

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND

**Financial Statements
and Supplementary Schedules**

For the years ended December 31, 2021 and 2020

(With Independent Auditor's Report thereon)

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
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INTRODUCTORY SECTION

New Jersey Public Housing Authority Joint Insurance Fund
9 Campus Drive, Suite 216
Parsippany, NJ 07054-4412
Telephone (201) 881-7632 Fax (201) 881-7633

June 3, 2022

Executive Committee
New Jersey Public Housing Authority Joint Insurance Fund
9 Campus Drive, Suite 216
Parsippany, NJ 07054-4412

Dear Executive Committee Members:

The Comprehensive Annual Financial Report (CAFR) of the New Jersey Public Housing Authority Joint Insurance Fund (NJPHAJIF) for the year ended December 31, 2021 is hereby respectfully submitted. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the NJPHAJIF. We believe the data presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of the operations of the NJPHAJIF as measured by the financial activity of its various membership years; and that all disclosures necessary to enable the reader to gain the maximum understanding of the NJPHAJIF's financial affairs have been included.

The CAFR is presented in three sections: introductory, financial, and statistical. The introductory section contains this transmittal letter, a list of the NJPHAJIF's members, a list of the NJPHAJIF's officers and an organizational chart. The financial section includes a management discussion and analysis which includes discussions of the financial activities and substantive highlights of the year, the financial statements, as well as the independent auditors' opinion on the financial statements, State schedules are provided pursuant to the specifications of the New Jersey Department of Banking and Insurance, which along with the Department of Community Affairs, exercises regulatory control over the NJPHAJIF. The statistical section includes selected data covering up to the last ten years that the NJPHAJIF has been operational.

The NJPHAJIF was formed under State statutes which authorize local government entities to pool resources to meet risk management needs, Specifically, the NJPHAJIF administers a program of self-funding and commercial insurance, and reinsurance that provides protection to members in the areas of workers' compensation, automobile and general liability and public officials/employment practices liability. The NJPHAJIF also purchases property reinsurance. The NJPHAJIF performs a number of tasks in accomplishing its mission, including contracting for support services such as claims and litigation management, loss control services and training, financial management and reporting, actuarial services and general management.

Economic Conditions and Outlook

The NJPHAJIF's economic condition and its outlook are strong. The NJPHAJIF has provided its members with stable assessments, a steady financial surplus, comprehensive insurance, and responsive service. These factors have resulted in growth and stability in membership that is expected to continue in the future.

NJPHAJIF Initiatives

In 2019, the MEL Board of Fund Commissioners authorized the release of a Professional Services RFP for an Asset Manager and a Financial Advisor to manage investments of the Municipal Excess Liability Fund Joint Cash Management and Investment Program (JCMI). At its March 27, 2020 meeting, the MEL Board of Fund Commissioners adopted a resolution awarding Clearbrook as the Asset Manager, Bank of New York as Custodian & Accounting and NW Financial as the Financial Advisor.

The Residual Claims Fund and the Environmental Joint Insurance Fund executed agreements to participate at their March 27th meetings. The JCMI is also extended invitations to local affiliated Joint Insurance Funds. The NJPHAJIF adopted resolution 33-20, and executed participation application and agreement in an effort to expand investment income resources for the NJPHAJIF.

Discussions began in 2020 to expand loss control services to include Right to Services which would assist members to become compliant as required under the New Jersey Worker and Community Right to Know Act (N.J.S.A. 34:5A-1 et. seq.,). As a result of loss control visits, it was deemed worthy of discussion of implementation for the following 2021 year.

In 2021, based on recommendation of the Operations Committee, the JIF amended its Safety Director contract to include a Right To Know program for members of the Fund. This service will assist members to become complaint as required under the NJ Worker and Community Right to Know Act.

In 2021, the Fund was working with each sponsorship agencies to help promote and enhance training for Fund Members.

Financial Management and Control

The financial statements have been prepared in conformity with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board and necessarily include amounts based upon reliable estimates and judgements. The NJPHAJIF's books are maintained on a full accrual basis. A summary of significant accounting policies is discussed in more detail in the notes to the financial statements found in the financial section.

Internal Accounting Structure

The NJPHAJIF's accounting system is organized so that each membership year, and line of coverage within each year, can be evaluated separately. The assets, liabilities, revenues, and expenses of each year and line of coverage are reported separately on full accrual basis. This practice is necessary because the composition of the NJPHAJIF's membership, and the extent of participation within each line of coverage, could vary from year to year.

The NJPHAJIF's management is responsible for establishing and maintaining an internal control structure designed to ensure that assets are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal accounting controls are designed to provide reasonable assurance that these objectives are being met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits requires estimates and judgements by management. All internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Investment Management

NJPHAJIF Investments are made in accordance with the Local Fiscal Affairs Law and the NJPHAJIF's Cash and Investment Management Plan. Investments for the year were limited to US Treasury Securities, deposits in banks covered by the Governmental Unit Depository Protection Act, and deposits in the New Jersey Cash Management Plan, which is administered by the State of New Jersey's Division of Investments. In planning and executing investments, the NJPHAJIF emphasizes liquidity and safety, after these objectives are met, the NJPHAJIF seeks to optimize investment income. The NJPHAJIF protects itself from realization of capital losses by maintaining the ability to hold all investments to maturity.

As of December 31, 2021, the NJPHAJIF's portfolio consisted of the following:

	<u>2021</u>	<u>% of Total</u>
Checking Accounts	\$ 11,146,669	75.72%
Money Market Account	1,155,298	7.85%
Investments	<u>2,418,908</u>	<u>16.43%</u>
	<u>\$ 14,720,875</u>	<u>100.00%</u>

Independent Audit

Holman Frenia Allison, P.C., independent accountants, provide an independent, objective review of the fairness of the NJPHAJIF's reported financial position and results of operations. Their audit includes procedures they deem necessary to express an opinion as to the fairness of the financial statements. Their opinion is included in the financial section of this report.

Acknowledgements

Our appreciation is also extended to each NJPHAJIF commissioner, and particularly to the Executive Committee members, for their commitment to risk management and intergovernmental risk pooling.

Respectfully submitted

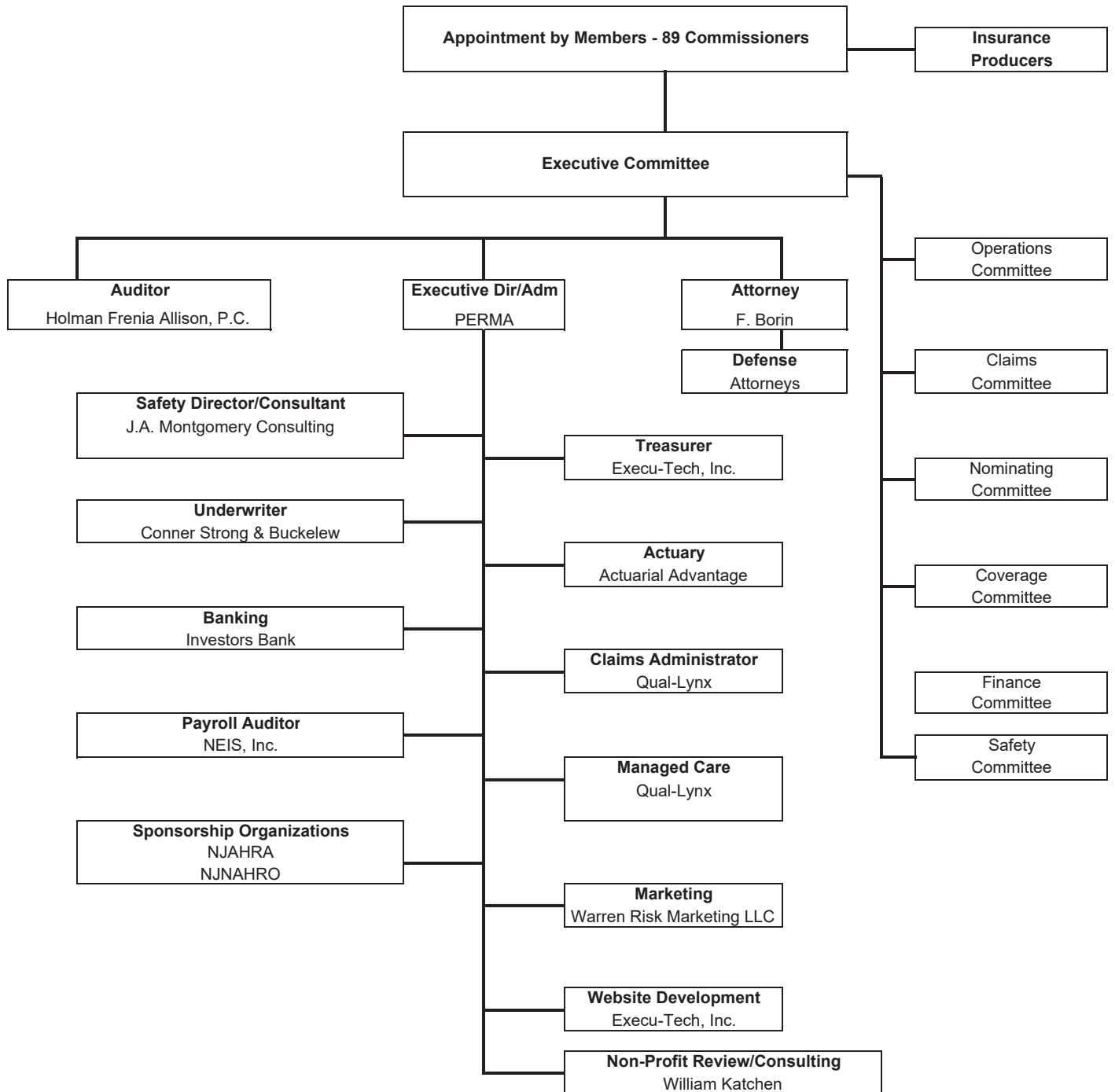
Steve Sacco

Steve Sacco, Executive Director

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
ROSTER OF OFFICIALS AND CONSULTANTS
DECEMBER 31, 2021

Robert DiVincent	Fund Chairman
Sherry Sims	Fund Secretary
John Mahon	Executive Committee
John Clarke	Executive Committee
Joseph Billy	Executive Committee
Douglas Dzema	Executive Committee
Kathleen DiTomasso	Executive Committee
Larry Stratton	Executive Committee Alternate
Grace Dekker	Executive Committee Alternate
Susan Thomas	Executive Committee Alternate
Eric Chubenko	Executive Committee Alternate
Anthony Feorenzo	Executive Committee Alternate
Pamela Mitchell	Executive Committee Alternate
PERMA Risk Management Services	Administrator
Steve Sacco	Executive Director
David N. Grubb	Deputy Executive Director
Joseph Hrubash	Deputy Executive Director
Execu-Tech, Inc.	Treasurer/Web Developer
Frank Borin	
DeCotiis, Fitzpatrick, Cole & Giblin LLP	Attorney
Holman Frenia Allison, P.C.	Auditor
Actuarial Advantage	Actuary
Qual-Lynx	Claims Administrator/Managed Care Provider
Conner Strong & Buckelew	Underwriting Manager
NEIS, Inc.	Payroll Auditor
Investors Bank	Asset Manager
J.A Montgomery Consulting	Safety Director/Consultant

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
2021 ORGANIZATIONAL CHART



**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
MEMBERSHIP LISTING
AS OF DECEMBER 31, 2021**

Christine Lodato	A-Home, Inc.
Abdul Wahab	Atlantic City Housing Authority
Lynn Bartlett	Bergen County Housing Authority
Grace Dekker	Berkeley Housing Authority
Gary Centinaro	Beverly Housing Authority
Sherry Sims	Boonton Housing Authority
Jacob Naszimento	Brick Housing Authority
John Mahon	Bridgeview Manor Housing Corp.
Jacqueline Jones	Buena Housing Authority
Richard Iovine	Burlington Housing Authority
Victor Figueroa	Camden Housing Authority
Jacqueline Jones	Cape May Housing Authority
Eric Chubenko	Carteret Housing Authority
Joseph Capano	Cliffside Park Housing Authority
Mark Lonetto	Collingswood Housing Authority
Louis Riccio	Cook's Pond, LP
Kelly Stephens	County of Morris Housing Authority
Maria Tchinchinian	Dover Housing Authority
Duangrat Simpkins	East Orange Housing Authority
Christine Lodato	Edgewater Housing Authority
Christine Lodato	Edgewater Housing Finance Urban Renewal Corp.
Christine Lodato	Edgewater Neighborhood Affordable Housing Friends, LLP.
C-PHM Deborah Hurley	Edison Housing Authority
Domingo Senande	Englewood Housing Authority
Domingo Senande	Englewood Housing Mgt Services
Domingo Senande	Englewood Westmoor Gardens
Gary Centinaro	Florence Housing Authority
Peggy McQuade	Fort Lee Assistance & Support HC (FLASH Corp)
Peggy McQuade	Fort Lee Housing Authority
Joseph Billy, Jr.	Freehold Housing Authority
Margaret Fiore	Garfield Housing Authority
Kimberly Gober	Glassboro Housing Authority
Marisol Montanez	Guttenberg Housing Authority
Anthony Feorenzo	Hackensack Housing Authority
Walter Norris	Haddon Township Housing Authority
Kathleen DiTomasso	Highland Park Housing Authority
Doug Dzema	Highlands Housing Authority
Marc Recko	Hoboken Housing Authority
John Mahon	Housing Authority of the City of Bayonne
James Howell	Housing Authority of the City of Bridgeton
Louis Riccio	HQM Properties, Inc.
Ramon Rivera	Irvington Housing Authority

