

SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
REPORT OF AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2022

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
TABLE OF CONTENTS**

<u>Exhibits</u>	<u>Pages</u>
Independent Auditor's Report	1-3
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 Auditor's Report	4-5
Management's Discussion and Analysis	6-8
Financial Statements	
A-1 Comparative Statements of Net Position	9
A-2 Comparative Statements of Revenues, Expenses and Changes in Net Position	10
A-3 Comparative Statements of Cash Flows	11
Notes to the Financial Statements	12-23
Required Supplementary Information	
B Ten-Year Claims Development Information	24
Supplementary Schedules	
C-1 Combining Statement of Net Position	25
C-2 Combining Statements of Revenues, Expenses and Changes in Net Position	26
C-3 Combining Statement of Cash Flows	27
D Historical Operating Results	28
E Statement of Budgetary Assessments	29
F Statement of Budgetary Expenses	30
Schedule of Findings and Questioned Costs	31
Comments/Recommendations	32
Acknowledgement	33
Department of Banking and Insurance – State Financial Report	34-64



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INDEPENDENT AUDITOR'S REPORT

Honorable Chairman and Members of the Board of Commissioners
South Bergen Municipal Joint Insurance Fund
9 Campus Drive, Suite 216
Parsippany, New Jersey 07054

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the South Bergen Municipal Joint Insurance Fund (the "Fund"), as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the South Bergen Municipal Joint Insurance Fund's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the South Bergen Municipal Joint Insurance Fund as of December 31, 2022 and 2021, and the respective changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. 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 South Bergen Municipal Joint Insurance Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 South Bergen Municipal Joint Insurance Fund's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of 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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards we:

- Exercise professional judgement 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 South Bergen Municipal Joint Insurance Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the South Bergen Municipal Joint Insurance Fund's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

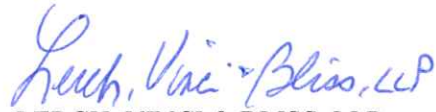
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the ten year claims development information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.


Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements of the South Bergen Municipal Joint Insurance Fund as a whole. The supplementary schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules listed in the table of contents, are fairly stated, in all material respects, in relation to the basic financial statements as a whole

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated May 10, 2023 on our consideration of the South Bergen Municipal Joint Insurance Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 South Bergen Municipal Joint Insurance Fund'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 South Bergen Municipal Joint Insurance Fund's internal control over financial reporting and compliance.


LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Registered Municipal Accountants


Gary J. Vinci
Registered Municipal Accountant
RMA Number CR00411

Fair Lawn, New Jersey
May 10, 2023



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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 AUDITOR'S REPORT

Honorable Chairman and Members of the Board of Commissioners
South Bergen Municipal Joint Insurance Fund
9 Campus Drive, Suite 216
Parsippany, New Jersey 07054

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the South Bergen Municipal Joint Insurance Fund, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the South Bergen Municipal Joint Insurance Fund's basic financial statements, as listed in the table of contents, and have issued our report thereon dated May 10, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the South Bergen Municipal Joint Insurance Fund's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the South Bergen Municipal Joint Insurance Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the South Bergen Municipal Joint Insurance Fund's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 have not been identified.

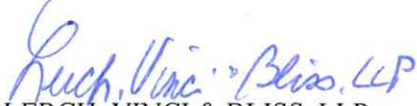
Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the South Bergen Municipal Joint Insurance Fund'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.

However, we noted a certain matter that is not required to be reported under Government Auditing Standards that we have reported to management of the South Bergen Municipal Joint Insurance Fund in the section of this report of audit entitled "Comments and Recommendations".

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 South Bergen Municipal Joint Insurance Fund'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 South Bergen Municipal Joint Insurance Fund's internal control and compliance. Accordingly, this communication is not sui table for any other purpose.


LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Registered Municipal Accountants


Gary J. Vinci
Registered Municipal Accountant
RMA No. CR00411

Fair Lawn, New Jersey
May 10, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND

MANAGEMENT DISCUSSION AND ANALYSIS

This section of the annual financial report of the South Bergen Municipal Joint Insurance Fund (the “SBMJIF” or the “Fund”) presents a discussion and analysis of the financial performance of the Fund for the year ended December 31, 2022. Please read it in conjunction with the basic financial statements, the notes, and supplementary schedules that follow this section.

Management’s Discussion and Analysis (MD&A) is an element of the Required Supplementary Information specified by the Governmental Accounting Standards Board. Certain comparative information between the current year (2022) and the prior two years (2021-2020) is required to be presented in the MD&A.

Overview of Basic Financial Statements

The Fund’s basic financial statements are prepared on the basis of accounting principles generally accepted in the United States of America for governmental entities and insurance enterprises where applicable. The primary purpose of the Fund is to provide property, liability, automobile and worker’s compensation insurance coverage to members of the Fund. The Fund maintains separate enterprise funds by incurred years and line of coverage. The basic financial statements are presented on an accrual basis of accounting. The three basic financial statements presented are as follows:

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

Statement of Revenues, Expenses, and Changes in Net Position – This statement reflects the Fund’s operating revenues and expenses, as well as nonoperating 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 noncapital financing activities. Cash collections and payments are reflected in this statement to arrive at the net increase or decrease in cash for the calendar year.

Financial Highlights

The following tables summarize the financial position and results of operations for the Fund as of and for the years ended December 31, 2022, 2021 and 2020.

SUMMARY OF STATEMENT OF NET POSITION

	<u>2022 vs 2021</u>				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>Increase/ (Decrease)</u>	<u>Percent Change</u>
ASSETS					
Cash and Investments	\$ 17,214,612	\$ 18,533,218	\$ 18,845,589	\$ (1,318,606)	-7.1%
Assessments Receivable	4,661,630	4,215,761	4,676,067	445,869	10.6%
Other Receivables and Assets	<u>350,400</u>	<u>624,253</u>	<u>254,006</u>	<u>(273,853)</u>	-43.9%
Total	<u>22,226,642</u>	<u>23,373,232</u>	<u>23,775,662</u>	<u>(1,146,590)</u>	-4.9%
LIABILITIES					
Loss Reserves	15,290,475	15,121,074	15,622,410	169,401	1.1%
Other Liabilities and Reserves	<u>3,065,693</u>	<u>3,312,113</u>	<u>1,687,227</u>	<u>(246,420)</u>	-7.4%
Total	<u>18,356,168</u>	<u>18,433,187</u>	<u>17,309,637</u>	<u>(77,019)</u>	-0.4%
NET POSITION	<u>\$ 3,870,474</u>	<u>\$ 4,940,045</u>	<u>\$ 6,466,025</u>	<u>\$ (1,069,571)</u>	-21.7%

SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND

MANAGEMENT DISCUSSION AND ANALYSIS

SUMMARY OF STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	<u>2022 vs 2021</u>				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>Increase/ (Decrease)</u>	<u>Percent Change</u>
OPERATING REVENUES					
Assessments	\$ 18,344,927	\$ 17,221,170	\$ 16,766,191	\$ 1,123,757	6.5%
OPERATING EXPENSES					
Claims	6,789,050	7,768,847	7,767,083	(979,797)	-12.6%
Insurance Premiums	8,770,832	8,181,539	6,240,701	589,293	7.2%
General and Administrative	2,875,566	2,765,213	2,721,426	110,353	4.0%
Total Operating Expenses	<u>18,435,448</u>	<u>18,715,599</u>	<u>16,729,210</u>	<u>(280,151)</u>	-1.5%
Operating Income (Loss)	(90,521)	(1,494,429)	36,981	1,403,908	-93.9%
Nonoperating Revenues and (Distributions)					
Interest Income	(979,050)	(31,551)	416,769	(947,499)	3003.1%
Equity Distribution	(275,089)	(263,054)	(714,568)	(12,035)	4.6%
Dividend Income	<u>275,089</u>	<u>263,054</u>	<u>214,568</u>	<u>12,035</u>	4.6%
Increase/(Decrease) in Net Position	<u>\$ (1,069,571)</u>	<u>\$ (1,525,980)</u>	<u>\$ (46,250)</u>	<u>\$ 456,409</u>	-29.9%

In 2022, the SBMJIF's assets decreased \$1,146,590 or 4.9%. Cash and investments decreased \$1,318,606. Assessments receivable increased at December 31, 2022 by \$445,869. The assessment receivable balance at December 31 represents the final installment of the 2022 assessments which are not due and payable until January 2023. Other receivables and assets decreased \$273,853 due to the collection of the excess recoveries related to Hurricane Ida. Liabilities decreased \$77,010 due to a reduction in other liabilities for amounts due to the Residual Claims Fund and the Municipal Excess Liability Fund. Overall, the Fund's unrestricted net position decreased \$1,069,571 to \$3,870,474 at December 31, 2022.

Operating revenues during 2022 increased \$1,123,757. For Fund Year 2022, assessments levied were approximately \$640,000 less than the cost of benefits paid, including loss reserves, excess insurance premiums, and the various general and administrative expenses.

In 2021, the SBMJIF's assets decreased \$402,430 or 1.7%. Cash and investments decreased \$312,371. Assessments receivable decreased at December 31, 2021 by \$460,306. The assessment receivable balance at December 31 represents the final installment of the 2021 assessments which are not due and payable until January 2022. Other receivables and assets increased \$370,247 due to excess recoveries related to Hurricane Ida. Liabilities increased \$1,123,550 due to an increase in other liabilities for amounts due to the Residual Claims Fund and the Municipal Excess Liability Fund. Overall, the Fund's unrestricted net position decreased \$1,525,980 to \$4,940,045 at December 31, 2021.

Operating revenues during 2021 increased \$454,979. For Fund Year 2021, assessments levied were approximately \$1,521,000 less than the cost of benefits paid, including the loss reserves and excess insurance premium, along with the various general and administrative expenses.

SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND

MANAGEMENT DISCUSSION AND ANALYSIS

The financial position of the SBMJIF continues to be affected by medical costs trends that impact upon workers compensation costs. The SBMJIF manages their assets in such a way that it maintains liquidity and safety, while increasing earnings when opportunities arise.

Requests for Information

This financial report is designed to provide a general overview of the SBMJIF finances for all those who are interested. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to PERMA Risk Management Services, 9 Campus Drive, Suite 216, Parsippany, New Jersey 07054.

FINANCIAL STATEMENTS

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
COMPARATIVE STATEMENTS OF NET POSITION
AS OF DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Cash Equivalents	\$ 17,214,612	\$ 18,533,218
Receivables		
Assessments	4,661,630	4,215,761
Excess Insurance	329,372	592,154
Dividend	6,685	5,389
Other	14,343	25,000
Prepaid Items	<u>-</u>	<u>1,710</u>
Total Assets	<u>22,226,642</u>	<u>23,373,232</u>
LIABILITIES		
Liabilities		
Accounts Payable	2,790,604	3,049,059
Unearned Revenue	275,089	263,054
Loss Reserves		
Case Reserves	9,368,270	9,405,960
IBNR	<u>5,922,205</u>	<u>5,715,114</u>
Total Liabilities	<u>18,356,168</u>	<u>18,433,187</u>
NET POSITION		
Unrestricted	<u>3,870,474</u>	<u>4,940,045</u>
Total Net Position	<u>\$ 3,870,474</u>	<u>\$ 4,940,045</u>

SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
OPERATING REVENUES		
Assessments		
Regular	\$ 18,305,164	\$ 17,148,192
Supplemental	<u>39,763</u>	<u>72,978</u>
Total Operating Revenues	<u>18,344,927</u>	<u>17,221,170</u>
OPERATING EXPENSES		
Benefits Paid to/For Participants	6,619,649	8,270,183
Insurance Premiums	8,770,832	8,181,539
General and Administrative	2,875,566	2,765,213
Increase/(Decrease) in Loss Reserves		
Case Reserves	(37,690)	271,479
IBNR	<u>207,091</u>	<u>(772,815)</u>
Total Operating Expenses	<u>18,435,448</u>	<u>18,715,599</u>
Operating Income (Loss)	<u>(90,521)</u>	<u>(1,494,429)</u>
NONOPERATING REVENUES		
Dividend Income	275,089	263,054
Interest Income (Loss)	<u>(979,050)</u>	<u>(31,551)</u>
Total Nonoperating Revenues	<u>(703,961)</u>	<u>231,503</u>
Change in Net Position	(794,482)	(1,262,926)
Net Position, January 1	<u>4,940,045</u>	<u>6,466,025</u>
Equity Distribution	4,145,563	5,203,099
	<u>(275,089)</u>	<u>(263,054)</u>
Net Position, December 31	<u>\$ 3,870,474</u>	<u>\$ 4,940,045</u>

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Members	\$ 17,818,609	\$ 17,681,476
Cash Paid for Claims, Premiums and Services	<u>(18,156,869)</u>	<u>(17,963,263)</u>
Net Cash Provided (Used) by Operating Activities	<u>(338,260)</u>	<u>(281,787)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment Income Received (Loss)	<u>(705,257)</u>	<u>232,470</u>
Net Cash Provided (Used) by Investing Activities	<u>(705,257)</u>	<u>232,470</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Equity Distribution	<u>(275,089)</u>	<u>(263,054)</u>
Net Cash (Used) by Noncapital Financing Activities	<u>(275,089)</u>	<u>(263,054)</u>
Net Change in Cash and Cash Equivalents	(1,318,606)	(312,371)
Cash and Cash Equivalents, January 1	<u>18,533,218</u>	<u>18,845,589</u>
Cash and Cash Equivalents, December 31	<u>\$ 17,214,612</u>	<u>\$ 18,533,218</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ (90,521)	\$ (1,494,429)
Adjustments:		
Changes in Operating Assets and Liabilities		
(Increase) Decrease in Assessments Receivable	(445,869)	460,306
(Increase) Decrease in Excess Insurance Receivable	262,782	(384,722)
(Increase) Decrease in Other Receivables	10,657	15,218
(Increase) Decrease in Prepaid Items	1,710	(1,710)
Increase (Decrease) in Unearned Revenue	12,035	(80,368)
Increase (Decrease) in Accounts Payable	(258,455)	1,705,254
Increase (Decrease) in Case Reserves	(37,690)	271,479
Increase (Decrease) in IBNR	<u>207,091</u>	<u>(772,815)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (338,260)</u>	<u>\$ (281,787)</u>

NOTES TO FINANCIAL STATEMENTS

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The South Bergen Municipal Joint Insurance Fund (the “SBMJIF” or the Fund”) was established on January 1, 1986, in accordance with P.L. 1983, C. 372, entitled "An act concerning joint insurance funds for local units of government, and supplementing Chapter 10 of Title 40A of the New Jersey Statutes". The Fund is both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability, worker's compensation, environmental protection, public officials and employment practices liability, volunteer directors and officers liability and cyber liability.

