

Morris Essex Insurance Group
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2023
Westwood, New Jersey

MORRIS ESSEX INSURANCE GROUP
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JUNE 30, 2023

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INTRODUCTORY SECTION

Morris Essex Insurance Group

***Office of the
Executive Director
Phone (201) 664-0310
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***44 Bergen Street
PO Box 270
Westwood, NJ 07675***

March 4, 2024

Board of Trustees
Morris Essex Insurance Group
Westwood, New Jersey

Dear Board of Trustees:

The Annual Comprehensive Financial Report (“ACFR”) of the Morris Essex Insurance Group (the “Pool”) for the fiscal year ended June 30, 2023 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 Pool. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the basic financial statement and results of the operations of the Pool 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 Pool's financial affairs have been included.

The ACFR is presented in three sections: introductory, financial and statistical. The introductory section contains this transmittal letter, a list of the Pool's members, a list of the Pool's officers and an organizational chart. The financial section includes the Independent Auditors' Report, management's discussion and analysis, the basic financial statements and notes providing an overview of the Pool's financial position and operating results and supplementary schedules. 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 Pool. The statistical section includes selected data covering the last ten years that the Pool has been operational.

The Pool was formed under State statutes which authorize local government entities to pool resources to obtain low-cost insurance coverage. Specifically, the Pool is a public entity risk sharing pool in which school districts have joined together to administer a program of self funding and reinsurance to provide protection to members primarily in the area of workers' compensation coverage. Activities performed by the Pool include contracting for claims management, actuarial services, financial management and reporting, and general administration of the entity.

Financial Management and Control

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America and necessarily include amounts based upon reliable estimates and judgments. The Pool'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.

Board of Trustees
Morris Essex Insurance Group
Page 2
March 4, 2024

Internal Control Structure

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

The Pool'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 accounting principles generally accepted in the United States of America. 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 judgments by management. All internal control decisions are made within the above framework. Management believes that the Pool's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Investment Management

Pool investments are made in accordance with the Local Fiscal Affairs Law and the Pool's Cash and Investment Management Plan. Investments for the year were limited to deposits in banks covered by the Governmental Unit Depository Protection Act, money market accounts and deposits in the New Jersey Cash Management Fund, which is administered by the State of New Jersey's Division of Investments for the Pool. In planning and executing investments, the Pool emphasizes liquidity and safety. After these objectives are met, the Pool seeks to optimize investment income.

Independent Audit

Nisivoccia LLP, independent accountants, provides an independent, objective review of the fairness of the Pool'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 independent auditors' report is included in the financial section of this report.

Acknowledgments

Our sincere appreciation is expressed to the members of the Pool's Board of Trustees for the leadership they provided in the Pool's financial reporting.

Respectfully submitted,

Debra C. Ginetto

Debra C Ginetto, Executive Director

Jonathan Rheinhardt

Jonathan Rheinhardt, Treasurer

MORRIS ESSEX INSURANCE GROUP
ROSTER OF OFFICERS AND PROFESSIONALS
JUNE 30, 2023

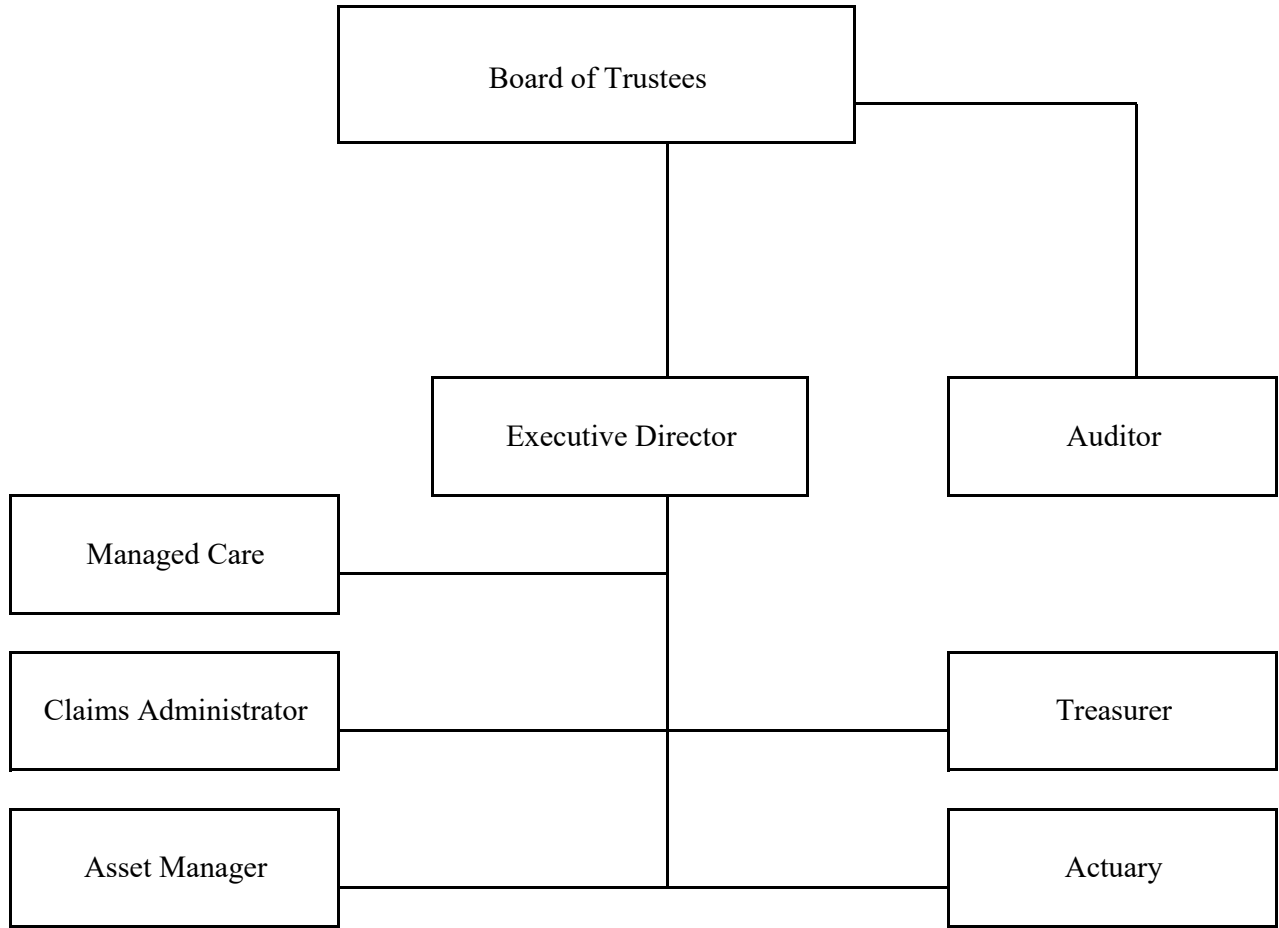
Members of the Board of Trustees

Melissa Kida, Chair	West Essex Regional Board of Education
Carolina Rodriguez, Vice Chair	Mine Hill Board of Education
Steven E. McHugh, Sr. Secretary	Mt. Arlington Board of Education
L.Douglas Pechanec, Trustee	West Morris Regional Board of Education
Catarina Bilotta, Trustee	Morris County Educational Services Commission
Vanessa Wolsky, Trustee	Hanover Township Board of Education
Michael Halik, Trustee	North Caldwell Board of Education

Debra C. Ginetto Burton Agency, Inc.	Executive Director
Jonathan Rheinhardt	Treasurer
Nisivoccia LLP	Auditor
O'Neil Consulting Services	Actuary
Inservco, Inc.	Claims Administrator, Safety Management
First MCO	Managed Care
John R. Tort, Jr.	Attorney
Willis	Broker

Morris Essex Insurance Group

ORGANIZATIONAL CHART



MORRIS ESSEX INSURANCE GROUP
MEMBERSHIP LISTING
JUNE 30, 2023

Member School District

Hanover Township Board of Education
 Morris County Educational Services Commission
 North Caldwell Board of Education
 Washington Township Board of Education
 West Morris Regional Board of Education
 West Essex Regional Board of Education
 Mine Hill Board of Education

Long Hill Board of Education
 Madison Board of Education
 Mount Arlington Board of Education
 Mountain Lakes Board of Education
 Roseland Board of Education
 Verona Board of Education
 Morris County School of Technology
 Dover Board of Education

Trustees

Vanessa Wolsky
 Catarina Bilotta
 Michael Halik
 Liz George
 L. Douglas Pechanec
 Melissa Kida
 Carolina Rodriguez

Representatives

Robbin Boehmer
 Danielle Mancuso
 Steven E. McHugh Sr.
 Alex Ferreira
 Deborah Muscara
 Jorge Cruz
 Michael Davison
 Raymond Slamb

FINANCIAL SECTION



Mount Arlington, NJ
 Newton, NJ
 Bridgewater, NJ
 973.298.8500
 nisivoccia.com
 Independent Member
 BKR International

Independent Auditors' Report

Board of Trustees
 Morris Essex Insurance Group
 Westwood, New Jersey

Report on the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of the Morris Essex Insurance Group (the "Pool") as of and for the fiscal years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Pool's basic financial statements as listed in the table of contents.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Pool as of June 30, 2023 and 2022 and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS), audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Pool, 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 opinions.

Matter Giving Rise to Qualified Opinion

As permitted by the Departments of Community Affairs and Banking and Insurance, State of New Jersey, we did not extend our audit to the reserve and underlying actuarial assumptions for Incurred But Not Reported ("IBNR") reserve amounts, since they are prepared by the Pool's actuary.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pool'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.

Board of Trustees
Morris Essex Insurance Group
Westwood, New Jersey
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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 GAAS, *Government Auditing Standards* and audit requirements prescribed by the Division 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 GAAS, *Government Auditing Standards* and audit requirements prescribed by the Division, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pool'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 Pool'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 the accompanying Comparative Reconciliation of Claims Liabilities by Fund and Ten-Year Claims Development Information Schedules be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, are 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 GAAS, 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.

Board of Trustees
Morris Essex Insurance Group
Westwood, New Jersey
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Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, supplementary data schedules and analyses, and the statistical section but does not include the 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 March 4, 2024 on our consideration of the Pool's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Pool's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Pool's internal control over financial reporting and compliance.

Mount Arlington, New Jersey
March 4, 2024

Nisivoccia LLP

Morris Essex Insurance Group Management's Discussion and Analysis

This section of the annual financial report of the Pool presents a discussion and analysis of the financial performance of the Pool for the fiscal years ended June 30, 2023 and June 30, 2022. 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 Pool'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 Pool is to administer a program of self funding and reinsurance to provide protection to members primarily in the area of workers' compensation coverage. The Pool internally 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 Pool'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 Pool'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, investing and non-capital financing activities. Cash collections and payments are reflected in this statement to arrive at the net increase or decrease in cash and cash equivalents for the fiscal year.

Financial Highlights

The following tables summarize the financial position and results of operations for the Pool as of and for the fiscal years ended June 30, 2023, 2022 and 2021.

Summary Statement of Net Position

	2023	2022	Increase/ (Decrease) 2022/2023	2021	Increase/ (Decrease) 2021/2022
Assets:					
Cash and Cash Equivalents	\$ 11,461,821	\$ 12,130,798	\$ (668,977)	\$ 12,008,711	\$ 122,087
Other Assets	187,940	2,843	185,097	15,855	(13,012)
Total Assets	11,649,761	12,133,641	(483,880)	12,024,566	109,075
Liabilities:					
Loss Reserves	3,683,676	3,964,524	(280,848)	3,043,649	920,875
Other Liabilities	621,167	674,575	(53,408)	371,283	303,292
Total Liabilities	4,304,843	4,639,099	(334,256)	3,414,932	1,224,167
Net Position - Unrestricted	\$ 7,344,918	\$ 7,494,542	\$ (149,624)	\$ 8,609,634	\$ (1,115,092)

Summary Statement of Revenue, Expenses, and Changes in Net Position

	2023	2022	Increase/ (Decrease) 2022/2023	2021	Increase/ (Decrease) 2021/2022
Operating Revenue:					
Assessments and Other Income	\$ 4,014,742	\$ 3,637,658	\$ 377,084	\$ 3,743,740	\$ (106,082)
Operating Expenses:					
Provision for Claims and Claim Adjustment Expense	1,204,657	1,647,331	(442,674)	787,922	859,409
Insurance Premiums	1,902,259	1,636,823	265,436	1,427,252	209,571
Professional and Contractual Services	430,213	431,598	(1,385)	388,579	43,019
Total Operating Expenses	3,537,129	3,715,752	(178,623)	2,603,753	1,111,999
Operating Income	477,613	(78,094)	555,707	1,139,987	(1,218,081)
Investment Income	348,350	77,732	270,618	71,420	6,312
Member Dividends	(975,587)	(1,114,730)	139,143	(1,081,748)	(32,982)
Change in Net Position	<u>\$ (149,624)</u>	<u>\$ (1,115,092)</u>	<u>\$ 965,468</u>	<u>\$ 129,659</u>	<u>\$ (1,244,751)</u>

Net Position decreased \$149,624 primarily due to the dividend declared and remitted to the members during the year.

Economic Conditions

The Pool will continue to monitor its claims and work with its members via the safety program to minimize the number and severity of claims.

Contacting the Pool's Financial Management

This financial report is designed to provide the Pool's members, oversight entities and creditors with a general overview of the Pool's finances and to demonstrate the Pool's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Executive Director's Office, 44 Bergen Street, PO Box 270, Westwood, New Jersey 07675.

BASIC FINANCIAL STATEMENTS

MORRIS ESSEX INSURANCE GROUP
STATEMENT OF NET POSITION

	June 30,	
	2023	2022
<u>ASSETS:</u>		
Current Assets:		
Cash and Cash Equivalents	\$ 11,461,821	\$ 12,130,798
Assessments Receivable	187,940	2,843
Total Assets	11,649,761	12,133,641
 <u>LIABILITIES:</u>		
Current Liabilities:		
Accounts Payable - Vendors	28,007	201,177
Accrued Expenses- Other Governments	70,000	70,000
Member Dividends	523,160	403,398
Loss Reserves	3,683,676	3,964,524
Total Liabilities	4,304,843	4,639,099
 <u>NET POSITION:</u>		
Unrestricted	7,344,918	7,494,542
Total Net Position	\$ 7,344,918	\$ 7,494,542

MORRIS ESSEX INSURANCE GROUP
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION

	Fiscal Year Ended June 30,	
	2023	2022
Operating Revenue:		
Assessments from Participating School Districts	\$ 4,014,742	\$ 3,637,658
Total Operating Revenue	<u>4,014,742</u>	<u>3,637,658</u>
Operating Expenses:		
Provisions for Claims and Claim Adjustment Expense	1,204,657	1,647,331
Insurance Premiums	1,902,259	1,636,823
Professional Fees & Administrative Expenses	241,440	235,677
Claims Administrative Fees	188,773	195,921
Total Operating Expenses	<u>3,537,129</u>	<u>3,715,752</u>
Operating Income/(Loss)	477,613	(78,094)
Non-Operating Revenue:		
Investment Income	<u>348,350</u>	<u>77,732</u>
Change in Net Position before Other Revenue, Expenses, Gains, Losses and Transfers	825,963	(362)
Member Dividends	<u>(975,587)</u>	<u>(1,114,730)</u>
Change in Net Position	(149,624)	(1,115,092)
Net Position - Beginning of Year	<u>7,494,542</u>	<u>8,609,634</u>
Net Position - End of Year	<u>\$ 7,344,918</u>	<u>\$ 7,494,542</u>

MORRIS ESSEX INSURANCE GROUP
STATEMENT OF CASH FLOWS

	Fiscal Year Ended June 30,	
	2023	2022
Cash Flows from Operating Activities:		
Assessments Collected	\$ 3,829,645	\$ 3,650,670
Insurance Premiums Paid	(1,902,259)	(1,636,823)
Claims Paid	(1,485,505)	(726,456)
General and Administrative Expenses Paid	(603,383)	(257,815)
Net Cash Provided by/(Used For) Operating Activities	<u>(161,502)</u>	<u>1,029,576</u>
Cash Flows from Investing Activities:		
Interest and Dividends on Investments	348,350	77,732
Net Cash Provided by Investing Activities	<u>348,350</u>	<u>77,732</u>
Cash Flows from Noncapital Financing Activities:		
Member Dividends	(855,825)	(985,221)
Net Cash Used for Noncapital Financing Activities	<u>(855,825)</u>	<u>(985,221)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(668,977)	122,087
Cash and Cash Equivalents - Beginning of Year	12,130,798	12,008,711
Cash and Cash Equivalents - End of Year	<u>\$ 11,461,821</u>	<u>\$ 12,130,798</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used For)		
Operating Activities:		
Operating Income/(Loss)	\$ 477,613	\$ (78,094)
Adjustments to Reconcile Operating Income		
to Net Cash Provided by/(Used For) Operating Activities:		
Changes in Assets and Liabilities:		
Decrease/(Increase) in Assessment Receivable	(185,097)	13,012
Increase/(Decrease) in Accounts Payable	(173,170)	173,783
Increase/(Decrease) in Loss Reserves	(280,848)	920,875
Net Cash Provided by/(Used For) Operating Activities	<u>\$ (161,502)</u>	<u>\$ 1,029,576</u>

MORRIS ESSEX INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1: NATURE OF OPERATIONS

The Morris Essex Insurance Group (the "Pool") was created on February 9, 1984, in accordance with P.L. 1983, C.1372, entitled "An act concerning joint insurance funds for local units of government, and supplementing Chapter 18B of Title 18A of the New Jersey statutes." The Pool is both an insured and self-administered workers' compensation liability pool established for the purpose of providing low-cost insurance coverage for the member school districts. At June 30, 2023, the Pool had 16 members.

The Board of Trustees or the participating school districts may amend or terminate the Pool by a two-thirds vote. Upon termination, the Pool shall pay to the participants all benefits and net position they are entitled to receive except for an amount set aside as a "Termination Reserve Fund". After all claims are satisfied, the remaining funds will also be distributed to the participants. Any New Jersey school board may apply in writing for membership provided it agrees to comply with the standards for membership as established by the Pool. A member may terminate participation in the Pool upon giving thirty days written notice to the Trustees or Administrator, however, the member shall remain liable for any unpaid assessments which shall have accrued prior to its termination.

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

The Executive Director/Administrator is responsible for the overall administration of the Pool. Fees paid to the Executive Director encompass all administrative duties. Accordingly, the Pool does not maintain any fixed assets or incur any payroll expense.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing government accounting and financial reporting principles. The more significant of the Pool's accounting policies are described below.

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: (1) 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. (2) The primary government, or its component units, is

MORRIS ESSEX INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(Continued)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Reporting Entity (Cont'd)

entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3). 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 Pool over which the Pool 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 Pool is not includable in any other reporting entity on the basis of such criteria.

Basis of Accounting

The Pool utilizes the accrual basis of accounting whereby revenue is recorded as earned and expenses are reflected as the liability is incurred. The Pool utilizes total economic resources as their measurement focus. Operating revenue, such as charges for services, result from exchange transactions associated with the principal activity of the Pool. Exchange transactions are those in which each party receives and gives up essentially equal value. Nonoperating revenue, such as subsidies and investment earnings, results from nonexchange transactions or ancillary activities. Nonexchange transactions, in which the Pool gives or receives value without directly receiving or giving equal value in exchange, generally do not occur, with the exception of investment earnings.

Investments

The Pool generally reports 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 transaction between market participant at the measurement date. The Pool 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 I 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.

Income Taxes

The Pool is a tax-exempt organization and not subject to either federal or state income taxes.

Assessments

The assessments of the participating school districts are determined and certified by the Trustees with assistance from the Pool's actuary.

The by-laws also provide that should the Trustees find the payments received by the Pool are deficient, based on an opinion from the Pool's Administrator, additional assessments may be levied.

Unpaid Claims Liabilities

The Pool 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

MORRIS ESSEX INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(Continued)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Unpaid Claims Liabilities (Cont'd)

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 workers compensation. Claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflect past inflation and on other factors that are considered to be appropriate modifiers of past experience. The Pool does not discount estimated claim liabilities. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made. Amounts shown as negative loss reserves in Note 3, if any, represent payments to the claims servicing agent in excess of claims paid and case reserves on the Pool's loss runs. These amounts, if any, are shown on the balance sheet as accounts receivable.

In accordance with practices prescribed or permitted by the Departments of Community Affairs and Banking and Insurance, State of New Jersey, the audit procedures were not extended to the underlying actuarial assumptions for Incurred But Not Reported (IBNR) Reserve amounts since they are prepared by the Pool's Actuary.

Reinsurance

The Pool uses reinsurance 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 Pool as direct insurer of the risks reinsured. The Pool does not report reinsured risks as liabilities unless it is probable that those risks will not be covered by reinsurers. Reinsurance premiums amounted to \$242,383 and \$254,689 for the years ended June 30, 2023 and 2022, respectively. There were no amounts deducted from claims liabilities for reinsurance for the years ended June 30, 2023 and 2022.

