

MONMOUTH COUNTY
JOINT INSURANCE FUND
DECEMBER 31, 2023

ROBERT A. HULSART AND COMPANY
Certified Public Accountants

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Wall, New Jersey 07719

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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INDEPENDENT AUDITORS REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying consolidated financial statements of the various funds of the Monmouth County Municipal Joint Insurance Fund (the "Fund"), as of December 31, 2023, and the related Notes to the Financial Statements, which collectively comprise the Fund's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the consolidated financial statements of the various funds and the aggregate remaining fund information of the Monmouth County Municipal Joint Insurance Fund, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section in our report. We are required to be independent of the Monmouth County Joint Insurance Fund, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and ***Government Auditing Standards*** will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error; a fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

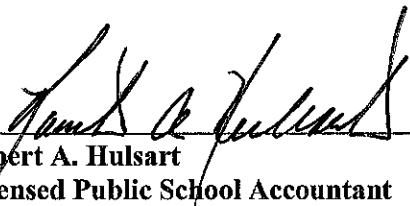
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Monmouth County Joint Insurance Fund's basic financial statements. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with ***Government Auditing Standards***, we have also issued our report dated May 9, 2024, on our consideration of the Fund's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with ***Government Auditing Standards*** the Fund's internal control over financial reporting and compliance.

Respectfully submitted,

ROBERT A. HULSART AND COMPANY



Robert A. Hulsart
Licensed Public School Accountant
No. 322
Robert A. Hulsart and Company
Wall Township, New Jersey

May 9, 2024

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, 2023 and 2022. 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, 2023 and 2022.

SUMMARY OF STATEMENT OF NET POSITION

| | <u>2023</u> | <u>2022</u> | <u>Increase (Decrease)</u> | <u>Percentage Change</u> |
|----------------------------------|----------------------|----------------------|--------------------------------|------------------------------|
| ASSETS: | | | | |
| Cash and Cash Equivalents, | | | | |
| Investments and Receivables | \$ 27,837,400 | \$ 24,715,783 | \$ 3,121,617 | 12.63% |
| Investment in Joint Ventures | 3,846,091 | 3,323,744 | 522,347 | 15.72% |
| Total Assets | <u>31,683,491</u> | <u>28,039,527</u> | <u>3,643,964</u> | 13.00% |
| LIABILITIES: | | | | |
| Loss Reserves | 13,197,563 | 13,185,298 | 12,265 | 0.09% |
| Other Liabilities | 3,557,143 | 3,946,382 | (389,239) | -9.86% |
| Total Liabilities | <u>16,754,706</u> | <u>17,131,680</u> | <u>(376,974)</u> | -2.20% |
| UNRESTRICTED NET POSITION | <u>\$ 14,928,785</u> | <u>\$ 10,907,847</u> | <u>\$ 4,020,938</u> | 36.86% |

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

| | <u>2023</u> | <u>2022</u> | <u>Increase (Decrease)</u> | <u>Percent Change</u> |
|--|----------------------|-----------------------|--------------------------------|---------------------------|
| Operating Revenue: | | | | |
| Assessments and Other Income | <u>\$ 18,817,048</u> | <u>\$ 17,511,174</u> | <u>\$ 1,305,874</u> | 7.46% |
| Operating Expenses: | | | | |
| Provision for Claims & Claims Expense | 6,260,410 | 5,683,267 | 577,143 | 10.16% |
| Excess Insurance Premiums | 7,399,478 | 8,198,124 | (798,646) | -9.74% |
| General and Administrative Expenses | <u>2,963,745</u> | <u>2,942,282</u> | <u>21,463</u> | 0.73% |
| Total Operating Expenses | <u>16,623,633</u> | <u>16,823,673</u> | <u>(200,040)</u> | -1.19% |
| Operating Income/(Loss) | 2,193,415 | 687,501 | 1,505,914 | 219.04% |
| Non-Operating Income/(Expenses): | | | | |
| Change in Investment in Joint Ventures | 522,347 | (1,435,839) | 1,958,186 | 136.38% |
| Investment and Dividend Income | 1,500,681 | (82,597) | 1,583,278 | 1916.87% |
| Return of Surplus | <u>(195,505)</u> | <u>(1,246,930)</u> | <u>(1,051,425)</u> | -84.32% |
| Change in Net Position | <u>\$ 4,020,938</u> | <u>\$ (2,077,865)</u> | <u>\$ 6,098,803</u> | -293.51% |

In 2023, the Monmouth County Municipal JIF's (MCMJIF) total assets increased 13.00%. Liabilities decreased 2.20% primarily due to a 9.86% decrease in Other Liabilities. 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), the New Jersey Municipal Environmental Risk Management Fund (EJIF), and the New Jersey Cyber Risk Management Fund (CYBER JIF). The value of this asset increased by 15.72% reflecting an increase in equity retained by those entities. Overall, the MCMJIF's unrestricted net position increased 36.86%.

Operating income increased 219.04% primarily due to a 7.46% increase in Assessments and Other income of 7.46%. Investment and Dividend Income increased 1916.87% due to unrealized gains in a rising interest rate environment.

The Fund paid a dividend of \$0 in 2023 and \$1,246,930 in 2022.

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>2023</u> |
|--|----------------------|
| <u>Assets</u> | |
| Cash | \$ 11,502,981 |
| Investments | 15,334,997 |
| Accrued Interest Receivable | 135,394 |
| Other Receivables | 667,338 |
| Other Assets | 66,740 |
| Excess Insurance Receivable | 129,950 |
| Investment in Joint Ventures | <u>3,846,091</u> |
| Total Assets | <u>\$ 31,683,491</u> |
| <u>Liabilities, Reserves and Net Position</u> | |
| Accounts Payable | \$ 281,068 |
| Prepaid Contributions | 29,908 |
| Due to Residual Claims Fund | 1,377,406 |
| Additonal Assessment - RCF Assessment | 734,074 |
| Additonal Assessment - MEL Assessment | 1,134,687 |
| Loss Reserves: | |
| Case Reserves | 5,368,483 |
| IBNR Reserves | <u>7,829,080</u> |
| Total Liabilities and Reserves | 16,754,706 |
| Net Position | <u>14,928,785</u> |
| Total Liabilities, Reserves and Net Position | <u>\$ 31,683,491</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>2023</u> |
|-----------------------------------|-----------------------------|
| Operating Revenues: | |
| Assessments | <u>\$ 18,817,048</u> |
| Total Revenues | <u>18,817,048</u> |
| Operating Expenses: | |
| Claims Paid | 4,870,741 |
| Excess Insurance Premiums | 7,399,478 |
| General & Administrative Expenses | 2,963,745 |
| Transfer To/(From) Loss Reserves: | |
| Case Reserves | (329,490) |
| IBNR Reserves | <u>1,719,159</u> |
| Total Expenses | <u>16,623,633</u> |
| Operating Income/(Loss) | 2,193,415 |
| Nonoperating Revenues/(Expenses): | |
| Investment in Joint Ventures | 522,347 |
| Dividend Income | 195,505 |
| Investment Income | 1,305,176 |
| Return of Surplus | <u>(195,505)</u> |
| Total Nonoperating Income/(Loss) | <u>1,827,523</u> |
| Change in Net Position | 4,020,938 |
| Total Net Position, January 1 | <u>10,907,847</u> |
| Total Net Position, December 31, | <u><u>\$ 14,928,785</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>2023</u> |
|---|----------------------|
| Cash Flows from Operating Activities | |
| Cash Received from Municipal Assessment and Miscellaneous Income | \$ 18,817,048 |
| Cash Paid for Claims & Services | <u>(17,619,137)</u> |
| Net Cash Provided (Used) by Operating Activities | <u>1,197,911</u> |
| Cash Flows from Investing Activities | |
| Net (Purchase) Redemption of Treasury Bills | <u>(572,164)</u> |
| Cash Flows from Non-Operating Activities | |
| Interest/Dividends Received | <u>1,500,681</u> |
| Cash Flows from Financing Activities | |
| Equity Distributions | <u>(195,505)</u> |
| Net Increase (Decrease) in Cash | 1,930,923 |
| Cash, Beginning of Year | <u>9,572,058</u> |
| Cash, End of Year | <u>\$ 11,502,981</u> |
| <u>Reconciliation of Net Cash Provided (Used) by</u> | |
| <u>Operating Activities</u> | |
| Operating Income/(Loss) | \$ 2,193,412 |
| Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided (Used) by Operating Activities | |
| Changes in Assets and Liabilities | |
| (Increase) Decrease in Other Assets | 44,717 |
| Increase (Decrease) in Prepaids | 114,265 |
| Increase (Decrease) in Cash Reserves | (1,368,707) |
| Increase (Decrease) in IBNR Reserves | 1,380,972 |
| Increase (Decrease) in Accounts Payable | (397,245) |
| (Increase) Decrease in Receivables | <u>(769,503)</u> |
| Net Cash Provided (Used) by Operating Activities | <u>\$ 1,197,911</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, 2023

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.

