ 327,000	\$ 222,000	\$ 4,940,000	\$ 1,851,311	\$ 664,684	\$ 8,239,995
INCURRED LIABILITIES:							
Claims Expenses	139,035	126,529	57,102	5,188,837	1,851,881	860,947	5,511,503
Total Liabilities	139,035	126,529	57,102	5,188,837	1,851,881	860,947	8,224,331
UNDERWRITING SURPLUS (DEFICIT)							
	95,965	200,471	164,898	(248,837)	(570)	(196,263)	15,664
ADJUSTMENTS:							
Investment Income	8,537	22,932	18,917	59,052		360	109,798
Permanent Transfers							-
Total Adjustments	8,537	22,932	18,917	59,052	-	360	109,798
GROSS SURPLUS (DEFICIT)							
Return of Surplus	104,502	223,403	183,815	(189,785)	(570)	(195,903)	125,462
							-
NET SURPLUS (DEFICIT)							
BEFORE UNALLOCATED INVESTMENT	\$ 104,502	\$ 223,403	\$ 183,815	\$ (189,785)	\$ (570)	\$ (195,903)	125,462
Investment in Joint Venture							233,275
NET SURPLUS							\$ 358,737

Atlantic County Insurance Commission
 Supplementary Information
 Statement of Fund Year 2016 Account Operating Results Analysis
 For the Period January 1, 2016 to December 31, 2025

Coverages and Other Accounts

	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>NJCEJIF</u>	<u>Expense & Contingency</u>	<u>Total</u>
UNDERWRITING INCOME:							
Regular Contributions	\$ 230,137	\$ 320,816	\$ 217,299	\$ 4,843,286	\$ 1,852,129	\$ 664,328	\$ 8,127,995
INCURRED LIABILITIES:							
Claims	343,419	489,003	68,659	5,104,111	1,852,128	863,503	6,005,192
Expenses							2,715,631
Total Liabilities	343,419	489,003	68,659	5,104,111	1,852,128	863,503	8,720,823
UNDERWRITING SURPLUS (DEFICIT)	(113,282)	(168,187)	148,640	(260,825)	1	(199,175)	(592,828)
ADJUSTMENTS:							
Investment Income		5,726	15,954	101,297	895	343	124,215
Permanent Transfers							-
NJCEJIF Dividend					57,799		57,799
Total Adjustments	-	5,726	15,954	101,297	58,694	343	182,014
GROSS SURPLUS (DEFICIT)	(113,282)	(162,461)	164,594	(159,528)	58,695	(198,832)	(410,814)
Return of Surplus					45,567		45,567
NET SURPLUS (DEFICIT)							
BEFORE UNALLOCATED INVESTMENT	\$ (113,282)	\$ (162,461)	\$ 164,594	\$ (159,528)	\$ 13,128	\$ (198,832)	(456,381)
Investment in Joint Venture							140,835
NET DEFICIT							\$ (315,546)

Atlantic County Insurance Commission
 Supplementary Information
 Statement of Fund Year 2015 Account Operating Results Analysis
 For the Period January 1, 2015 to December 31, 2025

Coverages and Other Accounts

	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>NJCEJIF</u>	<u>Expense & Contingency</u>	<u>Total</u>
UNDERWRITING INCOME:							
Regular Contributions	\$ 183,929	\$ 314,525	\$ 213,038	\$ 4,748,320	\$ 1,444,978	\$ 704,505	\$ 7,609,295
INCURRED LIABILITIES:							
Claims Expenses	37,257	482,582	47,681	6,544,762	1,444,407	850,712	7,112,282
Total Liabilities	37,257	482,582	47,681	6,544,762	1,444,407	850,712	9,407,401
UNDERWRITING SURPLUS (DEFICIT)	146,672	(168,057)	165,357	(1,796,442)	571	(146,207)	(1,798,106)
ADJUSTMENTS:							
Investment Income	15,740	166	18,010	21,681	68	5,270	60,935
Permanent Transfers							-
NJCEJIF Dividend					16,582		16,582
Total Adjustments	15,740	166	18,010	21,681	16,650	5,270	77,517
GROSS SURPLUS (DEFICIT)	162,412	(167,891)	183,367	(1,774,761)	17,221	(140,937)	(1,720,589)
Return of Surplus					16,582		16,582
NET SURPLUS (DEFICIT)	\$ 162,412	\$ (167,891)	\$ 183,367	\$ (1,774,761)	\$ 639	\$ (140,937)	(1,737,171)
BEFORE UNALLOCATED INVESTMENT							
Investment in Joint Venture							105,930
NET DEFICIT							\$ (1,631,241)

