

# Morris County Municipal 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 27, 2023

**Memo to:** Fund Commissioners  
Morris County Municipal Joint Insurance Fund

**Subject:** PUBLIC HEARING – 2024 PROPOSED BUDGET

**From:** PERMA Risk Management Services

Please find enclosed for review, the 2024 Proposed Budget for the Morris County Municipal Joint Insurance Fund, as introduced at the Public Meeting of the Fund held October 11, 2023.

A Public Hearing on the 2024 Budget has been scheduled for **Tuesday, November 21, 2023** at 12:00 noon at the Hanover Municipal Building.

## MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND

Date: Tuesday, November 21, 2023  
Time: 12:00 noon  
Location: Hanover Township Municipal Building  
1000 Rte. 10  
Whippany, NJ 07981

The Morris County 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 New Jersey Cyber Risk Management Fund (NJ Cyber). Below is a list of MEL, RCF, E-JIF and NJ Cyber JIFs enclosed budgets.

**MEL** – 2024 budget introduced on October 18, 2023. Public hearing scheduled for November 15<sup>th</sup>, 2023

### MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND (MEL)

Date: Wednesday, November 15<sup>th</sup>, 2023  
(League of Municipalities Conference)  
Time: 12:30 PM  
Location: Sheraton Hotel  
Steel Pier Room  
Atlantic City, NJ

**RCF** – 2024 budget introduced on September 15, 2023 and adopted on October 18, 2023

**RCF Amended** – 2022 amended budget (to accept local JIF transfer of Fund Year 2018 outstanding liabilities as of 12/31/22) introduced June 2, 2023 and adopted September 15, 2023.

**E-JIF** – 2024 budget introduced on September 15, 2023 and adopted on October 18, 2023

**NJ Cyber** – 2024 budget introduced on October 19, 2023. The public hearing is scheduled for Monday, November 20, 2023 at 2:00 pm via audio/video conference. Zoom link: <https://permainc.zoom.us/j/96097383360>.

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

Cc: (via email): Risk Management Consultants  
Fund Professionals

MORRIS MUNICIPAL JOINT INSURANCE FUND

2024 PROPOSED BUDGET -

Print Date:

5-Oct-23

APPROPRIATIONS	Annualized 2023	Projected 2024	All Members \$	All Members %
I. Claims and Excess Insurance			CHANGE	CHANGE
<b>Claims</b>				
1 Property	1,154,000	1,179,000	25,000	2.17%
2 Liability	2,357,000	2,210,000	(147,000)	-6.24%
3 Auto	343,000	360,000	17,000	4.96%
4 Workers' Comp.	6,844,000	6,955,000	111,000	1.62%
5 Workers' Comp. Pension	357,000	383,000	26,000	100.00%
6 Loss Fund Contingency	85,000	85,000	0	0.00%
7 <b>Subtotal - Claims</b>	<b>11,140,000</b>	<b>11,172,000</b>	<b>32,000</b>	<b>0.29%</b>
<b>8 Premiums</b>				
9 Crime	22,201	22,086	(115)	-0.52%
10 Environmental Fund	499,553	502,720	3,167	0.63%
11 Environmental Fund Dividend Credit	0	(324,316)	(324,316)	100.00%
12 Cyber JIF	529,278	577,265	47,987	9.07%
13 MEL	3,970,990	4,623,061	652,071	16.42%
14 MEL Property	2,489,817	4,049,245	1,559,628	62.65%
15				
16 <b>SubTotal Premiums</b>	<b>7,511,639</b>	<b>9,460,061</b>	<b>1,938,422</b>	<b>25.81%</b>
17 <b>Total Loss Fund</b>	<b>18,651,639</b>	<b>20,622,061</b>	<b>1,970,422</b>	<b>10.56%</b>
18				
<b>19 II. Expenses, Fees &amp; Contingency</b>				
<b>20 PROFESSIONAL FEES</b>				
21 Claims Adjustment - Prop/Casualty	262,147	267,390	5,243	2.00%
22 Claims Adjustment - Workers Comp	304,004	310,084	6,080	2.00%
23 Litigation Management	209,781	213,977	4,196	2.00%
24 Safety Director	228,521	233,091	4,570	2.00%
25 Safety Director Law Enforcement	15,997	16,317	320	2.00%
26 Administration	374,007	381,487	7,480	2.00%
27 Actuary	44,916	45,814	898	2.00%
28 Auditor	21,327	21,754	427	2.00%
29 Attorney	26,530	27,061	531	2.00%
30 Treasurer	27,353	27,900	547	2.00%
31 Premium Auditor	22,544	22,995	451	2.00%
32 Underwriting Manager	13,002	13,262	260	2.00%
33 Police Accred Maintenance	0	0	0	
<b>34 FUND EXPENSES</b>				
35 General Expense Safety	20,163	20,163	0	
36 CDL Drug Testing	46,694	47,628	934	2.00%
37 MEL Safety Institute	115,498	114,904	(594)	-0.51%
38 Postage	4,080	4,080	0	0.00%
39 Printing	3,365	3,365	0	0.00%
40 Telephone	1,236	1,236	0	0.00%
41 Meeting Expenses	2,859	2,859	0	0.00%
42				
43 Misc. Expense & Contingency				
44 . Contingency	31,581	85,000	53,419	169.15%
45 . Loss Fund Contingency		0	0	0.00%
46				
47 <b>Total Fund Exp &amp; Contingency</b>	<b>1,775,605</b>	<b>1,860,367</b>	<b>84,762</b>	<b>4.77%</b>
48				
49 <b>Subtotal JIF Disbursements</b>	<b>20,427,244</b>	<b>22,482,428</b>	<b>2,055,184</b>	<b>10.06%</b>
50 Risk Managers		To Be Determined		
51 New Member LFC			0	
52 <b>Total JIF Disbursements Excl POL/EPL</b>	<b>20,427,244</b>	<b>22,482,428</b>	<b>2,055,184</b>	<b>10.06%</b>
<b>58 XL POL/EPL PREMIUMS</b>				
59 POL/EPL Premium	2,265,554	2,411,049	145,495	6.42%
60 Land Use Liability	119,771	120,551		
61 <b>Total POL/EPL Premiums</b>	<b>2,385,325</b>	<b>2,531,600</b>	<b>146,275</b>	<b>6.13%</b>
62 <b>Total JIF Disbursements Incl POL/EPL</b>	<b>22,812,569</b>	<b>25,014,028</b>	<b>2,201,459</b>	<b>9.65%</b>