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
MEMBERSHIP LISTING (continued)
AS OF DECEMBER 31, 2021**

Vivian Brady-Phillips	Jersey City Housing Authority
Doug Dzema	Keansburg Housing Authority
Scott Parsons	Lakewood Housing Authority
PHM Kathy Sanders	Linden Housing Authority
Ann Ferguson	Linden Housing Corporation
Thomas DeSomma	Lodi Housing Authority
Gloria Wright	Long Branch Housing Authority
Tanya Van Order	Madison Housing Authority
Susan Thomas	Middletown Township Housing Authority
Samantha Silvers	Millville Housing Authority
Roberta Strater	Morris County Affordable Housing Corp
Keith Kinard	Morristown Housing Authority
Bart Cook	Neptune City Housing Authority
Bart Cook	Neptune Housing Authority
John Clarke	New Brunswick Housing Authority
Gerald Sanzari	North Bergen Housing Authority
Gerald Sanzari	North Bergen Ren I Urban, LP
Gerald Sanzari	North Bergen Renaissance Corp HA
Jacqueline Jones	Ocean City Housing Authority
Larry Stratton	Old Bridge Township Housing Authority
Walter McNeil	Orange Housing Authority
Pamela Mitchell	Passaic Housing Authority
Catherina Rutland	Penns Grove Housing Authority
Douglas Dzema	Perth Amboy Housing Authority
Thomas McGuire	Phillipsburg Housing Authority
Randall Wood	Plainfield Housing Authority
Vernon Lawrence	Pleasantville Housing Authority
Cathy Hart	Princeton Housing Authority
Jennifer Wensonmaier	Rahway Housing Authority
William Snyder	Red Bank Housing Authority/Cedar Crossing Condo Asoc
Samantha Silvers	Salem Housing Authority
Doug Dzema	Sayreville Housing Authority
Doug Dzema	Sayreville Housing for Seniors
Christopher Marra	Secaucus Housing Authority
Larry Stratton	South Amboy Housing Authority
Larry Stratton	South Amboy Renaissance Corp
Keith Kinard	Summit Housing Authority
Jelani Garrett	Trenton Housing Authority
Jorge Rodriguez	Union City Housing Authority
Jacqueline Jones	Vineland Housing Authority
Dom Facchini	Weehawken Housing Authority
Rafael Martell	West New York Housing Authority
Betsy Loyle	Wildwood Housing Authority
Kathleen DiTomasso	Woodbridge Housing Authority

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Honorable Chairperson and Members
of the Board of Fund Commissioners
New Jersey Public Housing Authority Joint Insurance Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the New Jersey Public Housing Authority Joint Insurance Fund (hereafter referred to as the "Fund") as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Fund's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Fund, as of December 31, 2021, and the respective changes in financial position 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit standards prescribed by the Department of Banking and Insurance and the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Fund, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Financial Statements

The financial statements of the Fund as of December 31, 2020 were audited by other auditors whose report dated May 14, 2021 expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

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

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

Auditor's 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 auditor's report that includes our opinions. 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 generally accepted auditing standards, *Government Auditing Standards* and audit standards prescribed by the Department of Banking and Insurance and the Division of Local Government Services, Department of Community Affairs, State of New Jersey 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 generally accepted auditing standards, *Government Auditing Standards* and audit standards prescribed by the Department of Banking and Insurance and the Division of Local Government Services, Department of Community Affairs, State of New Jersey, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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.

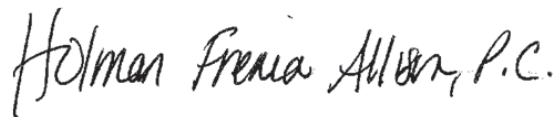
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2022 on our consideration of the Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund's internal control over financial reporting and compliance.



HOLMAN FRENIA ALLISON, P.C.
Certified Public Accountants

June 3, 2022
Lakewood, New Jersey



Certified Public Accountants + Advisors

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

To the Honorable Chairperson and Members
of the Board of Fund Commissioners
New Jersey Public Housing Authority Joint Insurance Fund

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 Department of Banking and Insurance and the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the New Jersey Public Housing Authority Joint Insurance Fund, (herein referred to as “ the Fund”), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Fund’s basic financial statements and have issued our report thereon dated June 3, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Fund’s internal control over financial reporting internal control to determine the 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 Fund’s internal control. Accordingly, we do not express an opinion on the effectiveness of Fund’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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.

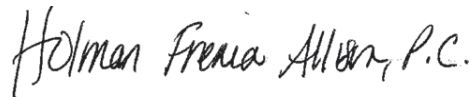
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 Fund's financial statements are free of 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 determination of financial statement amounts. 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 Department of Banking and Insurance and the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Audit Standards* and audit requirements as prescribed by the Department of Banking and Insurance and by the Division of Local Government Services, Department of Community Affairs, State of New Jersey in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



HOLMAN FRENIA ALLISON, P.C.
Certified Public Accountants

June 3, 2022
Lakewood, New Jersey

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
Management Discussion and Analysis

This section of the annual financial report of the Fund presents a discussion and analysis of the financial performance of the Fund for the years ended December 31, 2021, 2020 and 2019. Please read it in conjunction with the basic financial statements, the notes, and supplementary schedules that follow this section.

Overview of Basic Financial Statements

The Fund’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 Fund is to provide property and casualty insurance for the members of the Fund. The Fund 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:

Statement of Net Position – This statement presents information reflecting the Fund’s assets, liabilities, deferred outflows and inflows of resources, and net position. Net position represents the amount of total assets and deferred outflows of resources less total liabilities and deferred inflows of resources.

Statement of Revenue, Expenses, and Changes in Net Position – This statement reflects the Fund’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.

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

Financial Highlights

The following tables summarize the financial position and results of operations for the Fund as of and for the years ended December 31, 2021, 2020 and 2019.

SUMMARY OF STATEMENT OF NET POSITION
December 31, 2021 and 2020

	2021	2020	2021/2020 Percent Change	2019	2020/2019 Percent Change
ASSETS:					
Cash and Cash Equivalents, Investments and Accrued Interest Receivable	\$ 14,720,875	\$ 13,009,210	13.16%	\$ 12,631,029	2.99%
Assessments Receivable	108,305	138,323	-21.70%	259,905	-46.78%
Investment in Joint Ventures	(1,426,092)	(978,214)	-45.79%	(294,686)	-231.95%
Other Assets	30,094	6,612	355.14%	12,951	-48.95%
Total Assets	13,433,182	12,175,931	10.33%	12,609,199	-3.44%
LIABILITIES:					
Loss Reserves	7,575,321	8,907,155	-14.95%	7,810,162	14.05%
Other Liabilities and Reserves	2,687,697	1,132,141	137.40%	1,749,057	-35.27%
Total Liabilities & Reserves	10,263,018	10,039,296	2.23%	9,559,219	5.02%
UNRESTRICTED NET POSITION	\$ 3,170,164	\$ 2,136,635	48.37%	\$ 3,049,980	-29.95%

SUMMARY OF STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN NET POSITION
For the years ended December 31, 2021 and 2020

	2021	2020	2021/2020 Percent Change	2019	2020/2019 Percent Change
Operating Revenues:					
Assessments and Other Income	\$ 10,996,374	\$ 10,490,875	4.82%	\$ 9,997,901	4.93%
Total Operating Revenue	<u>10,996,374</u>	<u>10,490,875</u>	4.82%	<u>9,997,901</u>	4.93%
Operating Expenses:					
Provision for Claims and Claim Adjustment Expense	2,234,481	4,511,380	-50.47%	3,382,257	33.38%
Assessment for Participation in RCF	958,367	759,931	26.11%	882,065	-13.85%
Assessment for Participation in MELJIF	3,490,500	3,367,990	3.64%	3,030,281	11.14%
Administrative and Operating Expenses	<u>2,871,628</u>	<u>2,159,806</u>	32.96%	<u>2,010,078</u>	7.45%
Total Expenses	<u>9,554,976</u>	<u>10,799,107</u>	-11.52%	<u>9,304,681</u>	16.06%
Operating Income/(Loss)	<u>1,441,398</u>	<u>(308,232)</u>	567.63%	<u>693,220</u>	-144.46%
Nonoperating Revenue/(Expenses):					
Investment Income	40,011	78,415	-48.98%	245,059	-68.00%
Change in Investment in Joint Ventures	<u>(447,880)</u>	<u>(683,528)</u>	34.48%	<u>(340,693)</u>	100.63%
Increase/(Decrease) in Net Position	<u>\$ 1,033,529</u>	<u>\$ (913,345)</u>	213.16%	<u>\$ 597,586</u>	-252.84%

In 2021, the Fund's total assets increased 10.33%. Liabilities increased 2.23%. The Fund's Investments in Joint Ventures represents the Fund's share of the net position in the Municipal Excess Liability Joint Insurance Fund (MEL) and the Municipal Excess Liability Residual Claims Fund (RCF). Overall, the Fund's unrestricted net position increased in 2021 48.37%.

Operating income increased by 567.63% primarily due to a 50.47% decrease in provisions for claims and claim adjustment expense. Investment income decreased by 48.98% due to a low interest rate environment.

The Fund did not pay a dividend in 2021 and 2020.

The future financial position of the Fund will be impacted by medical cost trends that impact upon workers compensation costs, accident rates, workers compensation indemnity rates, and interest rates. The Fund is evaluating ways of addressing each of these challenges.

BASIC FINANCIAL STATEMENTS

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
Comparative Statements of Net Position
December 31, 2021 and 2020

ASSETS	2021	2020
Cash and Cash Equivalents	\$ 12,301,967	\$ 10,601,057
Investment	2,418,908	2,408,153
Assessments Receivable	108,305	138,323
Investment in Joint Ventures	(1,426,092)	(978,214)
Claims & Other Misc Receivables	25,782	2,389
Prepaid expenses	4,312	4,223
Total assets	13,433,182	12,175,931
LIABILITIES		
Loss reserves	7,575,321	8,907,155
Accounts payable - vendors	1,181,329	42,900
Other liabilities	(16,456)	7,546
Unearned contributions	-	118,926
Due Municipal Excess Liability Residual Claims Fund	958,369	759,931
MEL 2016-2021 Premium Deferral Payable	566,007	-
Due Municipal Excess Liability Joint Insurance Fund	(1,552)	202,838
Total Liabilities	10,263,018	10,039,296
<u>NET POSITION:</u>		
Net Position	3,170,164	2,136,635
Total Net Position	\$ 3,170,164	\$ 2,136,635

The accompanying Notes to the Financial Statements are an integral part of this Statement.

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
Operating Revenues:		
Assessments from participating members	\$ 10,996,374	\$ 10,490,875
Total Operating Revenues	<u>10,996,374</u>	<u>10,490,875</u>
Expenses:		
Provision for claims and claim adjustment expense	2,234,481	4,511,380
Assessment for participation in MEL residual claims fund	958,367	759,931
Assessment for participation in MEL JIF	3,490,500	3,367,990
Insurance premiums	763,984	764,684
MEL 2019-2021 Premium Deferral	566,007	-
Claims administration	212,335	207,576
Other contractual services	623,986	502,188
Non-contractual expenses	43,201	41,089
Administration	336,747	330,305
Risk management fees	325,368	313,964
Total Operating Expenses	<u>9,554,976</u>	<u>10,799,107</u>
Operating (Loss)/Income	<u>1,441,398</u>	<u>(308,232)</u>
Non-Operating Revenue/(Expenses):		
Change in investment in joint ventures	(447,880)	(683,528)
Investment income	40,011	78,415
Total Nonoperating Revenue/(Expenses)	<u>(407,869)</u>	<u>(605,113)</u>
Change in Net Position	1,033,529	(913,345)
Net Position, Beginning of Year	<u>2,136,635</u>	<u>3,049,980</u>
Net Position, End of Year	<u>\$ 3,170,164</u>	<u>\$ 2,136,635</u>

The accompanying Notes to the Financial Statements are an integral part of this Statement.