Atlantic County Insurance Commission
Supplementary Information
Schedule of Fund Year 2025 Claims Analysis
For the Period January 1, 2025 to December 31, 2025

Coverages

	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Total</u>
Paid Claims (Net of Recoveries)	\$ 120,395	\$ 6,515	\$ 21,912	\$ 1,137,329	\$ 1,286,151
Case Reserves	18,408	560,376	12,173	2,045,460	2,636,417
IBNR Reserves	1,000	267,171	184,915	2,551,842	3,004,928
Reserve Discount	(624)	(85,797)	(19,258)	(385,475)	(491,154)
Subtotal	139,179	748,265	199,742	5,349,156	6,436,342
Excess Insurance Received Recoverable					-
Subtotal	-	-	-	-	-
Limited Incurred Claims	\$ 139,179	\$ 748,265	\$ 199,742	\$ 5,349,156	\$ 6,436,342
Number of Claims	60	133	28	210	431
Average Cost Per Claim	\$ 2,320	\$ 5,626	\$ 7,134	\$ 25,472	\$ 14,934

Atlantic County Insurance Commission
Supplementary Information
Schedule of Fund Year 2024 Claims Analysis
For the Period January 1, 2024 to December 31, 2025

	Coverages				
	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Total</u>
Paid Claims (Net of Recoveries)	\$ 221,650	\$ 6,398	\$ 21,370	\$ 1,592,752	\$ 1,842,170
Case Reserves	27,451	46,491	3,950	2,155,669	2,233,561
IBNR Reserves		210,909	133,310	1,297,609	1,641,828
Reserve Discount	(762)	(21,265)	(11,161)	(286,751)	(319,939)
Subtotal	248,339	242,533	147,469	4,759,279	5,397,620
Excess Insurance Received Recoverable					-
Subtotal	-	-	-	-	-
Limited Incurred Claims	\$ 248,339	\$ 242,533	\$ 147,469	\$ 4,759,279	\$ 5,397,620
Number of Claims	109	146	23	227	505
Average Cost Per Claim	\$ 2,278	\$ 1,661	\$ 6,412	\$ 20,966	\$ 10,688

Atlantic County Insurance Commission
Supplementary Information
Schedule of Fund Year 2023 Claims Analysis
For the Period January 1, 2023 to December 31, 2025

	Coverages				
	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Total</u>
Paid Claims (Net of Recoveries)	\$ 641,828	\$ 516,342	\$ 75,475	\$ 3,729,925	\$ 4,963,570
Case Reserves	2,426	168,747	40,865	1,817,950	2,029,988
IBNR Reserves		111,631	70,539	263,992	446,162
Reserve Discount	(76)	(17,629)	(6,806)	(186,265)	(210,776)
Subtotal	644,178	779,091	180,073	5,625,602	7,228,944
Excess Insurance Received Recoverable					-
Subtotal	-	-	-	-	-
Limited Incurred Claims	\$ 644,178	\$ 779,091	\$ 180,073	\$ 5,625,602	\$ 7,228,944
Number of Claims	105	158	39	253	555
Average Cost Per Claim	\$ 6,135	\$ 4,931	\$ 4,617	\$ 22,236	\$ 13,025

Atlantic County Insurance Commission
Supplementary Information
Schedule of Fund Year 2022 Claims Analysis
For the Period January 1, 2022 to December 31, 2025

	Coverages				
	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Total</u>
Paid Claims (Net of Recoveries)	\$ 513,018	\$ 331,917	\$ 104,811	\$ 4,345,526	\$ 5,295,272
Case Reserves	1	604,054	136,316	1,968,040	2,708,411
IBNR Reserves		41,878	47,329	327,520	416,727
Reserve Discount		(30,623)	(8,023)	(205,684)	(244,330)
Subtotal	513,019	947,226	280,433	6,435,402	8,176,080
Excess Insurance Received Recoverable					-
Subtotal	-	-	-	-	-
Limited Incurred Claims	\$ 513,019	\$ 947,226	\$ 280,433	\$ 6,435,402	\$ 8,176,080
Number of Claims	61	167	65	275	568
Average Cost Per Claim	\$ 8,410	\$ 5,672	\$ 4,314	\$ 23,401	\$ 14,395

