

Bergen County Municipal Joint Insurance Fund

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**IN ACCORDANCE WITH THE OPEN PUBLIC MEETINGS ACT, A COPY OF THIS NOTICE
SHOULD BE POSTED ON THE PUBLIC BULLETIN BOARD WITHIN THE
MUNICIPALITY.**

November 8, 2021

Memo to: Honorable Mayor & Council
Bergen County Municipal Joint Insurance Fund

Subject: PUBLIC HEARINGS - 2022 PROPOSED BUDGETS

From: PERMA Risk Management Services

Please find enclosed for review, the 2022 Proposed Budget for the Bergen County Municipal Joint Insurance Fund, as introduced at the Public Meeting of the Fund held October 21, 2021.

A Public Hearing for the proposed 2022 Budget has been scheduled for **Monday, November 22, 2021 at 5:30 PM** in the Westwood Municipal Building.

The Bergen County Municipal Joint Insurance Fund is a member in the Municipal Excess Liability Joint Insurance Fund (MEL), the Municipal Excess Liability Residual Claims Fund (RCF) and the New Jersey Environmental Risk Management Fund (E-JIF). Below is a list of MEL, RCF and EJIF enclosed budgets.

BERGEN COUNTY MUNICIPAL JOINT INSURANCE FUND

Date: Monday, November 22, 2021
Time: 5:30PM
Location: Westwood Municipal Building
101 Washington Avenue - Westwood, NJ 07675

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND (MEL)

Date: Wednesday, November 17, 2021
Time: 12:30 PM
Location: Sheraton Hotel, Steel-Pier Room
Atlantic City, New Jersey
(Across from League of Municipalities Convention)

NEW JERSEY ENVIRONMENTAL RISK MANAGEMENT FUND (E-JIF)

Adopted on October 20, 2021

RESIDUAL CLAIMS FUND (RCF)

Adopted on October 20, 2021

In accordance with the Open Public Meetings Act, we ask that you post a copy of this notice on your public bulletin board.

As always, should you have any questions regarding these budgets or meeting dates, please do not hesitate to contact the Fund office.

bcc: (via email): Honorable Mayor & Council
Fund Commissioners
Risk Management Consultants
Fund Professionals

	BERGEN MUNICIPAL JOINT INSURANCE FUND				
	2022 PROPOSED BUDGET				
	APPROPRIATIONS			CHANGE	
	I. Claims and Excess Insurance	Annualized 2021	Proposed 2022	\$	%
	Claims				
1	Property	1,009,581	1,032,000	22,419	2.22%
2	Liability	1,179,000	1,268,000	89,000	7.55%
3	Auto	402,000	442,000	40,000	9.95%
4	Workers' Comp.	5,305,000	5,147,500	(157,500)	-2.97%
5	Workers' Comp. Pension		541,000	541,000	100.00%
6	Loss Fund Contingency	280,825	280,825	0	0.00%
7	Subtotal - Claims	8,176,406	8,711,325	534,919	6.54%
8	Premiums				
9	Crime	16,391	16,494	103	0.63%
10	Environmental Fund	391,909	395,906	3,997	1.02%
11	EJIF Dividend	(329,343)	(398,421)	(69,078)	20.97%
12	MEL	2,714,280	2,662,269	(52,011)	-1.92%
13	MEL Property	1,404,323	1,699,820	295,497	21.04%
14	Sub Total Premiums	4,197,560	4,376,068	178,508	4.25%
15	Total Loss Fund	12,373,966	13,087,393	713,427	5.77%
16					
17	II. Expenses, Fees & Contingency				
18					
19	GL Claims Adjustment	388,376	396,144	7,768	2.00%
20	Computerization	6,625	6,625	0	0.00%
21	WC Adjuster	364,393	371,681	7,288	2.00%
22	Safety Director	188,779	192,555	3,776	2.00%
23	General Expense	23,553	23,553	0	0.00%
24	Safety Incentive Program	37,850	37,850	0	0.00%
25	MEL Safety Institute	83,599	85,807	2,208	2.64%
26	Administration	416,540	424,871	8,331	2.00%
27	Actuary	54,980	56,080	1,100	2.00%
28	Auditor	19,551	19,942	391	2.00%
29	Attorney	65,761	67,076	1,315	2.00%
30	Treasurer	30,280	30,886	606	2.00%
31	Internal Auditor	32,023	32,663	640	2.00%
32	Underwriting Manager	18,285	18,651	366	2.00%
33	Cyber Risk Management	35,000	35,000	0	0.00%
34					
35	Misc. Expense & Contingency	184,683	100,000	(84,683)	-45.85%
36					
37	Total Fund Exp & Contingency	1,950,278	1,899,384	(50,894)	-2.61%
38	Risk Managers	914,313	956,603	42,290	4.63%
39					
40	Total JIF Disbursements Excl POL/EPL Premiums	15,238,557	15,943,380	704,823	4.63%
46					
47	POL/EPL PREMIUMS				
48	POL/EPL Premium	1,742,632	1,880,459	137,827	7.91%
49	Vol Directors & Officers	25,123	25,812	689	2.74%
50	Land Use Liability	87,132	94,025	6,893	7.91%
51	Risk Managers	118,397	127,678	9,281	7.84%
52	Total JIF Disbursements Including POL/EPL Premiums	17,211,841	18,071,354	859,513	4.99%