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Assessments collected	\$ 10,884,073	\$ 10,552,846
Refunds		82,446
Claims expense	(3,566,315)	(3,496,833)
Professional and administrative expenses	(403,208)	(1,417,879)
Insurance premiums and assessments	<u>(5,242,894)</u>	<u>(5,420,814)</u>
Net Cash from Operating Activities	<u>1,671,656</u>	<u>299,766</u>
Cash Flows From Investing Activities:		
Purchase of investment securities	(10,755)	(2,539,948)
Proceeds from sales and maturities of investment securities	-	2,508,929
Investment income	<u>40,009</u>	<u>71,465</u>
Net Cash from Investing Activities	<u>29,254</u>	<u>40,446</u>
Net Change in Cash and Cash Equivalents	1,700,910	340,212
Cash and Cash Equivalents, Beginning of Period	<u>10,601,057</u>	<u>10,260,845</u>
Cash and Cash Equivalents, End of Period	<u>\$ 12,301,967</u>	<u>\$ 10,601,057</u>

RECONCILIATION OF OPERATING INCOME/(LOSS) TO CASH PROVIDED/(USED)
BY OPERATING ACTIVITIES:

Operating (Loss)/Income	\$ 1,441,398	\$ (308,232)
Working Capital Changes Which Provided/(Used) by Cash:		
Claims and other miscellaneous receivables	-	
Accounts payable	1,138,429	(22,757)
Other liabilities	(24,002)	(195)
Unearned contributions	(118,926)	109,970
Loss reserves	(1,331,834)	1,096,993
Due to MEL residual claims fund	198,438	(122,134)
MEL EPL credits	-	(2,400)
Due to MEL fund	(204,390)	202,838
MEL 2016-2021 premium deferral payable	566,007	-
Insurance premiums payable	-	(722,627)
Assessment overpayments	-	(59,611)
Assessment receivable	30,018	121,582
Other receivables	(23,393)	6,503
Prepaid expenses	<u>(89)</u>	<u>(164)</u>
Net Cash from Operating Activities	<u>\$ 1,671,656</u>	<u>\$ 299,766</u>
Supplemental Disclosure - Noncash Activity:		
Change in Investment in joint ventures	<u>\$ 447,880</u>	<u>\$ 683,528</u>

The accompanying Notes to the Financial Statements are an integral part of this Statement.

**NEW JERSEY PUBLIC HOUSING AUTHORITY
JOINT INSURANCE FUND**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021**

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS**

NOTE 1: NATURE OF OPERATIONS

The New Jersey Public Housing Authority Joint Insurance Fund (the "Fund") was created on November 1, 1994, in accordance with P.L. 1983, C.372, entitled "An act concerning joint insurance funds for local units of government, and supplementing Chapter 10 of Title 40A of the New Jersey statutes". The Fund is both an insured and self-administered group of local utility authorities established for the purpose of providing low-cost insurance coverage for the members in order to keep local user fees and charges at a minimum for the local utility authorities who form the membership of the joint insurance fund.

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

- a) Workers' Compensation and Employers' Liability
- b) Liability Other than Motor Vehicles
- c) Property Damage Other than Motor Vehicles
- d) Motor Vehicle
- e) Public Officials' Liability
- f) Cyber Liability

The Fund is a member of the Municipal Excess Liability Joint Insurance Fund which provides excess insurance for each of the coverages noted above, except for excess property and public officials' coverages which are purchased by the Fund from a commercial carrier. In addition, the Fund is member of the Municipal Excess Liability Residual Claims Fund which is more fully described in Note 8.

Fund members are subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would be responsible for the Fund's liabilities. The Fund considers anticipated investment income when determining if a premium deficiency exists.

A participating authority must remain in the Fund for the full term of membership unless terminated earlier by a majority vote of the Fund Commissioners or a two-thirds vote of the Executive Committee for nonpayment of assessments or continued noncompliance after written notice to comply with the bylaws or other obligations. Termination may occur only after proper notice has been given, in accordance with the Fund's bylaws. The Fund has 89 members at December 31, 2021.

The Executive Director/Administrator is responsible for the overall administration of the Fund. Fees paid to the Executive Director encompass all administrative duties which are performed at the Executive Director's office. Accordingly, the Fund does not maintain any capital assets or incur any payroll expense.

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and

- (1) it is able to impose its will on that organization or
- (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met:
 - (a) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents.
 - (b) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
 - (c) The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. The combined financial statements include all funds of the Fund over which the Fund exercises operating control. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the Fund is not includable in any other reporting entity on the basis of such criteria.

Basis of Accounting

The Fund utilizes the accrual basis of accounting whereby revenue is recorded as earned and expenses are reflected as the liability is incurred. The Fund utilizes total economic resources as the measurement focus.

Management Estimates

The preparation of financial statements requires management to make estimates and assumptions that affects the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Fund, as an instrumentality of the State of New Jersey and therefore a governmental entity, has determined itself to be a tax-exempt organization and not subject to either federal or state income taxes.

Investments

The Fund generally records investments at fair value and records the unrealized gains and losses as part of investment income. Fair value is the price that would be received to sell an investment in an orderly

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

transaction between market participants at the measurement date. The Fund categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Assessments

The gross claim fund assessment is determined by the actuary and, when combined with expense and premium projections, constitutes the Fund's budget. Assessments for participating Authorities are determined by underwriting criteria established by the Executive Committee. Assessments are recognized over the course of the year for which coverage is being provided.

Unpaid Claims Liabilities

The Fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Estimated amounts of salvage and subrogation and reinsurance recoverable on unpaid claims are deducted from the liability for unpaid claims. 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 reflects past inflation and on other factors that are considered to be appropriate modifiers of past experience. The Fund does not discount claim liabilities. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

Reinsurance

The Fund uses reinsurance and excess insurance agreements to reduce its exposure to large losses on certain types of insured events. Reinsurance permits recovery of a portion of losses from reinsurers, although it does not discharge the primary liability of the Fund as direct insurer of the risks reinsured. The Fund does not report reinsured risks as liabilities unless it is probable that those risks will not be covered by reinsurers. Excess and reinsurance premiums are included in the Fund's assessment for the Municipal Excess Liability Joint Insurance Fund and are not readily determinable. This amount deducted from claim liabilities for reinsurance was \$-0- and \$-0 for the years ended December 31, 2021 and 2020, respectively.

NOTE 3: LOSS RESERVES

The liability for unpaid losses and loss adjustment expenses represents an estimate of the ultimate net cost of all losses and loss adjustment expenses incurred but not yet paid as of December 31, 2021. This estimate is based on the estimated ultimate cost of settling the claims considering the historical experience of the Fund, various other industry statistics, including the effects of inflation and other societal or economic factors. Management believes that the liability for unpaid losses is adequate to cover the ultimate cost of reported and unreported claims incurred but not yet paid. However, the ultimate cost may be more or less than the estimated liability.

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 3: LOSS RESERVES (continued)

The unpaid losses are stated net of any recoveries from excess loss insurance and reinsurance coverages. The Fund has created a loss reserve for any reported and potential unreported losses which have taken place but in which the Fund has not received notices or reports of losses.

Loss reserves, at December 31, 2021 and 2020, which have been estimated by the Fund's Actuary and Claims Servicing Agent, are as follows:

	<u>2021</u>	<u>2020</u>
Case Reserves	\$ 5,207,764	\$ 5,569,727
Losses Incurred but not Reported	<u>2,367,557</u>	<u>3,337,428</u>
Total Loss Reserves	<u>\$ 7,575,321</u>	<u>\$ 8,907,155</u>

The following represents changes in the aggregate reserves for The Fund:

	<u>2021</u>	<u>2020</u>
Unpaid Claims and Claim Adjustment Expenses, Beginning of Year	<u>\$ 8,907,155</u>	<u>\$ 7,810,162</u>
Incurred Claim and Claim Adjustment Expenses:		
Provision for Insured Events of the Current Period	4,314,029	4,778,044
(Decrease)/Increase in Provision for Insured Events of Prior Years	<u>(2,079,548)</u>	<u>(266,664)</u>
Total Incurred Claims and Claim Adjustment Expenses	<u>\$ 2,234,481</u>	<u>\$ 4,511,380</u>
Payments:		
Claims and Claim Adjustment Expenses Attributable to Insured Events of the Current Period	\$ 1,256,237	\$ 1,014,521
Claims and Claim Adjustment Expenses Attributable to Insured Events of Prior Years	<u>2,310,078</u>	<u>2,399,866</u>
Total Payments	<u>\$ 3,566,315</u>	<u>\$ 3,414,387</u>
Total Unpaid Claims and Claim Adjustment Expenses, End of Year	<u>\$ 7,575,321</u>	<u>\$ 8,907,155</u>

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 3: LOSS RESERVES (continued)

The Fund maintains a contract for excess insurance for the property coverage which covers losses in excess of an amount established between the Fund and the insurer up to the limits of coverage set forth in the contract on a specific occurrence, or per accident or annual aggregate basis. In addition, the Municipal Excess Liability Joint Insurance Fund covers losses in excess of the Fund's self-insured retention for automotive and general liability and workers' compensation for each fund year.

A contingent liability exists with respect to insurance coverage which would become an actual liability in the event the insuring companies, or any of them, might be unable to meet their obligations to the Fund under existing insurance agreements.

NOTE 4: CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts in deposits, money market accounts, and short-term investments with original maturities of three months or less.

GASB requires disclosure of the level of custodial credit risk assumed by the Fund in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial risk is the risk that in the event of bank failure, the government's deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the Fund ensures that any deposit or investments matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The Fund limits its investments to those authorized in its cash management plan which are permitted under state statutes as detailed in Note 5.

Custodial Credit Risk – The Fund's policy with respect to custodial credit risk requires that the Fund ensures that Fund's cash and cash equivalents are only deposited in financial institutions in which NJ insurance funds are permitted to invest their cash and cash equivalents.

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC) or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral deposits or public funds that exceed insurance limits as follows:

The market value of the collateral must equal 5% of the average daily balance of public funds; and, in addition

If the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS (continued)**

NOTE 4: CASH AND CASH EQUIVALENTS (continued)

As of December 31, cash and cash equivalents of the Fund consisted of the following:

	<u>2021</u>	<u>2020</u>
Checking Accounts	\$ 11,146,669	\$ 9,448,888
Money Market Account	<u>1,155,298</u>	<u>1,152,169</u>
	<u>\$ 12,301,967</u>	<u>\$ 10,601,057</u>

The carrying amount of the Fund's cash at cost at December 31, 2021 was \$12,301,967 and the bank balance was \$13,188,584. The carrying amount of the Fund's cash at cost at December 31, 2020 was \$10,601,057 and the bank balance was \$10,787,039.

NOTE 5: INVESTMENTS

New Jersey statutes permit the Fund to purchase the following types of investments:

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of local units or bonds or other obligations of school districts of which the local units are part or within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law" P.L. 1983, c. 313 (C.40A:5A-1 et seq.) Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS (continued)**

NOTE 5: INVESTMENTS (continued)

- (8) Agreements for the repurchase of fully collateralized securities if
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date not more than 397 (2) days from the date of purchase, issued by New Jersey school districts, municipalities, counties and entities subject to the “Local Authorities Fiscal Control Law”, P.L. 1983 c.313 (C.40A:5A-1 et seq.);
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed.
- (9) Debt obligations of federal agencies or government corporations with maturities not to exceed 10 years from the date of purchase, excluding mortgage backed or derivative obligations, provided
- (10) that the investments are purchased through the State Division of Investments and are invested consistent with the rules and regulations of the State Investment Council.