Each entity assigns a commissioner to the Fund. The Board of Commissioners (the “Board”) annually elect an executive committee to govern the Fund. The committee consists of seven (7) commissioners and four (4) alternates. The Board also elects the chairperson and secretary who serve co-terminously with their underlying local office until January 1st of the following year.

The Board may approve subsequent memberships by a two-thirds vote or may terminate any member by a majority vote, after proper notice has been given.

The exact terms and conditions of coverage are detailed in the Fund's Risk Management Plan.

B. Basis of Presentation – Financial Statements

The accounts of the Fund are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounting records that comprise its assets, liabilities, net position, revenues and expenses. The Fund’s resources are allocated and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various activities are grouped by Fund Year into one generic fund.

The Fund reports the following major proprietary fund:

Enterprise Fund - The Enterprise Fund is used to account for the Fund’s operations which are financed and operated in a manner similar to private enterprises, where the intent of the Fund is that the costs (insurance claims, administrative expenses) of providing goods or services to its users on a continuing basis be financed or recovered primarily through user charges (i.e., insurance assessments).

The Proprietary Fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. All assets and all liabilities associated with these operations are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

C. Measurement Focus and Basis of Accounting

The Fund utilizes the accrual basis of accounting whereby income is recorded as earned and expenses recorded as incurred. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering services in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues are assessments to government entities. Operating expenses for enterprise funds include the cost of services (i.e., adjudication and processing of insurance claims) and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Monies are disbursed solely for the payment of claims, allocated claim expenses and excess insurance premiums by Fund Year for the following funds:

Property Insurance Fund - Insures against any loss or damage, however caused, on property, motor vehicles, equipment or apparatus owned by the local unit or owned by or under the control of any of its departments, boards, agencies or commissions, or other entities which the local unit may provide coverage for under NJSA 40A:10-2.

General Liability Insurance Fund - Insures against any and all liability which may be insured under the laws of the State of New Jersey, excluding worker's compensation and employer's liability.

Automobile Insurance Fund - Insures against any and all liability resulting from the use of operation of motor vehicles, equipment or apparatus owned or controlled by the local unit or owned by or under the control of any sub-divisions thereof including its departments, boards, agencies, commissions or other entities which the local unit may provide coverage under NJSA 40A:10-2.

Workers' Compensation Insurance Fund - Insures against any and all liability that employees incur in work-connected injuries under NJSA 34:15-7.

Reinsurance Fund - Provides excess insurance coverage for property, liability, automobile and workers' compensation over and above the Fund's self-insured retention. Coverage in this Fund is provided by the Municipal Excess Liability Insurance Fund (MEL).

Environmental Fund - Provides for environmental coverage in the areas of, non-site specific coverage; petroleum storage tank coverage; legal services; and Superfund and New Jersey Spill Act Buy-Out Plan. Coverage in this fund is provided through membership in the New Jersey Environmental Risk Management Plan.

Public Officials Liability (POL)/Employment Practices Liability (EPL) - Insures against damages arising out of claims for a wrongful act, error, omission or breach of duty by a lawfully appointed or elected official or an employee or authorized volunteer of the insured while acting within the scope of their official duties. Also insures against damages arising out of employment claims.

Loss Contingency Fund - Utilized as a contingency for the Loss Funds of that Fund Year.

Aggregate Excess Loss Contingency Fund - Utilized solely for the replenishment of a claim or loss retention account for losses in excess of budgeted losses for a Fund Year.

General and Administrative Fund - Utilized for payment of the Fund's operating expenses, loss prevention activities and various professional fees.

Closed Years Contingency Fund - Utilized to account for the activity arising from the consolidation of the Closed Fund Years (2018 and prior).

Cash Deposits and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government. Investments are stated at fair value and are limited by N.J.S.A. 40A:5 et seq.

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Assessments

Assessments are computed annually by the Executive Director and approved by the Board of Commissioners. The Executive Director bills the participating members in accordance with N.J.A.C. 11:15-2.15. Assessments are due January 31, April 30, July 31 and January 31 of the following year. Assessments are accrued as revenue in the Fund Year for which they are levied against.

Assessments Receivable

All receivables are reported at their gross value and when appropriated, are reduced by the estimated portion that is expected to be uncollectable.

Expenses

Expenses are recognized in the accounting period in which the liability is incurred and measurable.

Accounts Payable

Purchase orders outstanding at December 31 for services which have been rendered, are reported as expenses through the establishment of accounts payable.

Income Taxes

In the opinion of management, the Fund is not subject to federal or state income taxes.

Budgets

An annual budget is adopted prior to the commencement of the fiscal year. Budgets are prepared using the accrual basis of accounting. The legal level of budgetary control is established at line item account and total resources available within each Fund Year. All budget amendments must be approved by the Board of Commissioners. Budget amendments during the year were insignificant. Formal budgetary integration into the accounting system is employed as a management control device during the year. Unexpended appropriations lapse at year end.

Loss Reserves

The Fund establishes claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, (Case Reserves) and of claims that have been incurred but not reported (IBNR). The length of time for which such costs must be estimated varies depending on the coverage involved. Estimated amounts of salvage, subrogation and reinsurance recoverable on unpaid claims are deducted from the liability for unpaid claims. Because actual claims costs depend on such complex factors as inflation, changes in doctrines of legal liability, and damage awards the process used in computing claims liabilities does not necessarily result in an exact amount, particularly for coverages such as general liability. Claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflect past inflation and on other factors that are considered to be appropriate modifiers of past experience. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Reinsurance/Excess Insurance

The Fund uses reinsurance agreements to reduce its exposure to significant losses on insurance claims. The Fund does not report reinsured risks as liabilities unless it is probable that those risks will not be covered by reinsurers.

Reinsurance premiums for the Fund Year's 2022 and 2021 were \$4,287,168 and \$4,346,575, respectively. Claims in the Loss Funds did not exceed the self-insured levels for 2022 and did exceed the self-insured levels for 2021. The Fund was reimbursed by the carrier for the excess losses. The Department of Banking and Insurance Annual Report, Schedule G, details the respective limits, fund retention and excess insurance by Fund Year by coverage.

Unearned Revenue

Balance of the equity distributions which were not disbursed to the participating municipalities but utilized to offset future assessments.

Use of Estimates

The preparation of financial statements requires management of this Fund to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

NOTE 2 CASH DEPOSITS AND INVESTMENTS

The Fund considers cash in banks and certificates of deposit and deposits with the Joint Cash Management and Investment Program Fund as cash and cash equivalents.

Cash Deposits

The Fund's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Fund is required to deposit funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits, 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC.

Bank balances for interest bearing accounts are insured up to \$250,000 in the aggregate by the FDIC for each bank. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At December 31, 2022 and 2021, the book value of the Fund's deposits was \$3,760,934 and \$4,022,326 and bank balances of the Fund's cash and deposits amounted to \$4,176,454 and \$4,354,700.

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 2 CASH DEPOSITS AND INVESTMENTS (Continued)

Cash Deposits (Continued)

The Fund’s deposits which are displayed on the statement of net position as “cash” are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>	
	<u>2022</u>	<u>2021</u>
Insured	\$ 4,176,454	\$ 4,354,700

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the Fund’s deposits may not be returned to it. The Fund does have a formal policy for custodial credit risk. As of December 31, 2022 and 2021, the Fund’s bank balances were not exposed to custodial credit risk.

Investments

The Fund is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 40A:5-15.1 and 40A:10-40.1. Investments include bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, Local Government investment pools, Joint Cash Management and Investment Programs and agreements or the repurchase of fully collateralized securities.

Joint Cash Management and Investment Program

The Joint Cash Management and Investment program (the “JCMI”) was created by P.L. 2018 Chapter 40 of the New Jersey Statutes which allowed Joint Insurance Funds to pool their funds and broaden the investments that they are permitted to use. The law provides restrictions to these investments. The investment must be purchased at fair market value, guaranteed as interest and principal, and must have a credit rating of A3 or higher by Moody’s Investor Service, or an A- or higher by Standard and Poors Corporation. The maturity cannot be greater than 20 years. In addition, only 50% of the investment portfolio may be comprised of such long-term investments, without prior approval of the New Jersey Department of Community Affairs.

As of December 31, 2022, the Fund had the following investments which are displayed on the statement of net position as “cash and cash equivalents”:

<u>Investment Type:</u>	<u>Fair Value</u>	
	<u>2022</u>	<u>2021</u>
Joint Cash Management and Investment Program (JCMI)	\$ 13,453,678	\$ 14,510,892

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 2 CASH DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the Fund will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Fund does not have a policy for custodial risk. As of December 31, 2022 and 2021 \$13,435,678 and \$14,510,892 of the Fund’s investments were exposed to custodial credit risk as follows:

	<u>2022</u>	<u>2021</u>
Uninsured and Collateralized		
Collateral held by pledging financial institution's trust department or agent but not in the Board's name	<u>\$ 13,453,678</u>	<u>\$ 14,510,892</u>

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rate will adversely affect the fair value of an investment. The Fund does have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State Law limits investments as noted above. The Fund does not have an investment policy that would further limit its investment choices.

Concentration of Credit Risk – The concentration of credit risk is the risk of loss that may be caused by the Fund’s investment in a single issuer. The Fund places no limit in the amount the District may invest in any one issuer. More than five (5) percent of the Fund’s investments are in the JCFI. These investments are 100% of the Fund’s total investments.

Fair Value of Investments. The Fund measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles (GAAP). These guidelines recognize a three-tiered fair value hierarchy as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than those in Level 1; and
- *Level 3:* Unobservable inputs.

Investments classified as Level 1 are valued using prices quoted in active markets for those securities. Investments classified in Level 2 are valued using the following approaches: debt securities are normally valued based on price data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors; equity securities are valued using fair value per share for each fund and certificates of deposit are valued using broker quotes that utilize observable market inputs. Investments classified as Level 3 have limited trade information, these securities are priced or using the last trade price or estimated using recent trade prices. The Fund’s investments at December 31, 2022 and 2021 are categorized as Level 2.

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 3 DEFICIT NET POSITION

At December 31, 2022 and 2021, the following Fund Year's unrestricted net position accounts were in a deficit position:

	<u>2022</u>	<u>2021</u>
<u>Fund Year 2022</u>		
Property	\$ 176,625	
General Liability	23,265	
Worker's Compensation	594,941	
 <u>Fund Year 2021</u>		
Property		\$ 311,351
Worker's Compensation	1,412,838	1,703,769
Environmental		2
POL/EPL		2,904
MEL	599,262	
 <u>Fund Year 2020</u>		
Worker's Compensation	48,651	318,172
POL/EPL		11,588
MEL	465,708	
 <u>Fund Year 2019</u>		
Property	103,231	103,231
Auto	474,752	662,061
Worker's Compensation	39,517	61,816
 <u>Fund Year 2018</u>		
General Liability		170,347
Auto		443,104
Worker's Compensation		377,084

Additionally, the overall net position of Fund Years 2022 and 2021 were in deficit positions of \$713,551 and \$1,591,204, respectively as of December 31, 2022.

Currently the Fund's management has no plans to levy additional assessments to the participating municipalities to eliminate the above deficits.

The Board adopted a program to accomplish a greater emphasis on individual member loss experience in allocating the costs of claims. This program is known as "Retrospective Premiums". This assessment allocation allows for members to pay a "minimum assessment". If a member's losses exceed the amount budgeted for their claims, the member will be assessed the cost of those claims until reaching its "maximum assessment". It also allows members to reduce their insurance costs by controlling their losses.

The Fund calculates the additional assessment annually. This annual calculation includes case reserves and can vary from year to year. The Fund will not bill the member until the final computation of the retrospective premium. This amount will be determined when that Fund Year is transferred to the Municipal Excess Liability Residual Claims Fund.

Currently, Fund Years are transferred to the Residual Claims Fund, four (4) years from the close of the policy year. Once billed, the member has twelve months to pay the retrospective premium.

