

POOLED INSURANCE PROGRAM OF NEW JERSEY

Actuarial Analysis of the Workers' Compensation Insurance Pool Incurred But Not Reported Loss Plus Allocated Loss Adjustment Expense Reserves as of December 31, 2022

April 12, 2023

Prepared by
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AIS RISK CONSULTANTS, INC.

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April 12, 2023

Ms. Barbara Francisco
Chairperson
Pooled Insurance Program of New Jersey
West Milford Board of Education
46 Highlander Drive
West Milford, New Jersey 07480

Re: Pooled Insurance Program of New Jersey
Loss plus ALAE IBNR Reserve as of December 31, 2022

Dear Ms. Francisco:

Enclosed is our actuarial study of the workers' compensation loss plus allocated loss adjustment expense (ALAE) incurred but not reported (IBNR) reserve as of December 31, 2022 for the Pooled Insurance Program of New Jersey (PIPNJ).¹

The indicated incurred but not reported reserve as of 12/31/2022 net of excess insurance is \$8,837,470.² This value is derived in Exhibit AIS-1, Sheet 1, Column (7).³ When the net IBNR is added to the net case reserves outstanding as of 12/31/2022 of \$5,916,173, the total indicated net loss plus ALAE reserve as of 12/31/2022 is \$14,753,643 (= \$8,837,470 + \$5,916,173). The gross IBNR -- before excess insurance -- of \$10,120,365 is derived in Exhibit AIS-1, Sheet 2, Column (9). When the gross IBNR is added to the gross

¹ This analysis was provided to assist PIPNJ in selecting the loss and ALAE reserve values to include in its financial statement. It should not be relied upon for any other purpose or by any entity other than PIPNJ. If this analysis is provided to any other entity the following conditions apply: (i) it should only be done after obtaining the written consent of AIS, (ii) the entire analysis should be supplied and (iii) that entity should be informed that AIS is available under appropriate circumstances to discuss the analysis.

² Net values are after the projected impact of excess insurance.

³ The net IBNR values displayed assume that ALAE is included with losses when accruing the self-insured retention amounts for claims occurring July 1, 1998 and later. For claims prior to July 1, 1998 some claim expenses, rehabilitation costs and legal fees have been pro-rated or excluded according to new information provided to us by Inservco. We have not independently verified that this information is complete or correct. We recommend that if Burton, PIPNJ or Inservco becomes aware of any mistakes in the data or information provided to us by Burton, PIPNJ or Inservco, that it should be brought to our attention. We will make any adjustments that may be appropriate to our analysis of the reserves.

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case reserves outstanding as of 12/31/2022 of \$12,496,351, the total indicated gross loss plus ALAE reserve as of 12/31/2022 is \$22,616,716 (= \$12,496,351 + \$10,120,365).⁴

The net reserves are based upon projected possible excess insurance recoveries, related to projected loss & ALAE payments after 12/31/2022 for claims occurring prior to 12/31/2022, of about \$7.9 million.⁵ We have not independently verified that these amounts will be recovered. We have relied upon the representation by the PIPNJ that amounts due under the excess insurance can be collected. Problems in collecting the projected possible excess insurance recoveries could have an adverse impact upon the financial condition of PIPNJ. We have not made any analysis of the quality or collectability of these potential recoveries for projected excess insurance layer losses and ALAE.

The net reserves reflect the self-insurance retention, excess insurance limits and other provisions discussed in Section IV of this report. These values and provisions were provided by PIPNJ. We have accepted and used the values supplied for the self-insurance retention and excess insurance limits, as well as the other provisions, and have not independently verified these values.

The projected ultimate pure premium (= losses plus ALAE per \$100 of payroll) by year implied by the selected IBNR reserves on a gross and net basis are shown in Exhibit AIS-2, Sheet 1.

A retrospective analysis of the 06/30/2022 net and gross IBNR reserve evaluated as of 12/31/2022 can be performed based upon the experience which emerged during the last six months. This analysis is given in Exhibit AIS-3, Sheets 1 and 2. Based upon this calculation, the 06/30/2022 net IBNR was too low by -\$1,258,191, while the gross IBNR was too low by -\$1,870,856.

Summaries of the net and gross loss and ALAE experience for PIPNJ are set forth in Exhibit AIS-3, Sheets 3 and 5, respectively. The amounts reported by PIPNJ as paid and case reserves⁶ are set out in Columns (2) and (3), respectively. The case incurred experience [Column (4)] is the sum of the paid and case reserve values. The IBNR figures derived from our analysis are shown in Column (5). The sum of the case reserve and IBNR values is the

⁴ The total reserves for workers' compensation can be subject to a large degree of variation. It is possible that the actual loss & ALAE liabilities for PIPNJ can exceed the estimated total loss & ALAE reserve by 25% or more.

⁵ We have not independently verified that these amounts will be recovered. We have relied upon the representation of PIPNJ that amounts due under the excess insurance can be collected. Problems collecting the excess insurance recoveries considered in our analysis could have an adverse impact upon the financial condition of PIPNJ. Our analysis of possible excess insurance recoveries is based upon information provided by PIPNJ regarding the applicable excess insurance provisions. We have relied upon PIPNJ to provide the applicable provisions, and have not verified that the information provided by PIPNJ in this regard is accurate.

⁶ The paid losses and case reserves shown in the net exhibit were limited for open individual claims to reflect the specific self-insurance retention information provided by PIPNJ.

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total reserve [Column (6)]. Adding the paid to the total reserve gives the total incurred [Column (7)]. Exhibit AIS-3, Sheet 4 is a graphical presentation of the distribution of net paid losses, case reserves and IBNR reserves for each accident period.

The enclosed report presents our analysis in additional detail. Four different projections of the reserves were made. The actuarial procedures used were incurred development, incurred Bornhuetter - Ferguson, paid development and paid Bornhuetter - Ferguson (See Exhibit AIS-4, Sheet 1). A comparison of the 06/30/2022 development used to the actual 12/31/2022 development is shown graphically in Exhibit AIS-4, Sheet 2.

In our analysis we have relied upon the information supplied to us by the Burton Agency, Inservco Insurance Services and PIPNJ. The information provided to us included historical paid losses (plus ALAE), case outstanding reserves, payroll, a large claim listing and excess insurance information. We have not independently checked the information supplied to us for accuracy. In addition, we have not made any analysis of the quality or collectability of projected excess insurance recoveries.

The liabilities for losses plus ALAE are subject to variation due to random and non-random future events. These include court decisions, legislative changes, regulatory policies, economic conditions, social attitudes and statistical fluctuations. Therefore, although we have employed generally accepted actuarial procedures in this report and believe the results are reasonably accurate given the data available, we cannot guarantee that the reserve levels set forth herein, which are an estimate of the expected value of these liabilities, will not prove to be inadequate or excessive. In addition, our reserve values do not provide for possible catastrophic events (e.g., a large number of occupational disease claims).⁷

Please contact me if there is anything you would care to discuss.

Sincerely,



Allan I. Schwartz
FCAS, MAAA,ARE,
AIC, APA, AU,AIAF,
ARM,API,ACS
President

Enclosure

⁷ Claims from COVID-19 would represent this type of event.

POOLED INSURANCE PROGRAM OF NEW JERSEY

ACTUARIAL ANALYSIS OF WORKERS' COMPENSATION INSURANCE
POOL INCURRED BUT NOT REPORTED LOSS PLUS ALLOCATED
LOSS ADJUSTMENT EXPENSE RESERVES AS OF DECEMBER 31, 2022

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POOLED INSURANCE PROGRAM OF NEW JERSEY

**ACTUARIAL ANALYSIS OF WORKERS' COMPENSATION INSURANCE
POOL INCURRED BUT NOT REPORTED LOSS PLUS ALLOCATED
LOSS ADJUSTMENT EXPENSE RESERVES AS OF DECEMBER 31, 2022**

Exhibits

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Item

Exhibit Number

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POOLED INSURANCE PROGRAM OF NEW JERSEY

Actuarial Analysis of Workers' Compensation Insurance Pool Incurred But Not Reported Loss plus Allocated Loss Adjustment Expense Reserves as of December 31, 2022

I. Summary : Exhibit 1

This report sets forth our actuarial analysis of the incurred but not reported (IBNR) loss plus allocated loss adjustment expense (ALAE) reserves of the Pooled Insurance Program of New Jersey (PIPNJ) as of December 31, 2022. This analysis was performed on both a gross basis -- before consideration of excess insurance, and a net basis -- after consideration of excess insurance.¹

The gross loss plus ALAE experience was analyzed using four separate methods. The four actuarial procedures used were incurred development, incurred Bornhuetter - Ferguson, paid development and paid Bornhuetter Ferguson (See Exhibit AIS-4, Sheet 1).

A summary of the projected ultimate gross loss plus ALAE experience indications for each of these methods is set forth in Exhibit 1, Sheet 2 [Columns (2) through (5)]. Also shown is the mean indication [Column (6)] and the selected ultimate value [Column (7)]. Subtracting out the gross reported incurred losses plus ALAE [Column (8)] from the projected ultimate value [Column (7)] gives the gross IBNR [Column (9)].

The net projected ultimate loss plus ALAE by year is derived in Exhibit 1, Sheet 1. This was done by subtracting from the gross values [Column (2)] the, i) recovery amounts (evaluated based upon the terms of the excess insurance agreements)² associated with the paid losses and ALAE, and ii) estimated future specific excess [Column (3)] and aggregate excess [Column (4)] potentially recoverable losses & ALAE.³ The net IBNR

¹ This analysis was provided to assist PIPNJ in selecting the loss and ALAE reserve values to include in its financial statement. It should not be relied upon for any other purpose or by any entity other than PIPNJ. If this analysis is provided to any other entity the following conditions apply: (i) it should only be done after obtaining the written consent of AIS, (ii) the entire analysis should be supplied and (iii) that entity should be informed that AIS is available under appropriate circumstances to discuss the analysis.

² The net IBNR values displayed assume that ALAE is included with losses when accruing the self-insured retention amounts for claims occurring July 1, 1998 and later. For claims prior to July 1, 1998 some claim expenses, rehabilitation costs and legal fees have been pro-rated or excluded according to new information provided to us by Inservco. We have not independently verified that this information is complete or correct. We recommend that if Burton, PIPNJ or Inservco becomes aware of any mistakes in the data or information provided to us by Burton, PIPNJ or Inservco, that it should be brought to our attention. We will make any adjustments that may be appropriate to our analysis of the reserves.

³ We have not independently verified that these amounts will be recovered. We have relied upon the representation of PIPNJ that amounts due under the excess insurance can be collected. Problems in collecting the excess insurance recoveries considered in our analysis could have an adverse impact upon the

[Column (7)] is determined by subtracting the reported net incurred [Column (6)] from the projected net ultimate loss & ALAE [Column (5)].⁴

The indicated gross and net IBNR loss plus ALAE reserve values by year are set forth in the following table.

Fund Period Ending:	December 31, 2022 IBNR Loss and ALAE Reserve Level	
	Gross	Net
6/30/1985 to 6/30/1992	\$0	\$0
6/30/1993	\$487,148	\$0
6/30/1994 to 6/30/1997	\$0	\$0
6/30/1998	\$104,053	\$0
6/30/1999 to 6/30/2006	\$0	\$0
6/30/2007	\$136,884	\$106,370
6/30/2008	\$0	\$0
6/30/2009	\$32,492	\$32,492
6/30/2010	\$166,990	\$166,990
6/30/2011	\$124,465	\$124,465
6/30/2012	\$121,746	\$121,746
6/30/2013	\$157,524	\$157,524
6/30/2014	\$242,940	\$242,940
6/30/2015	\$198,385	\$198,385
6/30/2016	\$204,536	\$204,536
6/30/2017	\$425,203	\$425,203
6/30/2018	\$320,573	\$320,573
6/30/2019	\$754,785	\$754,785
6/30/2020	\$711,086	\$608,005
6/30/2021	\$1,222,275	\$1,170,915
6/30/2022	\$2,390,393	\$2,256,765
12/31/2022	\$2,318,887	\$1,945,775
Total	\$10,120,365	\$8,837,470

The projected ultimate pure premium (= losses plus ALAE per \$100 of payroll) by year implied by the selected IBNR reserves on a gross and net basis are shown in Exhibit AIS-2, Sheet 1.

financial condition of PIPNJ. Our analysis of possible excess insurance recoveries is based upon information provided by PIPNJ regarding the applicable excess insurance provisions. We have relied upon PIPNJ to provide the applicable provisions, and have not verified that the information provided by PIPNJ in this regard is accurate.

⁴ Net values are after the projected impact of excess insurance.

A retrospective analysis of the 06/30/2022 net and gross IBNR reserve evaluated as of 12/31/2022 can be performed based upon the experience which emerged during the last six months. This analysis is given in Exhibit AIS-3, Sheets 1 and 2. The IBNR reserve as of 06/30/2022 [Column (2)] is reduced by the costs which were reported during the most recent fiscal period from 06/22 to 12/22 [Column (3)]. If the 06/30/2022 IBNR was exactly correct, then this difference [Column (4)] would be the proper IBNR as of 12/31/2022. A comparison of this value with the current projected IBNR as of 12/31/2022 shows the accuracy (in retrospect with six month's hindsight) of the 06/30/2022 IBNR. Based upon this calculation, the 06/30/2022 net IBNR was too low by -\$1,258,191, while the gross IBNR was too low by -\$1,870,856. The years with the largest change on a gross basis were the years ending 6/30/1998, 6/30/2021 and 6/30/2022. The more recent experience can be expected to show a higher degree of variability.

A summary of the net and gross loss and ALAE experience for PIPNJ is set forth in Exhibit AIS-3, Sheets 3 and 5, respectively. The amounts reported by PIPNJ as paid and case reserves⁵ are set out in Column (2) and Column (3) respectively. The case incurred experience [Column (4)] is the sum of the paid and case reserve values. The IBNR figures derived from our analysis are shown in Column (5). The sum of the case reserve and IBNR values is the total reserve [Column (6)]. Adding the paid to the total reserve gives the total incurred [Column (7)]. Exhibit AIS-3, Sheet 4 is a graphical presentation of the distribution of net paid losses, case reserves and IBNR reserves for each accident period.

In our analysis we have relied upon information supplied to us by the Burton Agency, Inservco Insurance Services and PIPNJ. The information provided to us included historical paid losses (plus ALAE), case outstanding reserves,⁶ payroll, a large claim listing and excess insurance information. We have not independently checked the information supplied to us for accuracy. If any of the data or information provided by Burton, PIPNJ or Inservco is wrong, inaccurate or otherwise inapplicable, that could have an impact, perhaps materially, on the indicated reserves.⁷ In addition, we have not made any analysis of the quality or collectability of projected excess insurance recoveries.

The net reserves are based upon projected possible excess insurance recoveries, related to projected loss & ALAE payments after 12/31/2022 for claims occurring prior

⁵ The paid losses and case reserves shown in the net exhibit were limited for open individual claims to reflect the specific self-insurance retention information provided by PIPNJ.

⁶ The evaluation date of the loss & ALAE information used in the enclosed exhibits was December 31, 2022.

