



**REPORT ON AUDIT OF FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

BURLINGTON COUNTY  
MUNICIPAL JOINT INSURANCE FUND

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ANNUAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2020

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  
Marlton, NJ 08053

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

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

EXECUTIVE COMMITTEE

Chairperson Glenn McMahon Douglas Cramer  
Secretary John Gural James Ingling  
Paula Kosko Jerry Mascia  
Rich Wolbert

EXECUTIVE COMMITTEE ALTERNATES

Steve Ent  
Grace Archer  
Michael Theokas  
David Matchett

State of New Jersey  
County of Burlington

Glenn McMahon (Chairperson) John Gural (Secretary), of the Burlington  
County Municipal Joint Insurance Fund being duly sworn, each for himself  
deposes and says that they are the above described executive committee members of the said joint insurance fund, and  
that on the 31st day of December, 2020 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, 2020, 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  X  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 \_\_\_\_\_, 2021

## **INDEPENDENT AUDITOR'S REPORT**

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

### **Report on the Financial Statements**

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, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Fund's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

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, 2020 and 2019 and the changes in its financial position and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

**Other Matters**

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

***Other 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.

Executive Committee  
Burlington County Municipal Joint Insurance Fund

**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated June 15, 2021 on our consideration of the Fund's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 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,

A handwritten signature in black ink that reads "Bowman & Company LLP". The signature is written in a cursive, flowing style.

Bowman & Company LLP  
Certified Public Accountants  
& Consultants

Voorhees, New Jersey  
June 15, 2021

**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, 2020, 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 15, 2021.

**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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 Fund'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 over financial reporting 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 significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Executive Committee  
Burlington County Municipal Joint Insurance Fund

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Fund’s financial statements are free of 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 15, 2021



# **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, 2020, 2019 and 2018. 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, 2020, 2019 and 2018.

Net Position Summary	12/31/2020	12/31/2019	12/31/2018	2019 to 2020 Change	
				Amount	Percentage
<b>Assets</b>					
Cash & Cash Equivalents	\$13,853,657	\$ 2,277,920	\$ 960,092	\$11,575,737	508.2%
Investments	4,458,880	16,092,261	16,927,549	(11,633,381)	-72.3%
Other Assets	1,312,312	1,296,482	1,308,180	15,830	1.2%
<b>Total Assets</b>	<b>19,624,849</b>	<b>19,666,663</b>	<b>19,195,821</b>	<b>(41,814)</b>	<b>-0.2%</b>
<b>Liabilities And Reserves &amp; Net Position</b>					
<b>Liabilities And Reserves</b>					
Loss Reserves	6,073,535	5,548,253	4,853,663	525,282	9.5%
Other Liabilities	2,663,447	2,172,369	1,868,975	491,078	22.6%
<b>Total Liabilities</b>	<b>8,736,982</b>	<b>7,720,622</b>	<b>6,722,638</b>	<b>1,016,360</b>	<b>13.2%</b>
<b>Net Position - Unrestricted</b>	<b>\$10,887,867</b>	<b>\$11,946,041</b>	<b>\$12,473,183</b>	<b>\$(1,058,174)</b>	<b>-8.9%</b>

Revenues, Expenses, and Changes in Net Position Summary	12/31/2020	12/31/2019	12/31/2018	2019 to 2020 Change	
				Amount	Percentage
<b>Operating Revenue</b>					
Regular Contributions & Other Income	\$ 8,062,210	\$ 7,632,900	\$ 7,534,410	\$ 429,310	5.6%
<b>Operating Expenses:</b>					
Provision For Claims and Claims					
Adjustment Expenses	3,833,465	3,584,446	3,568,087	249,019	6.9%
Premium For Excess Insurance	3,148,451	2,740,331	2,568,089	408,120	14.9%
Surplus Trigger Assessment	230,550	87,719	-	142,831	162.8%
(Over)/Under Funding MEL					
Retro Liability	(141,480)	(256,399)	-	114,919	44.8%
Professional & Contractual Services	1,346,879	1,481,251	1,391,511	(134,372)	-9.1%
<b>Total Operating Expenses</b>	<b>8,417,865</b>	<b>7,637,348</b>	<b>7,527,687</b>	<b>780,517</b>	<b>10.2%</b>
<b>Operating Income (Loss)</b>	<b>(355,655)</b>	<b>(4,448)</b>	<b>6,723</b>	<b>(351,207)</b>	<b>-7895.8%</b>
Investment Income	262,380	455,033	333,915	(192,653)	-42.3%
Change In Investment In Joint Venture	(70,868)	(34,770)	(45,960)	(36,098)	-103.8%
Distributions To Members	(894,031)	(942,957)	(739,758)	48,926	5.2%
<b>Change In Net Positon</b>	<b>\$ (1,058,174)</b>	<b>\$ (527,142)</b>	<b>\$ (445,080)</b>	<b>\$ (531,032)</b>	<b>-100.7%</b>

## Financial Highlights Continued

In 2020, 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.) decreased from the prior year by 9.1%. This decrease was the result of the timing of actual payments. 2020 Budget increases in professional fees averaged 2.00%; however, the Claims Administration was approved for a 4.0% rate increase resulting in a line item increase of 3.96%. The Right to Know Coordinator was approved for a 21.74% increase plus similar increases for the proceeding two years due to a recognition that the costs associated with this service are significantly higher than the rate of compensation to the vendor. Similarly, the Technology Risk Services Director was approved for a 20.73% increase with a similar increase the following year in recognition of a change in the services being provided to the membership. Fund Year 2020 also saw the reallocation of funds from the Contingency line and Police defense costs line item to pay for Police On-Line Training, Cyber On-Line Employee Training, and Technology Risk Management Services. Professional & Contractual Services and Member Benefit costs represented just 17% of the total Fund's budget.

An overall 10.2% increase in Operating Expenses over the prior year was driven by a \$249,019 increase (6.9%) in Claims and Claims Adjustment Expenses and a \$408,120 (14.9%) increase in Premium for Excess Insurance. The Surplus Trigger Assessment funding for the MEL and RCF Surplus Strengthening program increased \$142,831 (162.8%) and a \$114,919 (44.8%) increase in the over funding of the MEL Retrospective Account. 2020 is the second year of the Residual Claims Fund (RCF) "trigger" (\$124,040) and the first year of the MEL "trigger" (\$106,510). With the transfer of the 2016 Fund Year to the RCF effective December 31, 2020, a surplus trigger was activated that requires all Funds participating in the RCF to commit additional funding to the RCF to bring the percentage of RCF surplus to claims reserve and IBNR to 12.5%. The Fund was charged \$124,040, which is its proportionate share of all RCF Fund Years applied to the total amount of funding required to meet the 12.5% RCF surplus floor. Effective December 31, 2020, a surplus trigger was activated that requires all Funds participating in the MEL to commit additional funding to the MEL to bring the percentage of MEL surplus to claims reserve and IBNR to 12.5%. The Fund was charged \$106,510, which is its proportionate share of all MEL Open Fund Years applied to the total amount of funding required to meet the 12.5% MEL surplus floor.

In addition to the RCF trigger noted above, the Fund also posted its \$716,292 obligation to the Residual Claims Fund for the 2016 Fund Year, which is a 6.6% increase over the 2015 Fund Year. Similarly, the Fund posted \$94,076 for its obligation to the MEL Retrospective program liability resulting from adding the 2020 contractual obligation. Claims liabilities increased 9.5% in case reserves and an additional 22.6% in IBNR resulting in an overall 13.2% increase (\$1,016,360) in Total Liabilities & Reserves. Cash & Cash Equivalents increased over the prior year by \$11,575,737 while investments decreased by \$11,633,381 resulting in a net decrease in assets of approximately \$41,814 (0.2%). As a result, the overall net position of the Fund decreased by approximately \$1,058,174.

Regular Contributions increased by approximately \$429,310 over 2019 mostly driven by the addition of New Hanover Township and Pemberton Township Sewage Authority. Five members (Delanco Township, Edgewater Park Township, Palmyra Borough, Riverside Township, Westampton Township) qualify 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. Their participation in the Program saved the remaining members of the Fund approximately \$50,000. The loss funding allocations by line of coverage are recommended by the Fund Actuary.

For 2020, the MEL Budget increased by 0.4% prior to exposure growth. Inclusive of exposure growth, the Fund recognized an increase in its MEL assessment of approximately \$68,441 or 3.62%. The MEL implemented a Retrospective Program on all members in addition to an experience rating process based on the prior ten years MEL experience for Workers' Compensation (WC) and Liability claims funding. As the Fund has been a net "giver" to the MEL over the prior ten years, the more recent performance has been trending negatively and the Fund's ten year average (56.4%) is nearing the overall MEL average (60.5%) resulting in a 1% experience rating applied to their WC and Liability claims funding. Under the Retrospective Program, each Fund was invoiced 85% of WC and

## **Financial Highlights Continued**

Liability claims funding while being contractually bound to a value (100% to 125%) based on the prior ten years MEL experience. Each Fund will be contractually bound to the Retrospective Program for the respective Fund Year for ten (10) years. Again, as the Fund has been a net giver to the MEL over the prior ten years, the maximum obligation under the Retrospective Program is 100%. The Finance Committee opted to fund this line item at 100% of the maximum obligation and transfer any potential liability into the MEL Retrospective Account within the Fund. The Committee opted to fund an additional \$141,480 in recognition of the new potential liability for Sexual Abuse and Molestation (SAM) and Firefighter Cancer Presumption claims.

Effective January 1, 2016, the Fund entered into a contract for EPL/POL Coverage with QBE Insurance. The proposal from QBE was a 1% statewide rate increase for 2020. In recognition that the allocation of the EPL/POL premium across the MEL affiliated Funds was skewed, representatives from each MEL affiliated Fund created a Task Force. The goal of the Task Force was to ensure the EPL/POL premium is allocated on a Fund by Fund basis in a fair and equitable manner. The Task Force allocated the 1.0% increase for 2020 on a Fund by Fund basis utilizing exposures multiplied by the applicable rates and five years' experience valued as of June 30, 2019. Historically, the Fund's performance in this line of coverage has been positive resulting in some member's premium not covering the cost of their exposures. The Fund's five year average loss ratio (33.3%) in the EPL/POL line of coverage was considerably lower than what the commercial market considers break even (55%), so the inclusion of exposures in the premium allocation resulted in a premium increase of 9.75% for 2020.