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND					
2024 BUDGET FOR ASSESSMENT CALCULATION					
MUNICIPALITIES ONLY -					
		A	B	B-A	B-A
		BUDGET	BUDGET		
APPROPRIATIONS		2023 ANNUALIZED	2024 PROPOSED	\$	%
I. CLAIMS AND EXCESS INSURANCE		MUNIS ONLY	MUNIS ONLY	CHANGE	CHANGE
CLAIMS					
Excess Liability:					
1	To 500K	3,368,311	4,030,659	662,348	19.7%
2	1.5MIL Ex 500K	7,042,387	8,042,689	1,000,322	14.2%
3	3MIL ex 2MIL	1,930,844	2,253,662	322,718	16.7%
4	Excess WC	9,723,140	12,017,096	2,293,956	23.6%
5	Excess Property Claims	5,948,218	9,823,882	3,877,666	65.2%
6	POL/EPL Land Use	1,080,416	1,094,336	13,920	1.3%
7	Aggregate Excess LFC	13,884	14,632	768	5.5%
8	JIF Faithful Performance Bond	208,051	208,836	785	0.4%
9	Surety Bond	315,751	321,065	5,314	1.7%
10	Sub Total	29,628,960	37,806,757	8,177,797	27.6%
PREMIUMS					
12	Optional Excess Liability	3,244,313	3,708,812	464,499	14.3%
13	Optional Excess POL/EPL	2,023,794	2,140,681	116,887	5.8%
14	Excess WC	3,419,081	3,821,498	202,416	5.9%
15	Excess Property	13,669,327	20,061,387	6,412,060	46.9%
16				-	
17	Loss Fund Contingency	228,128	232,308	4,178	1.8%
18	Sub Total	22,584,643	29,784,682	7,200,039	31.9%
19	Total Claims & Premiums	52,213,603	67,591,439	15,377,836	29.5%
II. EXPENSES					
22	Claims Adjustment	1,115,376	1,137,684	22,308	2.0%
23	Property Adjustment	180,186	183,790	3,604	2.0%
24	Administration	1,417,118	1,445,481	28,342	2.0%
25	Claims Supervision	500,000	510,000	10,000	2.0%
26	Actuary	54,247	55,332	1,085	2.0%
27	Attorney	48,821	49,797	976	2.0%
28	Deputy Attorney	1,629	1,662	33	2.0%
29	Attorney-OPRA	18,378	18,746	368	2.0%
30	Auditor	31,110	31,732	622	2.0%
31	Treasurer	27,605	28,055	450	2.0%
32	Underwriting Manager	62,623	63,875	1,252	2.0%
33	Reinsurance Manager	330,687	337,280	6,613	2.0%
34	Safety and Education Committee	110,455	112,664	2,209	2.0%
35	Computer Services	152,374	155,421	3,047	2.0%
36	Legislative Committee	29,159	29,742	583	2.0%
37	Internal Audit Committee	63,878	65,156	1,278	2.0%
38	Strategic Planning Committee	31,939	32,578	639	2.0%
39	Coverage Committee	42,306	43,152	846	2.0%
40	Communications Committee	131,473	134,102	2,629	2.0%
41	Expense Contingency	85,159	85,159	-	0.0%
42	Subtotal	4,434,404	4,521,388	86,984	2.0%
43					
44	MEL Safety Institute	1,193,632	1,137,659	4,027	0.4%
45	Total Appropriations	57,781,539	73,250,386	15,468,847	26.8%

MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND				
2024 ADOPTED BUDGET				
	2023 ANNUALIZED BUDGET	2024 PROPOSED BUDGET	\$ CHANGE	% CHANGE
APPROPRIATIONS				

CLAIMS	0	0	0	
Run-in Claim Receivable	15,000	72,500	57,500	383%
LOSS FUND CONTINGENCY	0	0		
SUBTOTAL LOSS FUND	15,000	72,500	57,500	383%
EXPENSES				
ADMINISTRATOR	218,441	222,810	4,369	2%
DEPUTY ADMINISTRATOR	74,306	75,792	1,486	2%
ATTORNEY	45,223	46,127	904	2%
CLAIMS SUPERVISION & AUDIT	65,374	66,681	1,307	2%
TREASURER	42,459	43,308	849	2%
AUDITOR	25,081	25,583	502	2%
ACTUARY	44,777	45,673	896	2%
MISCELLANEOUS	26,316	26,842	526	2%
SUBTOTAL	541,977	552,816	10,839	2%
EXPENSE CONTINGENCY	142,523	147,184	4,661	3%
TOTAL BUDGET	684,500	700,000	15,500	2%

MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND  
2022 AMENDED BUDGET

	2022 PROPOSED BUDGET	2022 Amendment 2018 Assessments	2022 Revised Budget	\$ CHANGE
<b>APPROPRIATIONS</b>				
MEL	315,330	13,211,400	13,526,730	13,211,400
BMEL	0	0	0	0
ATLANTIC	49,541	1,903,062	1,952,603	1,903,062
BERGEN	13,840	1,308,269	1,322,108	1,308,269
BURLCO	20,723	678,827	699,550	678,827
CAMDEN	23,828	903,413	927,241	903,413
MONMOUTH	27,328	1,539,271	1,566,599	1,539,271
MORRIS	20,794	1,964,504	1,985,298	1,964,504
NJUA	17,074	395,229	412,302	395,229
OCEAN	50,246	3,262,404	3,312,649	3,262,404
PMM	8,590	376,771	385,362	376,771
SOUTH BERGEN	22,222	1,269,488	1,291,710	1,269,488
SUBURBAN METRO	21,634	717,622	739,256	717,622
TRICO	31,031	849,602	880,633	849,602
SUBURBAN MUNICIPAL	3,504	353,830	357,334	353,830
CENTRAL JERSEY (incl.	43,824	967,219	1,011,042	967,219
NJPHA	16,492	677,498	693,990	677,498
<b>TOTAL</b>	<b>686,000</b>	<b>30,378,409</b>	<b>31,064,409</b>	<b>30,378,409</b>

MUNICIPAL EXCESS LIABILITY RESIDUAL CLAIMS FUND  
2022 AMENDED BUDGET

	2022 PROPOSED BUDGET	2022 Amendment 2018 Assessments	2022 Revised Budget	
<b>APPROPRIATIONS</b>				
CLAIMS	0	29,678,409	29,678,409	29,678,409
Run-in Claim Receivable	15,000		15,000	0
LOSS FUND CONTINGENC	0	700,000	700,000	700,000
<b>SUBTOTAL LOSS FUND</b>	<b>15,000</b>	<b>30,378,409</b>	<b>30,393,409</b>	<b>30,378,409</b>
<b>EXPENSES</b>				
ADMINISTRATOR	214,158		214,158	0
DEPUTY ADMINISTRATOR	72,849		72,849	0
ATTORNEY	44,336		44,336	0
CLAIMS SUPERVISION &	64,092		64,092	0
TREASURER	41,626		41,626	0
AUDITOR	24,589		24,589	0
ACTUARY	43,899		43,899	0
MISCELLANEOUS	25,800		25,800	0
<b>SUBTOTAL</b>	<b>531,349</b>	<b>0</b>	<b>531,349</b>	<b>0</b>
EXPENSE CONTINGENCY	139,651		139,651	0
<b>TOTAL BUDGET</b>	<b>671,000</b>	<b>30,378,409</b>	<b>31,049,409</b>	<b>30,378,409</b>

NEW JERSEY MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND					
2024 ADOPTED BUDGET BASED ON 2010 CENSUS & 2/3rd Change to 2020 CENSUS					
	10/10/2023	2023	2,024		
		TOTAL	TOTAL	CHANGE	
I. Claims and Excess Insurance				\$	
Claims				%	
1 Third Party (Non-Site Specific)		425,247	434,747	9,500	2.2%
2 On Site Cleanup (Site Specific)		233,201	235,679	2,478	1.1%
3 PO Pollution Liability		153,180	148,729	(4,451)	-2.9%
4 Tank Systems		221,769	219,662	(2,107)	-1.0%
5 DMA Waste Sites (Superfund Buyout)		1,252,879	1,249,325	(3,554)	-0.3%
6 LFC		21,239	21,739	500	2.4%
7 Total Loss Fund		2,307,515	2,309,881	2,366	0.1%
8					
9 II. Expenses, Fees & Contingency					
10 Professional Services					
11 Actuary		62,500	62,500	-	0.0%
12 Attorney		92,837	94,694	1,857	2.0%
13 Auditor		17,620	17,973	353	2.0%
14 Executive Director		343,026	349,886	6,860	2.0%
15 Treasurer		21,731	22,166	435	2.0%
16 Legislative Agent		45,000	45,000	-	0.0%
17 Underwriting Managers		271,691	277,125	5,434	2.0%
18 Environmental Services		485,524	495,234	9,710	2.0%
19 Claims Administration		32,086	32,727	641	2.0%
20					
21 Subtotal - Contracted Prof Svcs		1,372,015	1,397,305	25,290	1.8%
22					
23 Non-Contracted Services					
24 Expenses contingency		28,389	28,389	-	0.0%
25 Member Testing		8,326	8,326	-	0.0%
26					
27 Subtotal - Non-contracted svcs		36,715	36,715	-	0.0%
28					
29 Subtotal-Contracted/Non-contracted svcs		1,408,730	1,434,020	25,290	1.8%
30					
31 Excess Aggregate Insurance		548,464	564,918	16,454	3.0%
32					
33 General Contingency		180,222	180,222	-	0.0%
34					
35 Total Exp, Fees & Contingency		2,137,416	2,179,160	41,744	2.0%
36					
37 TOTAL JIF APPROPRIATIONS		4,444,931	4,489,041	44,110	1.0%
38					
39 *LFC = Members not based on population (i.e. Parking Auth, Health Commissions, Fire Dept, OMUA)					

