



**REPORT ON AUDIT OF FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**



BURLINGTON COUNTY
MUNICIPAL JOINT INSURANCE FUND

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ANNUAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2023

New Jersey Department of Insurance Joint Insurance Fund Code: JIF 3

Joint Insurance Fund Name: Burlington County Municipal Joint Insurance Fund

Street Address: _____ Mail Address: 6000 Sagemore Drive

_____ Suite 6203
_____ Marlon, NJ 08053

Primary location of books and records: 6000 Sagemore Drive - Suite 6203, Marlon, NJ 08053

Statement Contact Person: Paul Forlenza Phone No. (856) 446-9135

EXECUTIVE COMMITTEE

Chairperson John Gural Paula Kosko
Secretary Rich Wolbert Daniel Hornickel
James Ingling Erin Provenzano
Jerry Mascia _____

EXECUTIVE COMMITTEE ALTERNATES

Mike Mansdoerfer Joe Bellina
Mary Picariello Patrice Hansell
Maria Carrington Susan Onorato
Tom Sahol _____

State of New Jersey
County of Burlington

John Gural (Chairperson) Rich Wolbert (Secretary), of the Burlington
County Municipal Joint Insurance Fund being duly sworn, each for themself

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, 2023 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 annual statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to are a full and true statement of all the assets and liabilities and of the condition and affairs of the said joint insurance fund as of the 31st day of December, 2023, and of its income and deductions therefrom for the year ended on that date, according to the best of their information, knowledge and belief respectively.

Chairperson

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 _____

Subscribed and sworn to before me the _____ day of _____, 2024

INDEPENDENT AUDITOR'S REPORT

Executive Committee
Burlington County Municipal Joint Insurance Fund
6000 Sagemore Drive, Suite 6203
Marlton, New Jersey 08053

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Burlington County Municipal Joint Insurance Fund (the "Fund") as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the 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 respective financial position of the Fund as of December 31, 2023 and 2022, and the respective changes in financial position and 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 and in compliance with audit requirements as prescribed by the Department of Banking and Insurance and the Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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 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.

Responsibilities of Management for the Financial Statements (Cont'd)

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 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 the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 other required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, 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.

Required Supplementary Information (Cont'd)

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 that collectively comprise the Fund's basic financial statements. The accompanying supplementary schedules as listed in the table of contents are not a required part of the basic financial statements and are presented for purposes of additional analysis. The accompanying supplementary schedules listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 accompanying supplementary information is 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 June 18, 2024, on our consideration of the 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 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 Fund's internal control over financial reporting and compliance.

Respectfully Submitted,



Bowman & Company LLP
Certified Public Accountants
& Consultants

Voorhees, New Jersey
June 18, 2024

**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

Executive Committee
Burlington County Municipal Joint Insurance Fund
6000 Sagemore Drive, Suite 6203
Marlton, New Jersey 08053

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, and in compliance with audit requirements as prescribed by the Department of Banking and Insurance and the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Burlington County Municipal Joint Insurance Fund (the "Fund") as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Fund's basic financial statements, and have issued our report thereon dated June 18, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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* and audit requirements as prescribed by the Department of Banking and Insurance and the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and the audit requirements as prescribed by the Department of Banking and Insurance and the Division of Local Government Services, Department of Community Affairs, State of New Jersey in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,



Bowman & Company LLP
Certified Public Accountants
& Consultants

Voorhees, New Jersey
June 18, 2024

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND

Management's Discussion and Analysis - Unaudited

This section of the annual financial report of the Burlington County Municipal Joint Insurance Fund (the "Fund") presents a discussion and analysis of the financial performance of the Fund for the years ended December 31, 2023, 2022, and 2021. Please read it in conjunction with the basic financial statements that follow this section.

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 and casualty insurance coverage for municipalities that are 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:

Comparative Statements of Net Position – This statement presents information reflecting the Fund's assets, liabilities and reserves, and net position. Net position represents the amount of total assets less total liabilities and reserves.

Comparative Statements of Revenues, Expenses, and Changes in Net Position – This statement reflects the Fund's operating revenues and expenses, as well as non-operating items during the reporting period. The change in net position for an enterprise fund is similar to net profit or loss for any other insurance company.

Comparative Statements of Cash Flows – The comparative statements 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 year.

Financial Highlights

The following tables summarize the Net Position and results of operations for the Fund as of and for the years ended December 31, 2023, 2022, and 2021.

Net Position Summary	12/31/2023	12/31/2022	12/31/2021	2022 to 2023 Change	
				Amount	Percentage
Assets					
Cash and Cash Equivalents	\$ 1,673,507	\$ 1,248,397	\$ 1,641,774	\$ 425,110	34.1%
Investments	13,510,151	13,865,525	15,447,702	(355,374)	-2.6%
Other Assets	1,202,650	763,790	1,214,087	438,860	57.5%
Total Assets	16,386,308	15,877,712	18,303,563	508,596	3.2%
Liabilities And Reserves & Net Position					
Liabilities And Reserves					
Loss Reserves	6,985,475	6,332,628	6,513,578	652,847	10.3%
Other Liabilities	2,716,001	3,200,877	2,252,796	(484,876)	-15.1%
Total Liabilities	9,701,476	9,533,505	8,766,374	167,971	1.8%
Net Position - Unrestricted	\$ 6,684,832	\$ 6,344,207	\$ 9,537,189	\$ 340,625	5.4%

Revenues, Expenses, and Changes in Net Position Summary	12/31/2023	12/31/2022	12/31/2022	2022 to 2023 Change	
				Amount	Percentage
Operating Revenue					
Regular Contributions & Other Income	\$ 10,192,224	\$ 9,227,486	\$ 8,880,891	\$ 964,738	10.5%
Operating Expenses:					
Provision For Claims and Claims					
Adjustment Expenses	4,425,659	3,295,353	3,842,155	1,130,306	34.3%
Premium For Excess Insurance	4,072,173	3,664,276	3,109,011	407,897	11.1%
Residual Claims Fund					
Supplemental Assessment	12,738	158,632	10,667	(145,894)	-92.0%
MEL Claims Fund					
Supplemental Assessment	-	650,916	547,660	(650,916)	-100.0%
Professional & Contractual Services	1,838,024	1,804,718	1,570,088	33,306	1.8%
Total Operating Expenses	10,348,594	9,573,895	9,079,581	774,699	8.1%
Operating Loss	(156,370)	(346,409)	(198,690)	190,039	54.9%
Investment Income (Loss)	741,689	(1,063,227)	(30,118)	1,804,916	169.8%
Change In Investment In Joint Venture	485,154	(532,384)	(14,603)	1,017,538	191.1%
Distributions To Members	(729,848)	(1,250,962)	(1,107,267)	521,114	41.7%
Change In Net Position	\$ 340,625	\$(3,192,982)	\$(1,350,678)	\$ 3,533,607	110.7%

Financial Highlights Continued

Cash and Cash Equivalents increased over the prior year by \$425,110 while investments decreased by \$355,374 and Other Assets increased by \$438,860 resulting in a net increase in assets of \$508,596 (3.2%) which is driven by an increase in Joint Ventures (participation in the MEL, E-JIF, RCF, and Cyber Fund). Other Assets include Investments in Joint Ventures (the JIF's ownership of the MEL, E-JIF, RCF, and Cyber Fund), dividends receivable from the E-JIF, subrogation receivable, JIF Retrospective potential liability due under the BURLCO Retrospective Program, and prepaid expenses. As the JIF typically holds all investments to maturity, the unrealized loss will not be recognized as a realized loss. The JIF participates in the JCMI (Joint Cash Management Investment Committee) investment portfolio, which is managed by an Asset Manager. In some circumstances, based upon the size of the portfolio and changes in investment rates, investments may be sold prior to the maturity date and reinvested for a higher yield which may result in a realized loss. The realized loss will be offset by realized gains when the said investments reach their maturity date. Claims liabilities increased by 10.3% in case reserves with an decrease of 15.1% in Other Liabilities resulting in an overall 1.8% increase (\$167,971) in Total Liabilities & Reserves. The decrease in Other Liabilities is being driven by the reduction (\$500,000) in Authorized Return of Surplus. The JIF takes a prudent approach to toward surplus distribution taking into consideration the overall surplus position in recognition of trends potentially affecting the Fund's overall financial strength balanced with the needs of members' local budgets. For example, the changes in State Regulations and Statutes and the impact on the Fund Actuary's IBNR calculations coupled with additional assessments from both the MEL (\$650,916) and RCF (\$171,370). The 12/31/22 valuation additional assessments for both the MEL (\$650,916) and RCF (\$158,632) will be re-evaluated annually and paid out over ten (10) years with the first installment date to be determined. The JIF continues to accrue for the full 12/31/22 Supplemental Assessments. The 12/31/23 RCF Supplemental Assessment (\$1,200,000 Total - \$12,738 BURLCO JIF) will be invoiced and due in 2024. As a result, the overall net position of the Fund increased by \$340,625. It is notable to highlight the JIF released \$700,000 and the E-JIF released \$29,848 in Surplus in the Fall of 2023.

Regular Contributions increased by approximately \$964,738 over 2022 with one member (Pemberton Township) qualifying for the Fund Retrospective Program. The Retrospective Program identifies those members that are the driving force behind the Loss Funding increases year to year and removes the risk they place on the Fund by placing these Members in a min/max Loss Funding Contract. The loss funding allocations by line of coverage are recommended by the Fund Actuary. The increase to Regular Contributions is being driven by an overall Budget increase of 12.27% (\$1,095,812) with a Loss Fund increase of \$466,690 (13.18%). In preparation of the 2022 Budget, the Actuary provided the Finance Committee with the option to fund additional perils including Fire Fighters' Cancer Presumption, WC Pension Offset, Sexual Abuse and Molestation, and Title 59 Erosion. Ultimately, the Finance Committee decided to fund 25% of the optional additional perils for 2022. When developing the 2023 Budget, the funding of these additional perils is no longer optional and were included in the Actuary's base figures. As customary, the Actuary provided three confidence levels of loss funding: low (40% confidence level), central (55% confidence level), and high (70% confidence level). The Finance Committee opted to fund the central loss funding recommendation as they have done historically.

An overall 8.1% increase in Operating Expenses over the prior year was driven by a 34.3% (\$1,130,306) increase in Provisions for Claims and Claims Adjusted Expenses, a 11.1% increase (\$407,897) in Premium for Excess Insurance, a 92.0% (\$145,894) decrease in RCF Supplemental Assessment, a 100% decrease in MEL Supplemental Assessment, and a 1.8% increase in Professional & Contractual Services driven by the timing of actual payments made. As of 12/31/22 the MEL had a deficit position of approximately \$14,700,000 (inclusive of \$4,171,940 unrealized investment income loss) while the RCF had a deficit position of approximately \$21,300,000 (inclusive of \$7,208,708 unrealized investment income loss), prior to the Supplemental Assessments as a result of changes in State laws and regulations pertaining to SAM, Fire Fighters' Cancer Presumption, WC Pension offset, COVID, and Title 59 Erosion. The Fund Actuary recognizes the impact of the MEL's liability to the RCF Supplemental Assessment and does not recognize the impact of unrealized investment income loss in the overall Surplus positions. Because of the changes made to the calculations necessary for the MEL and RCF Supplemental Assessments, the MEL Supplemental Assessment (\$16,000,001) and RCF Supplemental Assessment (\$14,056,726) remain as a potential liability at 12/31/23. These Supplemental Assessments will be evaluated annually and will be invoiced when the claims paid reflect these liabilities. Due to RCF deterioration of \$1,156,002, the RCF issued an additional Supplemental Assessment of \$1,200,000 of which the BURLCO JIF owes \$12,738 for the 12/31/23 valuation to be invoiced and paid in 2024.

Financial Highlights Continued

In 2023, Professional & Contractual Services, which includes, but is not limited to the fees to pay Fund Professionals (Actuary, TPA, Administrator, etc.), Member Benefits (Training, Reimbursement Programs, Conference Attendance Fees, etc.), and other Operating Expenses (Printing, Legal Notices, Record Retention Services, etc.) increased from the prior year by 1.8% (\$33,306) as a result of timing for payments made and accruals. Increases in professional fees averaged 2.00%. Claims Administration increased \$11,631 (5.24%), Safety Director increased \$4,981 (3.50%), Right to Know increased \$1,528 (3.50%), EPL/Cyber Risk Incentive Program increased \$7,000 (50.0%), Payroll Auditor increased \$3,426 (28.27%), Property Appraiser increased \$1,320 (5.14%), Technology Risk Services Director increased \$18,628 (28.00%), and AGRIP/PRIMA increased \$3,000 (25.00%). Professional & Contractual Services and Member Benefit costs represented just 15% of the total Fund's budget.

Premium for Excess Insurance has increased 11.1% (\$407,897). It is notable to highlight that the Premium for Excess Insurance represents 41% of the overall JIF Budget which has increased significantly over the years. Prior to 2012, Excess Insurance represented less than 30% of the overall Budget; Fund Years 2012-2021 ranged from 30%-39% of the overall Budget, and 2022 and 2023 exceed 40%.

The 2023 MEL Budget projected a 16.3% budget increase (\$8,096,295) over 2022 inclusive of exposure growth, which is driven by the hardening of the worldwide excess insurance market. The JIF budgeted an increase of \$371,966 (16.32%). The worldwide insurance market has been challenging due to ongoing natural disasters (i.e., hurricanes & wildfires), the lingering effects from the COVID-19 pandemic, the impact of law enforcement related claims, and the impact of social inflation. The financial strength of the MEL provides an opportunity for it to protect its members against the ravages of the hardening market.

For Fund Year 2023, the JIF EPL/POL/Land Use insurer QBE originally issued a 2% statewide premium increase; however, was later amended to be an overall increase of 5% due to the overall MEL performance and rates at time of renewal. This increase varies JIF by JIF based upon a revised formula for the pricing of all members based upon their individual exposures and loss performance. This revised formula was necessary when it was determined that good performing members in poor performing JIFs were paying more premium than necessary while poor performing members in good performing JIFs were not paying enough premium to cover their exposures. 2023 is year 4 of a 5-year phase in process. Some members will continue to recognize small swings in their premium until the new process is fully implemented.