⁷ We recommend that if Burton, PIPNJ or Inservco becomes aware of any mistakes in the data or information provided to us by Burton, PIPNJ or Inservco, that it should be brought to our attention. We will make any adjustments that may be appropriate to our analysis of the reserves.

to 12/31/2022, of about \$7.9 million.⁸ We have not independently verified that these amounts will be recovered. We have relied upon the representation by the PIPNJ that amounts due under the excess insurance can be collected. Problems in collecting the projected possible excess insurance recoveries could have an adverse impact upon the financial condition of PIPNJ. We have not made any analysis of the quality or collectability of these potential recoveries for projected excess insurance layer losses and ALAE. The net reserves reflect the self-insurance retention, excess insurance limits and other provisions discussed in Section IV of this report. These values and provisions were provided by PIPNJ. We have accepted and used the values supplied for the self-insurance retention and excess insurance limits, as well as the other provisions, and have not independently verified these values.

The liabilities for losses plus ALAE are subject to variation due to random and non-random future events. These include court decisions, legislative changes, regulatory policies, economic conditions, social attitudes and statistical fluctuations. Therefore, although we have employed generally accepted actuarial procedures in this report and believe the results are reasonably accurate given the data available, we cannot guarantee that the reserve levels set forth herein, which are an estimate of the expected value of these liabilities, will not prove to be inadequate or excessive.⁹ No warranty or guarantee is expressed or implied that the actual cost of the claims will not differ from the estimates contained in this analysis. Such differences between the actual costs and the estimated costs could be material and significant. In addition, our reserve values do not provide for possible catastrophic events (e.g., a large number of occupational disease claims).¹⁰

⁸ We have not independently verified that these amounts will be recovered. We have relied upon the representation of PIPNJ that amounts due under the excess insurance can be collected. Problems collecting the excess insurance recoveries considered in our analysis could have an adverse impact upon the financial condition of PIPNJ. Our analysis of possible excess insurance recoveries is based upon information provided by PIPNJ regarding the applicable excess insurance provisions. We have relied upon PIPNJ to provide the applicable provisions, and have not verified that the information provided by PIPNJ in this regard is accurate.

⁹ The total reserves for workers' compensation can be subject to a large degree of variation. It is possible that the actual loss & ALAE liabilities for PIPNJ can exceed the estimated total loss & ALAE reserve by 25% or more.

¹⁰ Claims from COVID-19 would represent this type of event.

II. Gross Loss & ALAE Reserve Indications Based Upon Development Methods : Exhibit 4, Appendix A and Appendix B

The development method of projecting ultimate costs is based upon giving full weight to whatever experience (i.e., either paid or incurred) has emerged up to that point in time, and not using prior expectations as to what the costs should be. Set forth below is the formulation of the development method for analyzing experience.

Let:

A = Actual Costs (either paid or incurred) that have Emerged Through the Evaluation Date

P = Percent of Ultimate Cost Anticipated to have Emerged at a Given Evaluation Date

L = Development Factor = $1 / P$

UDM = Ultimate Cost Derived from the Development Method

Then:

$UDM = A / P = A \times L$

To give a specific example, let us use incurred experience for the accident year ending 06/30/2012, as shown in Exhibit AIS-4, Sheet 1. The actual incurred losses (plus ALAE) at the most recent evaluation date (i.e., development period 138 months) is \$1,936,635. The loss development factor is 1.062732 (shown in Column (8), rounded to 3 places). The projected ultimate cost is therefore $\$1,936,635 \times 1.062732 = \$2,058,125$. This projected value is shown in Column (10) of Exhibit AIS-4, Sheet 1, while the loss development factors are derived in Appendix A.

In addition to performing an incurred development analysis, a similar analysis can also be made using paid loss plus ALAE experience. In that case, paid losses plus ALAE are substituted for the incurred values. In addition, the emergence pattern of payments is used in place of the emergence of incurred (= paid + case reserves) experience. In all other respects, the calculation is the same. The application of the development method on a paid basis is displayed in Exhibit AIS-4, Sheet 1 and Appendix B.

We can compare the loss development used in the reserve calculations as of 06/30/2022 to what was actually experienced as of 12/31/2022 by examining the loss development factors selected in the prior report to those calculated in the current report. Exhibit AIS-4, Sheet 2 shows the development used, based upon the 06/30/2022 reserve report to the actual development calculated in Appendices A and B of the current report.

III. Gross Loss & ALAE Reserve Indications Based Upon
Bornhuetter-Ferguson Methods : Exhibit 4

The Bornhuetter - Ferguson Method for projecting ultimate costs is based upon a blending of the actual emerging experience with the previous expectations as to what the experience would show. Set forth below is the formulation of the Bornhuetter - Ferguson Method.

Let :

E = Initial Expected/Prior Ultimate Cost Projection

A = Actual Costs (either paid or incurred) that have Emerged Through the Evaluation Date

P = Percent of Ultimate Cost Anticipated to have Emerged at a Given Evaluation Date

UBF = Ultimate Cost Derived from Bornhuetter - Ferguson Method

Then:

$$UBF = A + E \times (1 - P)$$

That is, the current ultimate cost indicated from the Bornhuetter - Ferguson Method is the actual cost observed at the most recent evaluation, plus the cost expected to emerge at future evaluations based upon the prior ultimate cost projections.

A specific example will illustrate this more clearly. Let us again use incurred experience from the year ending 06/30/2012, as shown in Exhibit AIS-4, Sheet 1.

The initial expected (prior) ultimate cost is derived as the payroll times the pure premium. The expected ultimate cost (E) for the year is therefore \$2,066,796 = \$5,690,119 (payroll in hundreds) times 0.363225 (shown in Column (3), rounded to 3 places). The actual incurred losses & ALAE for this period reported through 06/30/12 is \$1,936,635.

The percent of costs expected to have emerged is the reciprocal of the development factor. This is 94.1% (= 1 /1.063).

Therefore, the current incurred Bornhuetter - Ferguson projected ultimate cost is :
 $\$1,936,635 + \$2,066,796 \times (1 - 0.941) = \$1,936,635 + \$122,002 = \$2,058,637$ as shown in Column (12).

In addition to performing an incurred Bornhuetter Ferguson analysis, a similar analysis can also be made using paid loss plus ALAE experience. In that case, paid losses plus ALAE are substituted for the incurred values. In addition, the emergence pattern of payments is used in place of the emergence of incurred (= paid + case reserves) experience. In all other respects, the calculation is the same. The application of Bornhuetter - Ferguson on a paid basis is displayed in Exhibit AIS-4, Sheet 1.

It is instructive to compare the results of the Bornhuetter - Ferguson and Development Methods. The two formulations of the projected ultimate costs are set forth below:

$$UBF = A + E \times (1 - P)$$

$$UDM = A / P = A \times L$$

Let $A = E \times P \times (1 + F)$. That is, the actual cost which has emerged (A), equals the cost expected to have emerged ($E \times P$), multiplied by an adjustment factor ($1 + F$).

Then:

$$UBF = E \times P \times (1 + F) + E \times (1 - P)$$

$$= E \times (1 + P \times F)$$

$$UDM = E \times P \times (1 + F) / P$$

$$= E \times (1 + F)$$

When $F = 0$, then $UBF = UDM$. That is, when the cost actually emerging exactly equals the cost expected to have emerged, the two methods yield the same result. In other cases, UBF will give an answer closer to the previously expected ultimate cost (E) than will UDM. This result holds because P is less than one. That is, UBF will show more stability from year-to-year than will UDM. Of course, this is what would be anticipated because the former method blends together the current and prior indications, whereas the latter method uses only the most current experience.

IV. Impact of Excess Insurance : Exhibit AIS-5

The Pooled Insurance Program has obtained both specific and aggregate excess insurance coverage in the past.¹¹ The self-insurance retentions under these programs are summarized below.

<u>Fund Period</u> <u>Ending:</u>	<u>Self-Insurance Retention (Loss & ALAE</u> <u>Combined) for Excess Insurance Coverage</u>	
	<u>Specific</u>	<u>Aggregate</u>
6/30/1985* ¹²	\$ 100,000	\$ 545,332
6/30/1986*	\$ 125,000	\$ 919,028
6/30/1987*	\$ 150,000	\$ 1,305,010
6/30/1988	\$ 200,000	\$ 1,400,000
6/30/1989	\$ 200,000	\$ 1,820,000
6/30/1990	\$ 225,000	\$ 2,550,000
6/30/1991 to 6/30/2000	\$ 250,000	N/A
6/30/2001	\$ 250,000	\$ 3,281,454
6/30/2002	\$ 250,000	\$ 3,546,563
6/30/2003	\$ 300,000	\$ 3,741,030
6/30/2004	\$ 325,000	\$ 4,288,385
6/30/2005	\$ 350,000	\$ 5,422,814
6/30/2006	\$ 350,000	\$ 6,012,493
6/30/2007	\$ 350,000	\$ 6,433,368
6/30/2008	\$ 350,000	\$ 6,883,703
6/30/2009	\$ 350,000	\$ 6,883,703
6/30/2010	\$ 350,000	\$ 6,883,703
6/30/2011	\$ 350,000	\$ 6,883,703
6/30/2012	\$ 350,000	\$ 6,883,703
6/30/2013	\$ 350,000	\$ 7,055,795
6/30/2014 to 6/30/2022	\$ 500,000	N/A
6/30/2023	\$600,000	N/A

¹¹ We have relied upon excess insurance information provided by PIPNJ and have not independently verified the information. We have not performed any analysis of the collectability of these potential excess insurance layer losses and ALAE.

¹² * Aggregate retention values have been set to equal the net incurred amounts for these years.

The net reserves are based upon projected possible excess insurance recoveries, related to projected loss & ALAE payments after 12/31/2022 for claims occurring prior to 12/31/2022, of about \$7.9 million.¹³ We have not independently verified that these amounts will be recovered. We have relied upon the representation by the PIPNJ that amounts due under the excess insurance can be collected. Problems in collecting the projected possible excess insurance recoveries could have an adverse impact upon the financial condition of PIPNJ. We have not made any analysis of the quality or collectability of these potential recoveries for projected excess insurance layer losses and ALAE.

The analysis of the aggregate excess coverage is contained in Exhibit AIS-5, Sheet 2. The forecasted gross ultimate cost is first reduced by the projected specific excess losses & ALAE. The estimated losses & ALAE in the aggregate excess layer would then be the difference between the gross cost reduced by specific excess and the aggregate SIR (with the difference limited to a minimum value of \$0). The current expectation is that the aggregate SIR will not be reached in any of the years for which the Pool had aggregate excess coverage.

The estimated losses plus ALAE in excess of the specific SIR and aggregate SIR combined is approximately \$15.2 million (with the vast majority arising from one very large claim during the year ending June 30, 1993).¹⁴ We have not performed any analysis of the collectability of these potential excess insurance layer losses & ALAE.

¹³ We have not independently verified that these amounts will be recovered. We have relied upon the representation of PIPNJ that amounts due under the excess insurance can be collected. Problems collecting the excess insurance recoveries considered in our analysis could have an adverse impact upon the financial condition of PIPNJ. Our analysis of possible excess insurance recoveries is based upon information provided by PIPNJ regarding the applicable excess insurance provisions. We have relied upon PIPNJ to provide the applicable provisions, and have not verified that the information provided by PIPNJ in this regard is accurate.

¹⁴ This report is based upon the assumption that this claim, claim number PP001041, will not ultimately exceed the excess insurance limit.

V. Historical Development Pattern : Appendix C

Both the Development and Bornhuetter - Ferguson Methods depend upon the percent of costs expected to emerge at specific evaluation dates. This percent is simply the reciprocal of the development factor. The development factors used in this analysis are based upon the actual emerging experience for the Pooled Insurance Program and judgment. The historical emergence / development pattern of losses for PIPNJ is shown in Appendices A and B for incurred and paid experience, respectively.

The ratio of reported paid to incurred losses for PIPNJ by accident year and development period maturity is set forth in Appendix C. Based upon our review, we believe it is reasonable to give consideration to both the paid and incurred methods in projecting the IBNR reserve.

POOLED INSURANCE PROGRAM OF NEW JERSEY

Actuarial Analysis of Workers' Compensation Insurance Pool as of December 31, 2022

**Derivation of Net Incurred But Not Reported (IBNR)
Loss & Allocated Loss Adjustment Expense (ALAE) Reserve**

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Accident Year Ended	Projected Ultimate Losses & ALAE				12/31/2022 Net Incurred Loss & ALAE	Net IBNR Reserve for Loss & ALAE
	Gross	Specific Excess	Aggregate Excess	Net of Excess Coverage		
30-Jun-85	\$703,551	\$155,853	\$0	\$547,699	\$547,699	\$0
30-Jun-86	\$1,117,238	\$173,353	\$0	\$943,885	\$943,885	\$0
30-Jun-87	\$1,721,550	\$401,258	\$0	\$1,320,292	\$1,320,292	\$0
30-Jun-88	\$1,281,603	\$1,215	\$0	\$1,280,387	\$1,280,387	\$0
30-Jun-89	\$940,643	\$0	\$0	\$940,643	\$940,643	\$0
30-Jun-90	\$2,933,600	\$737,677	\$0	\$2,195,923	\$2,195,923	\$0
30-Jun-91	\$1,678,638	\$211,935	\$0	\$1,466,703	\$1,466,703	\$0
30-Jun-92	\$1,262,390	\$0	\$0	\$1,262,390	\$1,262,390	\$0
30-Jun-93	\$11,507,315	\$9,750,000	\$0	\$1,757,315	\$1,757,315	\$0
30-Jun-94	\$1,779,090	\$0	\$0	\$1,779,090	\$1,779,090	\$0
30-Jun-95	\$2,704,051	\$589,108	\$0	\$2,114,943	\$2,114,943	\$0
30-Jun-96	\$1,996,338	\$0	\$0	\$1,996,338	\$1,996,338	\$0
30-Jun-97	\$2,374,715	\$0	\$0	\$2,374,715	\$2,374,715	\$0
30-Jun-98	\$5,259,060	\$2,121,971	\$0	\$3,137,089	\$3,137,089	\$0
30-Jun-99	\$2,262,382	\$18,620	\$0	\$2,243,762	\$2,243,762	\$0
30-Jun-00	\$1,637,844	\$0	\$0	\$1,637,844	\$1,637,844	\$0
30-Jun-01	\$1,610,845	\$0	\$0	\$1,610,845	\$1,610,845	\$0
30-Jun-02	\$1,773,186	\$0	\$0	\$1,773,186	\$1,773,186	\$0
30-Jun-03	\$2,022,489	\$0	\$0	\$2,022,489	\$2,022,489	\$0
30-Jun-04	\$1,786,846	\$0	\$0	\$1,786,846	\$1,786,846	\$0
30-Jun-05	\$1,895,326	\$0	\$0	\$1,895,326	\$1,895,326	\$0
30-Jun-06	\$2,168,190	\$0	\$0	\$2,168,190	\$2,168,190	\$0
30-Jun-07	\$2,613,052	\$94,697	\$0	\$2,518,355	\$2,411,985	\$106,370
30-Jun-08	\$1,948,698	\$0	\$0	\$1,948,698	\$1,948,698	\$0
30-Jun-09	\$4,104,306	\$106,307	\$0	\$3,997,999	\$3,965,507	\$32,492
30-Jun-10	\$2,970,964	\$0	\$0	\$2,970,964	\$2,803,975	\$166,990
30-Jun-11	\$2,142,656	\$0	\$0	\$2,142,656	\$2,018,191	\$124,465
30-Jun-12	\$2,058,381	\$0	\$0	\$2,058,381	\$1,936,635	\$121,746
30-Jun-13	\$2,421,246	\$0	\$0	\$2,421,246	\$2,263,722	\$157,524
30-Jun-14	\$3,365,622	\$0	\$0	\$3,365,622	\$3,122,682	\$242,940
30-Jun-15	\$2,347,451	\$0	\$0	\$2,347,451	\$2,149,066	\$198,385
30-Jun-16	\$2,493,658	\$0	\$0	\$2,493,658	\$2,289,122	\$204,536
30-Jun-17	\$4,341,392	\$0	\$0	\$4,341,392	\$3,916,188	\$425,203
30-Jun-18	\$2,707,087	\$0	\$0	\$2,707,087	\$2,386,514	\$320,573
30-Jun-19	\$3,909,290	\$0	\$0	\$3,909,290	\$3,154,506	\$754,785
30-Jun-20	\$3,575,871	\$322,973	\$0	\$3,252,899	\$2,644,893	\$608,005
30-Jun-21	\$4,173,916	\$51,360	\$0	\$4,122,555	\$2,951,640	\$1,170,915
30-Jun-22	\$5,630,475	\$133,628	\$0	\$5,496,847	\$3,240,082	\$2,256,765
31-Dec-22	\$3,284,085	\$373,112	\$0	\$2,910,973	\$965,198	\$1,945,775
Total	\$106,505,041	\$15,243,067	\$0	\$91,261,974	\$82,424,503	\$8,837,470