# Cyber Risk Management Fund

## Proposed FY2024 Budget

	Annualized FY2023	Proposed FY2024	Change	
			\$	%
<b>Claims Fund</b>				
1 Retained Claims	\$ 2,379,986	\$ 2,447,086	\$ 67,100	2.82%
2 Excess Insurance	\$ 1,915,883	\$ 1,954,201	\$ 38,318	2.00%
3 Loss Fund Contingency	\$ 151,269	\$ 151,269	\$ -	0.00%
4 <b>Total Claims Fund</b>	<b>\$ 4,447,138</b>	<b>\$ 4,552,556</b>	<b>\$ 105,418</b>	<b>2.37%</b>
5				
<b>Expenses</b>				
6 Risk Control Services				
8 Cyber Training/Phishing/Testing	\$ 622,227	\$ 634,672	\$ 12,445	2.00%
9 External Scanning	\$ 274,083	\$ 279,565	\$ 5,482	2.00%
10 Consulting	\$ 60,710	\$ 61,924	\$ 1,214	2.00%
11 Local JIF Coordination	\$ 151,771	\$ 154,806	\$ 3,035	2.00%
12 <b>Sub Total Risk Control</b>	<b>\$ 1,108,791</b>	<b>\$ 1,130,967</b>	<b>\$ 22,176</b>	<b>2.00%</b>
13 Administration				
14 Executive Director	\$ 125,000	\$ 127,500	\$ 2,500	2.00%
15 Deputy Ex Director	\$ 50,000	\$ 51,000	\$ 1,000	2.00%
16 Planning Consultant	\$ 30,000	\$ 30,600	\$ 600	2.00%
17 Attorney	\$ 50,000	\$ 51,000	\$ 1,000	2.00%
18 Underwriting Manager	\$ 50,000	\$ 51,000	\$ 1,000	2.00%
19 Treasurer	\$ 25,000	\$ 25,500	\$ 500	2.00%
20 Actuary	\$ 25,000	\$ 25,500	\$ 500	2.00%
21 Auditor	\$ 25,000	\$ 25,500	\$ 500	2.00%
22 Claims Adjuster	\$ 25,000	\$ 25,500	\$ 500	2.00%
23 QPA	\$ 15,000	\$ 15,300	\$ 300	2.00%
24				
25 <b>Sub Total Administration</b>	<b>\$ 420,000</b>	<b>\$ 428,400</b>	<b>\$ 8,400</b>	<b>2.00%</b>
26				
27 General Contingency	\$ 347,170	\$ 336,919	\$ (10,251)	-2.95%
28				
29 <b>Total Expenses &amp; Contingency</b>	<b>\$ 1,875,961</b>	<b>\$ 1,896,286</b>	<b>\$ 20,325</b>	<b>1.08%</b>
30				
31 <b>Total Budget</b>	<b>\$ 6,323,099</b>	<b>\$ 6,448,842</b>	<b>\$ 125,743</b>	<b>1.99%</b>