Atlantic County Insurance Commission
 Supplementary Information
 Schedule of Fund Year 2021 Claims Analysis
 For the Period January 1, 2021 to December 31, 2025

	Coverages				
	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Total</u>
Paid Claims (Net of Recoveries)	\$ 481,718	\$ 22,227	\$ 210,270	\$ 4,857,880	\$ 5,572,095
Case Reserves	2	12,511		1,144,104	1,156,617
IBNR Reserves		24,832	14,229	329,110	368,171
Reserve Discount		(1,472)	(475)	(139,726)	(141,673)
Subtotal	481,720	58,098	224,024	6,191,368	6,955,210
Excess Insurance Received Recoverable					-
Subtotal	-	-	-	-	-
Limited Incurred Claims	\$ 481,720	\$ 58,098	\$ 224,024	\$ 6,191,368	\$ 6,955,210
Number of Claims	82	179	69	278	608
Average Cost Per Claim	\$ 5,875	\$ 325	\$ 3,247	\$ 22,271	\$ 11,439

Atlantic County Insurance Commission
Supplementary Information
Schedule of Fund Year 2020 Claims Analysis
For the Period January 1, 2020 to December 31, 2025

	Coverages				
	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Total</u>
Paid Claims (Net of Recoveries)	\$ 548,013	\$ 161,783	\$ 40,094	\$ 3,581,908	\$ 4,331,798
Case Reserves		140,109		478,193	618,302
IBNR Reserves		8,078		236,230	244,308
Reserve Discount		(5,357)		(70,575)	(75,932)
Subtotal	548,013	304,613	40,094	4,225,756	5,118,476
Excess Insurance Received Recoverable					-
Subtotal	-	-	-	-	-
Limited Incurred Claims	\$ 548,013	\$ 304,613	\$ 40,094	\$ 4,225,756	\$ 5,118,476
Number of Claims	54	139	45	211	449
Average Cost Per Claim	\$ 10,148	\$ 2,191	\$ 891	\$ 20,027	\$ 11,400

Atlantic County Insurance Commission
Supplementary Information
Schedule of Fund Year 2019 Claims Analysis
For the Period January 1, 2019 to December 31, 2025

	Coverages				
	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Total</u>
Paid Claims (Net of Recoveries)	\$ 160,091	\$ 172,843	\$ 40,015	\$ 3,441,674	\$ 3,814,623
Case Reserves		458,593		297,802	756,395
IBNR Reserves		3,256		197,878	201,134
Reserve Discount		(17,482)		(48,118)	(65,600)
Subtotal	160,091	617,210	40,015	3,889,236	4,706,552
Excess Insurance Received Recoverable					-
Subtotal	-	-	-	-	-
Limited Incurred Claims	\$ 160,091	\$ 617,210	\$ 40,015	\$ 3,889,236	\$ 4,706,552
Number of Claims	50	193	62	212	517
Average Cost Per Claim	\$ 3,202	\$ 3,198	\$ 645	\$ 18,345	\$ 9,104

Atlantic County Insurance Commission
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Schedule of Fund Year 2018 Claims Analysis
For the Period January 1, 2018 to December 31, 2025

	Coverages				
	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Total</u>
Paid Claims (Net of Recoveries)	\$ 63,267	\$ 607,721	\$ 57,941	\$ 4,118,490	\$ 4,847,419
Case Reserves		413,174		363,749	776,923
IBNR Reserves		2,827		160,776	163,603
Reserve Discount		(21,169)		(51,460)	(72,629)
Subtotal	63,267	1,002,553	57,941	4,591,555	5,715,316
Excess Insurance Received Recoverable					-
Subtotal	-	-	-	-	-
Limited Incurred Claims	\$ 63,267	\$ 1,002,553	\$ 57,941	\$ 4,591,555	\$ 5,715,316
Number of Claims	38	190	69	236	533
Average Cost Per Claim	\$ 1,665	\$ 5,277	\$ 840	\$ 19,456	\$ 10,723

