

MONMOUTH COUNTY
JOINT INSURANCE FUND
DECEMBER 31, 2021

ROBERT A. HULSART AND COMPANY
Certified Public Accountants

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MONMOUTH COUNTY MUNICIPAL

JOINT INSURANCE FUND

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PART I – FINANCIAL REPORT

Robert A. Hulsart and Company

CERTIFIED PUBLIC ACCOUNTANTS

1.

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)
ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.
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RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Monmouth County Municipal Joint
Insurance Fund
9 Campus Drive, Suite 216
Parsippany, New Jersey 07054

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of the various funds and account groups of the Monmouth County Municipal Joint Insurance Fund (the "Fund"), which comprise the consolidated balance sheets as of December 31, 2021, and the related consolidated statements of operations and changes in net position for the year then ended, and the related consolidated statement of revenues and consolidated statement of expenditures of the various funds for the year ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; 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 prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (The "Division"). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fund's preparation and fair presentation of the consolidated 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 Fund'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 consolidated financial statements.

Auditors Responsibility – (Continued)

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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of the various funds and account groups of the Fund, as of December 31, 2021, and the results of operations and changes in fund balance basis of such funds for the year then ended and the consolidated statements of revenues and consolidated statement of expenditures of the various funds for the year ended December 31, 2021 in accordance with accounting principles generally accepted in the United States of America.

Other Matters

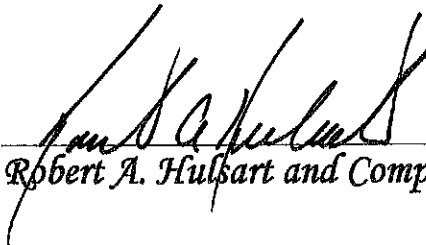
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4-5 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the 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.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued a report dated May 10, 2022 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 reporting on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Report on Other Legal and Regulatory Requirements – (Continued)

Our audit was conducted for the purpose of forming opinion on the consolidated financial statements of the Fund taken as a whole. The accompanying supplementary schedules and the comments and recommendations section are presented for purposes of additional analysis and are not a required part of the financial statements, but is required by the Division. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.



Robert A. Hulsart and Company

Robert A. Hulsart
Certified Public Accountant
Registered Municipal Accountant
R.M.A. Number 158

May 10, 2022

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND
Management Discussion and Analysis
(Unaudited)

This section of the annual financial report of the Fund presents a discussion and analysis of the financial performance of the Fund for the years ended December 31, 2021 and 2020. Please read it in conjunction with the basic financial statements, the notes, and supplementary schedules 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 for the 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:

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

Statement of Revenue, 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.

Statement of Cash Flows – The statement of cash flows is presented on the direct method of reporting, which reflects cash flows from operating and investing activities. Cash collections and payments are reflected in this statement to arrive at the net increase or decrease in cash for the fiscal year.

Financial Highlights

The following tables summarize the financial position and results of operations for the Fund as of and for the years ended December 31, 2021 and 2020.

SUMMARY OF STATEMENT OF NET POSITION

	<u>2021</u>	<u>2020</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
ASSETS:				
Cash and Cash Equivalents,				
Investments and Receivables	\$ 25,342,363	\$ 25,147,789	\$ 194,574	0.77%
Investment in Joint Ventures	4,759,583	5,634,811	(875,228)	-15.53%
Total Assets	30,101,946	30,782,600	(680,654)	-2.21%
LIABILITIES:				
Loss Reserves	14,144,066	15,138,564	(994,498)	-6.57%
Other Liabilities	2,972,165	1,786,755	1,185,410	66.34%
Total Liabilities	17,116,231	16,925,319	190,912	1.13%
UNRESTRICTED NET POSITION	\$ 12,985,715	\$ 13,857,281	\$ (871,566)	-6.29%

SUMMARY OF STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN NET POSITION

	2021	2020	Increase (Decrease)	Percent Change
Operating Revenue:				
Assessments and Other Income	\$ 16,319,621	\$ 16,037,805	\$ 281,816	1.76%
Operating Expenses:				
Provision for Claims & Claims Expense	5,639,934	7,884,456	(2,244,522)	-28.47%
Excess Insurance Premiums	6,644,966	5,797,824	847,142	14.61%
General and Administrative Expenses	2,911,072	2,811,517	99,555	3.54%
Total Operating Expenses	15,195,972	16,493,797	(1,297,825)	-7.87%
Operating Income/(Loss)	1,123,649	(455,992)	1,579,641	346.42%
Non-Operating Income/(Expenses):				
Change in Investment in Joint Ventures	(875,228)	(511,447)	(363,781)	-71.13%
Investment and Dividend Income	219,396	675,265	(455,869)	-67.51%
Return of Surplus	(1,339,383)	(1,206,598)	132,785	11.00%
Change in Net Position	\$ (871,566)	\$ (1,498,772)	\$ 627,206	-41.85%

In 2021, the Monmouth County Municipal JIF's (MCMJIF) total assets decreased 2.21%. Liabilities increased 1.13% primarily due to a 6.57% decrease in Loss Reserves. The Fund's Investments in Joint Ventures represents the Fund's share of the net position in the Municipal Excess Liability Joint Insurance Fund (MEL), the Municipal Excess Liability Residual Claims Fund (RCF) and the New Jersey Municipal Environmental Risk Management Fund (EJIF). The value of this asset decreased by 15.53% reflecting a decrease in equity retained by those entity. Overall, the MCMJIF's unrestricted net position decreased 6.29%.

Operating income increased 346.42% as a result of a 28.47% decrease in Provision for Claims and Claims Expense. Excess Insurance Premiums increased in 2021 by 14.61%. Investment and Dividend Income decreased 67.51% due to a low interest rate environment.

The Fund paid a dividend of \$1,339,383 in 2021 and \$1,206,598 in 2020.

The future financial position of the MCMJIF will be impacted by medical cost trends that impact upon workers compensation costs, accident rates, workers compensation indemnity rates, and interest rates. The Fund is evaluating ways of addressing each of these challenges.

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND**STATEMENT OF NET POSITION****DECEMBER 31**

	<u>2021</u>
<u>Assets</u>	
Cash	\$ 10,192,323
Investments	14,871,776
Accrued Interest Receivable	22,616
Other Receivables	207,975
Other Assets	47,673
Investment in Joint Ventures	<u>4,759,583</u>
Total Assets	<u>\$ 30,101,946</u>
<u>Liabilities, Reserves and Net Position</u>	
Accounts Payable	\$ 2,954,976
Prepaid Contributions	17,189
Loss Reserves:	
Case Reserves	7,954,923
IBNR Reserves	<u>6,189,143</u>
Total Liabilities and Reserves	17,116,231
Net Position	<u>12,985,715</u>
Total Liabilities, Reserves and Net Position	<u>\$ 30,101,946</u>

The Accompanying Notes to Financial Statements are an integral part of this Statement

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31

	<u>2021</u>
Operating Revenues:	
Assessments	<u>\$ 16,319,621</u>
Total Revenues	<u>16,319,621</u>
Operating Expenses:	
Claims Paid	5,277,072
Excess Insurance Premiums	6,644,966
General & Administrative Expenses	2,911,072
Transfer To/(From) Loss Reserves:	
Case Reserves	810,106
IBNR Reserves	<u>(447,244)</u>
Total Expenses	<u>15,195,972</u>
Operating Income/(Loss)	1,123,649
Nonoperating Revenues/(Expenses):	
Investment in Joint Ventures	(875,228)
Dividend Income	239,383
Investment Income	(19,987)
Return of Surplus	<u>(1,339,383)</u>
Total Nonoperating Income/(Loss)	<u>(1,995,215)</u>
Change in Net Position	(871,566)
Total Net Position, January 1	<u>13,857,281</u>
Total Net Position, December 31,	<u><u>\$ 12,985,715</u></u>

The Accompanying Notes to Financial Statements are an integral part of this Statement

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED DECEMBER 31**

	<u>2021</u>
Cash Flows from Operating Activities	
Cash Received from Municipal Assessment and Miscellaneous Income	\$ 16,319,621
Cash Paid for Claims & Services	<u>(15,061,387)</u>
Net Cash Provided (Used) by Operating Activities	<u>1,258,234</u>
Cash Flows from Investing Activities	
Net (Purchase) Redemption of Treasury Bills	<u>4,881,905</u>
Cash Flows from Non-Operating Activities	
Interest/Dividends Received	<u>219,396</u>
Cash Flows from Financing Activities	
Equity Distributions	<u>(1,339,383)</u>
Net Increase (Decrease) in Cash	5,020,152
Cash, Beginning of Year	<u>5,172,171</u>
Cash, End of Year	<u>\$ 10,192,323</u>
<u>Reconciliation of Net Cash Provided (Used) by</u>	
<u>Operating Activities</u>	
Operating Income/(Loss)	\$ 1,123,649
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided (Used) by Operating Activities	
Changes in Assets and Liabilities	
(Increase) Decrease in Other Assets	47,888
Increase (Decrease) in Cash Reserves	(294,194)
Increase (Decrease) in IBNR Reserves	(700,304)
Increase (Decrease) in Accounts Payable	1,185,410
(Increase) Decrease in Receivables	<u>(104,215)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,258,234</u>

The Accompanying Notes to Financial Statements are an integral part of this Statement

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Monmouth County Municipal Joint Insurance Fund (the "JIF") was established on January 1, 1988, 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 of the New Jersey Statutes". The Joint Insurance Fund is both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability, worker's compensation, and environmental protection.

The Board of Commissioners of the Joint Insurance Fund may approve subsequent memberships by a two-thirds vote or may terminate any member by a majority vote, after proper notice has been given.

The exact terms and conditions of coverage are detailed in the Fund's Risk Management Plan.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

Monies are disbursed solely for the payment of claims, allocated claim expenses and excess insurance premiums by fund year for the following funds:

Property Insurance Fund – Insures against any loss or damage, however caused, on property, motor vehicles, equipment or apparatus owned by the local unit or owned by or under the control of any of its departments, boards, agencies or commissions, or other entities which the local unit may provide coverage for under N.J.S.A. 40A:10-2.

General Liability Insurance Fund – Insures against any and all liability, which may be insured under the laws of the State of New Jersey, excluding worker's compensation and employer's liability.

Auto Insurance Fund – Insures against any and all liability resulting from the use of operation of motor vehicles, equipment or apparatus owned or controlled by the local unit or owned by or under the control of any sub-divisions thereof including its departments, boards, agencies, commissions or other entities which the local unit may provide coverage under N.J.S.A. 40A:10-2.

Workers' Compensation Insurance Fund – Insures against any and all liability that employees incur in work-connected injuries under NJSA 34:15-7.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Reinsurance Fund – Provides excess insurance coverage for property, liability, automobile and Workers' Compensation over and above the Fund's self-insured retention. The Municipal Excess Liability Insurance Fund (MEL) provides coverage in this Fund.

Environmental Fund – Provides for environmental coverage in the areas of, non-site specific coverage; petroleum storage tank coverage; legal services; and Superfund and New Jersey Spill Act Buy-out Plan. Coverage in this fund is provided through membership in the New Jersey Environmental Risk Management Plan.

Deductible Fund and Loss Contingency Fund – Utilized as a contingency for the loss funds of that fund year.

General and Administrative Fund – Utilized for payment of the Fund's operating expenses, loss prevention activities and various professional fees.

Closed Years Contingency Fund – Utilized to account for the activity arising from the consolidation of the prior year Fund Years (1988-2017). See Note 4.

Basis of Accounting

The accounting policies of the Fund conform to accounting principles generally accepted in the United States of America as applicable to government entities. The Fund utilizes the accrual basis of accounting whereby income is recorded as earned and expenses are reflected as the liability is incurred. The Fund utilizes total economic resources as their measurement focus.