Volunteer, Directors and Officers Liability Coverage remained with QBE at expiring rates. Cyber Liability Coverage (a \$906 per member 2020 fee) remained with XL Insurance. The Excess Cyber Liability Coverage (a \$414 per member 2020 fee) remained with Beazley.

In 2020, the Fund authorized a surplus release of \$850,000 to its members in September, which was a \$50,000 decrease over a combined release of \$750,000 standard release coupled with a \$150,000 assessment credit release that was released in November 2019. It should be noted that the Fund had a surplus of approximately \$9.7 million at December 31, 2020 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**

Several factors outside the control of the Fund continue to influence its financial condition. Continuing a trend from prior years, the Fund continues to experience a decrease in the overall number of workers compensation claims; however, the severity (cost) of the claims continues to increase. Factors driving the increase include an increase in health care inflation and indemnity costs coupled with an aging workforce. In addition, the Fund continues to deal with a petitioner friendly court vicinage, an ever-expanding definition of compensability, and a continued increase in the number of claim "re-openers" being filed by previously injured employees.

Other factors impacting the Fund's financial position in 2020 include a change in State statute that opens the Fund to potential liability for claims of sexual abuse and molestation that occurred more than two years ago. Specifically, the statute opened a two-year window where victims of sexual abuse and molestation could bring a claim against a responsible party for incidents that were previously banned due to an existing two-year statute of limitations and removes the statute of limitations for these types of claims going forward. The change makes public entities, their employees, volunteers, and elected officials potentially liable for these incidents and specifically removes the ability of the Fund to use immunities under Title 59 to defend these claims. Projecting the costs of these potential claims is very difficult and will have an impact on the Fund's financials well into the future.

The second 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. Again, projecting the costs of these potential claims is very difficult and will have an impact on the Fund's financials well into the future.

## **Economic Conditions Continued**

An additional factor outside of the Fund's control impacting its financial position is the worldwide insurance market that has become very difficult over the last year. With an increasing number of natural disasters, the impact of global warming, and the increasing costs of building materials, the excess property insurance market has experienced increasing rates, reduced coverage limits, and a demand for more detailed exposure data. The excess liability market has experienced a similar trend due to increasing law enforcement liability claims and the impact of "social inflation. In addition, the workers compensation market is becoming more challenging as a result of the financial impact of the COVID 19 pandemic. 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.

After several years of low returns on investments, the Fund recognized a 42.3% decrease in investment income over 2019 due to unrealized loss based on the maturation date of the investments. As a public entity, the Fund is limited in its investment options to US Treasury backed investments.

## **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, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 13,853,657	\$ 2,277,920
Investments	4,458,880	16,092,261
Investment in Joint Ventures	1,183,773	1,254,641
Accrued Interest Receivable	16,493	41,032
Excess Insurance Receivable	102,507	-
Retro Program	7,951	-
Prepaid Expenses	1,588	809
	<u>19,624,849</u>	<u>19,666,663</u>
 <u>LIABILITIES AND RESERVES</u>		
Liabilities:		
Accrued Expenses	197,069	185,088
Due to Residual Claims Fund	716,292	475,021
Surplus Trigger Assessment Due	230,550	87,719
MEL Retrospective Potential Obligation	448,952	354,876
Aggregate Excess Loss Fund Contingency	303,286	238,422
Authorized Return of Surplus	767,298	831,243
	<u>2,663,447</u>	<u>2,172,369</u>
Reserves:		
Claims:		
Case Reserves	3,856,198	3,078,507
IBNR Reserves	2,362,084	2,469,746
Excess Insurance Recoverable	(144,747)	-
	<u>6,073,535</u>	<u>5,548,253</u>
Total Liabilities and Reserves	<u>8,736,982</u>	<u>7,720,622</u>
 <u>NET POSITION</u>		
Unrestricted	<u>\$ 10,887,867</u>	<u>\$ 11,946,041</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, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Operating Revenues:		
Regular Contributions	\$ 8,010,228	\$ 7,589,343
MEL, EJIF and RCF Dividends	44,031	42,957
Retro Program Income	7,951	-
Other Income	-	600
	<hr/>	<hr/>
Total Operating Revenues	<u>8,062,210</u>	<u>7,632,900</u>
Operating Expenses:		
Provision for Claims and Claims Adjustment Expenses	3,833,465	3,584,446
Premium for Excess Insurance	3,148,451	2,740,331
Surplus Trigger Assessment	230,550	87,719
(Over)/Under Funding MEL Retro Liability	(141,480)	(256,399)
Other Operating Expenses:		
Actuary - The Actuarial Advantage	25,904	25,092
Administration - Risk Program Administrators	367,702	354,545
Administrative Consultant - PERMA, Inc.	29,067	27,746
Attorney - DeWeese Law Firm, P.C.	75,339	71,564
Auditor - Bowman & Company LLP	19,960	18,870
Claims Audit	5,470	5,275
Claims Administration - Qual-Lynx	128,073	206,206
Contingency - Various	3,690	7,946
Other Expenses - Various	24,097	256
Payroll Auditor - Bowman & Company LLP	11,231	11,006
Property Appraiser - AssetWorks, LLC	17,686	21,936
Risk Control Contingency - Various	-	(5,000)
Risk Management Consultants - Various	280,214	248,056
Safety Director - J.A. Montgomery Risk Control Services	47,068	131,341
Safety Programs/EPL Cyber - Various	184,983	250,342
Technology Risk Services Director - Secure Data Consulting	55,440	37,125
Treasurer - Thomas Tontarski	11,386	11,163
Underwriting Manager - Conner Strong & Buckelew	8,360	7,903
Wellness Program - Various	51,209	49,879
	<hr/>	<hr/>
Total Operating Expenses	<u>8,417,865</u>	<u>7,637,348</u>
Operating Loss	(355,655)	(4,448)
Non-Operating Revenue (Expense):		
Investment Income	262,380	455,033
Change in Investment in Joint Ventures	(70,868)	(34,770)
	<hr/>	<hr/>
Change in Net Position	(164,143)	415,815
Net Position, Beginning	<u>11,946,041</u>	<u>12,473,183</u>
Net Position Before Distributions to Members	11,781,898	12,888,998
Distributions to Members	894,031	942,957
	<hr/>	<hr/>
Net Position, Ending	<u>\$ 10,887,867</u>	<u>\$ 11,946,041</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, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Cash Flows From Operating Activities:		
Receipts from Regular Contributions	\$ 8,010,228	\$ 7,589,343
Receipts from MEL, EJIF and RCF Dividends	44,031	42,957
Receipts from Other Income	-	600
Payments for Claim Payments	(3,169,419)	(2,890,643)
Payments for Insurance Premiums	(3,000,614)	(2,498,980)
Payments to Professionals and Suppliers	<u>(1,335,677)</u>	<u>(1,478,693)</u>
Net Cash Flows Provided by Operating Activities	<u>548,549</u>	<u>764,584</u>
Cash Flows From Investing Activities:		
Redemption of Investment Securities	27,768,000	19,514,000
Purchase of Investment Securities	(15,983,805)	(18,445,408)
Investment Income	<u>136,105</u>	<u>198,473</u>
Net Cash Flows Provided by Investing Activities	<u>11,920,300</u>	<u>1,267,065</u>
Cash Flows Used in Noncapital Financing Activities:		
Distribution to Members	<u>(893,112)</u>	<u>(713,821)</u>
Net Increase in Cash and Cash Equivalents	11,575,737	1,317,828
Cash and Cash Equivalents - Beginning	<u>2,277,920</u>	<u>960,092</u>
Cash and Cash Equivalents - Ending	<u>\$ 13,853,657</u>	<u>\$ 2,277,920</u>
Reconciliation of Operating Loss to		
Cash Flows From Operating Activities:		
Operating Loss	\$ (355,655)	\$ (4,448)
Adjustments to Reconcile Operating Loss to		
Net Cash Provided by Operating Activities:		
Changes in Assets and Liabilities:		
Excess Insurance Receivable	(102,507)	-
Retro Program	(7,951)	-
Prepaid Expenses	(779)	184
Accrued Expenses	11,981	2,374
MEL Retrospective Potential Obligation	94,076	(15,048)
Due to Residual Claims Fund	241,271	(787)
Surplus Trigger Assessment Due	142,831	87,719
Claims Reserves	<u>525,282</u>	<u>694,590</u>
Net Cash Flows Provided by Operating Activities	<u>\$ 548,549</u>	<u>\$ 764,584</u>
Supplemental Disclosure - Noncash Activity:		
Change in Unrealized Gain (Loss) on Investments included in		
Investment Income	<u>\$ 43,009</u>	<u>\$ 118,895</u>
Change in Investment in Joint Ventures	<u>\$ (70,868)</u>	<u>\$ (34,770)</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, 2020, 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 coverage's 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 GASB Statements No. 14, *The Financial Reporting Entity*, as amended.

**BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

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

**Component Unit (Cont'd)**

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.

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 Governmental Accounting Standards Board (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.

**BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

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

**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 municipal units. 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 Governmental Unit Deposit Protection Act. 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. The Fund categorizes its fair value measurement 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 prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

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

**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.

**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 the 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.

**BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

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

**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.

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, 2020. 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.

**BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

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

**Fund Transfers (Cont'd)**

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.

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.

**BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

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

**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.

**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.

**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 Governmental Unit Deposit Protection Act (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.

**BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 3: CASH AND CASH EQUIVALENTS (CONT'D)**

**Custodial Credit Risk (cont'd)**

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 \$13,917,944 as of December 31, 2020, \$256,687 was insured while \$13,661,257 was collateralized under GUDPA.