Management Estimates

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

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 June 30, 2023. This estimate is based on the estimated ultimate cost of settling the claims considering the historical experience of the Pool, various other industry statistics, including the effects of inflation and other societal or economic factors, and the Pool's self-insured retention level. 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. The unpaid losses are stated net of any recoveries from excess-loss insurance.

MORRIS ESSEX INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(Continued)

NOTE 3: LOSS RESERVES (Cont'd)

The Pool has created a loss reserve for any reported and potential unreported losses which have taken place but in which the Pool has not received notices or reports of losses. Loss reserves, at June 30, 2023 and 2022, which have been estimated by the Pool's Actuary and Servicing Agent, are as follows:

	<u>2023</u>	<u>2022</u>
Case Reserves	\$ 1,670,357	\$ 2,099,412
Imprest Account Reconciliation		
Losses Incurred but not Reported (Unaudited)	<u>2,013,319</u>	<u>1,865,112</u>
Total Loss Reserves	<u>\$ 3,683,676</u>	<u>\$ 3,964,524</u>

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

	<u>2023</u>	<u>2022</u>
Unpaid Claims and Claim Adjustment Expenses, Beginning of Year	<u>\$ 3,964,524</u>	<u>\$ 3,043,649</u>
Incurred Claims and Claim Adjustment Expenses:		
Provision for Insured Events of the Current Period	1,400,000	1,100,000
(Decrease)/Increase in Provision for Insured Events of Prior Years	<u>(195,343)</u>	<u>547,331</u>
Total Incurred Claims and Claim Adjustment Expenses	<u>1,204,657</u>	<u>1,647,331</u>
Payments:		
Claims and Claim Adjustment Expenses Attributable to Insured Events of the Current Period	419,586	125,381
Claims and Claim Adjustment Expenses Attributable to Insured Events of Prior Years	<u>1,065,919</u>	<u>601,075</u>
Total Payments	<u>1,485,505</u>	<u>726,456</u>
Total Unpaid Claims and Claim Adjustment Expenses, End of Year	<u>\$ 3,683,676</u>	<u>\$ 3,964,524</u>

A contingent liability exists with respect to reinsurance coverage which would become an actual liability in the event the reinsuring company might be unable to meet its obligations to the Pool under existing reinsurance agreements.

MORRIS ESSEX INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(Continued)

NOTE 4: CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents include petty cash, change funds, amounts in deposits, and short-term investments with original maturities of three months or less.

The Pool classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

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

Interest Rate Risk - In accordance with its cash management plan, the Pool ensures that any deposit or investment 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 Pool limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed below.

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

Deposits:

New Jersey statutes requires that the Pool deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. The Pool is also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

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

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit, and

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

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

Investments:

New Jersey statutes permit the Pool to purchase the following types of securities:

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;

MORRIS ESSEX INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
 (Continued)

NOTE 4: CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments (Cont'd):

- (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 obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units 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 Investment in the Department of the Treasury 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
- (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 of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of 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; or
- (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 that the investments are purchased through the State Division of Investment and are invested consistent with the rules and regulations of the State Investment Council.

MORRIS ESSEX INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(Continued)

NOTE 4: CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments (Cont'd):

As of June 30, 2023 and 2022, cash and cash equivalents of the Morris Essex Insurance Group consisted of the following:

	<u>2023</u>	<u>2022</u>
Checking	\$ 11,384,496	\$ 12,056,199
New Jersey Cash Management	<u>77,325</u>	<u>74,599</u>
	<u>\$ 11,461,821</u>	<u>\$ 12,130,798</u>

The carrying amount of the Pool's cash at June 30, 2023 was \$11,461,821 and the bank balance was \$11,998,420. The carrying amount of the Pool's cash at June 30, 2022 was \$12,130,798 and the bank balance was \$12,781,065. The New Jersey Cash Management funds are unregistered and uninsured.

NOTE 5: NET POSITION

The State of New Jersey has no statutory minimum net position requirements.

The pool has accumulated deficit net position accounts at June 30, 2023 as follows:

Fund Year 1992 – Worker's Compensation \$22,489.

Fund Year 2003 - Worker's Compensation \$37,971.

The Pool had a statutory basis accumulated deficit net position of \$21,758, \$27,080 for the Fund Years: 1992, 2003, respectively.

The Pool has no current plans to assess the membership to eliminate the deficit position.

NOTE 6: CONTINGENT LIABILITIES

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

NOTE 7: RELATIONSHIP WITH STATE SCHEDULES

The information in the Pool's financial statements differs from the State Schedules listed in the supplementary data section as Schedules A through F. Specifically, these unaudited Schedules present historical information from the inception of each fund year.

REQUIRED SUPPLEMENTARY INFORMATION

MORRIS ESSEX INSURANCE GROUP
RECONCILIATION OF CLAIMS LIABILITIES BY FUND
FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2023

	<u>Worker's Compensation</u>	
	<u>2023</u>	<u>2022</u>
Unpaid Claims and Claim Adjustment Expenses at Beginning of Year	<u>\$ 3,964,524</u>	<u>\$ 3,043,649</u>
Incurred Claims and Claim Adjustment Expenses:		
Provision for Insured Events of the Current Period	1,400,000	1,100,000
Increase/(Decrease) in Provision for Insured Events of Prior Years	<u>(195,343)</u>	<u>547,331</u>
Total Incurred Claims and Claim Adjustment Expenses	<u>1,204,657</u>	<u>1,647,331</u>
Payments:		
Claims and Claim Adjustment Expenses Attributable to Insured Events of the Current Period	419,586	125,381
Claims and Claim Adjustment Expenses Attributable to Insured Events of Prior Years	<u>1,065,919</u>	<u>601,075</u>
Total Payments	<u>1,485,505</u>	<u>726,456</u>
Total Unpaid Claims and Claim Adjustment Expenses at End of Year	<u>\$ 3,683,676</u>	<u>\$ 3,964,524</u>

MORRIS ESSEX INSURANCE GROUP
TEN-YEAR CLAIMS DEVELOPMENT INFORMATION

	Fiscal Period Ended June 30, 2023 and Policy Period Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Required contribution and investment revenue:										
Earned	\$ 3,138,642	\$ 3,374,104	\$ 3,511,832	\$ 3,422,552	\$ 3,723,140	\$ 3,778,513	\$ 3,878,470	\$ 3,777,844	\$ 3,665,119	\$ 4,049,573
Ceded	830,209	906,797	965,656	1,029,929	1,183,997	1,256,894	1,284,181	1,427,252	1,636,823	1,902,259
Net Earned	<u>2,308,433</u>	<u>2,467,307</u>	<u>2,546,176</u>	<u>2,392,623</u>	<u>2,539,143</u>	<u>2,521,619</u>	<u>2,594,289</u>	<u>2,350,592</u>	<u>2,028,296</u>	<u>2,147,314</u>
Unallocated expenses	<u>364,768</u>	<u>353,829</u>	<u>363,085</u>	<u>321,056</u>	<u>319,945</u>	<u>325,417</u>	<u>388,147</u>	<u>387,775</u>	<u>431,192</u>	<u>430,926</u>
Estimated claims and expenses, end of policy year										
Incurred	900,000	850,000	950,000	1,050,000	999,999	1,200,079	900,000	1,149,999	1,100,000	1,400,000
Ceded										
Net Incurred	<u>900,000</u>	<u>850,000</u>	<u>950,000</u>	<u>1,050,000</u>	<u>999,999</u>	<u>1,200,079</u>	<u>900,000</u>	<u>1,149,999</u>	<u>1,100,000</u>	<u>1,400,000</u>
Net paid (cumulative) as of:										
End of policy year	243,363	187,243	299,601	241,707	411,192	286,787	363,993	356,733	125,381	419,586
One year later	433,196	457,771	479,778	542,048	584,779	465,546	408,364	705,483	221,267	
Two years later	492,878	523,761	510,270	614,316	606,053	508,911	516,603	769,004		
Three years later	567,534	537,324	542,112	638,486	688,719	509,149	605,848			
Four years later	737,718	524,019	592,706	729,071	718,517	626,593				
Five years later	752,181	574,492	619,106	768,709	1,116,495					
Six years later	760,373	649,413	637,690	824,674						
Seven years later	777,114	652,026	646,191							
Eight years later	779,108	653,191								
Nine years later	784,920									
Reestimated ceded claims and expenses										
Reestimated net incurred claims and expenses:										
End of policy year	900,000	850,000	950,000	1,050,000	999,999	1,200,079	900,000	1,149,999	1,100,000	1,400,000
One year later	900,000	849,965	950,000	1,050,000	1,200,009	1,000,079	849,999	1,450,000	950,000	
Two years later	900,000	849,965	825,000	1,050,000	1,199,931	850,000	850,000	1,451,238		
Three years later	950,000	924,965	790,000	1,050,000	1,200,000	800,000	825,000			
Four years later	876,250	924,965	790,000	1,050,000	1,300,000	800,001				
Five years later	851,417	824,965	790,000	1,050,000	1,300,000					
Six years later	851,250	725,000	790,000	1,100,000						
Seven years later	850,000	825,000	825,000							
Eight years later	875,000	668,191								
Nine years later	874,999									
Increase/(decrease) in estimated net incurred claims and expense from end of policy year	<u>\$ (25,001)</u>	<u>\$ (181,809)</u>	<u>\$ (125,000)</u>	<u>\$ 50,000</u>	<u>\$ 300,001</u>	<u>\$ (400,078)</u>	<u>\$ (75,000)</u>	<u>\$ 301,239</u>	<u>\$ (150,000)</u>	<u>\$ -0-</u>

SUPPLEMENTARY DATA

Schedule A

MORRIS ESSEX INSURANCE GROUP
HISTORICAL OPERATING RESULTS ANALYSIS
FUND YEAR - 1985 TO 2023
JUNE 30, 2023
(Unaudited)

1. <u>Underwriting Income:</u>			
Regular Contributions (earned)	\$	73,851,411	
Supplemental Contributions		1,330,931	
Other Income (except investments)		12,091	
Total Income			\$ 75,194,433
2. <u>Incurred Liabilities:</u>			
<u>Claims:</u>			
Paid		24,805,425	
Case Reserves		1,670,357	
Imprest Account Reconciliation			
IBNR Reserve		2,013,319	
Subtotal			\$ 28,489,101
Less Excess Insurance:			
Received		347,014	
Receivable			
Recoverable			
Subtotal			347,014
Limited Incurred Claims (claims-excess)			28,142,087
<u>Expenses:</u>			
Excess Insurance Premiums		17,769,438	
Administrative		7,502,172	
Subtotal Expenses			25,271,610
<u>Total Incurred Liabilities (limited claims and expenses)</u>			<u>53,413,697</u>
3. <u>Underwriting Surplus/(Deficit) = 1-2</u>			21,780,736
4. <u>Investment Income (Earned)</u>			<u>4,504,517</u>
5. <u>Gross Operating Surplus/(Deficit) = 3+4</u>			26,285,253
6. <u>Return of Surplus:</u>			
Paid		18,417,175	
Authorized and Unpaid		523,160	
Subtotal Return of Surplus			<u>18,940,335</u>
7. <u>Net Current Surplus/(Deficit) = 5-6</u>			<u>\$ 7,344,918</u>

MORRIS ESSEX INSURANCE GROUP
HISTORICAL BALANCE SHEET
FUND YEAR - 1985 TO 2023
JUNE 30, 2023
(Unaudited)

1. <u>Assets:</u>			
Cash and Investments (1)	\$ 11,461,821		
		\$ 11,461,821	
<u>Receivables (1):</u>			
Excess Insurance			
Assessments	187,940		
Other			
Total Receivables		187,940	
Prepaid Expenses (1)			
Other Assets (1)			
<u>Total Assets</u>			\$ 11,649,761
2. <u>Liabilities:</u>			
<u>Claims:</u>			
Case Reserves	1,670,357		
Imprest Account Reconciliation			
IBNR Reserve (2)	2,013,319		
Subtotal Claims		3,683,676	
<u>Expenses (unpaid) (1):</u>			
Excess Insurance			
Administrative	98,007		
Subtotal Expenses		98,007	
<u>Other Liabilities:</u>			
Unearned Contributions			
Authorized Return of Surplus	523,160		
Miscellaneous (1)			
Subtotal		523,160	
<u>Total Liabilities</u>			4,304,843
NET CURRENT SURPLUS/(DEFICIT) = 1-2			\$ 7,344,918

Note: (1) Schedule attached itemizing these categories

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 1985

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>			
	Regular Contributions (earned)	\$	306,235	
	Supplemental Contributions		15,777	
	Other Income (except investments)		250	
	Total Income			\$ 322,262
2.	<u>Incurred Liabilities:</u>			
	<u>Claims:</u>			
	Paid		180,539	
	Case Reserves			
	Imprest Account			
	IBNR Reserve			
	Subtotal			\$ 180,539
	Less Excess Insurance:			
	Received			
	Receivable			
	Recoverable			
	Subtotal			
	Limited Incurred Claims (claims-excess)			180,539
	<u>Expenses:</u>			
	Excess Insurance Premiums		29,452	
	Administrative		34,769	
	Subtotal Expenses			64,221
	<u>Total Incurred Liabilities (limited claims and expenses)</u>			<u>244,760</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>			77,502
4.	<u>Investment Income (Earned)</u>			<u>30,448</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>			107,950
6.	<u>Return of Surplus:</u>			
	Paid		105,834	
	Authorized and Unpaid		2,106	
	Subtotal Return of Surplus			<u>107,940</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>			<u>\$ 10</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 1986

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>			
	Regular Contributions (earned)	\$	329,572	
	Supplemental Contributions		161,893	
	Other Income (except investments)		<u>8,513</u>	
	Total Income			\$ 499,978
2.	<u>Incurred Liabilities:</u>			
	<u>Claims:</u>			
	Paid		505,372	
	Case Reserves			
	Imprest Account			
	IBNR Reserve			
	Subtotal		<u>505,372</u>	
	Less Excess Insurance:			
	Received		247,021	
	Receivable			
	Recoverable			
	Subtotal		<u>247,021</u>	
	Limited Incurred Claims (claims-excess)			<u>258,351</u>
	<u>Expenses:</u>			
	Excess Insurance Premiums		34,108	
	Administrative		<u>38,428</u>	
	Subtotal Expenses		<u>72,536</u>	
	<u>Total Incurred Liabilities (limited claims and expenses)</u>			<u>330,887</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>			169,091
4.	<u>Investment Income (Earned)</u>			<u>88,178</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>			257,269
6.	<u>Return of Surplus:</u>			
	Paid		218,207	
	Authorized and Unpaid		<u>1,169</u>	
	Subtotal Return of Surplus			<u>219,376</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>			<u>\$ 37,893</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 1987

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>			
	Regular Contributions (earned)	\$	338,387	
	Supplemental Contributions			
	Other Income (except investments)		203	
	Total Income			\$ 338,590
2.	<u>Incurred Liabilities:</u>			
	<u>Claims:</u>			
	Paid		140,513	
	Case Reserves			
	Imprest Account			
	IBNR Reserve			
	Subtotal			\$ 140,513
	Less Excess Insurance:			
	Received			
	Receivable			
	Recoverable			
	Subtotal			
	Limited Incurred Claims (claims-excess)			140,513
	<u>Expenses:</u>			
	Excess Insurance Premiums		57,286	
	Administrative		42,552	
	Subtotal Expenses			99,838
	<u>Total Incurred Liabilities (limited claims and expenses)</u>			<u>240,351</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>			98,239
4.	<u>Investment Income (Earned)</u>			<u>77,360</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>			175,599
6.	<u>Return of Surplus:</u>			
	Paid		175,565	
	Authorized and Unpaid		31	
	Subtotal Return of Surplus			<u>175,596</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>			<u>\$ 3</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS
FUND YEAR - 1988
JUNE 30, 2023
(Unaudited)

1.	<u>Underwriting Income:</u>		
	Regular Contributions (earned)	\$ 355,774	
	Supplemental Contributions	9,657	
	Other Income (except investments)		
	Total Income		\$ 365,431
2.	<u>Incurred Liabilities:</u>		
	<u>Claims:</u>		
	Paid	251,743	
	Case Reserves		
	Imprest Account		
	IBNR Reserve		
	Subtotal		\$ 251,743
	Less Excess Insurance:		
	Received		
	Receivable		
	Recoverable		
	Subtotal		
	Limited Incurred Claims (claims-excess)		251,743
	<u>Expenses:</u>		
	Excess Insurance Premiums	50,500	
	Administrative	45,169	
	Subtotal Expenses		95,669
	<u>Total Incurred Liabilities (limited claims and expenses)</u>		<u>347,412</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>		18,019
4.	<u>Investment Income (Earned)</u>		<u>32,904</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>		50,923
6.	<u>Return of Surplus:</u>		
	Paid	50,917	
	Authorized and Unpaid	3	
	Subtotal Return of Surplus		<u>50,920</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>		<u>\$ 3</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 1989

JUNE 30, 2023

(Unaudited)

1. <u>Underwriting Income:</u>			
Regular Contributions (earned)	\$	456,450	
Supplemental Contributions		349,440	
Other Income (except investments)			
Total Income			\$ 805,890
2. <u>Incurred Liabilities:</u>			
<u>Claims:</u>			
Paid		850,270	
Case Reserves			
Imprest Account			
IBNR Reserve			
Subtotal			\$ 850,270
Less Excess Insurance:			
Received		99,993	
Receivable			
Recoverable			
Subtotal			99,993
Limited Incurred Claims (claims-excess)			750,277
<u>Expenses:</u>			
Excess Insurance Premiums		38,900	
Administrative		55,935	
Subtotal Expenses			94,835
<u>Total Incurred Liabilities (limited claims and expenses)</u>			845,112
3. <u>Underwriting Surplus/(Deficit) = 1-2</u>			(39,222)
4. <u>Investment Income (Earned)</u>			62,437
5. <u>Gross Operating Surplus/(Deficit) = 3+4</u>			23,215
6. <u>Return of Surplus:</u>			
Paid		23,215	
Authorized and Unpaid			
Subtotal Return of Surplus			23,215
7. <u>Net Current Surplus/(Deficit) = 5-6</u>			\$ -0-

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 1990

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>			
	Regular Contributions (earned)	\$	475,966	
	Supplemental Contributions		12,974	
	Other Income (except investments)			
	Total Income			\$ 488,940
2.	<u>Incurred Liabilities:</u>			
	<u>Claims:</u>			
	Paid		409,145	
	Case Reserves			
	Imprest Account			
	IBNR Reserve			
	Subtotal			\$ 409,145
	Less Excess Insurance:			
	Received			
	Receivable			
	Recoverable			
	Subtotal			
	Limited Incurred Claims (claims-excess)			409,145
	<u>Expenses:</u>			
	Excess Insurance Premiums		36,400	
	Administrative		53,310	
	Subtotal Expenses			89,710
	<u>Total Incurred Liabilities (limited claims and expenses)</u>			498,855
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>			(9,915)
4.	<u>Investment Income (Earned)</u>			67,943
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>			58,028
6.	<u>Return of Surplus:</u>			
	Paid		58,021	
	Authorized and Unpaid		4	
	Subtotal Return of Surplus			58,025
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>			\$ 3

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 1991

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>			
	Regular Contributions (earned)	\$	558,830	
	Supplemental Contributions		57,718	
	Other Income (except investments)			
	Total Income			\$ 616,548
2.	<u>Incurred Liabilities:</u>			
	<u>Claims:</u>			
	Paid		505,124	
	Case Reserves			
	Imprest Account			
	IBNR Reserve			
	Subtotal			\$ 505,124
	Less Excess Insurance:			
	Received			
	Receivable			
	Recoverable			
	Subtotal			
	Limited Incurred Claims (claims-excess)			505,124
	<u>Expenses:</u>			
	Excess Insurance Premiums		33,250	
	Administrative		53,655	
	Subtotal Expenses			86,905
	<u>Total Incurred Liabilities (limited claims and expenses)</u>			<u>592,029</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>			24,519
4.	<u>Investment Income (Earned)</u>			<u>63,662</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>			88,181
6.	<u>Return of Surplus:</u>			
	Paid		88,164	
	Authorized and Unpaid		10	
	Subtotal Return of Surplus			<u>88,174</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>			<u>\$ 7</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 1992

JUNE 30, 2023

(Unaudited)

1. <u>Underwriting Income:</u>			
Regular Contributions (earned)	\$	610,792	
Supplemental Contributions		89,381	
Other Income (except investments)			
Total Income			\$ 700,173
2. <u>Incurred Liabilities:</u>			
<u>Claims:</u>			
Paid		618,785	
Case Reserves		60,074	
Imprest Account			
IBNR Reserve		2,500	
Subtotal			\$ 681,359
Less Excess Insurance:			
Received			
Receivable			
Recoverable			
Subtotal			
Limited Incurred Claims (claims-excess)			681,359
<u>Expenses:</u>			
Excess Insurance Premiums		31,225	
Administrative		50,930	
Subtotal Expenses			82,155
<u>Total Incurred Liabilities (limited claims and expenses)</u>			763,514
3. <u>Underwriting Surplus/(Deficit) = 1-2</u>			(63,341)
4. <u>Investment Income (Earned)</u>			56,978
5. <u>Gross Operating Surplus/(Deficit) = 3+4</u>			(6,363)
6. <u>Return of Surplus:</u>			
Paid		15,097	
Authorized and Unpaid		298	
Subtotal Return of Surplus			15,395
7. <u>Net Current Surplus/(Deficit) = 5-6</u>			\$ (21,758)