Effective January 1, 2004, the Fund adopted GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments, Statement No. 37, Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments: Omnibus, and Statement No. 38, Certain Financial Statement Note Disclosures. The primary impact of adopting the Statements included changing the presentation of Fund Equity to Net Position, changing the presentation of the Cash Flow Statement from the indirect method to the direct method, and the presentation of Management's Discussion and Analysis.

Revenues

Assessments are computed annually by the Fund actuary and administrator and paid by the member municipalities in accordance with N.J.A.C. 11:15-2.15. Assessments are accrued as revenue in the fund year for which they are levied against.

Expenses

Expenses are recognized in the accounting period in which the liability is incurred and measurable.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Accounts Payable**

Purchase orders outstanding for services rendered at December 31, 2021 are reported as expenses through the establishment of accounts payable.

Budgets

An annual budget is adopted prior to the commencement of the fiscal year. Budgets are prepared using the accrual basis of accounting. The legal level of budgetary control is established at line item account and total resources available within each fund year. The Board of Commissioners must approve all budget amendments. Budget amendments during the year were insignificant. Formal budgetary integration into the accounting system is employed as a management control device during the year. Unencumbered appropriations lapse at year-end.

B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)**Loss Reserves**

The Fund has created a reserve for all reported losses and for any potential unreported losses which have taken place but in which the Fund has not received notices of report of losses.

Cash and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government. Investments are stated at fair value and are limited by N.J.S.A. 40A:5-15.1.

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 (IBNR). The length of time for which such costs must be estimated varies depending on the coverage involved. Estimated amounts of salvage and subrogation and reinsurance recoverable on unpaid claims are deducted from the liability for unpaid claims. 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 coverage's 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 charged or credited to expense in the periods in which they are made.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Reinsurance

The Fund uses reinsurance agreements to reduce its exposure to large losses on Property Insurance Claims. Reinsurance permits recovery of a portion of losses from reinsurers, although it does not discharge the primary liability of the Fund as direct insurer of the risks reinsured. The Fund does not report reinsured risks as liabilities unless it is probable that those risks will not be covered by reinsurers.

Effective December 31, 1998 the Fund entered into a Joint Purchase Agreement with the Municipal Excess Liability Joint Insurance Fund (MEL) by jointly purchasing its excess property insurance with other joint insurance funds. The MEL has agreed to act as the lead agency for the purpose of collecting and remitting premiums to the insurance company providing coverage.

Use of Estimates

The preparation of financial statements requires management of the Fund to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

NOTE 2: CASH AND CASH EQUIVALENTS

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey which are insured by the Federal Deposit Insurance Corporation (FDIC), or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal five percent of the average daily balance of public funds; or

If the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000.

NOTE 2: CASH AND CASH EQUIVALENTS (Continued)

The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities which mature within one year. Collateralization of Fund investments is generally not required. "Other Than State" participants contribute one tenth of one percent per year of the value of the aggregate units owned by them to establish a Reserve Fund, which is supplemented by the proportional interest of "Other Than State" participants in gains on investment transactions realized. The Reserve Fund is available to cover losses of "Other Than State" participants occasioned by the bankruptcy of an issuer of an investment held by the Fund and losses on sales of securities.

The carrying amount of the JIF's deposits at year-end was \$25,687,454. Of this amount \$250,000 was covered by Federal depository insurance and the remaining \$25,437,454 was covered by a collateral pool maintained by the banks as required by New Jersey statutes.

The investments recorded in the general-purpose financial statements have been recorded at the carrying amount. The difference between the carrying amount and market value is not material to the general-purpose financial statements.

B. Investments

a. When authorized by a cash management plan approved pursuant to N.J.S. 40A:5-14, the JIF may use available funds for the purchase of the following types of securities which, if suitable for registry, may be registered in the name of the JIF.

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America.
- (2) Government money market mutual funds.
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor.
- (4) Bonds or other obligations of the JIF or bonds or other obligations of school districts of which the JIF is a part or within which the school district located within the JIF.
- (5) Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, that are approved by the New Jersey Department of Treasury, Division of Investments.
- (6) Municipal investment pools.
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c. 281; or

NOTE 2: CASH AND CASH EQUIVALENTS (Continued)

B. Investments

- (8) Agreements for the repurchase of fully collateralized securities, if:
- a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this section;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public-depository as defined in section 1 of P.L. 1970, c. 236 (C. 17:9-41);
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

b. Any investment instruments, in which the security is not physically held by the JIF, shall be covered by a third party custodial agreement, which shall provide for the designation of such investments in the name of the JIF and prevent unauthorized use of such instruments.

- c. Investments are further regulated and restricted in accordance with N.J.S. 40A:5-15.1.

Cash and cash equivalents included petty cash, change funds, amounts in deposits and short-term investments with original maturities of three months or less.

C. Cash Management Plan

In accordance with N.J.S. 40A:5-14, every municipality shall adopt a cash management plan and shall deposit and invest its funds pursuant to that plan. The plan shall be approved annually by majority vote of the governing body and may be modified from time to time in order to reflect changes in federal or state law or regulations. The chief financial officer shall be charged with administering the plan.

When an investment in bonds maturing in more than one year is authorized, the maturity of those bonds shall approximate the prospective use of the funds invested.

The plan also requires a monthly report to the governing body summarizing all investments made or redeemed since the previous report shall include, at a minimum, the specific detailed information as set forth in the statute.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

D. Credit Risk Categories

All bank deposits and investments as of the balance sheet date are classified to credit risk by the following categories described below:

<u>Depository Account</u>	<u>Bank Balance</u>	
	<u>Dec. 31, 2021</u>	<u>Dec. 31, 2020</u>
Insured:		
FDIC	\$ 250,000	250,000
GUDPA	<u>25,437,454</u>	<u>25,101,715</u>
	<u>\$ 25,687,454</u>	<u>25,351,715</u>

E. Custodial Credit Risk – Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the government’s deposits may not be returned to it. The JIF does not have a formal policy for custodial credit risk.

State law limits investments as noted above.

During the year, the JIF had none of its idle funds invested in repurchase agreements collateralized by eligible securities. At the close of the year, no such investments were held by the JIF.

NOTE 3: RELATIONSHIP WITH STATE SCHEDULES

The information in the Fund’s financial statements differs from the State Schedules listed in the supplementary data section. Specifically, the Schedules present historical information from the inception of each fund year. In addition, the financial statements reflect the Fund’s equity interest in its joint ventures. The supplementary schedules do not reflect the equity interest in the Fund’s joint ventures.

NOTE 4: UNPAID CLAIMS AND LIABILITIES

The Fund has established a liability for both reported and unreported insured events. This liability includes estimates of both future payments of losses and related claim adjustment expenses. The following represents changes in those aggregate liabilities by Fund Year.

	Close Years Contingency Account	2018	2019	2020	2021
Unpaid Claims and Claim Adjustment Expenses at Beginning of Year	\$	3,128,666	3,948,751	6,223,554	
Incurred Claims and Claim Adjustment Expenses:					
Provision For Insured Events of the Current Year					8,091,334
Increases (Decreases) in Provision for Insured Events of Prior Years	<u>561,727</u>	<u>(157,666)</u>	<u>25,424</u>	<u>(2,400,652)</u>	<u> </u>
Total Incurred Claims and Claim Adjustment Expense	<u>561,727</u>	<u>2,971,000</u>	<u>3,974,175</u>	<u>3,822,902</u>	<u>8,091,334</u>
Payments:					
Claims and Claim Adjustment Expenses Attributable to Insured Events of the Current Year					(1,961,834)
Claims and Claim Adjustment Expenses Attributable to Insured Events of Prior Years	<u>(561,727)</u>	<u>(789,851)</u>	<u>(889,485)</u>	<u>(1,074,175)</u>	<u> </u>
Total Payments	<u>(561,727)</u>	<u>(789,851)</u>	<u>(889,485)</u>	<u>(1,074,175)</u>	<u>(1,961,834)</u>
Total Unpaid Claims and Claim Adjustment Expenses at End of Year	\$ <u> </u>	<u>2,181,149</u>	<u>3,084,690</u>	<u>2,748,727</u>	<u>6,129,500</u>

NOTE 5: MEMBERSHIP IN JOINT INSURANCE FUND**Municipal Excess Liability Residual Claims Fund**

Effective December 1, 1995, the Fund became a member of the Municipal Excess Liability Residual Claims Fund (the "Residual Fund"). The Residual Fund is a risk-sharing public entity pool established for the purpose of assuming and discharging the liabilities associated with the loss reserves from other New Jersey Joint Insurance Funds. The transfer of these loss reserves to the Residual Fund results in the closing of the pre-2018 Fund Years.

NOTE 5: MEMBERSHIP IN JOINT INSURANCE FUND (Continued)

Municipal Excess Liability Residual Claims Fund (Continued)

Each participating pool member appoints an official to represent their respective joint insurance fund for the purpose of creating a governing body from which officers of the Residual Fund are elected. As a member of the Residual Fund, the Fund may be subjected to supplemental assessments in the event of a deficiency. If the assets of the Residual Fund were to be exhausted, members would then become jointly and severally liable for the Residual Fund's liabilities.

The Residual Fund can declare and distribute dividends to members upon the approval of the State of New Jersey Department of Insurance. The distributions are divided among the members in the same ratio as their individual assessment relates to the total assessments of the participating joint insurance funds for that fund year. In accordance with 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.

The Residual Fund assumed the obligation for discharging the Fund's liabilities for claims and losses for the years 1988 through 2017. At December 31, 2021, the Fund's share of Net Position decreased to \$526,666 from \$1,161,102.

New Jersey Municipal Environmental Risk Management Fund

In 1995, 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 coverages. 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 from their respective members.

Each participating pool member appoints an official to represent their respective joint insurance fund for the purpose of creating a governing body from which officers of the Environmental Fund are elected.

As a member of the Environmental Fund, the Fund may be subjected to supplemental assessments in the event of a deficiency. If the assets of the Environmental Fund were to be exhausted, members would then become jointly and severally liable for the Environmental Fund's liabilities.

The Environmental Fund can declare and distribute dividends to members upon the approval of the State of New Jersey Department of Insurance. The distributions are divided among the members in the same ratio as then individual assessment relates to the total assessments of the participating joint insurance funds for that fund year.

At December 31, 2021, the Fund's share of Net Position decreased to \$1,685,714 from \$1,783,208.

NOTE 5: MEMBERSHIP IN JOINT INSURANCE FUND (Continued)**Municipal Excess Liability Joint Insurance Fund**

The Fund is a member of the Municipal Excess Liability Fund (the "MEL"). The MEL Fund provides its members with coverage when claims in the Property, Liability, Automobile and Worker's Compensation Funds exceed certain limits. The MEL Fund is a risk-sharing public entity risk pool that is a self-administered group of joint insurance funds established for the purpose of providing low-cost insurance coverage for the respective members.

Each participating pool member appoints an official to represent their respective joint insurance fund for the purpose of creating a governing body from which officers of the MEL Fund are elected.

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

The MEL Fund can declare and distribute dividends to members upon the approval of the State of New Jersey Department of Insurance. The distributions are divided among the members in the same ratio as their individual assessments relate to the total assessments of the participating joint insurance funds for that fund year.

At December 31, 2021, the Fund's share of Net Position decreased to \$2,547,203 from \$2,690,501.

NOTE 6: RETURN OF SURPLUS

The Department of Banking and Insurance approved dividends in the amount of \$1,339,383. The dividend is \$1,339,383 from the Closed Years account.

NOTE 7: DEFICIT FUND EQUITY

At December 31, 2021, the following individual retained earnings accounts were in a deficit position - (see Exhibits C thru C-3):

Fund Year 2018

Property Fund	140,520
Automotive Fund	373,896
POL/EPL Fund	656

Fund Year 2019

Property Fund	107,462
General Liability Fund	188,964
POL/EPL Fund	647

NOTE 7: DEFICIT FUND EQUITY (Continued)**Fund Year 2020**

Property Fund	178,674
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Fund Year 2021

Property Fund	851,879
General Liability Fund	3,411
Automotive Fund	78,391
MEL Fund	4,645

Currently, the Fund has no plans to levy an additional assessment to the participating municipalities to eliminate the above deficits. Changes in the loss reserves for each account should eliminate the above deficits; however the Closed Years Contingency Fund will cover any remaining deficits.