Of the Fund's bank balance of \$2,467,735 as of December 31, 2019, \$258,488 was insured while \$2,209,247 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 United States Treasury Notes and United States Treasury Bills of \$4,458,880 and \$16,092,261 as of December 31, 2020 and 2019, respectively, were held by either the counterparty or counterparty's trust department or agent, but not in the Fund's name.

**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.



**BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 4: INVESTMENTS (CONT'D)**

**Concentration of Credit Risk (Cont'd)**

As of December 31, 2020 and 2019, the Fund had the following investments and maturities:

<u>Investment</u>	<u>Interest Rate</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Market Value</u>	
				<u>2020</u>	<u>2019</u>
US TREASURY BILLS	1.490%	01/14/20	AAA	\$ -	\$ 7,991,383
US TREASURY BILLS	1.940%	03/26/20	AAA	-	1,695,393
US TREASURY NOTES	1.375%	05/31/20	AAA	-	998,830
US TREASURY NOTES	1.375%	10/31/20	AAA	-	995,705
US TREASURY NOTES	2.250%	02/15/21	AAA	700,678	703,697
US TREASURY NOTES	1.625%	06/30/21	AAA	704,186	699,273
US TREASURY NOTES	1.125%	09/30/21	AAA	1,027,691	1,011,789
US TREASURY NOTES	1.500%	11/30/21	AAA	1,013,825	998,670
US TREASURY NOTES	1.500%	01/31/22	AAA	1,012,500	997,521
				<u>\$ 4,458,880</u>	<u>\$ 16,092,261</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 prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Fund has the following recurring fair value measurements as of December 31, 2020 and 2019:

United States Treasury Notes and United States Treasury Bills of \$4,458,880 and \$16,092,261 are valued using quoted market prices for identical assets (Level 1 inputs).

**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.

**BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 5: CHANGES IN UNPAID CLAIMS LIABILITIES (CONT'D)**

The following represents changes in those aggregate undiscounted reported and unreported liabilities for the years ended December 31, 2020 and 2019 and for all open Fund years net of excess insurance recoveries:

	<u>2020</u>	<u>2019</u>
Total unpaid claim and claim adjustment expenses all fund years - Beginning	<u>\$ 6,023,274</u>	<u>\$ 5,329,471</u>
Incurred claims and claims adjustment expenses:		
Provision for insured events of current fund year	2,924,778	3,271,112
Changes in provision for insured events of prior fund years	<u>908,687</u>	<u>313,334</u>
Total incurred claims and claims adjustment expenses all fund years	<u>3,833,465</u>	<u>3,584,446</u>
Payments (Net of Recoveries):		
Claims and claim adjustments expenses:		
Attributable to insured events of current fund year	901,284	1,050,602
Attributable to insured events of prior fund years	<u>2,165,628</u>	<u>1,840,041</u>
Total payments all fund years	<u>3,066,912</u>	<u>2,890,643</u>
Total unpaid claim and claim adjustment expenses all fund years - Ending	<u><u>\$ 6,789,827</u></u>	<u><u>\$ 6,023,274</u></u>
Analysis Of Balance:		
Due to Residual Claims Fund	\$ 716,292	\$ 475,021
Net Reserves	<u>6,073,535</u>	<u>5,548,253</u>
	<u><u>\$ 6,789,827</u></u>	<u><u>\$ 6,023,274</u></u>

**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 retained earnings 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.

**BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

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

**Municipal Excess Liability Residual Claims Fund (Cont'd)**

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 severally 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)**

**Equity Interest**

As of December 31, 2020 and 2019, the Fund's share of net position in the Residual Fund, the MEL and the Environmental Fund is as follows:

	<u>2020</u>	<u>2019</u>
Residual Fund	\$ 243,975	\$ 181,316
MEL	65,423	357,299
Environmental Fund	<u>874,375</u>	<u>716,026</u>
	<u>\$ 1,183,773</u>	<u>\$ 1,254,641</u>

**Selected Financial Information**

Selected summarized financial information for the Residual Fund, the MEL and the Environmental Fund as of December 31, 2020 is as follows:

	<u>Residual Fund</u>	<u>MEL</u>	<u>Environmental Fund</u>
Total Assets	<u>\$ 113,821,785</u>	<u>\$ 85,601,144</u>	<u>\$ 34,453,325</u>
Total Liabilities	<u>\$ 101,181,048</u>	<u>\$ 69,349,487</u>	<u>\$ 12,275,343</u>
Net Position	<u>\$ 12,640,737</u>	<u>\$ 16,251,657</u>	<u>\$ 22,177,982</u>
Total Revenue	<u>\$ 28,628,559</u>	<u>\$ 52,502,391</u>	<u>\$ 4,765,059</u>
Total Expenses	<u>\$ 27,440,450</u>	<u>\$ 62,523,370</u>	<u>\$ 905,589</u>
Change in Net Position	<u>\$ 530,539</u>	<u>\$ (10,020,979)</u>	<u>\$ 1,359,470</u>
Distributions to Members	<u>\$ 657,570</u>	<u>\$ -</u>	<u>\$ 2,500,000</u>

**BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

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

**Selected Financial Information (Cont'd)**

Selected summarized financial information for the Residual Fund, the MEL and the Environmental Fund as of December 31, 2019 is as follows:

	Residual <u>Fund</u>	MEL	Environmental <u>Fund</u>
Total Assets	\$ 102,863,955	\$ 80,294,462	\$ 33,215,865
Total Liabilities	\$ 90,753,757	\$ 54,021,826	\$ 12,397,353
Net Position	\$ 12,110,198	\$ 26,272,636	\$ 20,818,512
Total Revenue	\$ 29,006,573	\$ 49,733,294	\$ 5,177,954
Total Expenses	\$ 27,358,705	\$ 51,222,164	\$ 2,479,087
Change in Net Position	\$ 1,001,868	\$ (1,488,870)	\$ 698,867
Distributions to Members	\$ 646,000	\$ -	\$ 2,000,000

Financial statements for the Municipal Excess Liability Residual Claims Fund, the Municipal Excess Liability Joint Insurance Fund and the New Jersey Municipal Environmental 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 2020, the Executive Committee approved a surplus distribution for \$894,031, representing \$850,000 paid from the closed fund years account and a pass through of \$44,031 in E-JIF dividends to the aggregate excess loss contingency fund.

During 2019, the Executive Committee approved a surplus distribution for \$942,957, representing \$900,000 paid from the closed fund years account and a pass through of \$42,957 in E-JIF dividends to the aggregate excess loss contingency fund.

**BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**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.

As of December 31, 2020, 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	\$ 743	\$ 384	\$ 3	\$ 1,130
Beverly City	1,306	675	5	1,986
Bordentown City	69,772	261	827	70,860
Bordentown Township	43,630	19,600	519	63,749
Chesterfield Township	2,383	664	18	3,065
Delanco Township	1,589	822	6	2,417
Delran Township	38,412	3,946	393	42,751
Edgewater Park Township	3,860	1,997	14	5,871
Florence Township	5,276	2,730	19	8,025
Hainesport Township	2,025	1,048	7	3,080
Lumberton Township	5,135	2,657	19	7,811
Mansfield Township	2,500	1,293	9	3,802
Medford Township	10,926	5,653	40	16,619
Mount Laurel Township	19,748	10,217	73	30,038
Riverside Township	3,884	2,010	14	5,908
Shamong Township	3,172	1,641	12	4,825
Southampton Township	5,101	2,640	19	7,760
Springfield Township	1,584	819	6	2,409
Tabernacle Township	3,521	1,822	13	5,356
Westampton Township	13,856	1,834	135	15,825
	<u>\$ 238,422</u>	<u>\$ 62,713</u>	<u>\$ 2,151</u>	<u>\$ 303,286</u>

**BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

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

As of December 31, 2019, 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	\$ 357	\$ 383	\$ 3	\$ 743
Beverly City	628	673	5	1,306
Bordentown City	52,800	16,084	888	69,772
Bordentown Township	27,823	15,339	468	43,630
Chesterfield Township	1,698	662	23	2,383
Delanco Township	764	819	6	1,589
Delran Township	69,589	(32,068)	891	38,412
Edgewater Park Township	1,855	1,990	15	3,860
Florence Township	2,536	2,720	20	5,276
Hainesport Township	973	1,044	8	2,025
Lumberton Township	2,468	2,647	20	5,135
Mansfield Township	1,202	1,288	10	2,500
Medford Township	5,252	5,632	42	10,926
Mount Laurel Township	9,492	10,180	76	19,748
Riverside Township	1,866	2,003	15	3,884
Shamong Township	1,525	1,635	12	3,172
Southampton Township	2,451	2,630	20	5,101
Springfield Township	762	816	6	1,584
Tabernacle Township	1,692	1,815	14	3,521
Westampton Township	11,845	1,827	184	13,856
	<u>\$ 197,578</u>	<u>\$ 38,119</u>	<u>\$ 2,725</u>	<u>\$ 238,422</u>

**Note 9: RELATED PARTY TRANSACTIONS**

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

Excess insurance premiums paid to the MEL were \$2,028,948 and \$1,889,163 for the years ended December 31, 2020 and 2019, respectively. As disclosed in Note 11, the Fund was also assessed a surplus trigger assessment during 2020.

Excess insurance premiums paid to the Environmental Fund were \$249,014 and \$246,892 for the years ended December 31, 2020 and 2019, respectively.

During 2020 and 2019, the Fund was assessed \$716,292 and \$475,021, respectively, for the transfer of fund year 2016 and 2015 liabilities to the Residual Fund. As disclosed in Note 11, the Fund was also assessed a surplus trigger assessment during 2020 and 2019.

**BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 10: MEL JIF RETROSPECTIVE PROGRAM**

As disclosed in notes 6 and 9, the Fund is a member of the Municipal Excess Liability Joint Insurance Fund and has adopted a retrospective rating premium approach to implement experience rated assessments for liability and workers' compensation coverages. The MEL billed 85% of the experience rated assessment in the first year and, should a member joint insurance fund exceed that amount, an additional assessment would be calculated based on each member joint insurance fund's retrospective rating modification. The retrospective rating modification is an experience rated factor and any additional assessments would be capped at 100%, 115% or 125% of that factor. Over a ten-year period (120 months), if a member joint insurance fund's liability and workers' compensation loss funds stay within the 85% threshold, there would not be an additional assessment.

As of December 31, 2020 and 2019, the Fund was obligated to pay the MEL up to 100% in workers' compensation and liability loss funding. The Fund's initial payment of Fund Year excess premiums was 85% and the potential obligation due to the MEL was 15% of the Fund's remaining excess loss funding for workers' compensation and liability claims.

As December 31, 2020 and 2019, The Fund's potential obligation due to the MEL was:

<u>Fund Year</u>	<u>Maximum Obligation</u>	<u>Initial Payment</u>	<u>(Over)/Under Funding</u>	<u>Transfer To MEL</u>	<u>Potential Obligation 2020</u>	<u>Potential Obligation 2019</u>
2020	\$1,887,468	\$2,028,948	\$ (141,480)	\$ 235,556	\$ 94,076	\$ -
2019	\$1,735,106	\$1,889,163	(154,057)	241,351	87,294	87,294
2018	\$1,657,499	\$1,759,841	(102,342)	188,080	85,738	85,738
2017	\$1,678,983	\$1,678,983	-	91,135	91,135	91,135
2016	\$1,682,512	\$1,591,803	-	90,709	90,709	90,709
			<u>\$ (397,879)</u>	<u>\$ 846,831</u>	<u>\$ 448,952</u>	<u>\$ 354,876</u>

**Note 11: SURPLUS TRIGGER ASSESSMENT DUE**

The Board of Fund Commissioners of the Municipal Excess Liability Residual Claims Fund and Municipal Excess Liability Joint Insurance Fund 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. For the years ended December 31, 2020 and 2019, supplemental assessments were due to the Residual Fund and MEL as follows:

	<u>2020</u>	<u>2019</u>
Residual Fund	\$ 124,040	\$ 87,719
MEL	<u>106,510</u>	<u>-</u>
	<u>\$ 230,550</u>	<u>\$ 87,719</u>



**BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 12: SUBSEQUENT EVENTS**

**COVID-19 Pandemic**

While there are many issues that are increasing claims cost for New Jersey public entities, management is confident that the MEL and its affiliated JIFs are in an exceptionally strong position because of decades of conservative financial practices. Management continues to evaluate the impact of the COVID 19 pandemic on workers' compensation and has established a special COVID litigation reserve of \$5.5 million. Workers' compensation claims are also expected to increase because of recent changes in the public employee pension plans that will reduce the plans' contribution in total disability claims. Fortunately, MEL members are experiencing a lower rate of other employee accidents because of improved safety programs. Liability claims are increasing because of the recent change in the statute of limitations for sexual molestation lawsuits and the reluctance of the NJ Court System to grant summary judgements when Title 59 immunities should apply. Management also expects a sharp increase in excess and reinsurance premiums, especially for property insurance and cyber liability insurance. To mitigate these increases, the MEL is planning a rate adjustment beginning 2022.

**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, 2020

	<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	\$ 164,915	\$ 1,988,546	\$ 211,197	\$ 3,658,616	\$ 6,023,274
Incurred claims and claims adjustment expenses:					
Provision for insured events of current fund year	538,430	618,343	149,104	1,618,901	2,924,778
Changes in provision for insured events of prior fund years	(24,628)	615,775	(78,937)	396,477	908,687
Total incurred claims and claims adjustment expenses all fund years	513,802	1,234,118	70,167	2,015,378	3,833,465
Payments (Net of Recoveries):					
Claims and claims adjustment expenses:					
Attributable to insured events of current fund year	235,562	72,367	13,043	580,312	901,284
Attributable to insured events of prior fund years	121,128	682,620	436	1,361,444	2,165,628
Total payments all fund years	356,690	754,987	13,479	1,941,756	3,066,912
Total unpaid claim and claim adjustment expenses - Ending	\$ 322,027	\$ 2,467,677	\$ 267,885	\$ 3,732,238	\$ 6,789,827
Analysis Of Balance:					
Due to Residual Claims Fund					\$ 716,292
Net Reserves					6,073,535
					<u>\$ 6,789,827</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND  
TEN-YEAR CLAIMS DEVELOPMENT INFORMATION  
AS OF DECEMBER 31, 2020

	Fund Year Ended December 31									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Net Earned Required Contribution and Investment Revenue:										
Earned	\$ 6,615,262	\$ 6,863,008	\$ 7,872,219	\$ 7,959,942	\$ 8,002,027	\$ 8,106,323	\$ 7,968,966	\$ 7,609,422	\$ 7,680,579	\$ 8,041,789
Ceded	1,780,753	1,919,379	2,102,663	2,194,686	2,339,694	2,367,012	2,490,955	2,568,090	2,740,332	2,924,778
	4,834,509	4,943,629	5,769,556	5,765,256	5,662,333	5,739,311	5,478,011	5,041,332	4,940,247	5,117,011
Unallocated Expenses	973,281	1,049,128	1,196,791	1,229,034	1,303,669	1,327,397	1,297,343	1,410,686	1,465,172	1,543,419
Estimated Claims and Expenses, End of Policy Year:										
Incurred	3,160,390	2,597,201	3,235,000	3,409,081	3,821,000	3,388,503	2,707,217	4,096,085	3,271,112	3,172,032
Ceded	15,390	32,200		29,080						247,254
Net Incurred	3,145,000	2,565,001	3,235,000	3,380,001	3,821,000	3,388,503	2,707,217	4,096,085	3,271,112	2,924,778
Paid (Cumulative) as of:										
End of Policy Year	889,689	659,086	827,899	918,051	1,155,381	984,012	635,315	1,486,055	1,050,602	901,284
One Year Later	1,787,160	1,126,196	1,458,871	1,414,181	1,742,504	1,388,618	1,096,581	2,310,750	1,724,312	
Two Years Later	1,997,174	1,283,977	1,718,562	1,625,578	2,172,321	1,759,504	1,407,103	3,116,640		
Three Years Later	2,350,096	1,593,681	2,202,460	2,408,988	2,611,649	1,923,264	1,584,776			
Four Years Later (A)	2,400,114	1,790,807	2,258,043	2,865,300	2,677,204	2,059,305				
Reestimated Ceded Claims and Expenses	327,704	475,207	413,789	563,541	475,021	716,292				
Reestimated Incurred Claims and Expenses:										
End of Policy Year	3,145,000	2,565,001	3,235,000	3,380,001	3,821,000	3,388,503	2,707,217	4,096,085	3,271,112	2,924,778
One Year Later	3,226,000	2,167,783	2,894,045	3,001,899	3,324,964	2,531,060	2,058,047	3,945,576	3,570,050	
Two Years Later	2,758,530	1,929,427	2,912,044	2,361,875	3,281,557	2,332,365	2,192,491	4,564,935		
Three Years Later	2,686,253	2,122,183	2,645,911	2,973,744	3,318,942	2,830,793	2,238,277			
Four Years Later (A)	2,639,254	2,266,014	2,671,832	3,253,085	3,152,225	2,775,597				
Increase (Decrease) in Estimated Incurred Claims and Expenses from End of Policy Year	\$ (505,746)	\$ (298,987)	\$ (563,168)	\$ (126,916)	\$ (668,775)	\$ (612,906)	\$ (468,940)	\$ 468,850	\$ 298,938	\$ -

(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, 2020

ASSETS

Cash and Cash Equivalents	\$ 13,853,657	
Investments	<u>4,458,880</u>	
Total Cash and Investments		\$ 18,312,537
Receivables:		
Interest	16,493	
Excess Insurance Receivable	102,507	
Retro Program	<u>7,951</u>	
Total Receivables		126,951
Prepaid Expenses		<u>1,588</u>
Total Assets		\$ 18,441,076

LIABILITIES

Claims:		
Case Reserves	3,856,198	
IBNR Reserve	2,362,084	
Less: Excess Insurance Recoverable	<u>(144,747)</u>	
Total Claims		6,073,535
Accrued Expenses:		
Operating	<u>197,069</u>	
Total Unpaid Expenses		197,069
Other Liabilities:		
MEL Retrospective Potential Obligation	448,952	
Due to Residual Claims Fund	716,292	
Residual Claims Fund Surplus Trigger Assessment	124,040	
MEL Claims Fund Surplus Trigger Assessment	106,510	
Aggregate Excess Loss Fund Contingency	293,902	
Aggregate Excess Loss Fund Contingency		
Accrued Interest	9,384	
Authorized Return of Surplus	<u>767,298</u>	
Total Other Liabilities		<u>2,466,378</u>
Total Liabilities		<u>8,736,982</u>
Net Statutory Surplus		<u>\$ 9,704,094</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, 2020