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 1993

JUNE 30, 2023

(Unaudited)

1. <u>Underwriting Income:</u>			
Regular Contributions (earned)	\$	673,101	
Supplemental Contributions		218,843	
Other Income (except investments)			
Total Income			\$ 891,944
2. <u>Incurred Liabilities:</u>			
<u>Claims:</u>			
Paid		691,278	
Case Reserves			
Imprest Account			
IBNR Reserve			
Subtotal			\$ 691,278
Less Excess Insurance:			
Received			
Receivable			
Recoverable			
Subtotal			
Limited Incurred Claims (claims-excess)			691,278
<u>Expenses:</u>			
Excess Insurance Premiums		36,262	
Administrative		52,432	
Subtotal Expenses			88,694
<u>Total Incurred Liabilities (limited claims and expenses)</u>			779,972
3. <u>Underwriting Surplus/(Deficit) = 1-2</u>			111,972
4. <u>Investment Income (Earned)</u>			54,653
5. <u>Gross Operating Surplus/(Deficit) = 3+4</u>			166,625
6. <u>Return of Surplus:</u>			
Paid		166,600	
Authorized and Unpaid		14	
Subtotal Return of Surplus			166,614
7. <u>Net Current Surplus/(Deficit) = 5-6</u>			\$ 11

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 1994

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>			
	Regular Contributions (earned)	\$	965,362	
	Supplemental Contributions			
	Other Income (except investments)			
	Total Income			\$ 965,362
2.	<u>Incurred Liabilities:</u>			
	<u>Claims:</u>			
	Paid		421,547	
	Case Reserves			
	Imprest Account			
	IBNR Reserve			
	Subtotal			\$ 421,547
	Less Excess Insurance:			
	Received			
	Receivable			
	Recoverable			
	Subtotal			
	Limited Incurred Claims (claims-excess)			421,547
	<u>Expenses:</u>			
	Excess Insurance Premiums		40,208	
	Administrative		53,877	
	Subtotal Expenses			94,085
	<u>Total Incurred Liabilities (limited claims and expenses)</u>			515,632
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>			449,730
4.	<u>Investment Income (Earned)</u>			183,860
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>			633,590
6.	<u>Return of Surplus:</u>			
	Paid		633,544	
	Authorized and Unpaid		24	
	Subtotal Return of Surplus			633,568
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>			\$ 22

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 1995

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>		
	Regular Contributions (earned)	\$ 1,030,747	
	Supplemental Contributions		
	Other Income (except investments)		
	Total Income		\$ 1,030,747
2.	<u>Incurred Liabilities:</u>		
	<u>Claims:</u>		
	Paid	398,532	
	Case Reserves		
	Imprest Account		
	IBNR Reserve		
	Subtotal		\$ 398,532
	Less Excess Insurance:		
	Received		
	Receivable		
	Recoverable		
	Subtotal		
	Limited Incurred Claims (claims-excess)		398,532
	<u>Expenses:</u>		
	Excess Insurance Premiums		
	Administrative	90,187	
	Subtotal Expenses		90,187
	<u>Total Incurred Liabilities (limited claims and expenses)</u>		488,719
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>		542,028
4.	<u>Investment Income (Earned)</u>		294,670
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>		836,698
6.	<u>Return of Surplus:</u>		
	Paid	836,626	
	Authorized and Unpaid	38	
	Subtotal Return of Surplus		836,664
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>		\$ 34

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 1996

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>		
	Regular Contributions (earned)	\$ 1,247,462	
	Supplemental Contributions		
	Other Income (except investments)		
	Total Income		\$ 1,247,462
2.	<u>Incurred Liabilities:</u>		
	<u>Claims:</u>		
	Paid	595,079	
	Case Reserves		
	Imprest Account		
	IBNR Reserve		
	Subtotal		\$ 595,079
	Less Excess Insurance:		
	Received		
	Receivable		
	Recoverable		
	Subtotal		
	Limited Incurred Claims (claims-excess)		595,079
	<u>Expenses:</u>		
	Excess Insurance Premiums	34,547	
	Administrative	58,620	
	Subtotal Expenses		93,167
	<u>Total Incurred Liabilities (limited claims and expenses)</u>		688,246
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>		559,216
4.	<u>Investment Income (Earned)</u>		358,915
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>		918,131
6.	<u>Return of Surplus:</u>		
	Paid	915,950	
	Authorized and Unpaid	109	
	Subtotal Return of Surplus		916,059
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>		\$ 2,072

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 1997

JUNE 30, 2023

(Unaudited)

1. <u>Underwriting Income:</u>			
Regular Contributions (earned)	\$ 1,296,706		
Supplemental Contributions			
Other Income (except investments)			
Total Income			\$ 1,296,706
2. <u>Incurred Liabilities:</u>			
<u>Claims:</u>			
Paid	461,496		
Case Reserves			
Imprest Account			
IBNR Reserve			
Subtotal		\$ 461,496	
Less Excess Insurance:			
Received			
Receivable			
Recoverable			
Subtotal			
Limited Incurred Claims (claims-excess)		461,496	
<u>Expenses:</u>			
Excess Insurance Premiums	39,221		
Administrative	96,249		
Subtotal Expenses		135,470	
<u>Total Incurred Liabilities (limited claims and expenses)</u>			596,966
3. <u>Underwriting Surplus/(Deficit) = 1-2</u>			699,740
4. <u>Investment Income (Earned)</u>			253,070
5. <u>Gross Operating Surplus/(Deficit) = 3+4</u>			952,810
6. <u>Return of Surplus:</u>			
Paid	951,031		
Authorized and Unpaid	90		
Subtotal Return of Surplus		951,121	
7. <u>Net Current Surplus/(Deficit) = 5-6</u>			\$ 1,689

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 1998

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>		
	Regular Contributions (earned)	\$ 1,252,191	
	Supplemental Contributions	101,493	
	Other Income (except investments)		
	Total Income		\$ 1,353,684
2.	<u>Incurred Liabilities:</u>		
	<u>Claims:</u>		
	Paid	682,121	
	Case Reserves		
	Imprest Account		
	IBNR Reserve		
	Subtotal		\$ 682,121
	Less Excess Insurance:		
	Received		
	Receivable		
	Recoverable		
	Subtotal		
	Limited Incurred Claims (claims-excess)		682,121
	<u>Expenses:</u>		
	Excess Insurance Premiums	41,215	
	Administrative	104,763	
	Subtotal Expenses		145,978
	<u>Total Incurred Liabilities (limited claims and expenses)</u>		<u>828,099</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>		525,585
4.	<u>Investment Income (Earned)</u>		<u>316,800</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>		842,385
6.	<u>Return of Surplus:</u>		
	Paid	833,654	
	Authorized and Unpaid	389	
	Subtotal Return of Surplus		<u>834,043</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>		<u>\$ 8,342</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 1999

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>		
	Regular Contributions (earned)	\$ 1,181,598	
	Supplemental Contributions	27,958	
	Other Income (except investments)		
	Total Income		\$ 1,209,556
2.	<u>Incurred Liabilities:</u>		
	<u>Claims:</u>		
	Paid	551,946	
	Case Reserves		
	Imprest Account		
	IBNR Reserve		
	Subtotal		\$ 551,946
	Less Excess Insurance:		
	Received		
	Receivable		
	Recoverable		
	Subtotal		
	Limited Incurred Claims (claims-excess)		551,946
	<u>Expenses:</u>		
	Excess Insurance Premiums	43,452	
	Administrative	100,728	
	Subtotal Expenses		144,180
	<u>Total Incurred Liabilities (limited claims and expenses)</u>		696,126
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>		513,430
4.	<u>Investment Income (Earned)</u>		180,468
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>		693,898
6.	<u>Return of Surplus:</u>		
	Paid	658,481	
	Authorized and Unpaid	1,869	
	Subtotal Return of Surplus		660,350
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>		\$ 33,548

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2000

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>		
	Regular Contributions (earned)	\$ 1,183,247	
	Supplemental Contributions	3,644	
	Other Income (except investments)		
	Total Income		\$ 1,186,891
2.	<u>Incurred Liabilities:</u>		
	<u>Claims:</u>		
	Paid	547,794	
	Case Reserves		
	Imprest Account		
	IBNR Reserve		
	Subtotal		\$ 547,794
	Less Excess Insurance:		
	Received		
	Receivable		
	Recoverable		
	Subtotal		
	Limited Incurred Claims (claims-excess)		547,794
	<u>Expenses:</u>		
	Excess Insurance Premiums	44,524	
	Administrative	106,906	
	Subtotal Expenses		151,430
	<u>Total Incurred Liabilities (limited claims and expenses)</u>		<u>699,224</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>		487,667
4.	<u>Investment Income (Earned)</u>		<u>173,704</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>		661,371
6.	<u>Return of Surplus:</u>		
	Paid	640,415	
	Authorized and Unpaid	1,137	
	Subtotal Return of Surplus		<u>641,552</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>		<u>\$ 19,819</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2001

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>		
	Regular Contributions (earned)	\$ 1,175,003	
	Supplemental Contributions		
	Other Income (except investments)		
	Total Income		\$ 1,175,003
2.	<u>Incurred Liabilities:</u>		
	<u>Claims:</u>		
	Paid	312,416	
	Case Reserves		
	Imprest Account		
	IBNR Reserve		
	Subtotal		\$ 312,416
	Less Excess Insurance:		
	Received		
	Receivable		
	Recoverable		
	Subtotal		
	Limited Incurred Claims (claims-excess)		312,416
	<u>Expenses:</u>		
	Excess Insurance Premiums	48,668	
	Administrative	195,055	
	Subtotal Expenses		243,723
	<u>Total Incurred Liabilities (limited claims and expenses)</u>		556,139
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>		618,864
4.	<u>Investment Income (Earned)</u>		172,553
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>		791,417
6.	<u>Return of Surplus:</u>		
	Paid	779,228	
	Authorized and Unpaid	681	
	Subtotal Return of Surplus		779,909
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>		\$ 11,508

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2002

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>		
	Regular Contributions (earned)	\$ 1,210,637	
	Supplemental Contributions		
	Other Income (except investments)		
	Total Income		\$ 1,210,637
2.	<u>Incurred Liabilities:</u>		
	<u>Claims:</u>		
	Paid	632,304	
	Case Reserves		
	Imprest Account		
	IBNR Reserve		
	Subtotal		\$ 632,304
	Less Excess Insurance:		
	Received		
	Receivable		
	Recoverable		
	Subtotal		
	Limited Incurred Claims (claims-excess)		632,304
	<u>Expenses:</u>		
	Excess Insurance Premiums	68,189	
	Administrative	132,246	
	Subtotal Expenses		200,435
	<u>Total Incurred Liabilities (limited claims and expenses)</u>		832,739
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>		377,898
4.	<u>Investment Income (Earned)</u>		100,900
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>		478,798
6.	<u>Return of Surplus:</u>		
	Paid	459,674	
	Authorized and Unpaid	773	
	Subtotal Return of Surplus		460,447
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>		\$ 18,351

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2003

JUNE 30, 2023

(Unaudited)

1. <u>Underwriting Income:</u>			
Regular Contributions (earned)	\$ 1,301,636		
Supplemental Contributions			
Other Income (except investments)			
Total Income			\$ 1,301,636
2. <u>Incurred Liabilities:</u>			
<u>Claims:</u>			
Paid	640,110		
Case Reserves	50,722		
Imprest Account			
IBNR Reserve	(2,500)		
Subtotal		\$ 688,332	
Less Excess Insurance:			
Received			
Receivable			
Recoverable			
Subtotal			
Limited Incurred Claims (claims-excess)		688,332	
<u>Expenses:</u>			
Excess Insurance Premiums	144,910		
Administrative	137,155		
Subtotal Expenses		282,065	
<u>Total Incurred Liabilities (limited claims and expenses)</u>			970,397
3. <u>Underwriting Surplus/(Deficit) = 1-2</u>			331,239
4. <u>Investment Income (Earned)</u>			100,509
5. <u>Gross Operating Surplus/(Deficit) = 3+4</u>			431,748
6. <u>Return of Surplus:</u>			
Paid	458,664		
Authorized and Unpaid	164		
Subtotal Return of Surplus		458,828	
7. <u>Net Current Surplus/(Deficit) = 5-6</u>			\$ (27,080)

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2004

JUNE 30, 2023

(Unaudited)

1. <u>Underwriting Income:</u>			
Regular Contributions (earned)	\$ 1,417,951		
Supplemental Contributions	26,731		
Other Income (except investments)			
Total Income			\$ 1,444,682
2. <u>Incurred Liabilities:</u>			
<u>Claims:</u>			
Paid	1,003,906		
Case Reserves			
Imprest Account			
IBNR Reserve	(118,383)		
Subtotal		\$ 885,523	
Less Excess Insurance:			
Received			
Receivable			
Recoverable			
Subtotal			
Limited Incurred Claims (claims-excess)		885,523	
<u>Expenses:</u>			
Excess Insurance Premiums	172,021		
Administrative	143,137		
Subtotal Expenses		315,158	
<u>Total Incurred Liabilities (limited claims and expenses)</u>			<u>1,200,681</u>
3. <u>Underwriting Surplus/(Deficit) = 1-2</u>			244,001
4. <u>Investment Income (Earned)</u>			<u>76,346</u>
5. <u>Gross Operating Surplus/(Deficit) = 3+4</u>			320,347
6. <u>Return of Surplus:</u>			
Paid	186,541		
Authorized and Unpaid	646		
Subtotal Return of Surplus			<u>187,187</u>
7. <u>Net Current Surplus/(Deficit) = 5-6</u>			<u>\$ 133,160</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2005

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>			
	Regular Contributions (earned)	\$	1,463,891	
	Supplemental Contributions		72,366	
	Other Income (except investments)			
	Total Income			\$ 1,536,257
2.	<u>Incurred Liabilities:</u>			
	<u>Claims:</u>			
	Paid		1,092,637	
	Case Reserves			
	Imprest Account			
	IBNR Reserve		2,500	
	Subtotal			\$ 1,095,137
	Less Excess Insurance:			
	Received			
	Receivable			
	Recoverable			
	Subtotal			
	Limited Incurred Claims (claims-excess)			1,095,137
	<u>Expenses:</u>			
	Excess Insurance Premiums		164,260	
	Administrative		151,033	
	Subtotal Expenses			315,293
	<u>Total Incurred Liabilities (limited claims and expenses)</u>			<u>1,410,430</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>			125,827
4.	<u>Investment Income (Earned)</u>			<u>44,114</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>			169,941
6.	<u>Return of Surplus:</u>			
	Paid		151,570	
	Authorized and Unpaid		1,045	
	Subtotal Return of Surplus			<u>152,615</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>			<u>\$ 17,326</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2006

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>		
	Regular Contributions (earned)	\$ 1,740,803	
	Supplemental Contributions		
	Other Income (except investments)		
	Total Income		\$ 1,740,803
2.	<u>Incurred Liabilities:</u>		
	<u>Claims:</u>		
	Paid	543,811	
	Case Reserves		
	Imprest Account		
	IBNR Reserve	2,500	
	Subtotal		\$ 546,311
	Less Excess Insurance:		
	Received		
	Receivable		
	Recoverable		
	Subtotal		
	Limited Incurred Claims (claims-excess)		546,311
	<u>Expenses:</u>		
	Excess Insurance Premiums	162,854	
	Administrative	162,863	
	Subtotal Expenses		325,717
	<u>Total Incurred Liabilities (limited claims and expenses)</u>		<u>872,028</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>		868,775
4.	<u>Investment Income (Earned)</u>		<u>185,630</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>		1,054,405
6.	<u>Return of Surplus:</u>		
	Paid	1,005,625	
	Authorized and Unpaid	2,758	
	Subtotal Return of Surplus		<u>1,008,383</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>		<u>\$ 46,022</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2007

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>			
	Regular Contributions (earned)	\$	1,952,898	
	Supplemental Contributions			
	Other Income (except investments)			
	Total Income			\$ 1,952,898
2.	<u>Incurred Liabilities:</u>			
	<u>Claims:</u>			
	Paid		846,127	
	Case Reserves			
	Imprest Account			
	IBNR Reserve		2,500	
	Subtotal			\$ 848,627
	Less Excess Insurance:			
	Received			
	Receivable			
	Recoverable			
	Subtotal			
	Limited Incurred Claims (claims-excess)			848,627
	<u>Expenses:</u>			
	Excess Insurance Premiums		176,724	
	Administrative		171,249	
	Subtotal Expenses			347,973
	<u>Total Incurred Liabilities (limited claims and expenses)</u>			<u>1,196,600</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>			756,298
4.	<u>Investment Income (Earned)</u>			<u>125,742</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>			882,040
6.	<u>Return of Surplus:</u>			
	Paid		799,815	
	Authorized and Unpaid		4,449	
	Subtotal Return of Surplus			<u>804,264</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>			<u>\$ 77,776</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2008

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>			
	Regular Contributions (earned)	\$	1,969,623	
	Supplemental Contributions		30,003	
	Other Income (except investments)			
	Total Income			\$ 1,999,626
2.	<u>Incurred Liabilities:</u>			
	<u>Claims:</u>			
	Paid		957,392	
	Case Reserves		14,654	
	Imprest Account			
	IBNR Reserve		13,970	
	Subtotal			\$ 986,016
	Less Excess Insurance:			
	Received			
	Receivable			
	Recoverable			
	Subtotal			
	Limited Incurred Claims (claims-excess)			986,016
	<u>Expenses:</u>			
	Excess Insurance Premiums		209,826	
	Administrative		172,923	
	Subtotal Expenses			382,749
	<u>Total Incurred Liabilities (limited claims and expenses)</u>			<u>1,368,765</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>			630,861
4.	<u>Investment Income (Earned)</u>			<u>74,302</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>			705,163
6.	<u>Return of Surplus:</u>			
	Paid		600,759	
	Authorized and Unpaid		3,976	
	Subtotal Return of Surplus			<u>604,735</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>			<u>\$ 100,428</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2009

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>		
	Regular Contributions (earned)	\$ 2,577,324	
	Supplemental Contributions	70,836	
	Other Income (except investments)		
	Total Income		\$ 2,648,160
2.	<u>Incurred Liabilities:</u>		
	<u>Claims:</u>		
	Paid	1,125,179	
	Case Reserves		
	Imprest Account		
	IBNR Reserve	5,000	
	Subtotal		\$ 1,130,179
	Less Excess Insurance:		
	Received		
	Receivable		
	Recoverable		
	Subtotal		
	Limited Incurred Claims (claims-excess)		1,130,179
	<u>Expenses:</u>		
	Excess Insurance Premiums	634,703	
	Administrative	200,880	
	Subtotal Expenses		835,583
	<u>Total Incurred Liabilities (limited claims and expenses)</u>		<u>1,965,762</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>		682,398
4.	<u>Investment Income (Earned)</u>		<u>51,565</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>		733,963
6.	<u>Return of Surplus:</u>		
	Paid	606,524	
	Authorized and Unpaid	3,594	
	Subtotal Return of Surplus		<u>610,118</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>		<u>\$ 123,845</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2010

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>			
	Regular Contributions (earned)	\$	2,715,501	
	Supplemental Contributions		82,217	
	Other Income (except investments)			
	Total Income			\$ 2,797,718
2.	<u>Incurred Liabilities:</u>			
	<u>Claims:</u>			
	Paid		1,012,248	
	Case Reserves			
	Imprest Account			
	IBNR Reserve		5,000	
	Subtotal			\$ 1,017,248
	Less Excess Insurance:			
	Received			
	Receivable			
	Recoverable			
	Subtotal			
	Limited Incurred Claims (claims-excess)			1,017,248
	<u>Expenses:</u>			
	Excess Insurance Premiums		689,935	
	Administrative		320,763	
	Subtotal Expenses			1,010,698
	<u>Total Incurred Liabilities (limited claims and expenses)</u>			<u>2,027,946</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>			769,772
4.	<u>Investment Income (Earned)</u>			<u>52,524</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>			822,296
6.	<u>Return of Surplus:</u>			
	Paid		699,991	
	Authorized and Unpaid		4,358	
	Subtotal Return of Surplus			<u>704,349</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>			<u>\$ 117,947</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2011