The fair value of fixed-maturity certificates of deposit is estimated using the rates currently offered for deposits of similar remaining maturities. All of the Fund’s investments are recorded at amortized cost, which approximates fair value (Level 2 inputs). The investments are held by the Fund’s custodial bank trust department in the Fund’s name. The bank’s trust department is also its agent in purchasing and selling the securities. The investments are uninsured and unregistered. All of the funds held by the custodial bank are held in a fiduciary account, in the Fund’s name, and are backed by the full faith and credit of the U.S. Government. As such, they are protected in the event of bankruptcy of the bank. Investments at December 31, 2021 and 2020 consisted of the following recurring fair value measurements as Level 2 inputs:

	Balance	Weighted Average Maturity	Balance	Weighted Average Maturity
	<u>Dec. 31,2021</u>	<u>in Months</u>	<u>Dec. 31,2020</u>	<u>in Months</u>
Certificates of Deposit	<u>\$ 2,418,908</u>	<u>10.87</u>	<u>\$ 2,408,153</u>	<u>10.87</u>

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 6: NET POSITION

The State of New Jersey has no statutory minimum net position requirements.
The Fund had accumulated deficit net position accounts on a statutory basis as follows:

Fund Year 2018 – Property	\$	769,454
Fund Year 2018 - Workers Compensation	\$	327,999
Fund Year 2019 – General Liability Fund	\$	217,996
Fund Year 2020 – Property Fund	\$	50,352
Fund Year 2021 – General Liability Fund	\$	53,753
Fund Year 2021 - Workers Compensation	\$	58,625

In addition to the above individual deficits, there was an overall fund year deficit in 2018 in the amount of \$621,087. The Fund has no current plans to assess the membership to eliminate deficit balances.

NOTE 7: MEMBER DIVIDENDS PAYABLE

During 2021 and 2020, the Fund did not declare any dividends.

NOTE 8: MEMBERSHIP IN JOINT INSURANCE FUNDS

Municipal Excess Liability Joint Insurance Fund:

In 2000, the Fund became a member of the Municipal Excess Liability Joint Insurance Fund (the "MEL"). The MEL provides its members with excess workers' compensation and employers' liability, excess liability other than motor vehicle, excess motor vehicle, and public officials'/employment practices liabilities and related coverages. The MEL is an insured and a self-administered group of joint insurance funds established for the purpose of providing low cost insurance coverage for their respective members in order to keep local property taxes and user fees at a minimum. Each member appoints an official to represent their respective joint insurance fund for the purpose of creating a governing body from which officers for the MEL are elected.

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

A resolution was passed on October 16, 2019 by the MEL Board of Fund Commissioners to amend the risk management plan to include the following:

After the end of the year before the Fund has finalized its year end accounting, the Fund's Commissioners shall levy an additional supplementary assessment so that the Fund's statutory surplus for all fund years combined is not less than 12.5% of open reserves.

Under this amendment, a supplementary assessment will be paid over a 10-year period if the statutory surplus falls below the trigger amount. This will fund the MEL to pay long term claims.

For the year ended December 31, 2020, a supplemental assessment of \$2,978,484 was made in accordance with the amended risk management plan. New Jersey Public Housing Authority Joint Insurance Fund's portion of the liability to be repaid over a 10-year period is \$208,838.

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS (continued)**

NOTE 8: MEMBERSHIP IN JOINT INSURANCE FUNDS (continued)

Municipal Excess Liability Joint Insurance Fund (continued):

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

For the year ended December 31, 2021, a 2016-2021 premium deferral payable has been recorded which represents a deferred 15% of the loss funds with the understanding that the MEL could call in this deferral from the members JIFs if needed. Due to unforeseen circumstances such as new legislation, catastrophic hurricanes and the current pandemic, the MEL will bill each of its members the additional 15%.

Municipal Excess Liability Residual Claims Fund:

In 2006, the Fund became a member of the Municipal Excess Liability Residual Claims Fund (the “Residual Fund”). The Residual Fund is a risk-sharing public entity risk pool that is a self-administered group of joint insurance funds established for the purpose of assuming and discharging the liabilities associated with loss reserves of participating members. The transfer of these loss reserves to the Residual Fund results in the closing of these fund years and the unencumbering of the Net Position related to those closed fund years. Each member appoints an official to represent their respective joint insurance fund for the purpose of creating a governing body from which officers for the Residual Fund are elected.

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

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

During 2021, the Residual Fund assumed the obligation for discharging the Fund's liabilities for claims and losses for the 2017 Fund Year. Loss reserves totaling \$958,367 at December 31, 2021, were assumed as of December 31, 2021 in exchange for the Fund's assessment for participation in the Residual Fund of \$958,367.

During 2020, the Residual Fund assumed the obligation for discharging the Fund's liabilities for claims and losses for the 2016 Fund Year. Loss reserves totaling \$759,931 at December 31, 2020, were assumed as of December 31, 2020 in exchange for the Fund's assessment for participation in the Residual Fund of \$759,931.

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS (continued)**

NOTE 8: MEMBERSHIP IN JOINT INSURANCE FUNDS (continued)

The December 31, 2021 audit summarized financial information of the MEL and Residual Funds are as follows:

	<u>Municipal Excess Liability Joint Insurance Fund</u>	<u>Municipal Excess Liability Residual Claims Fund</u>
Total Assets	<u>\$ 94,866,419</u>	<u>\$ 117,451,484</u>
Net Position	<u>\$ 15,157,816</u>	<u>\$ 106,689</u>
Total Revenue	<u>\$ 67,077,150</u>	<u>\$ 24,287,518</u>
Total Expenses	<u>\$ 62,259,276</u>	<u>\$ 35,854,430</u>
Change in Net Position	<u>\$ (1,093,841)</u>	<u>\$ (12,534,053)</u>
Member Dividends	<u>\$ -</u>	<u>\$ 671,000</u>

The Fund's equity interest in the MEL and the Residual Fund was (\$1,426,092) and (\$978,214) respectively, on December 31, 2020 and 2019.

Financial statements for the MEL and the Residual Fund are available at the office of the Funds' Executive Director:

Perma Risk Management Services
9 Campus Drive, Suite 216
Parsippany, New Jersey, 07054
(201) 881-7632

NOTE 9: CONTINGENCIES

In the normal course of its operations, the Fund 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.

NOTE 10: RELATIONSHIP WITH SUPPLEMENTARY DATA SCHEDULES

The information in the Fund's financial statements differs from the State Schedules listed in the supplementary data section as Schedules A through F. Specifically, the Schedules present historical information from the inception of each fund year. In addition, the financial statements reflect the Fund's equity interest in joint ventures at the financial statement date. The Supplementary Data Schedules do not reflect the equity interest in joint ventures.

NOTE 11: AGGREGATE EXCESS LOSS FUND CONTINGENCY

The Municipal Excess Liability Joint Insurance Fund (the "MEL") has adopted a retrospective rating premium approach to implement experience rated assessments for liability and workers' compensation coverages. The MEL billed 85% of the experience rated assessment in the first year and, should be a member joint insurance fund exceed that amount, an additional assessment would be calculated based on each member joint insurance fund's retrospective rating modification. The retrospective rating modification is an

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 11: AGGREGATE EXCESS LOSS FUND CONTINGENCY (continued)

experience rated factor and any additional assessments would be capped at 100%, 115%, or 125% of that factor. If a member joint insurance fund's liability and workers' compensation loss funds stay within the 85% threshold, there would not be an additional assessment.

Beginning in 2016, the Fund budgeted and assessed each member 100% of the MEL's layer of projected loss funds. The Fund will expense the liability and workers compensation excess coverage premium for the actual amount billed by the MEL and record revenue at the full amount budgeted and billed its members.

The difference between the assessment billed to the Fund's members and the MEL's premium will be transferred to an Aggregate Excess Loss Fund Contingency within the Fund in January and will earn interest in the same manner as all other fund years. The net position within the Aggregate Excess Loss Fund Contingency of the Fund will be maintained by member in the same manner that the Closed Fund Years' net position is maintained. As future fund years continue to adopt this program the same process will be followed, and the member shares will be maintained on a weighted average of their contributions to the Aggregate Excess Loss Fund Contingency. If the MEL bills the Fund for an additional assessment, and the member does not have enough net position in its portion of the Aggregate Excess Loss Fund Contingency, the Fund could bill the member an additional assessment.

NOTE 12: SUBSEQUENT EVENTS

Subsequent to year end, a claim related to a fire at the Millville Housing Authority apartment complex which displaced seven families was submitted. The overall loss is estimated at \$500,000.

While there are many issues that are increasing claims cost for New Jersey public entities, management is confident that the MEL and its affiliated JIFs are in an exceptionally strong position because of decades of conservative financial practices. Management continues to evaluate the impact of the COVID 19 pandemic on workers' compensation and has established a special COVID litigation reserve of \$5.4 million in the MEL. Workers' compensation claims are also expected to increase because of recent changes in the public employee pension plans that will reduce the plans' contribution in total disability claims. Fortunately, MEL members are experiencing a lower rate of other employee accidents because of improved safety programs. Liability claims are increasing because of the recent change in the statute of limitations for sexual molestation law suits and the reluctance of the New Jersey Court System to grant summary judgements when Title 59 immunities should apply. Management also expects a sharp increase in excess and reinsurance premiums, especially for property insurance and cyber liability insurance. To mitigate these increases, the MEL is planning another rate adjustment beginning 2023.

REQUIRED SUPPLEMENTARY INFORMATION

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
RECONCILIATION OF CLAIMS LIABILITIES BY FUND
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	Property Fund		General Liability Fund		Automotive Fund		Worker's Compensation Fund		Totals	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Unpaid Claims and Claim Adjustment Expenses, Beginning of Year	\$ 780,867	\$ 397,120	\$ 3,312,399	\$ 2,793,929	\$ 228,629	\$ 293,060	\$ 4,585,260	\$ 4,326,053	\$ 8,907,155	\$ 7,810,162
Incurred Claims and Claim Adjustment Expenses: Provision for Insured Events of the Current Period	822,822	1,475,190	959,835	879,208	118,570	129,474	2,412,802	2,294,172	4,314,029	4,778,044
Increase/(Decrease) in Provision for Insured Events of Prior Years	(205,782)	211,006	(383,878)	353,882	(59,347)	(186,225)	(1,430,541)	(645,327)	(2,079,548)	(266,664)
Total Incurred Claims and Claim Adjustment Expenses	617,040	1,686,196	575,957	1,233,090	59,223	(56,751)	982,261	1,648,845	2,234,481	4,511,380
Payments:										
Claims and Claim Adjustment Expenses Attributable to Insured Events of the Current Period	594,036	711,324	18,299	19,627	3,020	703	640,882	282,867	1,256,237	1,014,521
Claims and Claim Adjustment Expenses Attributable to Insured Events of Prior Years	518,317	591,125	836,308	694,993	78,767	6,977	876,686	1,106,771	2,310,078	2,399,866
Total Payments	1,112,353	1,302,449	854,607	714,620	81,787	7,680	1,517,568	1,389,638	3,566,315	3,414,387
Total Unpaid Claims and Claim Adjustment Expenses, End of Year	\$ 285,554	\$ 780,867	\$ 3,033,749	\$ 3,312,399	\$ 206,065	\$ 228,629	\$ 4,049,953	\$ 4,585,260	\$ 7,575,321	\$ 8,907,155

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
TEN-YEAR CLAIMS DEVELOPMENT INFORMATION
Fiscal Period Ended December 31, 2020 and Policy Period Ended December 31, 2021