Underwriting Income:			
Regular Contributions	\$	128,251,369	
MEL, EJIF and RCF Dividends		638,487	
Retro Program		85,749	
Other Income		<u>53,737</u>	
Total Underwriting Income			\$ 129,029,342
Incurred Liabilities:			
Claims:			
Paid (Net of Recoveries)		42,199,667	
Case Reserves		3,856,198	
IBNR Reserves		2,362,084	
Residual Claims Fund Premiums		<u>6,836,842</u>	
Subtotal			\$ 55,254,791
Less Excess Insurance:			
Received		252,211	
Receivable		102,507	
Recoverable		<u>144,747</u>	
Subtotal			<u>499,465</u>
Total Limited Incurred Claims			54,755,326
Expenses:			
Excess Insurance Premiums		36,958,135	
Operating		<u>21,985,499</u>	
Total Expenses			<u>58,943,634</u>
Total Incurred Liabilities			<u>113,698,960</u>
Underwriting Surplus			15,330,382
Investment Income			4,768,217
Surplus Trigger Assessment:			
Paid:			
Residual Claims Fund		<u>(87,719)</u>	
Total Paid Surplus Trigger Assessment			(87,719)
Unpaid:			
Residual Claims Fund		(124,040)	
MEL		<u>(106,510)</u>	
Total Unpaid Surplus Trigger Assessment			<u>(230,550)</u>
Total Surplus Trigger Assessment			(318,269)
Over/(Under) Funding MEL Retro Liability			<u>397,879</u>
Gross Statutory Surplus			20,178,209
Return of Surplus:			
Paid		9,403,531	
Aggregate Excess Loss Fund Contingency		293,902	
Aggregate Excess Loss Fund Contingency			
Accrued Interest		9,384	
Authorized and Unpaid		<u>767,298</u>	
Total Return of Surplus			<u>10,474,115</u>
Net Statutory Surplus			<u>\$ 9,704,094</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. The Supplementary Information does not reflect the Fund's Investments in Joint Ventures as follows:

	<u>2020</u>	<u>2019</u>
Total Assets - Comparative Statements of Net Position	\$ 19,624,849	\$ 19,666,663
Less Investment in Joint Ventures	<u>1,183,773</u>	<u>1,254,641</u>
Total Assets - Statutory Basis	<u>\$ 18,441,076</u>	<u>\$ 18,412,022</u>
Net Position - Comparative Statements of Net Position	\$ 10,887,867	\$ 11,946,041
Less Investment in Joint Ventures	<u>1,183,773</u>	<u>1,254,641</u>
Net Statutory Surplus	<u>\$ 9,704,094</u>	<u>\$ 10,691,400</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, 2020

Underwriting Income:			
Regular Contributions	\$	8,010,228	
Retro Program		<u>7,951</u>	
Total Underwriting Income			\$ 8,018,179
Incurred Liabilities:			
Claims:			
Paid (Net of Recoveries)	901,284		
Case Reserves	1,050,229		
IBNR Reserves	<u>1,220,519</u>		
Subtotal			\$ 3,172,032
Less Excess Insurance:			
Received	-		
Receivable	102,507		
Recoverable	<u>144,747</u>		
Subtotal			<u>247,254</u>
Total Limited Incurred Claims			2,924,778
Expenses:			
Excess Insurance Premiums	2,956,415		
Operating	<u>1,543,419</u>		
Total Expenses			<u>4,499,834</u>
Total Incurred Liabilities			<u>7,424,612</u>
Underwriting Surplus			593,567
Investment Income			23,610
Intrafund Transfers To MEL Retro Contingency Fund:			
Regular Contributions			(235,556)
Excess Insurance Premiums			<u>235,556</u>
Gross Statutory Surplus			617,177
Return of Surplus:			
Paid		-	
Authorized and Unpaid		<u>-</u>	
Total Return of Surplus			<u>-</u>
Net Statutory Surplus			<u>\$ 617,177</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, 2020

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)	1,724,312		
Case Reserves	1,373,367		
IBNR Reserves	<u>472,371</u>		
Subtotal		\$ 3,570,050	
Less Excess Insurance:			
Received	-		
Receivable	-		
Recoverable	<u>-</u>		
Subtotal		<u>-</u>	
Total Limited Incurred Claims		3,570,050	
Expenses:			
Excess Insurance Premiums	2,740,332		
Operating	<u>1,465,172</u>		
Total Expenses		<u>4,205,504</u>	
Total Incurred Liabilities			<u>7,775,554</u>
Underwriting Deficit			(185,609)
Investment Income			90,634
Intrafund Transfers To MEL Retro Contingency Fund:			
Regular Contributions			(241,351)
Excess Insurance Premiums			<u>241,351</u>
Gross Statutory Deficit			(94,975)
Return of Surplus:			
Paid		-	
Authorized and Unpaid		<u>-</u>	
Total Return of Surplus			<u>-</u>
Net Statutory Deficit			<u>\$ (94,975)</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2018 OPERATING RESULTS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2018 TO DECEMBER 31, 2020

Underwriting Income:			
Regular Contributions	<u>\$ 7,494,652</u>		
Total Underwriting Income			\$ 7,494,652
Incurred Liabilities:			
Claims:			
Paid (Net of Recoveries)	3,116,640		
Case Reserves	901,021		
IBNR Reserves	<u>547,274</u>		
Subtotal		\$ 4,564,935	
Less Excess Insurance:			
Received	-		
Receivable	-		
Recoverable	<u>-</u>		
Subtotal		<u>-</u>	
Total Limited Incurred Claims		4,564,935	
Expenses:			
Excess Insurance Premiums	2,568,089		
Operating	<u>1,410,686</u>		
Total Expenses		<u>3,978,775</u>	
Total Incurred Liabilities			<u>8,543,710</u>
Underwriting Deficit			(1,049,058)
Investment Income			114,770
Intrafund Transfers To MEL Retro Contingency Fund:			
Regular Contributions			(188,080)
Excess Insurance Premiums			<u>188,080</u>
Gross Statutory Deficit			(934,288)
Return of Surplus:			
Paid		-	
Authorized and Unpaid		<u>-</u>	
Total Return of Surplus			<u>-</u>
Net Statutory Deficit			<u>\$ (934,288)</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2017 OPERATING RESULTS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2017 TO DECEMBER 31, 2020

Underwriting Income:			
Regular Contributions	<u>\$ 7,800,316</u>		
Total Underwriting Income			\$ 7,800,316
Incurred Liabilities:			
Claims:			
Paid (Net of Recoveries)	1,584,776		
Case Reserves	531,581		
IBNR Reserves	<u>121,920</u>		
Subtotal		\$ 2,238,277	
Less Excess Insurance:			
Received	-		
Receivable	-		
Recoverable	<u>-</u>		
Subtotal		<u>-</u>	
Total Limited Incurred Claims		2,238,277	
Expenses:			
Excess Insurance Premiums	2,490,955		
Operating	<u>1,297,343</u>		
Total Expenses		<u>3,788,298</u>	
Total Incurred Liabilities			<u>6,026,575</u>
Underwriting Surplus			1,773,741
Investment Income			168,650
Intrafund Transfers To MEL Retro Contingency Fund:			
Regular Contributions			(91,135)
Excess Insurance Premiums			<u>91,135</u>
Gross Statutory Surplus			1,942,391
Return of Surplus:			
Paid		-	
Authorized and Unpaid		<u>-</u>	
Total Return of Surplus			<u>-</u>
Net Statutory Surplus			<u>\$ 1,942,391</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2016 OPERATING RESULTS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2016 TO DECEMBER 31, 2020

Underwriting Income:			
Regular Contributions	\$	7,887,725	
Other Income		<u>120</u>	
Total Underwriting Income			\$ 7,887,845
Incurred Liabilities:			
Claims:			
Paid (Net of Recoveries)		2,059,305	
Residual Claims Fund Premium		<u>716,292</u>	
Subtotal			\$ 2,775,597
Less Excess Insurance:			
Received		-	
Receivable		-	
Recoverable		<u>-</u>	
Subtotal			<u>-</u>
Total Limited Incurred Claims			2,775,597
Expenses:			
Excess Insurance Premiums		2,367,012	
Operating		<u>1,327,397</u>	
Total Expenses			<u>3,694,409</u>
Total Incurred Liabilities			<u>6,470,006</u>
Underwriting Surplus			1,417,839
Investment Income			154,723
Surplus Trigger Assessment:			
Unpaid:			
Residual Claims Fund		<u>(124,040)</u>	
Total Unpaid Surplus Trigger Assessment			<u>(124,040)</u>
Total Surplus Trigger Assessment			(124,040)
Intrafund Transfers To MEL Retro Contingency Fund:			
Regular Contributions			(90,709)
Excess Insurance Premiums			90,709
Surplus Transfer to Closed Fund Year			<u>(1,448,522)</u>
Gross Statutory Surplus			-
Return of Surplus:			
Paid		-	
Authorized and Unpaid		<u>-</u>	
Total Return of Surplus			<u>-</u>
Net Statutory Surplus			<u>\$ -</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF MEL JIF RETROSPECTIVE CONTINGENCY FUND  
OPERATING RESULTS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2017 TO DECEMBER 31, 2020

Investment Income		\$ 18,374
Surplus Trigger Assessment:		
Unpaid:		
MEL	<u>\$ (106,510)</u>	
Total Unpaid Surplus Trigger Assessment		<u>\$ (106,510)</u>
Total Surplus Trigger Assessment		(106,510)
Over/(Under) Funding MEL Retro Liability		397,879
Intrafund Transfers		
Regular Contributions		448,952
Excess Insurance Premiums		<u>(448,952)</u>
Gross Statutory Surplus		<u>309,743</u>
Net Statutory Surplus		<u><u>\$ 309,743</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, 2020

Underwriting Income:		
Regular Contributions	\$ 89,469,103	
MEL and RCF Dividends	504,409	
EJIF Dividends	134,078	
Retro Program	77,798	
Other Income	<u>53,017</u>	
Total Underwriting Income		\$ 90,238,405
Incurred Liabilities:		
Claims:		
Paid (Net of Recoveries)	32,813,350	
Residual Claims Fund Premiums	<u>6,120,550</u>	
Subtotal		\$ 38,933,900
Less Excess Insurance:		
Received	252,211	
Receivable	-	
Recoverable	<u>-</u>	
Subtotal		<u>252,211</u>
Total Limited Incurred Claims		38,681,689
Expenses:		
Loss Fund Contingency		
Excess Insurance Premiums	23,835,332	
Operating	<u>14,941,482</u>	
Total Expenses		<u>38,776,814</u>
Total Incurred Liabilities		<u>77,458,503</u>
Underwriting Surplus		12,779,902
Investment Income		4,197,456
Surplus Trigger Assessment:		
Paid:		
Residual Claims Fund	<u>(87,719)</u>	
Total Paid Surplus Trigger Assessment		<u>(87,719)</u>
Total Surplus Trigger Assessment		(87,719)
Surplus Transfer From 2016 Fund Year		<u>1,448,522</u>
Gross Statutory Surplus		18,338,161
Return of Surplus:		
Paid	9,403,531	
Aggregate Excess Loss Fund Contingency	293,902	
Aggregate Excess Loss Fund Contingency		
Accrued Interest	9,384	
Authorized and Unpaid	<u>767,298</u>	
Total Return of Surplus		<u>10,474,115</u>
Net Statutory Surplus		<u>\$ 7,864,046</u>