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 4 UNPAID CLAIMS LIABILITIES

The Fund has established a liability for both reported and unreported insured events. This includes estimates of both future payments of losses and related claim adjustment expenses. The following represents changes in those aggregate liabilities by Fund Year for the years ended December 31, 2022 and 2021:

<u>December 31, 2022</u>	Closed Years	Fund Years			
	Contingency Fund	2019	2020	2021	2022
Unpaid Claims and Claims Adjustment Expenses January 1, 2022	\$ 2,277,075	\$ 3,277,056	\$ 3,611,884	\$ 5,955,059	-
Incurred Claims and Claim Adjustment Expenses:					
Provision for Insured Events of the Current Year					\$ 9,979,464
Prior Years	<u>(1,856,282)</u>	<u>(261,352)</u>	<u>(338,164)</u>	<u>(734,616)</u>	<u>-</u>
	<u>(1,856,282)</u>	<u>(261,352)</u>	<u>(338,164)</u>	<u>(734,616)</u>	<u>9,979,464</u>
Payments					
Claims and Claim Adjustment Expenses Attributable to Insured Events of the Current Year					(3,490,245)
Prior Year	<u>(420,793)</u>	<u>(790,146)</u>	<u>(735,770)</u>	<u>(1,182,695)</u>	<u>-</u>
	<u>(420,793)</u>	<u>(790,146)</u>	<u>(735,770)</u>	<u>(1,182,695)</u>	<u>(3,490,245)</u>
Total Unpaid Claims and Claim Adjustment Expenses December 31, 2022	<u>\$ -</u>	<u>\$ 2,225,558</u>	<u>\$ 2,537,950</u>	<u>\$ 4,037,748</u>	<u>\$ 6,489,219</u>

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 4 UNPAID CLAIMS LIABILITIES (Continued)

<u>December 31, 2021</u>	Closed Years Contingency Fund	Fund Years			
		<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Unpaid Claims and Claims Adjustment Expenses January 1, 2021	\$ 2,031,974	\$ 3,482,117	\$ 3,983,571	\$ 6,124,748	-
Incurred Claims and Claim Adjustment Expenses:					
Provision for Insured Events of the Current Year					\$ 10,336,495
Prior Years	<u>(1,522,263)</u>	<u>(172,564)</u>	<u>264,513</u>	<u>(1,137,334)</u>	<u>-</u>
	<u>(1,522,263)</u>	<u>(172,564)</u>	<u>264,513</u>	<u>(1,137,334)</u>	<u>10,336,495</u>
Payments					
Claims and Claim Adjustment Expenses Attributable to Insured Events of the Current Year					(4,381,436)
Prior Year	<u>(509,711)</u>	<u>(1,032,478)</u>	<u>(971,028)</u>	<u>(1,375,530)</u>	<u>-</u>
	<u>(509,711)</u>	<u>(1,032,478)</u>	<u>(971,028)</u>	<u>(1,375,530)</u>	<u>(4,381,436)</u>
Total Unpaid Claims and Claim Adjustment Expenses December 31, 2021	\$ -	\$ 2,277,075	\$ 3,277,056	\$ 3,611,884	\$ 5,955,059

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 5 MEMBERSHIP IN JOINT INSURANCE FUNDS

Municipal Excess Liability Residual Claims Fund

The Fund is a member of the Municipal Excess Liability Residual Claims Fund (the "Residual Fund"). The Residual Fund is a risk-sharing public entity pool established for the purpose of assuming and discharging the liabilities associated with the loss reserves from other New Jersey Joint Insurance Funds. The transfer of these loss reserves to the Residual Fund results in the closing of the pre-2019 Fund Years.

Each participating pool member appoints an official to represent their respective joint insurance fund for the purpose of creating a governing body from which officers of the Residual Fund are elected. As a member of the Residual Fund, the Fund may be subjected to supplemental assessments in the event of a deficiency. If the assets of the Residual Fund were to be exhausted, members would then become jointly and severally liable for the Residual Fund's liabilities.

The Residual Fund can declare and distribute dividends to members upon the approval of the State of New Jersey Department of Banking and Insurance. The distributions are divided among the members in the same ratio as their individual assessment relates to the total assessments of the participating joint insurance funds for that Fund Year.

The Residual Fund assumed the obligation for discharging the Fund's liabilities for claims and losses for the years 1987 through 2018. Selected financial information for the Residual Fund as of and for the years ended December 31, 2022 and 2021 is as follows:

	<u>2022</u> (Unaudited)	<u>2021</u>
Total Assets	\$ 129,720,491	\$ 117,451,484
Net Position (Deficit)	(7,208,708)	106,689
Total Operating Revenues	45,062,228	24,287,518
Investment Income (Loss)	(5,367,333)	(296,141)
Total Operating Expenses	46,325,292	35,854,430
Change in Net Position	(7,315,397)	(12,534,053)
Distribution to Participating Members	685,000	671,000

New Jersey Municipal Environmental Risk Management Fund

The Fund is a member of the New Jersey Municipal Environmental Risk Management Fund (the "Environmental Fund"). The Environmental Fund provides its members with various environmental coverages. The Environmental Fund is a risk-sharing public entity risk pool that is both an insured and self-administered group of joint insurance funds established for the purpose of providing low-cost insurance coverage for the respective members.

Each participating pool member appoints an official to represent their respective joint insurance fund for the purpose of creating a governing body from which officers of the Environmental Fund are elected. As a member of the Environmental Fund, the Fund may be subject to supplemental assessments in the event of a deficiency. If the assets of the Environmental Fund were to be exhausted, members would then become jointly and severally liable for the Environmental Fund's Liability.

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 5 MEMBERSHIP IN JOINT INSURANCE FUNDS (Continued)

New Jersey Municipal Environmental Risk Management Fund (Continued)

The Environmental Fund can declare and distribute dividends to members upon the approval of the State of New Jersey Department of Banking and Insurance. The distributions are divided among the members in the same ratio as their individual assessment relates to the total assessments of the participating joint insurance funds for that Fund Year.

Selected financial information for the Environmental Fund as of and for the years ended December 31, 2022 and 2021 is as follows:

	<u>2022</u> (Unaudited)	<u>2021</u>
Total Assets	\$ 30,786,111	\$ 33,431,540
Net Position	16,675,996	20,662,595
Total Operating Revenues	4,409,647	4,318,095
Investment Income (Loss)	(1,758,509)	(78,793)
Total Operating Expenses	3,337,737	2,654,689
Change in Net Position	(3,986,599)	(1,515,387)
Distribution to Participating Members	3,300,000	3,100,000

Municipal Excess Liability Joint Insurance Fund

The Fund is a member of the Municipal Excess Liability Fund (the “MEL”). The MEL Fund provides its members with coverage when claims in the Property, Liability, Automobile and Workers’ Compensation Funds exceed certain limits. The MEL Fund is a risk-sharing public entity risk pool that is a self-administered group of joint insurance funds established for the purpose of providing low-cost insurance coverage for the respective members.

Each participating pool member appoints an official to represent their respective joint insurance fund for the purpose of creating a governing body from which officers of the MEL Fund are elected. As a member of the MEL Fund, the Fund may be subject to supplemental assessments in the event of a deficiency. If the assets of the MEL Fund were to be exhausted, members would then become jointly and severally liable for the MEL Fund’s liability.

The MEL Fund can declare and distribute dividends to members upon the approval of the State of New Jersey Department of Banking and Insurance. The distributions are divided among the members in the same ratio as their individual assessments relates to the total assessments of the participating joint insurance funds for that Fund Year.

Selected financial information for the MEL Fund as of and for the years ended December 31, 2022 and 2021 is as follows:

	<u>2022</u> (Unaudited)	<u>2021</u>
Total Assets	\$ 100,083,983	\$ 94,866,419
Net Position	8,841,029	15,157,814
Total Operating Revenues	78,998,746	67,077,150
Investment Income (Loss)	(2,964,673)	(168,038)
Total Operating Expenses	82,350,858	68,002,943
Change in Net Position	(6,316,785)	(1,093,831)

SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 6 DETAILED NOTES ON ALL FUNDS

Receivables

Receivables as of December 31, 2022 and 2021 for the fund's individual fund years in the aggregate are as follows. In the opinion of management, the year end receivables are collectible, thus, an allowance for uncollectible accounts is not warranted.

<u>December 31, 2022</u>	<u>Closed Year</u>	<u>Fund Years</u>				<u>Total</u>
		<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	
Receivables:						
Assessments	\$ 1,000			\$ 26,433	\$ 4,634,197	\$ 4,661,630
Excess Insurance			\$ 329,372			329,372
Dividend	6,685					6,685
Other	-	\$ 14,343	-	-	-	14,343
	<u>\$ 7,685</u>	<u>\$ 14,343</u>	<u>\$ 329,372</u>	<u>\$ 26,433</u>	<u>\$ 4,634,197</u>	<u>\$ 5,012,030</u>

<u>December 31, 2021</u>	<u>Aggregate Excess Loss Contingency</u>	<u>Closed Year</u>	<u>Fund Years</u>			<u>Total</u>
			<u>2019</u>	<u>2020</u>	<u>2021</u>	
Receivables:						
Assessments	\$ 91,106		\$ 1,000	\$ 17,854	\$ 4,105,801	\$ 4,215,761
Excess Insurance				305,995	286,159	592,154
Dividend		\$ 5,389				5,389
Other	-	-	25,000	-	-	25,000
	<u>\$ 91,106</u>	<u>\$ 5,389</u>	<u>\$ 26,000</u>	<u>\$ 323,849</u>	<u>\$ 4,391,960</u>	<u>\$ 4,838,304</u>

NOTE 7 OTHER

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

REQUIRED SUPPLEMENTARY INFORMATION

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
LAST TEN YEARS CLAIMS DEVELOPMENT INFORMATION**

	Fund Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net Earned Required Contribution and Investment Revenue	\$ 14,517,159	\$ 14,645,783	\$ 14,845,967	\$ 14,958,585	\$ 15,277,344	\$ 15,715,145	\$ 16,050,679	\$ 16,356,996	\$ 16,665,883	\$ 18,265,045
Unallocated Expenses	5,976,367	6,144,037	6,498,574	6,569,947	6,875,567	7,037,892	7,501,179	8,214,448	8,655,208	8,999,132
Estimated Incurred Claims and Expenses, End of Policy Year	7,058,848	7,477,890	8,936,846	7,475,926	7,935,205	8,682,915	8,775,744	8,814,448	10,336,495	9,979,464
Paid (Cumulative) as of:										
End of Policy Year	2,482,121	3,147,175	3,569,132	2,958,652	3,108,616	3,415,282	2,930,292	2,689,700	4,381,436	3,490,245
One Year Later	3,584,082	4,308,410	4,704,725	3,955,476	4,663,764	4,897,813	4,419,026	4,065,230	5,564,131	
Two Years Later	4,586,805	5,047,753	5,583,656	4,779,585	5,757,433	5,755,622	5,390,054	4,801,000		
Three Years Later	5,444,141	5,790,047	6,910,956	5,960,736	6,497,485	6,788,100	6,180,200			
Four Years Later	5,444,141	5,790,047	6,910,956	5,960,736	6,497,485	6,788,100				
Five Years Later	5,444,141	5,790,047	6,910,956	5,960,736	6,497,485					
Six Years Later	5,444,141	5,790,047	6,910,956	5,960,736						
Seven Years Later	5,444,141	5,790,047	6,910,956							
Eight Years Later	5,444,141	5,790,047								
Nine Years Later	5,444,141									
Reestimated Incurred Claims and Expenses										
End of Policy Year	7,058,848	7,477,890	8,936,846	7,475,926	7,935,205	8,682,915	8,775,744	8,814,448	10,336,495	9,979,464
One Year Later	6,230,219	7,707,996	8,272,446	7,665,330	8,539,493	8,871,116	8,402,597	7,677,114	9,601,879	
Two Years Later	6,829,258	7,690,253	8,628,147	7,781,557	8,519,427	9,237,739	8,667,110	7,338,950		
Three Years Later	6,356,688	7,633,081	8,751,540	7,581,843	8,529,459	9,065,175	8,405,758			
Four Years Later	6,356,688	7,633,081	8,751,540	7,581,843	8,529,459					
Five Years Later	6,356,688	7,633,081	8,751,540	7,581,843	8,529,459					
Six Years Later	6,356,688	7,633,081	8,751,540	7,581,843						
Seven Years Later	6,356,688	7,633,081	8,751,540							
Eight Years Later	6,356,688	7,633,081								
Nine Years Later	6,356,688									
Increase (Decrease) in Estimated Incurred Claims and Expenses From End of Policy Year	(702,160)	155,191	(185,306)	105,917	594,254	382,260	(369,986)	(1,475,498)	(734,616)	N/A

Note: In the fifth year of the above Fund Years, the Board has created a Closed Years Contingency Fund, which consolidates the prior year open Fund Years. As a result, the above individual Fund Years have not been updated to report the respective transactions for years five to ten.