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>		
	Regular Contributions (earned)	\$ 2,876,606	
	Supplemental Contributions		
	Other Income (except investments)		
	Total Income		\$ 2,876,606
2.	<u>Incurred Liabilities:</u>		
	<u>Claims:</u>		
	Paid	657,372	
	Case Reserves		
	Imprest Account		
	IBNR Reserve	5,000	
	Subtotal		\$ 662,372
	Less Excess Insurance:		
	Received		
	Receivable		
	Recoverable		
	Subtotal		
	Limited Incurred Claims (claims-excess)		662,372
	<u>Expenses:</u>		
	Excess Insurance Premiums	736,312	
	Administrative	325,531	
	Subtotal Expenses		1,061,843
	<u>Total Incurred Liabilities (limited claims and expenses)</u>		<u>1,724,215</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>		1,152,391
4.	<u>Investment Income (Earned)</u>		<u>90,303</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>		1,242,694
6.	<u>Return of Surplus:</u>		
	Paid	994,314	
	Authorized and Unpaid	7,851	
	Subtotal Return of Surplus		<u>1,002,165</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>		<u>\$ 240,529</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2012

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>			
	Regular Contributions (earned)	\$ 2,822,785		
	Supplemental Contributions			
	Other Income (except investments)			
	Total Income			\$ 2,822,785
2.	<u>Incurred Liabilities:</u>			
	<u>Claims:</u>			
	Paid	794,192		
	Case Reserves	83,479		
	Imprest Account			
	IBNR Reserve	15,000		
	Subtotal		\$ 892,671	
	Less Excess Insurance:			
	Received			
	Receivable			
	Recoverable			
	Subtotal			
	Limited Incurred Claims (claims-excess)		892,671	
	<u>Expenses:</u>			
	Excess Insurance Premiums	753,914		
	Administrative	328,194		
	Subtotal Expenses		1,082,108	
	<u>Total Incurred Liabilities (limited claims and expenses)</u>			1,974,779
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>			848,006
4.	<u>Investment Income (Earned)</u>			78,482
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>			926,488
6.	<u>Return of Surplus:</u>			
	Paid	875,975		
	Authorized and Unpaid	6,032		
	Subtotal Return of Surplus		882,007	
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>			\$ 44,481

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2013

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>		
	Regular Contributions (earned)	\$ 2,999,683	
	Supplemental Contributions		
	Other Income (except investments)		
	Total Income		\$ 2,999,683
2.	<u>Incurred Liabilities:</u>		
	<u>Claims:</u>		
	Paid	708,678	
	Case Reserves		
	Imprest Account		
	IBNR Reserve	15,000	
	Subtotal		\$ 723,678
	Less Excess Insurance:		
	Received		
	Receivable		
	Recoverable		
	Subtotal		
	Limited Incurred Claims (claims-excess)		723,678
	<u>Expenses:</u>		
	Excess Insurance Premiums	792,575	
	Administrative	336,493	
	Subtotal Expenses		1,129,068
	<u>Total Incurred Liabilities (limited claims and expenses)</u>		<u>1,852,746</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>		1,146,937
4.	<u>Investment Income (Earned)</u>		<u>100,358</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>		1,247,295
6.	<u>Return of Surplus:</u>		
	Paid	897,848	
	Authorized and Unpaid	52,928	
	Subtotal Return of Surplus		<u>950,776</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>		<u>\$ 296,519</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2014

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>			
	Regular Contributions (earned)	\$	3,040,880	
	Supplemental Contributions			
	Other Income (except investments)		1,250	
	Total Income			\$ 3,042,130
2.	<u>Incurred Liabilities:</u>			
	<u>Claims:</u>			
	Paid		784,920	
	Case Reserves		45,077	
	Imprest Account			
	IBNR Reserve		45,002	
	Subtotal			\$ 874,999
	Less Excess Insurance:			
	Received			
	Receivable			
	Recoverable			
	Subtotal			
	Limited Incurred Claims (claims-excess)			874,999
	<u>Expenses:</u>			
	Excess Insurance Premiums		830,209	
	Administrative		364,768	
	Subtotal Expenses			1,194,977
	<u>Total Incurred Liabilities (limited claims and expenses)</u>			<u>2,069,976</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>			972,154
4.	<u>Investment Income (Earned)</u>			<u>97,762</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>			1,069,916
6.	<u>Return of Surplus:</u>			
	Paid		726,587	
	Authorized and Unpaid		51,277	
	Subtotal Return of Surplus			<u>777,864</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>			<u>\$ 292,052</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2015

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>			
	Regular Contributions (earned)	\$	3,242,193	
	Supplemental Contributions			
	Other Income (except investments)			
	Total Income			\$ 3,242,193
2.	<u>Incurred Liabilities:</u>			
	<u>Claims:</u>			
	Paid		653,191	
	Case Reserves			
	Imprest Account			
	IBNR Reserve		15,000	
	Subtotal			\$ 668,191
	Less Excess Insurance:			
	Received			
	Receivable			
	Recoverable			
	Subtotal			
	Limited Incurred Claims (claims-excess)			668,191
	<u>Expenses:</u>			
	Excess Insurance Premiums		906,797	
	Administrative		353,829	
	Subtotal Expenses			1,260,626
	<u>Total Incurred Liabilities (limited claims and expenses)</u>			<u>1,928,817</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>			1,313,376
4.	<u>Investment Income (Earned)</u>			<u>131,911</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>			1,445,287
6.	<u>Return of Surplus:</u>			
	Paid		785,619	
	Authorized and Unpaid		56,959	
	Subtotal Return of Surplus			<u>842,578</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>			<u>\$ 602,709</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2016

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>			
	Regular Contributions (earned)	\$	3,356,514	
	Supplemental Contributions			
	Other Income (except investments)		1,875	
	Total Income			\$ 3,358,389
2.	<u>Incurred Liabilities:</u>			
	<u>Claims:</u>			
	Paid		646,191	
	Case Reserves		64,592	
	Imprest Account			
	IBNR Reserve		114,217	
	Subtotal			\$ 825,000
	Less Excess Insurance:			
	Received			
	Receivable			
	Recoverable			
	Subtotal			
	Limited Incurred Claims (claims-excess)			825,000
	<u>Expenses:</u>			
	Excess Insurance Premiums		965,656	
	Administrative		363,085	
	Subtotal Expenses			1,328,741
	<u>Total Incurred Liabilities (limited claims and expenses)</u>			<u>2,153,741</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>			1,204,648
4.	<u>Investment Income (Earned)</u>			<u>155,318</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>			1,359,966
6.	<u>Return of Surplus:</u>			
	Paid		760,969	
	Authorized and Unpaid		58,637	
	Subtotal Return of Surplus			<u>819,606</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>			<u>\$ 540,360</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2017

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>		
	Regular Contributions (earned)	\$ 3,294,574	
	Supplemental Contributions		
	Other Income (except investments)		
	Total Income		\$ 3,294,574
2.	<u>Incurred Liabilities:</u>		
	<u>Claims:</u>		
	Paid	824,674	
	Case Reserves	177,958	
	Imprest Account		
	IBNR Reserve	97,368	
	Subtotal		\$ 1,100,000
	Less Excess Insurance:		
	Received		
	Receivable		
	Recoverable		
	Subtotal		
	Limited Incurred Claims (claims-excess)		1,100,000
	<u>Expenses:</u>		
	Excess Insurance Premiums	1,029,929	
	Administrative	321,056	
	Subtotal Expenses		1,350,985
	<u>Total Incurred Liabilities (limited claims and expenses)</u>		<u>2,450,985</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>		843,589
4.	<u>Investment Income (Earned)</u>		<u>127,978</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>		971,567
6.	<u>Return of Surplus:</u>		
	Paid	480,565	
	Authorized and Unpaid	39,333	
	Subtotal Return of Surplus		<u>519,898</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>		<u>\$ 451,669</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2018

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>		
	Regular Contributions (earned)	\$ 3,597,186	
	Supplemental Contributions		
	Other Income (except investments)		
	Total Income		\$ 3,597,186
2.	<u>Incurred Liabilities:</u>		
	<u>Claims:</u>		
	Paid	1,116,495	
	Case Reserves	90,783	
	Imprest Account		
	IBNR Reserve	92,722	
	Subtotal		\$ 1,300,000
	Less Excess Insurance:		
	Received		
	Receivable		
	Recoverable		
	Subtotal		
	Limited Incurred Claims (claims-excess)		1,300,000
	<u>Expenses:</u>		
	Excess Insurance Premiums	1,183,997	
	Administrative	319,945	
	Subtotal Expenses		1,503,942
	<u>Total Incurred Liabilities (limited claims and expenses)</u>		<u>2,803,942</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>		793,244
4.	<u>Investment Income (Earned)</u>		<u>125,954</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>		919,198
6.	<u>Return of Surplus:</u>		
	Paid	327,778	
	Authorized and Unpaid	76,096	
	Subtotal Return of Surplus		<u>403,874</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>		<u>\$ 515,324</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2019

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>		
	Regular Contributions (earned)	\$ 3,656,258	
	Supplemental Contributions		
	Other Income (except investments)		
	Total Income		\$ 3,656,258
2.	<u>Incurred Liabilities:</u>		
	<u>Claims:</u>		
	Paid	626,593	
	Case Reserves	45,241	
	Imprest Account		
	IBNR Reserve	128,167	
	Subtotal		\$ 800,001
	Less Excess Insurance:		
	Received		
	Receivable		
	Recoverable		
	Subtotal		
	Limited Incurred Claims (claims-excess)		800,001
	<u>Expenses:</u>		
	Excess Insurance Premiums	1,256,894	
	Administrative	325,417	
	Subtotal Expenses		1,582,311
	<u>Total Incurred Liabilities (limited claims and expenses)</u>		<u>2,382,312</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>		1,273,946
4.	<u>Investment Income (Earned)</u>		<u>122,255</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>		1,396,201
6.	<u>Return of Surplus:</u>		
	Paid	372,317	
	Authorized and Unpaid	24,550	
	Subtotal Return of Surplus		<u>396,867</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>		<u>\$ 999,334</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2020

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>		
	Regular Contributions (earned)	\$ 3,780,905	
	Supplemental Contributions		
	Other Income (except investments)		
	Total Income		\$ 3,780,905
2.	<u>Incurred Liabilities:</u>		
	<u>Claims:</u>		
	Paid	605,848	
	Case Reserves	56,407	
	Imprest Account		
	IBNR Reserve	162,745	
	Subtotal		\$ 825,000
	Less Excess Insurance:		
	Received		
	Receivable		
	Recoverable		
	Subtotal		
	Limited Incurred Claims (claims-excess)		825,000
	<u>Expenses:</u>		
	Excess Insurance Premiums	1,284,181	
	Administrative	388,147	
	Subtotal Expenses		1,672,328
	<u>Total Incurred Liabilities (limited claims and expenses)</u>		<u>2,497,328</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>		1,283,577
4.	<u>Investment Income (Earned)</u>		<u>97,565</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>		1,381,142
6.	<u>Return of Surplus:</u>		
	Paid	75,491	
	Authorized and Unpaid	119,762	
	Subtotal Return of Surplus		<u>195,253</u>
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>		<u>\$ 1,185,889</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2021

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>		
	Regular Contributions (earned)	\$ 3,743,740	
	Supplemental Contributions		
	Other Income (except investments)		
	Total Income		\$ 3,743,740
2.	<u>Incurred Liabilities:</u>		
	<u>Claims:</u>		
	Paid	769,004	
	Case Reserves	366,997	
	Imprest Account		
	IBNR Reserve	315,237	
	Subtotal		\$ 1,451,238
	Less Excess Insurance:		
	Received		
	Receivable		
	Recoverable		
	Subtotal		
	Limited Incurred Claims (claims-excess)		1,451,238
	<u>Expenses:</u>		
	Excess Insurance Premiums	1,427,252	
	Administrative	387,775	
	Subtotal Expenses		1,815,027
	<u>Total Incurred Liabilities (limited claims and expenses)</u>		<u>3,266,265</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>		477,475
4.	<u>Investment Income (Earned)</u>		<u>34,104</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>		511,579
6.	<u>Return of Surplus:</u>		
	Paid		
	Authorized and Unpaid		
	Subtotal Return of Surplus		
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>		<u>\$ 511,579</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2022

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>			
	Regular Contributions (earned)	\$ 3,637,658		
	Supplemental Contributions			
	Other Income (except investments)			
	Total Income			\$ 3,637,658
2.	<u>Incurred Liabilities:</u>			
	<u>Claims:</u>			
	Paid	221,267		
	Case Reserves	108,531		
	Imprest Account			
	IBNR Reserve	620,202		
	Subtotal		\$ 950,000	
	Less Excess Insurance:			
	Received			
	Receivable			
	Recoverable			
	Subtotal			
	Limited Incurred Claims (claims-excess)		950,000	
	<u>Expenses:</u>			
	Excess Insurance Premiums	1,636,823		
	Administrative	431,192		
	Subtotal Expenses		2,068,015	
	<u>Total Incurred Liabilities (limited claims and expenses)</u>			3,018,015
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>			619,643
4.	<u>Investment Income (Earned)</u>			27,461
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>			647,104
6.	<u>Return of Surplus:</u>			
	Paid			
	Authorized and Unpaid			
	Subtotal Return of Surplus			
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>			\$ 647,104

MORRIS ESSEX INSURANCE GROUP
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2023

JUNE 30, 2023

(Unaudited)

1.	<u>Underwriting Income:</u>			
	Regular Contributions (earned)	\$	4,014,742	
	Supplemental Contributions			
	Other Income (except investments)			
	Total Income			\$ 4,014,742
2.	<u>Incurred Liabilities:</u>			
	<u>Claims:</u>			
	Paid	419,586		
	Case Reserves	505,842		
	Imprest Account			
	IBNR Reserve	474,572		
	Subtotal			\$ 1,400,000
	Less Excess Insurance:			
	Received			
	Receivable			
	Recoverable			
	Subtotal			
	Limited Incurred Claims (claims-excess)			1,400,000
	<u>Expenses:</u>			
	Excess Insurance Premiums	1,902,259		
	Administrative	430,926		
	Subtotal Expenses			2,333,185
	<u>Total Incurred Liabilities (limited claims and expenses)</u>			<u>3,733,185</u>
3.	<u>Underwriting Surplus/(Deficit) = 1-2</u>			281,557
4.	<u>Investment Income (Earned)</u>			<u>34,831</u>
5.	<u>Gross Operating Surplus/(Deficit) = 3+4</u>			316,388
6.	<u>Return of Surplus:</u>			
	Paid			
	Authorized and Unpaid			
	Subtotal Return of Surplus			
7.	<u>Net Current Surplus/(Deficit) = 5-6</u>			<u>\$ 316,388</u>

Schedule D

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 1985

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 306,235		\$ 306,235
Supplemental Contributions	15,777		15,777
Other Income (except investments)	250		250
Total Income	<u>322,262</u>		<u>322,262</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	180,539		180,539
Expenses	29,452	\$ 34,769	64,221
Total Liabilities	<u>209,991</u>	<u>34,769</u>	<u>244,760</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>112,271</u>	<u>(34,769)</u>	<u>77,502</u>
4. <u>Adjustments</u>			
Investment Income	731	29,717	30,448
Transfers	(6,370)	6,370	
Total Adjustments	<u>(5,639)</u>	<u>36,087</u>	<u>30,448</u>
5. Gross Operating Surplus	<u>106,632</u>	<u>1,318</u>	<u>107,950</u>
6. Return of Surplus	<u>106,632</u>	<u>1,308</u>	<u>107,940</u>
7. Net Current Surplus	<u>\$ -0-</u>	<u>\$ 10</u>	<u>\$ 10</u>

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MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 1986

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 329,572		\$ 329,572
Supplemental Contributions	161,893		161,893
Other Income (except investments)	8,513		8,513
Total Income	<u>499,978</u>		<u>499,978</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	258,351		258,351
Expenses	34,108	\$ 38,428	72,536
Total Liabilities	<u>292,459</u>	<u>38,428</u>	<u>330,887</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>207,519</u>	<u>(38,428)</u>	<u>169,091</u>
4. <u>Adjustments</u>			
Investment Income	34,050	54,128	88,178
Transfers	(4,597)	4,597	
Total Adjustments	<u>29,453</u>	<u>58,725</u>	<u>88,178</u>
5. Gross Operating Surplus	<u>236,972</u>	<u>20,297</u>	<u>257,269</u>
6. Return of Surplus	<u>199,079</u>	<u>20,297</u>	<u>219,376</u>
7. Net Current Surplus	<u>\$ 37,893</u>	<u>\$ -0-</u>	<u>\$ 37,893</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 1987

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 338,387		\$ 338,387
Supplemental Contributions			
Other Income (except investments)	203		203
Total Income	<u>338,590</u>		<u>338,590</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	140,513		140,513
Expenses	57,286	\$ 42,552	99,838
Total Liabilities	<u>197,799</u>	<u>42,552</u>	<u>240,351</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>140,791</u>	<u>(42,552)</u>	<u>98,239</u>
4. <u>Adjustments</u>			
Investment Income	17	77,343	77,360
Transfers	33,246	(33,246)	
Total Adjustments	<u>33,263</u>	<u>44,097</u>	<u>77,360</u>
5. Gross Operating Surplus	<u>174,054</u>	<u>1,545</u>	<u>175,599</u>
6. Return of Surplus	<u>174,054</u>	<u>1,542</u>	<u>175,596</u>
7. Net Current Surplus	<u>\$ -0-</u>	<u>\$ 3</u>	<u>\$ 3</u>

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MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 1988

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 355,774		\$ 355,774
Supplemental Contributions	9,657		9,657
Other Income (except investments)			
Total Income	<u>365,431</u>		<u>365,431</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	251,743		251,743
Expenses	50,500	\$ 45,169	95,669
Total Liabilities	<u>302,243</u>	<u>45,169</u>	<u>347,412</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>63,188</u>	<u>(45,169)</u>	<u>18,019</u>
4. <u>Adjustments</u>			
Investment Income	17	32,887	32,904
Transfers	(12,547)	12,547	
Total Adjustments	<u>(12,530)</u>	<u>45,434</u>	<u>32,904</u>
5. Gross Operating Surplus	<u>50,658</u>	<u>265</u>	<u>50,923</u>
6. Return of Surplus	<u>50,658</u>	<u>262</u>	<u>50,920</u>
7. Net Current Surplus	<u>\$ -0-</u>	<u>\$ 3</u>	<u>\$ 3</u>

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MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 1989

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 456,450		\$ 456,450
Supplemental Contributions	349,427	\$ 13	349,440
Other Income (except investments)			
Total Income	<u>805,877</u>	<u>13</u>	<u>805,890</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	750,277		750,277
Expenses	38,900	55,935	94,835
Total Liabilities	<u>789,177</u>	<u>55,935</u>	<u>845,112</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>16,700</u>	<u>(55,922)</u>	<u>(39,222)</u>
4. <u>Adjustments</u>			
Investment Income		62,437	62,437
Transfers	7,382	(7,382)	
Total Adjustments	<u>7,382</u>	<u>55,055</u>	<u>62,437</u>
5. Gross Operating Surplus	<u>24,082</u>	<u>(867)</u>	<u>23,215</u>
6. Return of Surplus	<u>24,082</u>	<u>(867)</u>	<u>23,215</u>
7. Net Current Surplus	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

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MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 1990

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 475,966		\$ 475,966
Supplemental Contributions	12,974		12,974
Other Income (except investments)			
Total Income	<u>488,940</u>		<u>488,940</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	409,145		409,145
Expenses	36,400	\$ 53,310	89,710
Total Liabilities	<u>445,545</u>	<u>53,310</u>	<u>498,855</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>43,395</u>	<u>(53,310)</u>	<u>(9,915)</u>
4. <u>Adjustments</u>			
Investment Income	17	67,926	67,943
Transfers	12,910	(12,910)	
Total Adjustments	<u>12,927</u>	<u>55,016</u>	<u>67,943</u>
5. Gross Operating Surplus	<u>56,322</u>	<u>1,706</u>	<u>58,028</u>
6. Return of Surplus	<u>56,322</u>	<u>1,703</u>	<u>58,025</u>
7. Net Current Surplus	<u>\$ -0-</u>	<u>\$ 3</u>	<u>\$ 3</u>

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MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 1991

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 558,830		\$ 558,830
Supplemental Contributions	57,718		57,718
Other Income (except investments)			
Total Income	<u>616,548</u>		<u>616,548</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	505,124		505,124
Expenses	33,250	\$ 53,655	86,905
Total Liabilities	<u>538,374</u>	<u>53,655</u>	<u>592,029</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>78,174</u>	<u>(53,655)</u>	<u>24,519</u>
4. <u>Adjustments</u>			
Investment Income	47	63,615	63,662
Transfers	1,005	(1,005)	
Total Adjustments	<u>1,052</u>	<u>62,610</u>	<u>63,662</u>
5. Gross Operating Surplus	<u>79,226</u>	<u>8,955</u>	<u>88,181</u>
6. Return of Surplus	<u>79,226</u>	<u>8,948</u>	<u>88,174</u>
7. Net Current Surplus	<u>\$ -0-</u>	<u>\$ 7</u>	<u>\$ 7</u>

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MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 1992

