

Central Jersey Joint Insurance Fund
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IN ACCORDANCE WITH THE OPEN PUBLIC MEETINGS ACT, A COPY OF THIS NOTICE SHOULD BE POSTED ON THE PUBLIC BULLETIN BOARD WITHIN THE MUNICIPALITY.

October 24, 2024

Memo to: Honorable Mayor & Council
Central Jersey Joint Insurance Fund

Subject: PUBLIC HEARINGS - 2025 PROPOSED BUDGET

From: PERMA Risk Management Services

Please find enclosed for review, the 2025 Proposed Budget for the Central Jersey Joint Insurance Fund, as introduced at the Public Meeting of the Fund held October 16, 2024

The Public Hearing for the proposed 2025 Budget is scheduled for **Monday, November 18, 2024, at 10:30AM** and will take place via Zoom.

The Central Jersey Joint Insurance Fund is a member in the Municipal Excess Liability Joint Insurance Fund (MEL), the Municipal Excess Liability Residual Claims Fund (RCF) the New Jersey Environmental Risk Management Fund (E-JIF) and the NJ Cyber JIF. Below is a list of MEL, RCF, EJIF and NJ Cyber JIF enclosed budgets.

MEL: 2025 Budget introduced on October 16, 2024 and the public hearing is scheduled for November 20, 2024 at 12:30PM – Sheraton Hotel – Steel Pier Room – Atlantic City, NJ.

CYBER JIF: 2025 Budget introduced on October 17, 2024 and the public hearing is scheduled for November 26, 2024 at 3:30PM via Zoom.

RCF: 2023 Budget Amendment introduced on June 10, 2024 and adopted on September 9, 2024. 2025 Budget was introduced on September 9, 2024 and adopted on October 16, 2024.

E-JIF: 2025 budget introduced on September 9, 2024 and adopted on October 16, 2024.

Join Zoom Meeting (please choose one option)

Via Computer

<https://permainc.zoom.us/j/97617061541>

Via Telephone

Dial: (929) 205 6099 **enter Meeting ID:** 976 1706 1541#

In accordance with the Open Public Meetings Act, we ask that you post a copy of this notice on your public bulletin board.

As always, should you have any questions regarding these budgets or meeting dates, please do not hesitate to contact the Fund office.

Bcc: *(via email)*: Honorable Mayor & Council, Fund Commissioners, Risk Management Consultants Fund Professionals

CENTRAL MUNICIPAL JOINT INSURANCE FUND						
2025 PROPOSED BUDGET -		Loss Fund Confidence at MID Less -4.5% Property Deductible As Expiring 2.5K				
Print Date:		11-Oct-24				
APPROPRIATIONS				CHANGE		
I. Claims and Excess Insurance		Projected Budget SIR	Annualized 2024	Projected 2025	\$	%
Claims						
1	Property - Deductible As Expiring 2.5K	100K	1,483,615	1,714,480	230,865	15.56%
2	Liability	300K	1,849,173	2,134,743	285,570	15.44%
3	Auto	300K	669,733	708,716	38,983	5.82%
4	Workers' Comp.	300K	6,343,362	7,153,061	809,699	12.76%
5	Loss Fund Contingency					
6						
7						
8	Subtotal - Claims		10,345,883	11,711,000	1,365,117	13.19%
9	Premiums					
10	Crime		25,051	132,779	107,728	430.03%
11	Environmental Fund		551,602	564,108	12,506	2.27%
12	EJIF Dividend		(300,889)	(213,690)	87,199	-28.98%
13	Cyber JIF		277,739	286,439	8,700	3.13%
14	MEL		7,684,136	8,153,340	469,204	6.11%
15						
16	SubTotal Premiums		8,237,639	8,922,976	685,337	8.32%
17	Total Loss Fund		18,583,522	20,633,976	2,050,454	11.03%
18						
19	II. Expenses, Fees & Contingency					
20						
21	Claims Adjustment		673,095	686,557	13,462	2.00%
22	Managed Care		234,838	239,535	4,697	2.00%
23	Litigation Mangement		50,392	51,400	1,008	2.00%
24	WC Litigation Mangement		25,605	26,117	512	2.00%
25	Safety Director		174,458	177,947	3,489	2.00%
26	Law Enforcement Service		20,290	20,696	406	2.00%
27	Safety Incentive Program		132,608	135,260	2,652	2.00%
28	Right to Know		60,596	61,808	1,212	2.00%
29	MEL Safety Institute		130,343	133,181	2,838	2.18%
30	Administration		766,710	782,044	15,334	2.00%
31	Actuary		45,574	46,485	911	2.00%
32	Auditor		47,380	48,328	948	2.00%
33	Attorney		59,724	60,918	1,194	2.00%
34	Treasurer		23,628	24,101	473	2.00%
35	Marketing Manager		187,369	191,116	3,747	2.00%
36	Underwriting Manager		21,313	21,739	426	2.00%
37	Legislative Liaison		0	10,000	10,000	100.00%
38	Police Accreditation		27,413	27,961	548	2.00%
39	CDL Testing		44,418	45,306	888	2.00%
40	Cyber Gap Assessment		49,000	49,000	0	0.00%
41	Property Appraisals		27,900	27,900	0	0.00%
42	Misc. Expense & Contingency		90,913	92,731	1,818	2.00%
43						
44	Total Fund Exp & Contingency		2,893,567	2,960,130	66,563	2.30%
45	Risk Managers		1,370,878	1,506,007	135,129	9.86%
46						
47	Total JIF Disbursements		22,847,967	25,100,113	2,252,146	9.86%
48	RCF		15,000	35,000	20,000	133.33%
49	Revised Total		22,862,967	25,135,113	2,272,146	9.94%
50						
51	XL POL/EPL PREMIUM					
52	POL/EPL Premium		2,195,439	2,322,831	127,392	5.80%
53	Land Use		109,646	116,004	6,358	5.80%
54	RMC Fees		147,133	155,670	8,537	5.80%
55	Total XL POL/EPL Premium		2,452,218	2,594,505	142,287	5.80%
56	Total Incl XL POLEPL PREMIUM		25,315,185	27,729,618	2,414,433	9.54%