Notes:

(2) : Exhibit AIS-1, Sheet 2, Column (7)

(3) : Exhibit AIS-5, Sheet 2, Column (4)

(4) : Exhibit AIS-5, Sheet 2, Column (6)

(5) : (2) - (3) - (4)

(6) : 12/31/2022 Paid + Outstanding - (Reinsurance Received & Receivable & Recoverable) #

(7) : (5) - (6)

Includes an adjustment for non-reimbursable claim expenses, rehabilitation costs and legal fees.

POOLED INSURANCE PROGRAM OF NEW JERSEY

Actuarial Analysis of Workers' Compensation Insurance Pool as of December 31, 2022

**Derivation of Gross Incurred But Not Reported (IBNR)
Loss & Allocated Loss Adjustment Expense (ALAE) Reserve**

(1)	(2)		(3)		(4)		(5)		(6)	(7)	(8)	(9)
Year	Incurred Methods - Gross		Paid Methods - Gross		Projected Ultimate		Gross Losses & ALAE		12/31/2022 Gross	Reported	Gross IBNR	Reserve for
Ending	Development	Bornhuetter - Ferguson	Development	Bornhuetter - Ferguson	Mean Value	Selected	Loss & ALAE				Loss & ALAE	
30-Jun-85	\$703,551	\$703,551	\$710,587	\$710,517	\$707,052	\$703,551	\$703,551	\$703,551	\$703,551	\$0		
30-Jun-86	\$1,117,238	\$1,117,238	\$1,128,410	\$1,128,299	\$1,122,796	\$1,117,238	\$1,117,238	\$1,117,238	\$1,117,238	\$0		
30-Jun-87	\$1,721,550	\$1,721,550	\$1,738,766	\$1,738,595	\$1,730,115	\$1,721,550	\$1,721,550	\$1,721,550	\$1,721,550	\$0		
30-Jun-88	\$1,281,603	\$1,281,603	\$1,294,419	\$1,294,292	\$1,287,979	\$1,281,603	\$1,281,603	\$1,281,603	\$1,281,603	\$0		
30-Jun-89	\$940,643	\$940,643	\$950,049	\$949,956	\$945,322	\$940,643	\$940,643	\$940,643	\$940,643	\$0		
30-Jun-90	\$2,933,600	\$2,933,600	\$2,621,461	\$2,624,530	\$2,778,298	\$2,933,600	\$2,933,600	\$2,933,600	\$2,933,600	\$0		
30-Jun-91	\$1,678,638	\$1,678,638	\$1,664,300	\$1,664,470	\$1,671,511	\$1,678,638	\$1,678,638	\$1,678,638	\$1,678,638	\$0		
30-Jun-92	\$1,264,916	\$1,264,911	\$1,280,122	\$1,279,876	\$1,272,457	\$1,262,390	\$1,262,390	\$1,262,390	\$1,262,390	\$0		
30-Jun-93	\$11,053,261	\$11,054,621	\$5,915,464	\$6,003,935	\$8,506,820	\$11,507,315	\$11,020,167	\$11,020,167	\$11,020,167	\$487,148		
30-Jun-94	\$1,793,366	\$1,793,252	\$1,823,995	\$1,822,890	\$1,808,376	\$1,779,090	\$1,779,090	\$1,779,090	\$1,779,090	\$0		
30-Jun-95	\$2,731,203	\$2,730,933	\$2,703,723	\$2,703,733	\$2,717,398	\$2,704,051	\$2,704,051	\$2,704,051	\$2,704,051	\$0		
30-Jun-96	\$2,024,455	\$2,024,065	\$2,071,396	\$2,068,676	\$2,047,148	\$1,996,338	\$1,996,338	\$1,996,338	\$1,996,338	\$0		
30-Jun-97	\$2,415,386	\$2,414,701	\$2,481,276	\$2,476,700	\$2,447,016	\$2,374,715	\$2,374,715	\$2,374,715	\$2,374,715	\$0		
30-Jun-98	\$5,264,289	\$5,253,831	\$4,687,445	\$4,691,139	\$4,974,176	\$5,259,060	\$5,155,007	\$5,155,007	\$5,155,007	\$104,053		
30-Jun-99	\$2,328,860	\$2,326,962	\$2,401,947	\$2,393,838	\$2,362,902	\$2,262,382	\$2,262,382	\$2,262,382	\$2,262,382	\$0		
30-Jun-00	\$1,702,873	\$1,700,389	\$1,756,313	\$1,748,322	\$1,726,974	\$1,637,844	\$1,637,844	\$1,637,844	\$1,637,844	\$0		
30-Jun-01	\$1,674,801	\$1,672,359	\$1,730,817	\$1,722,501	\$1,700,120	\$1,610,845	\$1,610,845	\$1,610,845	\$1,610,845	\$0		
30-Jun-02	\$1,869,422	\$1,864,468	\$1,910,968	\$1,901,034	\$1,886,473	\$1,773,186	\$1,773,186	\$1,773,186	\$1,773,186	\$0		
30-Jun-03	\$2,134,387	\$2,128,521	\$2,184,004	\$2,172,059	\$2,154,743	\$2,022,489	\$2,022,489	\$2,022,489	\$2,022,489	\$0		
30-Jun-04	\$1,885,707	\$1,880,524	\$1,929,543	\$1,918,990	\$1,903,691	\$1,786,846	\$1,786,846	\$1,786,846	\$1,786,846	\$0		
30-Jun-05	\$2,000,189	\$1,994,692	\$2,046,686	\$2,035,493	\$2,019,265	\$1,895,326	\$1,895,326	\$1,895,326	\$1,895,326	\$0		
30-Jun-06	\$2,288,150	\$2,281,861	\$2,341,341	\$2,328,536	\$2,309,972	\$2,168,190	\$2,168,190	\$2,168,190	\$2,168,190	\$0		
30-Jun-07	\$2,613,168	\$2,612,937	\$2,637,819	\$2,635,670	\$2,624,898	\$2,613,052	\$2,476,168	\$2,476,168	\$2,476,168	\$136,884		
30-Jun-08	\$2,062,684	\$2,056,385	\$2,106,425	\$2,094,614	\$2,080,027	\$1,948,698	\$1,948,698	\$1,948,698	\$1,948,698	\$0		
30-Jun-09	\$4,309,987	\$4,298,624	\$4,400,224	\$4,378,070	\$4,346,726	\$4,104,306	\$4,071,814	\$4,071,814	\$4,071,814	\$32,492		
30-Jun-10	\$2,970,956	\$2,970,972	\$3,015,886	\$3,012,461	\$2,992,569	\$2,970,964	\$2,803,975	\$2,803,975	\$2,803,975	\$166,990		
30-Jun-11	\$2,142,654	\$2,142,658	\$2,176,452	\$2,173,833	\$2,158,899	\$2,142,656	\$2,018,191	\$2,018,191	\$2,018,191	\$124,465		
30-Jun-12	\$2,058,125	\$2,058,637	\$2,095,337	\$2,093,016	\$2,076,279	\$2,058,381	\$1,936,635	\$1,936,635	\$1,936,635	\$121,746		
30-Jun-13	\$2,410,542	\$2,411,298	\$2,431,955	\$2,431,190	\$2,421,246	\$2,421,246	\$2,263,722	\$2,263,722	\$2,263,722	\$157,524		
30-Jun-14	\$3,355,166	\$3,356,078	\$3,434,035	\$3,427,617	\$3,393,224	\$3,365,622	\$3,122,682	\$3,122,682	\$3,122,682	\$242,940		
30-Jun-15	\$2,315,996	\$2,319,227	\$2,378,299	\$2,376,282	\$2,347,451	\$2,347,451	\$2,149,066	\$2,149,066	\$2,149,066	\$198,385		
30-Jun-16	\$2,499,105	\$2,488,211	\$2,371,479	\$2,371,211	\$2,432,502	\$2,493,658	\$2,289,122	\$2,289,122	\$2,289,122	\$204,536		
30-Jun-17	\$4,344,035	\$4,338,748	\$3,584,387	\$3,697,877	\$3,991,262	\$4,341,392	\$3,916,188	\$3,916,188	\$3,916,188	\$425,203		
30-Jun-18	\$2,663,126	\$2,670,515	\$2,667,923	\$2,682,087	\$2,670,912	\$2,707,087	\$2,386,514	\$2,386,514	\$2,386,514	\$320,573		
30-Jun-19	\$3,647,942	\$3,693,076	\$3,814,215	\$3,859,290	\$3,753,631	\$3,909,290	\$3,154,506	\$3,154,506	\$3,154,506	\$754,785		
30-Jun-20	\$3,575,871	\$3,547,031	\$3,424,050	\$3,426,513	\$3,493,367	\$3,575,871	\$2,864,786	\$2,864,786	\$2,864,786	\$711,086		
30-Jun-21	\$4,279,823	\$4,068,008	\$3,207,460	\$3,395,226	\$3,737,630	\$4,173,916	\$2,951,640	\$2,951,640	\$2,951,640	\$1,222,275		
30-Jun-22	\$6,168,429	\$5,630,475	\$4,452,011	\$4,819,806	\$5,267,680	\$5,630,475	\$3,240,082	\$3,240,082	\$3,240,082	\$2,390,393		
31-Dec-22	\$4,259,425	\$2,772,573	\$3,633,576	\$2,470,764	\$3,284,085	\$3,284,085	\$965,198	\$965,198	\$965,198	\$2,318,887		
Total	\$108,485,124	\$106,198,364	\$99,204,565	\$98,723,908	\$103,152,992	\$106,505,041	\$96,384,676	\$96,384,676	\$96,384,676	\$10,120,365		

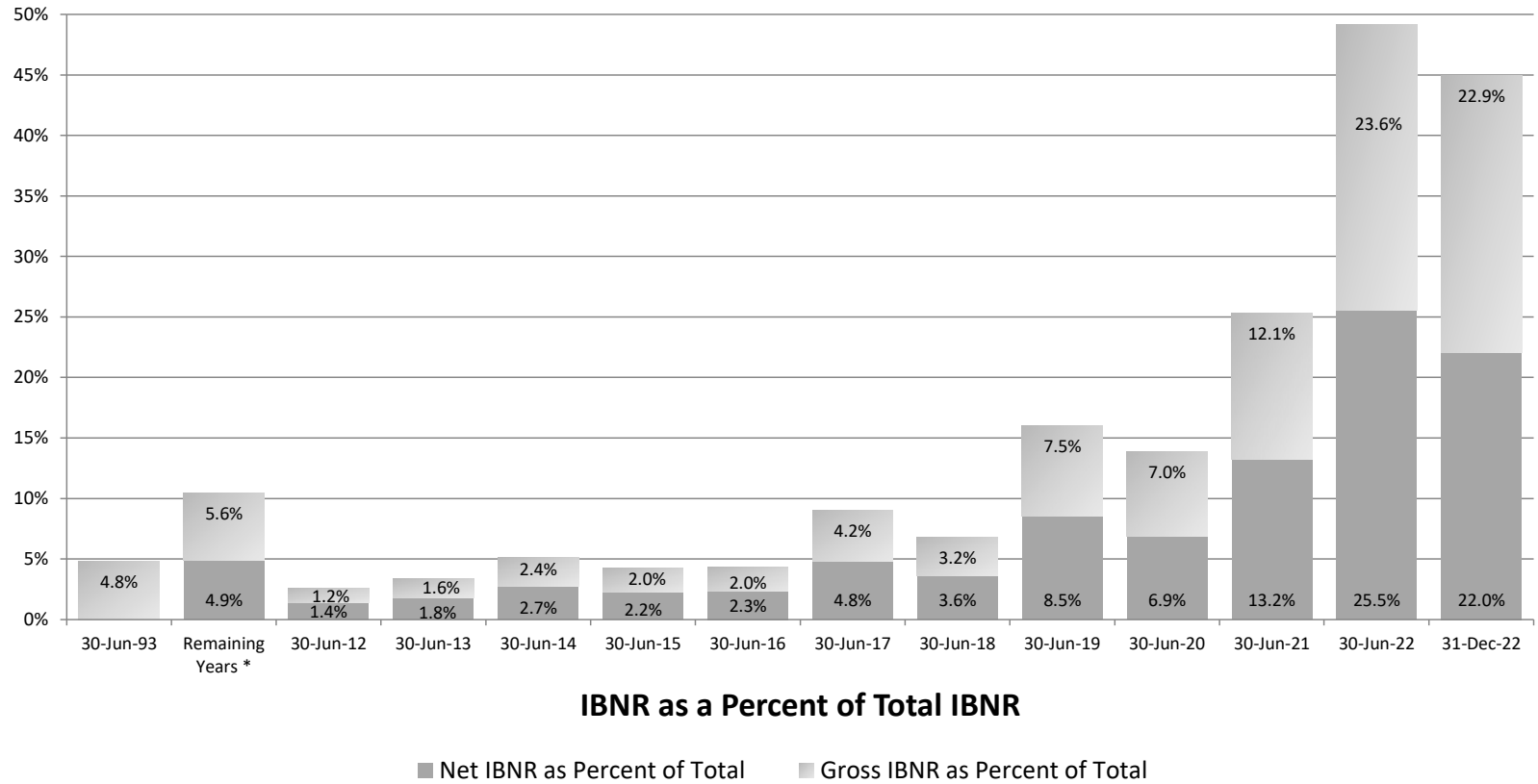
Notes:

- (2) to (5) : Exhibit AIS-4, Sheet 1
- (6) : Arithmetic average of (2) through (5)
- (7) : Judgment, value for year ending 6/30/93 reflects a single large claim valued at \$10,000,000
- (8) : From data provided by PIPNJ
- (9) : (7) - (8)

POOLED INSURANCE PROGRAM OF NEW JERSEY

Actuarial Analysis of Workers' Compensation Insurance Pool as of December 31, 2022

Net and Gross IBNR by Year as a Percent of Total IBNR



* Remaining years are those ending June 30 of 1998, 2007, and 2009 to 2011.