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE F		Annualized Retro Option (1 = Retro, 2=No Retro)		2	
2022 BUDGET FOR RATE DEVELOPMENT					
MUNICIPALITIES ONLY - CURRENT DATA					
		A	B	B-A	B-A
		BUDGET	BUDGET		
	APPROPRIATIONS	2021 RATES	2022 RATES	\$	%
	I. CLAIMS AND EXCESS INSURANCE PREMIUMS	MUNIS ONLY	MUNIS ONLY	CHANGE	CHANGE
		No Retro			
	CLAIMS				
	Excess Liability:				
1	To 500K	2,582,424	2,933,915	351,491	13.6%
2	1.5MIL Ex 500K	4,484,672	5,220,818	736,146	16.4%
3	3MIL ex 2MIL	3,097,744	1,665,366	(1,432,378)	-46.2%
4	Excess WC	7,526,082	8,546,286	1,020,204	13.6%
5	Excess Property Claims	3,097,744	4,193,280	1,095,536	35.4%
6	POL/EPL Land Use	1,052,276	1,052,276	-	0.0%
7	Cyber Liability	417,246	709,365	292,119	70.0%
8	Aggregate Excess LFC	13,957	13,957	-	0.0%
9	JIF Faithful Performance Bond	201,104	201,104	-	0.0%
10	Surety Bond	310,224	310,224	-	0.0%
11	Sub Total	22,783,473	24,846,591	2,063,118	9.1%
12	PREMIUMS				
13	Optional Excess Liability	2,443,521	2,614,563	171,042	7.0%
14	Optional Excess POL/EPL	1,638,382	1,720,301	81,919	5.0%
15	Cyber Excess Liability	1,055,881	2,106,433	1,050,552	99.5%
16	Excess WC	2,976,809	3,274,476	297,667	10.0%
17	Excess Property	10,285,732	11,575,543	1,289,811	12.5%
18					
19	Loss Fund Contingency	584,507	216,126	(368,381)	-63.0%
20	Sub Total	18,984,832	21,507,442	2,522,610	13.3%
21	Total Claims & Premiums	41,768,305	46,354,033	4,585,728	11.0%
22					
23	II. EXPENSES				
24	Claims Adjustment	1,072,065	1,093,506	21,441	2.0%
25	Property Adjustment	173,189	176,653	3,464	2.0%
26	Administration	1,223,772	1,248,247	24,475	2.0%
27	Loss Fund Management	138,319	141,085	2,766	2.0%
28	Actuary	52,140	53,183	1,043	2.0%
29	Attorney	46,925	47,864	939	2.0%
30	Deputy Attorney	1,566	1,597	31	2.0%
31	Attorney-OPRA	17,665	18,018	353	2.0%
32	Auditor	29,902	30,500	598	2.0%
33	Treasurer	26,437	26,966	529	2.0%
34	Underwriting Manager	550,387	561,395	11,008	2.0%
35	Reinsurance Manager	317,826	324,183	6,357	2.0%
36	Safety and Education Committee	106,166	108,289	2,123	2.0%
37	Computer Services	146,457	149,386	2,929	2.0%
38	Legislative Committee	28,026	28,587	561	2.0%
39	Internal Audit Committee	61,397	62,625	1,228	2.0%
40	Strategic Planning Committee	30,699	31,313	614	2.0%
41	Coverage Committee	40,663	41,476	813	2.0%
42	Communications Committee	126,368	128,895	2,527	2.0%
43	Expense Contingency	41,202	41,202	-	0.0%
44	Subtotal	4,231,171	4,314,970	83,799	2.0%
45					
46	MEL Safety Institute	1,176,505	1,200,152	23,647	2.0%
47	Total Appropriations	47,175,981	51,869,155	4,693,174	9.9%
48					
49	RMC FEES	214,062	229,397	15,335	7.2%
50	Grand Total	47,390,043	52,098,553	4,708,510	9.9%

MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND				
2020 AMENDED BUDGET				
	2020	2020 Amendment	2020	\$
	PROPOSED	2016 Assessments	Revised Budget	CHANGE
	BUDGET			
APPROPRIATIONS				
MEL	303,582	8,971,152	9,274,734	8,971,152
BMEL	0	0	0	0
ATLANTIC	47,695	1,313,389	1,361,084	1,313,389
BERGEN	13,324	719,003	732,327	719,003
BURLCO	19,951	716,292	736,243	716,292
CAMDEN	22,940	654,463	677,403	654,463
MONMOUTH	26,310	745,668	771,978	745,668
MORRIS	20,019	1,964,458	1,984,477	1,964,458
NJUA	16,437	850,087	866,525	850,087
OCEAN (incl Brick) incremental inr	48,373	1,307,230	1,355,603	1,307,230
PMM	8,270	257,922	266,192	257,922
SOUTH BERGEN	21,394	786,364	807,757	786,364
SUBURBAN ESSEX	20,828	428,499	449,327	428,499
TRICO	29,875	331,545	361,420	331,545
SUBURBAN MUNICIPAL	3,374	509,358	512,732	509,358
CENTRAL JERSEY	37,750	445,992	483,741	445,992
NJPHA	15,878	605,158	621,036	605,158
TOTAL	656,000	20,606,580	21,262,580	20,606,580
	0			
MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND				
2020 AMENDED BUDGET				
	2020 PROPOSED	2020 Amendment	2020	
	BUDGET	2016 Assessments	Revised Budget	
APPROPRIATIONS				
CLAIMS	0	19,946,580	19,946,580	19,946,580
REINSURANCE PREMIUMS	10,000		10,000	0
LOSS FUND CONTINGENCY	0	660,000	660,000	660,000
SUBTOTAL LOSS FUND	10,000	20,606,580	20,616,580	20,606,580
EXPENSES				
ADMINISTRATOR	205,842		205,842	0
DEPUTY ADMINISTRATOR	70,021		70,021	0
ATTORNEY	42,615		42,615	0
CLAIMS SUPERVISION & AUDIT	61,603		61,603	0
TREASURER	40,010		40,010	0
AUDITOR	23,634		23,634	0
ACTUARY	42,194		42,194	0
MISCELLANEOUS	24,798		24,798	0
SUBTOTAL	510,717	0	510,717	0
EXPENSE CONTINGENCY	135,283		135,283	0
SUBTOTAL EXPENSES	646,000	0	646,000	0
TOTAL BUDGET	656,000	20,606,580	21,262,580	20,606,580

MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND				
2022 PROPOSED BUDGET				
	2021 ANNUALIZED	2022 PROPOSED	\$	%
	BUDGET	BUDGET	CHANGE	CHANGE
APPROPRIATIONS				
CLAIMS	0	0	0	
Run-in Claim Receivable	15,000	15,000	0	0%
LOSS FUND CONTINGENCY	0	0		
SUBTOTAL LOSS FUND	15,000	15,000	0	0%
EXPENSES				
ADMINISTRATOR	209,959	214,158	4,199	2%
DEPUTY ADMINISTRATOR	71,421	72,849	1,428	2%
ATTORNEY	43,467	44,336	869	2%
CLAIMS SUPERVISION & AUDIT	62,835	64,092	1,257	2%
TREASURER	40,810	41,626	816	2%
AUDITOR	24,107	24,589	482	2%
ACTUARY	43,038	43,899	861	2%
MISCELLANEOUS	25,294	25,800	506	2%
SUBTOTAL	520,931	531,349	10,418	2%
EXPENSE CONTINGENCY	136,639	139,651	3,012	2%
TOTAL BUDGET	657,570	671,000	13,430	2%

NEW JERSEY MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND				
2022 ADOPTED BUDGET BASED ON 2010 CENSUS				
	10/21/2021 10:05	2021	2022	
		TOTAL	TOTAL	CHANGE
				CHANGE
	I. Claims and Excess Insurance			\$
	Claims			%
1	Third Party (Non-Site Specific)	418,373	417,023	(1,350) -0.3%
2	On Site Cleanup (Site Specific)	236,857	229,926	(6,931) -2.9%
3	PO Pollution Liability	159,379	153,284	(6,095) -3.8%
4	Tank Systems	214,719	214,146	(573) -0.3%
5	DMA Waste Sites (Superfund Buyout)	1,184,281	1,205,116	20,835 1.8%
6	LFC	29,002	20,739	(8,263) -28.5%
7	Total Loss Fund	2,242,611	2,240,234	(2,377) -0.1%
8				
9	II. Expenses, Fees & Contingency			
10	Professional Services			
11	Actuary	62,500	62,500	- 0.0%
12	Attorney	87,974	89,733	1,759 2.0%
13	Auditor	16,936	17,275	339 2.0%
14	Executive Director	324,812	331,308	6,496 2.0%
15	Treasurer	20,887	21,305	418 2.0%
16	Legislative Agent	45,000	45,000	- 0.0%
17	Underwriting Managers	257,265	262,410	5,145 2.0%
18	Environmental Services	460,098	469,300	9,202 2.0%
19	Claims Administration	30,407	31,015	608 2.0%
20				
21	Subtotal - Contracted Prof Svcs	1,305,879	1,329,846	23,967 1.8%
22				
23	Non-Contracted Services			
24	Expenses contingency	27,989	27,989	- 0.0%
25	Member Testing	8,326	8,326	- 0.0%
26				
27	Subtotal - Non-contracted svcs	36,315	36,315	- 0.0%
28				
29	Subtotal-Contracted/Non-contracted s	1,342,194	1,366,161	23,967 1.8%
30				
31	Excess Aggregate Insurance	508,143	533,550	25,407 5.0%
32				
33	General Contingency	225,137	225,137	- 0.0%
34				
35	Total Exp, Fees & Contingency	2,075,474	2,124,848	49,374 2.4%
36				
37	TOTAL JIF APPROPRIATIONS	4,318,085	4,365,082	46,997 1.1%