SUPPLEMENTARY SCHEDULES

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
COMBINING STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2022**

	Aggregate Excess Loss Contingency Fund	Closed Years Contingency Fund	2019	2020	2021	2022	Total
ASSETS							
Cash and Cash Equivalents	\$ 42,487	\$ 7,005,092	\$ 2,354,957	\$ 3,487,884	\$ 3,019,451	\$ 1,304,741	\$ 17,214,612
Receivables							
Assessments	-	1,000	-	329,372	26,433	4,634,197	4,661,630
Excess Insurance							329,372
Dividend							6,685
Other			14,343				14,343
Prepaid Items							
Total Assets	<u>42,487</u>	<u>7,012,777</u>	<u>2,369,300</u>	<u>3,817,256</u>	<u>3,045,884</u>	<u>5,938,938</u>	<u>22,226,642</u>
LIABILITIES							
Accounts Payable		1,562,286		465,708	599,340	163,270	2,790,604
Unearned Revenue		275,089					275,089
Loss Reserves							
Case Reserves			1,819,485	1,981,806	2,325,593	3,241,386	9,368,270
IBNR			406,073	556,144	1,712,155	3,247,833	5,922,205
Total Liabilities		<u>1,837,375</u>	<u>2,225,558</u>	<u>3,003,658</u>	<u>4,637,088</u>	<u>6,652,489</u>	<u>18,356,168</u>
NET POSITION							
Unrestricted	<u>42,487</u>	<u>5,175,402</u>	<u>143,742</u>	<u>813,598</u>	<u>(1,591,204)</u>	<u>(713,551)</u>	<u>3,870,474</u>
Total Net Position	<u>\$ 42,487</u>	<u>\$ 5,175,402</u>	<u>\$ 143,742</u>	<u>\$ 813,598</u>	<u>\$ (1,591,204)</u>	<u>\$ (713,551)</u>	<u>\$ 3,870,474</u>

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
COMBINING STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Aggregate Excess Loss Contingency Fund	Closed Years Contingency Fund	2019	2020	2021	2022	Total
OPERATING REVENUES							
Assessments							
Regular	-	1,000	-	10	5,006	18,305,164	\$ 18,305,164
Supplemental	-	-	-	-	-	33,747	39,763
Total Revenues	-	1,000	-	10	5,006	18,338,911	18,344,927
OPERATING EXPENSES							
Benefits Paid to/For Participants	-	420,793	790,146	735,770	1,182,695	3,490,245	6,619,649
Insurance Premiums	-	1,539,397	-	465,708	599,272	6,146,455	8,770,832
General and Administrative	-	494	-	(1)	22,396	2,852,677	2,875,566
Increase/(Decrease) in Loss Reserves	-	(1,805,002)	(665,056)	(290,743)	(518,275)	3,241,386	(37,690)
Case Reserves	-	(472,073)	(386,442)	(783,191)	(1,399,036)	3,247,833	207,091
IBNR	-	-	-	-	-	-	-
Total Expenses	-	(296,391)	(261,352)	127,543	(112,948)	18,978,596	18,435,448
Operating Income (Loss)	-	297,391	261,352	(127,533)	117,954	(639,685)	(90,521)
NONOPERATING REVENUES							
Dividend Income	(36,243)	275,089	-	-	-	-	275,089
Investment Income (Loss)	-	(373,255)	(135,461)	(182,138)	(178,087)	(73,866)	(979,050)
Total Nonoperating Revenues	(36,243)	(98,166)	(135,461)	(182,138)	(178,087)	(73,866)	(703,961)
Change in Net Position	(36,243)	199,225	125,891	(309,671)	(60,133)	(713,551)	(794,482)
Net Position, (Deficit) January 1, 2022	78,730	5,251,266	17,851	1,123,269	(1,531,071)	-	4,940,045
Equity Distribution	42,487	5,450,491	143,742	813,598	(1,591,204)	(713,551)	4,145,563
	-	(275,089)	-	-	-	-	(275,089)
Net Position, (Deficit) December 31, 2022	\$ 42,487	\$ 5,175,402	\$ 143,742	\$ 813,598	\$ (1,591,204)	\$ (713,551)	\$ 3,870,474

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Aggregate Excess Loss Contingency Fund	Closed Years Contingency Fund	2019	2020	2021	2022	Total
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash Received from Members	\$ (952,890)	\$ (2,234,254)	\$ 11,657	\$ 17,864	\$ 4,084,374	\$ 13,704,714	\$ 17,818,609
Cash Paid for Claims, Premiums and Services			(790,146)	(759,351)	(1,094,121)	(12,326,107)	(18,156,869)
Net Cash Provided (Used) by Operating Activities	(952,890)	(2,234,254)	(778,489)	(741,487)	2,990,253	1,378,607	(338,260)
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest/Dividend Received	(36,243)	(99,462)	(135,461)	(182,138)	(178,087)	(73,866)	(705,257)
Net Cash Provided (Used) by Investing Activities	(36,243)	(99,462)	(135,461)	(182,138)	(178,087)	(73,866)	(705,257)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Equity Distribution	-	(275,089)	-	-	-	-	(275,089)
Net Cash (Used) by Noncapital Financing Activities	-	(275,089)	-	-	-	-	(275,089)
Net Change in Cash and Cash Equivalents	(989,133)	(2,608,805)	(913,950)	(923,625)	2,812,166	1,304,741	(1,318,606)
Cash and Cash Equivalents, January 1, 2022	1,031,620	9,613,897	3,268,907	4,411,509	207,285	-	18,533,218
Cash and Cash Equivalents, December 31, 2022	\$ 42,487	\$ 7,005,092	\$ 2,354,957	\$ 3,487,884	\$ 3,019,451	\$ 1,304,741	\$ 17,214,612
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES							
Operating Income (Loss)	\$ -	\$ 297,391	\$ 261,352	\$ (127,533)	\$ 117,954	\$ (639,685)	\$ (90,521)
Adjustments:							
Changes in Operating Assets and Liabilities							
(Increase)/Decrease Assessments Receivable	91,106	(1,000)	1,000	17,854	4,079,368	(4,634,197)	(445,869)
(Increase)/Decrease Excess Insurance Receivable				(23,377)	286,159	-	262,782
(Increase)/Decrease Other Receivables			10,657				10,657
(Increase)/Decrease in Prepaid Items					1,710	-	1,710
Increase/(Decrease) Unearned Revenue		12,035					12,035
Increase/(Decrease) Accounts Payable	(1,043,996)	(265,605)		465,503	422,373	163,270	(258,455)
Increase/(Decrease) Case Reserves		(1,805,002)	(665,056)	(290,743)	(518,275)	3,241,386	(37,690)
Increase/(Decrease) IBNR		(472,073)	(386,442)	(783,191)	(1,399,036)	3,247,833	207,091
Net Cash Provided (Used) by Operating Activities	\$ (952,890)	\$ (2,234,254)	\$ (778,489)	\$ (741,487)	\$ 2,990,253	\$ 1,378,607	\$ (338,260)

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
HISTORICAL OPERATING RESULTS
FROM INCEPTION THROUGH DECEMBER 31, 2022**

	Aggregate Excess Loss Contingency Fund	Closed Years Contingency Fund	2019	2020	2021	2022
	UNDERWRITING INCOME					
Assessments	\$ 1,284,490	\$ 293,003,947	\$ 16,038,866	\$ 16,516,876	\$ 16,853,719	\$ 18,338,911
Other Income	-	129,575	-	-	-	-
Total Income	<u>1,284,490</u>	<u>293,133,522</u>	<u>16,038,866</u>	<u>16,516,876</u>	<u>16,853,719</u>	<u>18,338,911</u>
INCURRED LIABILITIES						
Claims						
Paid		139,031,534	6,180,200	4,801,000	5,564,131	3,490,245
Case Reserves			1,819,485	1,981,806	2,325,593	3,241,386
IBNR Reserves	-	-	406,073	556,144	1,712,155	3,247,833
Limited Incurred Claims	<u>-</u>	<u>139,031,534</u>	<u>8,405,758</u>	<u>7,338,950</u>	<u>9,601,879</u>	<u>9,979,464</u>
Expenses						
Excess Insurance Premiums		79,062,596	3,467,035	4,003,276	4,346,585	4,287,168
Other Insurance Premiums	1,240,951	7,866,641	1,391,263	1,490,242	1,564,785	1,859,287
Administrative	-	52,704,103	2,642,881	2,720,930	2,743,838	2,852,677
Subtotal Expenses	<u>1,240,951</u>	<u>139,633,340</u>	<u>7,501,179</u>	<u>8,214,448</u>	<u>8,655,208</u>	<u>8,999,132</u>
Total Incurred Liabilities	<u>1,240,951</u>	<u>278,664,874</u>	<u>15,906,937</u>	<u>15,553,398</u>	<u>18,257,087</u>	<u>18,978,596</u>
UNDERWRITING SURPLUS (DEFICIT)	43,539	14,468,648	131,929	963,478	(1,403,368)	(639,685)
Investment/Dividend Income (Loss)	(1,052)	15,885,974	11,813	(149,880)	(187,836)	(73,866)
GROSS STATUTORY SURPLUS (DEFICIT)	42,487	30,354,622	143,742	813,598	(1,591,204)	(713,551)
Return of Surplus	-	(25,179,220)	-	-	-	-
NET STATUTORY SURPLUS (DEFICIT)	<u>\$ 42,487</u>	<u>\$ 5,175,402</u>	<u>\$ 143,742</u>	<u>\$ 813,598</u>	<u>\$ (1,591,204)</u>	<u>\$ (713,551)</u>

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF BUDGETARY ASSESSMENTS
FUND YEAR 2022**

<u>Participating Municipality</u>	<u>Assessments</u>	<u>Collected</u>	Balance, December 31, <u>2022</u>
Bogota	\$ 659,213	\$ 493,409	\$ 165,804
Carlstadt	626,140	471,605	154,535
East Rutherford	786,822	592,116	194,706
Edgewater	750,941	561,180	189,761
Elmwood Park	925,536	671,331	254,205
Englewood Cliffs	740,323	555,243	185,080
Fairview	648,396	486,297	162,099
Fort Lee	1,974,329	1,474,444	499,885
Hackensack	1,076,198	807,900	268,298
Little Ferry	482,828	363,130	119,698
Lodi	1,053,665	790,998	262,667
Lyndhurst	1,193,477	893,857	299,620
Maywood	609,128	458,096	151,032
Moonachie	427,169	213,834	213,335
North Arlington	803,263	602,448	200,815
Palisades Park	802,055	601,792	200,263
Ridgefield Park	724,925	543,693	181,232
Rochelle Park	445,560	335,420	110,140
Rutherford	1,371,883	1,018,190	353,693
Saddle Brook	608,785	458,338	150,447
South Hackensack	367,460	184,480	182,980
Wallington	555,884	421,982	133,902
Wood Ridge	464,377	464,377	-
Total Assessments	<u>\$ 18,098,357</u>	<u>\$ 13,464,160</u>	<u>\$ 4,634,197</u>
Analysis of Assessments Levied			
Fund Year 2022	\$ 18,305,164		
Supplemental Assessments	33,747		
EJIF Dividend Applied	(263,054)		
EPL Credit	<u>22,500</u>		
	<u>\$ 18,098,357</u>		

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF BUDGETARY EXPENSES
FUND YEAR 2022**

<u>Account Description</u>	<u>Budget</u>	<u>Expenses</u>	<u>Loss Reserves</u>	<u>Variance Excess/(Deficit)</u>
Self-Insured Claims				
Property	\$ 786,809	\$ 666,585	\$ 294,174	\$ (173,950)
General Liability	1,903,375	163,377	1,743,862	(3,864)
Auto	804,291	70,615	720,153	13,523
Worker's Compensation	5,768,784	2,589,668	3,731,030	(551,914)
Loss Fund Contingency	58,587			58,587
Insurance Premiums				
Property	13,754	13,754		-
Environmental	315,278	315,278		-
MEL	3,980,636	3,958,136		22,500
Other Insurance Premiums				
Directors and Officers	13,675	13,675		-
Public Officials and Employment Practices Liability	1,761,658	1,757,723		3,935
Land Use Liability	87,889	87,889		-
Expenses				
Claims Adjustment	656,067	731,067		(75,000)
Loss Fund Management	82,329	82,329		-
Claims - Computer Cost	42,864	42,864		-
Safety				
Director	121,378	121,378		-
General	76,435	52,041		24,394
MEL Safety Institute	71,555	71,555		-
Safety Incentive Program	25,000	1,500		23,500
Administration	414,751	414,789		(38)
Professional Services				
Actuary	41,455	41,455		-
Attorney	48,372	48,372		-
Auditor	19,028	19,028		-
Internal Auditor	21,298	20,830		468
Treasurer	37,338	37,338		-
Underwriting Manager	19,024	19,024		-
Miscellaneous	105,904	65,230		40,674
Risk Management Consultants	1,083,877	1,083,877	-	-
	<u>\$ 18,361,411</u>	<u>\$ 12,489,377</u>	<u>\$ 6,489,219</u>	<u>\$ (617,185)</u>
Budget	\$ 18,361,411			
EJIF Dividend	<u>(263,054)</u>			
Assessments Levied	<u>\$ 18,098,357</u>			

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2022**

Part I – Summary of Auditor’s Results

Financial Statements

Type of auditors' report issued on financial statements	<u>Unmodified</u>	
Internal control over financial reporting:		
1) Material weakness(es) identified	<u> </u> yes	<u> X </u> no
2) Significant deficiency(ies) that are not considered to be material weakness(es)?	<u> </u> yes	<u> X </u> none reported
Noncompliance material to the financial statements noted?	<u> </u> yes	<u> X </u> no

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Paragraph 5.18-5.20 of *Government Auditing Standards*.

There are none.

**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2022**

This section identifies the status of prior-year findings related to the financial statements that are required to be reported in accordance with Paragraph 6.12 of *Governmental Auditing Standards*.

STATUS OF PRIOR YEAR FINDINGS

There were none.

**SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
COMMENTS/RECOMMENDATIONS**

Current Year

Comment – Our audit revealed that as of December 31, 2022, Fund Years 2022 and 2021 ended the year with deficits in net position of \$713,551 and \$1,591,204, respectively.

Recommendation – The operations of Fund Years 2022 and 2021 be continually monitored to ensure that sufficient funds will be available to eliminate the operating deficits.