Source: Exhibit AIS-1, Sheet 1 and Sheet 2

POOLED INSURANCE PROGRAM OF NEW JERSEY

Actuarial Analysis of Workers' Compensation Insurance Pool as of December 31, 2022

Pure Premium (Loss & ALAE per \$100 of Payroll) Implied by 12/31/2022 IBNR

(1) Year Ending	(2) Payroll (in 00's)	(3) Projected Ultimate Losses & ALAE		(5) Pure Premium	
		(4) Gross	(4) Net	Gross	Net
30-Jun-85	\$1,178,663	\$703,551	\$547,699	0.597	0.465
30-Jun-86	\$1,232,024	\$1,117,238	\$943,885	0.907	0.766
30-Jun-87	\$1,703,874	\$1,721,550	\$1,320,292	1.010	0.775
30-Jun-88	\$1,883,847	\$1,281,603	\$1,280,387	0.680	0.680
30-Jun-89	\$1,991,246	\$940,643	\$940,643	0.472	0.472
30-Jun-90	\$2,152,333	\$2,933,600	\$2,195,923	1.363	1.020
30-Jun-91	\$2,460,535	\$1,678,638	\$1,466,703	0.682	0.596
30-Jun-92	\$2,761,218	\$1,262,390	\$1,262,390	0.457	0.457
30-Jun-93	\$2,911,262	\$11,507,315	\$1,757,315	3.953	0.604
30-Jun-94	\$3,339,758	\$1,779,090	\$1,779,090	0.533	0.533
30-Jun-95	\$3,571,422	\$2,704,051	\$2,114,943	0.757	0.592
30-Jun-96	\$3,993,815	\$1,996,338	\$1,996,338	0.500	0.500
30-Jun-97	\$4,660,514	\$2,374,715	\$2,374,715	0.510	0.510
30-Jun-98	\$4,806,085	\$5,259,060	\$3,137,089	1.094	0.653
30-Jun-99	\$5,117,916	\$2,262,382	\$2,243,762	0.442	0.438
30-Jun-00	\$3,826,580	\$1,637,844	\$1,637,844	0.428	0.428
30-Jun-01	\$4,079,370	\$1,610,845	\$1,610,845	0.395	0.395
30-Jun-02	\$3,985,653	\$1,773,186	\$1,773,186	0.445	0.445
30-Jun-03	\$4,134,175	\$2,022,489	\$2,022,489	0.489	0.489
30-Jun-04	\$4,252,522	\$1,786,846	\$1,786,846	0.420	0.420
30-Jun-05	\$4,490,114	\$1,895,326	\$1,895,326	0.422	0.422
30-Jun-06	\$4,776,926	\$2,168,190	\$2,168,190	0.454	0.454
30-Jun-07	\$5,048,832	\$2,613,052	\$2,518,355	0.518	0.499
30-Jun-08	\$5,254,063	\$1,948,698	\$1,948,698	0.371	0.371
30-Jun-09	\$5,198,950	\$4,104,306	\$3,997,999	0.789	0.769
30-Jun-10	\$5,446,044	\$2,970,964	\$2,970,964	0.546	0.546
30-Jun-11	\$5,666,148	\$2,142,656	\$2,142,656	0.378	0.378
30-Jun-12	\$5,690,119	\$2,058,381	\$2,058,381	0.362	0.362
30-Jun-13	\$5,955,269	\$2,421,246	\$2,421,246	0.407	0.407
30-Jun-14	\$5,692,961	\$3,365,622	\$3,365,622	0.591	0.591
30-Jun-15	\$5,762,527	\$2,347,451	\$2,347,451	0.407	0.407
30-Jun-16	\$6,071,231	\$2,493,658	\$2,493,658	0.411	0.411
30-Jun-17	\$6,168,758	\$4,341,392	\$4,341,392	0.704	0.704
30-Jun-18	\$6,268,176	\$2,707,087	\$2,707,087	0.432	0.432
30-Jun-19	\$6,561,231	\$3,909,290	\$3,909,290	0.596	0.596
30-Jun-20	\$6,761,897	\$3,575,871	\$3,252,899	0.529	0.481
30-Jun-21	\$7,609,986	\$4,173,916	\$4,122,555	0.548	0.542
30-Jun-22	\$7,609,986	\$5,630,475	\$5,496,847	0.740	0.722
31-Dec-22	\$3,921,612	\$3,284,085	\$2,910,973	0.837	0.742
Total	\$173,997,643	\$106,505,041	\$91,261,974	0.612	0.525
3-Year Average	\$19,141,585	\$13,088,476	\$12,530,376	0.684	0.655
5-Year Average	\$32,464,713	\$20,573,638	\$19,692,565	0.634	0.607
Total x 1993	\$171,086,381	\$94,997,726	\$89,504,659	0.555	0.523

Notes:

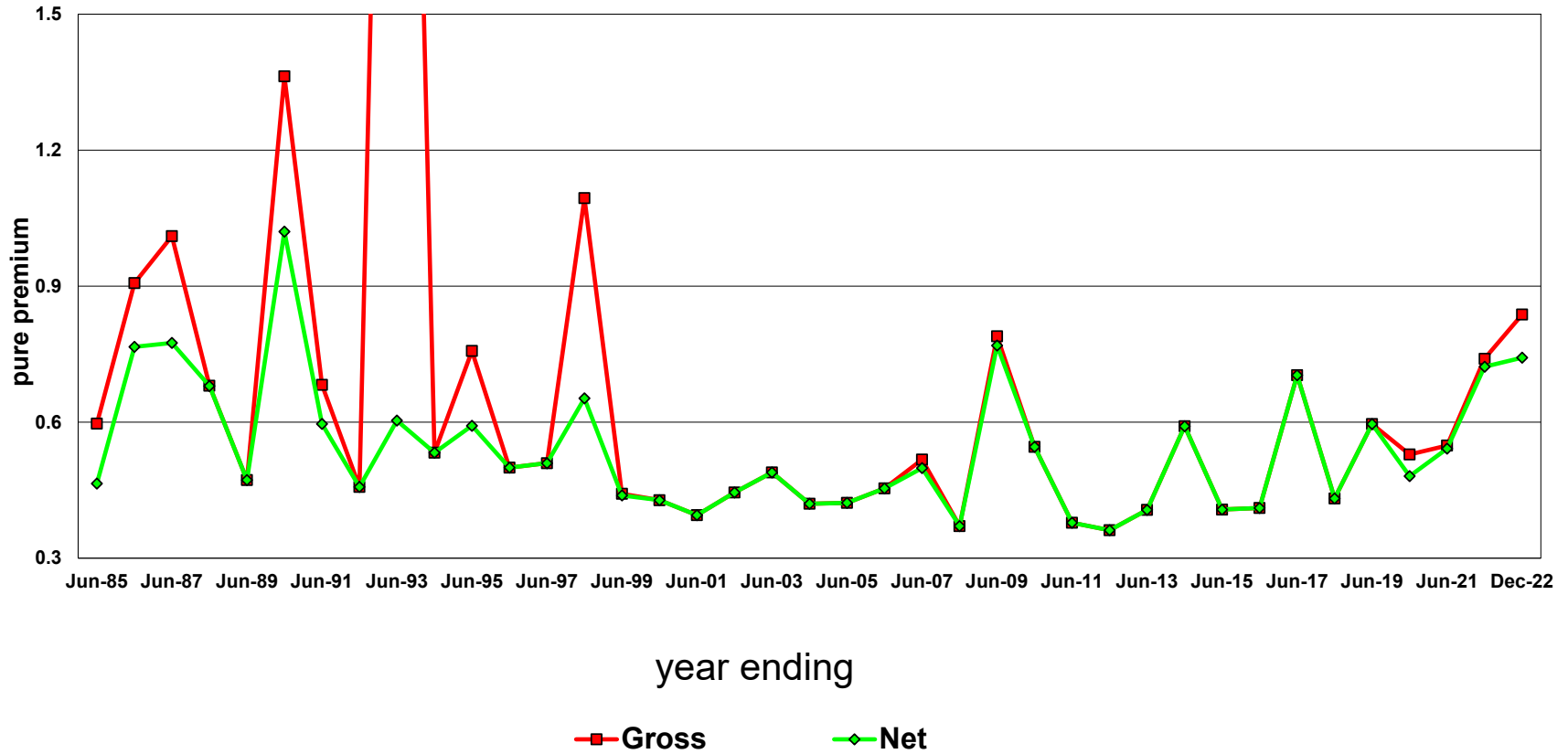
- (2) : From data provided by PIPNJ
- (3) : Exhibit AIS-1, Sheet 2, Column (7)
- (4) : Exhibit AIS-1, Sheet 1, Column (5)
- (5) : (3) / (2)
- (6) : (4) / (2)

POOLED INSURANCE PROGRAM OF NEW JERSEY

Actuarial Analysis of Workers' Compensation Insurance Pool as of December 31, 2022

Pure Premium (Loss & ALAE per \$100 of Payroll) Implied by 12/31/2022 IBNR

Workers' Compensation Loss Experience



* 1993 Gross Value = 3.953

Source : Exhibit AIS-2, Sheet 1

POOLED INSURANCE PROGRAM OF NEW JERSEY

Actuarial Analysis of Workers' Compensation Insurance Pool as of December 31, 2022

Indicated Deficiency (-) / Redundancy (+) of 06/30/2022 Net IBNR

(1)	(2)	(3)	(4)	(5)	(6)
Year Ending	06/30/2022 Net IBNR	06/22 to 12/22 Net Reported Loss & ALAE	Runoff of 06/30/2022 IBNR as of 12/31/2022	12/31/2022 Selected Net IBNR	06/30/2022 Net IBNR Deficiency (-) Redundancy (+)
30-Jun-85	\$0	\$0	\$0	\$0	\$0
30-Jun-86	\$0	\$0	\$0	\$0	\$0
30-Jun-87	\$0	\$0	\$0	\$0	\$0
30-Jun-88	\$0	\$0	\$0	\$0	\$0
30-Jun-89	\$0	\$0	\$0	\$0	\$0
30-Jun-90	\$0	\$0	\$0	\$0	\$0
30-Jun-91	\$0	-\$167	\$167	\$0	\$167
30-Jun-92	\$0	\$0	\$0	\$0	\$0
30-Jun-93	\$0	-\$224	\$224	\$0	\$224
30-Jun-94	\$0	\$0	\$0	\$0	\$0
30-Jun-95	\$0	\$0	\$0	\$0	\$0
30-Jun-96	\$0	\$0	\$0	\$0	\$0
30-Jun-97	\$0	\$0	\$0	\$0	\$0
30-Jun-98	\$0	-\$233	\$233	\$0	\$234
30-Jun-99	\$0	\$0	\$0	\$0	\$0
30-Jun-00	\$0	\$0	\$0	\$0	\$0
30-Jun-01	\$0	\$0	\$0	\$0	\$0
30-Jun-02	\$0	\$0	\$0	\$0	\$0
30-Jun-03	\$0	\$0	\$0	\$0	\$0
30-Jun-04	\$0	\$0	\$0	\$0	\$0
30-Jun-05	\$0	\$0	\$0	\$0	\$0
30-Jun-06	\$0	\$0	\$0	\$0	\$0
30-Jun-07	\$104,589	\$2,818	\$101,771	\$106,370	-\$4,600
30-Jun-08	\$0	\$0	\$0	\$0	\$0
30-Jun-09	\$32,529	-\$16	\$32,545	\$32,492	\$53
30-Jun-10	\$167,304	\$32	\$167,272	\$166,990	\$283
30-Jun-11	\$124,529	\$0	\$124,529	\$124,465	\$63
30-Jun-12	\$130,161	\$0	\$130,161	\$121,746	\$8,415
30-Jun-13	\$161,226	\$2,000	\$159,226	\$157,524	\$1,702
30-Jun-14	\$249,811	\$4,168	\$245,643	\$242,940	\$2,703
30-Jun-15	\$206,103	-\$5,652	\$211,755	\$198,385	\$13,370
30-Jun-16	\$221,564	\$141,240	\$80,325	\$204,536	-\$124,211
30-Jun-17	\$414,138	\$39,973	\$374,165	\$425,203	-\$51,038
30-Jun-18	\$353,980	\$6,229	\$347,750	\$320,573	\$27,177
30-Jun-19	\$950,575	\$123,466	\$827,109	\$754,785	\$72,324
30-Jun-20	\$629,982	\$240,172	\$389,810	\$608,005	-\$218,195
30-Jun-21	\$1,186,578	\$540,931	\$645,647	\$1,170,915	-\$525,268
30-Jun-22	\$2,507,782	\$712,611	\$1,795,171	\$2,256,765	-\$461,594
Total	\$7,440,850	\$1,807,346	\$5,633,504	\$6,891,695	-\$1,258,191

Notes:

- (2) : AIS Risk Consultants Report Dated December 16, 2022, Exhibit AIS-1, Sheet 1, Column (7)
- (3) : From data provided by PIPNJ
- (4) : (2) - (3)
- (5) : Exhibit AIS-1, Sheet 1, Column (7)
- (6) : (4) - (5)

POOLED INSURANCE PROGRAM OF NEW JERSEY

Actuarial Analysis of Workers' Compensation Insurance Pool as of December 31, 2022