Volunteer, Directors, and Officers Liability Coverage remained with QBE at expiring rates.

In recognition of the difficulty in securing Cyber Liability coverage for public entities in the commercial insurance market, the need for all members to implement stringent cyber security protocols, the volatile nature of cyber related losses and the recent poor loss experience for members in the Cyber line of coverage; the MEL affiliated JIFs formed the Cyber Risk Management Joint Insurance Fund to provide Cyber related services and coverage for all MEL affiliated JIFs effective January 1, 2023. The Cyber JIF carries a self-insured retention and purchases specific and aggregate excess coverage for each member JIF. The Cyber JIF premium is allocated to members utilizing population tiers to create size categories. The members with smaller populations will have a lower premium than those members with large populations. This recognizes the complexity of larger towns that may have greater exposures than smaller towns.

Effective January 1, 2006, the JIF became a member of the Environmental Risk Management Joint Insurance Fund (E-JIF). The E-JIF provides its members with a defined Environmental Liability coverage package along with strong risk management programs and other member services including educational and training seminars. The E-JIF increased \$130 (0.05%) over 2022 as a result of the Budget increase of 0.5% coupled with phasing in the 2020 census results. It is notable to highlight the E-JIF released \$2,500,000 in Surplus in the Fall of 2023. The BURLCO JIF's share is \$29,848.

In 2022, the Fund authorized a surplus release of \$700,000 to its members, which was a 41.67% (\$500,000) decrease over what was released in 2022. It should be noted that the Fund had a surplus of approximately \$5.6 million at December 31, 2023 and continues to take a prudent approach toward surplus distribution in recognition of trends potentially affecting the Fund's overall financial strength balanced with the needs of members' local budgets.

Economic Conditions

Continuing a trend from the last several years, several factors outside the control of the Fund continue to influence its financial condition. As noted above, the MEL has experienced an unprecedented impact on their financials resulting in the member JIFs having to absorb some \$16 million in claims costs via Supplemental Assessment to place the MEL in a surplus position. Increasing Workers' Compensation claim costs resulting from new claims, claim "reopeners", and the costs of COVID "long haulers" claims continue to influence the Fund. In addition, the Fund must still budget for increasing health care costs and indemnity costs both of which have been impacted by unprecedented inflationary pressures the last few years. In addition, municipalities continue to have a great deal of difficulty in hiring new/replacement personnel. While certainly a concern across all employers, it appears to be greatly amplified in the public sector as employees are retiring as soon as they are eligible to collect a guaranteed pension. As a result, public employers are asking existing employees to take on additional responsibilities for which they might not be qualified and/or reducing their hiring standards that could lead to additional claims in the future. All of these issues are against a backdrop of an ever-increasing petitioner friendly court vicinage, an ever-expanding definition of compensability, increasing TTD rates, and a continued increase in the number of claim petitions.

The issues described above have been exasperated by recent legislative and regulatory changes. In regards to COVID, the State enacted legislation in 2020 creating a presumption that made all COVID claims from first responders and essential employees eligible for workers compensation benefits. This made it very difficult for the Fund to deny any COVID related claims. The JIF & MEL continue to manage ongoing costs associated with COVID "long haulers". In addition, in 2020, the New Jersey Legislature amended various statutes thereby opening the Fund to potential liability for claims of sexual abuse and molestation that could have occurred many years ago or well into the future. Thankfully, the Fund has not seen as many claims as was originally anticipated; however, those that have been received have been very expensive to investigate, manage, and settle. In addition, the Actuary must consider the potential for additional claims from future events due to these legislative changes.

A third legislative change came from an amendment to the New Jersey Workers Compensation Law that makes certain types of cancers developed by fire fighters compensable. Again, the cancer might have manifested years ago; however, if the fire fighter meets the parameters in the law, the costs associated with their cancer will be compensable under the New Jersey Workers Compensation Law. While the number of these claims so far has been minimal, it is likely that the number of claims will increase as word of this legislative change spreads in a post pandemic setting.

An additional factor outside of the Fund's control affecting its financial position is the worldwide insurance market, which has been very challenging over the last several years. With an increasing number of natural disasters, the impact of global warming, and the increasing costs of building materials and labor, the excess property insurance market has experienced increasing rates, stricter coverage terms, reduced limits, and a demand for more detailed exposure data. In fact, in 2023, the United States experienced 28 separate billion-dollar property loss events.

The excess liability market has experienced a similar trend due to increasing law enforcement liability claims, the impact of "social inflation", and the general eroding of New Jersey Title 59 immunities due to judicial decisions and legislative changes. In addition, the workers compensation market is becoming more challenging because of the financial impact of the COVID 19 pandemic, the expanding definition of compensability, and the changes to State statutes and regulations noted above. Finally, the cyber insurance market has become very difficult due to the increasing number of high-profile attacks against large corporations and public infrastructure projects as well as the recognition that these attacks are becoming much more sophisticated and difficult to defend. As a result, the local JIFs and the MEL created a specialty JIF to provide specific coverage and risk management tools to its members effective January 1, 2023.

Finally, as noted above, the JIF has recognized an unprecedented unrealized loss in its investment portfolio due to the Federal Reserve Board's aggressive increase in short term interest rates to try to combat inflation. While the establishment of, and participation in, the Joint Cash Management & Investment Committee has created greater liquidity in the municipal debt marketplace, thereby driving down the costs of borrowing for municipalities throughout the State, it has had an unintended negative impact on those JIFs participating in the Program. As investments in lower return instruments continue to mature, and the available funds are reinvested in higher interest rate vehicles, the unrealized losses will be reduced over time.

Contacting the Fund's Management

This financial report is designed to provide the Burlington County Municipal Joint Insurance Fund members and the Department of Banking and Insurance, State of New Jersey with a general overview of the Fund's finances and to demonstrate the Fund's accountability for the public Funds it receives. If you have any questions about this report or need additional financial information, contact the Executive Director of the Burlington County Municipal Joint Insurance Fund office located at 6000 Sagemore Drive, Suite 6203, Marlton, New Jersey 08053 or by phone at (856) 446-9100.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
COMPARATIVE STATEMENTS OF NET POSITION
AS OF DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 1,673,507	\$ 1,248,397
Investments	13,510,151	13,865,525
Investment in Joint Ventures	1,121,940	636,786
Dividends Receivable	29,848	-
Subrogation Receivable	819	819
JIF Retro Program	48,468	-
Prepaid Expenses	1,575	126,185
	<u>16,386,308</u>	<u>15,877,712</u>
 <u>LIABILITIES AND RESERVES</u>		
Liabilities:		
Accrued Expenses	176,391	213,941
Due to Residual Claims Fund	711,346	678,827
Due to TRICO JIF	11,271	11,271
Residual Claims Fund Supplemental Assessment	171,370	158,632
MEL Claims Fund Supplemental Assessment	650,916	650,916
Aggregate Excess Loss Fund Contingency	322,851	342,421
Authorized Return of Surplus	671,856	1,144,869
	<u>2,716,001</u>	<u>3,200,877</u>
Reserves:		
Claims:		
Case Reserves	3,671,142	3,852,080
IBNR Reserves	3,506,035	2,670,166
Excess Insurance Recoverable	(191,702)	(189,618)
	<u>6,985,475</u>	<u>6,332,628</u>
Total Liabilities and Reserves	<u>9,701,476</u>	<u>9,533,505</u>
 <u>NET POSITION</u>		
Unrestricted	<u>\$ 6,684,832</u>	<u>\$ 6,344,207</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Operating Revenues:		
Regular Contributions	\$ 10,051,210	\$ 8,927,191
MEL Surplus Transfer	62,698	249,333
MEL, EJIF, and RCF Dividends	29,848	50,962
JIF Retro Program Income	48,468	-
	<hr/>	<hr/>
Total Operating Revenues	<u>10,192,224</u>	<u>9,227,486</u>
Operating Expenses (Recoveries):		
Provision for Claims and Claims Adjustment Expenses	4,425,659	3,295,353
Premium for Excess Insurance	4,072,173	3,664,276
Residual Claims Fund Supplemental Assessment	12,738	158,632
MEL Claims Fund Supplemental Assessment	-	650,916
Other Operating Expenses:		
Actuary - The Actuarial Advantage	20,009	26,627
Administration - Risk Program Administrators	390,208	382,557
Administrative Consultant - PERMA, Inc.	30,241	29,648
Attorney - DeWeese Law Firm, P.C.	78,389	76,918
Auditor - Bowman & Company LLP	20,425	20,025
Claims Audit - North Shore Risk Consulting	-	19,200
Claims Administration - Qual-Lynx	233,321	221,790
Contingency - Various	3,000	3,505
Other Expenses - Various	28,473	36,819
Payroll Auditor - Bowman & Company LLP	15,545	12,119
Property Appraiser - AssetWorks, LLC	25,719	19,482
Risk Management Consultants - Various	414,083	365,397
Safety Director - J.A. Montgomery Risk Control Services	145,503	140,583
Safety Programs/EPL Cyber - Various	318,653	313,282
Technology Risk Services Director - Secure Data Consulting	42,944	66,528
Treasurer - Thomas Tontarski	12,083	11,846
Underwriting Manager - Conner Strong & Buckelew	8,698	8,527
Wellness Program - Various	50,730	49,865
	<hr/>	<hr/>
Total Operating Expenses	<u>10,348,594</u>	<u>9,573,895</u>
Operating Loss	(156,370)	(346,409)
Non-Operating Revenues (Expenses):		
Investment Income (Loss)	741,689	(1,063,227)
Change in Investment in Joint Ventures	485,154	(532,384)
	<hr/>	<hr/>
Change in Net Position	1,070,473	(1,942,020)
Net Position, Beginning	<u>6,344,207</u>	<u>9,537,189</u>
Net Position Before Distributions to Members	7,414,680	7,595,169
Distributions to Members	<u>729,848</u>	<u>1,250,962</u>
Net Position, Ending	<u>\$ 6,684,832</u>	<u>\$ 6,344,207</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Cash Flows From Operating Activities:		
Receipts from Regular Contributions	\$ 10,113,908	\$ 9,176,524
Receipts from MEL, EJIF, and RCF Dividends	-	50,962
Receipts from Retro Program	-	35,839
Payments for Claim Payments	(3,740,293)	(3,000,131)
Payments for Insurance Premiums	(4,072,173)	(4,222,600)
Payments to Professionals and Suppliers	(1,750,964)	(1,895,686)
	<u>550,478</u>	<u>144,908</u>
Net Cash Flows Provided by Operating Activities		
Cash Flows From Investing Activities:		
Redemption of Investment Securities	1,000,000	999,000
Purchase of Investment Securities	(285,022)	(673,950)
Investment Income	382,085	200,171
	<u>1,097,063</u>	<u>525,221</u>
Net Cash Flows Provided by Investing Activities		
Cash Flows Used in Noncapital Financing Activities:		
Distribution to Members	(1,222,431)	(1,063,506)
	<u>(1,222,431)</u>	<u>(1,063,506)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	425,110	(393,377)
Cash and Cash Equivalents - Beginning	<u>1,248,397</u>	<u>1,641,774</u>
Cash and Cash Equivalents - Ending	<u>\$ 1,673,507</u>	<u>\$ 1,248,397</u>
Reconciliation of Operating Loss to		
Cash Flows From Operating Activities:		
Operating Loss	\$ (156,370)	\$ (346,409)
Adjustments to Reconcile Operating Loss to		
Net Cash Provided by Operating Activities:		
Changes in Assets and Liabilities:		
Dividends Receivable	(29,848)	-
Subrogation Receivable	-	3
JIF Retro Program	(48,468)	35,839
Prepaid Expenses	124,610	(124,200)
Accrued Expenses	(37,550)	33,232
MEL Claims Fund Supplemental Assessment	-	103,256
Due to Residual Claims Fund	32,519	464,901
Due to TRICO JIF	-	11,271
Residual Claims Fund Supplemental Assessment	12,738	147,965
Claims Reserves	652,847	(180,950)
	<u>550,478</u>	<u>144,908</u>
Net Cash Flows Provided by Operating Activities		
Supplemental Disclosure - Noncash Activity:		
Change in Unrealized Gain (Loss) on Investments included in		
Investment Income	<u>\$ 523,664</u>	<u>\$ (1,252,683)</u>
Change in Investment in Joint Ventures	<u>\$ 485,154</u>	<u>\$ (532,384)</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS

Note 1: ORGANIZATION AND DESCRIPTION OF THE FUND

On January 1, 1991, the Burlington County Municipal Joint Insurance Fund (the "Fund") was formed 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 and N.J.S.A. 11:15-3 of the New Jersey Statutes. The Fund is operated in accordance with regulations of the Department of Banking and Insurance and the Division of Local Government Services, Department of Community Affairs, State of New Jersey for the purpose of securing significant savings in insurance cost as well as providing stability in coverage.

The Executive Committee of the Fund may approve subsequent membership by a two-thirds vote or may terminate any member by a majority vote, after proper notice has been given. New memberships are effective upon approval by the Commissioners of Banking and Insurance and the Department of Community Affairs. Early terminations require prior approval by the Commissioner of Insurance. The members of the Fund must also be members of the Municipal Excess Liability Joint Insurance Fund ("MEL").

During the year ended December 31, 2023, members of the Fund included: Bass River Township, Beverly City, Bordentown City, Bordentown Township, Chesterfield Township, Delanco Township, Delran Township, Edgewater Park Township, Fieldsboro Borough, Florence Township, Hainesport Township, Lumberton Township, Mansfield Township, Medford Township, Mount Laurel Township, New Hanover Township, North Hanover Township, Palmyra Borough, Pemberton Borough, Pemberton Township, Riverside Township, Shamong Township, Southampton Township, Springfield Township, Tabernacle Township, Westampton Township, Woodland Township and Wrightstown Borough.