NOTE 8: SUBSEQUENT EVENTS

While there are many issues that are increasing claims costs for New Jersey public entities, management is confident that the MEL and its affiliated JIF's are in an exceptionally strong position because of the 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 \$5,500,000. 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 law suits and the reluctance of the New Jersey Court System to grant summary judgments 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 in 2022.

Additional Subsequent events have been evaluated through May 10, 2022, which is the date the financial statements were available to be issued. No additional subsequent event disclosures are required.

PART II – SUPPLEMENTARY SCHEDULES

DEPARTMENT OF BANKING & INSURANCE – STATE FINANCIAL REPORT

ANNUAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2021

New Jersey Department of Insurance Joint Insurance Fund Code: 01-88

Joint Insurance Fund Name: Monmouth County Municipal Joint Insurance Fund

Street Address:
9 Campus Drive, Suite 216
Parsippany, NJ 07054-4412

Mail Address:
9 Campus Drive, Suite 216
Parsippany, NJ 07054-4412

Primary Location of books and records: PERMA Risk Management Services
Statement of Contact Person: Stephen Sacco - Phone Number: (201) 881-7632

EXECUTIVE COMMITTEE

Chairman: Thomas Rogers

Secretary: Bryan Dempsey

Thomas Nolan
Anthony Mercantante
Laurie Roth
Jonathan Capp
Jeffry Bertrand

Alternates:

Scott Carew
James Gant

State of New Jersey}
SS
County of Monmouth}

Thomas Rogers, Chairman, and Bryan Dempsey, Secretary of the Monmouth 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, 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, 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.

Chairman

(a) Is this an original filing? Yes
(i) State the amendment number _____
(ii) Date Filed _____
(iii) Number of pages attached _____

Secretary

Subscribed and sworn to before me
this _____ day of _____, 2022

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINED BALANCE SHEET

AT DECEMBER 31, 2021

Exhibit A-1

	Closed Years Contingency Fund	Aggregate Excess Loss Fund	Fund Year			Combined Total
			2018	2019	2020	
Assets						
Cash	\$ 2,483,071	357,648	1,256,148	1,582,425	2,197,300	10,192,323
Investments	3,623,088	521,849	1,832,865	2,308,941	3,206,114	14,871,776
Accrued Interest Receivable	5,853	726	2,286	2,853	4,955	22,616
Other Receivables	39,665	4,587	-	-	-	207,975
Other Assets	47,673	-	-	-	-	47,673
Total Assets	\$ 6,199,350	884,810	3,091,299	3,894,219	5,408,369	25,342,363
Liabilities and Equity						
Accounts Payable	\$ 2,002,287	884,810	-	-	-	2,954,976
Prepaid Contributions	-	-	-	-	-	17,189
Loss Reserves:						
Case Reserves	-	-	1,739,972	2,296,935	1,496,513	7,954,923
IBNR Reserves	-	-	441,177	787,755	1,252,214	6,189,143
Total Liabilities	2,002,287	884,810	2,181,149	3,084,690	2,748,727	17,116,231
Equity:						
Retained Earnings - Unreserved	4,197,063	-	910,150	809,529	2,659,642	8,226,132
Total Liabilities and Equity	\$ 6,199,350	884,810	3,091,299	3,894,219	5,408,369	25,342,363

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS

FOR THE YEAR ENDED DECEMBER 31, 2021

Exhibit A-2

	Closed Years Contingency Fund	Aggregate Excess Loss Fund	Fund Year			Combined Total
			2018	2019	2020	
Revenues:						
Assessments	\$ -	167,979	-	-	-	16,319,621
Total Revenues	-	167,979	-	-	-	16,319,621
Expenses:						
Claims Paid	561,727	-	789,851	889,485	1,074,175	5,277,072
Excess Insurance Premiums	228,577	884,810	-	-	39,331	6,644,966
General & Administrative Expenses						2,911,072
Transfer To/(From) Loss Reserves:						
Case Reserves	(338,081)		(609,060)	(362,650)	(301,606)	810,106
IBNR Reserves	(142,152)		(338,457)	(501,411)	(3,173,221)	(447,244)
Total Expenses	310,071	884,810	(157,666)	25,424	(2,361,321)	15,195,972
Operating Income/(Loss)	(310,071)	(716,831)	157,666	(25,424)	2,361,321	1,123,649
Nonoperating Income:						
Dividend Income	239,383					239,383
Investment Income	(4,837)	(695)	(1,461)	(1,867)	(3,887)	(19,987)
Total Nonoperating Income	234,546	(695)	(1,461)	(1,867)	(3,887)	219,396
Net Income/(Loss)	(75,525)	(717,526)	156,205	(27,291)	2,357,434	1,343,045
Retained Earnings, Beginning of Year	5,611,971	717,526	753,945	836,820	302,208	8,222,470
Other Financing Sources/(Uses):						
Return of Surplus	(1,339,383)	-	-	-	-	(1,339,383)
Retained Earnings, End of Year	\$ 4,197,063	-	910,150	809,529	2,659,642	8,226,132

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2021

Exhibit A-3

	Closed Years Contingency Fund	Aggregate Excess Loss Fund	Fund Year			Combined Total
			2018	2019	2020	
Cash Flows from Operating Activities:						
Cash Received from Municipal Assessment and Miscellaneous Income	\$ -	167,979	-	-	16,151,642	16,319,621
Cash Paid for Claims & Services	(1,570,379)	(218,473)	(786,508)	(885,959)	(10,449,752)	(15,061,387)
Net Cash Provided (Used) by Operating Activities	(1,570,379)	(50,494)	(786,508)	(885,959)	5,701,890	1,258,234
Cash Flows from Investing Activities						
Net (Purchase) Redemption of Treasury Bills	3,336,132	215,718	1,239,634	1,478,558	(3,378,919)	4,881,905
Cash Flows from Non-Operating Activities						
Interest/Dividends Received	234,546	(695)	(1,461)	(1,867)	(7,240)	219,396
Cash Flows from Financing Activities						
Equity Distributions	(1,339,383)	-	-	-	-	(1,339,383)
Net Increase/(Decrease) in Cash	660,916	164,529	451,665	590,732	836,579	5,020,152
Cash, Beginning of Year	1,822,155	193,119	804,483	991,693	1,360,721	5,172,171
Cash, End of Year	\$ 2,483,071	357,648	1,256,148	1,582,425	2,197,300	10,192,323
Reconciliation of Net Cash Provided by Operating Activities						
Operating Income/(Loss)	\$ (310,071)	(716,831)	157,666	(25,424)	2,361,321	1,123,649
Adjustment to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Changes in Assets and Liabilities						
(Increase) Decrease in Other Assets	47,888					47,888
Increase (Decrease) in Case Reserves	(1,442,381)		(609,060)	(362,650)	(301,606)	(294,194)
Increase (Decrease) in IBNR	(395,212)		(338,457)	(501,411)	(3,173,221)	(700,304)
Increase (Decrease) in Accounts Payables	481,750	670,411		(3,002)	(48,817)	1,185,410
(Increase) Decrease in Receivables	47,647	(4,074)	3,343	6,528	12,007	(104,215)
Net Cash Provided (Used) by Operating Activities	\$ (1,570,379)	(50,494)	(786,508)	(885,959)	(1,150,316)	1,258,234

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINING BALANCE SHEET AT DECEMBER 31, 2021

FUND YEAR 2021

Exhibit B

	<u>Property Fund</u>	<u>General Liability Fund</u>	<u>Automotive Liability Fund</u>	<u>Workmen's Compensation Insurance Fund</u>	<u>Loss Fund Contingency</u>	<u>MEL</u>	<u>General Administration</u>	<u>Total</u>
Assets								
Cash	\$ (165,502)	516,080	78,778	1,704,329	103,498	4,629	73,919	2,315,731
Investments	-	702,792	107,280	2,320,939	140,942	6,304	100,662	3,378,919
Contributions Receivable							163,723	163,723
Interest Receivable	76	784	148	2,854		1,611	470	5,943
Total Assets	<u>\$ (165,426)</u>	<u>1,219,656</u>	<u>186,206</u>	<u>4,028,122</u>	<u>244,440</u>	<u>12,544</u>	<u>338,774</u>	<u>5,864,316</u>
Liabilities and Equity								
Loss Reserves	\$ 686,453	1,223,067	264,597	3,955,383		17,189		6,129,500
Prepaid Contributions							67,879	67,879
Accounts Payable								
Retained Earnings:								
Unreserved	(851,879)	(3,411)	(78,391)	72,739	244,440	(4,645)	270,895	(350,252)
Total Liabilities and Equity	<u>\$ (165,426)</u>	<u>1,219,656</u>	<u>186,206</u>	<u>4,028,122</u>	<u>244,440</u>	<u>12,544</u>	<u>338,774</u>	<u>5,864,316</u>

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINING BALANCE SHEET AT DECEMBER 31, 2021

FUND YEAR 2020

Exhibit B-1

	Property Fund	General Liability Fund	Automotive Liability Fund	Workmen's Compensation Insurance Fund	Loss Fund Contingency	MEL	Environmental	POL/ EPL	General Administration	Total
Assets										
Cash	\$ (171,113)	549,770	116,630	1,431,244	136,552	10,296	-	48	123,873	2,197,300
Investments	-	744,222	157,882	1,937,472	184,849	13,938	1	64	167,686	3,206,114
Interest Receivable	2	860	186	2,496	-	1,034	-	-	377	4,955
Total Assets	\$ (171,111)	1,294,852	274,698	3,371,212	321,401	25,268	1	112	291,936	5,408,369
Liabilities and Equity										
Loss Reserves	\$ 7,563	1,052,530	118,745	1,569,889	-	-	-	-	-	2,748,727
Retained Earnings: Unreserved	(178,674)	242,322	155,953	1,801,323	321,401	25,268	1	112	291,936	2,659,642
Total Liabilities and Equity	\$ (171,111)	1,294,852	274,698	3,371,212	321,401	25,268	1	112	291,936	5,408,369

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINING BALANCE SHEET AT DECEMBER 31, 2021

FUND YEAR 2019

Exhibit B-2

	Property Fund	General Liability Fund	Automotive Liability Fund	Workmen's Compensation Insurance Fund	Loss Fund Contingency	MEL	Environmental	POL/ EPL	General Administration	Total
Assets										
Cash	\$ (98,449)	309,501	102,412	1,020,858	66,293	27,230	87	(647)	155,140	1,582,425
Investments	-	424,983	1,401,625	1,401,767	91,028	37,391	119		213,028	2,308,941
Interest Receivable	-	533	164	1,700	104	49	-		303	2,853
Total Assets	\$ (98,449)	735,017	243,201	2,424,325	157,425	64,670	206	(647)	368,471	3,894,219
Liabilities and Equity										
Loss Reserves	\$ 9,013	923,981	187,669	1,964,027						3,084,690
Retained Earnings: Unreserved	(107,462)	(188,964)	55,532	460,298	157,425	64,670	206	(647)	368,471	809,529
Total Liabilities and Equity	\$ (98,449)	735,017	243,201	2,424,325	157,425	64,670	206	(647)	368,471	3,894,219

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINING BALANCE SHEET AT DECEMBER 31, 2021