Indicated Deficiency (-) / Redundancy (+) of 06/30/2022 Gross IBNR

(1)	(2)	(3)	(4)	(5)	(6)
Year Ending	06/30/2022 Gross IBNR	06/22 to 12/22 Gross Reported Loss & ALAE	Runoff of 06/30/2022 IBNR as of 12/31/2022	12/31/2022 Selected Gross IBNR	06/30/2022 Gross IBNR Deficiency (-) Redundancy (+)
30-Jun-85	\$0	\$0	\$0	\$0	\$0
30-Jun-86	\$0	\$0	\$0	\$0	\$0
30-Jun-87	\$0	\$0	\$0	\$0	\$0
30-Jun-88	\$0	\$0	\$0	\$0	\$0
30-Jun-89	\$0	\$0	\$0	\$0	\$0
30-Jun-90	\$0	\$2,193	-\$2,193	\$0	-\$2,193
30-Jun-91	\$0	\$0	\$0	\$0	\$0
30-Jun-92	\$0	\$0	\$0	\$0	\$0
30-Jun-93	\$653,085	\$165,714	\$487,371	\$487,148	\$223
30-Jun-94	\$0	\$0	\$0	\$0	\$0
30-Jun-95	\$0	\$0	\$0	\$0	\$0
30-Jun-96	\$0	\$0	\$0	\$0	\$0
30-Jun-97	\$0	\$0	\$0	\$0	\$0
30-Jun-98	\$151,839	\$546,337	-\$394,498	\$104,053	-\$498,551
30-Jun-99	\$0	\$0	\$0	\$0	\$0
30-Jun-00	\$0	\$0	\$0	\$0	\$0
30-Jun-01	\$0	\$0	\$0	\$0	\$0
30-Jun-02	\$0	\$0	\$0	\$0	\$0
30-Jun-03	\$0	\$0	\$0	\$0	\$0
30-Jun-04	\$0	\$0	\$0	\$0	\$0
30-Jun-05	\$0	\$0	\$0	\$0	\$0
30-Jun-06	\$0	\$0	\$0	\$0	\$0
30-Jun-07	\$136,086	\$3,500	\$132,586	\$136,884	-\$4,298
30-Jun-08	\$0	\$0	\$0	\$0	\$0
30-Jun-09	\$32,529	-\$16	\$32,545	\$32,492	\$53
30-Jun-10	\$167,304	\$32	\$167,272	\$166,990	\$282
30-Jun-11	\$124,529	\$0	\$124,529	\$124,465	\$64
30-Jun-12	\$130,161	\$0	\$130,161	\$121,746	\$8,415
30-Jun-13	\$161,226	\$2,000	\$159,226	\$157,524	\$1,702
30-Jun-14	\$249,811	\$4,168	\$245,643	\$242,940	\$2,703
30-Jun-15	\$206,103	-\$5,652	\$211,755	\$198,385	\$13,370
30-Jun-16	\$221,564	\$141,240	\$80,324	\$204,536	-\$124,212
30-Jun-17	\$414,138	\$39,973	\$374,165	\$425,203	-\$51,038
30-Jun-18	\$353,980	\$6,229	\$347,751	\$320,573	\$27,178
30-Jun-19	\$950,575	\$123,466	\$827,109	\$754,785	\$72,324
30-Jun-20	\$806,228	\$240,172	\$566,056	\$711,086	-\$145,030
30-Jun-21	\$1,186,578	\$540,931	\$645,647	\$1,222,275	-\$576,628
30-Jun-22	\$2,507,782	\$712,611	\$1,795,171	\$2,390,393	-\$595,222
Total	\$8,453,518	\$2,522,896	\$5,930,622	\$7,801,478	-\$1,870,856

Notes:

- (2) : AIS Risk Consultants Report Dated December 16, 2022, Exhibit AIS-1, Sheet 2, Column (9)
- (3) : From data provided by PIPNJ
- (4) : (2) - (3)
- (5) : Exhibit AIS-1, Sheet 2, Column (9)
- (6) : (4) - (5)

POOLED INSURANCE PROGRAM OF NEW JERSEY

Actuarial Analysis of Workers' Compensation Insurance Pool as of December 31, 2022

Summary of Net Loss & ALAE Experience - Paid, Case Reserves and IBNR

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Year	Net Losses and ALAE as of 12/31/2022					
Ending	Paid	Case Reserves	Case Incurred	Net IBNR Reserve	Total Reserve	Total Incurred
30-Jun-85	\$547,699	\$0	\$547,699	\$0	\$0	\$547,699
30-Jun-86	\$943,885	\$0	\$943,885	\$0	\$0	\$943,885
30-Jun-87	\$1,320,292	\$0	\$1,320,292	\$0	\$0	\$1,320,292
30-Jun-88	\$1,280,387	\$0	\$1,280,387	\$0	\$0	\$1,280,387
30-Jun-89	\$940,643	\$0	\$940,643	\$0	\$0	\$940,643
30-Jun-90	\$2,195,923	\$0	\$2,195,923	\$0	\$0	\$2,195,923
30-Jun-91	\$1,466,703	\$0	\$1,466,703	\$0	\$0	\$1,466,703
30-Jun-92	\$1,262,390	\$0	\$1,262,390	\$0	\$0	\$1,262,390
30-Jun-93	\$1,757,315	\$0	\$1,757,315	\$0	\$0	\$1,757,315
30-Jun-94	\$1,779,090	\$0	\$1,779,090	\$0	\$0	\$1,779,090
30-Jun-95	\$2,114,943	\$0	\$2,114,943	\$0	\$0	\$2,114,943
30-Jun-96	\$1,996,338	\$0	\$1,996,338	\$0	\$0	\$1,996,338
30-Jun-97	\$2,374,715	\$0	\$2,374,715	\$0	\$0	\$2,374,715
30-Jun-98	\$3,137,089	\$0	\$3,137,089	\$0	\$0	\$3,137,089
30-Jun-99	\$2,243,762	\$0	\$2,243,762	\$0	\$0	\$2,243,762
30-Jun-00	\$1,637,844	\$0	\$1,637,844	\$0	\$0	\$1,637,844
30-Jun-01	\$1,610,845	\$0	\$1,610,845	\$0	\$0	\$1,610,845
30-Jun-02	\$1,773,186	\$0	\$1,773,186	\$0	\$0	\$1,773,186
30-Jun-03	\$2,022,489	\$0	\$2,022,489	\$0	\$0	\$2,022,489
30-Jun-04	\$1,786,846	\$0	\$1,786,846	\$0	\$0	\$1,786,846
30-Jun-05	\$1,895,326	\$0	\$1,895,326	\$0	\$0	\$1,895,326
30-Jun-06	\$2,168,190	\$0	\$2,168,190	\$0	\$0	\$2,168,190
30-Jun-07	\$2,378,559	\$33,426	\$2,411,985	\$106,370	\$139,796	\$2,518,355
30-Jun-08	\$1,948,698	\$0	\$1,948,698	\$0	\$0	\$1,948,698
30-Jun-09	\$3,964,433	\$1,074	\$3,965,507	\$32,492	\$33,566	\$3,997,999
30-Jun-10	\$2,784,491	\$19,484	\$2,803,975	\$166,990	\$186,474	\$2,970,964
30-Jun-11	\$2,007,455	\$10,736	\$2,018,191	\$124,465	\$135,201	\$2,142,656
30-Jun-12	\$1,924,933	\$11,702	\$1,936,635	\$121,746	\$133,448	\$2,058,381
30-Jun-13	\$2,225,266	\$38,456	\$2,263,722	\$157,524	\$195,980	\$2,421,246
30-Jun-14	\$3,098,659	\$24,023	\$3,122,682	\$242,940	\$266,963	\$3,365,622
30-Jun-15	\$2,103,744	\$45,322	\$2,149,066	\$198,385	\$243,707	\$2,347,451
30-Jun-16	\$2,058,416	\$230,706	\$2,289,122	\$204,536	\$435,242	\$2,493,658
30-Jun-17	\$3,008,167	\$908,021	\$3,916,188	\$425,203	\$1,333,225	\$4,341,392
30-Jun-18	\$2,098,311	\$288,203	\$2,386,514	\$320,573	\$608,776	\$2,707,087
30-Jun-19	\$2,787,160	\$367,346	\$3,154,506	\$754,785	\$1,122,131	\$3,909,290
30-Jun-20	\$2,181,999	\$462,894	\$2,644,893	\$608,005	\$1,070,900	\$3,252,899
30-Jun-21	\$1,662,540	\$1,289,100	\$2,951,640	\$1,170,915	\$2,460,016	\$4,122,555
30-Jun-22	\$1,644,559	\$1,595,523	\$3,240,082	\$2,256,765	\$3,852,288	\$5,496,847
31-Dec-22	\$375,041	\$590,156	\$965,198	\$1,945,775	\$2,535,932	\$2,910,973
Total	\$76,508,330	\$5,916,173	\$82,424,503	\$8,837,470	\$14,753,643	\$91,261,974

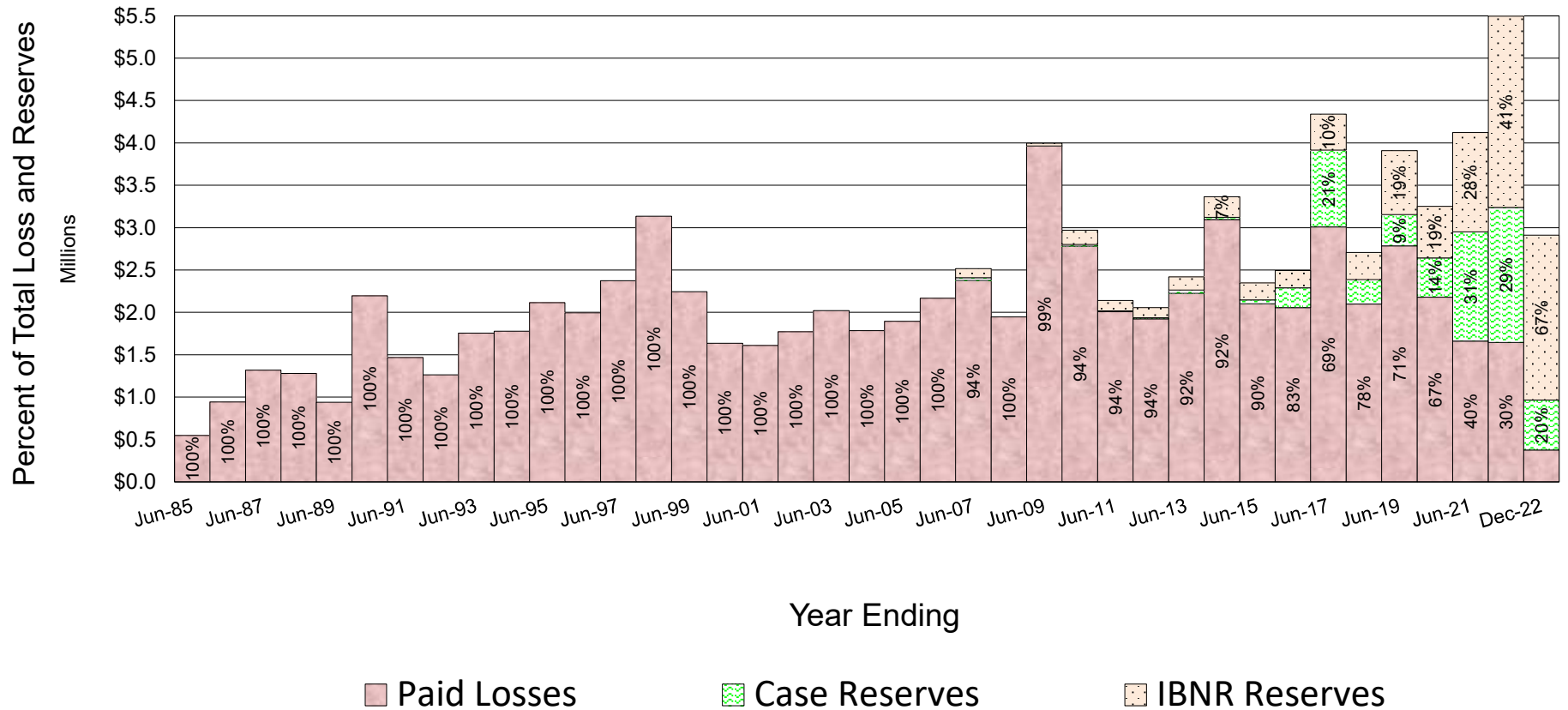
Notes:

- (2) : Supplied by PIPNJ
- (3) : Supplied by PIPNJ
- (4) : (2) + (3)
- (5) : Exhibit AIS-1, Sheet 1, Column (7)
- (6) : (3) + (5)
- (7) : (2) + (6)

POOLED INSURANCE PROGRAM OF NEW JERSEY

Actuarial Analysis of Workers' Compensation Insurance Pool as of December 31, 2022

Distribution of Net Paid Losses, Case Reserves and IBNR by Year



Source: Exhibit AIS-3, Sheet 3

Exhibit AIS-3, Sheet 4

POOLED INSURANCE PROGRAM OF NEW JERSEY

Actuarial Analysis of Workers' Compensation Insurance Pool as of December 31, 2022

Summary of Gross Loss & ALAE Experience - Paid, Case Reserves and IBNR

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Year	Gross Losses and ALAE as of 12/31/2022					
Ending	Paid	Case Reserves	Case Incurred	Gross IBNR Reserve	Total Reserve	Total Incurred
30-Jun-85	\$703,551	\$0	\$703,551	\$0	\$0	\$703,551
30-Jun-86	\$1,117,238	\$0	\$1,117,238	\$0	\$0	\$1,117,238
30-Jun-87	\$1,721,550	\$0	\$1,721,550	\$0	\$0	\$1,721,550
30-Jun-88	\$1,281,603	\$0	\$1,281,603	\$0	\$0	\$1,281,603
30-Jun-89	\$940,643	\$0	\$940,643	\$0	\$0	\$940,643
30-Jun-90	\$2,595,506	\$338,094	\$2,933,600	\$0	\$338,094	\$2,933,600
30-Jun-91	\$1,644,531	\$34,107	\$1,678,638	\$0	\$34,107	\$1,678,638
30-Jun-92	\$1,262,390	\$0	\$1,262,390	\$0	\$0	\$1,262,390
30-Jun-93	\$5,821,876	\$5,198,292	\$11,020,167	\$487,148	\$5,685,440	\$11,507,315
30-Jun-94	\$1,779,090	\$0	\$1,779,090	\$0	\$0	\$1,779,090
30-Jun-95	\$2,618,798	\$85,253	\$2,704,051	\$0	\$85,253	\$2,704,051
30-Jun-96	\$1,996,338	\$0	\$1,996,338	\$0	\$0	\$1,996,338
30-Jun-97	\$2,374,715	\$0	\$2,374,715	\$0	\$0	\$2,374,715
30-Jun-98	\$4,450,468	\$704,540	\$5,155,007	\$104,053	\$808,593	\$5,259,060
30-Jun-99	\$2,262,382	\$0	\$2,262,382	\$0	\$0	\$2,262,382
30-Jun-00	\$1,637,844	\$0	\$1,637,844	\$0	\$0	\$1,637,844
30-Jun-01	\$1,610,845	\$0	\$1,610,845	\$0	\$0	\$1,610,845
30-Jun-02	\$1,773,186	\$0	\$1,773,186	\$0	\$0	\$1,773,186
30-Jun-03	\$2,022,489	\$0	\$2,022,489	\$0	\$0	\$2,022,489
30-Jun-04	\$1,786,846	\$0	\$1,786,846	\$0	\$0	\$1,786,846
30-Jun-05	\$1,895,326	\$0	\$1,895,326	\$0	\$0	\$1,895,326
30-Jun-06	\$2,168,190	\$0	\$2,168,190	\$0	\$0	\$2,168,190
30-Jun-07	\$2,442,742	\$33,426	\$2,476,168	\$136,884	\$170,310	\$2,613,052
30-Jun-08	\$1,948,698	\$0	\$1,948,698	\$0	\$0	\$1,948,698
30-Jun-09	\$4,070,740	\$1,074	\$4,071,814	\$32,492	\$33,566	\$4,104,306
30-Jun-10	\$2,784,491	\$19,484	\$2,803,975	\$166,990	\$186,474	\$2,970,965
30-Jun-11	\$2,007,455	\$10,736	\$2,018,191	\$124,465	\$135,201	\$2,142,656
30-Jun-12	\$1,924,933	\$11,702	\$1,936,635	\$121,746	\$133,448	\$2,058,381
30-Jun-13	\$2,225,266	\$38,456	\$2,263,722	\$157,524	\$195,980	\$2,421,246
30-Jun-14	\$3,098,659	\$24,023	\$3,122,682	\$242,940	\$266,963	\$3,365,622
30-Jun-15	\$2,103,744	\$45,322	\$2,149,066	\$198,385	\$243,707	\$2,347,451
30-Jun-16	\$2,058,416	\$230,706	\$2,289,122	\$204,536	\$435,242	\$2,493,658
30-Jun-17	\$3,008,167	\$908,021	\$3,916,188	\$425,203	\$1,333,224	\$4,341,391
30-Jun-18	\$2,098,311	\$288,203	\$2,386,514	\$320,573	\$608,776	\$2,707,087
30-Jun-19	\$2,787,160	\$367,346	\$3,154,506	\$754,785	\$1,122,131	\$3,909,291
30-Jun-20	\$2,181,999	\$682,786	\$2,864,786	\$711,086	\$1,393,872	\$3,575,872
30-Jun-21	\$1,662,540	\$1,289,100	\$2,951,640	\$1,222,275	\$2,511,375	\$4,173,915
30-Jun-22	\$1,644,559	\$1,595,523	\$3,240,082	\$2,390,393	\$3,985,916	\$5,630,475
31-Dec-22	\$375,041	\$590,156	\$965,198	\$2,318,887	\$2,909,043	\$3,284,085
Total	\$83,888,326	\$12,496,351	\$96,384,676	\$10,120,365	\$22,616,716	\$106,505,041