Public Officials Liability (POL)/Employment Practices Liability (EPL) – Insures against damages arising out of claims for wrongful act, error, omission or breach of duty by a lawfully appointed or elected official or an employee or authorized volunteer of the insured while acting within the scope of their official duties. Also insures against damages arising out of employment claims.

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 (1988-2019). See Note 4.

Aggregate Excess Loss Contingency Fund – Utilized solely for the replenishment of a claim or loss retention account for losses in excess of budgeted losses for a Fund Year.

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.

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

Accounts Payable

Purchase orders outstanding for services rendered at December 31, 2023 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.

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.

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

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.

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 \$26,837,978. Of this amount \$750,000 was covered by Federal depository insurance, \$1,583,993 was uninsured, and the remaining \$24,503,985 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.

NOTE 2: CASH AND CASH EQUIVALENTS (Continued)

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
- (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.

NOTE 2: CASH AND CASH EQUIVALENTS (Continued)**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.

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>Bank Balance</u> | |
|----------------------------------|----------------------|----------------------|
| | <u>Dec. 31, 2023</u> | <u>Dec. 31, 2022</u> |
| <u>Depository Account</u> | | |
| Insured: | | |
| FDIC | \$ 750,000 | 750,000 |
| GUDPA | 24,503,985 | 22,485,435 |
| Uninsured | <u>1,583,993</u> | <u>1,507,793</u> |
| | <u>\$ 26,837,978</u> | <u>24,743,228</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 2: CASH AND CASH EQUIVALENTS (Continued)**F. New Jersey Cash Management Fund**

All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason reserve is being accumulated as additional protection for the "Other-than-State" participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis.

As of December 31, 2023, the Fund had \$1,583,993 on deposit with the New Jersey Cash Management Fund.

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 | 2020 | 2021 | 2022 | 2023 |
|---|--|------------------|------------------|--------------------|-----------------------------|
| Unpaid Claims and Claim Adjustment Expenses at Beginning of Year | \$ | 2,034,412 | 3,381,339 | 5,815,219 | |
| Incurred Claims and Claim Adjustment Expenses: | | | | | |
| Provision For Insured Events of the Current Year | | | | | 8,811,273 |
| Increases (Decreases) in Provision for Insured Events of Prior Years | <u>595,307</u> | <u>(133,872)</u> | <u>112,363</u> | <u>(1,428,912)</u> | <u> </u> |
| Total Incurred Claims and Claim Adjustment Expense | <u>595,307</u> | <u>1,900,540</u> | <u>3,493,702</u> | <u>4,386,307</u> | <u>8,811,273</u> |
| Payments: | | | | | |
| Claims and Claim Adjustment Expenses Attributable to Insured Events of the Current Year | | | | | (1,825,165) |
| Claims and Claim Adjustment Expenses Attributable to Insured Events of Prior Years | <u>(595,307)</u> | <u>(723,425)</u> | <u>(555,332)</u> | <u>(1,171,512)</u> | <u> </u> |
| Total Payments | <u>(595,307)</u> | <u>(723,425)</u> | <u>(555,332)</u> | <u>(1,171,512)</u> | <u>(1,825,165)</u> |
| Total Unpaid Claims and Claim Adjustment Expenses at End of Year | \$ <u> </u> | <u>1,177,115</u> | <u>2,938,370</u> | <u>3,214,795</u> | <u>6,986,108</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-2020 Fund Years.

NOTE 5: MEMBERSHIP IN JOINT INSURANCE 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 2019. At December 31, 2023, the Fund's share of Net Position increased to \$121,719 from \$77,044.

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, 2023, the Fund's share of Net Position decreased to \$1,324,712 from \$1,387,413.

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, 2023, the Fund's share of Net Position increased to \$2,260,991 from \$1,859,287.

NOTE 6: NEW JERSEY CYBER RISK MANAGEMENT FUND

January 1, 2023, the Fund became a member of the New Jersey Cyber Risk Management Fund (the "Cyber JIF"). The Cyber JIF provides its members with various cyber related coverages. The Cyber JIF is a risk-sharing public entity risk pool that is both an insured and a self-administered group of joint insurance funds established for the purpose of providing low-cost insurance coverage for their respective members to keep local property taxes and user fees at a minimum. Each member appoints an official to represent their respective joint insurance fund for the purpose of creating a governing body from which officers for the Cyber JIF are elected. As a member of the Cyber JIF, the Cyber JIF could be subject to supplemental assessments in the event of deficiencies. If the assets of the Cyber JIF were to be exhausted, members would become jointly and severally liable for the Cyber JIF's liabilities. The Cyber JIF can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership for that fund year.

The Fund's equity interest in the Cyber JIF was \$138,669 at December 31, 2023.

NOTE 7: DEFICIT FUND EQUITY

At December 31, 2023, the following individual retained earnings accounts were in a deficit position - (see Exhibits C thru C-3):

Fund Year 2020

| | |
|--------------------|---------|
| Property Fund | 108,483 |
| MEL | 461,693 |
| Environmental Fund | 7,923 |

Fund Year 2021

| | |
|---------------------------|---------|
| Property Fund | 357,019 |
| Automotive Liability Fund | 263,006 |
| MEL | 674,805 |

Fund Year 2022

| | |
|--------------------|--------|
| MEL | 13,661 |
| Environmental Fund | 518 |
| POL/EPL | 6,190 |

Fund Year 2023

| | |
|--------------------|---------|
| Property Fund | 696,641 |
| Environmental Fund | 1 |
| MEL | 2,500 |

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: DISCOUNT ON LOSS RESERVES

The Fund elected to discount its loss reserves. The Fund believes the discounting of loss reserves represents a more accurate presentation of the current loss reserves to be paid in future periods. The Fund discounted loss reserves of \$1,118,828 as of December 31, 2023.

NOTE 9: 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 a strong position because of the decades of conservative financial practices. Management continues to evaluate the impact of the COVID 19 pandemic on workers' compensation. 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 another sharp increase in excess and reinsurance premiums, especially for property insurance. To mitigate these increases, the MEL is planning a rate adjustment beginning in 2024.

Additional Subsequent events have been evaluated through May 9, 2024, which is the date the financial statements were available to be issued. No additional subsequent event disclosures are required.

PART II – SUPPLEMENTARY SCHEDULES

ANNUAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2023

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
Jeffrey Bertrand

Alternates:

James Gant
Donna Phelps

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

Secretary

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

Subscribed and sworn to before me
this _____ day of _____, 2024

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINED BALANCE SHEET

AT DECEMBER 31, 2023

Exhibit A-1

| | Closed Years Contingency Fund | Fund Year | | | Combined Total |
|--|-------------------------------------|------------------|------------------|------------------|-------------------|
| | | 2020 | 2021 | 2022 | |
| <u>Assets</u> | | | | | |
| Cash | \$ 2,647,784 | 1,843,086 | 1,825,322 | 2,359,531 | 11,502,981 |
| Investments | 3,529,846 | 2,457,078 | 2,433,396 | 3,145,568 | 15,334,997 |
| Accrued Interest Receivable | 29,484 | 20,705 | 21,909 | 28,279 | 135,394 |
| Excess Insurance Receivable | | 129,950 | - | | 129,950 |
| Other Receivables | 195,505 | - | - | - | 667,338 |
| Other Assets | 66,740 | | | | 66,740 |
| Total Assets | \$ 6,469,359 | 4,450,819 | 4,280,627 | 5,533,378 | 27,837,400 |
| <u>Liabilities and Equity</u> | | | | | |
| Accounts Payable | \$ 195,505 | | | 20,641 | 281,068 |
| Due to Residual Claims Fund | 1,377,406 | | | | 1,377,406 |
| Additional Assessment - RCF Assessment | 734,074 | | | | 734,074 |
| Additional Assessment - MEL Assessment | | | 656,238 | | 1,134,687 |
| Prepaid Contributions | | 478,449 | | 2,849 | 29,908 |
| Loss Reserves: | | | | | |
| Case Reserves | | 780,494 | 1,836,824 | 1,491,360 | 6,487,308 |
| IBNR Reserves | | 396,621 | 1,101,546 | 1,723,435 | 7,829,080 |
| Total Liabilities | 2,306,985 | 1,655,564 | 3,594,608 | 3,238,285 | 17,873,531 |
| Equity: | | | | | |
| Retained Earnings - Unreserved | 4,162,374 | 2,795,255 | 686,019 | 2,295,093 | 9,963,869 |
| Total Liabilities and Equity | \$ 6,469,359 | 4,450,819 | 4,280,627 | 5,533,378 | 27,837,400 |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS

FOR THE YEAR ENDED DECEMBER 31, 2023

Exhibit A-2

| | Closed Years Contingency Fund | Fund Year | | | Combined Total |
|--------------------------------------|-------------------------------------|------------------|----------------|--------------------|-------------------|
| | | 2020 | 2021 | 2022 | |
| Revenues: | | | | | |
| Assessments | \$ - | - | - | - | 18,817,048 |
| Total Revenues | - | - | - | - | <u>18,817,048</u> |
| Expenses: | | | | | |
| Claims Paid | 595,307 | 723,425 | 555,332 | 1,171,512 | 4,870,741 |
| Excess Insurance Premiums | 86,637 | - | - | 1,000 | 7,399,478 |
| General & Administrative Expenses | | | | | 2,963,745 |
| Transfer To/(From) Loss Reserves: | | | | | |
| Case Reserves | (445,475) | (639,606) | 108,974 | (613,185) | 789,338 |
| IBNR Reserves | (133,446) | (215,691) | (551,943) | (1,987,239) | 1,719,159 |
| Total Expenses | <u>103,023</u> | <u>(131,872)</u> | <u>112,363</u> | <u>(1,427,912)</u> | <u>17,742,461</u> |
| Operating Income/(Loss) | (103,023) | 131,872 | (112,363) | 1,427,912 | 1,074,587 |
| Nonoperating Income: | | | | | |
| Dividend Income | 195,505 | | | | 195,505 |
| Investment Income | 313,532 | 210,572 | 219,934 | 266,199 | 1,305,176 |
| Total Nonoperating Income | <u>509,037</u> | <u>210,572</u> | <u>219,934</u> | <u>266,199</u> | <u>1,500,681</u> |
| Net Income/(Loss) | 406,014 | 342,444 | 107,571 | 1,694,111 | 2,575,268 |
| Retained Earnings, Beginning of Year | 3,951,865 | 2,452,811 | 578,448 | 600,982 | 7,584,106 |
| Other Financing Sources/(Uses): | | | | | |
| Return of Surplus | (195,505) | - | | | (195,505) |
| Retained Earnings, End of Year | <u>\$ 4,162,374</u> | <u>2,795,255</u> | <u>686,019</u> | <u>2,295,093</u> | <u>9,963,869</u> |
| | | | | | <u>25,128</u> |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2023

Exhibit A-3

| | Fund Year | | | | Combined Total |
|---|-----------|-----------|-------------|--------------|----------------|
| | 2020 | 2021 | 2022 | 2023 | |
| Closed Years Contingency Fund | | | | | |
| \$ | | | | | |
| Cash Flows from Operating Activities: | | | | | |
| Cash Received from Municipal Assessment and Miscellaneous Income | - | - | | 18,817,048 | 18,817,048 |
| Cash Paid for Claims & Services | (750,824) | (567,246) | (1,239,667) | (12,515,620) | (17,619,137) |
| Net Cash Provided (Used) by Operating Activities | (750,824) | (567,246) | (1,239,667) | 6,301,428 | 1,197,911 |
| Cash Flows from Investing Activities | | | | | |
| Net (Purchase) Redemption of Treasury Bills | 479,375 | 360,866 | 784,674 | (3,769,109) | (572,164) |
| Cash Flows from Non-Operating Activities | | | | | |
| Interest/Dividends Received | 210,572 | 219,934 | 266,199 | 294,939 | 1,500,681 |
| Cash Flows from Financing Activities | | | | | |
| Equity Distributions | - | - | | | (195,505) |
| Net Increase/(Decrease) in Cash | (60,877) | 13,554 | (188,794) | 2,827,258 | 1,930,923 |
| Cash, Beginning of Year | 1,903,963 | 1,811,768 | 2,548,325 | - | 9,572,058 |
| Cash, End of Year | 1,843,086 | 1,825,322 | 2,359,531 | 2,827,258 | 11,502,981 |
| Reconciliation of Net Cash Provided by Operating Activities | | | | | |
| Operating Income/(Loss) | 131,872 | (112,363) | 1,427,912 | (269,811) | 1,074,587 |
| Adjustment to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities | | | | | |
| (Increase) Decrease in Other Assets | | | | | 44,717 |
| Increase (Decrease) in Prepaids | | | (19,053) | 133,318 | 114,265 |
| Increase (Decrease) in Case Reserves | (639,606) | 108,974 | (613,185) | 2,378,630 | (249,882) |
| Increase (Decrease) in IBNR | (215,691) | (551,943) | (1,987,239) | 4,607,478 | 1,380,972 |
| Increase (Decrease) in Accounts Payables | | | (136,679) | 64,922 | (397,245) |
| (Increase) Decrease in Receivables | (27,399) | (11,914) | 88,577 | (613,109) | (769,503) |
| Net Cash Provided (Used) by Operating Activities | (750,824) | (567,246) | (1,239,667) | 6,301,428 | 1,197,911 |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINING BALANCE SHEET AT DECEMBER 31, 2023

FUND YEAR 2023

Exhibit B

| | <u>Property Fund</u> | <u>General Liability Fund</u> | <u>Automotive Liability Fund</u> | <u>Workmen's Compensation Insurance Fund</u> | <u>MEL</u> | <u>Environmental Fund</u> | <u>General Administration</u> | <u>Total</u> |
|-------------------------------------|----------------------|-------------------------------|----------------------------------|--|----------------|---------------------------|-------------------------------|------------------|
| Assets | | | | | | | | |
| Cash | \$ 71,534 | 753,345 | 146,692 | 1,756,272 | (2,731) | (1) | 102,147 | 2,827,258 |
| Investments | 34,162 | 845,745 | 164,378 | 2,448,315 | 231 | - | 276,278 | 3,769,109 |
| Contributions Receivable | - | - | - | 471,833 | - | - | - | 471,833 |
| Interest Receivable | 1,507 | 6,699 | 1,325 | 20,805 | - | - | 4,681 | 35,017 |
| Total Assets | <u>\$ 107,203</u> | <u>1,605,789</u> | <u>312,395</u> | <u>4,697,225</u> | <u>(2,500)</u> | <u>(1)</u> | <u>383,106</u> | <u>7,103,217</u> |
| Liabilities and Equity | | | | | | | | |
| Loss Reserves | \$ 803,844 | 1,584,541 | 307,939 | 4,289,784 | - | - | - | 6,986,108 |
| Prepaid Contributions | | | | 27,059 | | | | 27,059 |
| Accounts Payable | | | | | | | 64,922 | 64,922 |
| Retained Earnings: | | | | | | | | |
| Unreserved | (696,641) | 21,248 | 4,456 | 380,382 | (2,500) | (1) | 318,184 | 25,128 |
| Total Liabilities and Equity | <u>\$ 107,203</u> | <u>1,605,789</u> | <u>312,395</u> | <u>4,697,225</u> | <u>(2,500)</u> | <u>(1)</u> | <u>383,106</u> | <u>7,103,217</u> |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINING BALANCE SHEET AT DECEMBER 31, 2023

