

**BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**RESOLUTION #2019-45**

**RESOLUTION AUTHORIZING THE FUND TREASURER TO TRANSFER \$238,530 FROM THE FUND YEAR 2019 MEL LIABILITY & WORKERS' COMPENSATION BUDGET LINE ITEM AND \$2,821 FROM THE MEL EXCESS PROPERTY LINE ITEM TO THE MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND RETROSPECTIVE ACCOUNT**

**WHEREAS**, the Burlington County Municipal Joint Insurance Fund (hereafter referred to as the FUND) has been organized pursuant to *N.J.S.A. 40A:10-36 et. seq.*; and

**WHEREAS**, the FUND is duly constituted as a Municipal Self Insurance Fund to provide insurance coverage to its member municipalities; and

**WHEREAS**, the FUND is a member of the Municipal Excess Liability Joint Insurance Fund (MEL JIF); and

**WHEREAS**, the MEL JIF implemented a Retrospective Program in which the FUND is participating; and

**WHEREAS**, participation in the MEL JIF Retrospective Program requires the FUND to pay the NJ MEL 85% of the 2019 excess workers' compensation and liability loss funding and 100% of all excess premiums for workers compensation, liability and property coverage; and

**WHEREAS**, pursuant to the terms of the MEL JIF Retrospective Program, the FUND paid the MEL JIF \$1,647,812 (inclusive of Elected Officials credits) in Fund Year 2019 which represents 85% of the FUND's obligation to the MEL JIF for excess workers' compensation and liability loss funding and all excess premiums for Fund Year 2019; and

**WHEREAS**, the FUND is obligated to pay the MEL JIF up to a maximum of \$1,735,106 in workers' compensation and liability loss funding and excess premiums should at any point over the next 10 years the MEL JIF pay more than the initial \$1,647,812 paid in Fund Year 2019 for claims occurring in Fund Year 2019; and

**WHEREAS**, the difference between what has been paid to the MEL JIF in excess loss funding for workers' compensation and liability claims in Fund Year 2019 (\$1,647,812); and the FUND's potential obligation to the MEL JIF for Fund Year 2019 (\$1,735,106); is \$87,294; and

**WHEREAS**, , in developing the Fund Year 2019 Budget, the FUND budgeted an additional \$151,236 more than the FUND's maximum obligation for excess workers' compensation and liability loss funding and an additional \$2,821 in excess property premium allowing the FUND the ability to transfer an additional \$154,057 to the Municipal Excess Liability Joint Insurance Fund Retrospective Account; and

**WHEREAS**, since the FUND transfers its liabilities for open FUND claims inclusive of established reserves on those claims and IBNR to the Residual Claims Fund Joint Insurance Fund 48 months following the close of the Fund Year with the balance of cash being transferred to the FUND's Closed Years Account, the creation of the Municipal Excess Liability Joint Insurance Fund Retrospective Account to hold the potential additional funding due to the NJ MEL pursuant to the MEL JIF Retrospective Program will allow the FUND to set aside these funds should they need to be paid to the MEL JIF; and

**WHEREAS**, it is in the FUND's best interest to transfer \$241,351 from the Fund Year 2019 Budget into the Municipal Excess Liability Joint Insurance Fund Retrospective Account to guarantee that

these funds will be available to pay any obligations pursuant to the MEL JIF Retrospective Program, account for these funds on a member-by-member basis, and to insure for their proper accounting.

**NOW THEREFORE BE IT RESOLVED**, by the Commissioners of the Gloucester, Salem, Cumberland Counties Municipal Joint Insurance Fund that the FUND Treasurer is hereby authorized to transfer \$238,530 from the Fund Year 2019 MEL Workers' Compensation and Liability Budget line item and \$2,821 from the MEL Excess Property line item to the Municipal Excess Liability Joint Insurance Fund Retrospective Account;; and

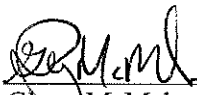
**BE IT FURTHER RESOLVED**, that the FUND Treasurer is hereby directed to make this transfer prior to the end of the Fund Year 2019 fiscal year; and

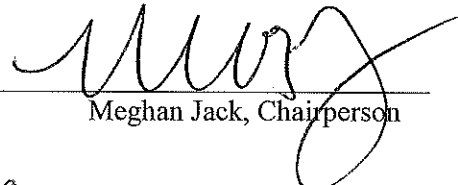
**BE IT FURTHER RESOLVED**, the FUND Treasurer, FUND Auditor, and Administrative Consultant are hereby directed to account for these funds in accordance with accepted accounting practices for Joint Insurance Funds; and

**BE IT FURTHER RESOLVED** that a copy of this Resolution be provided to the Executive Director's office, the FUND Treasurer, FUND Auditor, and Administrative Consultant for their attention and action.

This Resolution was duly adopted by the Burlington County Municipal Joint Insurance Fund at a public meeting held on December 17, 2019.

**BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND**

Attest:   
Glenn McMahon, Secretary

By:   
Meghan Jack, Chairperson

Date: 12/17/19