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND					
2025 BUDGET FOR RATE DEVELOPMENT					
MUNICIPALITIES ONLY - CURRENT DATA					
		A	B	B-A	B-A
		BUDGET	BUDGET		
APPROPRIATIONS		2024 RATES	2025 RATES	\$	%
I. CLAIMS AND EXCESS INSURANCE PREMIUMS		MUNIS ONLY	MUNIS ONLY	CHANGE	CHANGE
CLAIMS					
Excess Liability:					
1	To 500K	4,099,923	3,878,429	(221,494)	-5.4%
2	1.5MIL Ex 500K	8,107,428	8,353,329	245,901	3.0%
3	3MIL ex 2MIL	2,265,824	2,646,722	380,898	16.8%
4	Excess WC	12,249,274	12,549,121	299,847	2.4%
5	Excess Property/Equip Breakdown Claims	9,891,764	11,296,286	1,404,522	14.2%
6	POL/EPL Land Use	1,100,976	1,114,770	13,794	1.3%
7	Aggregate Excess LFC	15,782	16,546	764	4.8%
8	JIF Faithful Performance Bond (Incl XS Crime for FY2025)	210,948	1,107,224	896,276	424.9%
9	Surety Bond	324,503	326,126	1,623	0.5%
10	Sub Total	38,266,422	41,288,553	3,022,131	7.9%
PREMIUMS					
12	Optional Excess Liability	3,738,681	3,897,996	159,315	4.3%
13	Optional Excess POL/EPL	2,185,907	2,237,560	51,653	2.4%
14	Excess WC	3,662,326	3,998,376	336,050	9.2%
15	Excess Property/Equip Breakdown	20,226,523	22,278,957	2,052,434	10.1%
16					
17	Loss Fund Contingency	233,669	236,866	3,197	1.4%
18	Sub Total	30,047,106	32,649,755	2,602,649	8.7%
19	Total Claims & Premiums	68,313,528	73,938,308	5,624,780	8.2%
20					
II. EXPENSES					
22	Claims Adjustment	1,137,684	1,160,438	22,754	2.0%
23	Property Adjustment	183,790	187,466	3,676	2.0%
24	Administration	1,445,461	1,474,370	28,909	2.0%
25	Claims Supervision	510,000	520,200	10,200	2.0%
26	Actuary	55,332	56,439	1,107	2.0%
27	Attorney	49,797	50,793	996	2.0%
28	Deputy Attorney	1,662	1,695	33	2.0%
29	Attorney-OPRA	18,746	19,121	375	2.0%
30	Auditor	31,732	32,367	635	2.0%
31	Treasurer	28,055	28,616	561	2.0%
32	Underwriting Manager	63,875	65,153	1,278	2.0%
33	Reinsurance Manager	337,280	344,026	6,746	2.0%
34	Safety and Education Committee	112,664	114,917	2,253	2.0%
35	Computer Services	155,421	158,529	3,108	2.0%
36	Legislative Committee	29,742	30,337	595	2.0%
37	Internal Audit Committee	65,156	66,459	1,303	2.0%
38	Strategic Planning Committee	32,578	33,230	652	2.0%
39	Coverage Committee	43,152	44,015	863	2.0%
40	Communications Committee	134,102	136,784	2,682	2.0%
41	Expense Contingency	237,993	237,993	-	0.0%
42	Subtotal	4,674,222	4,762,947	88,725	1.9%
43					
44	MEL Safety Institute	1,149,071	1,161,574	12,503	1.1%
45	Total Appropriations	74,136,821	79,862,829	5,726,008	7.7%