Notes:

- (2) : Supplied by PIPNJ
- (3) : Supplied by PIPNJ
- (4) : (2) + (3)
- (5) : Exhibit AIS-1, Sheet 2, Column (9)
- (6) : (3) + (5)
- (7) : (2) + (6)

POOLED INSURANCE PROGRAM OF NEW JERSEY

Actuarial Analysis of Workers' Compensation Insurance Pool as of December 31, 2022

Summary of Methods to Estimate Losses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Accident Year Ended	Payroll (in 00's)	Initial Expected Pure Premium	Initial Expected Losses (2)X(3)	12/31/2022 Reported Paid Losses	12/31/2022 Reported Incurred Losses	Paid Loss Dev Factors	Incurred Loss Dev Factors	Developed Paid Losses (5) x (7)	Developed Reported Losses (6) x (8)	Paid B-F Method (4) x [1.0 - 1/(7)] + (5)	Incurred B-F Method (4) x [1.0 - 1/(8)] + (6)
30-Jun-85	\$1,178,663	0.597	\$703,551	\$703,551	\$703,551	1.010	1.000	\$710,587	\$703,551	\$710,517	\$703,551
30-Jun-86	\$1,232,024	0.907	\$1,117,238	\$1,117,238	\$1,117,238	1.010	1.000	\$1,128,410	\$1,117,238	\$1,128,299	\$1,117,238
30-Jun-87	\$1,703,874	1.010	\$1,721,550	\$1,721,550	\$1,721,550	1.010	1.000	\$1,738,766	\$1,721,550	\$1,738,595	\$1,721,550
30-Jun-88	\$1,883,847	0.680	\$1,281,603	\$1,281,603	\$1,281,603	1.010	1.000	\$1,294,419	\$1,281,603	\$1,294,292	\$1,281,603
30-Jun-89	\$1,991,246	0.472	\$940,643	\$940,643	\$940,643	1.010	1.000	\$950,049	\$940,643	\$949,956	\$940,643
30-Jun-90	\$2,152,333	1.362	\$2,931,407	\$2,595,506	\$2,933,600	1.010	1.000	\$2,621,461	\$2,933,600	\$2,624,530	\$2,933,600
30-Jun-91	\$2,460,535	0.682	\$1,678,638	\$1,644,531	\$1,678,638	1.012	1.000	\$1,664,300	\$1,678,638	\$1,664,470	\$1,678,638
30-Jun-92	\$2,761,218	0.457	\$1,262,390	\$1,262,390	\$1,262,390	1.014	1.002	\$1,280,122	\$1,264,916	\$1,279,876	\$1,264,911
30-Jun-93	\$2,911,262	3.953	\$11,507,539	\$5,821,876	\$11,020,167	1.016	1.003	\$5,915,464	\$11,053,261	\$6,003,935	\$11,054,621
30-Jun-94	\$3,339,758	0.533	\$1,779,090	\$1,779,090	\$1,779,090	1.025	1.008	\$1,823,995	\$1,793,366	\$1,822,890	\$1,793,252
30-Jun-95	\$3,571,422	0.757	\$2,704,051	\$2,618,798	\$2,704,051	1.032	1.010	\$2,703,723	\$2,731,203	\$2,703,733	\$2,730,933
30-Jun-96	\$3,993,815	0.500	\$1,996,338	\$1,996,338	\$1,996,338	1.038	1.014	\$2,071,396	\$2,024,455	\$2,068,676	\$2,024,065
30-Jun-97	\$4,660,514	0.510	\$2,374,715	\$2,374,715	\$2,374,715	1.045	1.017	\$2,481,276	\$2,415,386	\$2,476,700	\$2,414,701
30-Jun-98	\$4,806,085	0.991	\$4,760,509	\$4,450,468	\$5,155,007	1.053	1.021	\$4,687,445	\$5,264,289	\$4,691,139	\$5,253,831
30-Jun-99	\$5,117,916	0.442	\$2,262,382	\$2,262,382	\$2,262,382	1.062	1.029	\$2,401,947	\$2,328,860	\$2,393,838	\$2,326,962
30-Jun-00	\$3,826,580	0.428	\$1,637,844	\$1,637,844	\$1,637,844	1.072	1.040	\$1,756,313	\$1,702,873	\$1,748,322	\$1,700,389
30-Jun-01	\$4,079,370	0.395	\$1,610,845	\$1,610,845	\$1,610,845	1.074	1.040	\$1,730,817	\$1,674,801	\$1,722,501	\$1,672,359
30-Jun-02	\$3,985,653	0.445	\$1,773,186	\$1,773,186	\$1,773,186	1.078	1.054	\$1,910,968	\$1,869,422	\$1,901,034	\$1,864,468
30-Jun-03	\$4,134,175	0.489	\$2,022,489	\$2,022,489	\$2,022,489	1.080	1.055	\$2,184,004	\$2,134,387	\$2,172,059	\$2,128,521
30-Jun-04	\$4,252,522	0.420	\$1,786,846	\$1,786,846	\$1,786,846	1.080	1.055	\$1,929,543	\$1,885,707	\$1,918,990	\$1,880,524
30-Jun-05	\$4,490,114	0.422	\$1,895,326	\$1,895,326	\$1,895,326	1.080	1.055	\$2,046,686	\$2,000,189	\$2,035,493	\$1,994,692
30-Jun-06	\$4,776,926	0.454	\$2,168,190	\$2,168,190	\$2,168,190	1.080	1.055	\$2,341,341	\$2,288,150	\$2,328,536	\$2,281,861
30-Jun-07	\$5,048,832	0.517	\$2,608,755	\$2,442,742	\$2,476,168	1.080	1.055	\$2,637,819	\$2,613,168	\$2,635,670	\$2,612,937
30-Jun-08	\$5,254,063	0.371	\$1,948,698	\$1,948,698	\$1,948,698	1.081	1.058	\$2,106,425	\$2,062,684	\$2,094,614	\$2,056,385
30-Jun-09	\$5,198,950	0.789	\$4,104,359	\$4,070,740	\$4,071,814	1.081	1.058	\$4,400,224	\$4,309,987	\$4,378,070	\$4,298,624
30-Jun-10	\$5,446,044	0.546	\$2,971,247	\$2,784,491	\$2,803,975	1.083	1.060	\$3,015,886	\$2,970,956	\$3,012,461	\$2,970,972
30-Jun-11	\$5,666,148	0.378	\$2,142,720	\$2,007,455	\$2,018,191	1.084	1.062	\$2,176,452	\$2,142,654	\$2,173,833	\$2,142,658
30-Jun-12	\$5,690,119	0.363	\$2,066,796	\$1,924,933	\$1,936,635	1.089	1.063	\$2,095,337	\$2,058,125	\$2,093,016	\$2,058,637
30-Jun-13	\$5,955,269	0.407	\$2,422,948	\$2,225,266	\$2,263,722	1.093	1.065	\$2,431,955	\$2,410,542	\$2,431,190	\$2,411,298
30-Jun-14	\$5,692,961	0.592	\$3,368,325	\$3,098,659	\$3,122,682	1.108	1.074	\$3,434,035	\$3,355,166	\$3,427,617	\$3,356,078
30-Jun-15	\$5,762,527	0.410	\$2,360,821	\$2,103,744	\$2,149,066	1.131	1.078	\$2,378,299	\$2,315,996	\$2,376,282	\$2,319,227
30-Jun-16	\$6,071,231	0.390	\$2,369,447	\$2,058,416	\$2,289,122	1.152	1.092	\$2,371,479	\$2,499,105	\$2,371,211	\$2,488,211
30-Jun-17	\$6,168,758	0.695	\$4,290,354	\$3,008,167	\$3,916,188	1.192	1.109	\$3,584,387	\$4,344,035	\$3,697,877	\$4,338,748
30-Jun-18	\$6,268,176	0.436	\$2,734,264	\$2,098,311	\$2,386,514	1.271	1.116	\$2,667,923	\$2,663,126	\$2,682,087	\$2,670,515
30-Jun-19	\$6,561,231	0.607	\$3,981,615	\$2,787,160	\$3,154,506	1.368	1.156	\$3,814,215	\$3,647,942	\$3,859,290	\$3,693,076
30-Jun-20	\$6,761,897	0.507	\$3,430,841	\$2,181,999	\$2,864,786	1.569	1.248	\$3,424,050	\$3,575,871	\$3,426,513	\$3,547,031
30-Jun-21	\$7,609,986	0.473	\$3,597,288	\$1,662,540	\$2,951,640	1.929	1.450	\$3,207,460	\$4,279,823	\$3,395,226	\$4,068,008
30-Jun-22	\$7,609,986	0.662	\$5,035,253	\$1,644,559	\$3,240,082	2.707	1.904	\$4,452,011	\$6,168,429	\$4,819,806	\$5,630,475
31-Dec-22	\$3,921,612	0.596	\$2,336,930	\$375,041	\$965,198	9.688	4.413	\$3,633,576	\$4,259,425	\$2,470,764	\$2,772,573
Total	\$173,997,643	0.596	\$103,687,029	\$83,888,326	\$96,384,676			\$99,204,565	\$108,485,124	\$98,723,908	\$106,198,364

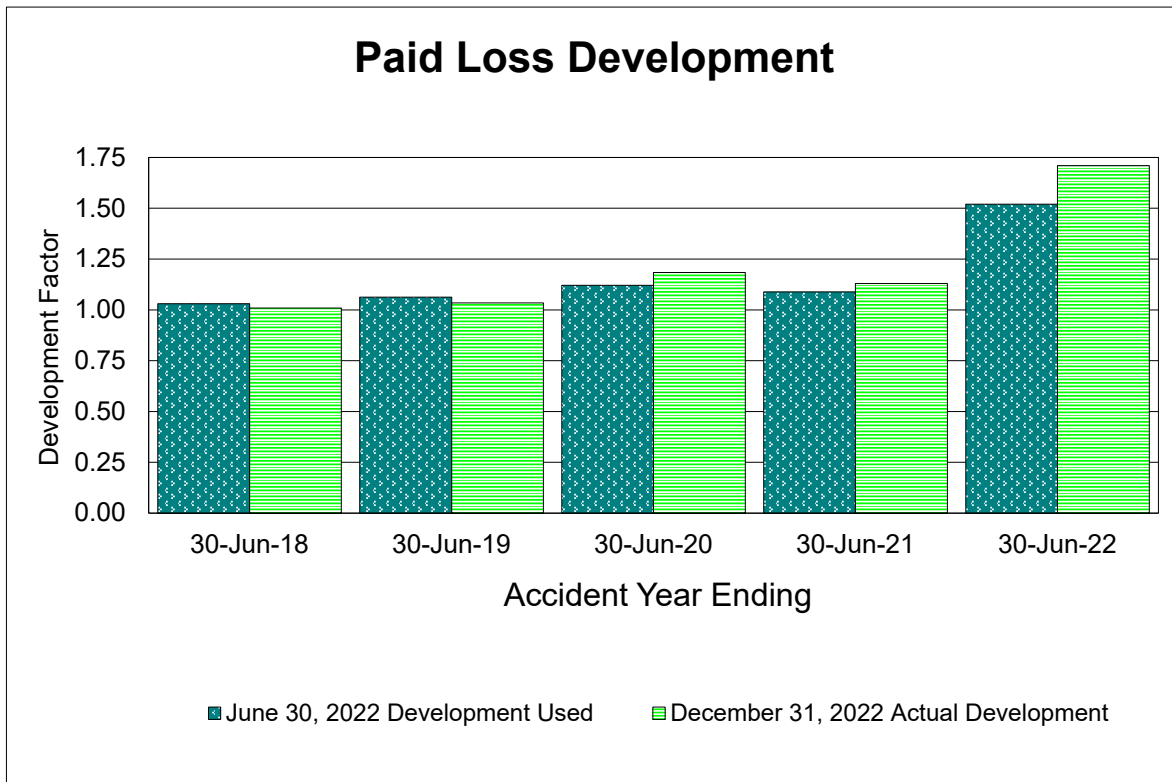
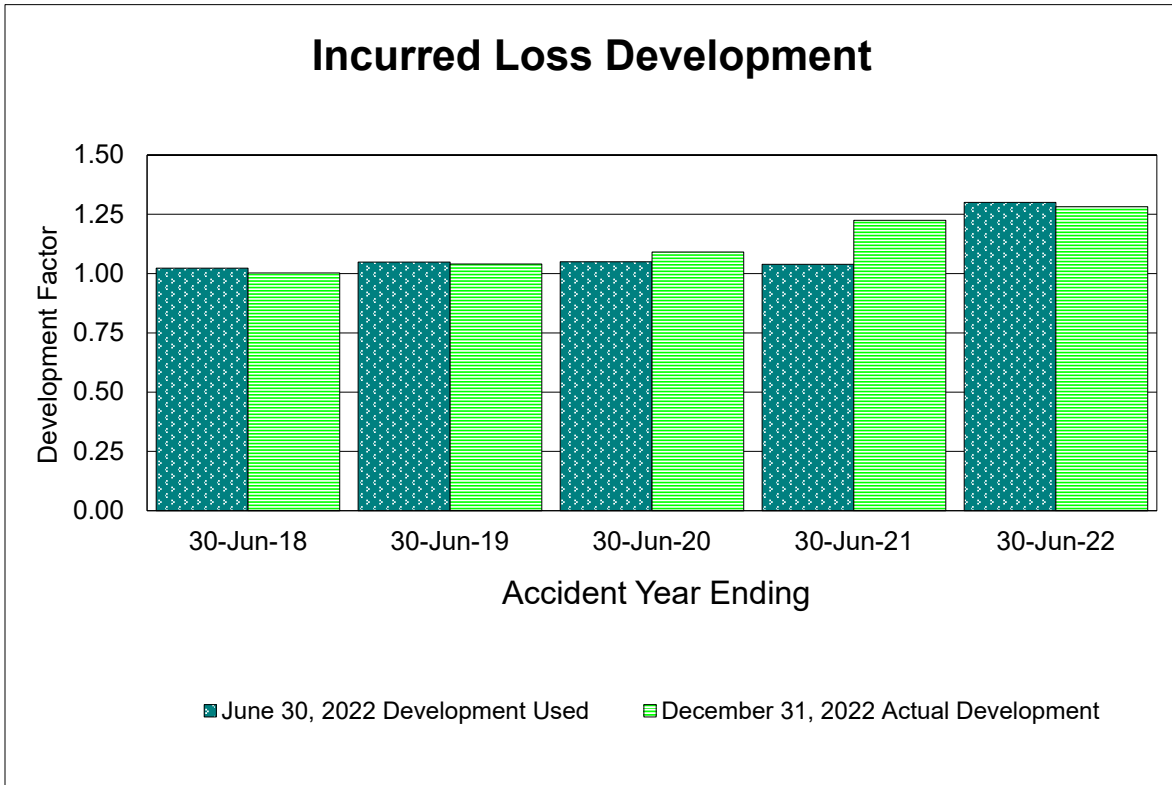
Notes:

- (2): From data provided by the PIPNJ.
- (3): Based upon the 06/30/2022 AIS Risk Consultants Reserve Report.
- (5) & (6): From data provided by the PIPNJ.
- (7): Developed in Appendix B.
- (8): Developed in Appendix A.