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 610,792		\$ 610,792
Supplemental Contributions	89,381		89,381
Other Income (except investments)			
Total Income	<u>700,173</u>		<u>700,173</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	681,359		681,359
Expenses	31,225	\$ 50,930	82,155
Total Liabilities	<u>712,584</u>	<u>50,930</u>	<u>763,514</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>(12,411)</u>	<u>(50,930)</u>	<u>(63,341)</u>
4. <u>Adjustments</u>			
Investment Income	842	56,136	56,978
Transfers	2,638	(2,638)	
Total Adjustments	<u>3,480</u>	<u>53,498</u>	<u>56,978</u>
5. Gross Operating Surplus	<u>(8,931)</u>	<u>2,568</u>	<u>(6,363)</u>
6. Return of Surplus	<u>13,558</u>	<u>1,837</u>	<u>15,395</u>
7. Net Current Surplus	<u>\$ (22,489)</u>	<u>\$ 731</u>	<u>\$ (21,758)</u>

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MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 1993

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 673,101		\$ 673,101
Supplemental Contributions	218,843		218,843
Other Income (except investments)			
Total Income	<u>891,944</u>		<u>891,944</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	691,278		691,278
Expenses	36,262	\$ 52,432	88,694
Total Liabilities	<u>727,540</u>	<u>52,432</u>	<u>779,972</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>164,404</u>	<u>(52,432)</u>	<u>111,972</u>
4. <u>Adjustments</u>			
Investment Income	72	54,581	54,653
Transfers			
Total Adjustments	<u>72</u>	<u>54,581</u>	<u>54,653</u>
5. Gross Operating Surplus	<u>164,476</u>	<u>2,149</u>	<u>166,625</u>
6. Return of Surplus	<u>164,476</u>	<u>2,138</u>	<u>166,614</u>
7. Net Current Surplus	<u>\$ -0-</u>	<u>\$ 11</u>	<u>\$ 11</u>

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MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 1994

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 965,362		\$ 965,362
Supplemental Contributions			
Other Income (except investments)			
Total Income	<u>965,362</u>		<u>965,362</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	421,547		421,547
Expenses	40,208	\$ 53,877	94,085
Total Liabilities	<u>461,755</u>	<u>53,877</u>	<u>515,632</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>503,607</u>	<u>(53,877)</u>	<u>449,730</u>
4. <u>Adjustments</u>			
Investment Income	133	183,727	183,860
Transfers	103,244	(103,244)	
Total Adjustments	<u>103,377</u>	<u>80,483</u>	<u>183,860</u>
5. Gross Operating Surplus	<u>606,984</u>	<u>26,606</u>	<u>633,590</u>
6. Return of Surplus	<u>606,984</u>	<u>26,584</u>	<u>633,568</u>
7. Net Current Surplus	<u>\$ -0-</u>	<u>\$ 22</u>	<u>\$ 22</u>

Schedule D

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 1995

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 1,030,747		\$ 1,030,747
Supplemental Contributions			
Other Income (except investments)			
Total Income	<u>1,030,747</u>		<u>1,030,747</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	398,532		398,532
Expenses		\$ 90,187	90,187
Total Liabilities	<u>398,532</u>	<u>90,187</u>	<u>488,719</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>632,215</u>	<u>(90,187)</u>	<u>542,028</u>
4. <u>Adjustments</u>			
Investment Income	210	294,460	294,670
Transfers	158,629	(158,629)	
Total Adjustments	<u>158,839</u>	<u>135,831</u>	<u>294,670</u>
5. Gross Operating Surplus	<u>791,054</u>	<u>45,644</u>	<u>836,698</u>
6. Return of Surplus	<u>791,054</u>	<u>45,610</u>	<u>836,664</u>
7. Net Current Surplus	<u>\$ -0-</u>	<u>\$ 34</u>	<u>\$ 34</u>

Schedule D

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 1996

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 1,247,462		\$ 1,247,462
Supplemental Contributions			
Other Income (except investments)			
Total Income	<u>1,247,462</u>		<u>1,247,462</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	595,079		595,079
Expenses	34,547	\$ 58,620	93,167
Total Liabilities	<u>629,626</u>	<u>58,620</u>	<u>688,246</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>617,836</u>	<u>(58,620)</u>	<u>559,216</u>
4. <u>Adjustments</u>			
Investment Income	787	358,128	358,915
Transfers	210,855	(210,855)	
Total Adjustments	<u>211,642</u>	<u>147,273</u>	<u>358,915</u>
5. Gross Operating Surplus	<u>829,478</u>	<u>88,653</u>	<u>918,131</u>
6. Return of Surplus	<u>829,478</u>	<u>86,581</u>	<u>916,059</u>
7. Net Current Surplus	<u>\$ -0-</u>	<u>\$ 2,072</u>	<u>\$ 2,072</u>

Schedule D

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 1997

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 1,296,706		\$ 1,296,706
Supplemental Contributions			
Other Income (except investments)			
Total Income	<u>1,296,706</u>		<u>1,296,706</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	461,496		461,496
Expenses	39,221	\$ 96,249	135,470
Total Liabilities	<u>500,717</u>	<u>96,249</u>	<u>596,966</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>795,989</u>	<u>(96,249)</u>	<u>699,740</u>
4. <u>Adjustments</u>			
Investment Income	3,861	249,209	253,070
Transfers	35,547	(35,547)	
Total Adjustments	<u>39,408</u>	<u>213,662</u>	<u>253,070</u>
5. Gross Operating Surplus	<u>835,397</u>	<u>117,413</u>	<u>952,810</u>
6. Return of Surplus	<u>835,397</u>	<u>115,724</u>	<u>951,121</u>
7. Net Current Surplus	<u>\$ -0-</u>	<u>\$ 1,689</u>	<u>\$ 1,689</u>

Schedule D

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 1998

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 1,252,191		\$ 1,252,191
Supplemental Contributions	101,493		101,493
Other Income (except investments)			
Total Income	<u>1,353,684</u>		<u>1,353,684</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	682,121		682,121
Expenses	41,215	\$ 104,763	145,978
Total Liabilities	<u>723,336</u>	<u>104,763</u>	<u>828,099</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>630,348</u>	<u>(104,763)</u>	<u>525,585</u>
4. <u>Adjustments</u>			
Investment Income	2,323	314,477	316,800
Transfers	125,657	(125,657)	
Total Adjustments	<u>127,980</u>	<u>188,820</u>	<u>316,800</u>
5. Gross Operating Surplus	<u>758,328</u>	<u>84,057</u>	<u>842,385</u>
6. Return of Surplus	<u>758,328</u>	<u>75,715</u>	<u>834,043</u>
7. Net Current Surplus	<u>\$ -0-</u>	<u>\$ 8,342</u>	<u>\$ 8,342</u>

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MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 1999

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 1,181,598		\$ 1,181,598
Supplemental Contributions	15,012	\$ 12,946	27,958
Other Income (except investments)			
Total Income	<u>1,196,610</u>	<u>12,946</u>	<u>1,209,556</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	551,946		551,946
Expenses	43,452	100,728	144,180
Total Liabilities	<u>595,398</u>	<u>100,728</u>	<u>696,126</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>601,212</u>	<u>(87,782)</u>	<u>513,430</u>
4. <u>Adjustments</u>			
Investment Income	61,522	118,946	180,468
Transfers			
Total Adjustments	<u>61,522</u>	<u>118,946</u>	<u>180,468</u>
5. Gross Operating Surplus	<u>662,734</u>	<u>31,164</u>	<u>693,898</u>
6. Return of Surplus	<u>631,583</u>	<u>28,767</u>	<u>660,350</u>
7. Net Current Surplus	<u>\$ 31,151</u>	<u>\$ 2,397</u>	<u>\$ 33,548</u>

Schedule D

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 2000

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 1,183,247		\$ 1,183,247
Supplemental Contributions	3,644		3,644
Other Income (except investments)			
Total Income	<u>1,186,891</u>		<u>1,186,891</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	547,794		547,794
Expenses	44,524	\$ 106,906	151,430
Total Liabilities	<u>592,318</u>	<u>106,906</u>	<u>699,224</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>594,573</u>	<u>(106,906)</u>	<u>487,667</u>
4. <u>Adjustments</u>			
Investment Income	1,786	171,918	173,704
Transfers	30,315	(30,315)	
Total Adjustments	<u>32,101</u>	<u>141,603</u>	<u>173,704</u>
5. Gross Operating Surplus	<u>626,674</u>	<u>34,697</u>	<u>661,371</u>
6. Return of Surplus	<u>613,388</u>	<u>28,164</u>	<u>641,552</u>
7. Net Current Surplus	<u>\$ 13,286</u>	<u>\$ 6,533</u>	<u>\$ 19,819</u>

Schedule D

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 2001

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 1,175,003		\$ 1,175,003
Supplemental Contributions			
Other Income (except investments)			
Total Income	<u>1,175,003</u>		<u>1,175,003</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	312,416		312,416
Expenses	48,668	\$ 195,055	243,723
Total Liabilities	<u>361,084</u>	<u>195,055</u>	<u>556,139</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>813,919</u>	<u>(195,055)</u>	<u>618,864</u>
4. <u>Adjustments</u>			
Investment Income	2,809	169,744	172,553
Transfers	(84,459)	84,459	
Total Adjustments	<u>(81,650)</u>	<u>254,203</u>	<u>172,553</u>
5. Gross Operating Surplus	<u>732,269</u>	<u>59,148</u>	<u>791,417</u>
6. Return of Surplus	<u>732,269</u>	<u>47,640</u>	<u>779,909</u>
7. Net Current Surplus	<u>\$ -0-</u>	<u>\$ 11,508</u>	<u>\$ 11,508</u>

Schedule D

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 2002

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 1,210,637		\$ 1,210,637
Supplemental Contributions			
Other Income (except investments)			
Total Income	<u>1,210,637</u>		<u>1,210,637</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	632,304		632,304
Expenses	68,189	\$ 132,246	200,435
Total Liabilities	<u>700,493</u>	<u>132,246</u>	<u>832,739</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>510,144</u>	<u>(132,246)</u>	<u>377,898</u>
4. <u>Adjustments</u>			
Investment Income	4,725	96,175	100,900
Transfers	(84,444)	84,444	
Total Adjustments	<u>(79,719)</u>	<u>180,619</u>	<u>100,900</u>
5. Gross Operating Surplus	<u>430,425</u>	<u>48,373</u>	<u>478,798</u>
6. Return of Surplus	<u>425,425</u>	<u>35,022</u>	<u>460,447</u>
7. Net Current Surplus	<u>\$ 5,000</u>	<u>\$ 13,351</u>	<u>\$ 18,351</u>

Schedule D

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 2003

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 1,301,636		\$ 1,301,636
Supplemental Contributions			
Other Income (except investments)			
Total Income	<u>1,301,636</u>		<u>1,301,636</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	688,332		688,332
Expenses	144,910	\$ 137,155	282,065
Total Liabilities	<u>833,242</u>	<u>137,155</u>	<u>970,397</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>468,394</u>	<u>(137,155)</u>	<u>331,239</u>
4. <u>Adjustments</u>			
Investment Income	5,479	95,030	100,509
Transfers	(104,090)	104,090	
Total Adjustments	<u>(98,611)</u>	<u>199,120</u>	<u>100,509</u>
5. Gross Operating Surplus	<u>369,783</u>	<u>61,965</u>	<u>431,748</u>
6. Return of Surplus	<u>407,754</u>	<u>51,074</u>	<u>458,828</u>
7. Net Current Surplus	<u>\$ (37,971)</u>	<u>\$ 10,891</u>	<u>\$ (27,080)</u>

Schedule D

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 2004

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 1,417,951		\$ 1,417,951
Supplemental Contributions	26,731		26,731
Other Income (except investments)			
Total Income	<u>1,444,682</u>		<u>1,444,682</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	885,523		885,523
Expenses	172,021	\$ 143,137	315,158
Total Liabilities	<u>1,057,544</u>	<u>143,137</u>	<u>1,200,681</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>387,138</u>	<u>(143,137)</u>	<u>244,001</u>
4. <u>Adjustments</u>			
Investment Income	2,468	73,878	76,346
Transfers	(108,060)	108,060	
Total Adjustments	<u>(105,592)</u>	<u>181,938</u>	<u>76,346</u>
5. Gross Operating Surplus	<u>281,546</u>	<u>38,801</u>	<u>320,347</u>
6. Return of Surplus	<u>160,663</u>	<u>26,524</u>	<u>187,187</u>
7. Net Current Surplus	<u>\$ 120,883</u>	<u>\$ 12,277</u>	<u>\$ 133,160</u>

Schedule D

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 2005

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 1,414,260	\$ 49,631	\$ 1,463,891
Supplemental Contributions		72,366	72,366
Other Income (except investments)			
Total Income	<u>1,414,260</u>	<u>121,997</u>	<u>1,536,257</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	1,095,137		1,095,137
Expenses	164,260	151,033	315,293
Total Liabilities	<u>1,259,397</u>	<u>151,033</u>	<u>1,410,430</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>154,863</u>	<u>(29,036)</u>	<u>125,827</u>
4. <u>Adjustments</u>			
Investment Income	5,471	38,643	44,114
Transfers			
Total Adjustments	<u>5,471</u>	<u>38,643</u>	<u>44,114</u>
5. Gross Operating Surplus	<u>160,334</u>	<u>9,607</u>	<u>169,941</u>
6. Return of Surplus	<u>150,299</u>	<u>2,316</u>	<u>152,615</u>
7. Net Current Surplus	<u>\$ 10,035</u>	<u>\$ 7,291</u>	<u>\$ 17,326</u>

Schedule D

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 2006

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 1,392,642	\$ 348,161	\$ 1,740,803
Supplemental Contributions			
Other Income (except investments)			
Total Income	<u>1,392,642</u>	<u>348,161</u>	<u>1,740,803</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	546,311		546,311
Expenses	162,854	162,863	325,717
Total Liabilities	<u>709,165</u>	<u>162,863</u>	<u>872,028</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>683,477</u>	<u>185,298</u>	<u>868,775</u>
4. <u>Adjustments</u>			
Investment Income	12,643	172,987	185,630
Transfers			
Total Adjustments	<u>12,643</u>	<u>172,987</u>	<u>185,630</u>
5. Gross Operating Surplus	<u>696,120</u>	<u>358,285</u>	<u>1,054,405</u>
6. Return of Surplus	<u>693,989</u>	<u>314,394</u>	<u>1,008,383</u>
7. Net Current Surplus	<u>\$ 2,131</u>	<u>\$ 43,891</u>	<u>\$ 46,022</u>

Schedule D

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 2007

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 1,562,318	\$ 390,580	\$ 1,952,898
Supplemental Contributions			
Other Income (except investments)			
Total Income	<u>1,562,318</u>	<u>390,580</u>	<u>1,952,898</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	848,627		848,627
Expenses	176,724	171,249	347,973
Total Liabilities	<u>1,025,351</u>	<u>171,249</u>	<u>1,196,600</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>536,967</u>	<u>219,331</u>	<u>756,298</u>
4. <u>Adjustments</u>			
Investment Income	21,656	104,086	125,742
Transfers			
Total Adjustments	<u>21,656</u>	<u>104,086</u>	<u>125,742</u>
5. Gross Operating Surplus	<u>558,623</u>	<u>323,417</u>	<u>882,040</u>
6. Return of Surplus	<u>512,458</u>	<u>291,806</u>	<u>804,264</u>
7. Net Current Surplus	<u>\$ 46,165</u>	<u>\$ 31,611</u>	<u>\$ 77,776</u>

Schedule D

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 2008

JUNE 30, 2023

(Unaudited)

	<u>Coverages and Other Accounts</u>		<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>			
Regular Contributions (earned)	\$ 1,575,698	\$ 393,925	\$ 1,969,623
Supplemental Contributions	30,003		30,003
Other Income (except investments)			
Total Income	<u>1,605,701</u>	<u>393,925</u>	<u>1,999,626</u>
2. <u>Incurred Liabilities</u>			
Claims (limited incurred)	986,016		986,016
Expenses	209,826	172,923	382,749
Total Liabilities	<u>1,195,842</u>	<u>172,923</u>	<u>1,368,765</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>409,859</u>	<u>221,002</u>	<u>630,861</u>
4. <u>Adjustments</u>			
Investment Income	31,489	42,813	74,302
Transfers	29,722	(29,722)	
Total Adjustments	<u>61,211</u>	<u>13,091</u>	<u>74,302</u>
5. Gross Operating Surplus	<u>471,070</u>	<u>234,093</u>	<u>705,163</u>
6. Return of Surplus	<u>405,341</u>	<u>199,394</u>	<u>604,735</u>
7. Net Current Surplus	<u>\$ 65,729</u>	<u>\$ 34,699</u>	<u>\$ 100,428</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS
FUND YEAR - 2009
JUNE 30, 2023
(Unaudited)

	<u>Coverages and Other Accounts</u>			<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>Liability</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>				
Regular Contributions (earned)	\$ 1,556,471	\$ 505,388	\$ 515,465	\$ 2,577,324
Supplemental Contributions	70,836			70,836
Other Income (except investments)				
Total Income	<u>1,627,307</u>	<u>505,388</u>	<u>515,465</u>	<u>2,648,160</u>
2. <u>Incurred Liabilities</u>				
Claims (limited incurred)	1,130,179			1,130,179
Expenses	153,381	481,322	200,880	835,583
Total Liabilities	<u>1,283,560</u>	<u>481,322</u>	<u>200,880</u>	<u>1,965,762</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>343,747</u>	<u>24,066</u>	<u>314,585</u>	<u>682,398</u>
4. <u>Adjustments</u>				
Investment Income	32,573	1,105	17,887	51,565
Transfers	24,066	(24,066)		
Total Adjustments	<u>56,639</u>	<u>(22,961)</u>	<u>17,887</u>	<u>51,565</u>
5. Gross Operating Surplus	<u>400,386</u>	<u>1,105</u>	<u>332,472</u>	<u>733,963</u>
6. Return of Surplus	<u>376,069</u>		<u>234,049</u>	<u>610,118</u>
7. Net Current Surplus	<u>\$ 24,317</u>	<u>\$ 1,105</u>	<u>\$ 98,423</u>	<u>\$ 123,845</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS
FUND YEAR - 2010
JUNE 30, 2023
(Unaudited)

	<u>Coverages and Other Accounts</u>			<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>Liability</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>				
Regular Contributions (earned)	\$ 1,755,472	\$ 521,160	\$ 438,869	\$ 2,715,501
Supplemental Contributions	82,217			82,217
Other Income (except investments)				
Total Income	<u>1,837,689</u>	<u>521,160</u>	<u>438,869</u>	<u>2,797,718</u>
2. <u>Incurred Liabilities</u>				
Claims (limited incurred)	1,017,248			1,017,248
Expenses	196,592	493,343	320,763	1,010,698
Total Liabilities	<u>1,213,840</u>	<u>493,343</u>	<u>320,763</u>	<u>2,027,946</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>623,849</u>	<u>27,817</u>	<u>118,106</u>	<u>769,772</u>
4. <u>Adjustments</u>				
Investment Income	26,280	986	25,258	52,524
Transfers	27,817	(27,817)		
Total Adjustments	<u>54,097</u>	<u>(26,831)</u>	<u>25,258</u>	<u>52,524</u>
5. Gross Operating Surplus	<u>677,946</u>	<u>986</u>	<u>143,364</u>	<u>822,296</u>
6. Return of Surplus	<u>655,615</u>		<u>48,734</u>	<u>704,349</u>
7. Net Current Surplus	<u>\$ 22,331</u>	<u>\$ 986</u>	<u>\$ 94,630</u>	<u>\$ 117,947</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS
FUND YEAR - 2011
JUNE 30, 2023
(Unaudited)

	<u>Coverages and Other Accounts</u>			<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>Liability</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>				
Regular Contributions (earned)	\$ 1,865,143	\$ 538,463	\$ 473,000	\$ 2,876,606
Supplemental Contributions				
Other Income (except investments)				
Total Income	<u>1,865,143</u>	<u>538,463</u>	<u>473,000</u>	<u>2,876,606</u>
2. <u>Incurred Liabilities</u>				
Claims (limited incurred)	662,372			662,372
Expenses	223,492	512,820	325,531	1,061,843
Total Liabilities	<u>885,864</u>	<u>512,820</u>	<u>325,531</u>	<u>1,724,215</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>979,279</u>	<u>25,643</u>	<u>147,469</u>	<u>1,152,391</u>
4. <u>Adjustments</u>				
Investment Income	60,104	2,268	27,931	90,303
Transfers	25,643	(25,643)		
Total Adjustments	<u>85,747</u>	<u>(23,375)</u>	<u>27,931</u>	<u>90,303</u>
5. Gross Operating Surplus	<u>1,065,026</u>	<u>2,268</u>	<u>175,400</u>	<u>1,242,694</u>
6. Return of Surplus	<u>1,002,165</u>			<u>1,002,165</u>
7. Net Current Surplus	<u>\$ 62,861</u>	<u>\$ 2,268</u>	<u>\$ 175,400</u>	<u>\$ 240,529</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS
FUND YEAR - 2012
JUNE 30, 2023
(Unaudited)