Atlantic County Insurance Commission
Supplementary Information
Schedule of Fund Year 2017 Claims Analysis
For the Period January 1, 2017 to December 31, 2025

	Coverages				
	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Total</u>
Paid Claims (Net of Recoveries)	\$ 139,035	\$ 126,529	\$ 57,102	\$ 4,901,539	\$ 5,224,205
Case Reserves				174,041	174,041
IBNR Reserves				145,329	145,329
Reserve Discount				(32,072)	(32,072)
Subtotal	139,035	126,529	57,102	5,188,837	5,511,503
Excess Insurance Received Recoverable					-
Subtotal	-	-	-	-	-
Limited Incurred Claims	\$ 139,035	\$ 126,529	\$ 57,102	\$ 5,188,837	\$ 5,511,503
Number of Claims	39	143	39	212	433
Average Cost Per Claim	\$ 3,565	\$ 885	\$ 1,464	\$ 24,476	\$ 12,729

Atlantic County Insurance Commission
Supplementary Information
Schedule of Fund Year 2016 Claims Analysis
For the Period January 1, 2016 to December 31, 2025

	Coverages				
	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Total</u>
Paid Claims (Net of Recoveries)	\$ 343,419	\$ 479,862	\$ 68,659	\$ 4,446,608	\$ 5,338,548
Case Reserves		7,468		645,540	653,008
IBNR Reserves		2,318		83,462	85,780
Reserve Discount		(645)		(71,499)	(72,144)
Subtotal	343,419	489,003	68,659	5,104,111	6,005,192
Excess Insurance Received Recoverable					-
Subtotal	-	-	-	-	-
Limited Incurred Claims	\$ 343,419	\$ 489,003	\$ 68,659	\$ 5,104,111	\$ 6,005,192
Number of Claims	50	147	55	224	476
Average Cost Per Claim	\$ 6,868	\$ 3,327	\$ 1,248	\$ 22,786	\$ 12,616

Atlantic County Insurance Commission
Supplementary Information
Schedule of Fund Year 2015 Claims Analysis
For the Period January 1, 2015 to December 31, 2025

	Coverages				
	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Total</u>
Paid Claims (Net of Recoveries)	\$ 37,257	\$ 482,582	\$ 47,681	\$ 5,418,143	\$ 5,985,663
Case Reserves				1,185,894	1,185,894
IBNR Reserves				69,658	69,658
Reserve Discount				(128,933)	(128,933)
Subtotal	37,257	482,582	47,681	6,544,762	7,112,282
Excess Insurance Received Recoverable					-
Subtotal	-	-	-	-	-
Limited Incurred Claims	\$ 37,257	\$ 482,582	\$ 47,681	\$ 6,544,762	\$ 7,112,282
Number of Claims	39	232	45	189	505
Average Cost Per Claim	\$ 955	\$ 2,080	\$ 1,060	\$ 34,628	\$ 14,084

Atlantic County Insurance Commission
Supplementary Information
Schedule of Fund Year 2025 Program Summary
For the Period January 1, 2025 to December 31, 2025

	<u>Coverages</u>			
	<u>Property</u>	<u>General Liability</u>	<u>Auto</u>	<u>Workers' Compensation</u>
Limits	\$260,000,000	\$20,500,000 / \$30,500,000	\$20,500,000 / \$30,500,000	STATUTORY
Fund Retention	\$250,000	\$500,000	\$500,000	\$750,000
Excess Insurers	NJCEJIF Zurich Velocity Mitsui Sumitomo Starr	NJCEJIF Underwriters at Lloyds Old Republic	NJCEJIF Underwriters at Lloyds Old Republic	NJCEJIF Underwriters at Lloyds Safety National
Number of Participants	3	3	3	3
Incurring Liabilities:				
Claims (Schedule C-1)	\$ 139,179	\$ 748,265	\$ 199,742	\$ 5,349,156
Administrative Expenses (1)	53,875	49,740	26,633	697,334
	<u>\$ 193,054</u>	<u>\$ 798,005</u>	<u>\$ 226,375</u>	<u>\$ 6,046,490</u>

(1) Allocated on the basis of assessments and transfers by coverage.