All members' contributions to the Fund, including a reserve for contingencies, are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Banking and Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

The Fund offers the following coverages to its members:

- Workers' Compensation including Employers' Liability.
- General Liability other than motor vehicles.
- Property damage other than motor vehicles.
- Automobile Liability and damage.
- Public Employees Blanket Bond.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant policies followed by the Fund in the preparation of the accompanying financial statements:

Component Unit

In evaluating how to define the Fund for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in Governmental Accounting Standards Board ("GASB") Statements No. 14, *The Financial Reporting Entity*, as amended.

Blended component units, although legally separate entities, are in-substance part of the primary entity's operations. Each discretely presented component unit would be or is reported in a separate column in the financial statements to emphasize that it is legally separate from the primary entity.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Component Unit (Cont'd)

The basic, but not the only criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the primary entity. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the primary entity is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary entity could warrant its inclusion within the reporting entity.

Based upon the application of these criteria, the Fund has no component units and is not includable in any other reporting entity.

Basis of Presentation

The financial statements of the Fund have been prepared in accordance with accounting principles generally accepted in the United States of America applicable to enterprise funds of State and Local Governments on a going concern basis. The focus of enterprise funds is the measurement of economic resources, that is, the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Enterprise funds are accounted for using the accrual basis of accounting.

Revenues - Exchange and Non-Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. Member Assessments are recognized as revenue at the time of assessment.

Expenses - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

Cash, Cash Equivalents, and Investments

Cash and cash equivalents include petty cash, change funds and cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the comparative statements of cash flows. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey governmental units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments, which may be purchased by New Jersey governmental units.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Cash, Cash Equivalents, and Investments (Cont'd)

These permissible investments generally include bonds or other obligations of the United States of America or obligations guaranteed by the United States of America, government money market mutual funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, bonds or other obligations of the local unit or bonds or other obligations of school district of which the local unit is a part or within which the school district is located, bonds or other obligations approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units, local government investment pools, deposits with the State of New Jersey Cash Management Fund, and agreements for the purchase of fully collateralized securities with certain provisions. In addition, other State statutes permit investments in obligations issued by local authorities and other state agencies.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

Additionally, the Fund has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the GUDPA. In lieu of designating a depository, the cash management plan may provide that the local unit make deposits with the State of New Jersey Cash Management Fund.

Investments

The Fund generally records investments at fair value and records the unrealized gains and losses as part of investment income. Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date.

Investment Income Allocation

Interest accruals, interest payments on cash instruments, net of investment management fees, and unrealized gains and losses on the fair value of investments are allocated every month based upon each line of coverage's share of opening cash and investment balances.

Annual Contributions

Annual contributions are based on loss funds as determined by the Fund's actuary and are received in two installments. Total contributions are recognized as earned revenue evenly over the fiscal contract period or period of risk, if different. All past due contributions bear interest at the rate established annually by the Executive Committee.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Supplemental Contributions

The Executive Committee shall by majority vote levy upon the participating municipalities additional assessments wherever needed or so ordered by the Commissioner of Banking and Insurance to supplement the Fund's claim, loss retention or administrative accounts, after consideration of anticipated investment income, to assure the payment of the Fund's obligations. Supplemental contributions to cover a deficit are recognized as revenue upon approval whether or not actually received.

Retrospective Assessment Program

Beginning in Fund Year 2011, the Finance Committee opted to introduce a Retrospective Assessment Program that identifies those members that are the driving force behind the Loss Funding increases year to year and remove the risk they place on the Fund by capping these members in a min/max contract.

Each year the Fund performs an analysis of each member's performance over the prior three and six year periods to determine those members that are having the greatest negative impact on the Fund's surplus position. The actuary re-prices the premiums for these members as if they were stand-alone members in the Fund. The Fund can then reduce the amount of the Loss Funding Budget by the difference between the member's loss funding assessment and the Actuary's loss funding assessment or a percentage amount as determined by the Finance Committee. Each remaining member of the Fund is then slotted into their appropriate assessment increase/decrease category based upon their performance.

Those members in the Retrospective Assessment Program are then given an increase equal to the increase in the loss funding budget had they remained in the original loss funding formula.

The Program is designed to enable members with losses in excess of budget to spread potentially large increases in loss funding over a number of years easing a potential burden on their local budget and providing them time to address claims and loss issues. The program provides a financial incentive to improve performance. Members of the Fund who have succeeded in maintaining losses at or below budget levels benefit in that they are no longer supplementing poor performing members.

Unpaid Claims Liabilities

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, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. 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.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Unpaid Claims Liabilities (Cont'd)

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 reflected in reserves and cumulative expenses in the periods being reported upon.

A. **Reported Claims Case Reserves**

Case reserves include estimated unpaid claims cost for both future payments of losses and related allocated claim adjustment expenses as reported by the service agent, Qual-Lynx, Inc.

B. **Claims Incurred But Not Reported ("IBNR") Reserve**

In order to recognize claims incurred but not reported, a reserve is calculated by the Fund's actuary, The Actuarial Advantage Inc.

Case and IBNR Reserves represent the estimated liability on expected future development on claims already reported to the Fund plus claims incurred but not yet reported and unknown loss events that are expected to become claims. The liabilities for claims and related adjustment expenses are evaluated using Fund and industry data, case basis evaluations and other statistical analyses, and represent estimates of the ultimate net cost of all losses incurred through December 31, 2023 and 2022. These liabilities are subject to variability between estimated ultimate losses determined as described and the actual experience as it emerges, including the impact of future changes in claim severity, frequency, and other factors.

Management believes that the liabilities for unpaid claims above are adequate. The estimates are reviewed periodically and as adjustments to these liabilities become necessary, such adjustments are reflected in cumulative operations.

Excess Coverage

Coverage in excess of the Fund's self-insured retention limit is provided through the Fund's membership in the Municipal Excess Liability Joint Insurance Fund as described in Note 6.

Fund Transfers

All fund transfers are recognized at the time actual transfers take place.

Inter-year fund transfers may be conducted by the Fund at any time. Inter-year fund transfers require prior approval of the Department of Banking and Insurance and may be conducted only where each member participates in each and every loss retention fund account during that fund year.

The Commissioner of the Department of Banking and Insurance shall waive the full participation requirement provided the Fund demonstrates to the Department that it maintains records of each members pro rata share of each claim or loss retention fund account, and that the transfer shall be made so that any potential dividend shall not be reduced for a member that did not participate in the account receiving the transfer.

The Fund may seek approval from the Commissioner to make inter-year fund transfers at any time from a claims or loss retention trust account from any year, which has been completed for at least twenty-four months. The inter-year fund transfer may be in any amount subject to the limitation that after the transfer, the remaining net current surplus must equal or exceed the surplus retention requirement outlined in N.J.A.C. 11:15-4.21.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Fund Transfers (Cont'd)

The membership for each year involving inter-year transfers must be identical between years. The Commissioner of the Department of Banking and Insurance shall waive the identical membership requirement provided the fund demonstrates to the Department that it maintains records of each members pro rata share of each claim or loss retention fund account, and that the transfer shall be made so that any potential dividend shall not be reduced for a member that did not participate in the year receiving the transfer.

Subrogation

Subrogation and all other recoverable claim amounts, excluding excess insurance, are recognized upon receipt of cash only.

Return of Surplus/Dividends

Refunds (dividends) are recognized upon authorization of the Executive Committee. Any moneys for a Fund year in excess of the amount necessary to fund all obligations for that year as certified by the Fund's actuary may be declared to be refundable by the Fund no less than twenty-four months after the end of the year.

The initial and any subsequent refund for any year from a Claim or Loss Retention Account is subject to the limitation that after the refund, the remaining net current surplus must exceed thirty-five percent of unpaid claims for that year. In later years, the Fund can seek annual approval for payment of refunds from a Claim or Loss Retention Account remaining from any year, which has been completed for at least thirty-six months or longer and may include such refund payments with initial refund payments from the preceding year. A full and final refund is not allowed until all case reserves and IBNR reserves are closed.

Administrative Expenses

Administrative expenses are comprised mainly of compensation for services rendered by servicing organizations and appointed officials pursuant to written fee guidelines submitted and approved by a majority of the Commissioners/Executive Committee. In instances where invoices have not been submitted for specific periods, the maximum allowable contract amount has been accrued.

Net Position

In accordance with the provisions of the Governmental Accounting Standards Board Statement 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments", the Fund has classified its net position as unrestricted. This component of net position consists of net positions that do not meet the definition of "restricted" or "net investment in capital assets" and includes net position that may be allocated for specific purposes by the Board.

Income Taxes

The Fund is exempt from income taxes under Section 115 of the Internal Revenue Code.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Operating and Non-Operating Revenues and Expenses

Operating revenues include all revenues derived from member contributions. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts and on investments in debt securities and positive changes in the Fund's investment in joint ventures.

Operating expenses include expenses associated with the fund operations, including claims expense, insurance and administrative expenses. Non-operating expenses include negative changes in the Fund's investment in joint ventures.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Note 3: CASH AND CASH EQUIVALENTS

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Fund's deposits might not be recovered. Although the Fund does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation ("FDIC"). Public funds owned by the Fund in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings or funds that may pass to the Fund relative to the happening of a future condition. If the Fund had any such funds, they would be shown as Uninsured and Uncollateralized.

Of the Fund's bank balance of \$1,775,771 as of December 31, 2023, \$250,000 was insured while \$1,525,771 was collateralized under GUDPA.

Of the Fund's bank balance of \$1,471,828 as of December 31, 2022, \$302,365 was insured while \$1,169,463 was collateralized under GUDPA.

Note 4: INVESTMENTS

Custodial Credit Risk

For an investment, custodial credit risk 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 in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Fund, and are held by either the counterparty or the counterparty's trust department or agent but not in the Fund's name. All of the Fund's investments in the Joint Cash Management and Investment Program of \$13,510,151 and \$13,865,525 as of December 31, 2023 and 2022, respectively, were held by either the counterparty or counterparty's trust department or agent, but not in the Fund's name.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS

Note 4: INVESTMENTS (CONT'D)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Fund does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. N.J.S.A. 40A:5-15.1 limits the investments that the Fund may purchase such as Treasury securities in order to limit the exposure of governmental units to credit risk. The Fund has no investment policy that would further limit its investment choices.

Concentration of Credit Risk

The Fund does not place a limit on the amount that may be invested in any one issuer. All of the Fund's investments are in debt obligations and joint investment pools.

Joint Cash Management and Investment Program

During the year, the Fund participated in the Joint Management and Investment Program (the "JCMI"). The JCMI was formulated under 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 JCMI is designed to insure the quality of investments in order to minimize risk to the JCMI's participants. The program is administered by the Municipal Excess Liability Joint Insurance Fund (the "MEL").

As of December 31, 2023 and 2022, the Fund had the following investments and maturities:

<u>Investment</u>	<u>Interest Rate</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Fair Value Hierarchy Level*</u>	<u>Market Value</u>	
					<u>2023</u>	<u>2022</u>
JOINT CASH MANAGEMENT						
INVESTMENT PROGRAM	N/A	N/A	AAA	Level 2	<u>\$ 13,510,151</u>	<u>\$ 13,865,525</u>

Fair Value Measurements of Investments

* The Fund categorizes its fair value disclosures within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

Level 1 inputs are quoted (unadjusted) prices in active markets for identical assets that the government can access at the measurement date. Observable markets include exchange markets, dealer markets, brokered markets and principal-to-principal markets.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These inputs are derived from or corroborated by observable market data through correlation.

Level 3 inputs are unobservable inputs for the asset; they should be used only when the relevant Level 1 and Level 2 inputs are unavailable.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS

Note 4: INVESTMENTS (CONT'D)

Investment Gain (Loss)

The following schedule summarizes the net investment gain (loss) for the years ended December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Investment Income	\$ 389,381	\$ 205,359
Less: Investment Expenses	<u>19,248</u>	<u>18,474</u>
Net Investment Earnings	370,133	186,885
Other Adjustments:		
AELCF Interest	(7,296)	(746)
Realized Gain (Loss)	(144,812)	3,317
Unrealized Gain (Loss)	<u>523,664</u>	<u>(1,252,683)</u>
Total Investment Gain (Loss)	<u>\$ 741,689</u>	<u>\$ (1,063,227)</u>

Note 5: CHANGES IN UNPAID CLAIMS LIABILITIES

As discussed in Note 2, the Fund establishes a liability for both reported and unreported insured events, which includes estimates of future payments of losses and related allocated claim adjustment expenses. The following represents changes in those aggregate undiscounted reported and unreported liabilities for the years ended December 31, 2023 and 2022 and for all open Fund years net of excess insurance recoveries:

	<u>2023</u>	<u>2022</u>
Total unpaid claim and claim adjustment expenses all fund years - Beginning	<u>\$ 7,011,455</u>	<u>\$ 6,727,504</u>
Incurred claims and claims adjustment expenses:		
Provision for insured events of current fund year	4,667,124	3,615,543
Changes in provision for insured events of prior fund years	<u>(241,465)</u>	<u>(320,190)</u>
Total incurred claims and claims adjustment expenses all fund years	<u>4,425,659</u>	<u>3,295,353</u>
Payments (Net of Recoveries):		
Claims and claim adjustments expenses:		
Attributable to insured events of current fund year	1,500,935	1,380,778
Attributable to insured events of prior fund years	<u>2,239,358</u>	<u>1,630,624</u>
Total payments all fund years	<u>3,740,293</u>	<u>3,011,402</u>
Total unpaid claim and claim adjustment expenses all fund years - Ending	<u>\$ 7,696,821</u>	<u>\$ 7,011,455</u>
Analysis Of Balance:		
Due to Residual Claims Fund	\$ 711,346	\$ 678,827
Net Reserves	<u>6,985,475</u>	<u>6,332,628</u>
	<u>\$ 7,696,821</u>	<u>\$ 7,011,455</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS

Note 6: MEMBERSHIP IN JOINT INSURANCE FUNDS

Municipal Excess Liability Residual Claims Fund

The Fund is currently a member of the Municipal Excess Liability Residual Claims Fund (the "Residual Fund"). The Residual Fund is a risk-sharing public entity risk pool that is a self-administered group of joint insurance funds established for the purpose of assuming and discharging the liabilities associated with loss reserves of participating members. The transfer of loss reserves to the Residual Fund results in the closing of fund years and the unencumbering of the net position related to those closed fund years. Each member appoints an official to represent their respective joint insurance fund for the purpose of creating a governing body from which officers for the Residual Fund are elected.

