

**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 30, 2022

Memo to: Member Municipalities  
Bergen County Municipal Joint Insurance Fund

From: PERMA Risk Management Services

Subject: 2023 Adopted Budgets

Attached is the Fund Year 2023 Adopted Budget of the Bergen County Municipal Joint Insurance Fund, which was adopted at a public meeting on November 21, 2022.

Additionally, enclosed is the 2023 Budget for the Environmental Joint Insurance Fund (E-JIF), which was adopted at the Board's October 19, 2022 meeting. The 2023 Budget for the Residual Claims Fund (RCF), which was adopted at their October 19, 2022 meeting and the 2023 Budget for the Municipal Excess Liability Joint Insurance Fund (MEL), which was adopted at their November 16, 2022 meeting.

If you have any questions, please contact the Fund Office.

Enc

cc: *Via email:* Fund Commissioners, Fund Professionals, Risk Management Consultants

BERGEN MUNICIPAL JOINT INSURANCE FUND						
2023 ADOPTED BUDGET		Loss Fund Confidence Level at MID				
APPROPRIATIONS						
I. Claims and Excess Insurance		CHANGE				
	Claims	Limits	Annualized 2022	Proposed 2023	\$	%
1	Property	100K	1,043,158	1,120,000	76,842	7.37%
2	Liability	400K	1,268,000	1,417,000	149,000	11.75%
3	Auto	400K	442,000	438,000	(4,000)	-0.90%
4	Workers' Comp.	400K	5,688,500	6,288,000	599,500	10.54%
5						
6	Loss Fund Contingency		280,987	280,987	0	0.00%
7	<b>Subtotal - Claims</b>		<b>8,722,645</b>	<b>9,543,987</b>	<b>821,342</b>	<b>9.42%</b>
8	<b>Premiums</b>					
9	Crime		16,494	16,497	3	0.02%
10	Environmental Fund		395,906	396,915	1,009	0.25%
11	EJIF Dividend		(398,421)	(419,346)	(20,925)	5.25%
12	Cyber JIF		272,650	442,855	170,205	62.43%
13	POL/EPL Premium		1,880,459	1,847,042	(33,417)	-1.78%
14	Vol Directors & Officers		25,123	24,667	(456)	-1.82%
15	Land Use Liability		94,025	92,355	(1,670)	-1.78%
16	MEL		2,395,201	2,863,035	467,834	19.53%
17	MEL Property		1,760,571	2,052,417	291,846	16.58%
18	<b>SubTotal Premiums</b>		<b>6,442,008</b>	<b>7,316,437</b>	<b>874,429</b>	<b>13.57%</b>
19	<b>Total Loss Fund</b>		<b>15,164,653</b>	<b>16,860,424</b>	<b>1,695,771</b>	<b>11.18%</b>
20						
21	<b>II. Expenses, Fees &amp; Contingency</b>					
22						
23	GL Claims Adjustment		396,144	404,067	7,923	2.00%
24	Computerization		6,625	6,625	0	0.00%
25	WC Adjuster		371,681	379,115	7,434	2.00%
26	Safety Director		192,555	196,406	3,851	2.00%
27	General Expense		23,553	23,553	0	0.00%
28	Safety Incentive Program		37,850	37,850	0	0.00%
29	MEL Safety Institute		85,807	85,840	33	0.04%
30	Administration		424,871	433,368	8,497	2.00%
31	Actuary		56,080	57,202	1,122	2.00%
32	Auditor		19,942	20,341	399	2.00%
33	Attorney		67,076	68,418	1,342	2.00%
34	Treasurer		30,886	31,504	618	2.00%
35	Internal Auditor		32,663	33,316	653	2.00%
36	Underwriting Manager		18,651	19,024	373	2.00%
37						
38						
39	Misc. Expense & Contingency		137,318	113,810	(23,508)	-17.12%
40						
41	<b>Total Fund Exp &amp; Contingency</b>		<b>1,901,702</b>	<b>1,910,439</b>	<b>8,737</b>	<b>0.46%</b>
42	Risk Managers		1,089,341	1,198,140	108,799	9.99%
43						
44	<b>Total JIF Disbursements</b>		<b>18,155,696</b>	<b>19,969,003</b>	<b>1,813,307</b>	<b>9.99%</b>