FUND YEAR 2018

Exhibit B-3

	<u>Property Fund</u>	<u>General Liability Fund</u>	<u>Automotive Liability Fund</u>	<u>Workmen's Compensation Insurance Fund</u>	<u>Loss Fund Contingency</u>	<u>MEL</u>	<u>Environmental</u>	<u>POL/EPL</u>	<u>General Administration</u>	<u>Total</u>
Assets										
Cash	\$ (140,517)	433,637	37,598	697,746	60,495	22,898	164	(656)	144,782	1,256,147
Investments	-	568,801	49,318	915,234	79,351	30,035	216		189,911	1,832,866
Interest Receivable	-	702	82	1,149	94	35	-		224	2,286
Total Assets	\$ (140,517)	1,003,140	86,998	1,614,129	139,940	52,968	380	(656)	334,917	3,091,299
Liabilities and Equity										
Loss Reserves	\$ 3	250,946	460,894	1,469,306						2,181,149
Retained Earnings: Unreserved	(140,520)	752,194	(373,896)	144,823	139,940	52,968	380	(656)	334,917	910,150
Total Liabilities and Equity	\$ (140,517)	1,003,140	86,998	1,614,129	139,940	52,968	380	(656)	334,917	3,091,299

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUNDBALANCE SHEETAT DECEMBER 31, 2021CLOSED YEARS CONTINGENCY FUND

Exhibit B-4

<u>Assets</u>	
Cash	\$ 2,483,071
Investments	3,623,088
Retro Premium Receivable	39,665
Interest Receivable	5,853
Other Assets	<u>47,673</u>
Total Assets	<u>\$ 6,199,350</u>
<u>Liabilities and Equity</u>	
Accounts Payable	\$ 2,002,287
Retained Earnings - Unreserved	<u>4,197,063</u>
Total Liabilities and Equity	<u>\$ 6,199,350</u>

BALANCE SHEET

AT DECEMBER 31, 2021

AGGREGATE EXCESS LOSS FUND CONTINGENCY

Exhibit B-5

<u>Assets</u>	
Cash	\$ 357,648
Investments	521,849
Contributions Receivable	4,587
Interest Receivable	726
	<hr/>
Total Assets	<u>\$ 884,810</u>
<u>Liabilities</u>	
Accounts Payable	<u>\$ 884,810</u>
Total Liabilities and Equity	<u>\$ 884,810</u>

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS

FOR THE YEAR ENDED DECEMBER 31, 2021

Exhibit C

FUND YEAR 2021

	<u>Property Fund</u>	<u>General Liability Fund</u>	<u>Automotive Liability Fund</u>	<u>Worker's Compensation Fund</u>	<u>Loss Fund Contingency</u>	<u>MEL</u>	<u>Environmental Fund</u>	<u>POL/EPL</u>	<u>General & Administrative Fund</u>	<u>Total</u>
Assessment Revenue										
Regular Contributions	\$ 840,351	1,302,475	308,874	4,800,000	244,440	3,557,636	373,708	1,581,335	3,142,823	16,151,642
Other Income:										
Interest Income	119	(1,160)	(197)	(4,109)	-	(1,706)	-	-	(187)	(7,240)
	<u>840,470</u>	<u>1,301,315</u>	<u>308,677</u>	<u>4,795,891</u>	<u>244,440</u>	<u>3,555,930</u>	<u>373,708</u>	<u>1,581,335</u>	<u>3,142,636</u>	<u>16,144,402</u>
Expenses										
Premiums	15,961					3,560,575	373,708	1,581,335		5,531,579
Claims - Paid	989,935	81,659	122,471	767,769						1,961,834
Claims - Loss Reserves	686,453	1,223,067	264,597	3,955,383						6,129,500
Claims Adjustment									658,854	658,854
Safety Engineer									316,863	316,863
Administrative Fees									397,260	397,260
Managed Care									211,069	211,069
Professional Services									283,544	283,544
Miscellaneous									16,837	16,837
Risk Management Consultant Fees									987,514	987,514
Total Expenses	<u>1,692,349</u>	<u>1,304,726</u>	<u>387,068</u>	<u>4,723,152</u>	<u>-</u>	<u>3,560,575</u>	<u>373,708</u>	<u>1,581,335</u>	<u>2,871,741</u>	<u>16,494,654</u>
Net Income/(Deficit)	<u>(851,879)</u>	<u>(3,411)</u>	<u>(78,391)</u>	<u>72,739</u>	<u>244,440</u>	<u>(4,645)</u>	<u>-</u>	<u>-</u>	<u>270,895</u>	<u>(350,252)</u>
Adjustments:										
Transfers Permanent										
Retained Earnings (Deficit) at December 31, 2021	<u>\$ (851,879)</u>	<u>(3,411)</u>	<u>(78,391)</u>	<u>72,739</u>	<u>244,440</u>	<u>(4,645)</u>	<u>-</u>	<u>-</u>	<u>270,895</u>	<u>(350,252)</u>

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS

FOR THE YEAR ENDED DECEMBER 31, 2021

Exhibit C-1

FUND YEAR 2020

	<u>Property Fund</u>	<u>General Liability Fund</u>	<u>Automotive Liability Fund</u>	<u>Worker's Compensation Fund</u>	<u>Loss Fund Contingency</u>	<u>MEL</u>	<u>Environmental Fund</u>	<u>POL/EPL</u>	<u>General & Administrative Fund</u>	<u>Total</u>
Assessment Revenue										
Regular Contributions	\$ 793,354	1,387,816	325,059	4,666,000	321,401	3,387,252	377,572	1,513,348	3,097,865	15,869,667
Other Income:										
Interest Income	4,133	8,007	1,879	28,931	-	18,678	-	-	12,198	73,826
	<u>797,487</u>	<u>1,395,823</u>	<u>326,938</u>	<u>4,694,931</u>	<u>321,401</u>	<u>3,405,930</u>	<u>377,572</u>	<u>1,513,348</u>	<u>3,110,063</u>	<u>15,943,493</u>
Expenses										
Premiums	15,560					3,380,662	377,571	1,513,236		5,287,029
Claims - Paid	953,038	100,971	52,240	1,323,719						2,429,968
Claims - Loss Reserves	7,563	1,052,530	118,745	1,569,889						2,748,727
Claims Adjustment									645,936	645,936
Safety Engineer									307,631	307,631
Administrative Fees									389,471	389,471
Managed Care									206,930	206,930
Professional Services									281,455	281,455
Miscellaneous									15,294	15,294
Risk Management Consultant Fees									971,410	971,410
Total Expenses	<u>976,161</u>	<u>1,153,501</u>	<u>170,985</u>	<u>2,893,608</u>	<u>-</u>	<u>3,380,662</u>	<u>377,571</u>	<u>1,513,236</u>	<u>2,818,127</u>	<u>13,283,851</u>
Net Income/(Deficit)	<u>(178,674)</u>	<u>242,322</u>	<u>155,953</u>	<u>1,801,323</u>	<u>321,401</u>	<u>25,268</u>	<u>1</u>	<u>112</u>	<u>291,936</u>	<u>2,659,642</u>
Adjustments:										
Transfers Permanent										
Retained Earnings (Deficit) at December 31, 2021	<u>\$ (178,674)</u>	<u>242,322</u>	<u>155,953</u>	<u>1,801,323</u>	<u>321,401</u>	<u>25,268</u>	<u>1</u>	<u>112</u>	<u>291,936</u>	<u>2,659,642</u>

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS

FOR THE YEAR ENDED DECEMBER 31, 2021

Exhibit C-2

FUND YEAR 2019

	<u>Property Fund</u>	<u>General Liability Fund</u>	<u>Automotive Liability Fund</u>	<u>Worker's Compensation Fund</u>	<u>Loss Fund Contingency</u>	<u>MEL</u>	<u>Environmental Fund</u>	<u>POL/EPL</u>	<u>General & Administrative Fund</u>	<u>Total</u>
Assessment Revenue										
Regular Contributions	\$ 795,489	1,399,578	332,937	4,643,700	157,516	3,299,796	385,429	1,396,186	3,080,409	15,491,040
Other Income:										
Interest Income	8,997	39,948	9,830	118,520	(91)	58,078	207	-	40,165	279,654
	804,486	1,439,526	342,767	4,762,220	157,425	3,357,874	385,636	1,396,186	3,120,574	15,766,694
Expenses										
Premiums	15,452									5,090,919
Claims - Paid	887,483	704,509	99,566	2,337,895			385,430	1,396,833		4,029,453
Claims - Loss Reserves	9,013	923,981	187,669	1,964,027						3,084,690
Claims Adjustment									633,270	633,270
Safety Engineer									286,830	286,830
Administrative Fees									381,834	381,834
Managed Care									202,873	202,873
Professional Services									273,433	273,433
Miscellaneous									38,585	38,585
Risk Management Consultant Fees									955,278	955,278
Total Expenses	911,948	1,628,490	287,235	4,301,922	-	3,293,204	385,430	1,396,833	2,752,103	14,957,165
Net Income/(Deficit)	(107,462)	(188,964)	55,532	460,298	157,425	64,670	206	(647)	368,471	809,529
Adjustments:										
Transfers Permanent										
Retained Earnings (Deficit) at December 31, 2021	\$ (107,462)	(188,964)	55,532	460,298	157,425	64,670	206	(647)	368,471	809,529

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS

FOR THE YEAR ENDED DECEMBER 31, 2021

Exhibit C-3

FUND YEAR 2018

	Property Fund	General Liability Fund	Automotive Liability Fund	Worker's Compensation Fund	Loss Fund Contingency	MEL	Environmental Fund	POL/ EPL	General & Administrative Fund	Total
Assessment Revenue										
Regular Contributions	\$ 778,249	1,382,110	346,640	4,618,973	136,214	3,011,161	373,828	1,233,980	2,960,610	14,841,765
Other Income:										
Interest Income	6,233	69,268	16,237	172,802	3,726	46,512	380	-	12,799	327,957
	784,482	1,451,378	362,877	4,791,775	139,940	3,057,673	374,208	1,233,980	2,973,409	15,169,722
EXPENSES										
Premiums	15,054					3,004,705	373,828	1,234,636		4,628,223
Claims - Paid	909,945	448,238	275,879	3,177,646						4,811,708
Claims - Loss Reserves	3	250,946	460,894	1,469,306						2,181,149
Claims Adjustment									603,493	603,493
Safety Engineer									260,319	260,319
Administrative Fees									397,618	397,618
Managed Care									193,325	193,325
Professional Services									221,894	221,894
Miscellaneous									40,662	40,662
Risk Management Consultant Fees									921,181	921,181
Total Expenses	925,002	699,184	736,773	4,646,952	-	3,004,705	373,828	1,234,636	2,638,492	14,259,572
Net Income/(Deficit)	(140,520)	752,194	(373,896)	144,823	139,940	52,968	380	(656)	334,917	910,150
Adjustments:										
Transfers Permanent										
Retained Earnings (Deficit) at December 31, 2021	\$ (140,520)	752,194	(373,896)	144,823	139,940	52,968	380	(656)	334,917	910,150

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS

FOR THE YEAR ENDED DECEMBER 31, 2021

Exhibit C-4

FUND YEAR 2017

	<u>Property Fund</u>	<u>General Liability Fund</u>	<u>Automotive Liability Fund</u>	<u>Worker's Compensation Fund</u>	<u>Loss Fund Contingency</u>	<u>MEL</u>	<u>Environmental Fund</u>	<u>POL/ EPL</u>	<u>General & Administrative Fund</u>	<u>Total</u>
Assessment Revenue										
Regular Contributions	\$ 778,765	1,463,272	349,140	4,555,667	136,388	3,137,455	392,140	1,177,602	2,647,948	14,638,377
Other Income:										
Interest Income	17,284	68,632	19,051	153,389	7,596	11,564	292	3	21,036	298,847
	796,049	1,531,904	368,191	4,709,056	143,984	3,149,019	392,432	1,177,605	2,668,984	14,937,224
Expenses										
Premiums	15,331					3,130,993	392,140	1,177,561		4,716,025
Claims - Paid	480,267	992,143	41,510	3,115,249						4,629,169
Claims - Loss Reserves	3,292	951,580	3,778	878,943						1,837,593
Claims Adjustment									591,660	591,660
Safety Engineer									254,727	254,727
Administrative Fees									356,745	356,745
Managed Care									193,334	193,334
Professional Services									195,538	195,538
Miscellaneous									42,931	42,931
Risk Management Consultant Fees									656,402	656,402
Total Expenses	498,890	1,943,723	45,288	3,994,192	-	3,130,993	392,140	1,177,561	2,291,337	13,474,124
Net Income/(Deficit)	297,159	(411,819)	322,903	714,864	143,984	18,026	292	44	377,647	1,463,100
Adjustments:										
Transfers Permanent										
Transferred to Closed Years Fund	\$ 297,159	(411,819)	322,903	714,864	143,984	18,026	292	44	377,647	1,463,100