As a member of the Residual Fund, the Fund could be subject to supplemental assessments in the event of deficiencies. If the assets of the Residual Fund were to be exhausted, members would become jointly and severely liable for the Residual Fund's liabilities.

The Residual Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Insurance. These distributions are divided among the members in the same ratio as their individual assessment relates to the total assessment of the membership for that fund year. In accordance Statement No. 10 of the Government Accounting Standards Board, these distributions are used to reduce the amount recorded for the Fund's membership assessment in the year in which the distribution was declared.

Municipal Excess Liability Joint Insurance Fund

Effective July 1, 1998, the Fund became a member of the Municipal Excess Liability Joint Insurance Fund (the "MEL"). The MEL is a risk-sharing public entity risk pool that is a self-administered group of joint insurance funds established for the purpose of providing excess insurance coverage to participating members. Each member appoints an official to represent their respective joint insurance fund for the purpose of creating a governing body from which officers for the MEL are elected.

As a member of the MEL, the Fund could be subject to supplemental assessments in the event of deficiencies. If the assets of the MEL were to be exhausted, members would become jointly and severally liable for the MEL's liabilities.

The MEL can declare and distribute dividends to members upon approval of the State of New Jersey Department of Insurance. These distributions are divided among the members in the same ratio as their individual assessment relates to the total assessment of the membership for that fund year.

New Jersey Municipal Environmental Risk Management Fund

Effective January 1, 2006, the Fund became a member of the New Jersey Municipal Environmental Risk Management Fund (the "Environmental Fund"). The Environmental Fund provides its members with various environmental related coverage.

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 their respective members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Environmental Fund are elected.

As a member of the Environmental Fund, the Fund could be subject to supplemental assessments in the event of deficiencies. If the assets of the Environmental Fund were to be exhausted, members would become responsible for their respective shares of the Environmental Fund's liabilities.

The Environmental Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS

Note 6: MEMBERSHIP IN JOINT INSURANCE FUNDS (CONT'D)

New Jersey Cyber Risk Management Fund

The Fund is currently a member of the New Jersey Cyber Risk Management Fund (the Cyber Fund"). The MEL is a risk-sharing public entity risk pool that is a self-administered group of joint insurance funds established for the purpose of providing cyber insurance coverage to participating members. Each member appoints an official to represent their respective joint insurance fund for the purpose of creating a governing body from which officers for the Cyber Fund are elected.

As a member of the Cyber Fund, the Fund could be subject to supplemental assessments in the event of deficiencies. If the assets of the Cyber Fund were to be exhausted, members would become jointly and severally liable for the Cyber Fund's liabilities.

The Cyber Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Insurance. These distributions are divided among the members in the same ratio as their individual assessment relates to the total assessment of the membership for that fund year.

Equity Interest

As of December 31, 2023 and 2022, the Fund's share of net position in the Residual Fund, the MEL, Environmental Fund, and the Cyber Fund is as follows:

	<u>2023</u>	<u>2022</u>
Residual Fund	\$ (125,059)	\$ (203,920)
MEL	259,481	(2,317)
Environmental Fund	890,795	843,023
Cyber Fund	96,723	-
	<u>\$ 1,121,940</u>	<u>\$ 636,786</u>

Selected Financial Information

Selected summarized financial information for the Residual Fund, the MEL, the Environmental Fund, and the Cyber Fund as of December 31, 2023 is as follows:

	<u>Residual Fund</u>	<u>MEL</u>	<u>Environmental Fund</u>	<u>Cyber Fund</u>
Total Assets	<u>\$ 128,884,717</u>	<u>\$ 115,148,943</u>	<u>\$ 31,706,748</u>	<u>\$ 3,232,144</u>
Total Liabilities	<u>\$ 133,653,232</u>	<u>\$ 102,767,420</u>	<u>\$ 19,325,225</u>	<u>\$ 1,312,993</u>
Net Position	<u>\$ (4,768,515)</u>	<u>\$ 12,381,523</u>	<u>\$ 12,381,523</u>	<u>\$ 1,919,151</u>
Total Revenue	<u>\$ 37,647,508</u>	<u>\$ 69,709,751</u>	<u>\$ 5,985,813</u>	<u>\$ 6,419,422</u>
Total Expenses	<u>\$ 34,507,315</u>	<u>\$ 66,164,257</u>	<u>\$ 4,442,507</u>	<u>\$ 4,500,271</u>
Change in Net Position	<u>\$ 2,440,193</u>	<u>\$ 3,545,494</u>	<u>\$ (956,694)</u>	<u>\$ 1,919,151</u>
Distributions to Members	<u>\$ 700,000</u>	<u>\$ -</u>	<u>\$ 2,500,000</u>	<u>\$ -</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS

Note 6: MEMBERSHIP IN JOINT INSURANCE FUNDS (CONT'D)

Selected summarized financial information for the Residual Fund, the MEL, and the Environmental Fund as of December 31, 2022 is as follows:

	<u>Residual Fund</u>	<u>MEL</u>	<u>Environmental Fund</u>
Total Assets	<u>\$ 130,005,896</u>	<u>\$ 105,175,044</u>	<u>\$ 30,786,111</u>
Total Liabilities	<u>\$ 137,214,600</u>	<u>\$ 96,334,014</u>	<u>\$ 14,110,115</u>
Net Position	<u>\$ (7,208,704)</u>	<u>\$ 8,841,030</u>	<u>\$ 16,675,996</u>
Total Revenue	<u>\$ 39,009,899</u>	<u>\$ 73,348,661</u>	<u>\$ 2,651,138</u>
Total Expenses	<u>\$ 45,640,292</u>	<u>\$ 79,665,447</u>	<u>\$ 3,337,737</u>
Change in Net Position	<u>\$ (7,315,393)</u>	<u>\$ (6,316,786)</u>	<u>\$ (3,986,599)</u>
Distributions to Members	<u>\$ 685,000</u>	<u>\$ -</u>	<u>\$ 3,300,000</u>

Financial statements for the Municipal Excess Liability Residual Claims Fund, the Municipal Excess Liability Joint Insurance Fund, the New Jersey Municipal Environmental Risk Management Fund, and the New Jersey Cyber Risk Management Fund are available at the office of the Fund's Executive Director:

PERMA
9 Campus Drive, Suite 216
Parsippany, New Jersey 07054
(201) 881-7632

Note 7: SURPLUS DISTRIBUTION

During 2023, the Executive Committee approved a surplus distribution for \$729,848, representing \$700,000 paid from the closed fund years account and a pass through of \$29,848 in E-JIF dividends to the aggregate excess loss contingency fund.

During 2022, the Executive Committee approved a surplus distribution for \$1,250,962, representing \$1,200,000 paid from the closed fund years account and a pass through of \$50,962 in E-JIF dividends to the aggregate excess loss contingency fund.

Note 8: AGGREGATE EXCESS LOSS CONTINGENCY FUND

As permitted by the Fund's By-Laws, Fund members have the option to take their portion of the surplus distribution as a deposit in the Fund's Aggregate Excess Loss Contingency Fund ("AELCF"). The Fund members earn monthly interest on a rate based on the percentage of the total AELCF balance to the average cash and investments balance.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS

Note 8: AGGREGATE EXCESS LOSS CONTINGENCY FUND (CONT'D)

As of December 31, 2023, the Aggregate Excess Loss Contingency Fund was allocated as follows:

	<u>Beginning Balance</u>	<u>Contributions / (Withdraws)</u>	<u>Accrued Interest</u>	<u>Ending Balance</u>
Bass River Township	\$ 2,017	\$ 206	\$ 46	\$ 2,269
Beverly City	3,549	362	81	3,992
Bordentown City	43,564	4,482	1,012	49,058
Bordentown Township	60,965	(29,525)	1,305	32,745
Chesterfield Township	5,709	585	132	6,426
Delanco Township	4,318	441	99	4,858
Delran Township	17,048	1,745	393	19,186
Edgewater Park Township	10,489	1,071	241	11,801
Florence Township	14,339	1,464	330	16,133
Hainesport Township	5,503	(5,513)	10	-
Lumberton Township	13,955	1,425	322	15,702
Mansfield Township	6,793	694	157	7,644
Medford Township	29,693	3,032	685	33,410
Mount Laurel Township	53,665	5,479	1,237	60,381
North Hanover Township	3,305	(3,308)	3	-
Pemberton Borough	90	9	2	101
Riverside Township	10,556	(10,575)	19	-
Shamong Township	8,621	880	199	9,700
Southampton Township	13,863	1,415	320	15,598
Springfield Township	4,305	(4,313)	8	-
Tabernacle Township	9,568	977	221	10,766
Westampton Township	20,167	2,066	466	22,699
Wrightstown Borough	339	35	8	382
	<u>\$ 342,421</u>	<u>\$ (26,866)</u>	<u>\$ 7,296</u>	<u>\$ 322,851</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS

Note 8: AGGREGATE EXCESS LOSS CONTINGENCY FUND (CONT'D)

As of December 31, 2022, the Aggregate Excess Loss Contingency Fund was allocated as follows:

	<u>Beginning Balance</u>	<u>Contributions / (Withdraws)</u>	<u>Accrued Interest</u>	<u>Ending Balance</u>
Bass River Township	\$ 1,611	\$ 399	\$ 7	\$ 2,017
Beverly City	2,833	704	12	3,549
Bordentown City	42,497	1,060	7	43,564
Bordentown Township	58,711	2,245	9	60,965
Chesterfield Township	5,006	692	11	5,709
Delanco Township	3,448	856	14	4,318
Delran Township	32,869	(15,877)	56	17,048
Edgewater Park Township	8,374	2,081	34	10,489
Florence Township	11,448	2,844	47	14,339
Hainesport Township	4,393	1,092	18	5,503
Lumberton Township	11,142	2,768	45	13,955
Mansfield Township	5,423	1,348	22	6,793
Medford Township	23,707	5,889	97	29,693
Mount Laurel Township	42,847	10,643	175	53,665
North Hanover Township	1,329	1,968	8	3,305
Pemberton Borough	-	90	-	90
Riverside Township	8,428	2,094	34	10,556
Shamong Township	6,883	1,710	28	8,621
Southampton Township	11,069	2,749	45	13,863
Springfield Township	3,437	854	14	4,305
Tabernacle Township	7,639	1,898	31	9,568
Westampton Township	18,227	1,909	31	20,167
Wrightstown Borough	138	200	1	339
	<u>\$ 311,459</u>	<u>\$ 30,216</u>	<u>\$ 746</u>	<u>\$ 342,421</u>

Note 9: RELATED PARTY TRANSACTIONS

As disclosed in Note 6, the Fund is a member of the Municipal Excess Liability Residual Claims Fund (the "Residual Fund"), Municipal Excess Liability Joint Insurance Fund (the "MEL"), New Jersey Municipal Environmental Risk Management Fund, and the New Jersey Cyber Risk Management Fund (the "Cyber Fund") and has an ownership interest in those funds.

Municipal Excess Liability Joint Insurance Fund

Excess insurance premiums paid to the MEL were \$2,659,783 and \$2,279,461 for the years ended December 31, 2023 and 2022, respectively. As disclosed in Note 11, the Fund was also assessed a supplemental assessments during 2023 and 2022. As disclosed in note 4, the Fund participated in the Joint Cash Management and Investment Program during 2023 and 2022. As disclosed in Note 10, the Fund also assessed an additional \$62,698 and \$100,126 for the years ended December 31, 2023 and 2022, respectively for additional excess loss funding that was transferred to the MEL Unencumbered Surplus Account.

New Jersey Municipal Environmental Risk Management Fund

Excess insurance premiums paid to the Environmental Fund were \$249,108 and \$248,977 for the years ended December 31, 2023 and 2022, respectively.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS

Note 9: RELATED PARTY TRANSACTIONS (CONT'D)

Municipal Excess Liability Residual Claims Fund

During 2023 and 2022, the Fund was assessed \$711,346 and \$678,827, respectively, for the transfer of fund year 2019 and 2018 liabilities to the Residual Fund. As disclosed in Note 11, the Fund was also assessed supplemental assessments during 2023 and 2022.

New Jersey Cyber Risk Management Fund

Excess insurance premiums paid to the Cyber Fund were \$317,924 for the year ended December 31, 2023.

Note 10: MEL UNENCUMBERED SURPLUS ACCOUNT

During the 2022 Fund Budget planning process, the Fund was notified by the Municipal Excess Liability Joint Insurance Fund (the "MEL") that the JIF Retrospective Program and its obligations on the Fund has ended for all years inclusive of 2022. The MEL Unencumbered Surplus Account was created to hold any remaining balances once annual MEL premiums are paid and any existing balances in the MEL Retrospective Program was transferred to the MEL Unencumbered Surplus Account and the MEL Retrospective Contingency Account was closed.

For the years ending December 31, 2023 and 2022, the Fund budgeted an additional \$62,698 and \$100,126 more than the Fund's obligation for excess workers' compensation and liability loss funding and excess property premium which was transferred to the MEL Unencumbered Surplus Account. These funds will be available to pay obligations pursuant to the MEL Surplus Floor Program.