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Required Contribution and Investment Revenue:										
Earned	\$ 8,665,740	\$ 8,433,502	\$ 8,290,224	\$ 8,431,440	\$ 8,444,817	\$ 8,656,989	\$ 9,065,074	\$ 10,004,418	\$ 10,430,207	\$ 10,926,994
Ceded	3,374,208	3,517,527	3,596,112	74,825	3,419,949	3,517,527	3,596,112	3,719,170	3,929,836	4,256,036
Net Earned	5,291,532	4,915,975	4,694,112	8,356,615	5,024,868	5,139,462	5,468,962	6,285,248	6,500,371	6,670,958
Unallocated Expenses	1,226,316	1,263,661	1,268,629	56,970	1,310,673	1,263,661	1,345,654	1,321,189	1,395,122	1,542,203
Estimated Claims and Expenses, End of Policy Year:										
Incurred	10,138,381	3,379,999	3,978,489	3,378,000	3,514,527	3,957,613	4,646,948	4,013,482	4,778,044	4,297,309
Ceded	6,608,382	-	63,489	-	-	-	-	-	-	-
Net Incurred	3,529,999	3,379,999	3,915,000	3,378,000	3,514,527	3,957,613	4,646,948	4,013,482	4,778,044	4,297,309
Paid (cumulative) as of:										
End of Policy Year	1,155,099	1,206,867	1,297,321	1,127,169	1,394,196	976,605	1,592,034	1,118,917	1,014,521	1,239,516
One Year Later	1,786,287	1,918,632	1,982,348	1,874,628	2,083,637	2,203,038	2,811,915	1,903,080	1,993,132	-
Two Years Later	1,993,526	2,156,255	2,705,066	3,094,749	2,537,710	2,761,389	3,363,484	2,098,994	-	-
Three Years Later	2,535,555	2,465,407	3,543,561	4,112,349	3,297,500	3,313,641	3,699,955	-	-	-
Four Years Later	2,746,809	2,495,784	4,036,700	4,514,464	3,809,382	4,130,091	-	-	-	-
Five Years Later	2,746,809	2,495,784	4,036,700	4,916,579	3,809,382	-	-	-	-	-
Six Years Later	2,746,809	2,495,784	4,036,700	4,916,579	-	-	-	-	-	-
Seven Years Later	2,746,809	2,495,784	4,036,700	-	-	-	-	-	-	-
Eight Years Later	2,746,809	2,495,784	-	-	-	-	-	-	-	-
Nine Years Later	2,746,809	-	-	-	-	-	-	-	-	-
Re-estimated Ceded Claims and Expenses	467,078	615,903	485,689	882,065	759,931	643,972				
Re-estimated Incurred Claims and Expenses:										
End of Policy Year	3,529,999	3,379,999	3,915,000	3,378,000	3,514,527	3,957,613	4,646,948	4,013,482	4,778,044	4,297,309
One Year Later	3,435,090	2,926,057	3,933,000	4,467,328	4,365,377	4,357,567	4,821,543	3,598,646	3,853,303	-
Two Years Later	3,309,248	2,876,666	4,216,255	5,231,647	4,622,138	4,470,175	5,067,618	3,708,911	-	-
Three Years Later	3,357,540	2,845,668	4,322,255	5,305,437	4,494,683	5,067,618	4,747,396	-	-	-
Four Years Later	2,746,809	2,495,784	4,036,700	4,514,646	3,809,382	5,048,748	-	-	-	-
Five Years Later	2,746,809	2,495,784	4,036,700	4,514,646	3,809,382	-	-	-	-	-
Six Years Later	2,746,809	2,495,784	4,036,700	4,514,646	-	-	-	-	-	-
Seven Years Later	2,746,809	2,495,784	4,036,700	-	-	-	-	-	-	-
Eight Years Later	2,746,809	2,495,784	-	-	-	-	-	-	-	-
Nine Years Later	2,746,809	-	-	-	-	-	-	-	-	-
Increase/(Decrease) in Estimated Incurred Claims and Expenses from End of Policy Year	\$ (783,190)	\$ (884,215)	\$ 121,700	\$ 1,136,646	\$ 294,855	\$ 1,091,135	\$ 100,448	\$ (304,571)	\$ (924,741)	\$ -

COMBINING SUPPLEMENTARY SCHEDULES

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
COMBINING SCHEDULE OF NET POSITION
ALL FUND YEARS
December 31, 2021

	Closed Years	2018	2019	2020	2021	Total
<u>Assets:</u>						
Cash	\$ 2,393,101	\$ 356,296	\$ 2,398,597	\$ 2,600,363	\$ 4,240,692	\$ 12,301,967
Investments	470,550	70,058	471,631	511,303	833,838	2,418,908
Assessments Receivable	132,373	928	-	-	(24,996)	108,305
Investments in Joint Ventures	(1,780,055)	481,786	251,763	(222,114)	(249,974)	(1,426,092)
Other Receivables	-	-	1,227	7,834	16,721	25,782
Prepaid Expense	-	-	-	-	4,312	4,312
Total Assets	<u>1,215,969</u>	<u>518,856</u>	<u>3,123,218</u>	<u>2,897,386</u>	<u>4,820,593</u>	<u>13,433,182</u>
<u>Liabilities:</u>						
Loss Reserves	-	-	1,609,917	1,860,171	3,057,792	7,575,321
Accounts Payable - Vendors	-	1,047,441	-	-	94,849	94,849
Other Liabilities	(16,456)	-	-	-	1,086,480	1,070,024
MEL 2016-2021 Premium Deferral Payable	190,633	-	-	-	-	566,007
Due Municipal Excess Liability Residual Claims Fund	958,369	-	-	-	-	958,369
Due Municipal Excess Liability Joint Insurance Fund	-	-	-	-	-	(1,552)
Total Liabilities	<u>1,132,546</u>	<u>1,047,441</u>	<u>1,609,917</u>	<u>1,860,171</u>	<u>4,239,121</u>	<u>10,263,018</u>
NET POSITION:						
Unrestricted/(Deficit)	83,423	(528,585)	1,513,301	1,037,215	581,472	3,170,164
Total Net Position	<u>\$ 83,423</u>	<u>\$ (528,585)</u>	<u>\$ 1,513,301</u>	<u>\$ 1,037,215</u>	<u>\$ 581,472</u>	<u>\$ 3,170,164</u>

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
ALL FUND YEARS
DECEMBER 31, 2021

	Aggregate Excess Loss Contingency	2018	2019	2020	2021	Total
	Closed Years	2018	2019	2020	2021	Total
Operating Revenue:						
Assessments from Participating Members	\$ -	\$ -	\$ -	\$ -	\$ 10,913,277	\$ 10,996,374
Total Operating Revenue	-	-	-	-	10,913,277	10,996,374
Operating Expenses:						
Provision for Claims and Claim Adjustment Expenses	(928,128)	(320,223)	110,265	(924,741)	4,297,308	2,234,481
Assessment for Participation in Municipal Excess Liability:						
Residual Claims Fund	958,367	-	-	-	-	958,367
Joint Insurance Fund	-	-	-	-	3,492,052	3,490,500
MEL 2019-2021 Premium Deferral	190,633	-	-	-	-	566,007
Insurance Premiums	-	-	-	-	763,984	763,984
Claims Administration	-	-	-	-	212,335	212,335
Other Contractual Services	-	-	-	-	623,986	623,986
Non-Contractual Expenses	-	-	-	84	43,117	43,201
Administration	(651)	-	-	-	337,398	336,747
Risk Management Consultants	-	-	-	-	325,368	325,368
Total Operating Expenses	220,221	(320,223)	110,265	(924,657)	10,095,548	9,554,976
Operating Income/(Loss)	(220,221)	320,223	(110,265)	924,657	817,729	1,441,398
Non-Operating Revenues:						
Change in Investment in Joint Ventures	(723,140)	169,581	(22,124)	98,829	(249,974)	(447,880)
Investment Income	8,440	2,999	6,391	7,467	13,717	40,011
Change in Net Position	(934,921)	492,803	(125,998)	1,030,953	581,472	1,033,529
Net Position- Beginning of Year	1,018,344	(1,021,388)	1,639,299	6,262	-	2,136,635
Net Position/(Deficit) - End of Year	\$ 83,423	\$ (528,585)	\$ 1,513,301	\$ 1,037,215	\$ 581,472	\$ 3,170,164

SUPPLEMENTARY INFORMATION

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
HISTORICAL OPERATING RESULTS ANALYSIS
ALL FUND YEARS
DECEMBER 31,2021**

1. <u>Underwriting Income:</u>		
Regular Contributions (earned)	\$ 177,536,154	
Excess Loss Contributions (earned)	565,024	
Supplemental Contributions (earned)	213,202	
Other Income (except investments)	4,632	
	<hr/>	
Total Income		\$ 178,319,012
2. <u>Incurred Liabilities:</u>		
<u>Claims:</u>		
Paid	61,261,647	
Case Reserves	5,207,765	
IBNR Reserve	2,367,557	
Subtotal	<hr/>	\$ 68,836,969
Less Excess Insurance:		
Received	(975,936)	
Receivable	-	
Recoverable	-	
Subtotal	<hr/>	(975,936)
Limited Incurred Claims (claims-excess)		<hr/> <hr/> 67,861,033
<u>Expenses:</u>		
Excess Insurance Premiums	76,707,539	
MEL 2016-2021 Premium Deferral	566,006	
Administrative	24,800,855	
RCF Surplus Trigger Assessment	958,367	
MEL Surplus Trigger Assessment	201,287	
Subtotal Expenses	<hr/>	103,234,054
Total Incurred Liabilities (limited claims and expenses)		<hr/> <hr/> 171,095,087
3. <u>Underwriting Surplus/(Deficit) = 1-2</u>		7,223,925
4. <u>Investment Income (Earned)</u>		<hr/> 5,188,235
5. <u>Gross Operating Surplus/(Deficit) = 3+4</u>		12,412,160
6. <u>Return of Surplus:</u>		
Paid	7,815,904	
Authorized and Unpaid	-	
	<hr/>	
Subtotal Return of Surplus		<hr/> 7,815,904
7. <u>Fund Operating Position</u>		<hr/> <hr/> \$ 4,596,256

(1) Refer to Notes to Financial Statements

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
HISTORICAL BALANCE SHEET - STATUTORY BASIS
ALL FUND YEARS
December 31, 2021**

1. Assets:			
Cash and Investments (1)	\$	14,720,875	\$ 14,720,875
Receivables (1):			
Assessment Receivable		108,305	
Other Receivables		<u>25,782</u>	
Total Receivables			134,087
Prepaid Expense (1)		4,312	<u>4,312</u>
Total Assets			<u>\$14,859,274</u>
2. Liabilities:			
Claims:			
Case Reserves		5,207,765	
IBNR Reserve (2)		<u>2,367,557</u>	
Subtotal Claims			7,575,322
Expenses (Unpaid) (1):			
Excess Insurance		1,086,480	
Administrative		<u>94,848</u>	
Subtotal Expenses			1,181,328
Other Liabilities (1):			
MEL 2016-2021 Premium Deferral Payable		566,007	
Due Municipal Excess Liability Residual Claims Fund		958,369	
Due Municipal Excess Liability Joint Insurance Fund		(1,552)	
Other		<u>(16,456)</u>	
Subtotal Other Liabilities			<u>1,506,368</u>
Total Liabilities			<u>10,263,018</u>
NET CURRENT SURPLUS/(DEFICIT) = 1-2			<u><u>\$ 4,596,256</u></u>

Notes:

- (1) see attached schedule itemizing these categories
- (2) information obtained the actuary

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
NOTES TO SUPPLEMENTARY INFORMATION

NOTE 1: RELATIONSHIP WITH BASIC FINANCIAL STATEMENTS

The information in the New Jersey Public Housing Authority Joint Insurance Fund (the "Fund")'s basic financial statements, Exhibits A-1 through A-3, differs from the accompanying Supplementary Information required by the Division of Banking and Insurance. The Supplementary Information does not reflect the Fund's Investments in Joint Ventures as follows:

	2021	2020
Total Assets - Comparative Statements of Net Position	\$ 13,433,182	\$ 12,175,931
Investments in Joint Ventures	1,426,092	978,214
Total Assets - Statutory Basis	<u>\$ 14,859,274</u>	<u>\$ 13,154,145</u>
Net Position - Comparative Statements of Net Position	\$ 3,170,164	\$ 2,136,635
Investment in Joint Ventures	1,426,092	978,214
Net Statutory Surplus	<u>\$ 4,596,256</u>	<u>\$ 3,114,849</u>

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
FUND YEAR OPERATING RESULTS ANALYSIS - STATUTORY BASIS
FUND YEAR- CLOSED YEARS
FOR PERIOD FEBRUARY 1, 1987 - DECEMBER 31, 2021**

1. <u>Underwriting Income:</u>		
Regular Contributions (earned)	\$ 137,337,773	
Supplemental Contributions	213,202	
Dividend Income	-	
Other Income (except investments)	<u>2,232</u>	
Total Income		\$ 137,553,207
2. <u>Incurred Liabilities:</u>		
<u>Claims:</u>		
Paid	<u>52,230,050</u>	\$ 52,230,050
Less Excess Insurance received	<u>975,936</u>	<u>975,936</u>
Limited Incurred Claims (claims - excess)		51,254,114
<u>Expenses:</u>		
Excess Insurance Premiums	62,162,352	
MEL 2019-2021 Premium Deferral	190,633	
Administrative	<u>19,201,202</u>	
Subtotal Expenses		<u>81,554,187</u>
Total Incurred Liabilities (limited claims and expenses)		<u>132,808,301</u>
3. <u>Underwriting Surplus/(Deficit) = 1-2</u>		4,744,906
4. <u>Adjustments:</u>		
Investment/Dividend Income (Earned)		<u>4,934,478</u>
5. <u>Gross Statutory Surplus/(Deficit) = 3+4</u>		9,679,384
6. <u>Return of Surplus:</u>		
Paid	7,815,904	
Authorized and Unpaid		
Subtotal Return of Surplus		<u>7,815,904</u>
7. <u>Fund Operating Position</u>		<u><u>\$ 1,863,480</u></u>