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS****FOR THE YEAR ENDED DECEMBER 31, 2021****CLOSED YEARS CONTINGENCY FUND**

Exhibit C-5

Expenses:	
Claims Paid	\$ 561,727
Transfer to/(from) Loss Reserves:	
Case Reserves	(338,081)
IBNR Reserves	(142,152)
MEL Premium	177,558
Residual Claims Funds - Additional Assessment	50,769
Residual Claims Funds - Surplus Trigger	250
Total Expenses	<u>310,071</u>
Operating Income/(Loss)	(310,071)
Non-Operating Income	
Dividend Income	239,383
Interest Income	(4,837)
Total Non-Operating Income	<u>234,546</u>
Net Income/(Loss)	(75,525)
Retained Earnings, January 1, 2021	<u>4,148,871</u>
Retained Earnings before Other Financing Sources/(Uses)	4,073,346
Other Financing Sources/(Uses):	
Transfer from 2017 Fund Year	1,463,100
Equity Distributions	(1,339,383)
Total Adjustments	<u>123,717</u>
Retained Earnings, December 31, 2021	<u>\$ 4,197,063</u>

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUNDSTATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGSFOR THE YEAR ENDED DECEMBER 31, 2021AGGREGATE EXCESS LOSS FUND CONTINGENCY

Exhibit C-6

Revenues:	
Regular Contribution	\$ 167,979
Total Revenues	<u>167,979</u>
Expenses:	
Excess Insurance Premium	<u>884,810</u>
Total Expenses	884,810
Operating Income/(Loss)	(716,831)
Non-Operating Income	
Interest Income	<u>(695)</u>
Total Non-Operating Income	<u>(695)</u>
Net Income/(Loss)	(717,526)
Retained Earnings, January 1, 2021	<u>717,526</u>
Retained Earnings, December 31, 2021	<u>\$ -</u>

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND**STATEMENT OF BUDGETARY EXPENSES****FOR THE YEAR ENDED DECEMBER 31, 2021**

Exhibit D

2021 ASSESSMENT YEAR

<u>Account Description</u>	<u>Budget</u>	<u>Expenses</u>	<u>Loss Reserves</u>	<u>Variance Excess/ (Deficit)</u>
Self Insurance Claims:				
Property	\$ 824,390	989,935	686,453	(851,998)
General Liability	1,302,475	81,659	1,223,067	(2,251)
Automotive	308,874	122,471	264,597	(78,194)
Workmen's Compensation	4,800,000	767,769	3,955,383	76,848
Loss Fund Contingency	244,440		-	244,440
Reinsurance:				
Property Fund-Crime	15,961	15,961		-
Mel	2,475,188	2,478,127		(2,939)
Mel Property	1,082,448	1,082,448		-
Environmental Fund	373,708	373,708		-
POL/EPL Fund	1,581,335	1,581,335		-
Expenses:				
Claims Adjustment	658,853	658,854		(1)
Safety	349,347	316,663		32,684
Administrative Fees	397,260	397,260		-
Managed Care	211,069	211,069		-
Professional Services	319,990	283,544		36,446
Miscellaneous	236,978	16,837		220,141
Risk Management Consultant Fees	969,326	987,514		(18,188)
	<u>\$ 16,151,642</u>	<u>10,365,154</u>	<u>6,129,500</u>	<u>(343,012)</u>

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND**STATEMENT OF BUDGETARY EXPENSES****FOR THE YEAR ENDED DECEMBER 31, 2021****Exhibit D-1****2020 ASSESSMENT YEAR**

<u>Account Description</u>	<u>Budget</u>	<u>Expenses</u>	<u>Loss Reserves</u>	<u>Variance Excess/ (Deficit)</u>
Self Insurance Claims:				
Property	\$ 777,794	953,038	7,563	(182,807)
General Liability	1,387,816	100,971	1,052,530	234,315
Automotive	325,059	52,240	118,745	154,074
Workmen's Compensation	4,666,000	1,323,719	1,569,889	1,772,392
Loss Fund Contingency	321,401		-	321,401
Reinsurance:				
Property Fund-Crime	15,560	15,560		-
Mel	2,318,622	2,318,622		-
Mel Property	1,068,630	1,062,040		6,590
Environmental Fund	377,572	377,571		1
POL/EPL Fund	1,513,348	1,513,236		112
Expenses:				
Claims Adjustment	645,935	645,936		(1)
Safety	334,535	307,631		26,904
Administrative Fees	389,471	389,471		-
Managed Care	206,930	206,930		-
Professional Services	313,716	281,455		32,261
Miscellaneous	255,492	15,294		240,198
Risk Management Consultant Fees	951,786	971,410		(19,624)
	<u>\$ 15,869,667</u>	<u>10,535,124</u>	<u>2,748,727</u>	<u>2,585,816</u>

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND**STATEMENT OF BUDGETARY EXPENSES****FOR THE YEAR ENDED DECEMBER 31, 2021**

Exhibit D-2

2019 ASSESSMENT YEAR

<u>Account Description</u>	<u>Budget</u>	<u>Expenses</u>	<u>Loss Reserves</u>	<u>Variance Excess/ (Deficit)</u>
Self Insurance Claims:				
Property	\$ 780,037	887,483	9,013	(116,459)
General Liability	1,399,578	704,509	923,981	(228,912)
Automotive	332,937	99,566	187,669	45,702
Workmen's Compensation	4,643,700	2,337,895	1,964,027	341,778
Loss Fund Contingency	157,516		-	157,516
Reinsurance:				
Property Fund-Crime	15,452	15,452		-
Mel	2,358,454	2,330,619		27,835
Mel Property	962,585	962,585		-
Environmental Fund	385,429	385,430		(1)
POL/EPL Fund	1,396,186	1,396,833		(647)
Expenses:				
Claims Adjustment	633,270	633,270		-
Loss Fund Management	33,738	33,738		-
Safety	323,716	266,830		56,886
Administrative Fees	381,834	381,834		-
Managed Care	202,873	202,873		-
Professional Services	254,721	239,695		15,026
Miscellaneous	294,979	38,585		256,394
Risk Management Consultant Fees	955,278	955,278		-
	<u>\$ 15,512,283</u>	<u>11,872,475</u>	<u>3,084,690</u>	<u>555,118</u>

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND**STATEMENT OF BUDGETARY EXPENSES****FOR THE YEAR ENDED DECEMBER 31, 2021**

Exhibit D-3

2018 ASSESSMENT YEAR

<u>Account Description</u>	<u>Budget</u>	<u>Expenses</u>	<u>Loss Reserves</u>	<u>Variance Excess/ (Deficit)</u>
Self Insurance Claims:				
Property	\$ 763,195	909,945	3	(146,753)
General Liability	1,382,110	448,238	250,946	682,926
Automotive	346,640	275,879	460,894	(390,133)
Workmen's Compensation	4,618,973	3,177,646	1,469,306	(27,979)
Loss Fund Contingency	136,214		-	136,214
Reinsurance:				
Property Fund-Crime	15,054	15,054		-
Mel	2,139,442	2,109,670		29,772
Mel Property	895,035	895,035		-
Environmental Fund	373,828	373,828		-
POL/EPL Fund	1,233,980	1,234,636		(656)
Expenses:				
Claims Adjustment	603,493	603,493		-
Safety	311,769	260,319		51,450
Administrative Fees	397,618	397,618		-
Managed Care	193,334	193,325		9
Professional Services	245,267	221,894		23,373
Miscellaneous	292,241	40,662		251,579
Risk Management Consultant Fees	916,888	921,181		(4,293)
	<u>\$ 14,865,081</u>	<u>12,078,423</u>	<u>2,181,149</u>	<u>605,509</u>

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

HISTORICAL OPERATING RESULTS ANALYSIS

Schedule A
Sheet 1 of 2

FUND YEARS - 2021, 2020, 2019, 2018, CLOSED AND AGGREGATE EXCESS LOSS YEARS

DECEMBER 31, 2021

<u>1 Underwriting Income:</u>		
Regular Contributions (Earned)	\$ 328,727,449	
Additional Contributions	2,781,914	
Dividend & Miscellaneous Income	<u>2,252,240</u>	
Total Income		333,761,603
<u>2 Incurred Liabilities:</u>		
<u>Claims:</u>		
Paid	123,919,330	
Case Reserve (1)	33,598,461	
IBNR Reserve (1)	<u>9,489,787</u>	
Subtotal		<u>167,007,578</u>
Limited Incurred Claims (claims-excess)		<u>167,007,578</u>
<u>Expenses:</u>		
Miscellaneous	431,741	
Excess Insurance Premiums	3,456,482	
MEL	65,960,206	
Environmental Premiums	7,935,512	
POL/EPL	11,954,253	
Administrative	<u>55,500,732</u>	
Subtotal Expenses		<u>145,238,926</u>
Total Incurred Liabilities (limited claims and expenses)		<u>312,246,504</u>
<u>3 Underwriting Surplus/(Deficit) = 1-2</u>		21,515,099
<u>4 Investment Income (Earned)</u>		<u>17,989,715</u>
<u>5 Gross Statutory Surplus/(Deficit) = 3+4</u>		39,504,814

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

HISTORICAL OPERATING RESULTS ANALYSIS

Schedule A
Sheet 2 of 2

FUND YEARS - 2021, 2020, 2019, 2018, CLOSED AND AGGREGATE EXCESS LOSS YEARS

DECEMBER 31, 2021

<u>6 Return of Surplus:</u>	
Paid	30,862,332
Authorized and Unpaid	416,350
Subtotal Return of Surplus	<u>31,278,682</u>
<u>7 Net Statutory Surplus/(Deficit) = 5-6</u>	<u>8,226,132</u>
<u>8 Future Investment Income on Claims Reserve (2)</u>	
<u>9 Fund Operating Position</u>	<u>\$ 8,226,132</u>

(1) Refer to Notes to Financial Statements

(2) Source: Fund Actuary

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

HISTORICAL BALANCE SHEET

Schedule B

FUND YEARS 2021, 2020, 2019, 2018, CLOSED AND AGGREGATE EXCESS LOSS YEARS

DECEMBER 31, 2021

1 Assets:		
Cash and Investments (1)	<u>\$ 25,064,099</u>	25,064,099
Receivables (1):		
Other - Assessments and Receivables	<u>278,264</u>	
Total Receivables		<u>278,264</u>
Total Assets		25,342,363
2 Liabilities:		
Claims:		
Case Reserves	7,954,923	
IBNR Reserves	<u>6,189,143</u>	
Subtotal Claims		14,144,066
Expenses (Paid) (1):		
Other	2,904,286	
Administrative	<u>67,879</u>	
Total Liabilities		<u>17,116,231</u>
3 Net Statutory Surplus/(Deficit) = 1-2		8,226,132
4 Future Investment Income on Claim Reserves		
5 Fund Operating Position		<u><u>\$ 8,226,132</u></u>

(1) Refer to Notes to Financial Statements

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

Schedule C
Sheet 1 of 2

FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2021

DECEMBER 31, 2021

<u>1 Underwriting Income:</u>		
Regular Contributions (Earned)	\$ 16,151,642	
Miscellaneous Income	-	
Total Income		16,151,642
<u>2 Incurred Liabilities:</u>		
<u>Claims:</u>		
Paid	1,961,834	
Case Reserve (1)	2,421,503	
IBNR Reserve (1)	3,707,997	
Subtotal		<u>8,091,334</u>
Limited Incurred Claims (claims-excess)		<u>8,091,334</u>
<u>Expenses:</u>		
Excess Insurance Premiums	15,961	
MEL	3,560,575	
Environmental	373,708	
POL/EPL	1,581,335	
Administrative	2,871,741	
Subtotal Expenses		<u>8,403,320</u>
Total Incurred Liabilities (limited claims and expenses)		<u>16,494,654</u>
<u>3 Underwriting Surplus/(Deficit) = 1-2</u>		<u>(343,012)</u>
<u>4 Investment Income (Earned)</u>		<u>(7,240)</u>
<u>5 Gross Statutory Surplus/(Deficit) = 3+4</u>		<u>(350,252)</u>