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, 2020

	<u>Coverages and Other Accounts</u>										<u>Total</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 &amp; Employment Practices</u>	<u>Expense &amp; Contingency</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
Retro Program					7,951						7,951
<b>Total Income</b>	<b>296,387</b>	<b>486,083</b>	<b>128,090</b>	<b>1,939,868</b>	<b>510,967</b>	<b>49,659</b>	<b>249,015</b>	<b>2,028,948</b>	<b>678,701</b>	<b>1,650,461</b>	<b>8,018,179</b>
Incurred Liabilities:											
Claims	538,430	618,343	149,104	1,618,901							2,924,778
Expenses							249,014	2,028,948	678,453	1,543,419	4,499,834
<b>Total Liabilities</b>	<b>538,430</b>	<b>618,343</b>	<b>149,104</b>	<b>1,618,901</b>	<b>-</b>	<b>-</b>	<b>249,014</b>	<b>2,028,948</b>	<b>678,453</b>	<b>1,543,419</b>	<b>7,424,612</b>
<b>Underwriting Surplus (Deficit)</b>	<b>(242,043)</b>	<b>(132,260)</b>	<b>(21,014)</b>	<b>320,967</b>	<b>510,967</b>	<b>49,659</b>	<b>1</b>	<b>-</b>	<b>248</b>	<b>107,042</b>	<b>593,567</b>
Adjustments:											
Investment Income	952	2,030	560	7,931	2,281	228		3,254	423	5,951	23,610
Intrafund Transfers											-
Intrafund Transfers To MEL Retro Contingency Fund:											
Regular Contributions								(235,556)			(235,556)
Excess Insurance Premiums								235,556			235,556
<b>Total Adjustments</b>	<b>952</b>	<b>2,030</b>	<b>560</b>	<b>7,931</b>	<b>2,281</b>	<b>228</b>	<b>-</b>	<b>3,254</b>	<b>423</b>	<b>5,951</b>	<b>23,610</b>
<b>Gross Statutory Surplus (Deficit)</b>	<b>(241,091)</b>	<b>(130,230)</b>	<b>(20,454)</b>	<b>328,898</b>	<b>513,248</b>	<b>49,887</b>	<b>1</b>	<b>3,254</b>	<b>671</b>	<b>112,993</b>	<b>617,177</b>
Return of Surplus											-
<b>Net Statutory Surplus (Deficit)</b>	<b>\$ (241,091)</b>	<b>\$ (130,230)</b>	<b>\$ (20,454)</b>	<b>\$ 328,898</b>	<b>\$ 513,248</b>	<b>\$ 49,887</b>	<b>\$ 1</b>	<b>\$ 3,254</b>	<b>\$ 671</b>	<b>\$ 112,993</b>	<b>\$ 617,177</b>



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, 2020

	<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>MEL</u>	<u>Public Officials &amp; Employment Practices</u>	<u>Expense &amp; 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
<b>Total Income</b>	<b>267,750</b>	<b>451,895</b>	<b>125,800</b>	<b>1,953,070</b>	<b>493,972</b>	<b>246,894</b>	<b>1,889,163</b>	<b>604,466</b>	<b>1,556,935</b>	<b>7,589,945</b>
Incurred Liabilities:										
Claims	582,453	425,341	87,680	2,474,576						3,570,050
Expenses						246,892	1,889,163	604,277	1,465,172	4,205,504
<b>Total Liabilities</b>	<b>582,453</b>	<b>425,341</b>	<b>87,680</b>	<b>2,474,576</b>	<b>-</b>	<b>246,892</b>	<b>1,889,163</b>	<b>604,277</b>	<b>1,465,172</b>	<b>7,775,554</b>
<b>Underwriting Surplus (Deficit)</b>	<b>(314,703)</b>	<b>26,554</b>	<b>38,120</b>	<b>(521,506)</b>	<b>493,972</b>	<b>2</b>	<b>-</b>	<b>189</b>	<b>91,763</b>	<b>(185,609)</b>
Adjustments:										
Investment Income	617	7,213	2,955	36,782	10,628	119	15,014		17,306	90,634
Intrafund Transfers	320,000				(320,000)					-
Intrafund Transfers To MEL Retro Contingency Fund:										
Regular Contributions							(241,351)			(241,351)
Excess Insurance Premiums							241,351			241,351
<b>Total Adjustments</b>	<b>320,617</b>	<b>7,213</b>	<b>2,955</b>	<b>36,782</b>	<b>(309,372)</b>	<b>119</b>	<b>15,014</b>	<b>-</b>	<b>17,306</b>	<b>90,634</b>
<b>Gross Statutory Surplus (Deficit)</b>	<b>5,914</b>	<b>33,767</b>	<b>41,075</b>	<b>(484,724)</b>	<b>184,600</b>	<b>121</b>	<b>15,014</b>	<b>189</b>	<b>109,069</b>	<b>(94,975)</b>
Return of Surplus										-
<b>Net Statutory Surplus (Deficit)</b>	<b>\$ 5,914</b>	<b>\$ 33,767</b>	<b>\$ 41,075</b>	<b>\$ (484,724)</b>	<b>\$ 184,600</b>	<b>\$ 121</b>	<b>\$ 15,014</b>	<b>\$ 189</b>	<b>\$ 109,069</b>	<b>\$ (94,975)</b>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2018 ACCOUNT OPERATING RESULTS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2018 TO DECEMBER 31, 2020

	<u>Coverages and Other Accounts</u>									<u>Total</u>
	<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 &amp; Employment Practices</u>	<u>Expense &amp; Contingency</u>	
Underwriting Income:										
Regular Contributions	\$ 270,300	\$ 451,350	\$ 125,800	\$ 2,011,950	\$ 507,802	\$ 249,231	\$ 1,759,842	\$ 585,067	\$ 1,533,310	\$ 7,494,652
Incurring Liabilities:										
Claims	338,023	1,550,414	120,871	2,555,627						4,564,935
Expenses						249,231	1,759,838	559,020	1,410,686	3,978,775
Total Liabilities	338,023	1,550,414	120,871	2,555,627	-	249,231	1,759,838	559,020	1,410,686	8,543,710
Underwriting Surplus (Deficit)	(67,723)	(1,099,064)	4,929	(543,677)	507,802	-	4	26,047	122,624	(1,049,058)
Adjustments:										
Investment Income	2,130	7,604	3,967	37,133	24,248	172	15,039		24,477	114,770
Intrafund Transfers	100,000				(100,000)					-
Intrafund Transfers To MEL Retro Contingency Fund:										
Regular Contributions							(188,080)			(188,080)
Excess Insurance Premiums							188,080			188,080
Total Adjustments	102,130	7,604	3,967	37,133	(75,752)	172	15,039	-	24,477	114,770
Gross Statutory Surplus (Deficit)	34,407	(1,091,460)	8,896	(506,544)	432,050	172	15,043	26,047	147,101	(934,288)
Return of Surplus										-
Net Statutory Surplus (Deficit)	\$ 34,407	\$ (1,091,460)	\$ 8,896	\$ (506,544)	\$ 432,050	\$ 172	\$ 15,043	\$ 26,047	\$ 147,101	\$ (934,288)

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2017 ACCOUNT OPERATING RESULTS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2017 TO DECEMBER 31, 2020

	<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 &amp; Employment Practices</u>	<u>Expense &amp; Contingency</u>	<u>Total</u>
Underwriting Income:											
Regular Contributions	\$ 256,700	\$ 470,050	\$ 123,250	\$ 2,153,161	\$ 530,873	\$ 107,867	\$ 261,440	\$ 1,851,039	\$ 550,726	\$ 1,495,210	\$ 7,800,316
Incurred Liabilities:											
Claims	195,467	524,568	18,662	1,499,580							2,238,277
Expenses							261,440	1,678,983	550,532	1,297,343	3,788,298
Total Liabilities	195,467	524,568	18,662	1,499,580	-	-	261,440	1,678,983	550,532	1,297,343	6,026,575
Underwriting Surplus (Deficit)	61,233	(54,518)	104,588	653,581	530,873	107,867	-	172,056	194	197,867	1,773,741
Adjustments:											
Investment Income	3,443	21,865	6,154	75,810	31,257	6,155	11	9,894	131	13,930	168,650
Intrafund Transfers											-
Intrafund Transfers To MEL Retro Contingency Fund:											
Regular Contributions								(91,135)			(91,135)
Excess Insurance Premiums								91,135			91,135
Total Adjustments	3,443	21,865	6,154	75,810	31,257	6,155	11	9,894	131	13,930	168,650
Gross Statutory Surplus (Deficit)	64,676	(32,653)	110,742	729,391	562,130	114,022	11	181,950	325	211,797	1,942,391
Return of Surplus											-
Net Statutory Surplus (Deficit)	\$ 64,676	\$ (32,653)	\$ 110,742	\$ 729,391	\$ 562,130	\$ 114,022	\$ 11	\$ 181,950	\$ 325	\$ 211,797	\$ 1,942,391

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2016 ACCOUNT OPERATING RESULTS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2016 TO DECEMBER 31, 2020