Management Response

Management is monitoring claims development carefully. If a deficit continues, management will determine the appropriate course of action in order to provide resources to eliminate the deficits.

* * * * *

ACKNOWLEDGEMENT

We received the complete cooperation of all the officials of the Fund and we greatly appreciate the courtesies extended to us.

DEPARTMENT OF BANKING AND INSURANCE - STATE FINANCIAL REPORT

ANNUAL FINANCIAL STATEMENT

New Jersey Department of Banking and Insurance Joint Insurance Fund Code: **JIF2**

Joint Insurance Fund Name: South Bergen Municipal Joint Insurance Fund

Street Address: 9 Campus Drive, Suite 216
Parsippany, New Jersey 07054

Primary location of books and records: Same as above

Statement Contact Person: Pauline Kontomanolis

Phone Number: (201) 881-7632

2023 EXECUTIVE COMMITTEE

Chairman	Gregory Franz	Dominick Azzolini	Joseph Crifasi
Secretary	Christopher Eilert	Robert Kakoleski	Al Restaino
		Steve Lo Iacono	

EXECUTIVE COMMITTEE ALTERNATES

Marc Schrieks	Diane Testa
Lisette Duffy	Louis DeMarco

State of New Jersey
County of Bergen

Gregory Franz, Chairman, Christopher Eilert, Secretary, of the South Bergen Municipal Joint Insurance Fund being duly sworn, each for himself deposes and says that they are the above described executive committee members of the said joint insurance fund, and that on the 31st day of December last, all of the herein described assets were the absolute property of the said joint insurance fund, free and clear from any liens or claims thereon, except as herein stated, and that this interim statement, together with related exhibits, schedules and explanations therein contained, annexed affairs to the said joint insurance fund as of the 31st day of December last, and of its income and deductions therefrom for the year ended on the date, according to the best of their information, knowledge and belief respectively.

Chairman

Secretary

- (a) Is this an original filing? Yes ___ No
- (b) If no,
 - (i) State the amendment number _____
 - (ii) Date filed _____
 - (iii) Number of pages attached _____

HISTORICAL OPERATING RESULTS ANALYSIS

Fund: SOUTH BERGEN JIF Fund Years: 1986 - 2022 As of : December 31, 2022 Prepared by: Lerch, Vinci & Bliss, LLP

Underwriting Income

Assessments		
Regular	\$ 360,963,431	
Retrospective	78,169	
Supplemental	995,209	
Other Income	<u>129,575</u>	
Total Income		\$ 362,166,384
Incurred Liabilities		
Claims		
Paid	159,396,482	
Case Reserves	9,368,270	
IBNR Reserves	<u>5,922,205</u>	
Subtotal		\$ 174,686,957
Excess Insurance		
Received		
Recoverable	<u>329,372</u>	
Subtotal		<u>329,372</u>
Limited Incurred Claims		174,357,585
Expenses		
Excess Insurance Premiums	95,166,660	
Other Insurance Premiums	15,413,169	
Administrative	<u>63,664,429</u>	
Subtotal		<u>174,244,258</u>
Total Incurred Liabilities		<u>348,601,843</u>
Underwriting Surplus		13,564,541
Investment Income		<u>15,485,153</u>
Gross Statutory Surplus		29,049,694
Return of Surplus		
Paid		(25,179,220)
Authorized and Unpaid		<u>-</u>
Subtotal Return of Surplus		<u>(25,179,220)</u>
Net Statutory Surplus		<u>\$ 3,870,474</u>

HISTORICAL BALANCE SHEET

Schedule B

Fund: SOUTH BERGEN JIF Fund Years: 1986 - 2022 As of: December 31, 2022 Prepared by Lerch, Vinci & Bliss, LLP

ASSETS

<u>Cash and Investments (1)</u>		\$	17,214,612	
<u>Receivables</u>				
Assessments	\$	4,661,630		
Accrued Interest and Dividends		6,685		
Excess Insurance		329,372		
Other		<u>14,343</u>		
Total Receivables			<u>5,012,030</u>	
Total Assets				\$ 22,226,642

LIABILITIES

<u>Claims</u>				
Case Reserves		9,368,270		
IBNR Reserves (2)		<u>5,922,205</u>		
Subtotal Claims			15,290,475	
<u>Expenses (unpaid) (1)</u>				
Administrative		163,348		
Due to Residual Claims Fund		1,272,377		
Due to Municipal Excess Liability Fund		<u>1,354,879</u>		
			2,790,604	
<u>Other Liabilities</u>				
Unearned Revenue		<u>275,089</u>		
			<u>275,089</u>	
<u>Total Liabilities</u>				<u>18,356,168</u>
<u>Net Statutory Surplus (Deficit)</u>				<u>\$ 3,870,474</u>

Notes: (1) attached schedule itemizing these categories

(2) attached opinion from the actuary

SOUTH BERGEN MUNICIPAL JOINT INSURANCE FUND
ATTACHMENT TO SCHEDULE B
HISTORICAL BALANCE SHEET
DECEMBER 31, 2022

CASH AND INVESTMENTS

CASH AND CASH EQUIVALENTS

Claims Account	\$	(381,168)	
Operating Account		4,142,102	
Joint Cash Management and Investment Program		<u>13,453,678</u>	
			<u>\$ 17,214,612</u>

RECEIVABLES

Assessments	\$	4,661,630	
Excess Insurance		329,372	
Dividend		6,685	
Other		<u>14,343</u>	
			<u>\$ 5,012,030</u>

EXPENSES (UNPAID)

Administrative			
Treasurer	\$	9,335	
Auditor		19,028	
Risk Management Consultants		91,802	
Safety		36,435	
Miscellaneous		<u>6,748</u>	
			\$ 163,348
Due to Residual Claims Fund			1,272,377
Due to Municipal Excess Liability Fund			<u>1,354,879</u>
			<u>\$ 2,790,604</u>

FUND YEAR OPERATING RESULTS ANALYSIS

Schedule C

Fund: SOUTH BERGEN JIF Fund Year: 2022 As of December 31, 2022 Prepared By: Lerch, Vinci & Bliss, LLP

Underwriting Income		
Assessments		
Regular	\$ 18,305,164	
Supplemental	33,747	
Other Income	<u>-</u>	
 Total Income		\$ 18,338,911
 Incurred Liabilities		
Claims		
Paid	3,490,245	
Case Reserves	3,241,386	
IBNR Reserves	<u>3,247,833</u>	
 Subtotal		\$ 9,979,464
 Excess Insurance Received		
Received		
Recoverable	<u>-</u>	
 Subtotal		<u>-</u>
 Limited Incurred Claims		9,979,464
 Expenses		
Excess Insurance Premiums	4,287,168	
Other Insurance Premiums	1,859,287	
Administrative	<u>2,852,677</u>	
 Subtotal		<u>8,999,132</u>
 Total Incurred Liabilities		<u>18,978,596</u>
 Underwriting Surplus		(639,685)
 Investment Income (Loss)		<u>(73,866)</u>
 Gross Statutory Surplus		(713,551)
 Return of Surplus		
Paid		
Authorized and Unpaid	<u>-</u>	
 Subtotal Return of Surplus		<u>-</u>
 Net Statutory Surplus		<u>\$ (713,551)</u>

FUND YEAR OPERATING RESULTS ANALYSIS

Schedule C

Fund: SOUTH BERGEN JIF Fund Year: 2021 As of December 31, 2022 Prepared By: Lerch, Vinci & Bliss, LLP

Underwriting Income		
Assessments		
Regular	\$ 16,786,426	
Supplemental	67,293	
Other Income	<u>-</u>	
Total Income		\$ 16,853,719
Incurred Liabilities		
Claims		
Paid	5,564,131	
Case Reserves	2,325,593	
IBNR Reserves	<u>1,712,155</u>	
Subtotal		\$ 9,601,879
Excess Insurance Received		
Received		
Recoverable		
Subtotal		<u>-</u>
Limited Incurred Claims		9,601,879
Expenses		
Excess Insurance Premiums	4,346,585	
Other Insurance Premiums	1,564,785	
Administrative	<u>2,743,838</u>	
Subtotal		<u>8,655,208</u>
Total Incurred Liabilities		<u>18,257,087</u>
Underwriting Surplus		(1,403,368)
Investment Income (Loss)		<u>(187,836)</u>
Gross Statutory Surplus		(1,591,204)
Return of Surplus		
Paid		
Authorized and Unpaid		<u>-</u>
Subtotal Return of Surplus		<u>-</u>
Net Statutory Surplus		<u>\$ (1,591,204)</u>

FUND YEAR OPERATING RESULTS ANALYSIS

Schedule C

Fund: SOUTH BERGEN JIF Fund Year: 2020 As of December 31, 2022 Prepared By: Lerch, Vinci & Bliss, LLP

Underwriting Income		
Assessments		
Regular	\$ 16,482,806	
Supplemental	34,070	
Other Income	<u>-</u>	
Total Income		\$ 16,516,876
Incurred Liabilities		
Claims		
Paid	5,130,372	
Case Reserves	1,981,806	
IBNR Reserves	<u>556,144</u>	
Subtotal		\$ 7,668,322
Excess Insurance Received		
Received		
Recoverable	<u>329,372</u>	
Subtotal		<u>329,372</u>
Limited Incurred Claims		7,338,950
Expenses		
Excess Insurance Premiums	4,003,276	
Other Insurance Premiums	1,490,242	
Administrative	<u>2,720,930</u>	
Subtotal		<u>8,214,448</u>
Total Incurred Liabilities		<u>15,553,398</u>
Underwriting Surplus		963,478
Investment Income (Loss)		<u>(149,880)</u>
Gross Statutory Surplus		813,598
Return of Surplus		
Paid		
Authorized and Unpaid	<u>-</u>	
Subtotal Return of Surplus		<u>-</u>
Net Statutory Surplus		<u>\$ 813,598</u>

FUND YEAR OPERATING RESULTS ANALYSIS

Schedule C

Fund: SOUTH BERGEN JIF Fund Year: 2019 As of December 31, 2022 Prepared By: Lerch, Vinci & Bliss, LLP

Underwriting Income		
Assessments		
Regular	\$ 16,002,983	
Supplemental	35,883	
Other Income	<u>-</u>	
Total Income		\$ 16,038,866
Incurred Liabilities		
Claims		
Paid	6,180,200	
Case Reserves	1,819,485	
IBNR Reserves	<u>406,073</u>	
Subtotal		\$ 8,405,758
Excess Insurance Received		
Received	-	
Recoverable	<u>-</u>	
Subtotal		<u>-</u>
Limited Incurred Claims		8,405,758
Expenses		
Excess Insurance Premiums	3,467,035	
Other Insurance Premiums	1,391,263	
Administrative	<u>2,642,881</u>	
Subtotal		<u>7,501,179</u>
Total Incurred Liabilities		<u>15,906,937</u>
Underwriting Surplus (Deficit)		131,929
Investment Income		<u>11,813</u>
Gross Statutory Surplus (Deficit)		143,742
Return of Surplus		
Paid		
Authorized and Unpaid	<u>-</u>	
Subtotal Return of Surplus		<u>-</u>
Net Statutory Surplus (Deficit)		<u>\$ 143,742</u>

FUND YEAR OPERATING RESULTS ANALYSIS

Schedule C

Fund: SOUTH BERGEN JIF Fund Year: Closed Years As of December 31, 2022 Prepared By: Lerch, Vinci & Bliss, LLP

Underwriting Income		
Assessments		
Regular	\$ 292,101,562	
Retrospective	78,169	
Supplemental	824,216	
Other Income	<u>129,575</u>	
Total Income		\$ 293,133,522
Incurred Liabilities		
Claims		
Paid	139,031,534	
Case Reserves	-	
IBNR Reserves	<u>-</u>	
Subtotal		\$ 139,031,534
Excess Insurance Received		
Received		
Recoverable	<u>-</u>	
Subtotal		<u>-</u>
Limited Incurred Claims		139,031,534
Expenses		
Excess Insurance Premiums	79,062,596	
Other Insurance Premiums	7,866,641	
Administrative	<u>52,704,103</u>	
Subtotal		<u>139,633,340</u>
Total Incurred Liabilities		<u>278,664,874</u>
Underwriting Surplus		14,468,648
Investment Income		<u>15,885,974</u>
Gross Statutory Surplus		30,354,622
Return of Surplus		
Paid	(25,179,220)	
Authorized and Unpaid	<u>-</u>	
Subtotal Return of Surplus		<u>(25,179,220)</u>
Net Statutory Surplus		<u>\$ 5,175,402</u>

FUND YEAR OPERATING RESULTS ANALYSIS

Schedule C

Fund: SOUTH BERGEN JIF Fund Year: Aggregate Excess Loss Contingency Fund As of December 31, 2022

Prepared By: Lerch, Vinci & Bliss, LLP

Assessments		
Regular	\$ 1,284,490	
Supplemental		
Other Income	<u>-</u>	
Total Income		\$ 1,284,490
Incurred Liabilities		
Claims		
Paid		
Case Reserves		
IBNR Reserves	<u>-</u>	
Subtotal		-
Excess Insurance Received		
Received		
Recoverable	<u>-</u>	
Subtotal		<u>-</u>
Limited Incurred Claims		-
Expenses		
Excess Insurance Premiums		
Other Insurance Premiums	1,240,951	
Administrative	<u>-</u>	
Subtotal		<u>1,240,951</u>
Total Incurred Liabilities		<u>1,240,951</u>
Underwriting Surplus		43,539
Investment Income (Loss)		<u>(1,052)</u>
Gross Statutory Surplus		42,487
Return of Surplus		
Paid		
Authorized and Unpaid	<u>-</u>	
Subtotal Return of Surplus		<u>-</u>
Net Statutory Surplus		<u>\$ 42,487</u>

FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

Fund: SOUTH BERGEN JIF Fund Year: 2022 As of December 31, 2022 Prepared By: Lertch, Vinci & Bliss, LLP
 Coverages and Other Accounts

Schedule D

	<u>PROPERTY</u>	<u>GENERAL LIABILITY</u>	<u>AUTO</u>	<u>WORKERS' COMP.</u>	<u>LOSS CONTINGENCY ENVIRON.</u>	<u>MEL</u>	<u>POLE/EPL</u>	<u>GENERAL & ADMIN.</u>	<u>TOTALS</u>
<u>Underwriting Income</u>									
Assessments									
Regular	\$ 800,563	\$ 1,876,576	\$ 804,291	\$ 5,768,784	\$ 58,587	\$ 3,958,136	\$ 1,863,222	\$ 2,859,727	\$ 18,305,164
Supplemental	-	26,799	-	-	-	-	-	6,948	33,747
Other Income	-	-	-	-	-	-	-	-	-
Total Income	<u>800,563</u>	<u>1,903,375</u>	<u>804,291</u>	<u>5,768,784</u>	<u>58,587</u>	<u>3,958,136</u>	<u>1,863,222</u>	<u>2,866,675</u>	<u>18,338,911</u>
<u>Incurred Liabilities</u>									
Claims	960,759	1,907,239	790,768	6,320,698	-	3,958,136	1,859,287	2,852,677	9,979,464
Expenses	13,754	-	-	-	315,278	-	-	-	8,999,132
Total Liabilities	<u>974,513</u>	<u>1,907,239</u>	<u>790,768</u>	<u>6,320,698</u>	<u>315,278</u>	<u>3,958,136</u>	<u>1,859,287</u>	<u>2,852,677</u>	<u>18,978,596</u>
<u>Underwriting Surplus (Deficit)</u>	<u>(173,950)</u>	<u>(3,864)</u>	<u>13,523</u>	<u>(551,914)</u>	<u>-</u>	<u>-</u>	<u>3,935</u>	<u>13,998</u>	<u>(639,685)</u>
<u>Adjustments</u>									
Investment Income (Loss)	(2,675)	(19,401)	(8,123)	(43,027)	(627)	-	-	(13)	(73,866)
Transfers	-	-	-	-	-	-	-	-	-
Total Adjustments	<u>(2,675)</u>	<u>(19,401)</u>	<u>(8,123)</u>	<u>(43,027)</u>	<u>(627)</u>	<u>-</u>	<u>-</u>	<u>(13)</u>	<u>(73,866)</u>
Gross Statutory Surplus (Deficit)	(176,625)	(23,265)	5,400	(594,941)	57,960	-	3,935	13,985	(713,551)
Return of Surplus (paid and authorized)	-	-	-	-	-	-	-	-	-
Net Statutory Surplus (Deficit)	<u>\$ (176,625)</u>	<u>\$ (23,265)</u>	<u>\$ 5,400</u>	<u>\$ (594,941)</u>	<u>\$ 57,960</u>	<u>\$ -</u>	<u>\$ 3,935</u>	<u>\$ 13,985</u>	<u>\$ (713,551)</u>

FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS
Fund: SOUTH BERGEN JIF Fund Year: 2021 As of: December 31, 2022 Prepared By: Lerch, Vinci & Bliss, LLP
Coverages and Other Accounts

Schedule D

	PROPERTY	GENERAL LIABILITY	AUTO	WORKERS' COMP.	LOSS CONTINGENCY	ENVIRON.	MEL.	POL/EPL	GENERAL & ADMIN.	TOTALS
<u>Underwriting Income</u>										
Assessments										
Regular	\$ 758,504	\$ 2,000,481	\$ 735,422	\$ 5,000,000	\$ 216,016	\$ 312,098	\$ 3,421,435	\$ 1,567,689	\$ 2,774,781	\$ 16,786,426
Supplemental		52,935							14,358	67,293
Other Income										
Total Income	758,504	2,053,416	735,422	5,000,000	216,016	312,098	3,421,435	1,567,689	2,789,139	16,853,719
<u>Incurred Liabilities</u>										
Claims	721,148	1,971,413	541,648	6,367,670		312,098	4,020,785	1,564,785	2,743,848	9,601,879
Expenses	13,692									8,655,208
Total Liabilities	734,840	1,971,413	541,648	6,367,670		312,098	4,020,785	1,564,785	2,743,848	18,257,087
Underwriting Surplus (Deficit)	23,664	82,003	193,774	(1,367,670)	216,016		(599,350)	2,904	45,291	(1,403,368)
<u>Adjustments</u>										
Investment Income	(116)	(69,262)	(25,299)	(45,168)	(380)		88	(2,904)	(44,795)	(187,836)
Transfers										
Total Adjustments	(116)	(69,262)	(25,299)	(45,168)	(380)		88	(2,904)	(44,795)	(187,836)
Gross Statutory Surplus (Deficit)	23,548	12,741	168,475	(1,412,838)	215,636		(599,262)		496	(1,591,204)
Return of Surplus (paid and authorized)										
Net Statutory Surplus (Deficit)	\$ 23,548	\$ 12,741	\$ 168,475	\$ (1,412,838)	\$ 215,636	\$ -	\$ (599,262)	\$ -	\$ 496	\$ (1,591,204)

FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS
Fund: SOUTH BERGEN JIF Fund Year: 2020 As of: December 31, 2022 Prepared By: Lerch, Vinci & Bliss, LLP
Coverages and Other Accounts

Schedule D

	PROPERTY	GENERAL LIABILITY	AUTO	WORKERS' COMP.	LOSS CONTINGENCY	ENVIRON.	MEL	POL/EPL	GENERAL & ADMIN.	TOTALS
<u>Underwriting Income</u>										
Assessments										
Regular	\$ 757,583	\$ 1,982,505	\$ 616,257	\$ 5,077,000	\$ 308,074	\$ 315,324	\$ 3,208,661	\$ 1,486,580	\$ 2,730,832	\$ 16,482,816
Supplemental	-	27,112	-	-	-	-	-	-	6,948	34,060
Other Income	-	-	-	-	-	-	-	-	-	-
Total Income	<u>757,583</u>	<u>2,009,617</u>	<u>616,257</u>	<u>5,077,000</u>	<u>308,074</u>	<u>315,324</u>	<u>3,208,661</u>	<u>1,486,580</u>	<u>2,737,780</u>	<u>16,516,876</u>
<u>Incurred Liabilities</u>										
Claims	359,272	1,371,715	519,035	5,088,928	-	315,324	3,674,369	1,490,242	2,720,930	7,338,950
Expenses	13,583	-	-	-	-	-	-	-	-	8,214,448
Total Liabilities	<u>372,855</u>	<u>1,371,715</u>	<u>519,035</u>	<u>5,088,928</u>	<u>-</u>	<u>315,324</u>	<u>3,674,369</u>	<u>1,490,242</u>	<u>2,720,930</u>	<u>15,553,398</u>
<u>Underwriting Surplus (Deficit)</u>	<u>384,728</u>	<u>637,902</u>	<u>97,222</u>	<u>(11,928)</u>	<u>308,074</u>	<u>-</u>	<u>(465,708)</u>	<u>(3,662)</u>	<u>16,850</u>	<u>963,478</u>
<u>Adjustments</u>										
Investment Income	(16,375)	(66,471)	(20,461)	(36,723)	(12,133)	-	-	3,662	(1,379)	(149,880)
Transfers	-	-	-	-	-	-	-	-	-	-
Total Adjustments	<u>(16,375)</u>	<u>(66,471)</u>	<u>(20,461)</u>	<u>(36,723)</u>	<u>(12,133)</u>	<u>-</u>	<u>-</u>	<u>3,662</u>	<u>(1,379)</u>	<u>(149,880)</u>
Gross Statutory Surplus (Deficit)	368,353	571,431	76,761	(48,651)	295,941	-	(465,708)	-	15,471	813,598
Return of Surplus (paid and authorized)	-	-	-	-	-	-	-	-	-	-
Net Statutory Surplus (Deficit)	<u>\$ 368,353</u>	<u>\$ 571,431</u>	<u>\$ 76,761</u>	<u>\$ (48,651)</u>	<u>\$ 295,941</u>	<u>\$ -</u>	<u>\$ (465,708)</u>	<u>\$ -</u>	<u>\$ 15,471</u>	<u>\$ 813,598</u>

FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

Fund: SOUTH BERGEN JIF Fund Year: 2019 As of: December 31, 2022 Prepared By: Lerch, Vinci & Bliss, LLP
 Coverages and Other Accounts

Schedule D

	PROPERTY	GENERAL LIABILITY	AUTO	WORKERS' COMP.	LOSS CONTINGENCY	ENVIRON.	MEL	POL/EPL	GENERAL & ADMIN.	TOTALS
<u>Underwriting Income</u>										
Assessments										
Regular	\$ 757,246	\$ 1,913,137	\$ 600,359	\$ 5,000,000	\$ 217,075	\$ 321,089	\$ 3,131,904	\$ 1,386,061	\$ 2,676,112	\$ 16,002,983
Supplemental		28,356							7,527	35,883
Other Income										
Total Income	757,246	1,941,493	600,359	5,000,000	217,075	321,089	3,131,904	1,386,061	2,683,639	16,038,866
<u>Incurred Liabilities</u>										
Claims	848,962	1,415,549	1,080,892	5,060,355		321,885	3,131,904	1,391,263	2,642,881	8,405,758
Expenses	13,246									7,501,179
Total Liabilities	862,208	1,415,549	1,080,892	5,060,355		321,885	3,131,904	1,391,263	2,642,881	15,906,937
<u>Underwriting Surplus (Deficit)</u>	(104,962)	525,944	(480,533)	(60,355)	217,075	(796)		(5,202)	40,758	131,929
<u>Adjustments</u>										
Investment Income	1,731	(19,154)	5,781	20,838	(3,959)	796		5,202	578	11,813
Transfers										
Total Adjustments	1,731	(19,154)	5,781	20,838	(3,959)	796		5,202	578	11,813
<u>Gross Statutory Surplus (Deficit)</u>	(103,231)	506,790	(474,752)	(39,517)	213,116				41,336	143,742
Return of Surplus (paid and authorized)										
<u>Net Statutory Surplus (Deficit)</u>	\$ (103,231)	\$ 506,790	\$ (474,752)	\$ (39,517)	\$ 213,116	\$ -	\$ -	\$ -	\$ 41,336	\$ 143,742

FUND YEAR CLAIMS ANALYSIS

Fund: SOUTH BERGEN JIF Fund Year: 2022 As of: December 31, 2022 Prepared By: Lerch, Vinci & Bliss, LLP

Schedule E

Coverages

	<u>Property</u>	<u>General Liability</u>	<u>Auto</u>	<u>Workers' Compensation</u>	<u>Total</u>
Paid Claims	\$ 666,585	\$ 163,377	\$ 70,615	\$ 2,589,668	\$ 3,490,245
Case Reserves	293,174	323,756	101,734	2,522,722	3,241,386
IBNR Reserves	<u>1,000</u>	<u>1,420,106</u>	<u>618,419</u>	<u>1,208,308</u>	<u>3,247,833</u>
Subtotal	<u>960,759</u>	<u>1,907,239</u>	<u>790,768</u>	<u>6,320,698</u>	<u>9,979,464</u>
Excess Insurance					
Received					-
Recoverable	-	-	-	-	-
Subtotal	-	-	-	-	-
Limited Incurred Claims	<u>\$ 960,759</u>	<u>\$ 1,907,239</u>	<u>\$ 790,768</u>	<u>\$ 6,320,698</u>	<u>\$ 9,979,464</u>

A listing of claims over \$25,000 is available upon request.

FUND YEAR CLAIMS ANALYSIS
 Fund: SOUTH BERGEN JIF Fund Year: 2021 As of: December 31, 2022 Prepared By: Lerch, Vinci & Bliss, LLP

Coverages

	<u>Property</u>	<u>General Liability</u>	<u>Auto</u>	<u>Workers' Compensation</u>	<u>Total</u>
Paid Claims	\$ 691,008	\$ 406,960	\$ 121,206	\$ 4,344,957	\$ 5,564,131
Case Reserves	30,140	456,814	112,812	1,725,827	2,325,593
IBNR Reserves	-	1,107,639	307,630	296,886	1,712,155
Subtotal	<u>721,148</u>	<u>1,971,413</u>	<u>541,648</u>	<u>6,367,670</u>	<u>9,601,879</u>
Excess Insurance					
Received					-
Recoverable					-
Subtotal					-
Limited Incurred Claims	<u>\$ 721,148</u>	<u>\$ 1,971,413</u>	<u>\$ 541,648</u>	<u>\$ 6,367,670</u>	<u>\$ 9,601,879</u>

A listing of claims over \$25,000 is available upon request.