FUND YEAR 2022

Exhibit B-1

| | Property Fund | General Liability Fund | Automotive Liability Fund | Workmen's Compensation Insurance Fund | MEL | Environmental Fund | POL/ EPL | General Administration | Total |
|-------------------------------------|------------------|------------------------|---------------------------|---------------------------------------|-----------------|--------------------|----------------|------------------------|------------------|
| Assets | | | | | | | | | |
| Cash | \$ 31,530 | 534,505 | 120,444 | 1,563,493 | (15,990) | (527) | (6,276) | 132,352 | 2,359,531 |
| Investments | 41,631 | 705,749 | 159,031 | 2,064,403 | | | - | 174,754 | 3,145,568 |
| Interest Receivable | 198 | 5,751 | 1,285 | 17,182 | 2,329 | 9 | 86 | 1,439 | 28,279 |
| Total Assets | \$ 73,359 | 1,246,005 | 280,760 | 3,645,078 | (13,661) | (518) | (6,190) | 308,545 | 5,533,378 |
| Liabilities and Equity | | | | | | | | | |
| Loss Reserves | \$ 9,828 | 909,559 | 181,425 | 2,113,983 | - | | - | 2,849 | 3,214,795 |
| Prepaid Contributions | | | | | | | | 20,641 | 2,849 |
| Accounts Payable | | | | | | | | | 20,641 |
| Retained Earnings: | | | | | | | | | |
| Unreserved | 63,531 | 336,446 | 99,335 | 1,531,095 | (13,661) | (518) | (6,190) | 285,055 | 2,295,093 |
| Total Liabilities and Equity | \$ 73,359 | 1,246,005 | 280,760 | 3,645,078 | (13,661) | (518) | (6,190) | 308,545 | 5,533,378 |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINING BALANCE SHEET AT DECEMBER 31, 2023

FUND YEAR 2021

Exhibit B-2

| | <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 | \$ (356,410) | 506,506 | 33,689 | 1,406,093 | 120,388 | (18,706) | 133,762 | 1,825,322 |
| Investments | - | 560,128 | 37,255 | 1,554,955 | 133,134 | - | 147,924 | 2,433,396 |
| Interest Receivable | 1 | 5,103 | 374 | 13,839 | 1,086 | 139 | 1,367 | 21,909 |
| Total Assets | <u>\$ (356,409)</u> | <u>1,071,737</u> | <u>71,318</u> | <u>2,974,887</u> | <u>254,608</u> | <u>(18,567)</u> | <u>283,053</u> | <u>4,280,627</u> |
| Liabilities and Equity | | | | | | | | |
| Loss Reserves | \$ 610 | 964,509 | 334,324 | 1,638,927 | | 656,238 | | 2,938,370 |
| Accounts Payable | | | | | | | | 656,238 |
| Retained Earnings: | | | | | | | | |
| Unreserved | (357,019) | 107,228 | (263,006) | 1,335,960 | 254,608 | (674,805) | 283,053 | 686,019 |
| Total Liabilities and Equity | <u>\$ (356,409)</u> | <u>1,071,737</u> | <u>71,318</u> | <u>2,974,887</u> | <u>254,608</u> | <u>(18,567)</u> | <u>283,053</u> | <u>4,280,627</u> |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINING BALANCE SHEET AT DECEMBER 31, 2023

FUND YEAR 2020

Exhibit B-3

| | 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 | \$ (98,469) | 283,374 | 123,809 | 1,254,363 | 147,357 | 7,168 | (7,527) | 49 | 132,962 | 1,843,086 |
| Investments | - | 357,231 | 156,077 | 1,581,291 | 185,763 | 9,036 | - | 62 | 167,618 | 2,457,078 |
| Excess Insurance Receivable | - | 3,234 | 1,281 | 13,135 | 1,615 | 552 | (396) | - | 1,284 | 129,950 |
| Interest Receivable | - | - | - | - | - | - | - | - | - | 20,705 |
| Total Assets | \$ (98,469) | 643,839 | 281,167 | 2,978,739 | 334,735 | 16,756 | (7,923) | 111 | 301,864 | 4,450,819 |
| Liabilities and Equity | | | | | | | | | | |
| Loss Reserves | \$ 10,014 | 507,319 | - | 659,782 | - | 478,449 | - | - | - | 1,177,115 |
| Accounts Payable | - | - | - | - | - | - | - | - | - | 478,449 |
| Retained Earnings: | | | | | | | | | | |
| Unreserved | (108,483) | 136,520 | 281,167 | 2,318,957 | 334,735 | (461,693) | (7,923) | 111 | 301,864 | 2,795,255 |
| Total Liabilities and Equity | \$ (98,469) | 643,839 | 281,167 | 2,978,739 | 334,735 | 16,756 | (7,923) | 111 | 301,864 | 4,450,819 |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUNDBALANCE SHEETAT DECEMBER 31, 2023CLOSED YEARS CONTINGENCY FUND

Exhibit B-4

Assets

| | |
|---------------------|---------------------|
| Cash | \$ 2,647,784 |
| Investments | 3,529,846 |
| Interest Receivable | 29,484 |
| Dividend Receivable | 195,505 |
| Other Assets | <u>66,740</u> |
| Total Assets | <u>\$ 6,469,359</u> |

Liabilities and Equity

| | |
|-----------------------------------|---------------------|
| RCF Additional Assessment Payable | \$ 734,074 |
| Other Liabilities | 1,377,406 |
| Surplus Return Reserve | 195,505 |
| Retained Earnings - Unreserved | <u>4,162,374</u> |
| Total Liabilities and Equity | <u>\$ 6,469,359</u> |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

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

FOR THE YEAR ENDED DECEMBER 31, 2023

Exhibit C

FUND YEAR 2023

| | Property Fund | General Liability Fund | Automotive Liability Fund | Worker's Compensation Fund | Cyber Fund | MEL | Environmental Fund | POL/EPL | General & Administrative Fund | Total |
|--|---------------|------------------------|---------------------------|----------------------------|------------|-----------|--------------------|-----------|-------------------------------|------------|
| Assessment Revenue | | | | | | | | | | |
| Regular Contributions | \$ 1,027,015 | 1,567,437 | 314,968 | 5,379,859 | 455,799 | 4,744,218 | 377,027 | 1,716,281 | 3,234,444 | 18,817,048 |
| Other Income: | | | | | | | | | | |
| Interest Income | 16,518 | 52,811 | 10,488 | 167,637 | | | | | 47,485 | 294,939 |
| | 1,043,533 | 1,620,248 | 325,456 | 5,547,496 | 455,799 | 4,744,218 | 377,027 | 1,716,281 | 3,281,929 | 19,111,987 |
| Expenses | | | | | | | | | | |
| Premiums | 16,015 | | | | 455,799 | 4,745,468 | 377,028 | 1,716,281 | | 7,310,591 |
| Claims - Paid | 920,315 | 14,459 | 13,061 | 877,330 | | | | | | 1,825,165 |
| Claims - Loss Reserves | 803,844 | 1,584,541 | 307,939 | 4,289,784 | | | | | | 6,986,108 |
| Claims Adjustment | | | | | | | | | 685,471 | 685,471 |
| Safety Engineer | | | | | | | | | 285,957 | 285,957 |
| Administrative Fees | | | | | | | | | 413,309 | 413,309 |
| Managed Care | | | | | | | | | 219,596 | 219,596 |
| Professional Services | | | | | | | | | 295,255 | 295,255 |
| Miscellaneous | | | | | | 1,250 | | | 27,216 | 28,466 |
| Risk Management Consultant Fees | | | | | | | | | 1,036,941 | 1,036,941 |
| Total Expenses | 1,740,174 | 1,599,000 | 321,000 | 5,167,114 | 455,799 | 4,746,718 | 377,028 | 1,716,281 | 2,963,745 | 19,086,859 |
| Net Income/(Deficit) | (696,641) | 21,248 | 4,456 | 380,382 | - | (2,500) | (1) | - | 318,184 | 25,128 |
| Adjustments: | | | | | | | | | | |
| Transfers Permanent | | | | | | | | | | |
| Retained Earnings (Deficit) at December 31, 2023 | \$ (696,641) | 21,248 | 4,456 | 380,382 | - | (2,500) | (1) | - | 318,184 | 25,128 |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