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2021

DECEMBER 31, 2021

Schedule C
Sheet 2 of 2

6 Return of Surplus:

Paid	-
Authorized and Unpaid	-
Subtotal Return of Surplus	<u>-</u>

7 Net Statutory Surplus/(Deficit) = 5-6

(350,252)

8 Future Investment Income on Claims Reserve (2)

9 Fund Operating Position

\$ (350,252)

(1) Refer to Notes to Financial Statements

(2) Source: Fund Actuary

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR OPERATING RESULTS ANALYSIS

Schedule C
Sheet 1 of 2

FUND YEAR - 2020

DECEMBER 31, 2021

1 Underwriting Income:		
Regular Contributions (Earned)	\$ 15,869,667	
Miscellaneous Income	-	
Total Income		15,869,667
2 Incurred Liabilities:		
<u>Claims:</u>		
Paid	2,429,968	
Case Reserve (1)	1,496,513	
IBNR Reserve (1)	1,252,214	
Subtotal		5,178,695
Limited Incurred Claims (claims-excess)		5,178,695
<u>Expenses:</u>		
Excess Insurance Premiums	15,560	
MEL	3,380,662	
Environmental	377,571	
POL/EPL	1,513,236	
Administrative	2,818,127	
Subtotal Expenses		8,105,156
Total Incurred Liabilities (limited claims and expenses)		13,283,851
3 Underwriting Surplus/(Deficit) = 1-2		2,585,816
4 Investment Income (Earned)		73,826
5 Gross Statutory Surplus/(Deficit) = 3+4		2,659,642

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR OPERATING RESULTS ANALYSIS

Schedule C
Sheet 2 of 2

FUND YEAR - 2020

DECEMBER 31, 2021

6 Return of Surplus:

Paid	-	-
Authorized and Unpaid	-	-
Subtotal Return of Surplus	-	-

7 Net Statutory Surplus/(Deficit) = 5-6

2,659,642

8 Future Investment Income on Claims Reserve (2)

\$ 2,659,642

9 Fund Operating Position

(1) Refer to Notes to Financial Statements

(2) Source: Fund Actuary

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR OPERATING RESULTS ANALYSIS

Schedule C
Sheet 1 of 2

FUND YEAR - 2019

DECEMBER 31, 2021

1 Underwriting Income:		
Regular Contributions (Earned)	\$ 15,491,040	
Miscellaneous Income	-	
Total Income		15,491,040
2 Incurred Liabilities:		
<u>Claims:</u>		
Paid	4,029,453	
Case Reserve (1)	2,296,935	
IBNR Reserve (1)	787,755	
Subtotal		7,114,143
Limited Incurred Claims (claims-excess)		7,114,143
<u>Expenses:</u>		
Excess Insurance Premiums	15,452	
MEL	3,293,204	
Environmental	385,430	
POL/EPL	1,396,833	
Administrative	2,752,103	
Subtotal Expenses		7,843,022
Total Incurred Liabilities (limited claims and expenses)		14,957,165
3 Underwriting Surplus/(Deficit) = 1-2		533,875
4 Investment Income (Earned)		275,654
5 Gross Statutory Surplus/(Deficit) = 3+4		809,529

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

Schedule C
Sheet 2 of 2

FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2019

DECEMBER 31, 2021

<u>6 Return of Surplus:</u>	
Paid	-
Authorized and Unpaid	-
Subtotal Return of Surplus	<u>-</u>
<u>7 Net Statutory Surplus/(Deficit) = 5-6</u>	<u>809,529</u>
<u>8 Future Investment Income on Claims Reserve (2)</u>	
<u>9 Fund Operating Position</u>	<u>\$ 809,529</u>

(1) Refer to Notes to Financial Statements

(2) Source: Fund Actuary

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR OPERATING RESULTS ANALYSIS

Schedule C
Sheet 1 of 2

FUND YEAR - 2018

DECEMBER 31, 2021

<u>1 Underwriting Income:</u>		
Regular Contributions (Earned)	\$ 14,841,765	
Miscellaneous Income	-	
Total Income		14,841,765
<u>2 Incurred Liabilities:</u>		
<u>Claims:</u>		
Paid	4,811,708	
Case Reserve (1)	1,739,972	
IBNR Reserve (1)	441,177	
Subtotal	<u>6,992,857</u>	
Limited Incurred Claims (claims-excess)	<u>6,992,857</u>	
<u>Expenses:</u>		
Excess Insurance Premiums	15,054	
MEL	3,004,705	
Environmental	373,828	
POL/EPL	1,234,636	
Administrative	2,638,492	
Subtotal Expenses	<u>7,266,715</u>	
Total Incurred Liabilities (limited claims and expenses)		<u>14,259,572</u>
<u>3 Underwriting Surplus/(Deficit) = 1-2</u>		582,193
<u>4 Investment Income (Earned)</u>		<u>327,957</u>
<u>5 Gross Statutory Surplus/(Deficit) = 3+4</u>		910,150

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2018

Schedule C
Sheet 2 of 2

DECEMBER 31, 2021

6 Return of Surplus:

Paid	-
Authorized and Unpaid	-
Subtotal Return of Surplus	<u>-</u>

7 Net Statutory Surplus/(Deficit) = 5-6

910,150

8 Future Investment Income on Claims Reserve (2)

9 Fund Operating Position

\$ 910,150

(1) Refer to Notes to Financial Statements

(2) Source: Fund Actuary

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

Schedule C
Sheet 1 of 2

FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2017

DECEMBER 31, 2021

<u>1 Underwriting Income:</u>		
Regular Contributions (Earned)	\$ 14,638,377	
Miscellaneous Income	-	
Total Income		14,638,377
<u>2 Incurred Liabilities:</u>		
<u>Claims:</u>		
Paid	4,629,169	
Case Reserve (1)	1,442,381	
IBNR Reserve (1)	395,212	
Subtotal		<u>6,466,762</u>
Limited Incurred Claims (claims-excess)		<u>6,466,762</u>
<u>Expenses:</u>		
Excess Insurance Premiums	15,331	
MEL	3,130,993	
Environmental	392,140	
POL/EPL	1,177,561	
Administrative	2,291,337	
Subtotal Expenses		<u>7,007,362</u>
Total Incurred Liabilities (limited claims and expenses)		<u>13,474,124</u>
<u>3 Underwriting Surplus/(Deficit) = 1-2</u>		<u>1,164,253</u>
<u>4 Investment Income (Earned)</u>		<u>298,847</u>
<u>5 Gross Statutory Surplus/(Deficit) = 3+4</u>		<u>1,463,100</u>

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2017

DECEMBER 31, 2021

Schedule C
Sheet 2 of 2

6 Return of Surplus:

Paid	-
Authorized and Unpaid	-
Subtotal Return of Surplus	<u>-</u>

7 Net Statutory Surplus/(Deficit) = 5-6

1,463,100

8 Transferred to Close Years Fund

1,463,100

9 Fund Operating Position

\$ -

(1) Refer to Notes to Financial Statements

(2) Source: Fund Actuary

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR OPERATING RESULTS ANALYSIS

Schedule C
Sheet 1 of 2

CLOSED YEARS FUND

DECEMBER 31, 2021

<u>1 Underwriting Income:</u>		
Regular Contributions (Earned)	\$ 265,312,661	
Additional Contributions	2,781,914	
Dividend Income	1,790,612	
Miscellaneous Income	461,628	
Total Income		<u>270,346,815</u>

2 Incurred Liabilities:

<u>Claims:</u>		
Paid	110,686,367	
Case Reserve (1)	25,643,538	
IBNR Reserve (1)	3,300,644	
Subtotal		<u>139,630,549</u>
Limited Incurred Claims (claims-excess)		<u>139,630,549</u>

Expenses:

Intrafunds Payable	247,668	
Interfunds Paid	184,073	
Excess Insurance Premiums	3,394,455	
MEL Premiums	51,621,851	
Environmental Premiums	6,424,975	
POL/EPL	6,228,213	
Administrative	44,420,269	
Subtotal Expenses		<u>112,521,504</u>
Total Incurred Liabilities (limited claims and expenses)		<u>252,152,053</u>

3 Underwriting Surplus/(Deficit) = 1-2

18,194,762

4 Investment Income (Earned)

17,280,983

5 Gross Statutory Surplus/(Deficit) = 3+4

35,475,745

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR OPERATING RESULTS ANALYSIS

Schedule C
Sheet 2 of 2

CLOSED YEARS FUND

DECEMBER 31, 2021

<u>6 Return of Surplus:</u>	
Paid	30,862,332
Authorized and Unpaid	416,350
Subtotal Return of Surplus	<u>31,278,682</u>
<u>7 Net Statutory Surplus/(Deficit) = 5-6</u>	<u>4,197,063</u>
<u>8 Future Investment Income on Claims Reserve (2)</u>	
<u>9 Fund Operating Position</u>	<u>\$ 4,197,063</u>

(1) Refer to Notes to Financial Statements

(2) Source: Fund Actuary

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR OPERATING RESULTS ANALYSIS

Schedule C

AGGREGATE EXCESS LOSS FUND CONTINGENCY

DECEMBER 31, 2021

1 Underwriting Income:		
Regular Contributions (Earned)	\$ 1,060,674	
Total Income		1,060,674
2 Incurred Liabilities:		
Claims:		
Paid	-	
Case Reserve (1)	-	
IBNR Reserve (1)	-	
Subtotal		-
Limited Incurred Claims (claims-excess)		-
Expenses:		
Miscellaneous Expenses		
Excess Insurance Premiums	1,099,209	
Subtotal Expenses		1,099,209
Total Incurred Liabilities (limited claims and expenses)		1,099,209
3 Underwriting Surplus/(Deficit) = 1-2		(38,535)
4 Investment Income (Earned)		38,535
5 Gross Statutory Surplus/(Deficit) = 3+4		-
6 Return of Surplus:		
Paid		
Authorized and Unpaid		
Subtotal Return of Surplus		-
7 Net Statutory Surplus/(Deficit) = 5-6		-
8 Future Investment Income on Claims Reserve (2)		-
9 Fund Operating Position		\$ -

(1) Refer to Notes to Financial Statements

(2) Source: Fund Actuary

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

2021 ASSESSMENT YEAR

DECEMBER 31, 2021

Schedule D

	Property	General Liability	Automotive Liability	Worker's Compensation	Loss Fund Contingency	MEL	Environmental Fund	POL/ EPL	General and Administrative	Total
1 Underwriting Income										
Regular Contributions (Earned)	\$ 840,351	1,302,475	308,874	4,800,000	244,440	3,557,636	373,708	1,581,335	3,142,823	16,151,642
Miscellaneous Income	840,351	1,302,475	308,874	4,800,000	244,440	3,557,636	373,708	1,581,335	3,142,823	16,151,642
Total Income										
2 Incurred Liabilities										
Claims (Limited Incurred)	1,676,388	1,304,726	387,068	4,723,152	-	3,560,575	373,708	1,581,335	2,871,741	8,091,334
Expenses	15,961									8,403,320
Total Liabilities	1,692,349	1,304,726	387,068	4,723,152	-	3,560,575	373,708	1,581,335	2,871,741	16,494,654
3 Underwriting Surplus/(Deficit)	(851,998)	(2,251)	(78,194)	76,848	244,440	(2,939)	-	-	271,082	(343,012)
4 Adjustments										
Investment Income	119	(1,160)	(197)	(4,109)	-	(1,706)	-	-	(187)	(7,240)
Transfers (Permanent)										
Total Adjustments	119	(1,160)	(197)	(4,109)	-	(1,706)	-	-	(187)	(7,240)
5 Gross Statutory Surplus	(851,879)	(3,411)	(78,391)	72,739	244,440	(4,645)	-	-	270,895	(350,252)
6 Return of Surplus										
7 Net Statutory Surplus	(851,879)	(3,411)	(78,391)	72,739	244,440	(4,645)	-	-	270,895	(350,252)
8 Temporary Transfers										
9 Temporary Surplus Balance	(851,879)	(3,411)	(78,391)	72,739	244,440	(4,645)	-	-	270,895	(350,252)
10 Future Investment Income										
11 Future Operating Position	\$ (851,879)	(3,411)	(78,391)	72,739	244,440	(4,645)	-	-	270,895	(350,252)