As of December 31, 2023, the following was transferred into the MEL Unencumbered Surplus Account:

Fund Year	Transfer
Closed	\$ 149,207
2016	90,709
2017	91,135
2018	188,080
2019	241,351
2020	235,556
2021	155,304
2022	100,126
2023	62,698
	\$ 1,314,166

Note 11: SUPPLEMENTAL ASSESSMENTS

The Board of Fund Commissioners of the Municipal Excess Liability Residual Claims Fund (the Residual Fund") and Municipal Excess Liability Joint Insurance Fund (the "MEL") passed resolutions to amend their plans of risk management. After the end of the year before the Residual Fund and MEL have finalized their year-end accounting, their Commissioners shall levy an additional supplementary assessment so that their statutory surplus for all fund years combined is no less than 12.5 percent of unpaid claims including IBNR. A supplementary assessment payable over 10 years becomes automatic if the statutory surplus falls below a trigger number thus guaranteeing that the MEL and Residual Fund will have the resources to pay claims.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
NOTES TO FINANCIAL STATEMENTS

Note 11: SUPPLEMENTAL ASSESSMENTS (CONT'D)

For the year ended December 31, 2023, supplemental assessments paid and due to the Residual Fund and MEL were as follows:

December 31,	MEL		Residual Fund	
	Paid	Unpaid	Paid	Unpaid
2019	\$ -	\$ -	\$ 87,719	\$ -
2020	106,510	-	124,040	-
2021	1,795	-	10,667	-
2022	-	650,916	-	158,632
2023	-	-	-	12,738
MEL Premium Deferral	545,865	-	-	-
	<u>\$ 654,170</u>	<u>\$ 650,916</u>	<u>\$ 222,426</u>	<u>\$ 171,370</u>

For the year ended December 31, 2022, supplemental assessments paid and due to the Residual Fund and MEL were as follows:

December 31,	MEL		Residual Fund	
	Paid	Unpaid	Paid	Unpaid
2019	\$ -	\$ -	\$ 87,719	\$ -
2020	106,510	-	124,040	-
2021	1,795	-	10,667	-
2022	-	650,916	-	158,632
MEL Premium Deferral	545,865	-	-	-
	<u>\$ 654,170</u>	<u>\$ 650,916</u>	<u>\$ 222,426</u>	<u>\$ 158,632</u>

Note 12: SUBSEQUENT EVENTS

COVID-19 Pandemic - While there are many issues that are increasing claims costs for New Jersey public entities, management is confident that the Fund is in an exceptionally strong position because of years of conservative financial practices. Management continues to evaluate the impact of the COVID-19 pandemic on workers' compensation on the Fund.

Claims Activity - Workers' compensation claims are also expected to increase because of changes in the public employee pension plans that will reduce the plans' contribution to total disability claims while shifting the burden to the Fund. In addition, the Fund continues to see the financial impact of claim "reopeners", an expanding definition of compensability, increasing TTD rates impacted by inflation, and an increasing number of claim petitions. Fortunately, the Fund's members are experiencing a lower rate of other employee accidents because of improved safety programs. Liability claims continue to increase because of legislative changes and judicial decisions that are deteriorating Title 59 immunities and the reluctance of the NJ Court System to grant summary judgments when Title 59 immunities should apply.

Investments - The Fund's investment performance continues to be affected by the economy. Factors such as financial conditions, COVID policies, natural gas problems, the war in Ukraine, and inflation are expected to weigh on growth. Management continues to monitor the impact of these economic factors on the Fund's financial performance and is adjusting its investment philosophy in recognition of these factors.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
REQUIRED SUPPLEMENTARY INFORMATION

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
RECONCILIATION OF CLAIMS LIABILITIES BY FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Total</u>
Total unpaid claim and claim adjustment expenses - Beginning	\$ 336,627	\$ 2,082,939	\$ 430,245	\$ 4,161,644	\$ 7,011,455
Incurred claims and claims adjustment expenses:					
Provision for insured events of current fund year	1,095,442	633,000	152,524	2,786,158	4,667,124
Changes in provision for insured events of prior fund years	(4,097)	134,867	93,473	(465,708)	(241,465)
Total incurred claims and claims adjustment expenses all fund years	1,091,345	767,867	245,997	2,320,450	4,425,659
Payments (Net of Recoveries):					
Claims and claims adjustment expenses:					
Attributable to insured events of current fund year	550,990	16,241	23,511	910,193	1,500,935
Attributable to insured events of prior fund years	203,169	700,303	40,561	1,295,325	2,239,358
Total payments all fund years	754,159	716,544	64,072	2,205,518	3,740,293
Total unpaid claim and claim adjustment expenses - Ending	\$ 673,813	\$ 2,134,262	\$ 612,170	\$ 4,276,576	\$ 7,696,821
Analysis Of Balance:					
Due to Residual Claims Fund				\$ 711,346	
Net Reserves				6,985,475	
				<u>\$ 7,696,821</u>	

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
TEN-YEAR CLAIMS DEVELOPMENT INFORMATION
AS OF DECEMBER 31, 2023

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Net Earned Required Contribution and Investment Revenue:										
Earned	\$ 7,940,653	\$ 7,984,693	\$ 8,038,618	\$ 7,967,720	\$ 7,637,729	\$ 7,672,125	\$ 7,994,559	\$ 8,138,625	\$ 8,945,750	\$ 10,226,061
Ceded	2,194,686	2,339,694	2,367,012	2,490,955	2,568,089	2,740,332	2,956,415	3,109,011	3,515,068	4,072,173
	<u>5,745,967</u>	<u>5,644,999</u>	<u>5,671,606</u>	<u>5,476,765</u>	<u>5,069,640</u>	<u>4,931,793</u>	<u>5,038,144</u>	<u>5,029,614</u>	<u>5,430,682</u>	<u>6,153,888</u>
Unallocated Expenses	1,229,034	1,303,669	1,327,397	1,297,343	1,410,686	1,465,697	1,535,249	1,590,567	1,790,389	1,841,123
Estimated Claims and Expenses, End of Policy Year:										
Incurred	3,409,081	3,821,000	3,388,503	2,707,217	4,096,085	3,271,112	3,172,032	4,204,846	3,615,543	4,667,124
Ceded	29,080						247,254			
Net Incurred	<u>3,380,001</u>	<u>3,821,000</u>	<u>3,388,503</u>	<u>2,707,217</u>	<u>4,096,085</u>	<u>3,271,112</u>	<u>2,924,778</u>	<u>4,204,846</u>	<u>3,615,543</u>	<u>4,667,124</u>
Paid (Cumulative) as of:										
End of Policy Year	918,051	1,155,381	984,012	635,315	1,486,055	1,050,602	901,284	1,380,778	971,561	1,500,935
One Year Later	1,414,181	1,742,504	1,388,618	1,096,581	2,310,750	1,724,312	1,570,749	2,028,951	1,542,692	
Two Years Later	1,625,578	2,172,321	1,759,504	1,407,103	3,116,640	2,187,628	1,978,203	2,539,594		
Three Years Later	2,408,988	2,611,649	1,923,264	1,584,776	3,392,517	2,603,719	2,282,252			
Four Years Later (A)	2,865,300	2,677,204	2,059,305	1,881,316	3,749,238	2,778,378				
Reestimated Ceded Claims and Expenses	563,541	475,021	716,292	213,927	678,827	711,346	191,702			
Reestimated Incurred Claims and Expenses:										
End of Policy Year	3,380,001	3,821,000	3,388,503	2,707,217	4,096,085	3,271,112	2,924,778	4,204,846	3,615,543	4,667,124
One Year Later	3,001,899	3,324,964	2,531,060	2,058,047	3,945,576	3,570,050	2,644,206	3,829,363	3,371,476	
Two Years Later	2,361,875	3,281,557	2,332,365	2,192,491	4,564,935	3,803,531	2,864,843	3,781,969		
Three Years Later	2,973,744	3,318,942	2,830,793	2,238,277	4,392,667	3,605,313	3,030,379			
Four Years Later (A)	3,253,085	3,152,225	2,775,597	2,095,243	4,428,065	3,489,724				
Increase (Decrease) in Estimated Incurred Claims and Expenses from End of Policy Year	<u>\$ (126,916)</u>	<u>\$ (668,775)</u>	<u>\$ (612,906)</u>	<u>\$ (611,974)</u>	<u>\$ 331,980</u>	<u>\$ 218,612</u>	<u>\$ 105,601</u>	<u>\$ (422,877)</u>	<u>\$ (244,067)</u>	<u>\$ -</u>

(A) At the end of the Fourth Year the Fund Cedes remaining actuarially calculated liabilities to the Residual Claims Fund (R.C.F.)

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
SUPPLEMENTARY INFORMATION

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
HISTORICAL BALANCE SHEET--STATUTORY BASIS
AS OF DECEMBER 31, 2023

ASSETS

Cash and Cash Equivalents	\$ 1,673,507	
Investments	<u>13,510,151</u>	
Total Cash and Investments		\$ 15,183,658
Receivables:		
Dividend Receivable	29,848	
Subrogation Receivable	819	
JIF Retro Program	<u>48,468</u>	
Total Receivables		79,135
Prepaid Expenses		<u>1,575</u>
Total Assets		\$ 15,264,368
 <u>LIABILITIES</u>		
Claims:		
Case Reserves	3,671,142	
IBNR Reserve	3,506,035	
Less: Excess Insurance Recoverable	<u>(191,702)</u>	
Total Claims		6,985,475
Accrued Expenses:		
Operating	<u>176,391</u>	
Total Unpaid Expenses		176,391
Other Liabilities:		
Due to TRICO JIF	11,271	
Due to Residual Claims Fund	711,346	
Residual Claims Fund Supplemental Assessment	171,370	
MEL Claims Fund Supplemental Assessment	650,916	
Aggregate Excess Loss Fund Contingency	315,554	
Aggregate Excess Loss Fund Contingency		
Accrued Interest	7,297	
Authorized Return of Surplus	<u>671,856</u>	
Total Other Liabilities		<u>2,539,610</u>
Total Liabilities		<u>9,701,476</u>
Net Statutory Surplus		<u>\$ 5,562,892</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF HISTORICAL OPERATING RESULTS ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 1991 (DATE OF INCEPTION) TO DECEMBER 31, 2023

Underwriting Income:		
Regular Contributions	\$ 155,421,258	
MEL Surplus Transfer	1,314,166	
MEL, EJIF and RCF Dividends	776,564	
JIF Retro Program	162,105	
Other Income	<u>53,737</u>	
Total Underwriting Income		\$ 157,727,830
Incurred Liabilities:		
Claims:		
Paid (Net of Recoveries)	51,144,288	
Case Reserves	3,671,142	
IBNR Reserves	3,506,035	
Residual Claims Fund Premiums	<u>8,440,942</u>	
Subtotal		\$ 66,762,407
Less Excess Insurance:		
Received	252,211	
Receivable	-	
Recoverable	<u>191,702</u>	
Subtotal		<u>443,913</u>
Total Limited Incurred Claims		66,318,494
Expenses:		
Excess Insurance Premiums	47,803,594	
Operating	<u>27,198,337</u>	
Total Expenses		<u>75,001,931</u>
Total Incurred Liabilities		<u>141,320,425</u>
Underwriting Surplus		16,407,405
Investment Income		
Cumulative Investment Income		5,299,108
Unrealized Losses - Current Year		<u>(882,547)</u>
Total Investment Income		<u>4,416,561</u>
Supplemental Assessment:		
Paid:		
Residual Claims Fund	222,426	
MEL Claims Fund	<u>654,170</u>	
Total Paid Supplemental Assessment		<u>876,596</u>
Unpaid		
Residual Claims Fund	171,370	
MEL Claims Fund	<u>650,916</u>	
Total Unpaid Supplemental Assessment		<u>822,286</u>
Total Supplemental Assessment		<u>1,698,882</u>
Gross Statutory Surplus		19,125,084
Return of Surplus:		
Paid	12,567,485	
Aggregate Excess Loss Fund Contingency	315,554	
Aggregate Excess Loss Fund Contingency		
Accrued Interest	7,297	
Authorized and Unpaid	<u>671,856</u>	
Total Return of Surplus		<u>13,562,192</u>
Net Statutory Surplus		<u>\$ 5,562,892</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
NOTES TO SUPPLEMENTARY INFORMATION

Note 1: RELATIONSHIP WITH BASIC FINANCIAL STATEMENTS

The information in the Burlington County Municipal Joint Insurance Fund (the "Fund")'s basic financial statements, Exhibits A-1 through A-3, differs from the accompanying Supplementary Information required by the Division of Banking and Insurance as of and for the year ended December 31, 2023. The Supplementary Information does not reflect the Fund's Investments in Joint Ventures as follows:

Total Assets - Comparative Statements of Net Position	\$ 16,386,308
Less Investment in Joint Ventures	<u>1,121,940</u>
Total Assets - Statutory Basis	<u>\$ 15,264,368</u>
Net Position - Comparative Statements of Net Position	\$ 6,684,832
Less Investment in Joint Ventures	<u>1,121,940</u>
Net Statutory Surplus	<u>\$ 5,562,892</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2023 OPERATING RESULTS ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2023 TO DECEMBER 31, 2023

Underwriting Income:			
Regular Contributions	\$ 10,051,210		
Retro Program	<u>40,991</u>		
Total Underwriting Income			\$ 10,092,201
Incurred Liabilities:			
Claims:			
Paid (Net of Recoveries)	1,500,935		
Case Reserves	1,150,175		
IBNR Reserves	<u>2,016,014</u>		
Subtotal		\$ 4,667,124	
Less Excess Insurance:			
Received	-		
Receivable	-		
Recoverable	<u>-</u>		
Subtotal		<u>-</u>	
Total Limited Incurred Claims		4,667,124	
Expenses:			
Excess Insurance Premiums	4,072,173		
Operating	<u>1,841,123</u>		
Total Expenses		<u>5,913,296</u>	
Total Incurred Liabilities			<u>10,580,420</u>
Underwriting Loss			(488,219)
Investment Income			<u>133,861</u>
Intrafund Transfers to MEL Unencumbered Surplus Account:			
Regular Contributions			(62,698)
Excess Insurance Premiums			<u>62,698</u>
Gross Statutory Deficit			(354,358)
Return of Surplus:			
Paid		-	
Authorized and Unpaid		<u>-</u>	
Total Return of Surplus			<u>-</u>
Net Statutory Deficit			<u>\$ (354,358)</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2022 OPERATING RESULTS ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2022 TO DECEMBER 31, 2023