Atlantic County Insurance Commission
Supplementary Information
Schedule of Fund Year 2024 Program Summary
For the Period January 1, 2024 to December 31, 2025

	<u>Coverages</u>			
	<u>Property</u>	<u>General Liability</u>	<u>Auto</u>	<u>Workers' Compensation</u>
Limits	\$260,000,000	\$20,500,000 / \$30,500,000	\$20,500,000 / \$30,500,000	STATUTORY
Fund Retention	\$250,000	\$500,000	\$500,000	\$750,000
Excess Insurers	NJCEJIF Zurich Velocity Mitsui Sumitomo Starr	NJCEJIF Underwriters at Lloyds Old Republic	NJCEJIF Underwriters at Lloyds Old Republic	NJCEJIF Underwriters at Lloyds Safety National
Number of Participants	3	3	3	3
Incurring Liabilities:				
Claims (Schedule C-2)	\$ 248,339	\$ 242,533	\$ 147,469	\$ 4,759,279
Administrative Expenses (1)	52,857	49,148	23,315	686,482
	<u>\$ 301,196</u>	<u>\$ 291,681</u>	<u>\$ 170,784</u>	<u>\$ 5,445,761</u>

(1) Allocated on the basis of assessments and transfers by coverage.

Atlantic County Insurance Commission
Supplementary Information
Schedule of Fund Year 2023 Program Summary
For the Period January 1, 2023 to December 31, 2025

	<u>Coverages</u>			
	<u>Property</u>	<u>General Liability</u>	<u>Auto</u>	<u>Workers' Compensation</u>
Limits	\$260,000,000	\$20,500,000 / \$30,500,000	\$20,500,000 / \$30,500,000	STATUTORY
Fund Retention	\$250,000	\$500,000	\$500,000	\$750,000
Excess Insurers	NJCEJIF Zurich Velocity Mitsui Sumitomo Starr	NJCEJIF Underwriters at Lloyds Old Republic	NJCEJIF Underwriters at Lloyds Old Republic	NJCEJIF Underwriters at Lloyds Safety National
Number of Participants	3	3	3	3
Incurred Liabilities:				
Claims (Schedule C-3)	\$ 644,178	\$ 779,091	\$ 180,073	\$ 5,625,602
Administrative Expenses (1)	48,490	48,339	23,191	698,731
	<u>\$ 692,668</u>	<u>\$ 827,430</u>	<u>\$ 203,264</u>	<u>\$ 6,324,333</u>

(1) Allocated on the basis of assessments and transfers by coverage.

Atlantic County Insurance Commission
 Supplementary Information
 Schedule of Fund Year 2022 Program Summary
 For the Period January 1, 2022 to December 31, 2025

	<u>Coverages</u>			
	<u>Property</u>	<u>General Liability</u>	<u>Auto</u>	<u>Workers' Compensation</u>
Limits	\$260,000,000	\$20,500,000 / \$30,500,000	\$20,500,000 / \$30,500,000	STATUTORY
Fund Retention	\$250,000	\$500,000	\$500,000	\$750,000
Excess Insurers	NJCEJIF Zurich Velocity Mitsui Sumitomo Starr	NJCEJIF Underwriters at Lloyds Old Republic	NJCEJIF Underwriters at Lloyds Old Republic	NJCEJIF Underwriters at Lloyds Safety National
Number of Participants	3	3	3	3
Incurred Liabilities:				
Claims (Schedule C-4)	\$ 513,019	\$ 947,226	\$ 280,433	\$ 6,435,402
Administrative Expenses (1)	47,881	49,316	28,706	694,661
	<u>\$ 560,900</u>	<u>\$ 996,542</u>	<u>\$ 309,139</u>	<u>\$ 7,130,063</u>

(1) Allocated on the basis of assessments and transfers by coverage.

Atlantic County Insurance Commission
Supplementary Information
Schedule of Fund Year 2021 Program Summary
For the Period January 1, 2021 to December 31, 2025

	<u>Coverages</u>			
	<u>Property</u>	<u>General Liability</u>	<u>Auto</u>	<u>Workers' Compensation</u>
Limits	\$260,000,000	\$20,250,000 / \$25,250,000	\$20,250,000 / \$25,250,000	STATUTORY
Fund Retention	\$250,000	\$500,000	\$500,000	\$750,000
Excess Insurers	NJCEJIF Zurich Velocity Mitsui Sumitomo Starr	NJCEJIF Underwriters at Lloyds Old Republic	NJCEJIF Underwriters at Lloyds Old Republic	NJCEJIF Underwriters at Lloyds Safety National
Number of Participants	3	3	3	3
Incurred Liabilities:				
Claims (Schedule C-5)	\$ 481,720	\$ 58,098	\$ 224,024	\$ 6,191,368
Administrative Expenses (1)	46,564	48,923	30,361	683,038
	<u>\$ 528,284</u>	<u>\$ 107,021</u>	<u>\$ 254,385</u>	<u>\$ 6,874,406</u>

(1) Allocated on the basis of assessments and transfers by coverage.