	<u>Coverages and Other Accounts</u>			<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>Liability</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>				
Regular Contributions (earned)	\$ 2,161,767	\$ 358,493	\$ 302,525	\$ 2,822,785
Supplemental Contributions				
Other Income (except investments)				
Total Income	<u>2,161,767</u>	<u>358,493</u>	<u>302,525</u>	<u>2,822,785</u>
2. <u>Incurred Liabilities</u>				
Claims (limited incurred)	892,671			892,671
Expenses	229,115	524,799	328,194	1,082,108
Total Liabilities	<u>1,121,786</u>	<u>524,799</u>	<u>328,194</u>	<u>1,974,779</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>1,039,981</u>	<u>(166,306)</u>	<u>(25,669)</u>	<u>848,006</u>
4. <u>Adjustments</u>				
Investment Income	61,077	1,686	15,719	78,482
Transfers	(190,140)	166,799	23,341	
Total Adjustments	<u>(129,063)</u>	<u>168,485</u>	<u>39,060</u>	<u>78,482</u>
5. Gross Operating Surplus	<u>910,918</u>	<u>2,179</u>	<u>13,391</u>	<u>926,488</u>
6. Return of Surplus	<u>882,007</u>			<u>882,007</u>
7. Net Current Surplus	<u>\$ 28,911</u>	<u>\$ 2,179</u>	<u>\$ 13,391</u>	<u>\$ 44,481</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS
FUND YEAR - 2013
JUNE 30, 2023
(Unaudited)

	<u>Coverages and Other Accounts</u>			<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>Liability</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>				
Regular Contributions (earned)	\$ 2,109,380	\$ 588,610	\$ 301,693	\$ 2,999,683
Supplemental Contributions				
Other Income (except investments)				
Total Income	<u>2,109,380</u>	<u>588,610</u>	<u>301,693</u>	<u>2,999,683</u>
2. <u>Incurred Liabilities</u>				
Claims (limited incurred)	723,678			723,678
Expenses	232,584	559,991	336,493	1,129,068
Total Liabilities	<u>956,262</u>	<u>559,991</u>	<u>336,493</u>	<u>1,852,746</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>1,153,118</u>	<u>28,619</u>	<u>(34,800)</u>	<u>1,146,937</u>
4. <u>Adjustments</u>				
Investment Income	81,114	3,443	15,801	100,358
Transfers	(229,740)	(32,062)	261,802	
Total Adjustments	<u>(148,626)</u>	<u>(28,619)</u>	<u>277,603</u>	<u>100,358</u>
5. Gross Operating Surplus	<u>1,004,492</u>		<u>242,803</u>	<u>1,247,295</u>
6. Return of Surplus	<u>950,776</u>			<u>950,776</u>
7. Net Current Surplus	<u>\$ 53,716</u>	<u>\$ -0-</u>	<u>\$ 242,803</u>	<u>\$ 296,519</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS
FUND YEAR - 2014
JUNE 30, 2023
(Unaudited)

	<u>Coverages and Other Accounts</u>			<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>Liability</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>				
Regular Contributions (earned)	\$ 2,112,696	\$ 626,491	\$ 301,693	\$ 3,040,880
Supplemental Contributions				
Other Income (except investments)	1,250			1,250
Total Income	<u>2,113,946</u>	<u>626,491</u>	<u>301,693</u>	<u>3,042,130</u>
2. <u>Incurred Liabilities</u>				
Claims (limited incurred)	874,999			874,999
Expenses	233,550	596,659	364,768	1,194,977
Total Liabilities	<u>1,108,549</u>	<u>596,659</u>	<u>364,768</u>	<u>2,069,976</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>1,005,397</u>	<u>29,832</u>	<u>(63,075)</u>	<u>972,154</u>
4. <u>Adjustments</u>				
Investment Income	83,181	3,675	10,906	97,762
Transfers	(30,501)	(31,683)	62,184	
Total Adjustments	<u>52,680</u>	<u>(28,008)</u>	<u>73,090</u>	<u>97,762</u>
5. Gross Operating Surplus	<u>1,058,077</u>	<u>1,824</u>	<u>10,015</u>	<u>1,069,916</u>
6. Return of Surplus	<u>777,864</u>			<u>777,864</u>
7. Net Current Surplus	<u>\$ 280,213</u>	<u>\$ 1,824</u>	<u>\$ 10,015</u>	<u>\$ 292,052</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS
FUND YEAR - 2015
JUNE 30, 2023
(Unaudited)

	<u>Coverages and Other Accounts</u>			<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>Liability</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>				
Regular Contributions (earned)	\$ 2,260,268	\$ 672,203	\$ 309,722	\$ 3,242,193
Supplemental Contributions				
Other Income (except investments)				
Total Income	<u>2,260,268</u>	<u>672,203</u>	<u>309,722</u>	<u>3,242,193</u>
2. <u>Incurred Liabilities</u>				
Claims (limited incurred)	668,191			668,191
Expenses	265,062	641,735	353,829	1,260,626
Total Liabilities	<u>933,253</u>	<u>641,735</u>	<u>353,829</u>	<u>1,928,817</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>1,327,015</u>	<u>30,468</u>	<u>(44,107)</u>	<u>1,313,376</u>
4. <u>Adjustments</u>				
Investment Income	113,275	4,037	14,599	131,911
Transfers	(10,910)	(32,327)	43,237	
Total Adjustments	<u>102,365</u>	<u>(28,290)</u>	<u>57,836</u>	<u>131,911</u>
5. Gross Operating Surplus	<u>1,429,380</u>	<u>2,178</u>	<u>13,729</u>	<u>1,445,287</u>
6. Return of Surplus	<u>842,578</u>			<u>842,578</u>
7. Net Current Surplus	<u>\$ 586,802</u>	<u>\$ 2,178</u>	<u>\$ 13,729</u>	<u>\$ 602,709</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS
FUND YEAR - 2016
JUNE 30, 2023
(Unaudited)

	<u>Coverages and Other Accounts</u>			<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>Liability</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>				
Regular Contributions (earned)	\$ 2,319,357	\$ 688,160	\$ 348,997	\$ 3,356,514
Supplemental Contributions				
Other Income (except investments)	1,875			1,875
Total Income	<u>2,321,232</u>	<u>688,160</u>	<u>348,997</u>	<u>3,358,389</u>
2. <u>Incurred Liabilities</u>				
Claims (limited incurred)	825,000			825,000
Expenses	274,886	690,770	363,085	1,328,741
Total Liabilities	<u>1,099,886</u>	<u>690,770</u>	<u>363,085</u>	<u>2,153,741</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>1,221,346</u>	<u>(2,610)</u>	<u>(14,088)</u>	<u>1,204,648</u>
4. <u>Adjustments</u>				
Investment Income	135,569	751	18,998	155,318
Transfers	(22,420)	1,859	20,561	
Total Adjustments	<u>113,149</u>	<u>2,610</u>	<u>39,559</u>	<u>155,318</u>
5. Gross Operating Surplus	<u>1,334,495</u>		<u>25,471</u>	<u>1,359,966</u>
6. Return of Surplus	<u>819,606</u>			<u>819,606</u>
7. Net Current Surplus	<u>\$ 514,889</u>	<u>\$ -0-</u>	<u>\$ 25,471</u>	<u>\$ 540,360</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS
FUND YEAR - 2017
JUNE 30, 2023
(Unaudited)

	<u>Coverages and Other Accounts</u>			<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>Liability</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>				
Regular Contributions (earned)	\$ 2,215,755	\$ 759,026	\$ 319,793	\$ 3,294,574
Supplemental Contributions				
Other Income (except investments)				
Total Income	<u>2,215,755</u>	<u>759,026</u>	<u>319,793</u>	<u>3,294,574</u>
2. <u>Incurred Liabilities</u>				
Claims (limited incurred)	1,100,000			1,100,000
Expenses	270,903	759,026	321,056	1,350,985
Total Liabilities	<u>1,370,903</u>	<u>759,026</u>	<u>321,056</u>	<u>2,450,985</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>844,852</u>		<u>(1,263)</u>	<u>843,589</u>
4. <u>Adjustments</u>				
Investment Income	111,059		16,919	127,978
Transfers				
Total Adjustments	<u>111,059</u>		<u>16,919</u>	<u>127,978</u>
5. Gross Operating Surplus	<u>955,911</u>		<u>15,656</u>	<u>971,567</u>
6. Return of Surplus	<u>519,898</u>			<u>519,898</u>
7. Net Current Surplus	<u>\$ 436,013</u>	<u>\$ -0-</u>	<u>\$ 15,656</u>	<u>\$ 451,669</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS
FUND YEAR - 2018
JUNE 30, 2023
(Unaudited)

	<u>Coverages and Other Accounts</u>			<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>Liability</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>				
Regular Contributions (earned)	\$ 2,315,214	\$ 951,701	\$ 330,271	\$ 3,597,186
Supplemental Contributions				
Other Income (except investments)				
Total Income	<u>2,315,214</u>	<u>951,701</u>	<u>330,271</u>	<u>3,597,186</u>
2. <u>Incurred Liabilities</u>				
Claims (limited incurred)	1,300,000			1,300,000
Expenses	230,707	953,290	319,945	1,503,942
Total Liabilities	<u>1,530,707</u>	<u>953,290</u>	<u>319,945</u>	<u>2,803,942</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>784,507</u>	<u>(1,589)</u>	<u>10,326</u>	<u>793,244</u>
4. <u>Adjustments</u>				
Investment Income	102,539		23,415	125,954
Transfers	(1,589)	1,589		
Total Adjustments	<u>100,950</u>	<u>1,589</u>	<u>23,415</u>	<u>125,954</u>
5. Gross Operating Surplus	<u>885,457</u>		<u>33,741</u>	<u>919,198</u>
6. Return of Surplus	<u>403,874</u>			<u>403,874</u>
7. Net Current Surplus	<u>\$ 481,583</u>	<u>\$ -0-</u>	<u>\$ 33,741</u>	<u>\$ 515,324</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS
FUND YEAR - 2019
JUNE 30, 2023
(Unaudited)

	<u>Coverages and Other Accounts</u>			<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>Liability</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>				
Regular Contributions (earned)	\$ 2,306,018	\$ 1,018,171	\$ 332,069	\$ 3,656,258
Supplemental Contributions				
Other Income (except investments)				
Total Income	<u>2,306,018</u>	<u>1,018,171</u>	<u>332,069</u>	<u>3,656,258</u>
2. <u>Incurred Liabilities</u>				
Claims (limited incurred)	800,001			800,001
Expenses	238,723	1,018,171	325,417	1,582,311
Total Liabilities	<u>1,038,724</u>	<u>1,018,171</u>	<u>325,417</u>	<u>2,382,312</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>1,267,294</u>		<u>6,652</u>	<u>1,273,946</u>
4. <u>Adjustments</u>				
Investment Income	106,824		15,431	122,255
Transfers				
Total Adjustments	<u>106,824</u>		<u>15,431</u>	<u>122,255</u>
5. Gross Operating Surplus	<u>1,374,118</u>		<u>22,083</u>	<u>1,396,201</u>
6. Return of Surplus	<u>396,867</u>			<u>396,867</u>
7. Net Current Surplus	<u>\$ 977,251</u>	<u>\$ -0-</u>	<u>\$ 22,083</u>	<u>\$ 999,334</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS
FUND YEAR - 2020
JUNE 30, 2023
(Unaudited)

	<u>Coverages and Other Accounts</u>			<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>Liability</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>				
Regular Contributions (earned)	\$ 2,356,830	\$ 1,052,709	\$ 371,366	\$ 3,780,905
Supplemental Contributions				
Other Income (except investments)				
Total Income	<u>2,356,830</u>	<u>1,052,709</u>	<u>371,366</u>	<u>3,780,905</u>
2. <u>Incurred Liabilities</u>				
Claims (limited incurred)	825,000			825,000
Expenses	231,472	1,052,709	388,147	1,672,328
Total Liabilities	<u>1,056,472</u>	<u>1,052,709</u>	<u>388,147</u>	<u>2,497,328</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>1,300,358</u>		<u>(16,781)</u>	<u>1,283,577</u>
4. <u>Adjustments</u>				
Investment Income	84,302		13,263	97,565
Transfers	(10,930)		10,930	
Total Adjustments	<u>73,372</u>		<u>24,193</u>	<u>97,565</u>
5. Gross Operating Surplus	<u>1,373,730</u>		<u>7,412</u>	<u>1,381,142</u>
6. Return of Surplus	<u>195,253</u>			<u>195,253</u>
7. Net Current Surplus	<u>\$ 1,178,477</u>	<u>\$ -0-</u>	<u>\$ 7,412</u>	<u>\$ 1,185,889</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS
FUND YEAR - 2021
JUNE 30, 2023
(Unaudited)

	<u>Coverages and Other Accounts</u>			<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>Liability</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>				
Regular Contributions (earned)	\$ 2,194,409	\$ 1,184,173	\$ 365,158	\$ 3,743,740
Supplemental Contributions				
Other Income (except investments)				
Total Income	<u>2,194,409</u>	<u>1,184,173</u>	<u>365,158</u>	<u>3,743,740</u>
2. <u>Incurred Liabilities</u>				
Claims (limited incurred)	1,451,238			1,451,238
Expenses	243,079	1,184,173	387,775	1,815,027
Total Liabilities	<u>1,694,317</u>	<u>1,184,173</u>	<u>387,775</u>	<u>3,266,265</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>500,092</u>		<u>(22,617)</u>	<u>477,475</u>
4. <u>Adjustments</u>				
Investment Income	29,238		4,866	34,104
Transfers	(20,993)		20,993	
Total Adjustments	<u>8,245</u>		<u>25,859</u>	<u>34,104</u>
5. Gross Operating Surplus	<u>508,337</u>		<u>3,242</u>	<u>511,579</u>
6. Return of Surplus				
7. Net Current Surplus	<u>\$ 508,337</u>	<u>\$ -0-</u>	<u>\$ 3,242</u>	<u>\$ 511,579</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS
FUND YEAR - 2022
JUNE 30, 2023
(Unaudited)

	<u>Coverages and Other Accounts</u>			<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>Liability</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>				
Regular Contributions (earned)	\$ 1,817,361	\$ 1,471,346	\$ 348,951	\$ 3,637,658
Supplemental Contributions				
Other Income (except investments)				
Total Income	<u>1,817,361</u>	<u>1,471,346</u>	<u>348,951</u>	<u>3,637,658</u>
2. <u>Incurred Liabilities</u>				
Claims (limited incurred)	950,000			950,000
Expenses	254,689	1,471,346	341,980	2,068,015
Total Liabilities	<u>1,204,689</u>	<u>1,471,346</u>	<u>341,980</u>	<u>3,018,015</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>612,672</u>		<u>6,971</u>	<u>619,643</u>
4. <u>Adjustments</u>				
Investment Income	23,182		4,279	27,461
Transfers				
Total Adjustments	<u>23,182</u>		<u>4,279</u>	<u>27,461</u>
5. Gross Operating Surplus	<u>635,854</u>		<u>11,250</u>	<u>647,104</u>
6. Return of Surplus				
7. Net Current Surplus	<u>\$ 635,854</u>	<u>\$ -0-</u>	<u>\$ 11,250</u>	<u>\$ 647,104</u>

MORRIS ESSEX INSURANCE GROUP
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS
FUND YEAR - 2023
JUNE 30, 2023
(Unaudited)

	<u>Coverages and Other Accounts</u>			<u>Total</u>
	<u>Worker's Compensation Insurance</u>	<u>Liability</u>	<u>General and Administrative</u>	
1. <u>Underwriting Income</u>				
Regular Contributions (earned)	\$ 1,877,548	\$ 1,785,755	\$ 351,439	\$ 4,014,742
Supplemental Contributions				
Other Income (except investments)				
Total Income	<u>1,877,548</u>	<u>1,785,755</u>	<u>351,439</u>	<u>4,014,742</u>
2. <u>Incurred Liabilities</u>				
Claims (limited incurred)	1,400,000			1,400,000
Expenses	242,383	1,755,454	335,348	2,333,185
Total Liabilities	<u>1,642,383</u>	<u>1,755,454</u>	<u>335,348</u>	<u>3,733,185</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>235,165</u>	<u>30,301</u>	<u>16,091</u>	<u>281,557</u>
4. <u>Adjustments</u>				
Investment Income	29,343		5,488	34,831
Transfers				
Total Adjustments	<u>29,343</u>		<u>5,488</u>	<u>34,831</u>
5. Gross Operating Surplus	<u>264,508</u>	<u>30,301</u>	<u>21,579</u>	<u>316,388</u>
6. Return of Surplus				
7. Net Current Surplus	<u>\$ 264,508</u>	<u>\$ 30,301</u>	<u>\$ 21,579</u>	<u>\$ 316,388</u>

Schedule E

MORRIS ESSEX INSURANCE GROUPFUND YEAR CLAIMS ANALYSISFUND YEAR - 1985JUNE 30, 2023

(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 180,539
Case Reserves	
Imprest Account	
IBNR Reserve	
Subtotal	<u>180,539</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>180,539</u>
Number of Claims	252
Cost/Claim	<u>\$ 716</u>

Schedule E

MORRIS ESSEX INSURANCE GROUPFUND YEAR CLAIMS ANALYSISFUND YEAR - 1986JUNE 30, 2023

(Unaudited)

	<u>Coverage Worker's Compensation Insurance</u>
Paid Claims	\$ 505,372
Case Reserves	
Imprest Account	
IBNR Reserve	
Subtotal	<u>505,372</u>
Excess Insurance	
Received	247,021
Receivable	
Recoverable	
Subtotal	<u>247,021</u>
Incurred Claims	<u>258,351</u>
Number of Claims	252
Cost/Claim	<u>\$ 1,025</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 1987
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 140,513
Case Reserves	
Imprest Account	
IBNR Reserve	
Subtotal	<u>140,513</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>140,513</u>
Number of Claims	265
Cost/Claim	<u>\$ 530</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 1988
JUNE 30, 2023
(Unaudited)

	Coverage Worker's Compensation Insurance
Paid Claims	\$ 251,743
Case Reserves	
Imprest Account	
IBNR Reserve	
Subtotal	251,743
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	
Incurred Claims	251,743
Number of Claims	204
Cost/Claim	\$ 1,234

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 1989
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 850,270
Case Reserves	
Imprest Account	
IBNR Reserve	
Subtotal	<u>850,270</u>
Excess Insurance	
Received	99,993
Receivable	
Recoverable	
Subtotal	<u>99,993</u>
Incurred Claims	<u>750,277</u>
Number of Claims	262
Cost/Claim	<u>\$ 2,864</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 1990
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 409,145
Case Reserves	
Imprest Account	
IBNR Reserve	
Subtotal	<u>409,145</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>409,145</u>
Number of Claims	286
Cost/Claim	<u>\$ 1,431</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 1991
JUNE 30, 2023
(Unaudited)

	Coverage Worker's Compensation Insurance
Paid Claims	\$ 505,124
Case Reserves	
Imprest Account	
IBNR Reserve	
Subtotal	505,124
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	
Incurred Claims	505,124
Number of Claims	252
Cost/Claim	\$ 2,004

Schedule E

MORRIS ESSEX INSURANCE GROUPFUND YEAR CLAIMS ANALYSISFUND YEAR - 1992JUNE 30, 2023

(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 618,785
Case Reserves	60,074
Imprest Account	
IBNR Reserve	2,500
Subtotal	<u>681,359</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>681,359</u>
Number of Claims	253
Cost/Claim	<u>\$ 2,693</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 1993
JUNE 30, 2023
 (Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 691,278
Case Reserves	
Imprest Account	
IBNR Reserve	
Subtotal	<u>691,278</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>691,278</u>
Number of Claims	281
Cost/Claim	<u>\$ 2,460</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 1994
JUNE 30, 2023
(Unaudited)

	Coverage Worker's Compensation Insurance
Paid Claims	\$ 421,547
Case Reserves	
Imprest Account	
IBNR Reserve	
Subtotal	421,547
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	
Incurred Claims	421,547
Number of Claims	288
Cost/Claim	\$ 1,464

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 1995
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 398,532
Case Reserves	
Imprest Account	
IBNR Reserve	
Subtotal	<u>398,532</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>398,532</u>
Number of Claims	287
Cost/Claim	<u>\$ 1,389</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 1996
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 595,079
Case Reserves	
Imprest Account	
IBNR Reserve	
Subtotal	<u>595,079</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>595,079</u>
Number of Claims	283
Cost/Claim	<u>\$ 2,103</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 1997
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 461,496
Case Reserves	
Imprest Account	
IBNR Reserve	
Subtotal	<u>461,496</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>461,496</u>
Number of Claims	269
Cost/Claim	<u>\$ 1,716</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 1998
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 682,121
Case Reserves	
Imprest Account	
IBNR Reserve	
Subtotal	<u>682,121</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>682,121</u>
Number of Claims	259
Cost/Claim	<u>\$ 2,634</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 1999
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 551,946
Case Reserves	
Imprest Account	
IBNR Reserve	
Subtotal	<u>551,946</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>551,946</u>
Number of Claims	278
Cost/Claim	<u>\$ 1,985</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2000
JUNE 30, 2023
(Unaudited)