FUND YEAR CLAIMS ANALYSIS
 Fund: SOUTH BERGEN JIF Fund Year: 2020 As of: December 31, 2022 Prepared By: Lerch, Vinci & Bliss, LLP

Coverages

	<u>Property</u>	<u>General Liability</u>	<u>Auto</u>	<u>Workers' Compensation</u>	<u>Total</u>
Paid Claims	\$ 347,979	\$ 376,563	\$ 131,380	\$ 4,274,450	\$ 5,130,372
Case Reserves	11,293	589,159	289,504	1,091,850	1,981,806
IBNR Reserves	-	405,993	98,151	52,000	556,144
Subtotal	<u>359,272</u>	<u>1,371,715</u>	<u>519,035</u>	<u>5,418,300</u>	<u>7,668,322</u>
Excess Insurance					
Received					-
Recoverable	-	-	-	329,372	329,372
Subtotal	-	-	-	<u>329,372</u>	<u>329,372</u>
Limited Incurred Claims	\$ 359,272	\$ 1,371,715	\$ 519,035	\$ 5,088,928	\$ 7,338,950

A listing of claims over \$25,000 is available upon request.

FUND YEAR CLAIMS ANALYSIS
 Fund: SOUTH BERGEN JIF Fund Year: 2019 As of: December 31, 2022 Prepared By: Lerch, Vinci & Bliss, LLP

Coverages

	<u>Property</u>	<u>General Liability</u>	<u>Auto</u>	<u>Workers' Compensation</u>	<u>Total</u>
Paid Claims	\$ 846,205	\$ 790,857	\$ 542,194	\$ 4,000,944	\$ 6,180,200
Case Reserves	2,757	350,880	431,437	1,034,411	1,819,485
IBNR Reserves	-	273,812	107,261	25,000	406,073
Subtotal	848,962	1,415,549	1,080,892	5,060,355	8,405,758
Excess Insurance					
Received					-
Recoverable					-
Subtotal					-
Limited Incurred Claims	\$ 848,962	\$ 1,415,549	\$ 1,080,892	\$ 5,060,355	\$ 8,405,758

A listing of claims over \$25,000 is available upon request.

FUND YEAR EXPENSE ANALYSIS

Schedule F

Fund: SOUTH BERGEN JIF Fund Year: 2022 As of: December 31, 2022

Prepared by: Lerch, Vinci & Bliss, LLP

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
<u>Insurance Premiums</u>			
Property	\$ 13,754		\$ 13,754
Environmental	315,278		315,278
MEL	3,958,136	-	3,958,136
	<u>4,287,168</u>	<u>-</u>	<u>4,287,168</u>
<u>Other Insurance Premiums</u>			
Directors and Officers	13,675		13,675
Public Officials and Employment Practice	1,757,723		1,757,723
Land Use Liability	87,889	-	87,889
	<u>1,859,287</u>	<u>-</u>	<u>1,859,287</u>
Subtotal Insurance	<u>6,146,455</u>	<u>-</u>	<u>6,146,455</u>
<u>Administrative Expenses</u>			
Administrator	414,789		414,789
Safety	210,039	\$ 36,435	246,474
Legal	48,372		48,372
Treasurer	28,003	9,335	37,338
Other (itemized)			
Actuary	41,455		41,455
Auditor		19,028	19,028
Service Agent- Claims Adjustment	731,067		731,067
Claims - Loss Fund Management	82,329		82,329
Claims - Computer Cost	42,864		42,864
Risk Management Consultants	992,153	91,724	1,083,877
Internal Auditor	20,830		20,830
Underwriting Manager	19,024		19,024
Miscellaneous	58,482	6,748	65,230
	<u>2,689,407</u>	<u>163,270</u>	<u>2,852,677</u>
Subtotal Administrative	<u>2,689,407</u>	<u>163,270</u>	<u>2,852,677</u>
Total Expenses	<u>\$ 8,835,862</u>	<u>\$ 163,270</u>	<u>\$ 8,999,132</u>

FUND YEAR EXPENSE ANALYSIS

Schedule F

Fund: SOUTH BERGEN JIF Fund Year: 2021 As of: December 31, 2022

Prepared by: Lerch, Vinci & Bliss, LLP

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
<u>Insurance Premiums</u>			
Property	\$ 13,692		\$ 13,692
Environmental	312,098		312,098
MEL	3,421,523	\$ 599,262	4,020,785
	<u>3,747,313</u>	<u>599,262</u>	<u>4,346,575</u>
<u>Other Insurance Premiums</u>			
Directors and Officers	13,675		13,675
Public Officials and Employment Practice	1,477,247		1,477,247
Land Use Liability	73,863		73,863
Cyber Liability	-	-	-
	<u>1,564,785</u>	<u>-</u>	<u>1,564,785</u>
Subtotal Insurance	<u>5,312,098</u>	<u>599,262</u>	<u>5,911,360</u>
<u>Administrative Expenses</u>			
Executive Director	406,619		406,619
Safety	252,697		252,697
Legal	47,424		47,424
Treasurer	36,606		36,606
Other (itemized)			
Actuary	40,642		40,642
Auditor	18,289		18,289
Service Agent- Claims Adjustment	696,600		696,600
Claims - Loss Fund Management	80,715		80,715
Claims - Computer Cost	42,864		42,864
Risk Management Consultants	1,014,608	78	1,014,686
Internal Auditor	20,422		20,422
Underwriting Manager	18,651		18,651
Property Appraiser	-	-	-
Miscellaneous	67,633	-	67,633
	<u>2,743,770</u>	<u>78</u>	<u>2,743,848</u>
Subtotal Administrative	<u>2,743,770</u>	<u>78</u>	<u>2,743,848</u>
Total Expenses	<u>\$ 8,055,868</u>	<u>\$ 599,340</u>	<u>\$ 8,655,208</u>

FUND YEAR EXPENSE ANALYSIS

Schedule F

Fund: SOUTH BERGEN JIF Fund Year: 2020 As of: December 31, 2022

Prepared by: Lerch, Vinci & Bliss, LLP

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
<u>Insurance Premiums</u>			
Property	\$ 13,583		\$ 13,583
Environmental	315,324		315,324
MEL	2,282,246	\$ 465,708	2,747,954
MEL Property	926,415	-	926,415
	<u>3,537,568</u>	<u>465,708</u>	<u>4,003,276</u>
<u>Other Insurance Premiums</u>			
Directors and Officers	14,131		14,131
Public Officials and Employment Practice	1,367,455		1,367,455
Land Use Liability	67,612		67,612
Cyber Liability	41,044	-	41,044
	<u>1,490,242</u>	<u>-</u>	<u>1,490,242</u>
Subtotal Insurance	<u>5,027,810</u>	<u>465,708</u>	<u>5,493,518</u>
<u>Administrative Expenses</u>			
Administrator	396,959		396,959
Safety	247,891		247,891
Legal	46,494		46,494
Treasurer	35,888		35,888
Other (itemized)			
Actuary	39,845		39,845
Auditor	18,289		18,289
Service Agent- Claims Adjustment	705,591		705,591
Claims - Loss Fund Management	79,132		79,132
Claims - Computer Cost	45,024		45,024
Risk Management Consultants	993,036		993,036
Internal Auditor	20,021		20,021
Underwriting Manager	18,285		18,285
Miscellaneous	74,475	-	74,475
	<u>2,720,930</u>	<u>-</u>	<u>2,720,930</u>
Subtotal Administrative	<u>2,720,930</u>	<u>-</u>	<u>2,720,930</u>
Total Expenses	<u>\$ 7,748,740</u>	<u>\$ 465,708</u>	<u>\$ 8,214,448</u>

FUND YEAR EXPENSE ANALYSIS

Schedule F

Fund: SOUTH BERGEN JIF Fund Year: 2019 As of: December 31, 2022

Prepared by: Lerch, Vinci & Bliss, LLP

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
<u>Insurance Premiums</u>			
Property	\$ 13,246		\$ 13,246
Environmental	321,885		321,885
MEL	2,287,762		2,287,762
MEL Property	844,142	-	844,142
	<u>3,467,035</u>	<u>-</u>	<u>3,467,035</u>
<u>Other Insurance Premiums</u>			
Directors and Officers	14,131		14,131
Public Officials and Employment Practice	1,278,052		1,278,052
Cyber Liability	35,174		35,174
Land Use Liability	63,906	-	63,906
	<u>1,391,263</u>	<u>-</u>	<u>1,391,263</u>
Subtotal Insurance	<u>4,858,298</u>	<u>-</u>	<u>4,858,298</u>
<u>Administrative Expenses</u>			
Administrator	390,829		390,829
Safety	239,363		239,363
Legal	45,582		45,582
Treasurer	35,184		35,184
Other (itemized)			
Actuary	39,064		39,064
Auditor	17,930		17,930
Service Agent- Claims Adjustment	693,220		693,220
Claims - Loss Fund Management	77,580		77,580
Claims - Computer Cost	42,864		42,864
Risk Management Consultants	965,211		965,211
Internal Auditor	19,629		19,629
Underwriting Manager	17,926		17,926
Miscellaneous	58,499	-	58,499
	<u>2,642,881</u>	<u>-</u>	<u>2,642,881</u>
Subtotal Administrative	<u>2,642,881</u>	<u>-</u>	<u>2,642,881</u>
Total Expenses	<u>\$ 7,501,179</u>	<u>\$ -</u>	<u>\$ 7,501,179</u>

FUND YEAR PROGRAM SUMMARY
 Fund: SOUTH BERGEN MUNICIPAL JIF Fund Year: 2022 As of: December 31, 2022 Prepared by: Lerch, Vinci & Bliss, LLP

Coverages

		<u>CRIME</u>	<u>PROPERTY</u>	<u>LIABILITY</u>	<u>AUTO</u>
1.	<u>Limits</u>	\$ 50,000	\$ 125,000,000 per occurrence	\$ 5,000,000 per occurrence	\$ 5,000,000 per occurrence
2.	<u>Fund Retention</u> Specific Aggregate	\$ Per Loss JIF does not provide for statutory positions	\$ 50,000 \$ 100,000	\$ 300,000	\$ 300,000
3.	<u>Excess Insurance (List all insurers and amount insured)</u>	Municipal Excess Liability Joint Insurance Fund provides \$950,000 in excess of Joint Insurance Fund self-insured retention of \$50,000 Statutory positions Covered By Endorsement, subject to application & approval process	Zurich Insurance \$125,000,000 per occurrence-blanket limit, in excess of JIF/MEEL \$1,000,000 self insured retention.	Municipal Excess Liability Joint Insurance Fund provides \$4,700,000 in excess of \$300,000 for both liability and automotive Munich Re provides optional limits excess of \$5,000,000 up to \$15,000,000 excess of \$5,000,000. Chubb provides a shared aggregate limit of \$10,000,000 excess of \$20,000,000	
4.	<u>Number of Participants</u>		23	23	23
5.	<u>Incurred Liabilities</u>		\$ 960,759	\$ 1,907,239	\$ 790,768
6.	<u>Exposure Units</u>		\$ 1,003,144,543 (Value)	334,943 (Population)	2,041 (# of Vehicles)
7.	<u>Liabilities/Units</u>		\$ 0.001	\$ 5.69	\$ 387.44

FUND YEAR PROGRAM SUMMARY
Fund: SOUTH BERGEN MUNICIPAL JIF Fund Year: 2022 As of: December 31, 2022 Prepared by: Lerch, Vinci & Bliss, LLP

<u>WORKERS' COMPENSATION</u>	<u>PUBLIC OFFICIALS' EMPLOYMENT PRACTICES</u>	<u>CYBER</u>
statutory per occurrence	QBE Insurance \$2,000,000	AXA \$3,000,000 Spec/ \$6,000,000
\$ 300,000	None Members have various deductible or co-insurance based on program compliance	
Municipal Excess Liability Joint Insurance Fund provides \$1,700,000 in excess of \$300,000 for workers' compensation The \$3,250,000 excess of \$1,750,000 layer is subject to a \$3,500,000 per member local unit Safety National provides statutory limits excess of \$2,000,000 for workers' compensation and \$5,000,000 for Employers Liability.	Munich Re provides optional excess liability reinsurance to the Municipal Excess Liability Joint Insurance Member optional limits in layers starting at \$1,000,000 in excess of \$2,000,000 through \$8,000,000	Cowbell Cyber Security \$3,000,000 Spec/ \$6,000,000 Aggregate Excess of AXA Great American \$3,000,000 Spec/ \$6,000,000 Aggregate Excess of Cowbell
\$ 6,320,698	23	23
\$ 253,500,442 (Payroll amount)		
\$ 0.025		

Coverages

	THIRD PARTY		ENVIRONMENTAL PUBLIC OFFICIALS POLLUTION LIABILITY		DE MINIMIS ABANDONED WASTE SITES LIABILITY		TANK SYSTEMS	
	Per Claim	Per Claim	Per Claim	Per Claim	Per Claim	Per Claim	Per Claim	
1. Limits	\$ 1,000,000	\$ 50,000	\$ 1,000,000	\$ 50,000	\$ 1,000,000	\$ 50,000	\$ 1,000,000	
	De Minimus Abandoned Waste Sites Liability coverage is an aggregate amount that includes legal defense which is subject to \$50,000 per local unit limit. Legal Defense credit policy limits except De Minimus Abandoned Waste Sites Liability which has an aggregate Legal Defense cost limit of \$500,000. Storage Tank coverage is a separate coverage requiring scheduling of tanks onto policy.							
2. Annual Aggregate Limits	\$ 1,000,000	\$ 100,000	\$ 1,000,000	\$ 50,000	\$ 1,000,000	\$ 50,000	\$ 1,000,000	
JIF Annual Aggregate	\$ 3,255,250							
3. Excess Insurance (List all insurers and amount insured) Excess that attaches when E/I/F claim payments exceed a \$3,000,000 attachment point.	Ascot Specialty Insurance Co. \$9,000,000/\$9,000,000 Occurrence/Aggregate	Ascot Specialty Insurance Co. \$	Ascot Specialty Insurance Co. \$9,000,000/\$9,000,000 Occurrence/Aggregate	Ascot Specialty Insurance Co. \$9,000,000/\$9,000,000 Occurrence/Aggregate	Ascot Specialty Insurance Co. \$9,000,000/\$9,000,000 Occurrence/Aggregate	Ascot Specialty Insurance Co. \$9,000,000/\$9,000,000 Occurrence/Aggregate	Ascot Specialty Insurance Co. \$9,000,000/\$9,000,000 Occurrence/Aggregate	
4. Number of Participants	23	25	23	23	23	23	23	