NEW JERSEY MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND				
2023 ADOPTED BUDGET BASED ON 2010 CENSUS & 1/3rd Change to 2020 CENSUS				
	10/6/2022	2022	2023	
		TOTAL	TOTAL	CHANGE
				CHANGE
I. Claims and Excess Insurance				\$ %
Claims				
1 Third Party (Non-Site Specific)		420,232	423,792	3,560 0.8%
2 On Site Cleanup (Site Specific)		231,697	232,402	705 0.3%
3 PO Pollution Liability		154,463	152,657	(1,806) -1.2%
4 Tank Systems		215,795	221,010	5,215 2.4%
5 DMA Waste Sites (Superfund Buyout)		1,214,388	1,248,593	34,205 2.8%
6 LFC		21,239	21,239	- 0.0%
7 Total Loss Fund		2,257,814	2,299,693	41,879 1.9%
8				
9 II. Expenses, Fees & Contingency				
10 Professional Services				
11 Actuary		62,500	62,500	- 0.0%
12 Attorney		90,425	92,233	1,808 2.0%
13 Auditor		17,275	17,620	345 2.0%
14 Executive Director		333,858	340,535	6,677 2.0%
15 Treasurer		21,305	21,731	426 2.0%
16 Legislative Agent		45,000	45,000	- 0.0%
17 Underwriting Managers		264,429	269,718	5,289 2.0%
18 Environmental Services		472,911	482,370	9,459 2.0%
19 Claims Administration		31,254	31,879	625 2.0%
20				
21 Subtotal - Contracted Prof Svcs		1,338,957	1,363,586	24,629 1.8%
22				
23 Non-Contracted Services				
24 Expenses contingency		28,203	28,203	- 0.0%
25 Member Testing		8,326	8,326	- 0.0%
26				
27 Subtotal - Non-contracted svcs		36,529	36,529	- 0.0%
28				
29 Subtotal-Contracted/Non-contracted svcs		1,375,486	1,400,115	24,629 1.8%
30				
31 Excess Aggregate Insurance		546,249	546,249	- 0.0%
32				
33 General Contingency		219,611	185,721	(33,890) -15.4%
34				
35 Total Exp, Fees & Contingency		2,141,346	2,132,085	(9,261) -0.4%
36				
37 TOTAL JIF APPROPRIATIONS		4,399,160	4,431,778	32,618 0.7%
38				
39 *LFC = Members not based on population (i.e. Parking Auth, Health Commissions, Fire Dept, OMUA)				

<b>MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND</b>				
<b>2023 ADOPTED BUDGET</b>				
	<b>2022 ANNUALIZED</b>	<b>2023 PROPOSED</b>	<b>\$</b>	<b>%</b>
	<b>BUDGET</b>	<b>BUDGET</b>	<b>CHANGE</b>	<b>CHANGE</b>
<b>APPROPRIATIONS</b>				
<b>CLAIMS</b>	0	0	0	
Run-in Claim Receivable	15,000	15,000	0	0
<b>LOSS FUND CONTINGENCY</b>	0	0		
<b>SUBTOTAL LOSS FUND</b>	15,000	15,000	0	0
<b>EXPENSES</b>				
<b>ADMINISTRATOR</b>	214,158	218,441	4,283	2%
<b>DEPUTY ADMINISTRATOR</b>	72,849	74,306	1,457	2%
<b>ATTORNEY</b>	44,336	45,223	887	2%
<b>CLAIMS SUPERVISION &amp; AUDIT</b>	64,092	65,374	1,282	2%
<b>TREASURER</b>	41,626	42,459	833	2%
<b>AUDITOR</b>	24,589	25,081	492	2%
<b>ACTUARY</b>	43,899	44,777	878	2%
<b>MISCELLANEOUS</b>	25,800	26,316	516	2%
<b>SUBTOTAL</b>	531,349	541,977	10,628	2%
<b>EXPENSE CONTINGENCY</b>	139,651	142,523	2,872	2%
<b>TOTAL BUDGET</b>	<b>671,000</b>	<b>684,500</b>	<b>13,500</b>	<b>2%</b>