Underwriting Income:			
Regular Contributions	\$	8,927,195	
Retro Program		<u>7,477</u>	
Total Underwriting Income	\$		8,934,672
Incurred Liabilities:			
Claims:			
Paid (Net of Recoveries)		1,542,692	
Case Reserves		1,023,755	
IBNR Reserves		<u>805,029</u>	
Subtotal	\$		3,371,476
Less Excess Insurance:			
Received		-	
Receivable		-	
Recoverable		<u>-</u>	
Subtotal			<u>-</u>
Total Limited Incurred Claims			3,371,476
Expenses:			
Excess Insurance Premiums		3,515,068	
Operating		<u>1,790,389</u>	
Total Expenses			<u>5,305,457</u>
Total Incurred Liabilities			<u>8,676,933</u>
Underwriting Surplus			257,739
Investment Income			<u>11,079</u>
Intrafund Transfers to MEL Unencumbered Surplus Account:			
Regular Contributions			(100,126)
Excess Insurance Premiums			<u>100,126</u>
Gross Statutory Surplus			268,818
Return of Surplus:			
Paid			-
Authorized and Unpaid			<u>-</u>
Total Return of Surplus			<u>-</u>
Net Statutory Surplus	\$		<u><u>268,818</u></u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2021 OPERATING RESULTS ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2021 TO DECEMBER 31, 2023

Underwriting Income:			
Regular Contributions	\$	8,191,484	
JIF Retro Program		<u>15,255</u>	
Total Underwriting Income			\$ 8,206,739
Incurred Liabilities:			
Claims:			
Paid (Net of Recoveries)	2,539,594		
Case Reserves	808,608		
IBNR Reserves	<u>433,767</u>		
Subtotal			\$ 3,781,969
Less Excess Insurance:			
Received	-		
Receivable	-		
Recoverable	<u>-</u>		
Subtotal			<u>-</u>
Total Limited Incurred Claims		3,781,969	
Expenses:			
Excess Insurance Premiums	3,109,011		
Operating	<u>1,592,167</u>		
Total Expenses		<u>4,701,178</u>	
Total Incurred Liabilities			<u>8,483,147</u>
Underwriting Deficit			(276,408)
Investment Loss			<u>(68,143)</u>
Intrafund Transfers to MEL Unencumbered Surplus Account:			
Regular Contributions			(155,304)
Excess Insurance Premiums			<u>155,304</u>
Gross Statutory Deficit			(344,551)
Return of Surplus:			
Paid		-	
Authorized and Unpaid		<u>-</u>	
Total Return of Surplus			<u>-</u>
Net Statutory Deficit			<u>\$ (344,551)</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2020 OPERATING RESULTS ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2020 TO DECEMBER 31, 2023

Underwriting Income:			
Regular Contributions	\$	8,010,228	
JIF Retro Program		<u>20,584</u>	
Total Underwriting Income	\$		8,030,812
Incurred Liabilities:			
Claims:			
Paid (Net of Recoveries)	2,282,252		
Case Reserves	688,604		
IBNR Reserves	<u>251,225</u>		
Subtotal		\$	3,222,081
Less Excess Insurance:			
Received	-		
Receivable	-		
Recoverable	<u>191,702</u>		
Subtotal		<u>191,702</u>	
Total Limited Incurred Claims			3,030,379
Expenses:			
Excess Insurance Premiums	2,956,415		
Operating	<u>1,536,849</u>		
Total Expenses		<u>4,493,264</u>	
Total Incurred Liabilities			<u>7,523,643</u>
Underwriting Surplus			507,169
Investment Loss			<u>(36,254)</u>
Intrafund Transfers to MEL Unencumbered Surplus Account:			
Regular Contributions			(235,556)
Excess Insurance Premiums			<u>235,556</u>
Gross Statutory Surplus			470,915
Return of Surplus:			
Paid		-	
Authorized and Unpaid		<u>-</u>	
Total Return of Surplus			<u>-</u>
Net Statutory Surplus			<u>\$ 470,915</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2019 OPERATING RESULTS ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2019 TO DECEMBER 31, 2023

Underwriting Income:			
Regular Contributions	\$	7,589,345	
Other Income		<u>600</u>	
Total Underwriting Income			\$ 7,589,945
Incurred Liabilities:			
Claims:			
Paid (Net of Recoveries)		2,778,378	
Residual Claims Fund Premiums		<u>711,346</u>	
Subtotal			\$ 3,489,724
Less Excess Insurance:			
Received		-	
Receivable		-	
Recoverable		<u>-</u>	
Subtotal			<u>-</u>
Total Limited Incurred Claims			3,489,724
Expenses:			
Excess Insurance Premiums		2,740,332	
Operating		<u>1,460,897</u>	
Total Expenses			<u>4,201,229</u>
Total Incurred Liabilities			<u>7,690,953</u>
Underwriting Deficit			(101,008)
Investment Income			<u>52,434</u>
Supplemental Assessment:			
Unpaid:			
Residual Claims Fund		<u>28,601</u>	
Total Unpaid Supplemental Assessment			<u>28,601</u>
Intrafund Transfers to MEL Unencumbered Surplus Account:			
Regular Contributions			(241,351)
Excess Insurance Premiums			241,351
Deficit Transfer From Closed Fund Year			<u>77,175</u>
Gross Statutory Deficit			-
Return of Surplus:			
Paid		-	
Authorized and Unpaid		<u>-</u>	
Total Return of Surplus			<u>-</u>
Net Statutory Deficit			<u>\$ -</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF MEL UNENCUMBERED SURPLUS ACCOUNT
OPERATING RESULTS ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2021 TO DECEMBER 31, 2023

Underwriting Income		
MEL Surplus Transfer	<u>\$ 1,314,166</u>	
Total Underwriting Income		\$ 1,314,166
Expenses:		
Supplemental Assessment:		
Paid	654,170	
Unpaid	<u>650,916</u>	
Total Supplemental Assessment		<u>\$ 1,305,086</u>
Total Expenses		<u>1,305,086</u>
Underwriting Surplus		12,222
Investment Income		<u>3,142</u>
Intrafund Transfers		
Regular Contributions		1,314,166
Excess Insurance Premiums		<u>(1,314,166)</u>
Net Statutory Surplus		<u><u>\$ 12,222</u></u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF RCF SUPPLEMENTAL ASSESSMENT ACCOUNT - FUTURE FUND YEARS
OPERATING RESULTS ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2022 TO DECEMBER 31, 2023

Expenses:

Supplemental Assessment:			
Unpaid	\$	126,906	
		<u> </u>	
Total Supplemental Assessment			\$ 126,906
			<u> </u>
Total Expenses			\$ 126,906
			<u> </u>
Underwriting Deficit			(126,906)
Net Statutory Deficit			<u><u>\$ (126,906)</u></u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF CLOSED FUND YEARS
OPERATING RESULTS ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 1991 (DATE OF INCEPTION) TO DECEMBER 31, 2023

Underwriting Income:		
Regular Contributions	\$ 112,651,796	
MEL and RCF Dividends	504,409	
EJIF Dividends	272,155	
JIF Retro Program	77,798	
Other Income	<u>53,137</u>	
Total Underwriting Income		\$ 113,559,295
Incurred Liabilities:		
Claims:		
Paid (Net of Recoveries)	40,500,437	
Residual Claims Fund Premiums	<u>7,729,596</u>	
Subtotal		\$ 48,230,033
Less Excess Insurance:		
Received	252,211	
Receivable	-	
Recoverable	<u>-</u>	
Subtotal		<u>252,211</u>
Total Limited Incurred Claims		47,977,822
Expenses:		
Loss Fund Contingency	-	
Excess Insurance Premiums	31,410,595	
Operating	<u>18,976,912</u>	
Total Expenses		<u>50,387,507</u>
Total Incurred Liabilities		<u>98,365,329</u>
Underwriting Surplus		15,193,966
Investment Income		4,320,442
Supplemental Assessments		
Paid		
Residual Claims Fund	<u>222,426</u>	
Total Paid Supplemental Assessment		222,426
Unpaid:		
Residual Claims Fund	<u>15,863</u>	
Total Unpaid Supplemental Assessment		<u>15,863</u>
Total Supplemental Assessment		<u>238,289</u>
Intrafund Transfers to MEL Unencumbered Surplus Account:		
Regular Contributions		(519,131)
Excess Insurance Premiums		519,131
Deficit Transfer From 2019 Fund Year		<u>(77,175)</u>
Gross Statutory Surplus		19,198,944
Return of Surplus:		
Paid	12,567,485	
Aggregate Excess Loss Fund Contingency	315,554	
Aggregate Excess Loss Fund Contingency		
Accrued Interest	7,297	
Authorized and Unpaid	<u>671,856</u>	
Total Return of Surplus		<u>13,562,192</u>
Net Statutory Surplus		<u>\$ 5,636,752</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2023 ACCOUNT OPERATING RESULTS ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2023 TO DECEMBER 31, 2023

	<u>Coverages and Other Accounts</u>										
	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Deductible</u>	<u>Environmental</u>	<u>Cyber</u>	<u>MEL</u>	<u>Public Officials & Employment Practices</u>	<u>Expense & Contingency</u>	<u>Total</u>
Underwriting Income:											
Regular Contributions	\$ 404,707	\$ 540,303	\$ 127,757	\$ 2,340,886	\$ 602,410	\$ 249,109	\$ 318,167	\$ 2,659,533	\$ 845,564	\$ 1,962,774	\$ 10,051,210
Retro Program					40,991						40,991
Total Underwriting Income	404,707	540,303	127,757	2,340,886	643,401	249,109	318,167	2,659,533	845,564	1,962,774	10,092,201
Incurred Liabilities:											
Claims	1,095,442	633,000	152,524	2,786,158							4,667,124
Expenses						249,108	317,924	2,659,783	845,358	1,841,123	5,913,296
Total Liabilities	1,095,442	633,000	152,524	2,786,158	-	249,108	317,924	2,659,783	845,358	1,841,123	10,580,420
Underwriting Surplus (Deficit)	(690,735)	(92,697)	(24,767)	(445,272)	643,401	1	243	(250.00)	206.00	121,651	(488,219)
Adjustments:											
Investment Income	1,628	15,371	3,358	45,707	17,437					50,360	133,861
Intrafund Transfers to MEL Unencumbered Surplus Account:											
Regular Contributions								(62,698)			(62,698)
Excess Insurance Premiums								62,698			62,698
Total Adjustments	1,628	15,371	3,358	45,707	17,437	-	-	-	-	50,360	133,861
Gross Statutory Surplus (Deficit)	(689,107)	(77,326)	(21,409)	(399,565)	660,838	1	243	(250)	206	172,011	(354,358)
Return of Surplus											-
Net Statutory Surplus (Deficit)	\$ (689,107)	\$ (77,326)	\$ (21,409)	\$ (399,565)	\$ 660,838	\$ 1	\$ 243	\$ (250)	\$ 206	\$ 172,011	\$ (354,358)

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2022 ACCOUNT OPERATING RESULTS ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2022 TO DECEMBER 31, 2023

	<u>Coverages and Other Accounts</u>										
	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Deductible</u>	<u>Loss Contingency</u>	<u>Environmental</u>	<u>MEL</u>	<u>Public Officials & Employment Practices</u>	<u>Expense & Contingency</u>	<u>Total</u>
Underwriting Income:											
Regular Contributions	\$ 336,741	\$ 495,374	\$ 123,439	\$ 1,958,530	\$ 514,250	\$ 106,500	\$ 248,979	\$ 2,279,461	\$ 987,538	\$ 1,876,383	\$ 8,927,195
Retro Program					7,477						7,477
Total Underwriting Income	<u>336,741</u>	<u>495,374</u>	<u>123,439</u>	<u>1,958,530</u>	<u>521,727</u>	<u>106,500</u>	<u>248,979</u>	<u>2,279,461</u>	<u>987,538</u>	<u>1,876,383</u>	<u>8,934,672</u>
Incurred Liabilities:											
Claims	595,052	788,323	73,984	1,914,117							3,371,476
Expenses							248,977	2,279,461	986,630	1,790,389	5,305,457
Total Liabilities	<u>595,052</u>	<u>788,323</u>	<u>73,984</u>	<u>1,914,117</u>	<u>-</u>	<u>-</u>	<u>248,977</u>	<u>2,279,461</u>	<u>986,630</u>	<u>1,790,389</u>	<u>8,676,933</u>
Underwriting Surplus (Deficit)	<u>(258,311)</u>	<u>(292,949)</u>	<u>49,455</u>	<u>44,413</u>	<u>521,727</u>	<u>106,500</u>	<u>2</u>	<u>-</u>	<u>908</u>	<u>85,994</u>	<u>257,739</u>
Adjustments:											
Investment Income (Loss)	(4,680)	5,954	1,766	(3,844)	2,400	1,743				7,740	11,079
Intrafund Transfers	200,000				(200,000)						-
Intrafund Transfers to MEL Unencumbered											
Surplus Account:											
Regular Contributions								(100,126)			(100,126)
Excess Insurance Premiums								100,126			100,126
Total Adjustments	<u>195,320</u>	<u>5,954</u>	<u>1,766</u>	<u>(3,844)</u>	<u>(197,600)</u>	<u>1,743</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,740</u>	<u>11,079</u>
Gross Statutory Surplus (Deficit)	<u>(62,991)</u>	<u>(286,995)</u>	<u>51,221</u>	<u>40,569</u>	<u>324,127</u>	<u>108,243</u>	<u>2</u>	<u>-</u>	<u>908</u>	<u>93,734</u>	<u>268,818</u>
Return of Surplus											-
Net Statutory Surplus (Deficit)	<u>\$ (62,991)</u>	<u>\$ (286,995)</u>	<u>\$ 51,221</u>	<u>\$ 40,569</u>	<u>\$ 324,127</u>	<u>\$ 108,243</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 908</u>	<u>\$ 93,734</u>	<u>\$ 268,818</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2021 ACCOUNT OPERATING RESULTS ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2021 TO DECEMBER 31, 2023