Coverages and Other Accounts

	<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 &amp; Employment Practices</u>	<u>Expense &amp; Contingency</u>	<u>Total</u>
Underwriting Income:											
Regular Contributions	\$ 275,084	\$ 510,765	\$ 119,721	\$ 2,225,415	\$ 552,833	\$ 100,147	\$ 258,985	\$ 1,814,011	\$ 516,367	\$ 1,514,397	\$ 7,887,725
Other Income										120	120
<b>Total Income</b>	<b>275,084</b>	<b>510,765</b>	<b>119,721</b>	<b>2,225,415</b>	<b>552,833</b>	<b>100,147</b>	<b>258,985</b>	<b>1,814,011</b>	<b>516,367</b>	<b>1,514,517</b>	<b>7,887,845</b>
Incurred Liabilities:											
Claims	315,204	701,749	13,068	1,745,576							2,775,597
Expenses							258,985	1,591,803	516,224	1,327,397	3,694,409
<b>Total Liabilities</b>	<b>315,204</b>	<b>701,749</b>	<b>13,068</b>	<b>1,745,576</b>	<b>-</b>	<b>-</b>	<b>258,985</b>	<b>1,591,803</b>	<b>516,224</b>	<b>1,327,397</b>	<b>6,470,006</b>
<b>Underwriting Surplus (Deficit)</b>	<b>(40,120)</b>	<b>(190,984)</b>	<b>106,653</b>	<b>479,839</b>	<b>552,833</b>	<b>100,147</b>	<b>-</b>	<b>222,208</b>	<b>143</b>	<b>187,120</b>	<b>1,417,839</b>
Adjustments:											
Investment Income	4,301	23,527	16,281	55,860	28,079	5,475	57	9,253	439	11,451	154,723
Residual Claims Fund											
Surplus Trigger Assessment										(124,040)	(124,040)
Intrafund Transfers	120,000				(120,000)						-
Interfund Transfers To MEL Retro											
Contingency Fund:											
Regular Contributions								(90,709)			(90,709)
Excess Insurance Premiums								90,709			90,709
(Surplus) Deficit Transfers to Closed Fund Year	(84,181)	167,457	(122,934)	(535,699)	(460,912)	(105,622)	(57)	(231,461)	(582)	(74,531)	(1,448,522)
<b>Total Adjustments</b>	<b>40,120</b>	<b>190,984</b>	<b>(106,653)</b>	<b>(479,839)</b>	<b>(552,833)</b>	<b>(100,147)</b>	<b>-</b>	<b>(222,208)</b>	<b>(143)</b>	<b>(187,120)</b>	<b>(1,417,839)</b>
Gross Statutory Surplus	-	-	-	-	-	-	-	-	-	-	-
Return of Surplus											
<b>Net Statutory Surplus</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

	<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)	\$ 235,562	\$ 72,367	\$ 13,043	\$ 580,312	\$ 901,284
Case Reserves	301,868	210,052	19,572	518,737	1,050,229
IBNR Reserves	1,000	335,924	116,489	767,106	1,220,519
Subtotal	<u>538,430</u>	<u>618,343</u>	<u>149,104</u>	<u>1,866,155</u>	<u>3,172,032</u>
Excess Insurance					
Received					-
Receivable				102,507	102,507
Recoverable				144,747	144,747
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>247,254</u>	<u>247,254</u>
Limited Incurred Claims	<u>\$ 538,430</u>	<u>\$ 618,343</u>	<u>\$ 149,104</u>	<u>\$ 1,618,901</u>	<u>\$ 2,924,778</u>
Number of Claims	<u>64</u>	<u>105</u>	<u>22</u>	<u>218</u>	<u>409</u>
Cost per Claim	<u>\$ 8,413</u>	<u>\$ 5,889</u>	<u>\$ 6,777</u>	<u>\$ 7,426</u>	<u>\$ 7,151</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2019 CLAIMS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2019 TO DECEMBER 31, 2020

	<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)	\$ 563,295	\$ 42,997	\$ 19,745	\$ 1,098,275	\$ 1,724,312
Case Reserves	19,158	222,615	10,339	1,121,255	1,373,367
IBNR Reserves		159,729	57,596	255,046	472,371
Subtotal	<u>582,453</u>	<u>425,341</u>	<u>87,680</u>	<u>2,474,576</u>	<u>3,570,050</u>
Excess Insurance					
Received					-
Receivable					-
Recoverable					-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Limited Incurred Claims	<u>\$ 582,453</u>	<u>\$ 425,341</u>	<u>\$ 87,680</u>	<u>\$ 2,474,576</u>	<u>\$ 3,570,050</u>
Number of Claims	<u>88</u>	<u>139</u>	<u>22</u>	<u>161</u>	<u>410</u>
Cost per Claim	<u>\$ 6,619</u>	<u>\$ 3,060</u>	<u>\$ 3,985</u>	<u>\$ 15,370</u>	<u>\$ 8,707</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2018 CLAIMS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2018 TO DECEMBER 31, 2020

	<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)	\$ 338,023	\$ 703,723	\$ 56,981	\$ 2,017,913	\$ 3,116,640
Case Reserves		539,302	37,289	324,430	901,021
IBNR Reserves		307,389	26,601	213,284	547,274
Subtotal	<u>338,023</u>	<u>1,550,414</u>	<u>120,871</u>	<u>2,555,627</u>	<u>4,564,935</u>
Excess Insurance					
Received					-
Receivable					-
Recoverable					-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Limited Incurred Claims	<u>\$ 338,023</u>	<u>\$ 1,550,414</u>	<u>\$ 120,871</u>	<u>\$ 2,555,627</u>	<u>\$ 4,564,935</u>
Number of Claims	<u>56</u>	<u>152</u>	<u>40</u>	<u>157</u>	<u>405</u>
Cost per Claim	<u>\$ 6,036</u>	<u>\$ 10,200</u>	<u>\$ 3,022</u>	<u>\$ 16,278</u>	<u>\$ 11,271</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2017 CLAIMS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2017 TO DECEMBER 31, 2020

	<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)	\$ 195,467	\$ 220,843	\$ 18,662	\$ 1,149,804	\$ 1,584,776
Case Reserves		246,877		284,704	531,581
IBNR Reserves		56,848		65,072	121,920
Subtotal	195,467	524,568	18,662	1,499,580	2,238,277
Excess Insurance					
Received					-
Receivable					-
Recoverable					-
Subtotal	-	-	-	-	-
Limited Incurred Claims	\$ 195,467	\$ 524,568	\$ 18,662	\$ 1,499,580	\$ 2,238,277
Number of Claims	55	115	40	124	334
Cost per Claim	\$ 3,554	\$ 4,561	\$ 467	\$ 12,093	\$ 6,701



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

	<u>Paid</u>	<u>Accrued</u>	<u>Total</u>
Excess Insurance:			
Environmental	\$ 249,014		\$ 249,014
MEL	1,766,416		1,766,416
MEL Retro Program		\$ 235,556	235,556
POL/EPL	678,453		678,453
Elected Official Credits	26,976		26,976
	<hr/>		
Subtotal Excess Insurance	2,720,859	235,556	2,956,415
Operating Expenses:			
Actuary	25,782	122	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		19,960	19,960
Claims Administration	212,006	2,000	214,006
Claims Auditor		5,470	5,470
Contingency	1,690		1,690
EPL/Cyber:			
Cyber On-Line Employee Training	5,428		5,428
EPL/Cyber Incentive Program	7,500	2,962	10,462
Technology Risk Management Service	2,928	5,933	8,861
Fidelity Bond - Professionals	1,099		1,099
JIF Website	5,017		5,017
Legal Notices	2,218	609	2,827
Meeting Expense/Dinner Meeting	58		58
Office Supplies	1,115		1,115
Other Expenses	125		125
Payroll Auditor	11,231		11,231
Performance Bond	114		114
Postage/Copies/Fax	1,438	359	1,797
PRIMA/AGRIP Conference	2,460		2,460
Printing	2,153	3,523	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	31,677	16,360	48,037
Safety Incentive Program	6,372	81,353	87,725
Training			
Police-Online Training	9,500		9,500
Right To Know		32,297	32,297
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	39,470	11,739	51,209
	<hr/>		
Subtotal Operating Expenses	1,360,732	182,687	1,543,419
	<hr/>		
Total Expenses	\$ 4,081,591	\$ 418,243	\$ 4,499,834

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2019 EXPENSE ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2019 TO DECEMBER 31, 2020

	<u>Paid</u>	<u>Accrued</u>	<u>Total</u>
Excess Insurance:			
Environmental	\$ 246,892		\$ 246,892
MEL	1,622,313		1,622,313
MEL Retro Program		\$ 241,351	241,351
POL/EPL	604,277		604,277
Elected Official Credits	25,499		25,499
	<hr/>		
Subtotal Excess Insurance	2,498,981	241,351	2,740,332
	<hr/>		
Operating Expenses:			
Actuary	25,092		25,092
Administration	354,545		354,545
Administrative Consultant	27,746		27,746
Annual Planning Retreat	6,287		6,287
Attorney	70,000		70,000
Auditor	18,870		18,870
Claims Administration	202,906		202,906
Claims Auditor		5,275	5,275
Contingency	7,946		7,946
EPL/Cyber:			
Cyber On-Line Employee Training	5,428		5,428
EPL/Cyber Incentive Program	11,477		11,477
Technology Risk Management Service	8,784		8,784
Fidelity Bond - Professionals	1,068		1,068
JIF Website	4,788		4,788
Legal Notices	1,567		1,567
Meeting Expense/Dinner Meeting	1,497		1,497
Office Supplies	953		953
Payroll Auditor	11,006		11,006
Performance Bond	171		171
Postage/Copies/Fax	2,804		2,804
PRIMA/AGRIP Conference	3,884		3,884
Printing	6,705		6,705
Property Appraiser	21,936		21,936
Record Retention Service	996		996
Recording Secretary	4,500		4,500
Risk Management Consultants	248,056		248,056
Safety Director	131,341		131,341
Safety Programs:			
Optional Safety Budget	50,498		50,498
Safety Incentive Program	77,306	9,107	86,413
Training			
Police-Online Training	9,500		9,500
Right To Know	19,813		19,813
Training	7,250		7,250
Technology Risk Services Director	37,125		37,125
Treasurer	11,163		11,163
Underwriting Manager	7,903		7,903
Wellness Program	49,879		49,879
	<hr/>		
Subtotal Operating Expenses	1,450,790	14,382	1,465,172
	<hr/>		
Total Expenses	\$ 3,949,771	\$ 255,733	\$ 4,205,504