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

FOR THE YEAR ENDED DECEMBER 31, 2023

FUND YEAR 2022

Exhibit C-1

| | Property Fund | General Liability Fund | Automotive Liability Fund | Worker's Compensation Fund | MEL | Environmental Fund | POL/ EPL | General & Administrative Fund | Total |
|--|----------------|------------------------|---------------------------|----------------------------|------------------|--------------------|------------------|-------------------------------|-------------------|
| Assessment Revenue | | | | | | | | | |
| Regular Contributions | \$ 987,226 | 1,421,035 | 318,856 | 5,166,963 | 4,363,514 | 377,517 | 1,662,287 | 3,213,776 | 17,511,174 |
| Other Income: | | | | | | | | | |
| Interest Income | (957) | 53,236 | 11,879 | 163,209 | (12,661) | (517) | (7,205) | 13,561 | 220,545 |
| | <u>986,269</u> | <u>1,474,271</u> | <u>330,735</u> | <u>5,330,172</u> | <u>4,350,853</u> | <u>377,000</u> | <u>1,655,082</u> | <u>3,227,337</u> | <u>17,731,719</u> |
| Expenses | | | | | | | | | |
| Premiums | 15,635 | | | | 4,364,514 | 377,518 | 1,661,272 | | 6,418,939 |
| Claims - Paid | 897,275 | 228,266 | 49,975 | 1,685,094 | | | | | 2,860,610 |
| Claims - Loss Reserves | 9,828 | 909,559 | 181,425 | 2,113,983 | | | | | 3,214,795 |
| Claims Adjustment | | | | | | | | | |
| Safety Engineer | | | | | | | | 672,030 | 672,030 |
| Administrative Fees | | | | | | | | 325,034 | 325,034 |
| Managed Care | | | | | | | | 441,012 | 441,012 |
| Professional Services | | | | | | | | 215,290 | 215,290 |
| Miscellaneous | | | | | | | | 254,368 | 254,368 |
| Risk Management Consultant Fees | | | | | | | | 19,550 | 19,550 |
| Total Expenses | <u>922,738</u> | <u>1,137,825</u> | <u>231,400</u> | <u>3,799,077</u> | <u>4,364,514</u> | <u>377,518</u> | <u>1,661,272</u> | <u>2,942,282</u> | <u>15,436,626</u> |
| Net Income/(Deficit) | <u>63,531</u> | <u>336,446</u> | <u>99,335</u> | <u>1,531,095</u> | <u>(13,661)</u> | <u>(518)</u> | <u>(6,190)</u> | <u>285,055</u> | <u>2,295,093</u> |
| Adjustments: | | | | | | | | | |
| Transfers Permanent | | | | | | | | | |
| Retained Earnings (Deficit) at December 31, 2023 | \$ 63,531 | 336,446 | 99,335 | 1,531,095 | (13,661) | (518) | (6,190) | 285,055 | 2,295,093 |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS

FOR THE YEAR ENDED DECEMBER 31, 2023

Exhibit C-2

FUND YEAR 2021

| | 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 | \$ 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 | 118 | 39,277 | 2,566 | 95,962 | 10,168 | (17,567) | - | - | 11,971 | 142,495 |
| | 840,469 | 1,341,752 | 311,440 | 4,895,962 | 254,608 | 3,540,069 | 373,708 | 1,581,335 | 3,154,794 | 16,294,137 |
| Expenses | | | | | | | | | | |
| Premiums | 15,961 | | | | | | | | | 6,185,878 |
| Claims - Paid | 1,180,917 | 270,015 | 240,122 | 1,921,075 | | 4,214,874 | 373,708 | 1,581,335 | | 3,612,129 |
| Claims - Loss Reserves | 610 | 964,509 | 334,324 | 1,638,927 | | | | | | 2,938,370 |
| Claims Adjustment | | | | | | | | | 658,854 | 658,854 |
| Safety Engineer | | | | | | | | | 316,663 | 316,663 |
| 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 | 1,197,488 | 1,234,524 | 574,446 | 3,560,002 | - | 4,214,874 | 373,708 | 1,581,335 | 2,871,741 | 15,608,118 |
| Net Income/(Deficit) | (357,019) | 107,228 | (263,006) | 1,335,960 | 254,608 | (674,805) | - | - | 283,053 | 686,019 |
| Adjustments: | | | | | | | | | | |
| Transfers Permanent | | | | | | | | | | |
| Retained Earnings (Deficit) at December 31, 2023 | \$ (357,019) | 107,228 | (263,006) | 1,335,960 | 254,608 | (674,805) | - | - | 283,053 | 686,019 |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS

FOR THE YEAR ENDED DECEMBER 31, 2023

Exhibit C-3

FUND YEAR 2020

| | 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 | \$ 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 | 33,079 | 11,919 | 124,988 | 13,334 | 10,166 | (7,924) | (1) | 22,126 | 211,820 |
| | 797,487 | 1,420,895 | 336,978 | 4,790,988 | 334,735 | 3,397,418 | 369,648 | 1,513,347 | 3,119,991 | 16,081,487 |
| Expenses | | | | | | | | | | |
| Premiums | 15,560 | 777,056 | 55,811 | 1,812,249 | 3,859,111 | | 377,571 | 1,513,236 | | 5,765,478 |
| Claims - Paid | 880,396 | 507,319 | - | 659,782 | | | | | | 3,525,512 |
| Claims - Loss Reserves | 10,014 | | | | | | | | | 1,177,115 |
| 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 | 905,970 | 1,284,375 | 55,811 | 2,472,031 | - | 3,859,111 | 377,571 | 1,513,236 | 2,818,127 | 13,286,232 |
| Net Income/(Deficit) | (108,483) | 136,520 | 281,167 | 2,318,957 | 334,735 | (461,693) | (7,923) | 111 | 301,864 | 2,795,255 |
| Adjustments: | | | | | | | | | | |
| Transfers Permanent | | | | | | | | | | |
| Retained Earnings (Deficit) at December 31, 2023 | \$ (108,483) | 136,520 | 281,167 | 2,318,957 | 334,735 | (461,693) | (7,923) | 111 | 301,864 | 2,795,255 |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS

FOR THE YEAR ENDED DECEMBER 31, 2023

Exhibit C-4

FUND YEAR 2019

| | 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 | \$ 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 | 32,542 | 7,559 | 95,306 | (2,667) | 57,459 | 208 | - | 36,837 | 236,241 |
| | 804,486 | 1,432,120 | 340,496 | 4,739,006 | 154,849 | 3,357,255 | 385,637 | 1,396,186 | 3,117,246 | 15,727,281 |
| Expenses | | | | | | | | | | |
| Premiums | 15,452 | | | | | 3,293,204 | 385,430 | 1,396,833 | | 5,090,919 |
| Claims - Paid | 859,149 | 1,110,826 | 225,300 | 3,032,417 | | | | | | 5,227,692 |
| Claims - Loss Reserves | 5 | 394,457 | 19,348 | 1,542,518 | | | | | | 1,956,328 |
| Claims Adjustment | | | | | | | | | 633,270 | 633,270 |
| Safety Engineer | | | | | | | | | 266,830 | 266,830 |
| 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 | 874,606 | 1,505,283 | 244,648 | 4,574,935 | - | 3,293,204 | 385,430 | 1,396,833 | 2,752,103 | 15,027,042 |
| Net Income/(Deficit) | (70,120) | (73,163) | 95,848 | 164,071 | 154,849 | 64,051 | 207 | (647) | 365,143 | 700,239 |
| Adjustments: | | | | | | | | | | |
| Transfers Permanent | | | | | | | | | | |
| Transferred to Closed Years Fund | \$ (70,120) | (73,163) | 95,848 | 164,071 | 154,849 | 64,051 | 207 | (647) | 365,143 | 700,239 |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUNDSTATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGSFOR THE YEAR ENDED DECEMBER 31, 2023CLOSED YEARS CONTINGENCY FUND

Exhibit C-5

| | |
|---|---------------------|
| Expenses: | |
| Claims Paid | \$ 595,307 |
| Transfer to/(from) Loss Reserves: | |
| Case Reserves | (445,475) |
| IBNR Reserves | (133,446) |
| Residual Claims Funds - Additional Assessment | 86,637 |
| Total Expenses | <u>103,023</u> |
| Operating Income/(Loss) | (103,023) |
| Non-Operating Income | |
| Dividend Income | 195,505 |
| Interest Income | 313,532 |
| Total Non-Operating Income | <u>509,037</u> |
| Net Income/(Loss) | 406,014 |
| Retained Earnings, January 1, 2023 | <u>3,251,626</u> |
| Retained Earnings before Other Financing Sources/(Uses) | 3,657,640 |
| Other Financing Sources/(Uses): | |
| Transfer from 2019 Fund Year | 700,239 |
| Equity Distributions | (195,505) |
| Total Adjustments | <u>504,734</u> |
| Retained Earnings, December 31, 2023 | <u>\$ 4,162,374</u> |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND**STATEMENT OF BUDGETARY EXPENSES****FOR THE YEAR ENDED DECEMBER 31, 2023**