(1) Refer to Notes to Financial Statements

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
HISTORICAL FUND OPERATING RESULTS ANALYSIS - STATUTORY BASIS
AGGREGATE EXCESS LOSS FUND CONTINGENCY
FOR PERIOD JANUARY 1, 2017 - DECEMBER 31, 2021**

1. <u>Underwriting Income:</u>		
Excess Loss Contributions (earned)	\$	<u>565,024</u>
Total Income		\$ 565,024
2. <u>Incurred Liabilities:</u>		
<u>Claims:</u>		
Paid	<u>-</u>	
Limited Incurred Claims (claims - excess)	\$	-
<u>Expenses:</u>		
MEL 2016-2021 Premium Deferral	375,373	
MEL Surplus Trigger Assessment	<u>201,287</u>	
Subtotal Expenses	<u>576,660</u>	
Total Incurred Liabilities (limited claims and expenses)		<u>576,660</u>
3. <u>Underwriting Surplus/(Deficit) = 1-2</u>		(11,636)
4. <u>Adjustments:</u>		
Investment/Dividend Income (Earned)		<u>13,188</u>
5. <u>Gross Statutory Surplus/(Deficit) = 3+4</u>		1,552
6. <u>Return of Surplus:</u>		
Paid	<u>-</u>	
Subtotal Return of Surplus		<u>-</u>
7. <u>Fund Operating Position</u>		<u>\$ 1,552</u>

(1) Refer to Notes to Financial Statements

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
FUND YEAR OPERATING RESULTS ANALYSIS - STATUTORY BASIS
FUND YEAR- 2018
FOR PERIOD JANUARY 1, 2018 - DECEMBER 31, 2021**

1. <u>Underwriting Income:</u>		
Regular Contributions (earned)	\$ 8,963,749	
Other Income (except investments)	<u>2,200</u>	
Total Income		\$ 8,965,949
2. <u>Incurred Liabilities:</u>		
<u>Claims:</u>		
Paid	3,699,955	
Case Reserves	932,760	
IBNR Reserve	<u>114,681</u>	
Limited Incurred Claims (claims - excess)		\$ 4,747,396
<u>Expenses:</u>		
Excess Insurance Premiums	3,596,112	
Administrative	1,268,627	
MEL EPL Credits	2,200	
Other	<u>74,825</u>	
Subtotal Expenses		<u>4,941,764</u>
Total Incurred Liabilities (limited claims and expenses)		<u>9,689,160</u>
3. <u>Underwriting Surplus/(Deficit) = 1-2</u>		(723,211)
4. <u>Adjustments:</u>		
Investment/Dividend Income (Earned)		<u>102,124</u>
5. <u>Gross Statutory Surplus/(Deficit) = 3+4</u>		(621,087)
6. <u>Return of Surplus:</u>		
Paid	<u>-</u>	
Subtotal Return of Surplus		<u>-</u>
7. <u>Fund Operating Position</u>		<u>\$ (621,087)</u>

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
 FUND YEAR OPERATING RESULTS ANALYSIS - STATUTORY BASIS
 FUND YEAR- 2019
 FOR PERIOD JANUARY 1, 2019 - DECEMBER 31, 2021**

1. <u>Underwriting Income:</u>		
Regular Contributions (earned)	\$ 9,913,176	
Other income	2,400	
	<hr/>	
Total Income		\$ 9,915,576
2. <u>Incurred Liabilities:</u>		
<u>Claims:</u>		
Paid	2,098,994	
Case Reserves	1,322,329	
IBNR Reserve	287,588	
	<hr/>	
Limited Incurred Claims (claims - excess)		\$ 3,708,911
<u>Expenses:</u>		
Excess Insurance Premiums	3,721,570	
Administrative	1,318,790	
	<hr/>	
Subtotal Expenses		<u>5,040,360</u>
Total Incurred Liabilities (limited claims and expenses)		<u>8,749,271</u>
3. <u>Underwriting Surplus/(Deficit) = 1-2</u>		1,166,305
4. <u>Adjustments:</u>		
Investment/Dividend Income (Earned)		<u>95,233</u>
5. <u>Gross Statutory Surplus/(Deficit) = 3+4</u>		1,261,538
6. <u>Return of Surplus:</u>		
Paid	<u>-</u>	
Subtotal Return of Surplus		<u>-</u>
7. <u>Fund Operating Position</u>		<u><u>\$ 1,261,538</u></u>

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
 FUND YEAR OPERATING RESULTS ANALYSIS - STATUTORY BASIS
 FUND YEAR- 2020
 FOR PERIOD JANUARY 1, 2020 - DECEMBER 31, 2021**

1. <u>Underwriting Income:</u>		
Regular Contributions (earned)	\$ 10,408,179	
Total Income		\$ 10,408,179
2. <u>Incurred Liabilities:</u>		
<u>Claims:</u>		
Paid	1,993,132	
Case Reserves	1,238,505	
IBNR Reserve	621,666	
Limited Incurred Claims (claims - excess)		\$ 3,853,303
<u>Expenses:</u>		
Excess Insurance Premiums	3,929,836	
Administrative	1,395,206	
Subtotal Expenses		5,325,042
Total Incurred Liabilities (limited claims and expenses)		9,178,345
3. <u>Underwriting Surplus/(Deficit) = 1-2</u>		1,229,834
4. <u>Adjustments:</u>		
Investment/Dividend Income (Earned)		29,495
5. <u>Gross Statutory Surplus/(Deficit) = 3+4</u>		1,259,329
6. <u>Return of Surplus:</u>		
Paid	-	
Subtotal Return of Surplus		-
7. <u>Fund Operating Position</u>		\$ 1,259,329

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
FUND YEAR OPERATING RESULTS ANALYSIS - STATUTORY BASIS
FUND YEAR- 2021
FOR PERIOD JANUARY 1, 2021 - DECEMBER 31, 2021

1. <u>Underwriting Income:</u>		
Regular Contributions (earned)	\$ 10,913,277	
Total Income		\$ 10,913,277
2. <u>Incurred Liabilities:</u>		
<u>Claims:</u>		
Paid	1,239,516	
Case Reserves	1,714,171	
IBNR Reserve	1,343,622	
	<u>4,297,309</u>	
Limited Incurred Claims (claims - excess)		\$ 4,297,309
<u>Expenses:</u>		
Excess Insurance Premiums	4,256,036	
Administrative	1,542,203	
	<u>5,798,239</u>	
Subtotal Expenses		<u>5,798,239</u>
Total Incurred Liabilities (limited claims and expenses)		<u>10,095,548</u>
3. <u>Underwriting Surplus/(Deficit) = 1-2</u>		817,729
4. <u>Adjustments:</u>		
Investment/Dividend Income (Earned)		<u>13,717</u>
5. <u>Gross Statutory Surplus/(Deficit) = 3+4</u>		831,446
6. <u>Return of Surplus:</u>		
Paid	<u>-</u>	
Subtotal Return of Surplus		<u>-</u>
7. <u>Fund Operating Position</u>		<u>\$ 831,446</u>

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS - STATUTORY BASIS
FUND YEAR- 2018
FOR PERIOD JANUARY 1, 2018 - DECEMBER 31, 2021**

	Coverages and Other Accounts								Total
	Property Fund	General Liability Fund	Automotive Liability Fund	Workers' Compensation Fund	Public Officials/ Employment Practicess	Loss Fund Contingency	Excess Liability	General and Administrative Fund	
1. Underwriting Income:									
Regular Contributions (earned)	\$ 939,738	\$ 813,949	\$ 125,823	\$ 2,013,957	\$ 565,984	\$ 206,109	\$ 3,030,460	\$ 1,267,729	\$ 8,963,749
Other Income	-	-	-	-	-	-	2,200	-	2,200
Total Income	939,738	813,949	125,823	2,013,957	565,984	206,109	3,032,660	1,267,729	8,965,949
2. Incurred Liabilities:									
Claims (limited incurred)	1,707,265	716,238	17,447	2,306,446	-	-	-	-	4,747,396
Expenses	5,738	-	-	74,825	565,652	-	3,026,922	1,268,627	4,941,764
Total Incurred Liabilities	1,713,003	716,238	17,447	2,381,271	565,652	-	3,026,922	1,268,627	9,689,160
3. Underwriting Surplus/(Deficit)	(773,265)	97,711	108,376	(367,314)	332	206,109	5,738	(898)	(723,211)
4. Adjustments:									
Investment Income	3,811	22,862	3,477	39,315	1,287	6,558	23,212	1,602	102,124
Total Adjustments	3,811	22,862	3,477	39,315	1,287	6,558	23,212	1,602	102,124
5. Gross Statutory Surplus	(769,454)	120,573	111,853	(327,999)	1,619	212,667	28,950	704	(621,087)
6. Return of Surplus	-	-	-	-	-	-	-	-	-
7. Fund Operating Position	\$ (769,454)	\$ 120,573	\$ 111,853	\$ (327,999)	\$ 1,619	\$ 212,667	\$ 28,950	\$ 704	\$ (621,087)

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS - STATUTORY BASIS
FUND YEAR- 2019
FOR PERIOD JANUARY 1, 2019 - DECEMBER 31, 2021**

	Coverages and Other Accounts								Total
	Property Fund	General Liability Fund	Automotive Liability Fund	Workers' Compensation Fund	Public Officials/ Employment Practices	Loss Fund Contingency	Excess Liability	General and Administrative Fund	
1. Underwriting Income:									
Regular Contributions (earned)	\$ 1,220,253	\$ 860,645	\$ 125,748	\$ 2,242,375	\$ 607,621	\$ 277,975	\$ 3,035,909	\$ 1,542,650	\$ 9,913,176
Other Income							2,400		2,400
Total Income	1,220,253	860,645	125,748	2,242,375	607,621	277,975	3,038,309	1,542,650	9,915,576
2. Incurred Liabilities:									
Claims (limited incurred)	1,199,719	1,092,905	4,002	1,412,285	-	-	-	-	3,708,911
Expenses	5,632	-	-	74,825	608,432	-	3,032,681	1,318,790	5,040,360
Total Incurred Liabilities	1,205,351	1,092,905	4,002	1,487,110	608,432	-	3,032,681	1,318,790	8,749,271
3. Underwriting Surplus/(Deficit)	14,902	(232,260)	121,746	755,265	(811)	277,975	5,628	223,860	1,166,305
4. Adjustments:									
Investment Income	10,950	14,264	2,063	31,091	3,691	7,344	23,738	2,092	95,233
Total Adjustments	10,950	14,264	2,063	31,091	3,691	7,344	23,738	2,092	95,233
5. Gross Statutory Surplus	25,852	(217,996)	123,809	786,356	2,880	285,319	29,366	225,952	1,261,538
6. Return of Surplus	-	-	-	-	-	-	-	-	-
7. Fund Operating Position	\$ 25,852	\$ (217,996)	\$ 123,809	\$ 786,356	\$ 2,880	\$ 285,319	\$ 29,366	\$ 225,952	\$ 1,261,538

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS - STATUTORY BASIS
FUND YEAR- 2020
FOR PERIOD JANUARY 1, 2020 - DECEMBER 31, 2021**

	Coverages and Other Accounts								
	Property Fund	General Liability Fund	Automotive Liability Fund	Workers' Compensation Fund	Public Officials/ Employment Practices	Loss Fund Contingency	Excess Liability	General and Administrative Fund	Total
1. Underwriting Income:									
Regular Contributions (earned)	\$ 1,234,756	\$ 880,644	\$ 129,939	\$ 2,302,438	\$ 681,578	\$ 328,365	\$ 3,171,435	\$ 1,679,024	\$ 10,408,179
Total Income	1,234,756	880,644	129,939	2,302,438	681,578	328,365	3,171,435	1,679,024	10,408,179
2. Incurred Liabilities:									
Claims (limited incurred) Expenses	1,281,416	852,228	105,294	1,614,365	-	-	-	-	3,853,303
	6,291	-	-	76,322	682,071	-	3,165,152	1,395,206	5,325,042
Total Incurred Liabilities	1,287,707	852,228	105,294	1,690,687	682,071	-	3,165,152	1,395,206	9,178,345
3. Underwriting Surplus/(Deficit)	(52,951)	28,416	24,645	611,751	(493)	328,365	6,283	283,818	1,229,834
4. Adjustments:									
Investment Income	2,599	4,395	646	10,110	1,029	2,826	7,274	616	29,495
Total Adjustments	2,599	4,395	646	10,110	1,029	2,826	7,274	616	29,495
5. Gross Statutory Surplus	(50,352)	32,811	25,291	621,861	536	331,191	13,557	284,434	1,259,329
6. Return of Surplus	-	-	-	-	-	-	-	-	-
7. Fund Operating Position	\$ (50,352)	\$ 32,811	\$ 25,291	\$ 621,861	\$ 536	\$ 331,191	\$ 13,557	\$ 284,434	\$ 1,259,329