Cyber Risk Management Fund					
Proposed FY2025 Budget					
				Change	
		Annualized FY2024	Proposed FY2025	\$	%
Claims Fund					
1	Retained Claims	\$ 2,457,232	\$ 2,535,273	\$ 78,041	3.18%
2	Excess Insurance	\$ 2,445,290	\$ 2,494,196	\$ 48,906	2.00%
3	Loss Fund Contingency*	\$ -	\$ 50,000	\$ 50,000	100.00%
4	Total Claims Fund	\$ 4,902,522	\$ 5,079,469	\$ 176,947	3.61%
5					
Expenses					
7	Risk Control Services				
8	Cyber Hygiene Training	\$ 636,656	\$ 655,706	\$ 19,050	2.99%
9	External Scanning	\$ 283,168	\$ 288,831	\$ 5,663	2.00%
10	Consulting	\$ 62,722	\$ 63,976	\$ 1,254	2.00%
11	Local JIF Coordination	\$ 156,799	\$ 159,935	\$ 3,136	2.00%
12	Sub Total Risk Control	\$ 1,139,345	\$ 1,168,448	\$ 29,103	2.55%
13	Administration				
14	Executive Director	\$ 127,500	\$ 130,050	\$ 2,550	2.00%
15	Deputy Ex Director	\$ 51,000	\$ 52,020	\$ 1,020	2.00%
16	Planning Consultant	\$ 30,600	\$ 31,212	\$ 612	2.00%
17	Attorney	\$ 51,000	\$ 52,020	\$ 1,020	2.00%
18	Underwriting Manager	\$ 51,000	\$ 52,020	\$ 1,020	2.00%
19	Treasurer	\$ 25,500	\$ 26,010	\$ 510	2.00%
20	Actuary	\$ 25,500	\$ 26,010	\$ 510	2.00%
21	Auditor	\$ 25,500	\$ 26,010	\$ 510	2.00%
22	Claims Adjuster	\$ 25,500	\$ 26,010	\$ 510	2.00%
23	QPA	\$ 15,300	\$ 15,606	\$ 306	2.00%
24					
25	Sub Total Administration	\$ 428,400	\$ 436,968	\$ 8,568	2.00%
26					
27	General Contingency*	\$ -	\$ 50,186	\$ 50,186	
28					
29	Total Expenses & Contingency	\$ 1,567,745	\$ 1,655,602	\$ 87,857	5.60%
30					
31	Total Budget	\$ 6,470,267	\$ 6,735,071	\$ 264,804	4.09%

*Loss Fund & General contingency were re-allocated to Excess Insurance to reflect the annualized premium paid

**MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND
2023 PROPOSED BUDGET**

	2023 PROPOSED BUDGET	2023 Amendment 2019 Assessments	2023 Revised Budget	\$ CHANGE
APPROPRIATIONS				
MEL	321,675	12,715,423	13,037,098	12,715,423
BMEL	0	0	0	0
ATLANTIC	50,538	2,363,350	2,413,888	2,363,350
BERGEN	14,118	1,642,291	1,656,409	1,642,291
BURLCO	21,140	711,346	732,486	711,346
CAMDEN	24,307	1,656,018	1,680,325	1,656,018
MONMOUTH	27,878	1,377,406	1,405,284	1,377,406
MORRIS	21,212	2,312,447	2,333,659	2,312,447
NJUA	17,417	436,648	454,065	436,648
OCEAN	51,256	1,404,519	1,455,775	1,404,519
PMM	8,763	331,130	339,894	331,130
SOUTH BERGEN	22,669	1,787,104	1,809,772	1,787,104
SUBURBAN METRO	22,070	759,579	781,649	759,579
TRICO	31,655	1,590,641	1,622,296	1,590,641
SUBURBAN MUNICIPAL	3,575	756,026	759,601	756,026
CENTRAL JERSEY (incl. Run-in Receivable)	44,404	1,224,111	1,268,515	1,224,111
NJPHA	16,824	609,954	626,778	609,954
TOTAL	699,500	31,677,992	32,377,492	31,677,992

**MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND
2023 PROPOSED BUDGET**

	2023 PROPOSED BUDGET	2023 Amendment 2019 Assessments	2023 Revised Budget	
APPROPRIATIONS				
CLAIMS	0	30,927,992	30,927,992	30,927,992
Run-in Claim Receivable	15,000		15,000	0
LOSS FUND CONTINGENCY	0	750,000	750,000	750,000
SUBTOTAL LOSS FUND	15,000	31,677,992	31,692,992	31,677,992
EXPENSES				
ADMINISTRATOR	218,441		218,441	0
DEPUTY ADMINISTRATOR	74,306		74,306	0
ATTORNEY	45,223		45,223	0
CLAIMS SUPERVISION & AUDIT	65,374		65,374	0
TREASURER	42,459		42,459	0
AUDITOR	25,081		25,081	0
ACTUARY	44,777		44,777	0
MISCELLANEOUS	26,316		26,316	0
SUBTOTAL	541,977	0	541,977	0
EXPENSE CONTINGENCY	142,523		142,523	0
TOTAL BUDGET	684,500	31,677,992	32,362,492	31,677,992

MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND				
2025 ADOPTED BUDGET				
	2024 ANNUALIZED BUDGET	2025 PROPOSED BUDGET	\$ CHANGE	% CHANGE
APPROPRIATIONS				

CLAIMS	0	0	0	
Run-in Claim Receivable	72,500	35,000	(37,500)	-52%
LOSS FUND CONTINGENCY	0	0		
SUBTOTAL LOSS FUND	72,500	35,000	(37,500)	-52%
EXPENSES				
ADMINISTRATOR	222,810	227,266	4,456	2%
DEPUTY ADMINISTRATOR	75,792	77,308	1,516	2%
ATTORNEY	46,127	47,050	923	2%
CLAIMS SUPERVISION & AUDIT	66,681	68,015	1,334	2%
TREASURER	43,308	44,174	866	2%
AUDITOR	25,583	26,095	512	2%
ACTUARY	45,673	46,586	913	2%
MISCELLANEOUS	26,842	27,379	537	2%
SUBTOTAL	552,816	563,873	11,057	2%
EXPENSE CONTINGENCY	147,184	152,127	4,943	3%
TOTAL BUDGET	700,000	716,000	16,000	2%

NEW JERSEY MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND					
2025 ADOPTED BUDGET BASED ON 2020 CENSUS					
8/21/2024 10:36		2024	2025		
		TOTAL	TOTAL	CHANGE	CHANGE
I. Claims and Excess Insurance				\$	%
Claims					
1	Third Party (Non-Site Specific)	471,826	495,965	24,139	5.1%
2	On Site Cleanup (Site Specific)	255,789	257,901	2,112	0.8%
3	PO Pollution Liability	161,408	158,708	(2,700)	-1.7%
4	Tank Systems	238,394	243,022	4,628	1.9%
5	DMA Waste Sites (Superfund Buyout)	1,355,925	1,324,224	(31,701)	-2.3%
6	LFC	21,739	24,439	2,700	12.4%
7	Total Loss Fund	2,505,081	2,504,259	(822)	0.0%
8					
9	II. Expenses, Fees & Contingency				
10	Professional Services				
11	Actuary	62,500	63,750	1,250	2.0%
12	Attorney	103,945	106,024	2,079	2.0%
13	Auditor	17,973	18,332	359	2.0%
14	Executive Director	384,036	391,717	7,681	2.0%
15	Treasurer	22,166	22,610	444	2.0%
16	Legislative Agent	45,000	45,000	-	0.0%
17	Underwriting Managers	304,173	310,256	6,083	2.0%
18	Environmental Services	543,587	554,458	10,871	2.0%
19	Claims Administration	35,927	36,645	718	2.0%
20	QPA	5,000	5,100	100	2.0%
21					
22	Subtotal - Contracted Prof Svcs	1,524,307	1,553,892	29,585	1.9%
23					
24	Non-Contracted Services				
25	Expenses contingency	32,845	32,845	-	0.0%
26	Member Testing	18,808	20,000	1,192	6.3%
27					
28	Subtotal - Non-contracted svcs	51,653	52,845	1,192	2.3%
29					
30	Subtotal-Contracted/Non-contracted svcs	1,575,960	1,606,737	30,777	2.0%
31					
32	Excess Aggregate Insurance	610,866	641,409	30,543	5.0%
33					
34	General Contingency	180,172	180,172	-	0.0%
35					
36	Total Exp, Fees & Contingency	2,366,998	2,428,318	61,320	2.6%
37					
38	TOTAL JIF APPROPRIATIONS	4,872,079	4,932,577	60,498	1.2%
39					
40	<i>*LFC = Members not based on population (i.e. Parking Auth, Health Commissions, Fire Dept, OMUA)</i>				