Atlantic County Insurance Commission
 Supplementary Information
 Schedule of Fund Year 2020 Program Summary
 For the Period January 1, 2020 to December 31, 2025

	<u>Coverages</u>			
	<u>Property</u>	<u>General Liability</u>	<u>Auto</u>	<u>Workers' Compensation</u>
Limits	\$260,000,000	\$20,250,000 / \$25,250,000	\$20,250,000 / \$25,250,000	STATUTORY
Fund Retention	\$250,000	\$500,000	\$500,000	\$750,000
Excess Insurers	NJCEJIF Zurich Velocity Mitsui Sumitomo Starr	NJCEJIF Underwriters at Lloyds Old Republic	NJCEJIF Underwriters at Lloyds Old Republic	NJCEJIF Underwriters at Lloyds Safety National
Number of Participants	3	3	3	3
Incurred Liabilities:				
Claims (Schedule C-6)	\$ 548,013	\$ 304,613	\$ 40,094	\$ 4,225,756
Administrative Expenses (1)	52,291	53,488	33,574	717,229
	<u>\$ 600,304</u>	<u>\$ 358,101</u>	<u>\$ 73,668</u>	<u>\$ 4,942,985</u>

(1) Allocated on the basis of assessments and transfers by coverage.

Atlantic County Insurance Commission
 Supplementary Information
 Schedule of Fund Year 2019 Program Summary
 For the Period January 1, 2019 to December 31, 2025

	<u>Property</u>	<u>General Liability</u>	<u>Coverages</u> <u>Auto</u>	<u>Workers' Compensation</u>
Limits	\$260,000,000	\$20,250,000 / \$25,250,000	\$20,250,000 / \$25,250,000	STATUTORY
Fund Retention	\$100,000	\$500,000	\$500,000	\$750,000
Excess Insurers	NJCEJIF Zurich Velocity Mitsui Sumitomo Starr	NJCEJIF Underwriters at Lloyds Argonaut	NJCEJIF Underwriters at Lloyds Argonaut	NJCEJIF Underwriters at Lloyds Safety National
Number of Participants	3	3	3	3
Incurred Liabilities:				
Claims (Schedule C-7)	\$ 160,091	\$ 617,210	\$ 40,015	\$ 3,889,236
Administrative Expenses (1)	37,576	53,274	35,739	732,809
	<u>\$ 197,667</u>	<u>\$ 670,484</u>	<u>\$ 75,754</u>	<u>\$ 4,622,045</u>

(1) Allocated on the basis of assessments and transfers by coverage.

Atlantic County Insurance Commission
 Supplementary Information
 Schedule of Fund Year 2018 Program Summary
 For the Period January 1, 2018 to December 31, 2025

	<u>Property</u>	<u>General Liability</u>	<u>Coverages</u> <u>Auto</u>	<u>Workers' Compensation</u>
Limits	\$260,000,000	\$20,250,000 / \$25,250,000	\$20,250,000 / \$25,250,000	STATUTORY
Fund Retention	\$100,000	\$500,000	\$500,000	\$750,000
Excess Insurers	Zurich Velocity Mitsui Sumitomo Starr	NJCEJIF Underwriters at Lloyds Argonaut	NJCEJIF Underwriters at Lloyds Argonaut	NJCEJIF Underwriters at Lloyds Safety National
Number of Participants	3	3	3	3
Incurred Liabilities:				
Claims (Schedule C-8)	\$ 63,267	\$ 1,002,553	\$ 57,941	\$ 4,591,555
Administrative Expenses (1)	37,593	51,608	35,944	733,423
	<u>\$ 100,860</u>	<u>\$ 1,054,161</u>	<u>\$ 93,885</u>	<u>\$ 5,324,978</u>

(1) Allocated on the basis of assessments and transfers by coverage.