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2018 EXPENSE ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2018 TO DECEMBER 31, 2020

	<u>Paid</u>	<u>Accrued</u>	<u>Total</u>
Excess Insurance:			
Enviromental	\$ 249,231		\$ 249,231
MEL	1,544,746		1,544,746
MEL Retro Program		\$ 188,080	188,080
POL/EPL	559,020		559,020
Elected Official Credits	27,012		27,012
	<hr/>		
Subtotal Excess Insurance	2,380,009	188,080	2,568,089
	<hr/>		
Operating Expenses:			
Actuary	24,600		24,600
Administration	347,593		347,593
Administrative Consultant	27,202		27,202
Annual Planning Retreat	4,996		4,996
Attorney	66,300		66,300
Auditor	18,500		18,500
Claims Administration	198,667		198,667
Claims Auditor	4,875		4,875
Contingency	7,000		7,000
EPL/Cyber:			
EPL/Cyber Incentive Program	27,120		27,120
Exposure Database Mgmt System	7,305		7,305
Fidelity Bond - Professionals	1,042		1,042
JIF Website	3,745		3,745
Legal Notices	1,260		1,260
Meeting Expense/Dinner Meeting	2,151		2,151
Office Supplies	1,882		1,882
Other Expenses	129		129
Payroll Auditor	10,790		10,790
Performance Bond	166		166
Postage/Copies/Fax	2,583		2,583
PRIMA/AGRIP Conference	7,512		7,512
Printing	6,119		6,119
Property Appraiser	16,201		16,201
Record Retention Service	916		916
Recording Secretary	4,412		4,412
Risk Control Contingency	35,785		35,785
Risk Management Consultants	239,711		239,711
Safety Director	124,690		124,690
Safety Programs:			
Optional Safety Budget	51,265		51,265
Safety Incentive Program	78,789		78,789
Training			
Right To Know	19,707		19,707
Treasurer	10,944		10,944
Underwriting Manager	7,748		7,748
Wellness Program	48,981		48,981
	<hr/>		
Subtotal Operating Expenses	1,410,686	-	1,410,686
	<hr/>		
Total Expenses	\$ 3,790,695	\$ 188,080	\$ 3,978,775
	<hr/>		

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2017 EXPENSE ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2017 TO DECEMBER 31, 2020

	<u>Paid</u>	<u>Accrued</u>	<u>Total</u>
Excess Insurance:			
Enviromental	\$ 261,440		\$ 261,440
MEL	1,567,054		1,567,054
MEL Retro Program		\$ 91,135	91,135
POL/EPL	550,532		550,532
Elected Official Credits	20,794		20,794
	<hr/>		
Subtotal Excess Insurance	2,399,820	91,135	2,490,955
	<hr/>		
Operating Expenses:			
Actuary	24,118		24,118
Administration	340,777		340,777
Administrative Consultant	26,669		26,669
Annual Planning Retreat	5,466		5,466
Attorney	65,000		65,000
Auditor	18,050		18,050
Claims Administration	198,567		198,567
Claims Auditor	4,875		4,875
Contingency	11,082		11,082
Exposure Database Mgmt System	7,305		7,305
Fidelity Bond - Professionals	900		900
JIF Website	2,746		2,746
Legal Notices	1,231		1,231
Meeting Expense/Dinner Meeting	2,791		2,791
Office Supplies	761		761
Other Expenses	58		58
Payroll Auditor	8,550		8,550
Performance Bond	111		111
Postage/Copies/Fax	2,904		2,904
PRIMA/AGRIP Conference	7,952		7,952
Printing	3,429		3,429
Property Appraiser	14,494		14,494
Record Retention Service	890		890
Recording Secretary	4,325		4,325
Risk Management Consultants	218,999		218,999
Safety Director	118,087		118,087
Safety Programs:			
Optional Safety Budget	47,418		47,418
Safety Incentive Program	61,835		61,835
Training			
Right To Know	21,099		21,099
Training	10,210		10,210
Treasurer	10,729		10,729
Underwriting Manager	7,596		7,596
Wellness Program	48,319		48,319
	<hr/>		
Subtotal Operating Expenses	1,297,343	-	1,297,343
	<hr/>		
Total Expenses	\$ 3,697,163	\$ 91,135	\$ 3,788,298
	<hr/>		

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

	<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)	\$ 538,430	\$ 618,343	\$ 149,104	\$ 1,618,901
Administrative Expenses (1)	160,484	263,199	69,357	1,050,379
	<u>\$ 698,914</u>	<u>\$ 881,542</u>	<u>\$ 218,461</u>	<u>\$ 2,669,280</u>
Exposure Units	<u>\$ 505,264,287</u> (Property Value)	<u>294,889</u> (Population)	<u>1,250</u> (Vehicles)	<u>\$ 87,723,615</u> (Payroll)
Liabilities per Exposure Unit	<u>\$1.38</u> (Per \$1,000 Value)	<u>\$2.99</u> (Per Capita)	<u>\$174.77</u> (Per Vehicle)	<u>\$30.43</u> (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 2019 PROGRAM SUMMARY--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2019 TO DECEMBER 31, 2020

	<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	27	27	27	27
Incurred Liabilities:				
Claims (Schedule D)	\$ 582,453	\$ 425,341	\$ 87,680	\$ 2,474,576
Administrative Expenses (1)	140,181	236,591	65,863	1,022,536
	<u>\$ 722,634</u>	<u>\$ 661,932</u>	<u>\$ 153,543</u>	<u>\$ 3,497,112</u>
Exposure Units	<u>\$ 483,522,234</u> (Property Value)	<u>253,025</u> (Population)	<u>1,238</u> (Vehicles)	<u>\$ 84,015,978</u> (Payroll)
Liabilities per Exposure Unit	<u>\$1.49</u> (Per \$1,000 Value)	<u>\$2.62</u> (Per Capita)	<u>\$124.03</u> (Per Vehicle)	<u>\$41.62</u> (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 2018 PROGRAM SUMMARY--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2018 TO DECEMBER 31, 2020

	<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	27	27	27	27
Incurred Liabilities:				
Claims (Schedule D)	\$ 338,023	\$ 1,550,414	\$ 120,871	\$ 2,555,627
Administrative Expenses (1)	133,353	222,674	62,063	992,596
	<u>\$ 471,376</u>	<u>\$ 1,773,088</u>	<u>\$ 182,934</u>	<u>\$ 3,548,223</u>
Exposure Units	<u>\$ 451,350,170</u> (Property Value)	<u>253,025</u> (Population)	<u>1,238</u> (Vehicles)	<u>\$ 80,660,395</u> (Payroll)
Liabilities per Exposure Unit	<u>\$1.04</u> (Per \$1,000 Value)	<u>\$7.01</u> (Per Capita)	<u>\$147.77</u> (Per Vehicle)	<u>\$43.99</u> (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 2017 PROGRAM SUMMARY--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2017 TO DECEMBER 31, 2020

	<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	27	27	27	27
Incurred Liabilities:				
Claims (Schedule D)	\$ 195,467	\$ 524,568	\$ 18,662	\$ 1,499,580
Administrative Expenses (1)	110,892	203,058	53,243	930,149
	<u>\$ 306,359</u>	<u>\$ 727,626</u>	<u>\$ 71,905</u>	<u>\$ 2,429,729</u>
Exposure Units	\$ 442,055,749 (Property Value)	232,402 (Population)	1,169 (Vehicles)	\$ 79,910,681 (Payroll)
Liabilities per Exposure Unit	\$0.69 (Per \$1,000 Value)	\$3.13 (Per Capita)	\$61.51 (Per Vehicle)	\$30.41 (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, 2020

<u>Description</u>	<u>Amount</u>
<u>Cash and Cash Equivalents</u>	
M&T Bank:	
Commercial Checking	\$ 6,687
Investors Bank:	
Administrative Expense Acct	1,000
Claims Acct	100,000
Operating Acct	<u>13,745,970</u>
 Total Cash and Cash Equivalents	 <u>13,853,657</u>
 <u>Investments</u>	
Wilmington Trust - Investment Account	<u>4,458,880</u>
 Total Cash, Cash Equivalents and Investments per Schedule A - Historical Balance Sheet--Statutory Basis	 <u>\$ 18,312,537</u>
 Total Cash, Cash Equivalents and Investments by Fund Year:	
2020	\$ 2,810,723
2019	1,763,480
2018	513,289
2017	2,593,677
Closed Years	<u>10,631,368</u>
	<u>\$ 18,312,537</u>

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF ACCRUED EXPENSES--STATUTORY BASIS  
AS OF DECEMBER 31, 2020

<u>Description</u>	<u>Fund Year</u>	<u>Amount</u>	
Administrative Expenses:			
Actuary - The Actuarial Advantage	2020	\$ 122	
Auditor - Bowman and Company LLP	2020	19,960	
Claims Administration - Qual-Lynx	2020	2,000	
Claims Auditor	2020	5,470	
EPL/Cyber Incentive Program	2020	2,962	
Legal Notices	2020	609	
Optional Safety Budget	2020	16,360	
Postage/Copies/Fax	2020	359	
Printing	2020	3,523	
Right To Know	2020	32,297	
Safety Incentive Program	2020	81,353	
Technology Risk Management Service	2020	5,933	
Wellness Program	2020	<u>11,739</u>	
Total Fund Year 2020			\$ 182,687
Administrative Expenses:			
Safety Incentive Program	2019	9,107	
Claims Auditor	2019	<u>5,275</u>	
Total Fund Year 2019			<u>14,382</u>
Total Accrued Expenses per Schedule A - Historical Balance Sheet--Statutory Basis			<u><u>\$ 197,069</u></u>

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, and contracts 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.

**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.

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



James J. Miles, Jr.  
Certified Public Accountant