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

Schedule D

2020 ASSESSMENT YEAR

DECEMBER 31, 2021

	Property	General Liability	Automotive Liability	Worker's Compensation	Loss Fund Contingency	MEL	Environmental Fund	POL/ EPL	General and Administrative	Total
1 Underwriting Income										
Regular Contributions (Earned)	\$ 793,354	1,387,816	325,059	4,666,000	321,401	3,387,252	377,572	1,513,348	3,097,865	15,889,667
Miscellaneous Income	793,354	1,387,816	325,059	4,666,000	321,401	3,387,252	377,572	1,513,348	3,097,865	15,889,667
Total Income										
2 Incurred Liabilities										
Claims (Limited Incurred)	960,601	1,153,501	170,985	2,893,608	-	3,380,662	377,571	1,513,236	2,818,127	5,178,695
Expenses	15,560									8,105,156
Total Liabilities	976,161	1,153,501	170,985	2,893,608	-	3,380,662	377,571	1,513,236	2,818,127	13,283,851
3 Underwriting Surplus/(Deficit)	(182,807)	234,315	154,074	1,772,392	321,401	6,590	1	112	279,738	2,585,816
4 Adjustments										
Investment Income	4,133	8,007	1,879	28,931	-	18,678	-	-	12,198	73,826
Transfers (Permanent)										
Total Adjustments	4,133	8,007	1,879	28,931	-	18,678	-	-	12,198	73,826
5 Gross Statutory Surplus	(178,674)	242,322	155,953	1,801,323	321,401	25,268	1	112	291,936	2,659,642
6 Return of Surplus										
7 Net Statutory Surplus	(178,674)	242,322	155,953	1,801,323	321,401	25,268	1	112	291,936	2,659,642
8 Temporary Transfers										
9 Temporary Surplus Balance	(178,674)	242,322	155,953	1,801,323	321,401	25,268	1	112	291,936	2,659,642
10 Future Investment Income										
11 Future Operating Position	\$ (178,674)	242,322	155,953	1,801,323	321,401	25,268	1	112	291,936	2,659,642

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

2019 ASSESSMENT YEAR

DECEMBER 31, 2021

	Property	General Liability	Automotive Liability	Worker's Compensation	Loss Fund Contingency	MEL	Environmental Fund	POL/EPL	General and Administrative	Total
1 Underwriting Income										
Regular Contributions (Earned)	\$ 795,489	1,399,578	332,937	4,643,700	157,516	3,299,796	385,429	1,396,186	3,080,409	15,491,040
Miscellaneous Income	795,489	1,399,578	332,937	4,643,700	157,516	3,299,796	385,429	1,396,186	3,080,409	15,491,040
Total Income										
2 Incurred Liabilities										
Claims (Limited Incurred)	896,496	1,628,490	287,235	4,301,922	-	3,293,204	385,430	1,396,833	2,752,103	7,114,143
Expenses	15,452	1,628,490	287,235	4,301,922	-	3,293,204	385,430	1,396,833	2,752,103	7,843,022
Total Liabilities	911,948	1,628,490	287,235	4,301,922	-	3,293,204	385,430	1,396,833	2,752,103	14,957,165
3 Underwriting Surplus/(Deficit)	(116,459)	(228,912)	45,702	341,778	157,516	6,592	(1)	(647)	328,306	533,875
4 Adjustments										
Investment Income	8,997	39,948	9,830	118,520	(91)	58,078	207	-	40,165	275,654
Transfers (Permanent)	8,997	39,948	9,830	118,520	(91)	58,078	207	-	40,165	275,654
Total Adjustments	(107,462)	(188,964)	55,532	460,298	157,425	64,670	206	(647)	368,471	809,529
5 Gross Statutory Surplus										
	(107,462)	(188,964)	55,532	460,298	157,425	64,670	206	(647)	368,471	809,529
6 Return of Surplus										
	(107,462)	(188,964)	55,532	460,298	157,425	64,670	206	(647)	368,471	809,529
7 Net Statutory Surplus										
	(107,462)	(188,964)	55,532	460,298	157,425	64,670	206	(647)	368,471	809,529
8 Temporary Transfers										
	(107,462)	(188,964)	55,532	460,298	157,425	64,670	206	(647)	368,471	809,529
9 Temporary Surplus Balance										
	(107,462)	(188,964)	55,532	460,298	157,425	64,670	206	(647)	368,471	809,529
10 Future Investment Income										
	(107,462)	(188,964)	55,532	460,298	157,425	64,670	206	(647)	368,471	809,529
11 Future Operating Position										
	\$ (107,462)	(188,964)	55,532	460,298	157,425	64,670	206	(647)	368,471	809,529

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

Schedule D

2018 ASSESSMENT YEAR

DECEMBER 31, 2021

	Property	General Liability	Automotive Liability	Worker's Compensation	Loss Fund Contingency	MEL	Environmental Fund	POL/ EPL	General and Administrative	Total
1 Underwriting Income										
Regular Contributions (Earned)	\$ 778,249	1,382,110	346,640	4,618,973	136,214	3,011,161	373,828	1,233,980	2,960,610	14,841,765
Miscellaneous Income										
Total Income	<u>778,249</u>	<u>1,382,110</u>	<u>346,640</u>	<u>4,618,973</u>	<u>136,214</u>	<u>3,011,161</u>	<u>373,828</u>	<u>1,233,980</u>	<u>2,960,610</u>	<u>14,841,765</u>
2 Incurred Liabilities										
Claims (Limited Incurred)	909,948	699,184	736,773	4,646,952		3,004,705	373,828	1,234,636	2,638,492	6,992,857
Expenses	15,054									7,266,715
Total Liabilities	<u>925,002</u>	<u>699,184</u>	<u>736,773</u>	<u>4,646,952</u>	<u>-</u>	<u>3,004,705</u>	<u>373,828</u>	<u>1,234,636</u>	<u>2,638,492</u>	<u>14,259,572</u>
3 Underwriting Surplus/(Deficit)	<u>(146,753)</u>	<u>682,926</u>	<u>(390,133)</u>	<u>(27,979)</u>	<u>136,214</u>	<u>6,456</u>	<u>-</u>	<u>(656)</u>	<u>322,118</u>	<u>582,193</u>
4 Adjustments										
Investment Income	6,233	69,268	16,237	172,802	3,726	46,512	380		12,799	327,957
Transfers (Permanent)										
Total Adjustments	<u>6,233</u>	<u>69,268</u>	<u>16,237</u>	<u>172,802</u>	<u>3,726</u>	<u>46,512</u>	<u>380</u>	<u>-</u>	<u>12,799</u>	<u>327,957</u>
5 Gross Statutory Surplus	<u>(140,520)</u>	<u>752,194</u>	<u>(373,896)</u>	<u>144,823</u>	<u>139,940</u>	<u>52,968</u>	<u>380</u>	<u>(656)</u>	<u>334,917</u>	<u>910,150</u>
6 Return of Surplus										
7 Net Statutory Surplus	<u>(140,520)</u>	<u>752,194</u>	<u>(373,896)</u>	<u>144,823</u>	<u>139,940</u>	<u>52,968</u>	<u>380</u>	<u>(656)</u>	<u>334,917</u>	<u>910,150</u>
8 Temporary Transfers										
9 Temporary Surplus Balance	<u>(140,520)</u>	<u>752,194</u>	<u>(373,896)</u>	<u>144,823</u>	<u>139,940</u>	<u>52,968</u>	<u>380</u>	<u>(656)</u>	<u>334,917</u>	<u>910,150</u>
10 Future Investment Income										
11 Future Operating Position	<u>\$ (140,520)</u>	<u>752,194</u>	<u>(373,896)</u>	<u>144,823</u>	<u>139,940</u>	<u>52,968</u>	<u>380</u>	<u>(656)</u>	<u>334,917</u>	<u>910,150</u>

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

Schedule D

2017 ASSESSMENT YEAR

DECEMBER 31, 2021

	Property	General Liability	Automotive Liability	Worker's Compensation	Loss Fund Contingency	MEL	Environmental Fund	POL/ EPL	General and Administrative	Total
1 Underwriting Income										
Regular Contributions (Eamed)	\$ 778,765	1,463,272	349,140	4,555,667	136,388	3,137,455	392,140	1,177,602	2,647,948	14,638,377
Miscellaneous Income										
Total Income	<u>778,765</u>	<u>1,463,272</u>	<u>349,140</u>	<u>4,555,667</u>	<u>136,388</u>	<u>3,137,455</u>	<u>392,140</u>	<u>1,177,602</u>	<u>2,647,948</u>	<u>14,638,377</u>
2 Incurred Liabilities										
Claims (Limited Incurred)	483,559	1,943,723	45,288	3,994,192		3,130,993	392,140	1,177,561	2,291,337	6,466,762
Expenses	15,331									7,007,362
Total Liabilities	<u>498,890</u>	<u>1,943,723</u>	<u>45,288</u>	<u>3,994,192</u>	<u>-</u>	<u>3,130,993</u>	<u>392,140</u>	<u>1,177,561</u>	<u>2,291,337</u>	<u>13,474,124</u>
3 Underwriting Surplus/(Deficit)	<u>279,875</u>	<u>(480,451)</u>	<u>303,852</u>	<u>561,475</u>	<u>136,388</u>	<u>6,462</u>	<u>-</u>	<u>41</u>	<u>356,611</u>	<u>1,164,253</u>
4 Adjustments										
Investment Income	17,284	68,632	19,051	153,389	7,596	11,564	292	3	21,036	298,847
Transfers (Permanent)										
Total Adjustments	<u>17,284</u>	<u>68,632</u>	<u>19,051</u>	<u>153,389</u>	<u>7,596</u>	<u>11,564</u>	<u>292</u>	<u>3</u>	<u>21,036</u>	<u>298,847</u>
5 Gross Statutory Surplus	<u>297,159</u>	<u>(411,819)</u>	<u>322,903</u>	<u>714,864</u>	<u>143,984</u>	<u>18,026</u>	<u>292</u>	<u>44</u>	<u>377,647</u>	<u>1,463,100</u>
6 Return of Surplus										
7 Net Statutory Surplus	<u>297,159</u>	<u>(411,819)</u>	<u>322,903</u>	<u>714,864</u>	<u>143,984</u>	<u>18,026</u>	<u>292</u>	<u>44</u>	<u>377,647</u>	<u>1,463,100</u>
8 Temporary Transfers										
9 Temporary Surplus Balance	<u>297,159</u>	<u>(411,819)</u>	<u>322,903</u>	<u>714,864</u>	<u>143,984</u>	<u>18,026</u>	<u>292</u>	<u>44</u>	<u>377,647</u>	<u>1,463,100</u>
10 Future Investment Income										
11 Transferred to Closed Years Fund	<u>\$ 297,159</u>	<u>(411,819)</u>	<u>322,903</u>	<u>714,864</u>	<u>143,984</u>	<u>18,026</u>	<u>292</u>	<u>44</u>	<u>377,647</u>	<u>1,463,100</u>