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND					
2023 BUDGET					
		A	B	B-A	B-A
		BUDGET	BUDGET		
APPROPRIATIONS		2022 ANNUALIZED	2023 PROPOSED	\$	%
I. CLAIMS AND EXCESS INSURANCE PREMIUMS				CHANGE	CHANGE
1	CLAIMS				
2	Excess Liability:				
3					
4	To 500K	3,426,387	3,907,185	480,798	14.03%
5	1.5MIL Ex 500K	5,679,999	7,713,629	2,033,630	35.80%
6	3MIL ex 2MIL	1,930,198	2,187,563	257,365	13.33%
7	Excess WC	9,191,315	10,670,102	1,478,787	16.09%
8	Excess Property Claims	5,494,567	7,126,797	1,632,230	29.71%
9	POL/EPL Land Use	1,061,662	1,075,113	13,451	1.27%
10	Cyber Liability	1,054,120	0	(1,054,120)	-100.00%
11	Aggregate Excess LFC	24,077	26,006	1,929	8.01%
12	JIF Faithful Performance Bond	228,724	237,293	8,569	3.75%
13	Surety Bond	313,572	315,375	1,803	0.57%
14	Sub Total	28,404,621	33,259,062	4,854,441	17.09%
15	PREMIUMS				
16	Optional Excess Liability	2,867,674	3,504,822	637,148	22.22%
17	Optional Excess POL/EPL	1,885,969	2,157,555	271,586	14.40%
18	Cyber Excess Liability	2,806,671	0	(2,806,671)	-100.00%
19	Excess WC	3,677,382	3,770,061	92,679	2.52%
20	Excess Property	14,332,275	16,354,107	2,021,832	14.11%
21	Equipment Breakdown	0	0	-	
22	Loss Fund Contingency	338,781	349,326	10,545	3.11%
23	Sub Total	25,908,752	26,135,871	227,119	0.88%
24	Total Claims & Premiums	54,313,373	59,394,933	5,081,560	9.36%
25					
26	II. EXPENSES				
27	Claims Adjustment	1,093,506	1,115,376	21,870	2.00%
28	Property Adjustment	176,653	180,186	3,533	2.00%
29	Administration	1,389,332	1,417,119	27,787	2.00%
30	Claims Supervision	500,000	500,000	-	0.00%
31	Actuary	53,183	54,247	1,064	2.00%
32	Attorney	47,864	48,821	957	2.00%
33	Deputy Attorney	1,597	1,629	32	2.00%
34	Attorney-OPRA	18,018	18,378	360	2.00%
35	Auditor	30,500	31,110	610	2.00%
36	Treasurer	26,966	27,505	539	2.00%
37	Underwriting Manager	61,395	62,623	1,228	2.00%
38	Reinsurance Manager	324,183	330,667	6,484	2.00%
39	Safety and Education Committee	108,289	110,455	2,166	2.00%
40	Computer Services	149,386	152,374	2,988	2.00%
41	Legislative Committee	28,587	29,159	572	2.00%
42	Internal Audit Committee	62,625	63,878	1,253	2.00%
43	Strategic Planning Committee	31,313	31,939	626	2.00%
44	Coverage Committee	41,476	42,306	830	2.00%
45	Communications Committee	128,895	131,473	2,578	2.00%
46	Expense Contingency	734,187	799,383	65,196	8.88%
47	Subtotal	5,007,955	5,148,628	140,673	2.81%
48					
49	MEL Safety Institute	1,258,839	1,285,725	26,886	2.14%
50	<b>Total Appropriations</b>	<b>60,580,167</b>	<b>65,829,286</b>	<b>5,249,119</b>	<b>8.66%</b>
	Cyber Premiums in local JIF budget				