POOLED INSURANCE PROGRAM OF NEW JERSEY

Actuarial Analysis of Workers' Compensation Insurance Pool as of December 31, 2022

Comparison of June 30, 2022 Development Used to December 31, 2022 Actual Development



POOLED INSURANCE PROGRAM OF NEW JERSEY

Actuarial Analysis of Workers' Compensation Insurance Pool as of December 31, 2022

Analysis of Specific Excess Insurance Losses & ALAE

(1) Accident Year Ended	(2) Specific Self-Insurance Retention	(3) Development Factor		(4)	(5) = (2) / (3) Reported Loss & ALAE Needed for Specific Excess Coverage		(6) = (2) / (4)
		Incurred	Paid		Incurred	Paid	
30-Jun-85	\$100,000	1.000	1.010	1.010	\$100,000		\$99,010
30-Jun-86	\$125,000	1.000	1.010	1.010	\$125,000		\$123,762
30-Jun-87	\$150,000	1.000	1.010	1.010	\$150,000		\$148,515
30-Jun-88	\$200,000	1.000	1.010	1.010	\$200,000		\$198,020
30-Jun-89	\$200,000	1.000	1.010	1.010	\$200,000		\$198,020
30-Jun-90	\$225,000	1.000	1.010	1.010	\$225,000		\$222,772
30-Jun-91	\$250,000	1.000	1.012	1.012	\$250,000		\$247,030
30-Jun-92	\$250,000	1.002	1.014	1.014	\$249,501		\$246,537
30-Jun-93	\$250,000	1.003	1.016	1.016	\$249,251		\$246,045
30-Jun-94	\$250,000	1.008	1.025	1.025	\$248,010		\$243,845
30-Jun-95	\$250,000	1.010	1.032	1.032	\$247,515		\$242,147
30-Jun-96	\$250,000	1.014	1.038	1.038	\$246,528		\$240,941
30-Jun-97	\$250,000	1.017	1.045	1.045	\$245,790		\$239,263
30-Jun-98	\$250,000	1.021	1.053	1.053	\$244,810		\$237,361
30-Jun-99	\$250,000	1.029	1.062	1.062	\$242,864		\$235,474
30-Jun-00	\$250,000	1.040	1.072	1.072	\$240,453		\$233,137
30-Jun-01	\$250,000	1.040	1.074	1.074	\$240,453		\$232,671
30-Jun-02	\$250,000	1.054	1.078	1.078	\$237,130		\$231,975
30-Jun-03	\$300,000	1.055	1.080	1.080	\$284,272		\$277,814
30-Jun-04	\$325,000	1.055	1.080	1.080	\$307,961		\$300,965
30-Jun-05	\$350,000	1.055	1.080	1.080	\$331,651		\$324,116
30-Jun-06	\$350,000	1.055	1.080	1.080	\$331,651		\$324,116
30-Jun-07	\$350,000	1.055	1.080	1.080	\$331,651		\$324,116
30-Jun-08	\$350,000	1.058	1.081	1.081	\$330,659		\$323,792
30-Jun-09	\$350,000	1.058	1.081	1.081	\$330,659		\$323,792
30-Jun-10	\$350,000	1.060	1.083	1.083	\$330,328		\$323,146
30-Jun-11	\$350,000	1.062	1.084	1.084	\$329,669		\$322,823
30-Jun-12	\$350,000	1.063	1.089	1.089	\$329,340		\$321,536
30-Jun-13	\$350,000	1.065	1.093	1.093	\$328,682		\$320,254
30-Jun-14	\$500,000	1.074	1.108	1.108	\$465,354		\$451,169
30-Jun-15	\$500,000	1.078	1.131	1.131	\$463,961		\$442,279
30-Jun-16	\$500,000	1.092	1.152	1.152	\$457,988		\$433,994
30-Jun-17	\$500,000	1.109	1.192	1.192	\$450,755		\$419,621
30-Jun-18	\$500,000	1.116	1.271	1.271	\$448,066		\$393,248
30-Jun-19	\$500,000	1.156	1.368	1.368	\$432,368		\$365,365
30-Jun-20	\$500,000	1.248	1.569	1.569	\$400,572		\$318,628
30-Jun-21	\$500,000	1.450	1.929	1.929	\$344,832		\$259,168
30-Jun-22	\$500,000	1.904	2.707	2.707	\$262,634		\$184,698
30-Jun-23	\$600,000	4.413	9.688	9.688	\$135,962		\$61,929

Year	Location	(8) Reported Losses & ALAE Less Unreimbursed Expenses**		(10) = (8) X (3) - (2) Specific Excess Coverage Based on Less Unreimbursed Expenses**	
		Incurred	Paid	Incurred	Paid
7/1/84 to 6/30/85	Lakeland	\$257,893	\$257,893	\$157,893	\$157,893
7/1/85 to 6/30/86	West Milford	\$297,886	\$297,886	\$172,886	\$172,886
7/1/86 to 6/30/87	Randolph	\$345,869	\$345,869	\$195,869	\$195,869
	West Milford	\$292,769	\$292,769	\$142,769	\$142,769
	Wayne	\$227,902	\$227,902	\$77,902	\$77,902
86-87 Total		\$866,540	\$866,540	\$416,540	\$416,540
7/1/87 to 6/30/88	Middletown	\$203,571	\$203,571	\$3,571	\$3,571
7/1/89 to 6/30/90	Manchester	\$962,677	\$624,583	\$911,538	\$559,189
7/1/90 to 6/30/91	West Milford	\$461,935	\$428,710	\$211,935	\$183,864
7/1/92 to 6/30/93	Jefferson *	\$9,506,989	\$4,314,853	\$9,256,989	\$4,116,722
7/1/94 to 6/30/95	Middletown	\$839,108	\$755,206	\$597,533	\$529,697
7/1/97 to 6/30/98	West Milford	\$269,171	\$269,171	\$19,171	\$19,171
	Wayne	\$200,153	\$200,153	\$0	\$0
	Middletown	\$837,576	\$821,682	\$605,332	\$615,435
	West Milford	\$1,622,460	\$934,821	\$1,406,854	\$734,598
97-98 Total		\$2,929,359	\$2,225,827	\$2,031,357	\$1,369,204
7/1/98 to 6/30/99	Eatontown BOE	\$268,620	\$268,620	\$18,620	\$18,620
7/1/06 to 6/30/07	Bloomington	\$418,954	\$414,183	\$92,134	\$97,260
7/1/08 to 6/30/09	Randolph	\$456,028	\$456,028	\$106,028	\$106,028
7/1/19 to 6/30/20	Parsippany-Troy Hills BOE	\$719,892	\$476,263	\$398,581	\$247,364
7/1/20 to 6/30/21	Cedar Grove Twp School Dis	\$415,675	\$46,341	\$102,720	\$0
7/1/21 to 6/30/22	North Brunswick BOE	\$403,015	\$34,820	\$267,256	\$0
7/1/22 to 6/30/23	South Brunswick BOE	\$275,800	\$129,468	\$717,108	\$754,346
7/1/22 to 6/30/23	Clifton BOE	\$82,650	\$53,775	\$0	\$20,994
22-23 Total		\$358,450	\$183,243	\$717,108	\$775,340

Notes:

- (2) : Based upon information provided by PIPNJ
- (3) : Exhibit 4, Sheet 1
- (4) : Exhibit 4, Sheet 1
- (7), (8), (9) : Loss Information Provided by Inservco

* This claim has an ultimate value of \$10,000,000 plus the cost of rehabilitation. We have selected an excess value of \$9,750,000 to reflect expected reinsurance reimbursements.

** The years ending 1986, 1990, 1991, 1993, 1995 and 1998, exclude some expenses, reimburse expenses on a pro-rata basis or bot

POOLED INSURANCE PROGRAM OF NEW JERSEY

Actuarial Analysis of Workers' Compensation Insurance Pool as of December 31, 2022

Analysis of Aggregate Excess Insurance Losses & ALAE

(1)	(2)	(3)	(4)	(5)	(6)
Accident Year Ended	Aggregate Self-Insurance Retention	Gross	Projected Ultimate Losses & ALAE Specific Excess	Net of Specific Excess	Aggregate Excess
30-Jun-85	\$547,699	\$703,551	\$155,853	\$547,699	\$0
30-Jun-86	\$943,885	\$1,117,238	\$173,353	\$943,885	\$0
30-Jun-87	\$1,320,292	\$1,721,550	\$401,258	\$1,320,292	\$0
30-Jun-88	\$1,400,000	\$1,281,603	\$1,215	\$1,280,387	\$0
30-Jun-89	\$1,820,000	\$940,643	\$0	\$940,643	\$0
30-Jun-90	\$2,550,000	\$2,933,600	\$737,677	\$2,195,923	\$0
30-Jun-91	NA	\$1,678,638	\$211,935	\$1,466,703	\$0
30-Jun-92	NA	\$1,262,390	\$0	\$1,262,390	\$0
30-Jun-93	NA	\$11,507,315	\$9,750,000	\$1,757,315	\$0
30-Jun-94	NA	\$1,779,090	\$0	\$1,779,090	\$0
30-Jun-95	NA	\$2,704,051	\$589,108	\$2,114,943	\$0
30-Jun-96	NA	\$1,996,338	\$0	\$1,996,338	\$0
30-Jun-97	NA	\$2,374,715	\$0	\$2,374,715	\$0
30-Jun-98	NA	\$5,259,060	\$2,121,971	\$3,137,089	\$0
30-Jun-99	NA	\$2,262,382	\$18,620	\$2,243,762	\$0
30-Jun-00	NA	\$1,637,844	\$0	\$1,637,844	\$0
30-Jun-01	\$3,281,454	\$1,610,845	\$0	\$1,610,845	\$0
30-Jun-02	\$3,546,563	\$1,773,186	\$0	\$1,773,186	\$0
30-Jun-03	\$3,741,030	\$2,022,489	\$0	\$2,022,489	\$0
30-Jun-04	\$4,288,385	\$1,786,846	\$0	\$1,786,846	\$0
30-Jun-05	\$5,422,814	\$1,895,326	\$0	\$1,895,326	\$0
30-Jun-06	\$6,012,493	\$2,168,190	\$0	\$2,168,190	\$0
30-Jun-07	\$6,433,368	\$2,613,052	\$94,697	\$2,518,355	\$0
30-Jun-08	\$6,883,703	\$1,948,698	\$0	\$1,948,698	\$0
30-Jun-09	\$6,883,703	\$4,104,306	\$106,307	\$3,997,999	\$0
30-Jun-10	\$6,883,703	\$2,970,964	\$0	\$2,970,964	\$0
30-Jun-11	\$6,883,703	\$2,142,656	\$0	\$2,142,656	\$0
30-Jun-12	\$6,883,703	\$2,058,381	\$0	\$2,058,381	\$0
30-Jun-13	\$7,055,795	\$2,421,246	\$0	\$2,421,246	\$0
30-Jun-14	NA	\$3,365,622	\$0	\$3,365,622	\$0
30-Jun-15	NA	\$2,347,451	\$0	\$2,347,451	\$0
30-Jun-16	NA	\$2,493,658	\$0	\$2,493,658	\$0
30-Jun-17	NA	\$4,341,392	\$0	\$4,341,392	\$0
30-Jun-18	NA	\$2,707,087	\$0	\$2,707,087	\$0
30-Jun-19	NA	\$3,909,290	\$0	\$3,909,290	\$0
30-Jun-20	NA	\$3,575,871	\$322,973	\$3,252,899	\$0
30-Jun-21	NA	\$4,173,916	\$51,360	\$4,122,555	\$0
30-Jun-22	NA	\$5,630,475	\$133,628	\$5,496,847	\$0
30-Jun-23	NA	\$3,284,085	\$373,112	\$2,910,973	\$0
Total		\$106,505,041	\$15,243,067	\$91,261,974	\$0

Notes:

(2) : Provided by PIPNJ. For accident years ending 1985 to 1987 aggregate retention amounts have been set to equal the net incurred amounts.

(3) : Exhibit AIS-1, Sheet 2, Column (7)

(4) : Judgment based on Exhibit AIS-5, Sheet 1, judgment for the 1993 Jefferson case.

(5) : (3) - (4)

(6) : (5) - (2), limited to minimum of \$0

POOLED INSURANCE PROGRAM OF NEW JERSEY

Actuarial Analysis of Workers' Compensation Insurance Pool as of December 31, 2022

Projection of Ultimate Losses and ALAE Net of Salvage & Subrogation based upon Incurred Development

I. Incurred Losses plus Allocated Loss Adjustment Expenses (ALAE)

Table with 13 columns representing development periods (6, 12, 18, 24, 30, 36, 42, 48, 54, 60, 66, 72, 78, 84, 90) and rows for accident years from 30-Jun-85 to 31-Dec-22. Includes subtotals and values in bold and italics.

Values in italics are the average of the prior and subsequent evaluations. Values in BOLD italics reflect a one-time correction to the historic losses

II. Age-to-Age Incurred Development Factors

Table with 13 columns representing age-to-age periods (12/6 to 96/90) and rows for accident years from 30-Jun-85 to 30-Jun-22. Includes summary statistics like Average, Median, Weighted Avg, Std. Dev, Coef. of Var, Annual Trend, Selected, Cumulative, and Prior Selected.