Exhibit D

2023 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 | \$ 1,011,000 | 920,315 | 803,844 | (713,159) |
| General Liability | 1,567,437 | 14,459 | 1,584,541 | (31,563) |
| Automotive | 314,968 | 13,061 | 307,939 | (6,032) |
| Workmen's Compensation | 5,379,859 | 877,330 | 4,289,784 | 212,745 |
| Reinsurance: | | | | |
| Property Fund-Crime | 16,015 | 16,015 | | - |
| Mel | 3,078,377 | 3,080,877 | | (2,500) |
| Mel Property | 1,665,841 | 1,665,841 | | - |
| Cyber | 455,799 | 455,799 | | - |
| Environmental Fund | 377,027 | 377,028 | | (1) |
| POL/EPL Fund | 1,716,281 | 1,716,281 | | - |
| Expenses: | | | | |
| Claims Adjustment | 685,471 | 685,471 | | - |
| Safety | 331,498 | 285,957 | | 45,541 |
| Administrative Fees | 413,309 | 413,309 | | - |
| Managed Care | 219,596 | 219,596 | | - |
| Professional Services | 334,618 | 295,255 | | 39,363 |
| Miscellaneous | 233,692 | 27,216 | | 206,476 |
| Risk Management Consultant Fees | 1,016,260 | 1,036,941 | | (20,681) |
| | <u>\$ 18,817,048</u> | <u>12,100,751</u> | <u>6,986,108</u> | <u>(269,811)</u> |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND**STATEMENT OF BUDGETARY EXPENSES****FOR THE YEAR ENDED DECEMBER 31, 2023**

Exhibit D-1

2022 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 | \$ 971,591 | 897,275 | 9,828 | 64,488 |
| General Liability | 1,421,035 | 228,266 | 909,559 | 283,210 |
| Automotive | 318,856 | 49,975 | 181,425 | 87,456 |
| Workmen's Compensation | 5,166,963 | 1,685,094 | 2,113,983 | 1,367,886 |
| Reinsurance: | | | | |
| Property Fund-Crime | 15,635 | 15,635 | | - |
| Mel | 2,947,303 | 2,948,303 | | (1,000) |
| Mel Property | 1,416,211 | 1,416,211 | | - |
| Environmental Fund | 377,517 | 377,518 | | (1) |
| POL/EPL Fund | 1,662,798 | 1,661,272 | | 1,526 |
| Expenses: | | | | |
| Claims Adjustment | 672,030 | 672,030 | | - |
| Safety | 357,718 | 325,034 | | 32,684 |
| Administrative Fees | 425,480 | 441,012 | | (15,532) |
| Managed Care | 215,290 | 215,290 | | - |
| Professional Services | 306,116 | 254,368 | | 51,748 |
| Miscellaneous | 240,298 | 19,550 | | 220,748 |
| Risk Management Consultant Fees | 996,333 | 1,014,998 | | (18,665) |
| | <u>\$ 17,511,174</u> | <u>12,221,831</u> | <u>3,214,795</u> | <u>2,074,548</u> |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND**STATEMENT OF BUDGETARY EXPENSES****FOR THE YEAR ENDED DECEMBER 31, 2023**

Exhibit D-2

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 | 1,180,917 | 610 | (357,137) |
| General Liability | 1,302,475 | 270,015 | 964,509 | 67,951 |
| Automotive | 308,874 | 240,122 | 334,324 | (265,572) |
| Workmen's Compensation | 4,800,000 | 1,921,075 | 1,638,927 | 1,239,998 |
| Loss Fund Contingency | 244,440 | | - | 244,440 |
| Reinsurance: | | | | |
| Property Fund-Crime | 15,961 | 15,961 | | - |
| Mel | 2,475,188 | 3,132,426 | | (657,238) |
| 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>12,669,748</u> | <u>2,938,370</u> | <u>543,524</u> |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND**STATEMENT OF BUDGETARY EXPENSES****FOR THE YEAR ENDED DECEMBER 31, 2023**

Exhibit D-3

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 | 880,396 | 10,014 | (112,616) |
| General Liability | 1,387,816 | 777,056 | 507,319 | 103,441 |
| Automotive | 325,059 | 55,811 | - | 269,248 |
| Workmen's Compensation | 4,666,000 | 1,812,249 | 659,782 | 2,193,969 |
| Loss Fund Contingency | 321,401 | | | 321,401 |
| Reinsurance: | | | | |
| Property Fund-Crime | 15,560 | 15,560 | | - |
| Mel | 2,318,622 | 2,797,071 | | (478,449) |
| 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>12,109,117</u> | <u>1,177,115</u> | <u>2,583,435</u> |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

HISTORICAL OPERATING RESULTS ANALYSIS

Schedule A
Sheet 1 of 2

FUND YEARS - 2023, 2022, 2021, 2020, CLOSED AND AGGREGATE EXCESS LOSS YEARS

DECEMBER 31, 2023

| | | |
|--|-------------------|--------------------|
| <u>1 Underwriting Income:</u> | | |
| Regular Contributions (Earned) | \$ 363,994,997 | |
| Additional Contributions | 2,781,914 | |
| Dividend & Miscellaneous Income | <u>2,252,240</u> | |
| Total Income | | 369,029,151 |
| <u>2 Incurred Liabilities:</u> | | |
| <u>Claims:</u> | | |
| Paid | 133,892,834 | |
| Case Reserve (1) | 34,408,919 | |
| IBNR Reserve (1) | <u>11,768,330</u> | |
| Subtotal | | <u>180,070,083</u> |
| Limited Incurred Claims (claims-excess) | | <u>180,070,083</u> |
| <u>Expenses:</u> | | |
| Miscellaneous | 431,741 | |
| Excess Insurance Premiums | 4,222,206 | |
| Cyber | 455,799 | |
| MEL | 75,104,977 | |
| Environmental Premiums | 8,690,058 | |
| POL/EPL | 15,331,806 | |
| Administrative | 61,406,759 | |
| Subtotal Expenses | | <u>165,643,346</u> |
| Total Incurred Liabilities (limited claims and expenses) | | <u>345,713,429</u> |
| <u>3 Underwriting Surplus/(Deficit) = 1-2</u> | | 23,315,722 |
| <u>4 Investment Income (Earned)</u> | | <u>19,369,264</u> |
| <u>5 Gross Statutory Surplus/(Deficit) = 3+4</u> | | 42,684,986 |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

HISTORICAL OPERATING RESULTS ANALYSIS

Schedule A
Sheet 2 of 2

FUND YEARS - 2023, 2022, 2021, 2020, CLOSED AND AGGREGATE EXCESS LOSS YEARS

DECEMBER 31, 2023

| | | | |
|----------|---|-------------------|---------------------|
| 6 | <u>Return of Surplus:</u> | | |
| | Paid | 32,525,612 | |
| | Authorized and Unpaid | 195,505 | |
| | Subtotal Return of Surplus | <u>32,721,117</u> | |
| 7 | <u>Net Statutory Surplus/(Deficit) = 5-6</u> | | <u>9,963,869</u> |
| 8 | <u>Future Investment Income on Claims Reserve (2)</u> | | |
| 9 | <u>Fund Operating Position</u> | | <u>\$ 9,963,869</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 2023, 2022, 2021, 2020, CLOSED AND AGGREGATE EXCESS LOSS YEARS

DECEMBER 31, 2023

| | | |
|---|----------------------|---------------------|
| 1 Assets: | | |
| Cash and Investments (1) | \$ <u>26,837,978</u> | 26,837,978 |
| Receivables (1): | | |
| Other - Assessments and Receivables | <u>1,105,681</u> | |
| Total Receivables | | <u>1,105,681</u> |
| Total Assets | | 27,943,659 |
| 2 Liabilities: | | |
| Claims: | | |
| Case Reserves | 6,487,308 | |
| IBNR Reserves | <u>7,829,080</u> | |
| Subtotal Claims | | 14,316,388 |
| Expenses (Paid) (1): | | |
| Other | 3,577,839 | |
| Administrative | <u>85,563</u> | |
| Total Liabilities | | <u>17,979,790</u> |
| 3 Net Statutory Surplus/(Deficit) = 1-2 | | 9,963,869 |
| 4 Future Investment Income on Claim Reserves | | |
| 5 Fund Operating Position | | <u>\$ 9,963,869</u> |

(1) Refer to Notes to Financial Statements

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR OPERATING RESULTS ANALYSIS