Atlantic County Insurance Commission
 Supplementary Information
 Schedule of Fund Year 2017 Program Summary
 For the Period January 1, 2017 to December 31, 2025

	<u>Property</u>	<u>General Liability</u>	<u>Coverages</u> <u>Auto</u>	<u>Workers' Compensation</u>
Limits	\$260,000,000	\$15,250,000 / \$25,250,000	\$15,250,000 / \$25,250,000	STATUTORY
Fund Retention	\$100,000	\$500,000	\$500,000	\$750,000
Excess Insurers	Zurich Velocity Mitsui Sumitomo Starr	NJCEJIF Underwriters at Lloyds National Casualty	NJCEJIF Underwriters at Lloyds National Casualty	NJCEJIF Underwriters at Lloyds Safety National
Number of Participants	3	3	3	3
Incurred Liabilities:				
Claims (Schedule C-9)	\$ 139,035	\$ 126,529	\$ 57,102	\$ 5,188,837
Administrative Expenses (1)	35,346	49,184	33,391	743,026
	<u>\$ 174,381</u>	<u>\$ 175,713</u>	<u>\$ 90,493</u>	<u>\$ 5,931,863</u>

(1) Allocated on the basis of assessments and transfers by coverage.

Atlantic County Insurance Commission
 Supplementary Information
 Schedule of Fund Year 2016 Program Summary
 For the Period January 1, 2016 to December 31, 2025

	<u>Coverages</u>			
	<u>Property</u>	<u>General Liability</u>	<u>Auto</u>	<u>Workers' Compensation</u>
Limits	\$260,000,000	\$15,250,000 / \$25,250,000	\$15,250,000 / \$25,250,000	STATUTORY
Fund Retention	\$100,000	\$500,000	\$500,000	\$750,000
Excess Insurers	Zurich Mitsui Sumitomo Scottsdale Starr	NJCEJIF Underwriters at Lloyds National Casualty	NJCEJIF Underwriters at Lloyds National Casualty	NJCEJIF Underwriters at Lloyds Safety National
Number of Participants	3	3	3	3
Incurred Liabilities:				
Claims (Schedule C-10)	\$ 343,419	\$ 489,003	\$ 68,659	\$ 5,104,111
Administrative Expenses (1)	35,413	49,367	33,438	745,284
	<u>\$ 378,832</u>	<u>\$ 538,370</u>	<u>\$ 102,097</u>	<u>\$ 5,849,395</u>

(1) Allocated on the basis of assessments and transfers by coverage.

Atlantic County Insurance Commission
 Supplementary Information
 Schedule of Fund Year 2015 Program Summary
 For the Period January 1, 2015 to December 31, 2025

	<u>Coverages</u>			
	<u>Property</u>	<u>General Liability</u>	<u>Auto</u>	<u>Workers' Compensation</u>
Limits	\$260,000,000	\$15,250,000 / \$25,250,000	\$15,250,000 / \$25,250,000	STATUTORY
Fund Retention	\$100,000	\$500,000	\$500,000	\$750,000
Excess Insurers	Zurich Mitsui Sumitomo Scottsdale Starr	NJCEJIF Underwriters at Lloyds National Casualty	NJCEJIF Underwriters at Lloyds National Casualty	NJCEJIF Underwriters at Lloyds Safety National
Number of Participants	3	3	3	3
Incurring Liabilities:				
Claims (Schedule C-11)	\$ 37,257	\$ 482,582	\$ 47,681	\$ 6,544,762
Administrative Expenses (1)	28,659	49,007	33,194	739,852
	<u>\$ 65,916</u>	<u>\$ 531,589</u>	<u>\$ 80,875</u>	<u>\$ 7,284,614</u>

(1) Allocated on the basis of assessments and transfers by coverage.

Atlantic County Insurance Commission

Schedule of Findings and Recommendations

For the Year Ended December 31, 2025

Schedule of Findings and Recommendations

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to the financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, requires.

Schedule of Financial Statement Findings

None.

Summary Schedule of Prior Year Audit Findings as Prepared by Management

This section identifies the status of prior year audit findings related to the financial statements that are required to be reported in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

There were no findings in the prior year.