FUND YEAR PROGRAM SUMMARY
 Fund: SOUTH BERGEN MUNICIPAL JIF Fund Year: 2021 As of: December 31, 2022 Prepared by: Lerch, Vinci & Bliss, LLP

Coverages

	<u>CRIME</u>	<u>PROPERTY</u>	<u>LIABILITY</u>	<u>AUTO</u>
1. <u>Limits</u>	\$ 50,000	\$ 125,000,000 per occurrence	5,000,000 per occurrence	\$ 5,000,000 per occurrence
2. <u>Fund Retention</u>	\$ 50,000	\$ 100,000	300,000	\$ 300,000
Specific	JIF does not provide for statutory positions			
Aggregate				
3. <u>Excess Insurance (list all insurers and amount insured)</u>	Municipal Excess Liability Joint Insurance Fund provides \$950,000 in excess of Joint Insurance Fund self-insured retention of \$50,000	Zurich Insurance \$125,000,000 per occurrence-blanket limit, in excess of JIF/MEL \$500,000 self insured retention.	Municipal Excess Liability Joint Insurance Fund provides \$4,700,000 in excess of \$300,000 for liability	
	Statutory positions Covered By Endorsement, subject to application & approval process		Munich Re provides optional limits excess of \$5,000,000 up to \$15,000,000 excess of \$5,000,000. Chubb provides a shared aggregate limit of \$10,000,000 excess of \$20,000,000	
4. <u>Number of Participants</u>	23	23	23	23
5. <u>Incurred Liabilities</u>		\$ 721,148	1,971,413	\$ 541,648
6. <u>Exposure Units</u>		\$ 1,036,540,880 (Value)	325,525 (Population)	1,967 (# of Vehicles)
7. <u>Liabilities/Units</u>		\$ 0.001	6.06	\$ 275.37

FUND YEAR PROGRAM SUMMARY
Fund: SOUTH BERGEN MUNICIPAL JIF Fund Year: 2021 As of: December 31, 2022 Prepared by: Lerch, Vinci & Bliss, LLP

WORKERS' COMPENSATION	PUBLIC OFFICIALS' EMPLOYMENT PRACTICES	CYBER
statutory per occurrence \$ 300,000	QBE Insurance \$2,000,000 None Members have various deductible or co-insurance based on program compliance	XL Catlin \$3,000,000 Per Claim/ \$3,000,000 Aggregate/ \$6,000,000 JIF Aggregate
Municipal Excess Liability Joint Insurance Fund provides \$1,700,000 in excess of \$300,000 for workers' compensation safety National provides statutory limits excess of JIF/MEL retention \$2,000,000 for workers' compensation and \$5,000,000 for Employers Liability.	Munich Re provides optional excess liability reinsurance to the Municipal Excess Liability Joint Insurance Member optional limits in layers starting at \$1,000,000 in excess of \$2,000,000 through \$8,000,000	Great American \$3,000,000 Follow Form Cowbell \$3,000,000 Follow Form \$6,000,000 Aggregate

\$ 6,367,690	23	23
\$ 241,785,243		
\$ 0.026		

Contingencies

	THIRD PARTY		ON SITE CLEANUP COSTS LIABILITY		ENVIRONMENTAL PUBLIC OFFICIALS POLLUTION LIABILITY		DE MINIMIS ABANDONED WASTE SITES LIABILITY		TANK SYSTEMS		
	\$	Per Claim	1,000,000 \$	50,000 \$	Per Claim	1,000,000 \$	Per Claim	50,000 \$	Per Claim	1,000,000	
1. Limits											
	De Minimis Abandoned Waste Sites Liability coverage is an aggregate amount that includes legal defense which is subject to \$50,000 per claim limit. Legal Defense costs policy limits cover De Minimis Abandoned Waste Sites Liability which has an aggregate Legal Defense limit of \$500,000. Storage Tank coverage is a separate coverage requiring scheduling of table onto policy.										
2. Annual Aggregate Limits	\$	1,000,000 \$	100,000 \$								
JIF Annual Aggregate	\$	3,255,250									
3. Excess Insurance (list all insurers and amount insured) Excess that attaches when JIF claim payments exceed a \$1,000,000 attachment point.		Ascot Specialty Insurance Co. \$9,000,000/\$9,000,000 Occurrence/Aggregate	Ascot Specialty Insurance Co. \$	Ascot Specialty Insurance Co. 9,000,000		Ascot Specialty Insurance Co. \$9,000,000/\$9,000,000 Occurrence/Aggregate	Ascot Specialty Insurance Co. \$9,000,000/\$9,000,000 Occurrence/Aggregate	Ascot Specialty Insurance Co. \$9,000,000/\$9,000,000 Occurrence/Aggregate	Ascot Specialty Insurance Co. \$9,000,000/\$9,000,000 Occurrence/Aggregate		
4. Number of Participants		23	23	23		23	23	23	23		23

FUND YEAR PROGRAM SUMMARY
 Fund: SOUTH BERGEN MUNICIPAL JIF Fund Year: 2020 As of December 31, 2022 Prepared by: Lereh, Vinci & Bliss, LLP

Coverages	PROPERTY		LIABILITY		AUTO		WORKERS' COMPENSATION		PUBLIC OFFICIALS' EMPLOYMENT PRACTICES		CYBER		
	Limits	per occurrence	\$	per occurrence	\$	per occurrence	statutory	per occurrence	QBE Insurance	XL Cautlin	deductible or co-insurance	policy aggregate	
1. Limits	\$ 125,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	statutory			\$2,000,000	\$3,000,000 1st Party Coverage		\$3,000,000 3rd Party Coverage	
2. Fund Retention													
Specific	\$ 100,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000				None	\$25,000 deductible per member		\$3,000,000 each/\$6,000,000 policy aggregate	
Aggregate									Members have various deductible or co-insurance based on program compliance				
3. Excess Insurance (list all insurers and amount insured)									Underwriters at Lloyd's of London (Brit) provides optional excess liability reinsurance to the Municipal Excess Liability Joint Insurance Member optional limits in layers starting at \$1,000,000 in excess of \$2,000,000 through \$8,000,000			Beazley \$6,000,000 policy aggregate	
	Zurich Insurance \$125,000,000 per occurrence-blanket limit, in excess of JIF/MEL \$500,000 self insured retention.			Municipal Excess Liability Joint Insurance Fund provides \$1,700,000 in excess of \$300,000 for both liability and workers' compensation Underwriters at Lloyd's of London (Brit) provides \$3,000,000 in excess of JIF/MEL retention of \$2,000,000 on a pro-rata basis with the MEL (80% Brit/20% MEL) for liability. Safety National provides statutory limits excess of JIF/MEL retention \$2,000,000 for Worker's Compensation and \$5,000,000 for Employers Liability									
				Munich Re provides optional limits excess of \$5,000,000 up to \$15,000,000 excess of \$5,000,000									
				Chubb provides a shared aggregate limit of \$10,000,000 excess of \$20,000,000									
4. Number of Participants	23	23	23	23	23	23							23
5. Incurred Liabilities	\$ 359,272	\$ 1,371,715	\$ 519,035	\$ 5,088,928									
6. Exposure Units	\$ 904,934,108 (Value)	325,525 (Population)	1,917 (# of Vehicles)	\$ 242,647,645 (Payroll amount)									
7. Liabilities/Units	\$ 0.000	\$ 4.21	\$ 270.75	\$ 0.021									

Coverages

THIRD PARTY	ENVIRONMENTAL			TANK SYSTEMS		
	Per Claim	Per Claim	Per Claim	Per Claim	Per Claim	Per Claim

1. Limits
\$ 1,000,000 \$ 50,000 \$ 1,000,000 \$ 50,000 \$ 1,000,000 \$ 1,000,000

De Minimus Abandoned Waste Sites Liability coverage is an aggregate amount that includes legal defense, which is subject to \$50,000 per local unit limit. Legal Defense erodes policy limits except De Minimus Abandoned Waste Sites Liability which has an aggregate Legal Defense cost limit of \$500,000. Storage Tank coverage is a separate coverage requiring scheduling of tanks onto policy.

2. Annual Aggregate Limits
\$ 1,000,000 \$ 100,000 \$ 1,000,000 \$ 50,000 \$ 100,000 - Aggregate Defense Cost Limit \$ 1,000,000

Jif Annual Aggregate 3,255,250

3. Excess Insurance (list all insurers and amount insured)
\$ 9,000,000 \$ 9,000,000 \$ 9,000,000 \$ 9,000,000 \$ 9,000,000 \$ 9,000,000

4. Number of Participants 23 23 23 23 23 23

5. Incurred Liabilities N/A N/A N/A N/A N/A N/A

6. Exposure Units (population or students) N/A N/A N/A N/A N/A N/A

7. Liabilities/Units N/A N/A N/A N/A N/A N/A

FUND YEAR PROGRAM SUMMARY
 Fund: SOUTH BERGEN MUNICIPAL JIF Fund Year: 2019 As of: December 31, 2022 Prepared by: Letch, Vinci & Bliss, LLP

Coverages	PROPERTY		LIABILITY		AUTO		WORKERS' COMPENSATION		PUBLIC OFFICIALS' EMPLOYMENT PRACTICES		CYBER	
	Limits	per occurrence	per occurrence	per occurrence	per occurrence	per occurrence	statutory per occurrence	per occurrence	per occurrence	per occurrence	per member	policy aggregate
1. <u>Fund Retention</u>		\$ 125,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000							
Specific		\$ 100,000	\$ 300,000	\$ 300,000	\$ 300,000		\$ 300,000					
Aggregate												
2. <u>Excess Insurance (list all insurers and amount insured)</u>												
		Zurich Insurance \$125,000,000 per occurrence-blanket limit, in excess of JIF/MEL \$500,000 self insured retention.										
		Municipal Excess Liability Joint Insurance Fund provides \$1,700,000 in excess of \$300,000 for both liability and workers' compensation										
		Underwriters at Lloyd's of London (Brit) provides \$3,000,000 in excess of JIF/MEL retention of \$2,000,000 on a pro-rata basis with the MEL (80% Brit/20% MEL) for liability. Safety National provides statutory limits excess of JIF/MEL retention \$2,000,000 for Worker's Compensation and \$5,000,000 for Employers Liability										
		Munich Re provides optional limits excess of \$5,000,000 up to \$15,000,000 excess of \$5,000,000										
		Chubb provides a shared aggregate limit of \$10,000,000 excess of \$20,000,000										
3. <u>Number of Participants</u>		23	23	23	23	23	23	23	23	23	23	23
4. <u>Insured Liabilities</u>		\$ 848,962	\$ 1,415,549	\$ 1,080,892	\$ 5,060,355							
5. <u>Exposure Units</u>		\$ 848,930,409 (Value)	325,525 (Population)	1,926 (# of Vehicles)	\$ 228,787,367 (Payroll amount)							
6. <u>Liabilities/Units</u>		\$ 0.001	\$ 4.35	\$ 561.21	\$ 0.022							

Coverages

		ENVIRONMENTAL					
		ON SITE CLEANUP COSTS LIABILITY	DE MINIMIS ABANDONED POLLUTION LIABILITY	WASTE SITES LIABILITY	TANK SYSTEMS		
	THIRD PARTY	Per Claim	Per Claim	Per Claim	Per Claim	Per Claim	Per Claim
1.	<u>Limits</u>	\$ 1,000,000	\$ 50,000	\$ 1,000,000	\$ 50,000	\$ 1,000,000	\$ 1,000,000
		De Minimus Abandoned Waste Sites Liability coverage is an aggregate amount that includes legal defense, which is subject to \$50,000 per local unit limit. Legal Defense erodes policy limits except De Minimus Abandoned Waste Sites Liability which has an aggregate Legal Defense cost limit of \$500,000. Storage Tank coverage is a separate coverage requiring scheduling of tanks onto policy.					
2.	<u>Annual Aggregate Limits</u>	\$ 1,000,000	\$ 100,000	\$ 1,000,000	\$ 50,000	\$ 1,000,000	\$ 1,000,000
					\$500,000 - Aggregate Defense Cost Limit	\$100,000 - Aggregate Defense Cost Limit	
	<u>JIF Annual Aggregate</u>	\$ 3,255,250					
3.	<u>Excess Insurance (list all insurers and amount insured)</u>	Ironshore Specialty Insurance Co.	Ironshore Specialty Insurance Co.	Ironshore Specialty Insurance Co.	Ironshore Specialty Insurance Co.	Ironshore Specialty Insurance Co.	Ironshore Specialty Insurance Co.
		\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000
4.	<u>Number of Participants</u>	23	23	23	23	23	23
5.	<u>Incurred Liabilities</u>	N/A	N/A	N/A	N/A	N/A	N/A
6.	<u>Exposure Units (population or students)</u>	N/A	N/A	N/A	N/A	N/A	N/A
7.	<u>Liabilities/Units</u>	N/A	N/A	N/A	N/A	N/A	N/A