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS - STATUTORY BASIS
FUND YEAR- 2021
FOR PERIOD JANUARY 1, 2021 - DECEMBER 31, 2021**

	Coverages and Other Accounts								
	Property Fund	General Liability Fund	Automotive Liability Fund	Workers' Compensation Fund	Public Officials/ Employment Practices	Loss Fund Contingency	Excess Liability	General and Administrative Fund	Total
1. Underwriting Income:									
Regular Contributions (earned)	\$ 1,239,455	\$ 904,573	\$ 124,811	\$ 2,411,791	\$ 680,350	\$ 321,337	\$ 3,497,837	\$ 1,733,123	\$ 10,913,277
Total Income	1,239,455	904,573	124,811	2,411,791	680,350	321,337	3,497,837	1,733,123	10,913,277
2. Incurred Liabilities:									
Claims (limited incurred) Expenses	822,822	959,847	118,571	2,396,069	-	-	-	-	4,297,309
	5,785	-	-	77,848	680,351	-	3,492,052	1,542,203	5,798,239
Total Incurred Liabilities	828,607	959,847	118,571	2,473,917	680,351	-	3,492,052	1,542,203	10,095,548
3. Underwriting Surplus/(Deficit)	410,848	(55,274)	6,240	(62,126)	(1)	321,337	5,785	190,920	817,729
4. Adjustments:									
Investment Income	1,592	1,521	206	3,501	1,478	1,067	4,321	31	13,717
Total Adjustments	1,592	1,521	206	3,501	1,478	1,067	4,321	31	13,717
5. Gross Statutory Surplus	412,440	(53,753)	6,446	(58,625)	1,477	322,404	10,106	190,951	831,446
6. Return of Surplus	-	-	-	-	-	-	-	-	-
7. Fund Operating Position	\$ 412,440	\$ (53,753)	\$ 6,446	\$ (58,625)	\$ 1,477	\$ 322,404	\$ 10,106	\$ 190,951	\$ 831,446

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
 FUND YEAR CLAIMS ANALYSIS - STATUTORY BASIS
 FUND YEAR- 2018
 FOR PERIOD JANUARY 1, 2018 - DECEMBER 31, 2021**

	Coverages				Total
	Property	General Liability	Automotive Liability	Workers' Compensation	
Paid Claims	\$ 1,707,265	\$ 440,657	\$ 17,447	\$ 1,534,586	\$ 3,699,955
Case Reserves	-	206,215	-	726,545	932,760
IBNR Reserves	-	69,366	-	45,315	114,681
Incurred Claims	<u>\$ 1,707,265</u>	<u>\$ 716,238</u>	<u>\$ 17,447</u>	<u>\$ 2,306,446</u>	<u>\$ 4,747,396</u>
Number of Claims	68	124	12	121	325
Cost/Claim	\$ 25,107	\$ 5,776	\$ 1,454	\$ 19,062	\$ 14,607

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
 FUND YEAR CLAIMS ANALYSIS - STATUTORY BASIS
 FUND YEAR- 2019
 FOR PERIOD JANUARY 1, 2019 - DECEMBER 31, 2021**

	Coverages				Total
	Property	General Liability	Automotive Liability	Workers' Compensation	
Paid Claims	\$ 1,197,218	\$ 74,856	\$ 4,002	\$ 822,918	\$ 2,098,994
Case Reserves	2,501	846,093	-	473,735	1,322,329
IBNR Reserve	-	171,956	-	115,632	287,588
Incurring Claims	<u>\$ 1,199,719</u>	<u>\$ 1,092,905</u>	<u>\$ 4,002</u>	<u>\$ 1,412,285</u>	<u>\$ 3,708,911</u>
Number of Claims	44	96	13	113	266
Cost/Claim	\$ 27,266	\$ 11,384	\$ 308	\$ 12,498	\$ 13,943

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
 FUND YEAR CLAIMS ANALYSIS - STATUTORY BASIS
 FUND YEAR- 2020
 FOR PERIOD JANUARY 1, 2020 - DECEMBER 31, 2021**

	Coverages				Total
	Property	General Liability	Automotive Liability	Workers' Compensation	
Paid Claims	\$ 1,227,150	\$ 53,645	\$ 14,780	\$ 697,557	\$ 1,993,132
Case Reserves	54,266	428,747	32,160	723,332	1,238,505
IBNR Reserves	-	369,836	58,354	193,476	621,666
Incurred Claims	\$ 1,281,416	\$ 852,228	\$ 105,294	\$ 1,614,365	\$ 3,853,303
Number of Claims	62	69	9	108	248
Cost/Claim	\$ 20,668	\$ 12,351	\$ 11,699	\$ 14,948	\$ 15,538

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
 FUND YEAR CLAIMS ANALYSIS - STATUTORY BASIS
 FUND YEAR- 2021
 FOR PERIOD JANUARY 1, 2021 - DECEMBER 31, 2021**

	Coverages					Total
	Property	General Liability	Automotive Liability	Workers' Compensation		
Paid Claims	\$ 594,036	\$ 18,311	\$ 3,020	\$ 624,149	\$	\$ 1,239,516
Case Reserves	227,786	423,235	15,700	1,047,450		1,714,171
IBNR Reserves	1,000	518,301	99,851	724,470		1,343,622
Incurred Claims	\$ 822,822	\$ 959,847	\$ 118,571	\$ 2,396,069	\$	\$ 4,297,309
Number of Claims	40	68	11	87		206
Cost/Claim	\$ 20,571	\$ 14,115	\$ 10,779	\$ 27,541	\$	\$ 20,861

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
FUND YEAR EXPENSE ANALYSIS - STATUTORY BASIS
FUND YEAR- 2018
FOR PERIOD JANUARY 1, 2018 - DECEMBER 31, 2021

	Paid	Unpaid	Total
<u>Excess Insurance</u>			
Insurance Premiums:			
Property	\$ 5,738	\$ -	\$ 5,738
Excess Liability Insurance	3,024,722	-	3,024,722
Excess Public Officials' Insurance	565,652	-	565,652
Excess Insurance Subtotal	3,596,112	-	3,596,112
<u>Administrative Expenses</u>			
Claims Administration	203,504	-	203,504
Administration	322,916	-	322,916
Legal	42,646	-	42,646
Treasurer	76,467	-	76,467
Actuary	37,002	-	37,002
Auditor	22,740	-	22,740
Risk Management Consultants	262,553	-	262,553
Other Contracted Services	252,268	-	252,268
Non-Contracted Expenses	48,531	-	48,531
Administrative Subtotal	1,268,627	-	1,268,627
<u>Excess Liability Insurance</u>			
MEL EPL Credits	2,200	-	2,200
Excess Liability Insurance Subtotal	2,200	-	2,200
<u>Other</u>			
Workers Compensation/Managed Care	74,825	-	74,825
Other Subtotal	74,825	-	74,825
Total Expenses	\$ 4,941,764	\$ -	\$ 4,941,764

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
 FUND YEAR EXPENSE ANALYSIS - STATUTORY BASIS
 FUND YEAR- 2019
 FOR PERIOD JANUARY 1, 2019 - DECEMBER 31, 2021**

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
<u>Excess Insurance</u>			
Insurance Premiums:			
Property	\$ 5,632	\$ -	\$ 5,632
Excess Workers Compensation	74,825	-	74,825
Excess Liability Insurance	3,030,281	-	3,030,281
Excess Public Officials' Insurance	608,432	-	608,432
Excess Insurance Subtotal	<u>3,719,170</u>	<u>-</u>	<u>3,719,170</u>
<u>Administrative Expenses</u>			
Administrator	203,507	-	203,507
Administration	322,916	-	322,916
Legal	42,478	-	42,478
Treasurer	76,467	-	76,467
Actuary	37,002	-	37,002
Auditor	22,740	-	22,740
Risk Management Consultants	304,649	-	304,649
Other Contracted Services	252,061	-	252,061
Non-Contracted Expenses	56,970	-	56,970
Administrative Subtotal	<u>1,318,790</u>	<u>-</u>	<u>1,318,790</u>
<u>Excess Liability Insurance</u>			
MEL EPL Credits	2,400	-	2,400
Excess Liability Insurance Subtotal	<u>2,400</u>	<u>-</u>	<u>2,400</u>
Total Expenses	<u>\$ 5,040,360</u>	<u>\$ -</u>	<u>\$ 5,040,360</u>

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
FUND YEAR EXPENSE ANALYSIS - STATUTORY BASIS
FUND YEAR- 2020
FOR PERIOD JANUARY 1, 2020 - DECEMBER 31, 2021

	Paid	Unpaid	Total
<u>Excess Insurance</u>			
Insurance Premiums:			
Property	\$ 6,291	\$ -	\$ 6,291
Excess Workers Compensation	76,322	-	76,322
Excess Liability Insurance	3,165,152	-	3,165,152
Excess Public Officials' Insurance	682,071	-	682,071
Excess Insurance Subtotal	3,929,836	-	3,929,836
<u>Administrative Expenses</u>			
Administration	330,305	-	330,305
Claims Administration	207,575	-	207,575
Legal	45,555	-	45,555
Treasurer	77,996	-	77,996
Actuary	37,742	-	37,742
Auditor	23,195	-	23,195
Risk Management Consultants	313,964	-	313,964
Safety	183,187	-	183,187
Marketing	35,680	-	35,680
Sponsorship Fees	80,371	-	80,371
Underwriter	18,463	-	18,463
Other (itemize) *	41,173	-	41,173
Administrative Subtotal	1,395,206	-	1,395,206
Total Expenses	\$ 5,325,042	\$ -	\$ 5,325,042
* Postage	\$ 738	\$ -	\$ 738
* Meeting expense	16,950	-	16,950
* Miscellaneous	23,485	-	23,485
	\$ 41,173	\$ -	\$ 41,173

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
FUND YEAR EXPENSE ANALYSIS - STATUTORY BASIS
FUND YEAR- 2021
FOR PERIOD JANUARY 1, 2021 - DECEMBER 31, 2021

	Paid	Unpaid	Total
<u>Excess Insurance</u>			
Insurance Premiums:			
Property	\$ 5,785	\$ -	\$ 5,785
Excess Workers Compensation	77,848	-	77,848
Excess Liability Insurance	3,492,052	-	3,492,052
Excess Public Officials' Insurance	680,351	-	680,351
Excess Insurance Subtotal	4,256,036	-	4,256,036
<u>Administrative Expenses</u>			
Claims Administration	212,335	-	212,335
Safety	171,289	12,840	184,129
Administration	337,397	-	337,397
Right-to-Know Program	121,450	-	121,450
Legal	40,580	3,677	44,257
Treasurer	79,556	-	79,556
Actuary	38,497	-	38,497
Auditor	-	20,500	20,500
Risk Management Consultants	268,436	56,932	325,368
Marketing	36,394	-	36,394
Sponsor Fees	80,371	-	80,371
Underwriter Fees	18,832	-	18,832
Other (itemize) *	42,217	900	43,117
Administrative Subtotal	1,447,354	94,849	1,542,203
Total Expenses	\$ 5,703,390	\$ 94,849	\$ 5,798,239
* RAD/Non Profit Review	\$ 215	\$ -	\$ 215
* Postage	1,022	-	1,022
* Meeting expense	16,350	-	16,350
* Miscellaneous	24,630	900	25,530
	\$ 42,217	\$ 900	\$ 43,117

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
PROGRAM SUMMARY
FUND YEAR - 2021
DECEMBER 31, 2021
(unaudited)

COVERAGES

	Property	General Liability	Automotive	Workers' Compensation	Public Officials/ Employment Practices	CYBER
1.) <u>Limits</u>	\$125,000,000	\$5,000,000 per occurrence	\$5,000,000 per occurrence	Statutory	\$2,000,000	\$3,000,000 Per Claim/ \$3,000,000 Aggregate/ \$6,000,000 JIF Aggregate
2.) <u>Fund Retention Specific</u>	\$100,000	\$300,000	\$300,000	\$300,000	None	None
3.) <u>Excess Insurance</u>	Zurich Insurance \$125,000,000 per occurrence-blanket limit in excess of JIF/MEL \$500,000 self-insured retention	Municipal Excess Liability Insurance Fund provides \$4,700,000 in excess of \$300,000 for liability and \$1,700,000 excess of \$300,000 for workers' compensation. Safety National provides statutory limits excess of JIF/MEL Retention \$2,000,000 for workers' compensation and \$5,000,000 for Employers Liability Munich Re provides optional limits excess of \$5,000,000 up to \$15,000,000 excess of \$5,000,000.		Members have various deductible or co-insurance based on program compliance	Munich Re provides optional excess liability reinsurance to the Municipal Excess Liability Joint Insurance Fund Member optional limits in layers starting at \$1,000,000 in excess of \$2,000,000 through \$8,000,000.	Great American \$3,000,000 Follow Form Cowbell \$3,000,000 Follow Form \$6,000,000 Aggregate
4.) <u>Number of Participants</u>	75	75	75	75	74	74
5.) <u>Incurred Liabilities</u>	\$828,607	\$959,847	\$118,571	\$2,473,917	\$680,351	
6.) <u>Exposure Units</u>	2,008; 710,397	17,991	286	87,343,668	Full time Employees - 1,588	
7.) <u>Liabilities/Unit</u>	\$0.001	\$39.274	\$322.695	\$0.024	\$312.644	