Coverages and Other Accounts

	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Deductible</u>	<u>Environmental</u>	<u>MEL</u>	<u>Public Officials & Employment Practices</u>	<u>Expense & Contingency</u>	<u>Total</u>
Underwriting Income:										
Regular Contributions	\$ 303,471	\$ 499,041	\$ 123,743	\$ 1,943,407	\$ 506,412	\$ 246,464	\$ 2,052,414	\$ 810,429	\$ 1,706,103	\$ 8,191,484
JIF Retro Program					15,255					15,255
Total Underwriting Income	303,471	499,041	123,743	1,943,407	521,667	246,464	2,052,414	810,429	1,706,103	8,206,739
Incurred Liabilities:										
Claims	504,145	555,985	198,791	2,523,048						3,781,969
Expenses						246,465	2,026,738	835,808	1,592,167	4,701,178
Total Liabilities	504,145	555,985	198,791	2,523,048	-	246,465	2,026,738	835,808	1,592,167	8,483,147
Underwriting Surplus (Deficit)	(200,674)	(56,944)	(75,048)	(579,641)	521,667	(1)	25,676	(25,379)	113,936	(276,408)
Adjustments:										
Investment Income (Loss)	585	(10,341)	(2,124)	(33,913)	(14,601)				(7,749)	(68,143)
Intrafund Transfers	230,000				(230,000)					-
Intrafund Transfers to MEL Unencumbered Surplus Account:										
Regular Contributions							(155,304)			(155,304)
Excess Insurance Premiums							155,304			155,304
Total Adjustments	230,585	(10,341)	(2,124)	(33,913)	(244,601)	-	-	-	(7,749)	(68,143)
Gross Statutory Surplus (Deficit)	29,911	(67,285)	(77,172)	(613,554)	277,066	(1)	25,676	(25,379)	106,187	(344,551)
Return of Surplus										-
Net Statutory Surplus (Deficit)	\$ 29,911	\$ (67,285)	\$ (77,172)	\$ (613,554)	\$ 277,066	\$ (1)	\$ 25,676	\$ (25,379)	\$ 106,187	\$ (344,551)

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2020 ACCOUNT OPERATING RESULTS ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2020 TO DECEMBER 31, 2023

	<u>Coverages and Other Accounts</u>										
	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Deductible</u>	<u>Loss Contingency</u>	<u>Environmental</u>	<u>MEL</u>	<u>Public Officials & Employment Practices</u>	<u>Expense & Contingency</u>	<u>Total</u>
Underwriting Income:											
Regular Contributions	\$ 296,387	\$ 486,083	\$ 128,090	\$ 1,939,868	\$ 503,016	\$ 49,659	\$ 249,015	\$ 2,028,948	\$ 678,701	\$ 1,650,461	\$ 8,010,228
JIF Retro Program					20,584						20,584
Total Underwriting Income	296,387	486,083	128,090	1,939,868	523,600	49,659	249,015	2,028,948	678,701	1,650,461	8,030,812
Incurred Liabilities:											
Claims	446,106	554,123	322,044	1,708,106							3,030,379
Expenses							249,014	2,028,948	678,453	1,536,849	4,493,264
Total Liabilities	446,106	554,123	322,044	1,708,106	-	-	249,014	2,028,948	678,453	1,536,849	7,523,643
Underwriting Surplus (Deficit)	(149,719)	(68,040)	(193,954)	231,762	523,600	49,659	1	-	248	113,612	507,169
Adjustments:											
Investment Loss	(13)	(7,684)	(1,481)	(18,013)	(7,867)	(487)				(709)	(36,254)
Intrafund Transfers	150,000				(150,000)						-
Intrafund Transfers to MEL Unencumbered Surplus Account:											
Regular Contributions								(235,556)			(235,556)
Excess Insurance Premiums								235,556			235,556
Total Adjustments	149,987	(7,684)	(1,481)	(18,013)	(157,867)	(487)	-	-	-	(709)	(36,254)
Gross Statutory Surplus (Deficit)	268	(75,724)	(195,435)	213,749	365,733	49,172	1	-	248	112,903	470,915
Return of Surplus											-
Net Statutory Surplus (Deficit)	\$ 268	\$ (75,724)	\$ (195,435)	\$ 213,749	\$ 365,733	\$ 49,172	\$ 1	\$ -	\$ 248	\$ 112,903	\$ 470,915

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2019 ACCOUNT OPERATING RESULTS ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2019 TO DECEMBER 31, 2023

Coverages and Other Accounts

	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Deductible</u>	<u>Environmental</u>	<u>MEL</u>	<u>RCF</u>	<u>Public Officials & Employment Practices</u>	<u>Expense & Contingency</u>	<u>Total</u>
Underwriting Income:											
Regular Contributions	\$ 267,750	\$ 451,895	\$ 125,800	\$ 1,953,070	\$ 493,972	\$ 246,894	\$ 1,889,163		\$ 604,466	\$ 1,556,335	\$ 7,589,345
Other Income										600	600
Total Underwriting Income	267,750	451,895	125,800	1,953,070	493,972	246,894	1,889,163	-	604,466	1,556,935	7,589,945
Incurred Liabilities:											
Claims	550,081	431,155	73,156	2,435,332							3,489,724
Expenses						246,892	1,889,163		604,277	1,460,897	4,201,229
Total Liabilities	550,081	431,155	73,156	2,435,332	-	246,892	1,889,163	-	604,277	1,460,897	7,690,953
Underwriting Surplus (Deficit)	(282,331)	20,740	52,644	(482,262)	493,972	2	-	-	189	96,038	(101,008)
Adjustments:											
Investment Income (Loss)	(29)	(9,668)	318	23,148	8,315					30,350	52,434
Intrafund Transfers	320,000				(320,000)						-
RCF Supplemental Assessment								\$ (28,601)			(28,601)
Intrafund Transfers to MEL Unencumbered Surplus Account:											
Regular Contributions							(241,351)				(241,351)
Excess Insurance Premiums							241,351				241,351
(Surplus) Deficit Transfers to Closed Fund Year	(37,640)	(11,072)	(52,962)	459,114	(182,287)	(2)		28,601	(189)	(126,388)	77,175
Total Adjustments	282,331	(20,740)	(52,644)	482,262	(493,972)	(2)	-	-	(189)	(96,038)	101,008
Gross Statutory Surplus (Deficit)	-	-	-	-	-	-	-	-	-	-	-
Return of Surplus											
Net Statutory Surplus (Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2023 CLAIMS ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2023 TO DECEMBER 31, 2023

	<u>Coverages</u>				
	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Total</u>
Paid Claims (Net of Recoveries)	\$ 550,990	\$ 16,241	\$ 23,511	\$ 910,193	\$ 1,500,935
Case Reserves	543,452	108,538	30,163	468,022	1,150,175
IBNR Reserves	1,000	508,221	98,850	1,407,943	2,016,014
Subtotal	<u>1,095,442</u>	<u>633,000</u>	<u>152,524</u>	<u>2,786,158</u>	<u>4,667,124</u>
Excess Insurance					
Received					-
Receivable					-
Recoverable					-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Limited Incurred Claims	<u>\$ 1,095,442</u>	<u>\$ 633,000</u>	<u>\$ 152,524</u>	<u>\$ 2,786,158</u>	<u>\$ 4,667,124</u>
Number of Claims	<u>87</u>	<u>98</u>	<u>26</u>	<u>135</u>	<u>346</u>
Cost per Claim	<u>\$ 12,591</u>	<u>\$ 6,459</u>	<u>\$ 5,866</u>	<u>\$ 20,638</u>	<u>\$ 13,489</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2022 CLAIMS ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2022 TO DECEMBER 31, 2023

	<u>Coverages</u>				
	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Total</u>
Paid Claims (Net of Recoveries)	\$ 468,779	\$ 69,835	\$ 8,260	\$ 995,818	\$ 1,542,692
Case Reserves	126,273	423,525		473,957	1,023,755
IBNR Reserves		294,963	65,724	444,342	805,029
Subtotal	<u>595,052</u>	<u>788,323</u>	<u>73,984</u>	<u>1,914,117</u>	<u>3,371,476</u>
Excess Insurance					
Received					-
Receivable					-
Recoverable					-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Limited Incurred Claims	<u>\$ 595,052</u>	<u>\$ 788,323</u>	<u>\$ 73,984</u>	<u>\$ 1,914,117</u>	<u>\$ 3,371,476</u>
Number of Claims	<u>88</u>	<u>148</u>	<u>30</u>	<u>158</u>	<u>424</u>
Cost per Claim	<u>\$ 6,762</u>	<u>\$ 5,327</u>	<u>\$ 2,466</u>	<u>\$ 12,115</u>	<u>\$ 7,952</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2021 CLAIMS ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2021 TO DECEMBER 31, 2023

	<u>Coverages</u>				
	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Total</u>
Paid Claims (Net of Recoveries)	\$ 501,400	\$ 166,417	\$ 42,779	\$ 1,828,998	\$ 2,539,594
Case Reserves	2,745	235,081	107,041	463,741	808,608
IBNR Reserves		154,487	48,971	230,309	433,767
Subtotal	504,145	555,985	198,791	2,523,048	3,781,969
Excess Insurance					
Received					-
Receivable					-
Recoverable					-
Subtotal	-	-	-	-	-
Limited Incurred Claims	\$ 504,145	\$ 555,985	\$ 198,791	\$ 2,523,048	\$ 3,781,969
Number of Claims	80	117	39	201	437
Cost per Claim	\$ 6,302	\$ 4,752	\$ 5,097	\$ 12,552	\$ 8,654

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2020 CLAIMS ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2020 TO DECEMBER 31, 2023

	<u>Coverages</u>				
	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Total</u>
Paid Claims (Net of Recoveries)	\$ 445,763	\$ 244,832	\$ 60,623	\$ 1,531,034	\$ 2,282,252
Case Reserves	343	244,419	244,229	199,613	688,604
IBNR Reserves		64,872	17,192	169,161	251,225
Subtotal	446,106	554,123	322,044	1,899,808	3,222,081
Excess Insurance					
Received					-
Receivable					-
Recoverable				191,702	191,702
Subtotal	-	-	-	191,702	191,702
Limited Incurred Claims	\$ 446,106	\$ 554,123	\$ 322,044	\$ 1,708,106	\$ 3,030,379
Number of Claims	69	128	23	234	454
Cost per Claim	\$ 6,465	\$ 4,329	\$ 14,002	\$ 7,300	\$ 6,675

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2023 EXPENSE ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2023 TO DECEMBER 31, 2023

	<u>Paid</u>	<u>Accrued</u>	<u>Total</u>
Excess Insurance:			
Cyber	\$ 317,924		\$ 317,924
Environmental	249,108		249,108
MEL	2,573,585		2,573,585
MEL Unencumbered Surplus Account	62,698		62,698
POL/EPL	845,358		845,358
Elected Official Credits	23,500		23,500
Subtotal Excess Insurance	4,072,173	-	4,072,173
Operating Expenses:			
Actuary	20,009		20,009
Administration	390,208		390,208
Administrative Consultant	30,241		30,241
Annual Planning Retreat	5,810		5,810
Attorney	76,950		76,950
Auditor		\$ 20,425	20,425
Claims Administration	233,421		233,421
Contingency	500	2,500	3,000
EPL/Cyber:			
Cyber Risk Services	98,728		98,728
EPL/Cyber Incentive Program	9,500	2,500	12,000
Fidelity Bond - Professionals	1,114		1,114
JIF Website	5,426		5,426
Legal Notices	1,439		1,439
Meeting Expense/Dinner Meeting	632	1,965	2,597
Office Supplies	507		507
Other Expenses	124		124
Payroll Auditor	15,545		15,545
Performance Bond (TPA)	292		292
Postage/Copies/Fax	1,982	224	2,206
PRIMA/AGRIP Conference	2,961		2,961
Printing	2,080	1,189	3,269
Property Appraiser	25,719		25,719
Record Retention Service	1,026		1,026
Recording Secretary	4,590		4,590
Risk Management Consultants	414,083		414,083
Safety Director	145,503		145,503
Safety Programs:			
Optional Safety Budget	40,797	8,022	48,819
Safety Incentive Program	8,979	78,745	87,724
Training			
Police Risk Services	22,000		22,000
Right To Know		45,173	45,173
Training	6,259		6,259
Technology Risk Services Director	42,944		42,944
Treasurer	12,083		12,083
Underwriting Manager	8,698		8,698
Wellness Program	42,677	7,553	50,230
Subtotal Operating Expenses	1,672,827	168,296	1,841,123
Total Expenses	\$ 5,745,000	\$ 168,296	\$ 5,913,296

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2022 EXPENSE ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2022 TO DECEMBER 31, 2023