Schedule C
Sheet 1 of 2

FUND YEAR - 2023

DECEMBER 31, 2023

| | | |
|--|---------------|------------|
| 1 Underwriting Income: | | |
| Regular Contributions (Earned) | \$ 18,817,048 | |
| Miscellaneous Income | - | |
| Total Income | | 18,817,048 |
| 2 Incurred Liabilities: | | |
| <u>Claims:</u> | | |
| Paid | 1,825,165 | |
| Case Reserve (1) | 2,378,630 | |
| IBNR Reserve (1) | 4,607,478 | |
| Subtotal | | 8,811,273 |
| Limited Incurred Claims (claims-excess) | | 8,811,273 |
| <u>Expenses:</u> | | |
| Excess Insurance Premiums | 16,015 | |
| Cyber | 455,799 | |
| MEL | 4,746,718 | |
| Environmental | 377,028 | |
| POL/EPL | 1,716,281 | |
| Administrative | 2,963,745 | |
| Subtotal Expenses | | 10,275,586 |
| Total Incurred Liabilities (limited claims and expenses) | | 19,086,859 |
| 3 Underwriting Surplus/(Deficit) = 1-2 | | (269,811) |
| 4 Investment Income (Earned) | | 294,939 |
| 5 Gross Statutory Surplus/(Deficit) = 3+4 | | 25,128 |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2023

DECEMBER 31, 2023

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

25,128

8 Future Investment Income on Claims Reserve (2)

9 Fund Operating Position

\$ 25,128

(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 - 2022

DECEMBER 31, 2023

| | | |
|--|---------------|-------------------|
| <u>1 Underwriting Income:</u> | | |
| Regular Contributions (Earned) | \$ 17,511,174 | |
| Miscellaneous Income | | |
| Total Income | | 17,511,174 |
| | | |
| <u>2 Incurred Liabilities:</u> | | |
| <u>Claims:</u> | | |
| Paid | 2,860,610 | |
| Case Reserve (1) | 1,491,360 | |
| IBNR Reserve (1) | 1,723,435 | |
| Subtotal | | <u>6,075,405</u> |
| Limited Incurred Claims (claims-excess) | | <u>6,075,405</u> |
| | | |
| <u>Expenses:</u> | | |
| Excess Insurance Premiums | 15,635 | |
| MEL | 4,364,514 | |
| Environmental | 377,518 | |
| POL/EPL | 1,661,272 | |
| Administrative | 2,942,282 | |
| Subtotal Expenses | | <u>9,361,221</u> |
| Total Incurred Liabilities (limited claims and expenses) | | <u>15,436,626</u> |
| | | |
| <u>3 Underwriting Surplus/(Deficit) = 1-2</u> | | <u>2,074,548</u> |
| | | |
| <u>4 Investment Income (Earned)</u> | | <u>220,545</u> |
| | | |
| <u>5 Gross Statutory Surplus/(Deficit) = 3+4</u> | | <u>2,295,093</u> |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2022

DECEMBER 31, 2023

Schedule C
Sheet 2 of 2

| | |
|---|---------------------|
| <u>6 Return of Surplus:</u> | |
| Paid | |
| Authorized and Unpaid | - |
| Subtotal Return of Surplus | - |
| <u>7 Net Statutory Surplus/(Deficit) = 5-6</u> | <u>2,295,093</u> |
| <u>8 Future Investment Income on Claims Reserve (2)</u> | |
| <u>9 Fund Operating Position</u> | <u>\$ 2,295,093</u> |

(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 - 2021

DECEMBER 31, 2023

| | | |
|--|---------------|------------|
| <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 | 3,612,129 | |
| Case Reserve (1) | 1,836,824 | |
| IBNR Reserve (1) | 1,101,546 | |
| Subtotal | | 6,550,499 |
| Limited Incurred Claims (claims-excess) | | 6,550,499 |
| <u>Expenses:</u> | | |
| Excess Insurance Premiums | 15,961 | |
| MEL | 4,214,874 | |
| Environmental | 373,708 | |
| POL/EPL | 1,581,335 | |
| Administrative | 2,871,741 | |
| Subtotal Expenses | | 9,057,619 |
| Total Incurred Liabilities (limited claims and expenses) | | 15,608,118 |
| <u>3 Underwriting Surplus/(Deficit) = 1-2</u> | | 543,524 |
| <u>4 Investment Income (Earned)</u> | | 142,495 |
| <u>5 Gross Statutory Surplus/(Deficit) = 3+4</u> | | 686,019 |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR OPERATING RESULTS ANALYSIS

Schedule C
Sheet 2 of 2

FUND YEAR - 2021

DECEMBER 31, 2023

6 Return of Surplus:

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

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

686,019

8 Future Investment Income on Claims Reserve (2)

9 Fund Operating Position

\$ 686,019

(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, 2023

| | | |
|--|---------------|------------|
| 1 Underwriting Income: | | |
| Regular Contributions (Earned) | \$ 15,869,667 | |
| Additional Assessments | - | |
| Total Income | | 15,869,667 |
| 2 Incurred Liabilities: | | |
| <u>Claims:</u> | | |
| Paid | 3,525,512 | |
| Case Reserve (1) | 780,494 | |
| IBNR Reserve (1) | 396,621 | |
| Subtotal | | 4,702,627 |
| Limited Incurred Claims (claims-excess) | | 4,702,627 |
| <u>Expenses:</u> | | |
| Excess Insurance Premiums | 15,560 | |
| MEL | 3,859,111 | |
| Environmental | 377,571 | |
| POL/EPL | 1,513,236 | |
| Administrative | 2,818,127 | |
| Subtotal Expenses | | 8,583,605 |
| Total Incurred Liabilities (limited claims and expenses) | | 13,286,232 |
| 3 Underwriting Surplus/(Deficit) = 1-2 | | 2,583,435 |
| 4 Investment Income (Earned) | | 211,820 |
| 5 Gross Statutory Surplus/(Deficit) = 3+4 | | 2,795,255 |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2020

DECEMBER 31, 2023

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

2,795,255

8 Future Investment Income on Claims Reserve (2)

9 Fund Operating Position

\$ 2,795,255

(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, 2023

| | | |
|--|---------------|-------------------|
| <u>1 Underwriting Income:</u> | | |
| Regular Contributions (Earned) | \$ 15,491,040 | |
| Miscellaneous Income | - | |
| Total Income | | 15,491,040 |
| <u>2 Incurred Liabilities:</u> | | |
| <u>Claims:</u> | | |
| Paid | 5,227,692 | |
| Case Reserve (1) | 1,484,695 | |
| IBNR Reserve (1) | 471,633 | |
| Subtotal | | <u>7,184,020</u> |
| Limited Incurred Claims (claims-excess) | | <u>7,184,020</u> |
| <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 | | <u>7,843,022</u> |
| Total Incurred Liabilities (limited claims and expenses) | | <u>15,027,042</u> |
| <u>3 Underwriting Surplus/(Deficit) = 1-2</u> | | 463,998 |
| <u>4 Investment Income (Earned)</u> | | <u>236,241</u> |
| <u>5 Gross Statutory Surplus/(Deficit) = 3+4</u> | | 700,239 |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2019

DECEMBER 31, 2023

Schedule C
Sheet 2 of 2

6 Return of Surplus:

Paid
Authorized and Unpaid
Subtotal Return of Surplus

-
-

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

700,239

8 Transferred to Close Years Fund

700,239

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, 2023

| | | |
|--------------------------------|----------------|--------------------|
| 1 Underwriting Income: | | |
| Regular Contributions (Earned) | \$ 295,645,466 | |
| Additional Contributions | 2,781,914 | |
| Dividend Income | 1,790,612 | |
| Miscellaneous Income | 461,628 | |
| Total Income | | <u>300,679,620</u> |

2 Incurred Liabilities:

| | | |
|---|-------------|--------------------|
| <u>Claims:</u> | | |
| Paid | 122,069,418 | |
| Case Reserve (1) | 27,921,611 | |
| IBNR Reserve (1) | 3,939,250 | |
| Subtotal | | <u>153,930,279</u> |
| Limited Incurred Claims (claims-excess) | | <u>153,930,279</u> |

Expenses:

| | | |
|--|------------|--------------------|
| Intrafunds Payable | 247,668 | |
| Interfunds Paid | 184,073 | |
| Excess Insurance Premiums | 4,159,035 | |
| MEL Premiums | 57,919,760 | |
| Environmental Premiums | 7,184,233 | |
| POL/EPL | 8,859,682 | |
| Administrative | 49,810,864 | |
| Subtotal Expenses | | <u>128,365,315</u> |
| Total Incurred Liabilities (limited claims and expenses) | | <u>282,295,594</u> |

3 Underwriting Surplus/(Deficit) = 1-2

18,384,026

4 Investment Income (Earned)

18,499,465

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

36,883,491

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR OPERATING RESULTS ANALYSIS