POOLED INSURANCE PROGRAM OF NEW JERSEY

Actuarial Analysis of Workers' Compensation Insurance Pool as of December 31, 2022

Projection of Ultimate Losses and ALAE Net of Salvage & Subrogation based upon Incurred Developmen

I. Incurred Losses plus Allocated Loss Adjustment Expenses (ALAE):

Accident Year Ended	Development Period																
	366	372	378	384	390	396	402	408	414	420	426	432	438	444	450	456	462
30-Jun-85	703,225	703,225	703,225	703,225	703,225	703,514	703,552	703,552	703,552	703,552	703,552	703,552	703,551	703,551	703,551	703,551	703,551
30-Jun-86	1,122,630	1,122,630	1,123,010	1,123,010	1,123,010	1,123,010	1,123,010	1,123,010	1,123,010	1,123,010	1,123,010	1,123,010	1,123,010	1,123,010	1,123,010	1,117,238	1,117,238
30-Jun-87	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550		
30-Jun-88	1,281,602	1,281,602	1,281,602	1,281,602	1,281,602	1,281,602	1,281,602	1,281,603	1,281,603	1,281,603	1,281,603	1,281,603	1,281,603	1,281,603			
30-Jun-89	940,643	940,643	940,643	940,643	940,643	940,643	940,643	940,643	940,643								
30-Jun-90	2,891,932	2,899,608	2,906,187	2,913,863	2,924,828	2,931,407	2,933,600										
30-Jun-91	1,678,638	1,678,638	1,678,638	1,678,638	1,678,638												
30-Jun-92	1,262,390	1,262,390	1,262,390														
30-Jun-93	11,020,167																
30-Jun-94																	
30-Jun-95																	
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30-Jun-21																	
30-Jun-22																	
31-Dec-22																	

Values in italics are the average of the prior and subsequent evaluations. Values in BOLD italics reflect a one-time correction to the historic losses

II. Age-to-Age Incurred Development Factors

Accident Year Ended	Age-to-Age Period															Tail	
	372/366	378/372	384/378	390/384	396/390	402/396	408/402	414/408	420/414	426/420	432/426	438/432	444/438	450/444	456/450		462/456
30-Jun-85	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
30-Jun-86	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.995	1.000
30-Jun-87	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
30-Jun-88	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
30-Jun-89	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
30-Jun-90	1.003	1.002	1.003	1.004	1.002	1.001											
30-Jun-91	1.000	1.000	1.000	1.000													
30-Jun-92	1.000	1.000															
30-Jun-93																	
30-Jun-94																	
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Average - All	1.000	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.997	1.000	1.000	1.000	1.000
Average - 5 Yr.	1.001	1.000	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.997	1.000	1.000	1.000	1.000
Average - 3 Yr.	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.997	1.000	1.000	1.000	1.000
Avg Ex Hi/Low	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.997	1.000	1.000	1.000	1.000
Median	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.997	1.000	1.000	1.000	1.000
Weighted Avg.	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Std. Dev.	0.001	0.001	0.001	0.001	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.004	0.000			
Coef. of Var.	0.001	0.001	0.001	0.001	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.004	0.000			
Annual Trend	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	-0.005	0.000			
Selected	1.001	1.000	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	1.003	1.002	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Prior Selected	1.001	1.000	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Prior Cumulative	1.003	1.002	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

POOLED INSURANCE PROGRAM OF NEW JERSEY

Actuarial Analysis of Workers' Compensation Insurance Pool as of December 31, 2022

Projection of Ultimate Losses and ALAE Net of Salvage & Subrogation based upon Paid Development

Accident Year Ended	Development Period														
	96	102	108	114	120	126	132	138	144	150	156	162	168	174	180
I. Paid Losses plus Allocated Loss Adjustment Expenses (ALAE)															
30-Jun-85													607.307	602.570	
30-Jun-86												878.573	879.439	917.263	955.087
30-Jun-87												1,588.493	1,599.064	1,601.479	1,604.298
30-Jun-88												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-89												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-90												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-91												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-92												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-93												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-94												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-95												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-96												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-97												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-98												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-99												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-00												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-01												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-02												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-03												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-04												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-05												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-06												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-07												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-08												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-09												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-10												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-11												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-12												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-13												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-14												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-15												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-16												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-17												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-18												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-19												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-20												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-21												1,281.603	1,281.603	1,281.603	1,281.603
30-Jun-22												1,281.603	1,281.603	1,281.603	1,281.603
31-Dec-22												1,281.603	1,281.603	1,281.603	1,281.603

Values in italics are the average of the prior and subsequent evaluations. Values in BOLD italics reflect a one-time correction to the historic losses.

Accident Year Ended	Age-to-Age Period															
	102/96	108/102	114/108	120/114	126/120	132/126	138/132	144/138	150/144	156/150	162/156	168/162	174/168	180/174	186/180	
30-Jun-85														0.992	1.012	
30-Jun-86													1.001	1.043	1.041	
30-Jun-87													1.007	1.002	1.002	
30-Jun-88													1.000	1.000	1.000	
30-Jun-89													1.000	1.000	1.000	
30-Jun-90													1.000	1.000	1.000	
30-Jun-91													1.004	1.004	1.003	
30-Jun-92													1.011	1.017	1.010	
30-Jun-93													1.011	1.011	1.010	
30-Jun-94													1.011	1.011	1.010	
30-Jun-95													1.011	1.011	1.010	
30-Jun-96													1.011	1.011	1.010	
30-Jun-97													1.011	1.011	1.010	
30-Jun-98													1.011	1.011	1.010	
30-Jun-99													1.011	1.011	1.010	
30-Jun-00													1.011	1.011	1.010	
30-Jun-01													1.011	1.011	1.010	
30-Jun-02													1.011	1.011	1.010	
30-Jun-03													1.011	1.011	1.010	
30-Jun-04													1.011	1.011	1.010	
30-Jun-05													1.011	1.011	1.010	
30-Jun-06													1.011	1.011	1.010	
30-Jun-07													1.011	1.011	1.010	
30-Jun-08													1.011	1.011	1.010	
30-Jun-09													1.011	1.011	1.010	
30-Jun-10													1.011	1.011	1.010	
30-Jun-11													1.011	1.011	1.010	
30-Jun-12													1.011	1.011	1.010	
30-Jun-13													1.011	1.011	1.010	
30-Jun-14													1.011	1.011	1.010	
30-Jun-15													1.011	1.011	1.010	
30-Jun-16													1.011	1.011	1.010	
30-Jun-17													1.011	1.011	1.010	
30-Jun-18													1.011	1.011	1.010	
30-Jun-19													1.011	1.011	1.010	
30-Jun-20													1.011	1.011	1.010	
30-Jun-21													1.011	1.011	1.010	
30-Jun-22													1.011	1.011	1.010	

Average - All	1.009	1.010	1.010	1.005	1.008	1.007	1.011	1.005	1.007	1.003	1.003	1.002	1.005	1.008	1.002
Average - 5 Yr.	1.008	1.009	1.001	1.002	1.006	1.002	1.002	1.001	1.003	1.001	1.000	1.000	1.002	1.000	1.000
Average - 3 Yr.	1.005	1.006	1.000	1.001	1.009	1.001	1.004	1.001	1.001	1.001	1.000	1.000	1.004	1.000	1.000
Avg Ex Hi/Low	1.008	1.007	1.009	1.004	1.007	1.005	1.005	1.004	1.005	1.002	1.002	1.002	1.003	1.005	1.002
Median	1.007	1.004	1.001	1.002	1.002	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Weighted Avg.	1.010	1.008	1.010	1.005	1.008	1.007	1.010	1.005	1.006	1.003	1.003	1.003	1.004	1.010	1.002
Std. Dev.	0.010	0.017	0.014	0.008	0.011	0.011	0.028	0.012	0.016	0.005	0.006	0.003	0.010	0.024	0.004
Coef. of Var.	0.010	0.017	0.014	0.008	0.011	0.011	0.028	0.012	0.016	0.005	0.006	0.003	0.010	0.023	0.004
Annual Trend	0.000	0.000	-0.001	-0.001	-0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Selected	1.010	1.010	1.010	1.005	1.009	1.002	1.002	1.001	1.003	1.001	1.000	1.000	1.002	1.000	1.000
Cumulative	1.142	1.131	1.119	1.108	1.103	1.093	1.091	1.089	1.087	1.084	1.083	1.083	1.083	1.081	1.081
Prior Selected	1.012	1.010	1.011	1.005	1.009	1.002	1.005	1.001	1.003	1.001	1.000	1.000	1.002	1.000	1.000
Prior Cumulative	1.152	1.138	1.127	1.115	1.109	1.099	1.097	1.092	1.091	1.087	1.086	1.086	1.086	1.084	1.084

POOLED INSURANCE PROGRAM OF NEW JERSEY

Actuarial Analysis of Workers' Compensation Insurance Pool as of December 31, 2022

Projection of Ultimate Losses and ALAE Net of Salvage & Subrogation based upon Paid Development

Accident Year Ended	Development Period																
	366	372	378	384	390	396	402	408	414	420	426	432	438	444	450	456	462
30-Jun-85	703,225	703,225	703,225	703,225	703,225	703,514	703,552	703,552	703,552	703,552	703,552	703,552	703,551	703,551	703,551	703,551	703,551
30-Jun-86	1,117,069	1,117,069	1,117,238	1,117,238	1,117,238	1,117,238	1,117,238	1,117,238	1,117,238	1,117,238	1,117,238	1,117,238	1,117,238	1,117,238	1,117,238	1,117,238	1,117,238
30-Jun-87	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550	1,721,550
30-Jun-88	1,281,602	1,281,602	1,281,602	1,281,602	1,281,602	1,281,602	1,281,602	1,281,602	1,281,602	1,281,602	1,281,602	1,281,602	1,281,602	1,281,602	1,281,602	1,281,602	1,281,602
30-Jun-89	940,643	940,643	940,643	940,643	940,643	940,643	940,643	940,643	940,643	940,643	940,643	940,643	940,643	940,643	940,643	940,643	940,643
30-Jun-90	2,552,742	2,559,321	2,566,997	2,573,576	2,581,251	2,588,927	2,595,506										
30-Jun-91	1,620,361	1,625,939	1,632,446	1,638,024	1,644,531												
30-Jun-92	1,262,390	1,262,390	1,262,390														
30-Jun-93	5,821,876																
30-Jun-94																	
30-Jun-95																	
30-Jun-96																	
30-Jun-97																	
30-Jun-98																	
30-Jun-99																	
30-Jun-00																	
30-Jun-01																	
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30-Jun-17																	
30-Jun-18																	
30-Jun-19																	
30-Jun-20																	
30-Jun-21																	
30-Jun-22																	
31-Dec-22																	

Values in *italics* are the average of the prior and subsequent evaluations. Values in **BOLD italics** reflect a one-time correction to the historic losses.

Accident Year Ended	Age-to-Age Period															Tail	
	372/366	378/372	384/378	390/384	396/390	402/396	408/402	414/408	420/414	426/420	432/426	438/432	444/438	450/444	456/450		462/456
30-Jun-85	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
30-Jun-86	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
30-Jun-87	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
30-Jun-88	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
30-Jun-89	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
30-Jun-90	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
30-Jun-91	1.003	1.004	1.003	1.004													
30-Jun-92	1.000	1.000															
30-Jun-93																	
30-Jun-94																	
30-Jun-95																	
30-Jun-96																	
30-Jun-97																	
30-Jun-98																	
30-Jun-99																	
30-Jun-00																	
30-Jun-01																	
30-Jun-02																	
30-Jun-03																	
30-Jun-04																	
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30-Jun-16																	
30-Jun-17																	
30-Jun-18																	
30-Jun-19																	
30-Jun-20																	
30-Jun-21																	
30-Jun-22																	
Average - All	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average - 5 Yr.	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average - 3 Yr.	1.002	1.002	1.002	1.002	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Avg Ex Hi/Low	1.000	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Median	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Weighted Avg.	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Std. Dev.	0.001	0.002	0.001	0.002	0.001	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Coef. of Var.	0.001	0.002	0.001	0.002	0.001	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Annual Trend	0.000	0.000	0.001	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Selected	1.001	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.010
Cumulative	1.016	1.015	1.014	1.013	1.012	1.011	1.010	1.010	1.010	1.010	1.010	1.010	1.010	1.010	1.010	1.010	1.010
Prior Selected	1.001	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.010
Prior Cumulative	1.015	1.014	1.013	1.012	1.011	1.010	1.010	1.010	1.010	1.010	1.010	1.010	1.010	1.010	1.010	1.010	1.010

POOLED INSURANCE PROGRAM OF NEW JERSEY

Actuarial Analysis of Workers' Compensation Insurance Pools as of December 31, 2022

Ratio of Paid to Incurred Losses and ALAE (000's)

I. Paid Losses plus Allocated Loss Adjustment Expenses (ALAE)

Accident Year Ended	Development Period														
	96	102	108	114	120	126	132	138	144	150	156	162	168	174	180
30-Jun-85															
30-Jun-86															
30-Jun-87															
30-Jun-88															
30-Jun-89															
30-Jun-90															
30-Jun-91															
30-Jun-92															
30-Jun-93															
30-Jun-94															
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30-Jun-96															
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30-Jun-98															
30-Jun-99															
30-Jun-00															
30-Jun-01															
30-Jun-02															
30-Jun-03															
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30-Jun-13															
30-Jun-14															
30-Jun-15															
30-Jun-16															
30-Jun-17															
30-Jun-18															
30-Jun-19															
30-Jun-20															
30-Jun-21															
30-Jun-22															
31-Dec-22															

II. Incurred Losses plus Allocated Loss Adjustment Expenses (ALAE)

Accident Year Ended	Development Period														
	96	102	108	114	120	126	132	138	144	150	156	162	168	174	180
30-Jun-85															
30-Jun-86															
30-Jun-87															
30-Jun-88															
30-Jun-89															
30-Jun-90															
30-Jun-91															
30-Jun-92															
30-Jun-93															
30-Jun-94															
30-Jun-95															
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30-Jun-97															
30-Jun-98															
30-Jun-99															
30-Jun-00															
30-Jun-01															
30-Jun-02															
30-Jun-03															
30-Jun-04															
30-Jun-05															
30-Jun-06															
30-Jun-07															
30-Jun-08															
30-Jun-09															
30-Jun-10															
30-Jun-11															
30-Jun-12															
30-Jun-13															
30-Jun-14															
30-Jun-15															
30-Jun-16															
30-Jun-17															
30-Jun-18															
30-Jun-19															
30-Jun-20															
30-Jun-21															
30-Jun-22															
31-Dec-22															

III. Ratio of Paid to Incurred Losses plus ALAE

Accident Year Ended	Development Period														
	96	102	108	114	120	126	132	138	144	150	156	162	168	174	180
30-Jun-85															
30-Jun-86															
30-Jun-87															
30-Jun-88															
30-Jun-89															
30-Jun-90															
30-Jun-91															
30-Jun-92															
30-Jun-93															
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30-Jun-11															
30-Jun-12															
30-Jun-13															
30-Jun-14															
30-Jun-15															
30-Jun-16															
30-Jun-17															
30-Jun-18															
30-Jun-19															
30-Jun-20															
30-Jun-21															
30-Jun-22															
31-Dec-22															
Average*															
Wtd Avg*															
Std Dev*															

* Excludes accident year ending June 30, 1993 beginning at development period at 78 months.