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

2021 FUND YEAR CLAIMS ANALYSIS

Schedule E

DECEMBER 31, 2021

	<u>Property</u>	<u>General Liability</u>	<u>Automotive Liability</u>	<u>Worker's Compensation</u>	<u>Totals</u>
Paid Claims	\$ 989,935	81,659	122,471	767,769	1,961,834
Case Reserve	685,453	433,336	71,833	1,230,881	2,421,503
IBNR Reserve	1,000	789,731	192,764	2,724,502	3,707,997
Limited Incurred Claims	<u>\$ 1,676,388</u>	<u>1,304,726</u>	<u>387,068</u>	<u>4,723,152</u>	<u>8,091,334</u>
Number of Claims	269	161	86	548	1,064
Cost/Claim	<u>\$ 6,232</u>	<u>8,104</u>	<u>4,501</u>	<u>8,619</u>	<u>7,605</u>

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

Schedule E

2020 FUND YEAR CLAIMS ANALYSIS

DECEMBER 31, 2021

	Property	General Liability	Automotive Liability	Worker's Compensation	Totals
Paid Claims	\$ 953,038	100,971	52,240	1,323,719	2,429,968
Case Reserve	7,563	511,138	16,190	961,622	1,496,513
IBNR Reserve	-	541,392	102,555	608,267	1,252,214
Limited Incurred Claims	\$ 960,601	1,153,501	170,985	2,893,608	5,178,695
Number of Claims	261	155	55	484	955
Cost/Claim	\$ 3,680	7,442	3,109	5,979	5,423

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

2019 FUND YEAR CLAIMS ANALYSIS

Schedule E

DECEMBER 31, 2021

	<u>Property</u>	<u>General Liability</u>	<u>Automotive Liability</u>	<u>Worker's Compensation</u>	<u>Totals</u>
Paid Claims	\$ 887,483	704,509	99,566	2,337,895	4,029,453
Case Reserve	9,013	580,449	109,883	1,597,590	2,296,935
IBNR Reserve	-	343,532	77,786	366,437	787,755
Limited Incurred Claims	<u>\$ 896,496</u>	<u>1,628,490</u>	<u>287,235</u>	<u>4,301,922</u>	<u>7,114,143</u>
Number of Claims	251	210	68	355	884
Cost/Claim	<u>\$ 3,572</u>	<u>7,755</u>	<u>4,224</u>	<u>12,118</u>	<u>8,048</u>

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

2018 FUND YEAR CLAIMS ANALYSIS

Schedule E

DECEMBER 31, 2021

	<u>Property</u>	<u>General Liability</u>	<u>Automotive Liability</u>	<u>Worker's Compensation</u>	<u>Totals</u>
Paid Claims	\$ 909,945	448,238	275,879	3,177,646	4,811,708
Case Reserve	3	184,300	412,948	1,142,721	1,739,972
IBNR Reserve	-	66,646	47,946	326,585	441,177
Limited Incurred Claims	<u>\$ 909,948</u>	<u>699,184</u>	<u>736,773</u>	<u>4,646,952</u>	<u>6,992,857</u>
Number of Claims	270	241	83	293	887
Cost/Claim	<u>\$ 3,370</u>	<u>2,901</u>	<u>8,877</u>	<u>15,860</u>	<u>7,884</u>

MONMOUTH COUNTY MUNICIPAL**JOINT INSURANCE FUND****FUND YEAR EXPENSE ANALYSIS****2021 ASSESSMENT YEAR****Schedule F****AS OF DECEMBER 31, 2021**

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
Excess Insurance	\$ 15,961	-	15,961
Environmental Fund Expenses	373,708	-	373,708
MEL Expenses	3,560,575	-	3,560,575
POL/EPL Expenses	1,581,335	-	1,581,335
Administrative Expenses			
Administrator	397,260		397,260
Loss Fund Management	35,101		35,101
Claims Adjuster	658,854		658,854
Safety	277,344	39,319	316,663
Managed Care	211,069	-	211,069
Legal	125,706	10,516	136,222
Treasurer	21,120	-	21,120
Actuary	45,394	-	45,394
Payroll Auditor	16,433	-	16,433
Auditor	-	16,779	16,779
Underwriting Managers	12,495	-	12,495
Risk Manager	987,514	-	987,514
Miscellaneous	15,572	1,265	16,837
Sub-Total Administrative	<u>2,803,862</u>	<u>67,879</u>	<u>2,871,741</u>
Total Expenses	<u>\$ 8,335,441</u>	<u>67,879</u>	<u>8,403,320</u>

MONMOUTH COUNTY MUNICIPALJOINT INSURANCE FUNDFUND YEAR EXPENSE ANALYSIS2020 ASSESSMENT YEAR

Schedule F

AS OF DECEMBER 31, 2021

	<u>Total</u>
Excess Insurance	\$ 15,560
Environmental Fund Expenses	<u>377,571</u>
MEL Expenses	<u>3,380,662</u>
POL/EPL Expenses	<u>1,513,236</u>
Administrative Expenses	
Administrator	389,471
Loss Fund Management	34,413
Claims Adjuster	645,936
Safety	307,631
Managed Care	206,930
Legal	137,299
Treasurer	20,706
Actuary	40,795
Payroll Auditor	19,542
Auditor	16,450
Underwriting Managers	12,250
Risk Manager	971,410
Miscellaneous	<u>15,294</u>
Sub-Total Administrative	<u>2,818,127</u>
Total Expenses	<u>\$ 8,105,156</u>

MONMOUTH COUNTY MUNICIPAL**JOINT INSURANCE FUND****FUND YEAR EXPENSE ANALYSIS****2019 ASSESSMENT YEAR****Schedule F****AS OF DECEMBER 31, 2021**

	<u>Total</u>
Excess Insurance	\$ 15,452
Environmental Fund Expenses	385,430
MEL Expenses	3,293,204
POL/EPL Expenses	1,396,833
Administrative Expenses	
Administrator	381,834
Loss Fund Management	33,738
Claims Adjuster	633,270
Safety	266,830
Managed Care	202,873
Legal	136,628
Treasurer	20,300
Actuary	43,631
Payroll Auditor	11,000
Auditor	16,127
Underwriting Managers	12,009
Risk Manager	955,278
Miscellaneous	38,585
Sub-Total Administrative	2,752,103
Total Expenses	\$ 7,843,022

MONMOUTH COUNTY MUNICIPAL

JOINT INSURANCE FUND

FUND YEAR EXPENSE ANALYSIS

2018 ASSESSMENT YEAR

Schedule F

AS OF DECEMBER 31, 2021

	<u>Total</u>
Excess Insurance	\$ 15,054
Environmental Fund Expenses	373,828
MEL Expenses	3,004,705
POL/EPL Expenses	1,234,636
Administrative Expenses	
Administrator	397,618
Claims Adjuster	603,493
Safety	260,319
Managed Care	193,325
Legal	113,374
Treasurer	19,902
Actuary	42,775
Payroll Auditor	18,259
Auditor	15,810
Underwriting Managers	11,774
Risk Manager	921,181
Miscellaneous	40,662
Sub-Total Administrative	<u>2,638,492</u>
Total Expenses	<u>\$ 7,266,715</u>

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR PROGRAM SUMMARY

2021 ASSESSMENT YEAR

PERIOD ENDED DECEMBER 31, 2021

Schedule G

Limits	Property	Coverages		Worker's Compensation	Environmental	Public Officials / Employment Practices	Cyber	Totals
		General Liability	Auto Liability					
\$ 125,000,000	Blanket Limit	\$ 5,000,000 Per Occurrence Combined Single Limit	\$ 5,000,000 Per Occurrence Combined Single Limit	Statutory	\$1,000,000 Third Party \$50,000 On-site Cleanup Cost Liability \$1,000,000 Public Officials Pollution Liability \$ 50,000 De Minimis Abandoned Waste Sites \$1,000,000 Underground Storage	QBE Insurance \$2,000,000	XL Insurance \$3,000,000 Per Claim/ \$3,000,000 Aggregate/ \$6,000,000 JIF Aggregate	
Fund Retention: Specific	\$ 100,000	\$ 300,000	\$ 300,000	\$ 300,000	None			
Excess Insurance	Zurich Insurance \$125,000,000 per occurrence-blanket limit in excess of JIF/MEL \$500,000 self-insured retention	Municipal Excess Liability Joint Insurance Fund provides \$4,700,000 in excess of \$300,000 for liability and \$1,700,000 in excess of \$300,000 workers' compensation. Safety National provides statutory limits excess of JIF/MEL retention \$2,000,000 for workers' compensation and \$5,000,000 for Employers Liability. Munich Re provides optional limits excess of \$5,000,000 up to \$15,000,000 excess of \$5,000,000.	\$9,000,000 Asect Specialty Insurance Co. provides \$9,000,000/\$5,000,000 Occurrence/Aggregate. Excess that attaches when EJIF claim payments exceed a \$3,000,000 attachment point.	optional excess liability reinsurance to the Municipal Excess Liability Joint Insurance Fund Member optional limits in layers starting at \$1,000,000 in excess of \$2,000,000 through \$8,000,000.	Munich Re provides	Great American \$3,000,000 Follow Form Cowbell \$3,000,000 Follow Form \$6,000,000 Aggregate		
Number of Participants	41	41	41	41	41	41	41	\$ 8,061,334
Incurred Liabilities	\$ 1,676,388	\$ 1,304,726	\$ 387,068	\$ 4,723,152				
Exposure Units	\$ 1,107,539,968 Property Values	389,786 Population	2,630 Vehicles	245,899,898 Payroll	389,786 Population	Full time Employees - 2,466 Population - 389,786		
Liabilities/Unit	\$ 0.00	\$ 3.35	\$ 147.17	\$ 0.02				\$ 150.54

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

ANALYSIS OF CASH AND INVESTMENTS

Table 1

FUND YEARS 2021, 2020, 2019, 2018, AGGREGATE EXCESS LOSS AND CLOSED YEARS FUND

DECEMBER 31, 2021

<u>Institution</u>	<u>Amount</u>
State of N.J. - Cash Management Fund Dean Witter Trust Co.	\$ 1,485,417
Investor's Bank - Operating Account	3,773,722
Investor's Bank - Administrative Account	85,980
BNY Mellon - JCMi Account	4,847,204
Wilmington Trust - Investment	<u>14,871,776</u>
	<u><u>\$ 25,064,099</u></u>

ADMINISTRATIVE EXPENSES PAYABLE

2021 ASSESSMENT YEAR

AT DECEMBER 31, 2021

Table 2

LIABILITIES (ACCRUED)

Safety	\$ 39,319
Legal	10,516
Auditors	16,779
Miscellaneous	<u>1,265</u>
Total	<u>\$ 67,879</u>

**PART III – REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING**

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)
ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.
ROBERT A. HULSART, JR., C.P.A., P.S.A.
RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

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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

Board of Commissioners
Monmouth County Municipal Joint
Insurance Fund
9 Campus Drive, Suite 216
Parsippany, New Jersey 07054

We have audited the financial statements of the Monmouth County Municipal Joint Insurance Fund (the "Fund"), as of and for the year ended December 31, 2021, and have issued our report thereon dated May 10, 2022. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, 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 Bureau of Authority Regulation, Division of Local Government Services, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Fund's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control over financial reporting.

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 misstatements on a timely basis. A *material weakness* is a deficiency, or 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.

Internal Control Over Financial Reporting (Continued)

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fund's general-purpose 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 determination of general-purpose financial statement amounts. 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 Bureau of Authority Regulation, Division of Local Government Services, State of New Jersey.

This report is intended solely for the information and use of the management of the Board of Commissioner's, management and the appropriate state agencies and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

Robert A. Hulsart

ROBERT A. HULSART & COMPANY
Certified Public Accountants

May 10, 2022

PART IV – COMMENTS AND RECOMMENDATIONS

COMMENTS/RECOMMENDATIONS

There are none.

APPRECIATION

We desire to express our appreciation for the assistance and courtesies rendered by the officials during the course of the audit.