	Coverage Worker's Compensation Insurance
Paid Claims	\$ 547,794
Case Reserves	
Imprest Account	
IBNR Reserve	
Subtotal	547,794
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	
Incurred Claims	547,794
Number of Claims	264
Cost/Claim	\$ 2,075

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2001
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 312,416
Case Reserves	
Imprest Account	
IBNR Reserve	
Subtotal	<u>312,416</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>312,416</u>
Number of Claims	283
Cost/Claim	<u>\$ 1,104</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2002
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 632,304
Case Reserves	
Imprest Account	
IBNR Reserve	
Subtotal	<u>632,304</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>632,304</u>
Number of Claims	273
Cost/Claim	<u>\$ 2,316</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2003
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 640,110
Case Reserves	50,722
Imprest Account	
IBNR Reserve	(2,500)
Subtotal	<u>688,332</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>688,332</u>
Number of Claims	265
Cost/Claim	<u>\$ 2,597</u>

Schedule E

MORRIS ESSEX INSURANCE GROUPFUND YEAR CLAIMS ANALYSISFUND YEAR - 2004JUNE 30, 2023

(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 1,003,906
Case Reserves	
Imprest Account	
IBNR Reserve	(118,383)
Subtotal	<u>885,523</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>885,523</u>
Number of Claims	237
Cost/Claim	<u>\$ 3,736</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2005
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 1,092,637
Case Reserves	
Imprest Account	
IBNR Reserve	2,500
Subtotal	<u>1,095,137</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>1,095,137</u>
Number of Claims	272
Cost/Claim	<u>\$ 4,026</u>

Schedule E

MORRIS ESSEX INSURANCE GROUPFUND YEAR CLAIMS ANALYSISFUND YEAR - 2006JUNE 30, 2023

(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 543,811
Case Reserves	
Imprest Account	
IBNR Reserve	2,500
Subtotal	<u>546,311</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>546,311</u>
Number of Claims	258
Cost/Claim	<u>\$ 2,117</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2007
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 846,127
Case Reserves	
Imprest Account	
IBNR Reserve	2,500
Subtotal	<u>848,627</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>848,627</u>
Number of Claims	238
Cost/Claim	<u>\$ 3,566</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2008
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 957,392
Case Reserves	14,654
Imprest Account	
IBNR Reserve	13,970
Subtotal	<u>986,016</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>986,016</u>
Number of Claims	261
Cost/Claim	<u>\$ 3,778</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2009
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 1,125,179
Case Reserves	
Imprest Account	
IBNR Reserve	5,000
Subtotal	<u>1,130,179</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>1,130,179</u>
Number of Claims	276
Cost/Claim	<u>\$ 4,095</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2010
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 1,012,248
Case Reserves	
Imprest Account	
IBNR Reserve	5,000
Subtotal	<u>1,017,248</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>1,017,248</u>
Number of Claims	256
Cost/Claim	<u>\$ 3,974</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2011
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 657,372
Case Reserves	
Imprest Account	
IBNR Reserve	5,000
Subtotal	<u>662,372</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>662,372</u>
Number of Claims	258
Cost/Claim	<u>\$ 2,567</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2012
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 794,192
Case Reserves	83,479
Imprest Account	
IBNR Reserve	15,000
Subtotal	<u>892,671</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>892,671</u>
Number of Claims	229
Cost/Claim	<u>\$ 3,898</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2013
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 708,678
Case Reserves	
Imprest Account	
IBNR Reserve	15,000
Subtotal	<u>723,678</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>723,678</u>
Number of Claims	234
Cost/Claim	<u>\$ 3,093</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2014
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 784,920
Case Reserves	45,077
Imprest Account	
IBNR Reserve	45,002
Subtotal	<u>874,999</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>874,999</u>
Number of Claims	212
Cost/Claim	<u>\$ 4,127</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2015
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 653,191
Case Reserves	
Imprest Account	
IBNR Reserve	15,000
Subtotal	<u>668,191</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>668,191</u>
Number of Claims	171
Cost/Claim	<u>\$ 3,908</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2016
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 646,191
Case Reserves	64,592
Imprest Account	
IBNR Reserve	114,217
Subtotal	<u>825,000</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>825,000</u>
Number of Claims	180
Cost/Claim	<u>\$ 4,583</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2017
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 824,674
Case Reserves	177,958
Imprest Account	
IBNR Reserve	97,368
Subtotal	<u>1,100,000</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>1,100,000</u>
Number of Claims	179
Cost/Claim	<u>\$ 6,145</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2018
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 1,116,495
Case Reserves	90,783
Imprest Account	
IBNR Reserve	92,722
Subtotal	<u>1,300,000</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>1,300,000</u>
Number of Claims	192
Cost/Claim	<u>\$ 6,771</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2019
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 626,593
Case Reserves	45,241
Imprest Account	
IBNR Reserve	128,167
Subtotal	<u>800,001</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>800,001</u>
Number of Claims	191
Cost/Claim	<u>\$ 4,188</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2020
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 605,848
Case Reserves	56,407
Imprest Account	
IBNR Reserve	162,745
Subtotal	<u>825,000</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>825,000</u>
Number of Claims	124
Cost/Claim	<u>\$ 6,653</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2021
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 769,004
Case Reserves	366,997
Imprest Account	
IBNR Reserve	315,237
Subtotal	<u>1,451,238</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>1,451,238</u>
Number of Claims	108
Cost/Claim	<u>\$ 13,437</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2022
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 221,267
Case Reserves	108,531
Imprest Account	
IBNR Reserve	620,202
Subtotal	<u>950,000</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>950,000</u>
Number of Claims	105
Cost/Claim	<u>\$ 9,048</u>

Schedule E

MORRIS ESSEX INSURANCE GROUP
FUND YEAR CLAIMS ANALYSIS
FUND YEAR - 2023
JUNE 30, 2023
(Unaudited)

	<u>Coverage</u> <u>Worker's</u> <u>Compensation</u> <u>Insurance</u>
Paid Claims	\$ 419,586
Case Reserves	505,842
Imprest Account	
IBNR Reserve	474,572
Subtotal	<u>1,400,000</u>
Excess Insurance	
Received	
Receivable	
Recoverable	
Subtotal	<u> </u>
Incurred Claims	<u>1,400,000</u>
Number of Claims	176
Cost/Claim	<u>\$ 7,955</u>

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 1985JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 29,452		\$ 29,452
Subtotal Excess	<u>29,452</u>		<u>29,452</u>
2. <u>Administrative Expenses</u>			
Administrator	26,726		26,726
Workers' Compensation Audit			
Treasurer			
Other (itemize)			
Audit	2,000		2,000
Consultants	4,000		4,000
Actuary			
Bank Investment Fees	1,631		1,631
Miscellaneous	412		412
Subtotal Administrative	<u>34,769</u>		<u>34,769</u>
Total Expenses = 1+2	<u>\$ 64,221</u>	<u>\$ -0-</u>	<u>\$ 64,221</u>

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 1986JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 34,108		\$ 34,108
Subtotal Excess	<u>34,108</u>		<u>34,108</u>
2. <u>Administrative Expenses</u>			
Administrator	29,235		29,235
Workers' Compensation Audit			
Treasurer			
Other (itemize)			
Audit	2,000		2,000
Consultants	4,230		4,230
Actuary			
Bank Investment Fees	2,085		2,085
Miscellaneous	878		878
Subtotal Administrative	<u>38,428</u>		<u>38,428</u>
Total Expenses = 1+2	<u>\$ 72,536</u>	<u>\$ -0-</u>	<u>\$ 72,536</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 1987JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 57,286		\$ 57,286
Subtotal Excess	<u>57,286</u>		<u>57,286</u>
2. <u>Administrative Expenses</u>			
Administrator	32,400		32,400
Workers' Compensation Audit			
Treasurer			
Other (itemize)			
Audit	2,500		2,500
Consultants	4,230		4,230
Actuary			
Bank Investment Fees	2,601		2,601
Miscellaneous	821		821
Subtotal Administrative	<u>42,552</u>		<u>42,552</u>
Total Expenses = 1+2	<u>\$ 99,838</u>	<u>\$ -0-</u>	<u>\$ 99,838</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 1988JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 50,500		\$ 50,500
Subtotal Excess	<u>50,500</u>		<u>50,500</u>
2. <u>Administrative Expenses</u>			
Administrator	35,000		35,000
Workers' Compensation Audit			
Treasurer	1,136		1,136
Other (itemize)			
Audit	2,500		2,500
Consultants	3,290		3,290
Actuary			
Bank Investment Fees	2,861		2,861
Miscellaneous	382		382
Subtotal Administrative	<u>45,169</u>		<u>45,169</u>
Total Expenses = 1+2	<u>\$ 95,669</u>	<u>\$ -0-</u>	<u>\$ 95,669</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 1989JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 38,900		\$ 38,900
Subtotal Excess	<u>38,900</u>		<u>38,900</u>
2. <u>Administrative Expenses</u>			
Administrator	40,000		40,000
Workers' Compensation Audit			
Treasurer	3,000		3,000
Other (itemize)			
Audit	3,000		3,000
Consultants	3,525		3,525
Actuary			
Bank Investment Fees	2,864		2,864
Miscellaneous	3,546		3,546
Subtotal Administrative	<u>55,935</u>		<u>55,935</u>
Total Expenses = 1+2	<u>\$ 94,835</u>	<u>\$ -0-</u>	<u>\$ 94,835</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 1990JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 36,400		\$ 36,400
Subtotal Excess	<u>36,400</u>		<u>36,400</u>
2. <u>Administrative Expenses</u>			
Administrator	40,000		40,000
Workers' Compensation Audit			
Treasurer	3,000		3,000
Other (itemize)			
Audit	3,000		3,000
Consultants	3,525		3,525
Actuary			
Bank Investment Fees	2,981		2,981
Miscellaneous	804		804
Subtotal Administrative	<u>53,310</u>		<u>53,310</u>
Total Expenses = 1+2	<u>\$ 89,710</u>	<u>\$ -0-</u>	<u>\$ 89,710</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 1991JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 33,250		\$ 33,250
Subtotal Excess	<u>33,250</u>		<u>33,250</u>
2. <u>Administrative Expenses</u>			
Administrator	40,000		40,000
Workers' Compensation Audit			
Treasurer	3,000		3,000
Other (itemize)			
Audit	3,500		3,500
Consultants	3,528		3,528
Actuary			
Bank Investment Fees			
Miscellaneous	3,627		3,627
Subtotal Administrative	<u>53,655</u>		<u>53,655</u>
Total Expenses = 1+2	<u>\$ 86,905</u>	<u>\$ -0-</u>	<u>\$ 86,905</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 1992JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 31,225		\$ 31,225
Subtotal Excess	<u>31,225</u>		<u>31,225</u>
2. <u>Administrative Expenses</u>			
Administrator	31,250		31,250
Workers' Compensation Audit			
Treasurer	3,000		3,000
Other (itemize)			
Audit	3,500		3,500
Consultants	4,500		4,500
Actuary	5,000		5,000
Administrative Fee	3,254		3,254
Bank Investment Fees			
Miscellaneous	426		426
Subtotal Administrative	<u>50,930</u>		<u>50,930</u>
Total Expenses = 1+2	<u>\$ 82,155</u>	<u>\$ -0-</u>	<u>\$ 82,155</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 1993JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 36,262		\$ 36,262
Subtotal Excess	<u>36,262</u>		<u>36,262</u>
2. <u>Administrative Expenses</u>			
Administrator	32,251		32,251
Workers' Compensation Audit			
Treasurer	3,000		3,000
Other (itemize)			
Audit	4,000		4,000
Consultants	4,500		4,500
Actuary	5,000		5,000
Administrative Fee	2,892		2,892
Bank Investment Fees			
Miscellaneous	789		789
Subtotal Administrative	<u>52,432</u>		<u>52,432</u>
Total Expenses = 1+2	<u>\$ 88,694</u>	<u>\$ -0-</u>	<u>\$ 88,694</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 1994JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 40,208		\$ 40,208
Subtotal Excess	<u>40,208</u>		<u>40,208</u>
2. <u>Administrative Expenses</u>			
Administrator	33,251		33,251
Workers' Compensation Audit			
Treasurer	3,000		3,000
Other (itemize)			
Audit	4,000		4,000
Consultants	4,500		4,500
Actuary	5,000		5,000
Administrative Fee	3,563		3,563
Bank Investment Fees			
Miscellaneous	563		563
Subtotal Administrative	<u>53,877</u>		<u>53,877</u>
Total Expenses = 1+2	<u>\$ 94,085</u>	<u>\$ -0-</u>	<u>\$ 94,085</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 1995JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance			
Subtotal Excess			
2. <u>Administrative Expenses</u>			
Administrator			
Workers' Compensation Audit			
Treasurer			
Other (itemize)			
Audit			
Consultants			
Actuary			
Bank Investment Fees			
Miscellaneous	\$ 90,187		\$ 90,187
Subtotal Administrative	<u>90,187</u>		<u>90,187</u>
Total Expenses = 1+2	<u>\$ 90,187</u>	<u>\$ -0-</u>	<u>\$ 90,187</u>

Note - Prior year report does not provide the detailed information needed to complete this schedule.

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 1996JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 34,547		\$ 34,547
Subtotal Excess	<u>34,547</u>		<u>34,547</u>
2. <u>Administrative Expenses</u>			
Administrator	33,979		33,979
Workers' Compensation Audit	1,539		1,539
Treasurer	4,000		4,000
Other (itemize)			
Audit	4,500		4,500
Consultants	4,500		4,500
Actuary	5,000		5,000
Bank Investment Fees	4,590		4,590
Miscellaneous	512		512
Subtotal Administrative	<u>58,620</u>		<u>58,620</u>
Total Expenses = 1+2	<u>\$ 93,167</u>	<u>\$ -0-</u>	<u>\$ 93,167</u>

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MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 1997JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 39,221		\$ 39,221
Subtotal Excess	<u>39,221</u>		<u>39,221</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	36,356		36,356
Executive Director	31,084		31,084
Treasurer	5,500		5,500
Other (itemize)			
Audit	7,000		7,000
Safety Management Services	3,434		3,434
Actuary	5,000		5,000
Bank Investment Fees	7,667		7,667
Miscellaneous	208		208
Subtotal Administrative	<u>96,249</u>		<u>96,249</u>
Total Expenses = 1+2	<u>\$ 135,470</u>	<u>\$ -0-</u>	<u>\$ 135,470</u>

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MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 1998JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 41,215		\$ 41,215
Subtotal Excess	<u>41,215</u>		<u>41,215</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	40,446		40,446
Executive Director	30,541		30,541
Treasurer	6,000		6,000
Other (itemize)			
Audit	7,000		7,000
Safety Management Services	7,420		7,420
Actuary	5,000		5,000
Bank Investment Fees	7,980		7,980
Miscellaneous	376		376
Subtotal Administrative	<u>104,763</u>		<u>104,763</u>
Total Expenses = 1+2	<u>\$ 145,978</u>	<u>\$ -0-</u>	<u>\$ 145,978</u>

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MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 1999JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 43,452		\$ 43,452
Subtotal Excess	<u>43,452</u>		<u>43,452</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	42,000		42,000
Executive Director	27,738		27,738
Treasurer	8,000		8,000
Other (itemize)			
Audit	7,000		7,000
Safety Management Services	6,870		6,870
Actuary	6,410		6,410
Bank Investment Fees	2,418		2,418
Miscellaneous	292		292
Subtotal Administrative	<u>100,728</u>		<u>100,728</u>
Total Expenses = 1+2	<u>\$ 144,180</u>	<u>\$ -0-</u>	<u>\$ 144,180</u>

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MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2000JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 44,524		\$ 44,524
Subtotal Excess	<u>44,524</u>		<u>44,524</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	44,000		44,000
Executive Director	29,000		29,000
Treasurer	10,000		10,000
Other (itemize)			
Audit	7,000		7,000
Safety Management Services	8,000		8,000
Actuary	5,500		5,500
Bank Investment Fees	3,000		3,000
Miscellaneous	406		406
Subtotal Administrative	<u>106,906</u>		<u>106,906</u>
Total Expenses = 1+2	<u>\$ 151,430</u>	<u>\$ -0-</u>	<u>\$ 151,430</u>

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MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2001JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 48,668		\$ 48,668
Subtotal Excess	<u>48,668</u>		<u>48,668</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	45,760		45,760
Executive Director	34,000		34,000
Treasurer	10,000		10,000
Other (itemize)			
Audit	81,144		81,144
Safety Management Services	9,000		9,000
Actuary	11,000		11,000
Bank Investment Fees	3,000		3,000
Miscellaneous	1,151		1,151
Subtotal Administrative	<u>195,055</u>		<u>195,055</u>
Total Expenses = 1+2	<u>\$ 243,723</u>	<u>\$ -0-</u>	<u>\$ 243,723</u>

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MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2002JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 68,189		\$ 68,189
Subtotal Excess	<u>68,189</u>		<u>68,189</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	47,823		47,823
Executive Director	35,360		35,360
Treasurer	11,050		11,050
Other (itemize)			
Audit	18,500		18,500
Safety Management Services	8,752		8,752
Actuary	6,568		6,568
Bank Investment Fees	3,000		3,000
Miscellaneous	1,193		1,193
Subtotal Administrative	<u>132,246</u>		<u>132,246</u>
Total Expenses = 1+2	<u>\$ 200,435</u>	<u>\$ -0-</u>	<u>\$ 200,435</u>

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MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2003JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 144,910		\$ 144,910
Subtotal Excess	<u>144,910</u>		<u>144,910</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	48,537		48,537
Executive Director	38,260		38,260
Treasurer	10,800		10,800
Other (itemize)			
Audit	19,250		19,250
Safety Management Services	9,902		9,902
Actuary	5,500		5,500
Bank Investment Fees	3,517		3,517
Miscellaneous	1,389		1,389
Subtotal Administrative	<u>137,155</u>		<u>137,155</u>
Total Expenses = 1+2	<u>\$ 282,065</u>	<u>\$ -0-</u>	<u>\$ 282,065</u>

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MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2004JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 172,021		\$ 172,021
Subtotal Excess	<u>172,021</u>		<u>172,021</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	51,575		51,575
Executive Director	40,000		40,000
Treasurer	13,000		13,000
Other (itemize)			
Audit	18,018		18,018
Safety Management Services	9,915		9,915
Actuary	5,750		5,750
Miscellaneous	4,879		4,879
Subtotal Administrative	<u>143,137</u>		<u>143,137</u>
Total Expenses = 1+2	<u>\$ 315,158</u>	<u>\$ -0-</u>	<u>\$ 315,158</u>

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MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2005JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 164,260		\$ 164,260
Subtotal Excess	<u>164,260</u>		<u>164,260</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	54,988		54,988
Executive Director	42,000		42,000
Treasurer	13,400		13,400
Other (itemize)			
Audit	19,568		19,568
Safety Management Services	13,334		13,334
Actuary	5,500		5,500
Miscellaneous	2,243		2,243
Subtotal Administrative	<u>151,033</u>		<u>151,033</u>
Total Expenses = 1+2	<u>\$ 315,293</u>	<u>\$ -0-</u>	<u>\$ 315,293</u>

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MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2006JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 162,854		\$ 162,854
Subtotal Excess	<u>162,854</u>		<u>162,854</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	64,140		64,140
Executive Director	46,000		46,000
Treasurer	13,400		13,400
Other (itemize)			
Audit	20,068		20,068
Safety Management Services	7,005		7,005
Actuary	6,400		6,400
Miscellaneous	5,850		5,850
Subtotal Administrative	<u>162,863</u>		<u>162,863</u>
Total Expenses = 1+2	<u>\$ 325,717</u>	<u>\$ -0-</u>	<u>\$ 325,717</u>