	<u>Paid</u>	<u>Accrued</u>	<u>Total</u>
Excess Insurance:			
Environmental	\$ 248,977		\$ 248,977
MEL	2,154,085		2,154,085
MEL Unencumbered Surplus Account	100,126		100,126
POL/EPL	986,630		986,630
Elected Official Credits	25,250		25,250
Subtotal Excess Insurance	3,515,068	-	3,515,068
Operating Expenses:			
Actuary	26,627		26,627
Administration	382,557		382,557
Administrative Consultant	29,648		29,648
Annual Planning Retreat	5,732		5,732
Attorney	75,441		75,441
Auditor	20,025		20,025
Claims Administration	221,690		221,690
Claims Auditor	6,400		6,400
Contingency	1,005		1,005
EPL/Cyber:			
Cyber Risk Services	102,304		102,304
EPL/Cyber Incentive Program	12,658	\$ 500	13,158
Fidelity Bond - Professionals	1,114		1,114
JIF Website	5,461		5,461
Legal Notices	1,477		1,477
Meeting Expense/Dinner Meeting	3,608		3,608
Office Supplies	881		881
Other Expenses	151		151
Payroll Auditor	12,119		12,119
Performance Bond (TPA)	277		277
Postage/Copies/Fax	2,285		2,285
PRIMA/AGRIP Conference	2,710		2,710
Printing	5,854		5,854
Property Appraiser	19,482		19,482
Record Retention Service	908		908
Recording Secretary	4,590		4,590
Risk Management Consultants	365,397		365,397
Safety Director	140,583		140,583
Safety Programs:			
Optional Safety Budget	50,671	995	51,666
Safety Incentive Program	77,161	6,100	83,261
Training			
Police Risk Services	22,000		22,000
Right To Know	43,112		43,112
Training	1,600		1,600
Technology Risk Services Director	66,528		66,528
Treasurer	11,846		11,846
Underwriting Manager	8,527		8,527
Wellness Program	49,865	500	50,365
Subtotal Operating Expenses	1,782,294	8,095	1,790,389
Total Expenses	\$ 5,297,362	\$ 8,095	\$ 5,305,457

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2021 EXPENSE ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2021 TO DECEMBER 31, 2023

	<u>Paid</u>	<u>Accrued</u>	<u>Total</u>
Excess Insurance:			
Environmental	\$ 246,465		\$ 246,465
MEL	1,845,434		1,845,434
MEL Unencumbered Surplus Account	155,304		155,304
POL/EPL	835,808		835,808
Elected Official Credits	26,000		26,000
	<hr/>		
Subtotal Excess Insurance	3,109,011	-	3,109,011
	<hr/>		
Operating Expenses:			
Actuary	26,105		26,105
Administration	375,056		375,056
Administrative Consultant	29,067		29,067
Attorney	73,962		73,962
Auditor	19,632		19,632
Claims Administration	215,881		215,881
Claims Auditor	6,400		6,400
Contingency	5,500		5,500
EPL/Cyber:			
Cyber Risk Services	682		682
EPL/Cyber Incentive Program	11,991		11,991
Fidelity Bond - Professionals	1,114		1,114
JIF Website	5,222		5,222
Legal Notices	1,578		1,578
Meeting Expense/Dinner Meeting	409		409
Office Supplies	420		420
Other Expenses	198		198
Payroll Auditor	11,881		11,881
Performance Bond (TPA)	122		122
Postage/Copies/Fax	1,492		1,492
PRIMA/AGRIP Conference	3,189		3,189
Printing	5,090		5,090
Property Appraiser	26,404		26,404
Record Retention Service	1,050		1,050
Recording Secretary	4,500		4,500
Risk Management Consultants	307,602		307,602
Safety Director	137,826		137,826
Safety Programs:			
Optional Safety Budget	47,559		47,559
Safety Incentive Program	86,835		86,835
Training			
Police Risk Services	1,834		1,834
Right To Know	37,536		37,536
Training	9,511		9,511
Technology Risk Services Director	66,528		66,528
Treasurer	11,614		11,614
Underwriting Manager	8,360		8,360
Wellness Program	50,017		50,017
	<hr/>		
Subtotal Operating Expenses	1,592,167	-	1,592,167
	<hr/>		
Total Expenses	\$ 4,701,178	-	\$ 4,701,178

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2020 EXPENSE ANALYSIS--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2020 TO DECEMBER 31, 2023

	<u>Paid</u>	<u>Accrued</u>	<u>Total</u>
Excess Insurance:			
Environmental	\$ 249,014		\$ 249,014
MEL	1,766,416		1,766,416
MEL Unencumbered Surplus Account	235,556		235,556
POL/EPL	678,453		678,453
Elected Official Credits	26,976		26,976
Subtotal Excess Insurance	2,956,415	-	2,956,415
Operating Expenses:			
Actuary	25,904		25,904
Administration	367,702		367,702
Administrative Consultant	29,067		29,067
Annual Planning Retreat	1,138		1,138
Attorney	72,512		72,512
Auditor	19,247		19,247
Claims Administration	214,006		214,006
Claims Auditor	6,400		6,400
Contingency	4,190		4,190
EPL/Cyber:			
Cyber Risk Services	5,428		5,428
EPL/Cyber Incentive Program	10,462		10,462
Technology Risk Management Services	8,784		8,784
Fidelity Bond - Professionals	1,099		1,099
JIF Website	5,017		5,017
Legal Notices	2,827		2,827
Meeting Expense/Dinner Meeting	58		58
Office Supplies	1,116		1,116
Other Expenses	124		124
Payroll Auditor	11,231		11,231
Performance Bond (TPA)	114		114
Postage/Copies/Fax	1,797		1,797
PRIMA/AGRIP Conference	2,460		2,460
Printing	5,676		5,676
Property Appraiser	17,686		17,686
Record Retention Service	999		999
Recording Secretary	4,500		4,500
Risk Management Consultants	280,214		280,214
Safety Director	137,826		137,826
Safety Programs:			
Optional Safety Budget	48,037		48,037
Safety Incentive Program	79,015		79,015
Training			
Police Risk Services	9,500		9,500
Right To Know	31,797		31,797
Training	4,521		4,521
Technology Risk Services Director	55,440		55,440
Treasurer	11,386		11,386
Underwriting Manager	8,360		8,360
Wellness Program	51,209		51,209
Subtotal Operating Expenses	1,536,849	-	1,536,849
Total Expenses	\$ 4,493,264	\$ -	\$ 4,493,264

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2023 PROGRAM SUMMARY--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2023 TO DECEMBER 31, 2023

	<u>Coverages</u>			
	<u>Property</u>	<u>General Liability</u>	<u>Auto</u>	<u>Workers Compensation</u>
Limits	\$ 125,000,000	\$ 5,000,000	\$ 5,000,000	STATUTORY/ \$ 7,000,000
Fund Retention	\$ 100,000	\$ 300,000	\$ 300,000	\$ 300,000
Excess Insurers	MEL	MEL	MEL	MEL
Number of Participants	28	28	28	28
Incurred Liabilities:				
Claims (Schedule D)	\$ 1,095,442	\$ 633,000	\$ 152,524	\$ 2,786,158
Administrative Expenses (1)	218,275	291,408	68,905	1,262,536
	<u>\$ 1,313,717</u>	<u>\$ 924,408</u>	<u>\$ 221,429</u>	<u>\$ 4,048,694</u>
Exposure Units	\$ 614,739,392 (Property Value)	267,127 (Population)	1,326 (Vehicles)	\$ 98,041,060 (Payroll)
Liabilities per Exposure Unit	\$2.14 (Per \$1,000 Value)	\$3.46 (Per Capita)	\$166.99 (Per Vehicle)	\$41.30 (Per \$1,000 Payroll)

(1) Allocated on the basis of assessments and transfers by coverage.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2022 PROGRAM SUMMARY--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2022 TO DECEMBER 31, 2023

	<u>Coverages</u>			
	<u>Property</u>	<u>General Liability</u>	<u>Auto</u>	<u>Workers Compensation</u>
Limits	\$ 125,000,000	\$ 5,000,000	\$ 5,000,000	STATUTORY/ \$ 7,000,000
Fund Retention	\$ 100,000	\$ 300,000	\$ 300,000	\$ 300,000
Excess Insurers	MEL	MEL	MEL	MEL
Number of Participants	28	28	28	28
Incurred Liabilities:				
Claims (Schedule D)	\$ 595,052	\$ 788,323	\$ 73,984	\$ 1,914,117
Administrative Expenses (1)	206,891	304,354	75,840	1,203,305
	<u>\$ 801,943</u>	<u>\$ 1,092,677</u>	<u>\$ 149,824</u>	<u>\$ 3,117,422</u>
Exposure Units	\$ 593,504,861 (Property Value)	260,410 (Population)	1,310 (Vehicles)	\$ 93,427,701 (Payroll)
Liabilities per Exposure Unit	\$1.35 (Per \$1,000 Value)	\$4.20 (Per Capita)	\$114.37 (Per Vehicle)	\$33.37 (Per \$1,000 Payroll)

(1) Allocated on the basis of assessments and transfers by coverage.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2021 PROGRAM SUMMARY--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2021 TO DECEMBER 31, 2023

	<u>Coverages</u>			
	<u>Property</u>	<u>General Liability</u>	<u>Auto</u>	<u>Workers Compensation</u>
Limits	\$ 125,000,000	\$ 5,000,000	\$ 5,000,000	STATUTORY/ \$ 7,000,000
Fund Retention	\$ 100,000	\$ 300,000	\$ 300,000	\$ 300,000
Excess Insurers	MEL	MEL	MEL	MEL
Number of Participants	28	28	28	28
Incurred Liabilities:				
Claims (Schedule D)	\$ 504,145	\$ 555,985	\$ 198,791	\$ 2,523,048
Administrative Expenses (1)	168,374	276,882	68,656	1,078,255
	<u>\$ 672,519</u>	<u>\$ 832,867</u>	<u>\$ 267,447</u>	<u>\$ 3,601,303</u>
Exposure Units	\$ 531,522,568 (Property Value)	260,410 (Population)	1,279 (Vehicles)	\$ 90,833,668 (Payroll)
Liabilities per Exposure Unit	\$1.27 (Per \$1,000 Value)	\$3.20 (Per Capita)	\$209.11 (Per Vehicle)	\$39.65 (Per \$1,000 Payroll)

(1) Allocated on the basis of assessments and transfers by coverage.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
STATEMENT OF FUND YEAR 2020 PROGRAM SUMMARY--STATUTORY BASIS
FOR THE PERIOD JANUARY 1, 2020 TO DECEMBER 31, 2023

	<u>Coverages</u>			
	<u>Property</u>	<u>General Liability</u>	<u>Auto</u>	<u>Workers Compensation</u>
Limits	\$ 125,000,000	\$ 5,000,000	\$ 5,000,000	STATUTORY/ \$ 7,000,000
Fund Retention	\$ 100,000	\$ 300,000	\$ 300,000	\$ 300,000
Excess Insurers	MEL	MEL	MEL	MEL
Number of Participants	28	28	28	28
Incurred Liabilities:				
Claims (Schedule D)	\$ 446,106	\$ 554,123	\$ 322,044	\$ 1,708,106
Administrative Expenses (1)	159,801	262,079	69,062	1,045,908
	<u>\$ 605,907</u>	<u>\$ 816,202</u>	<u>\$ 391,106</u>	<u>\$ 2,754,014</u>
Exposure Units	\$ 505,264,287 (Property Value)	260,410 (Population)	1,250 (Vehicles)	\$ 87,723,615 (Payroll)
Liabilities per Exposure Unit	\$1.20 (Per \$1,000 Value)	\$3.13 (Per Capita)	\$312.88 (Per Vehicle)	\$31.39 (Per \$1,000 Payroll)

(1) Allocated on the basis of assessments and transfers by coverage.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CASH, CASH EQUIVALENTS, AND INVESTMENTS--STATUTORY BASIS
AS OF DECEMBER 31, 2023

<u>Description</u>	<u>Amount</u>
<u>Cash and Cash Equivalents</u>	
M&T Bank:	
Commercial Checking	\$ 3,189
Citizens Bank:	
Administrative Expense Acct	115
Claims Acct	100,810
Operating Acct	<u>1,569,393</u>
 Total Cash and Cash Equivalents	 <u>1,673,507</u>
 <u>Investments</u>	
BNY Mellon	
Joint Cash Management and Investment Program (JCMI)	<u>13,510,151</u>
 Total Cash, Cash Equivalents, and Investments per Schedule A - Historical Balance Sheet--Statutory Basis	 <u>\$ 15,183,658</u>
 Total Cash, Cash Equivalents, and Investments by Fund Year:	
2023	\$ 2,937,559
2022	2,109,492
2021	897,003
2020	1,219,044
MEL Unencumbered Surplus Account	575,441
Closed Years	<u>7,445,119</u>
	<u>\$ 15,183,658</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF ACCRUED EXPENSES--STATUTORY BASIS
AS OF DECEMBER 31, 2023

<u>Description</u>	<u>Fund Year</u>	<u>Amount</u>	
Administrative Expenses:			
Auditor - Bowman and Company LLP	2023	\$ 20,425	
Contingency - Various	2023	2,500	
EPL/Cyber Incentive Program - Various	2023	2,500	
Meeting Expense - Various	2023	1,965	
Optional Safety Budget - Various	2023	8,022	
Postage/Copies/Fax - Various	2023	224	
Printing - Various	2023	1,189	
Right To Know - Various	2023	45,173	
Safety Incentive Program - Various	2023	78,745	
Wellness Program - Various	2023	<u>7,553</u>	
Total Fund Year 2023			\$ 168,296
Administrative Expenses:			
EPL/Cyber Incentive Program - Various	2022	500	
Optional Safety Budget - Various	2022	995	
Safety Incentive Program - Various	2022	6,100	
Wellness Program - Various	2022	<u>500</u>	
Total Fund Year 2022			<u>8,095</u>
Total Accrued Expenses per Schedule A - Historical Balance Sheet--Statutory Basis			<u><u>\$ 176,391</u></u>

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2023**

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to the financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Department of Banking and Insurance and the Division of Local Government Services, Department of Community Affairs, State of New Jersey, requires.

SCHEDULE OF FINANCIAL STATEMENT FINDINGS

None.

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AS PREPARED BY MANAGEMENT

This section identifies the status of prior year audit findings related to the financial statements that are required to be reported in accordance with *Government Auditing Standards* and in compliance with audit requirements as prescribed by the Department of Banking and Insurance and the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

There were no findings in the prior year.

APPRECIATION

We express our appreciation for the assistance provided to us during our audit.

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Dennis J. Skalkowski
Certified Public Accountant