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CASH, CASH EQUIVALENTS AND INVESTMENTS - STATUTORY BASIS
 DECEMBER 31, 2021
 (unaudited)**

<u>Bank</u>	<u>Account Description</u>	<u>Amount</u>
Investors Bank	Checking Account	\$ 12,033,286
Investors Bank	Money Market	1,155,298
TD Bank	Checking Account	15,604
Lakeland Bank	Investment Account	1,183,805
ConnectOne Bank		<u>1,235,102</u>
Balance Per Bank		15,623,095
Less: Outstanding Checks		<u>(902,220)</u>
		<u><u>\$ 14,720,875</u></u>

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
STATE REQUIRED SUPPORTING
SCHEDULE - ANNUAL REPORT
ANALYSIS OF ASSESSMENTS RECEIVABLES
DECEMBER 31, 2021
(unaudited)

Closed Fund Year		\$ 132,373
Aggregate Excess Loss Contingency Fund		928
Fund Year 2021		<u>(24,996)</u>
		<u><u>\$ 108,305</u></u>

ANALYSIS OF OTHER RECEIVABLES
DECEMBER 31, 2021
(unaudited)

Fund Year 2019:		
Deductible Billing - Hoboken		\$ 1,227
Fund Year 2020:		
Deductible Billing- Atlantic City Housing Authority	2,810	
Deductible Billing- Trenton	5,000	
Deductible Billing- Hackensack	<u>24</u>	
		<u>7,834</u>
Fund Year 2021:		
Deductible Billing- Atlantic City Housing Authority	5,187	
Deductible Billing- Bayone Housing Authority	2,514	
Deductible Billing- Hoboken	2,276	
Deductible Billing- Morris Housing Authority	2,016	
Deductible Billing- Passaic Housing Authority	25	
Deductible Billing- Trenton	<u>4,703</u>	
		<u>16,721</u>
		<u><u>\$ 25,782</u></u>

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
STATE REQUIRED SUPPORTING
SCHEDULE - ANNUAL REPORT
ANALYSIS OF PREPAID EXPENSE
DECEMBER 31, 2021
(unaudited)

Fund Year 2021:

Prepaid Insurance - Executive Director

\$ 4,272

Prepaid Insurance - Treasurer

40

\$ 4,312

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
STATE REQUIRED SUPPORTING
SCHEDULE - ANNUAL REPORT
SCHEDULE OF ACCOUNTS PAYABLE AND OTHER LIABILITIES
DECEMBER 31, 2021
(unaudited)**

Fund Year 2021:

MEL Excess Liability Joint Insurance Fund	\$ 1,085,034
MEL Faithful Performance Bond	1,446
Safety	12,840
Legal	3,677
Auditor	20,500
Risk Manager	56,932
Other	900
	\$ 1,181,329
	\$ 1,181,329

**ANALYSIS OF MISCELLANEOUS LIABILITIES
DECEMBER 31, 2021
(unaudited)**

Closed Years:

Other liabilities	\$ 1,070,024
MEL 2016-2021 Premium Deferral Payable	566,007
Due Municipal Excess Liability Residual Claims Fund	958,369
Due Municipal Excess Liability Joint Insurance Fund	(1,552)
	\$ 2,592,848
	\$ 2,592,848

STATISTICAL SECTION

This part of the Fund's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, not disclosures, and required supplementary information says about the Fund's overall financial health.

Contents:

Financial Trends

These schedules contain trend information to help the reader understand how the Fund's financial performance and well-being have changed over time.

Revenue Capacity (Not Applicable)

These schedules contain information to help the reader assess the factors affecting the Fund's ability to generate its revenue

Debt Capacity (Not Applicable)

These schedules present information to help the reader assess the affordability of the Fund's current levels of outstanding debt and the Fund's ability to issues additional debt in the future

Demographic and Economic Information

These schedules offer demographic indicators to help the reader understand the environment within which the Fund's financial activities take place and to help make comparisons over time and with other governments

Operating Information

These schedules contain information about the Fund's operations and resources to help the reader understand how the Fund's financial information relates to the services the Fund provides and the activities it performs

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
 SCHEDULE OF NET POSITION BY COMPONENT
 LAST TEN YEARS
 (unaudited)

	December 31,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Business-Type Activities Unrestricted	\$ 7,804,322	\$ 8,769,692	\$ 8,376,810	\$ 7,960,141	\$ 6,761,263	\$ 4,314,828	\$ 2,452,394	\$ 3,049,980	\$ 2,136,635	\$ 3,170,164
Total Business-Type Activities Net Position	\$ 7,804,322	\$ 8,769,692	\$ 8,376,810	\$ 7,960,141	\$ 6,761,263	\$ 4,314,828	\$ 2,452,394	\$ 3,049,980	\$ 2,136,635	\$ 3,170,164

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
SCHEDULE OF CHANGE IN NET POSITION
LAST TEN YEARS
(unaudited)

	Year Ended December 31,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenue:										
Assessments from Participating Members	\$ 8,627,024	\$ 8,407,575	\$ 8,267,520	\$ 8,405,289	\$ 8,540,395	\$ 8,673,835	\$ 9,047,007	\$ 9,995,501	\$ 10,490,875	\$ 10,996,374
Other Income	129,667	30,257	50,904	25,516	80,032	85,554	2,200	2,400	-	-
Investment Income	156,598	701,232	(331,784)	(206,431)	239,528	(166,889)	(534,398)	(340,693)	78,415	40,011
Change in Investment in Joint Venture	8,913,289	9,139,064	7,986,640	8,224,374	8,859,955	8,592,500	8,669,514	9,902,267	(683,528)	(447,880)
Total Revenue										
	19,826,578	19,683,132	17,073,484	17,040,603	17,719,910	16,585,050	16,262,235	20,802,435	19,885,762	20,588,505
Expenses:										
Provision for Claims and Claim Adjustment Expense	4,318,618	2,403,137	2,711,313	2,977,535	4,243,381	5,328,898	5,091,901	3,382,257	4,511,380	2,234,481
Assessment for Participation in MEL Residual Claims Fund	482,076	295,667	437,574	327,180	467,079	615,903	485,689	882,065	759,931	958,367
Assessment for Participation in MEL JIF	3,366,483	3,206,123	2,853,378	3,008,139	2,951,633	2,988,040	3,024,722	3,030,281	3,367,990	3,490,500
Insurance Premiums	7,605	303,642	325,462	421,884	468,316	529,487	571,390	688,889	764,684	763,984
MEL EPL Credits	-	-	-	-	-	-	2,200	2,400	-	-
MEL 2019-2021 Premium Deferral	-	-	-	-	-	-	-	-	-	566,007
Claims Administration	186,551	190,522	194,871	194,871	199,516	203,506	203,506	203,506	207,576	212,335
Other Contractual Services	414,975	405,915	405,536	413,982	488,908	431,853	505,948	430,748	502,188	623,986
Non-Contractual Expenses	76,597	76,640	116,153	118,877	54,273	65,585	48,531	56,970	41,089	43,201
Administration	283,523	289,728	296,724	302,657	313,858	316,584	322,916	322,916	330,305	336,747
Risk Management Fees	251,038	252,320	239,456	257,439	259,147	246,306	262,553	304,649	313,964	325,368
Total Expenses										
	9,387,466	7,423,694	7,580,467	8,022,564	9,446,111	10,726,162	10,519,356	9,304,681	10,799,107	9,554,976
Member Dividends										
	500,000	750,000	799,055	618,479	612,722	312,773	12,592	-	-	-
Change in Net Position										
	\$ (974,177)	\$ 965,370	\$ (392,882)	\$ (416,669)	\$ (1,198,878)	\$ (2,446,435)	\$ (1,862,434)	\$ 597,586	\$ (913,345)	\$ 1,033,529

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
MEMBER GROWTH ANALYSIS - BY FUND YEAR
FOR THE TEN-YEAR PERIOD ENDED DECEMBER 31, 2021
(unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total Number of Members	89	91	89	90	89	89	89	89	89	89
Total Employees	2,122	1,877	1,765	1,723	1,675	1,572	1,555	1,550	1,649	1,588
Total Annual Payrolls	\$97,489,572	\$ 92,195,688	\$ 89,845,353	\$ 87,189,981	\$ 85,243,821	\$ 84,827,680	\$ 85,746,856	\$ 86,673,541	\$84,903,303	\$ 87,343,668
Total Member Assessments	\$ 8,627,131	\$ 8,407,735	\$ 8,267,520	\$ 8,405,129	\$ 8,390,927	\$ 8,589,654	\$ 8,963,749	\$ 9,913,176	\$10,408,179	\$ 10,996,374
Total Number of Claims	664	326	380	332	369	308	325	266	248	206
Total Reported Losses	\$ 3,290,743	\$ 2,811,777	\$ 4,319,428	\$ 5,130,908	\$ 4,292,690	\$ 4,774,637	\$ 4,632,715	\$ 3,421,323	\$ 3,231,637	\$ 2,953,687

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
REPORTED LOSS HISTORY - BY FUND YEAR
FOR THE TEN-YEAR PERIOD ENDED DECEMBER 31, 2021
(unaudited)

During its years of existence, the Fund has incurred the following reported losses (paid claims plus case reserves from claims incurred by Fund Members). The claims reflect both the impact of increase in membership, the delay in claims reaching the Fund's coverages, and the changes in the average cost per claim. These amounts do not include incurred but not reported ("IBNR") claim estimates.

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Property	\$ 638,178	\$ 803,517	\$ 794,117	\$ 694,784	\$ 898,516	\$ 1,045,981	\$ 1,707,265	\$ 1,199,719	\$ 1,281,416	\$ 821,822
General Liability	435,709	422,845	1,088,281	1,677,480	1,040,732	1,291,247	646,872	920,949	482,392	441,546
Automotive	281,293	290,640	2,010	300,615	9,861	89,865	17,447	4,002	46,940	18,720
Workers' Compensation	1,935,563	1,294,775	2,435,020	2,458,029	2,343,581	2,347,544	2,261,131	1,296,653	1,420,889	1,671,599
Total	\$ 3,290,743	\$ 2,811,777	\$ 4,319,428	\$ 5,130,908	\$ 4,292,690	\$ 4,774,637	\$ 4,632,715	\$ 3,421,323	\$ 3,231,637	\$ 2,953,687
Total Number of Claims	664	326	380	332	369	308	325	266	248	206
Average Cost per Claim	\$ 4,956	\$ 8,625	\$ 11,367	\$ 15,455	\$ 11,633	\$ 15,502	\$ 14,255	\$ 12,862	\$ 13,031	\$ 14,338

NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
REPORTED CLAIM ACTIVITY - BY FUND YEAR
FOR THE TEN-YEAR PERIOD ENDED DECEMBER 31, 2021
(unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Property	331	70	70	65	78	47	68	44	62	40
General Liability	151	91	144	121	125	95	124	96	69	68
Automotive	15	9	11	10	21	13	12	13	9	11
Workers' Compensation	167	156	155	136	145	153	121	113	108	87
Total	<u>664</u>	<u>326</u>	<u>380</u>	<u>332</u>	<u>369</u>	<u>308</u>	<u>325</u>	<u>266</u>	<u>248</u>	<u>206</u>
Claims Settled in Full	629	305	353	299	339	280	301	226	182	88
Claims Pending	35	21	27	33	30	28	24	40	66	118
Total	<u>664</u>	<u>326</u>	<u>380</u>	<u>332</u>	<u>369</u>	<u>308</u>	<u>325</u>	<u>266</u>	<u>248</u>	<u>206</u>

**NEW JERSEY PUBLIC HOUSING AUTHORITY JOINT INSURANCE FUND
COMMENTS AND RECOMMENDATIONS**

DECEMBER 31, 2021

None Noted