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MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2007JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 176,724		\$ 176,724
Subtotal Excess	<u>176,724</u>		<u>176,724</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	63,932		63,932
Executive Director	49,638		49,638
Treasurer	13,400		13,400
Other (itemize)			
Audit	20,568		20,568
Safety Management Services	14,711		14,711
Actuary	6,000		6,000
Miscellaneous	3,000		3,000
Subtotal Administrative	<u>171,249</u>		<u>171,249</u>
Total Expenses = 1+2	<u>\$ 347,973</u>	<u>\$ -0-</u>	<u>\$ 347,973</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2008JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Reinsurance	\$ 209,826		\$ 209,826
Subtotal Excess	<u>209,826</u>		<u>209,826</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	58,877		58,877
Executive Director	48,000		48,000
Treasurer	13,400		13,400
Other (itemize)			
Audit	24,568		24,568
Safety Management Services	15,300		15,300
Actuary	6,100		6,100
Miscellaneous	6,678		6,678
Subtotal Administrative	<u>172,923</u>		<u>172,923</u>
Total Expenses = 1+2	<u>\$ 382,749</u>	<u>\$ -0-</u>	<u>\$ 382,749</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2009JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Liability	\$ 481,322		\$ 481,322
Reinsurance	153,381		153,381
Subtotal Excess	<u>634,703</u>		<u>634,703</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	61,232		61,232
Executive Director	48,960		48,960
Treasurer	11,492		11,492
Other (itemize)			
Audit	24,569		24,569
Safety Management Services	18,235		18,235
Actuary	6,400		6,400
Risk Management Fee	24,066		24,066
Miscellaneous	5,926		5,926
Subtotal Administrative	<u>200,880</u>		<u>200,880</u>
Total Expenses = 1+2	<u>\$ 835,583</u>	<u>\$ -0-</u>	<u>\$ 835,583</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2010JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Liability	\$ 493,343		\$ 493,343
Reinsurance	196,592		196,592
Subtotal Excess	<u>689,935</u>		<u>689,935</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	173,682		173,682
Executive Director	50,184		50,184
Treasurer	14,009		14,009
Other (itemize)			
Audit	17,500	\$ 10,000	27,500
Safety Management Services	16,545		16,545
Actuary	6,400		6,400
Risk Management Fee	23,909		23,909
Miscellaneous	8,534		8,534
Subtotal Administrative	<u>310,763</u>	<u>10,000</u>	<u>320,763</u>
Total Expenses = 1+2	<u>\$ 1,000,698</u>	<u>\$ 10,000</u>	<u>\$ 1,010,698</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2011JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Liability	\$ 512,820		\$ 512,820
Reinsurance	223,492		223,492
Subtotal Excess	<u>736,312</u>		<u>736,312</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	174,432		174,432
Executive Director	50,184		50,184
Treasurer	14,009		14,009
Other (itemize)			
Audit	17,500	\$ 10,000	27,500
Safety Management Services	16,545		16,545
Actuary	6,300		6,300
Risk Management Fee	25,641		25,641
Miscellaneous	10,920		10,920
Subtotal Administrative	<u>315,531</u>	<u>10,000</u>	<u>325,531</u>
Total Expenses = 1+2	<u>\$ 1,051,843</u>	<u>\$ 10,000</u>	<u>\$ 1,061,843</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2012JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Liability	\$ 524,799		\$ 524,799
Reinsurance	229,115		229,115
Subtotal Excess	<u>753,914</u>		<u>753,914</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	174,955		174,955
Executive Director	51,188		51,188
Treasurer	14,289		14,289
Other (itemize)			
Audit	17,500	\$ 10,000	27,500
Safety Management Services	16,876		16,876
Actuary	7,500		7,500
Risk Management Fee	26,240		26,240
Miscellaneous	9,646		9,646
Subtotal Administrative	<u>318,194</u>	<u>10,000</u>	<u>328,194</u>
Total Expenses = 1+2	<u>\$ 1,072,108</u>	<u>\$ 10,000</u>	<u>\$ 1,082,108</u>

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MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2013JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Liability	\$ 559,991		\$ 559,991
Reinsurance	232,584		232,584
Subtotal Excess	<u>792,575</u>		<u>792,575</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	169,862		169,862
Executive Director	52,212		52,212
Treasurer	14,575		14,575
Other (itemize)			
Audit	17,500	\$ 10,000	27,500
Safety Management Services	27,376		27,376
Actuary	6,700		6,700
Risk Management Fee	28,000		28,000
Miscellaneous	10,268		10,268
Subtotal Administrative	<u>326,493</u>	<u>10,000</u>	<u>336,493</u>
Total Expenses = 1+2	<u>\$ 1,119,068</u>	<u>\$ 10,000</u>	<u>\$ 1,129,068</u>

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MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2014JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Liability	\$ 596,659		\$ 596,659
Reinsurance	233,550		233,550
Subtotal Excess	<u>830,209</u>		<u>830,209</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	192,524		192,524
Executive Director	53,256		53,256
Treasurer	14,867		14,867
Other (itemize)			
Audit	19,550	\$ 10,000	29,550
Safety Management Services	27,376		27,376
Actuary	6,700		6,700
Risk Management Fee	29,833		29,833
Miscellaneous	10,662		10,662
Subtotal Administrative	<u>354,768</u>	<u>10,000</u>	<u>364,768</u>
Total Expenses = 1+2	<u>\$ 1,184,977</u>	<u>\$ 10,000</u>	<u>\$ 1,194,977</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2015JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Liability	\$ 641,735		\$ 641,735
Reinsurance	265,062		265,062
Subtotal Excess	<u>906,797</u>		<u>906,797</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	185,322		185,322
Executive Director	54,321		54,321
Treasurer	15,165		15,165
Other (itemize)			
Audit	18,564	\$ 10,000	28,564
Safety Management Services	27,714		27,714
Actuary	6,700		6,700
Risk Management Fee	31,996		31,996
Miscellaneous	4,047		4,047
Subtotal Administrative	<u>343,829</u>	<u>10,000</u>	<u>353,829</u>
Total Expenses = 1+2	<u>\$ 1,250,626</u>	<u>\$ 10,000</u>	<u>\$ 1,260,626</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2016JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Liability	\$ 690,770		\$ 690,770
Reinsurance	274,886		274,886
Subtotal Excess	<u>965,656</u>		<u>965,656</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	199,351		199,351
Executive Director	55,407		55,407
Treasurer	15,468		15,468
Other (itemize)			
Audit	18,800	\$ 10,000	28,800
Safety Management Services	17,558		17,558
Actuary			
Risk Management Fee	34,360		34,360
Miscellaneous	12,141		12,141
Subtotal Administrative	<u>353,085</u>	<u>10,000</u>	<u>363,085</u>
Total Expenses = 1+2	<u>\$ 1,318,741</u>	<u>\$ 10,000</u>	<u>\$ 1,328,741</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2017JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Liability	\$ 759,026		\$ 759,026
Reinsurance	270,903		270,903
Subtotal Excess	<u>1,029,929</u>		<u>1,029,929</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	179,151		179,151
Executive Director	56,200		56,200
Treasurer	15,777		15,777
Other (itemize)			
Audit	19,850		19,850
Safety Management Services	28,409		28,409
Actuary	6,800		6,800
Miscellaneous	14,869		14,869
Subtotal Administrative	<u>321,056</u>		<u>321,056</u>
Total Expenses = 1+2	<u>\$ 1,350,985</u>	<u>\$ -0-</u>	<u>\$ 1,350,985</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2018JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Liability	\$ 953,290		\$ 953,290
Reinsurance	230,707		230,707
Subtotal Excess	<u>1,183,997</u>		<u>1,183,997</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	190,785		190,785
Executive Director	56,500		56,500
Treasurer	15,777		15,777
Other (itemize)			
Audit	19,500		19,500
Safety Management Services	28,409		28,409
Actuary	6,600		6,600
Miscellaneous	2,374		2,374
Subtotal Administrative	<u>319,945</u>		<u>319,945</u>
Total Expenses = 1+2	<u>\$ 1,503,942</u>	<u>\$ -0-</u>	<u>\$ 1,503,942</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2019JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Liability	\$ 1,018,171		\$ 1,018,171
Reinsurance	238,723		238,723
Subtotal Excess	<u>1,256,894</u>		<u>1,256,894</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	193,262		193,262
Executive Director	57,630		57,630
Treasurer	16,092		16,092
Other (itemize)			
Audit	19,890		19,890
Safety Management Services	28,409		28,409
Actuary	6,600		6,600
Miscellaneous	3,534		3,534
Subtotal Administrative	<u>325,417</u>		<u>325,417</u>
Total Expenses = 1+2	<u>\$ 1,582,311</u>	<u>\$ -0-</u>	<u>\$ 1,582,311</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2020JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Liability	\$ 1,052,709		\$ 1,052,709
Reinsurance	231,472		231,472
Subtotal Excess	<u>1,284,181</u>		<u>1,284,181</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	195,820		195,820
Executive Director	58,780		58,780
Treasurer	16,410		16,410
Other (itemize)			
Audit	20,288		20,288
Safety Management Services	31,834		31,834
Actuary	6,700		6,700
Risk Management Fee	51,493		51,493
Miscellaneous	6,822		6,822
Subtotal Administrative	<u>388,147</u>		<u>388,147</u>
Total Expenses = 1+2	<u>\$ 1,672,328</u>	<u>\$ -0-</u>	<u>\$ 1,672,328</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2021JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Liability	\$ 1,184,173		\$ 1,184,173
Reinsurance	243,079		243,079
Subtotal Excess	<u>1,427,252</u>		<u>1,427,252</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	193,345		193,345
Executive Director	58,780		58,780
Treasurer	16,410		16,410
Other (itemize)			
Audit	20,288		20,288
Safety Management Services	33,218		33,218
Actuary	6,800		6,800
Risk Management Fee	52,172		52,172
Miscellaneous	6,762		6,762
Subtotal Administrative	<u>387,775</u>		<u>387,775</u>
Total Expenses = 1+2	<u>\$ 1,815,027</u>	<u>\$ -0-</u>	<u>\$ 1,815,027</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2022JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Liability	\$ 1,382,134		\$ 1,382,134
Reinsurance	254,689		254,689
Subtotal Excess	<u>1,636,823</u>		<u>1,636,823</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	195,921		195,921
Executive Director	59,955		59,955
Treasurer	16,738		16,738
Other (itemize)			
Audit	20,288		20,288
Safety Management Services	18,450		18,450
Actuary	6,900		6,900
Miscellaneous	23,728		23,728
Subtotal Administrative	<u>341,980</u>		<u>341,980</u>
3 <u>Insured Program Expenses</u>			
Cyber Grants	30,000		30,000
Risk Management Fee	59,212		59,212
Subtotal Insured Program	<u>89,212</u>		<u>89,212</u>
Total Expenses = 1+2+3	<u>\$ 2,068,015</u>	<u>\$ -0-</u>	<u>\$ 2,068,015</u>

Schedule F

MORRIS ESSEX INSURANCE GROUPFUND YEAR EXPENSE ANALYSISFUND YEAR - 2023JUNE 30, 2023

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Liability	\$ 1,659,876		\$ 1,659,876
Reinsurance	242,383		242,383
Subtotal Excess	<u>1,902,259</u>		<u>1,902,259</u>
2. <u>Administrative Expenses</u>			
Claims Administrative Services	188,773		188,773
Executive Director	61,154		61,154
Treasurer	17,072		17,072
Other (itemize)			
Audit		\$ 21,107	21,107
Safety Management Services	39,732		39,732
Actuary		6,900	6,900
Miscellaneous	610		610
Subtotal Administrative	<u>307,341</u>	<u>28,007</u>	<u>335,348</u>
3 <u>Insured Program Expenses</u>			
Cyber Grants	15,000		15,000
Risk Management Fee	80,578		80,578
Subtotal Insured Program	<u>95,578</u>		<u>95,578</u>
Total Expenses = 1+2+3	<u>\$ 2,305,178</u>	<u>\$ 28,007</u>	<u>\$ 2,333,185</u>

MORRIS ESSEX INSURANCE GROUP
PROGRAM SUMMARY
FUND YEAR - 2023
JUNE 30, 2023
(Unaudited)

COVERAGE

	Worker's Compensation	Liability	
1. <u>Limits</u>	Part I - Statutory Part II - Employers' Liability - \$5,000,000	\$1,000,000/\$2,000,000 National Union Fire	
2. <u>Fund Retention</u>			
Specific	\$500,000	\$	-0-
Aggregate	\$6,703,169	\$	-0-
3. <u>Excess Insurers</u> (list all insurers and amount insured)	Star Insurance Co.	\$10,000,000 National Union Fire Umbrella Includes School Board Legal \$30,000,000 Starstone/Markel - Not Shared	
4. <u>Number of Participants</u>	15	\$25,000,000 Fireman's Fund CAP Policy - Shared	
5. <u>Incurred Liabilities</u>	\$1,642,383	\$1,755,454	
6. <u>Exposure Units</u> (Population)	\$283,321,341 Payroll	\$71,225,546 Payroll	
7. <u>Liabilities/Unit</u>	\$0.0058	\$0.0246	

MORRIS ESSEX INSURANCE GROUP
STATE REQUIRED SUPPORTING
SCHEDULE - ANNUAL REPORT
ANALYSIS OF CASH AND INVESTMENTS
JUNE 30, 2023
(Unaudited)

<u>Bank</u>	<u>Account or Investment Number</u>	<u>Amount</u>
Valley National Bank	41699890	\$ 599,781
Connect One Bank	XXXXXX0014	11,382,006
Connect One Bank	XXXXXX8914	14,142
Connect One Bank	XXXXXXXXXX	2,490
NJ Cash Management Fund	117-105465-171	77,325
		<u>12,075,744</u>
Add: Deposits in Transit		25
Less: Outstanding Checks		<u>(613,948)</u>
		<u>\$ 11,461,821</u>

MORRIS ESSEX INSURANCE GROUP
SCHOOL BOARD GROUP INSURANCE POOL
STATE REQUIRED SUPPORTING
SCHEDULE - ANNUAL REPORT
ANALYSIS OF ASSESSMENTS RECEIVABLE
JUNE 30, 2023
(Unaudited)

Long Hill Township School District	\$ 1,542
Mountain Lakes School District	90,166
North Caldwell School District	635
West Essex Regional School District	95,311
West Morris School District	286
	<u>187,940</u>
West Essex Regional School District	<u>\$ 187,940</u>

MORRIS ESSEX INSURANCE GROUP
STATE REQUIRED SUPPORTING
SCHEDULE - ANNUAL REPORT
ANALYSIS OF EXPENSES PAYABLE
JUNE 30, 2023
(Unaudited)

General and Administrative Fund:

Accounting and Auditing Services	\$ 91,107
Actuarial Services	<u>6,900</u>
	<u>\$ 98,007</u>

**REPORT PURSUANT TO GOVERNMENT
AUDITING STANDARDS**



Mount Arlington, NJ
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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditors' Report

Board of Trustees
Morris Essex Insurance Group
Westwood, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Morris Essex Insurance Group (the "Pool") as of and for the fiscal years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Pool's basic financial statements, and have issued our report thereon dated March 4, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Pool's internal control over financial reporting as a basis of designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Pool's internal control. Accordingly, we do not express an opinion on the effectiveness of the Pool'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 Pool's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

Board of Trustees
Morris Essex Insurance Group
Page 2

Report On Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Pool's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

Mount Arlington, New Jersey
March 4, 2024

Nisivoccia LLP

STATISTICAL SECTION

MORRIS ESSEX INSURANCE GROUP
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)

	June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2022
Business-Type Activities										
Unrestricted	<u>\$ 5,409,944</u>	<u>\$ 6,102,625</u>	<u>\$ 7,012,792</u>	<u>\$ 7,503,025</u>	<u>\$ 7,796,837</u>	<u>\$ 7,785,886</u>	<u>\$ 8,479,975</u>	<u>\$ 8,609,634</u>	<u>\$ 7,494,542</u>	<u>\$ 7,344,918</u>
Total Business-Type Activities Net Position	<u>\$ 5,409,944</u>	<u>\$ 6,102,625</u>	<u>\$ 7,012,792</u>	<u>\$ 7,503,025</u>	<u>\$ 7,796,837</u>	<u>\$ 7,785,886</u>	<u>\$ 8,479,975</u>	<u>\$ 8,609,634</u>	<u>\$ 7,494,542</u>	<u>\$ 7,344,918</u>

Source - Insurance Pool Financial Records.

MORRIS ESSEX INSURANCE GROUP
SCHEDULE OF CHANGE IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenue:										
Assessments from Participating School Districts	\$ 3,067,611	\$ 3,242,193	\$ 3,358,389	\$ 3,319,147	\$ 3,622,190	\$ 3,656,258	\$ 3,780,905	\$ 3,743,740	\$ 3,637,658	\$ 4,014,742
Investment Income	18,643	26,041	34,957	64,948	208,030	321,067	232,786	71,420	77,732	348,350
Total Revenue	<u>3,086,254</u>	<u>3,268,234</u>	<u>3,393,346</u>	<u>3,384,095</u>	<u>3,830,220</u>	<u>3,977,325</u>	<u>4,013,691</u>	<u>3,815,160</u>	<u>3,715,390</u>	<u>4,363,092</u>
Expenses:										
Provision for Claims and Claim Adjustment Expenses	89,002	550,406	345,273	581,104	982,279	1,386,234	622,690	787,922	1,647,331	1,204,657
Insurance Premiums	830,209	906,797	965,656	1,029,929	1,183,997	1,256,894	1,284,181	1,427,252	1,636,823	1,902,259
Professional Fees	168,182	164,460	158,393	127,036	126,986	121,621	185,007	188,472	181,949	241,440
Administrative Expenses	10,662	4,047	12,141	14,869	2,374	3,534	6,822	6,762	53,728	
Claims Administration	192,524	185,322	199,351	179,151	190,785	193,262	195,820	193,345	195,921	188,773
Total Expenses	<u>1,290,579</u>	<u>1,811,032</u>	<u>1,680,814</u>	<u>1,932,089</u>	<u>2,486,421</u>	<u>2,961,545</u>	<u>2,294,520</u>	<u>2,603,753</u>	<u>3,715,752</u>	<u>3,537,129</u>
Excess of Revenue over Expenses	1,795,675	1,457,202	1,712,532	1,452,006	1,343,799	1,015,780	1,719,171	1,211,407	(362)	825,963
Member Dividends	733,820	764,521	802,365	961,773	1,049,987	1,026,731	1,025,082	1,081,748	1,114,730	975,587
Change in Net Position	<u>\$ 1,061,855</u>	<u>\$ 692,681</u>	<u>\$ 910,167</u>	<u>\$ 490,233</u>	<u>\$ 293,812</u>	<u>\$ (10,951)</u>	<u>\$ 694,089</u>	<u>\$ 129,659</u>	<u>\$ (1,115,092)</u>	<u>\$ (149,624)</u>

Source - Insurance Pool Financial Records.

MORRIS ESSEX INSURANCE GROUP
MEMBER GROWTH ANALYSIS - BY FUND YEAR
FOR THE TEN-YEAR PERIOD ENDED JUNE 30, 2023
(Unaudited)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Total Number of Members	18	18	18	17	17	17	17	17	17	17
Total Assessments	\$ 3,067,611	\$ 3,242,193	\$ 3,358,389	\$ 3,319,147	\$ 3,622,190	\$ 3,656,258	\$ 3,780,905	\$ 3,743,740	\$ 3,637,658	\$ 4,014,742
Total Number of Claims	212	171	180	179	192	191	124	111	152	176
Total Reported Losses	\$ 829,997	\$ 653,191	\$ 710,783	\$ 1,002,632	\$ 1,207,278	\$ 671,834	\$ 662,255	\$ 1,136,001	\$ 329,798	\$ 925,428

Source - Insurance Pool Records

MORRIS ESSEX INSURANCE GROUP
REPORTED CLAIM ACTIVITY - BY FUND YEAR
FOR THE TEN-YEAR PERIOD ENDED JUNE 30, 2023
(Unaudited)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Workers' Compensation	<u>212</u>	<u>171</u>	<u>180</u>	<u>179</u>	<u>192</u>	<u>191</u>	<u>124</u>	<u>111</u>	<u>152</u>	<u>176</u>
Total	<u>212</u>	<u>171</u>	<u>180</u>	<u>179</u>	<u>192</u>	<u>191</u>	<u>124</u>	<u>111</u>	<u>152</u>	<u>176</u>
Claims Settled in Full	211	171	178	174	190	189	122	104	143	122
Claims Pending	<u>1</u>	<u>0</u>	<u>2</u>	<u>5</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>7</u>	<u>9</u>	<u>54</u>
Total	<u>212</u>	<u>171</u>	<u>180</u>	<u>179</u>	<u>192</u>	<u>191</u>	<u>124</u>	<u>111</u>	<u>152</u>	<u>176</u>

Source - Loss Year Summary Report Inservco Incorporated

MORRIS ESSEX INSURANCE GROUP
REPORTED LOSS HISTORY - BY FUND YEAR
FOR THE TEN-YEAR PERIOD ENDED JUNE 30, 2023
(Unaudited)

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Workers' Compensation	<u>\$ 829,997</u>	<u>\$ 653,191</u>	<u>\$ 710,783</u>	<u>\$1,002,632</u>	<u>\$1,207,278</u>	<u>\$ 671,834</u>	<u>\$ 662,255</u>	<u>\$1,136,001</u>	<u>\$ 329,798</u>	<u>\$ 925,428</u>
Total	<u>\$ 829,997</u>	<u>\$ 653,191</u>	<u>\$ 710,783</u>	<u>\$1,002,632</u>	<u>\$1,207,278</u>	<u>\$ 671,834</u>	<u>\$ 662,255</u>	<u>\$1,136,001</u>	<u>\$ 329,798</u>	<u>\$ 925,428</u>
Total number of claims	<u>212</u>	<u>171</u>	<u>180</u>	<u>179</u>	<u>192</u>	<u>191</u>	<u>124</u>	<u>111</u>	<u>152</u>	<u>176</u>
Average cost per claim	<u>\$ 3,915</u>	<u>\$ 3,820</u>	<u>\$ 3,949</u>	<u>\$ 5,601</u>	<u>\$ 6,288</u>	<u>\$ 3,517</u>	<u>\$ 5,341</u>	<u>\$ 10,234</u>	<u>\$ 2,170</u>	<u>\$ 5,258</u>

Source - Joint Insurance Fund- Third Party Claims Administrator