Schedule C
Sheet 2 of 2

CLOSED YEARS FUND

DECEMBER 31, 2023

6 Return of Surplus:

| | |
|----------------------------|-------------------|
| Paid | 32,525,612 |
| Authorized and Unpaid | 195,505 |
| Subtotal Return of Surplus | <u>32,721,117</u> |

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

4,162,374

8 Future Investment Income on Claims Reserve (2)

9 Fund Operating Position

\$ 4,162,374

(1) Refer to Notes to Financial Statements

(2) Source: Fund Actuary

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

Schedule D

2023 ASSESSMENT YEAR

DECEMBER 31, 2023

| | <u>Property</u> | <u>General Liability</u> | <u>Automotive Liability</u> | <u>Worker's Compensation</u> | <u>Cyber Fund</u> | <u>MEL</u> | <u>Environmental Fund</u> | <u>POL/ EPL</u> | <u>General and Administrative</u> | <u>Total</u> |
|---|---------------------|--------------------------|-----------------------------|------------------------------|-------------------|------------------|---------------------------|------------------|-----------------------------------|-------------------|
| 1 Underwriting Income | | | | | | | | | | |
| Regular Contributions (Eamed) | \$ 1,027,015 | 1,567,437 | 314,968 | 5,379,859 | 455,799 | 4,744,218 | 377,027 | 1,716,281 | 3,234,444 | 18,817,048 |
| Miscellaneous Income | <u>1,027,015</u> | <u>1,567,437</u> | <u>314,968</u> | <u>5,379,859</u> | <u>455,799</u> | <u>4,744,218</u> | <u>-</u> | <u>1,716,281</u> | <u>3,234,444</u> | <u>18,817,048</u> |
| Total Income | | | | | | | | | | |
| 2 Incurred Liabilities | | | | | | | | | | |
| Claims (Limited Incurred) | 1,724,159 | 1,599,000 | 321,000 | 5,167,114 | 455,799 | 4,746,718 | 377,028 | 1,716,281 | 2,963,745 | 8,811,273 |
| Expenses | 16,015 | | 321,000 | 5,167,114 | 455,799 | 4,746,718 | 377,028 | 1,716,281 | 2,963,745 | 10,275,586 |
| Total Liabilities | <u>1,740,174</u> | <u>1,599,000</u> | <u>321,000</u> | <u>5,167,114</u> | <u>455,799</u> | <u>4,746,718</u> | <u>377,028</u> | <u>1,716,281</u> | <u>2,963,745</u> | <u>19,086,859</u> |
| 3 Underwriting Surplus/(Deficit) | <u>(713,159)</u> | <u>(31,563)</u> | <u>(6,032)</u> | <u>212,745</u> | <u>-</u> | <u>(2,500)</u> | <u>(1)</u> | <u>-</u> | <u>270,699</u> | <u>(299,811)</u> |
| 4 Adjustments | | | | | | | | | | |
| Investment Income | 16,518 | 52,811 | 10,488 | 167,637 | - | - | - | - | 47,485 | 294,939 |
| Transfers (Permanent) | | | | | | | | | | |
| Total Adjustments | <u>16,518</u> | <u>52,811</u> | <u>10,488</u> | <u>167,637</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>47,485</u> | <u>294,939</u> |
| 5 Gross Statutory Surplus | <u>(696,641)</u> | <u>21,248</u> | <u>4,456</u> | <u>380,382</u> | <u>-</u> | <u>(2,500)</u> | <u>(1)</u> | <u>-</u> | <u>318,184</u> | <u>25,128</u> |
| 6 Return of Surplus | | | | | | | | | | |
| 7 Net Statutory Surplus | <u>(696,641)</u> | <u>21,248</u> | <u>4,456</u> | <u>380,382</u> | <u>-</u> | <u>(2,500)</u> | <u>(1)</u> | <u>-</u> | <u>318,184</u> | <u>25,128</u> |
| 8 Temporary Transfers | | | | | | | | | | |
| 9 Temporary Surplus Balance | <u>(696,641)</u> | <u>21,248</u> | <u>4,456</u> | <u>380,382</u> | <u>-</u> | <u>(2,500)</u> | <u>(1)</u> | <u>-</u> | <u>318,184</u> | <u>25,128</u> |
| 10 Future Investment Income | | | | | | | | | | |
| 11 Future Operating Position | <u>\$ (696,641)</u> | <u>21,248</u> | <u>4,456</u> | <u>380,382</u> | <u>-</u> | <u>(2,500)</u> | <u>(1)</u> | <u>-</u> | <u>318,184</u> | <u>25,128</u> |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

Schedule D

2022 ASSESSMENT YEAR

DECEMBER 31, 2023

| | Property | General Liability | Automotive Liability | Worker's Compensation | MEL | Environmental Fund | POL/ EPL | General and Administrative | Total |
|---|------------------|-------------------|----------------------|-----------------------|------------------|--------------------|------------------|----------------------------|-------------------|
| 1 Underwriting Income | | | | | | | | | |
| Regular Contributions (Earned) | \$ 987,226 | 1,421,035 | 318,856 | 5,166,963 | 4,363,514 | 377,517 | 1,662,287 | 3,213,776 | 17,511,174 |
| Miscellaneous Income | | | | | | | | | |
| Total Income | <u>987,226</u> | <u>1,421,035</u> | <u>318,856</u> | <u>5,166,963</u> | <u>4,363,514</u> | <u>377,517</u> | <u>1,662,287</u> | <u>3,213,776</u> | <u>17,511,174</u> |
| 2 Incurred Liabilities | | | | | | | | | |
| Claims (Limited Incurred) | 907,103 | 1,137,825 | 231,400 | 3,799,077 | 4,364,514 | 377,518 | 1,661,272 | 2,942,282 | 6,075,405 |
| Expenses | 15,635 | | | | | | | | 9,361,221 |
| Total Liabilities | <u>922,738</u> | <u>1,137,825</u> | <u>231,400</u> | <u>3,799,077</u> | <u>4,364,514</u> | <u>377,518</u> | <u>1,661,272</u> | <u>2,942,282</u> | <u>15,436,626</u> |
| 3 Underwriting Surplus/(Deficit) | <u>64,488</u> | <u>283,210</u> | <u>87,456</u> | <u>1,367,886</u> | <u>(1,000)</u> | <u>(1)</u> | <u>1,015</u> | <u>271,494</u> | <u>2,074,548</u> |
| 4 Adjustments | | | | | | | | | |
| Investment Income | (957) | 53,236 | 11,879 | 163,209 | (12,661) | (517) | (7,205) | 13,561 | 220,545 |
| Transfers (Permanent) | | | | | | | | | |
| Total Adjustments | <u>(957)</u> | <u>53,236</u> | <u>11,879</u> | <u>163,209</u> | <u>(12,661)</u> | <u>(517)</u> | <u>(7,205)</u> | <u>13,561</u> | <u>220,545</u> |
| 5 Gross Statutory Surplus | <u>63,531</u> | <u>336,446</u> | <u>99,335</u> | <u>1,531,095</u> | <u>(13,661)</u> | <u>(518)</u> | <u>(6,190)</u> | <u>285,055</u> | <u>2,295,093</u> |
| 6 Return of Surplus | | | | | | | | | |
| 7 Net Statutory Surplus | <u>63,531</u> | <u>336,446</u> | <u>99,335</u> | <u>1,531,095</u> | <u>(13,661)</u> | <u>(518)</u> | <u>(6,190)</u> | <u>285,055</u> | <u>2,295,093</u> |
| 8 Temporary Transfers | | | | | | | | | |
| 9 Temporary Surplus Balance | <u>63,531</u> | <u>336,446</u> | <u>99,335</u> | <u>1,531,095</u> | <u>(13,661)</u> | <u>(518)</u> | <u>(6,190)</u> | <u>285,055</u> | <u>2,295,093</u> |
| 10 Future Investment Income | | | | | | | | | |
| 11 Future Operating Position | <u>\$ 63,531</u> | <u>336,446</u> | <u>99,335</u> | <u>1,531,095</u> | <u>(13,661)</u> | <u>(518)</u> | <u>(6,190)</u> | <u>285,055</u> | <u>2,295,093</u> |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

2021 ASSESSMENT YEAR

DECEMBER 31, 2023

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) Expenses | 1,181,527 | 1,234,524 | 574,446 | 3,560,002 | - | 4,214,874 | 373,708 | 1,581,335 | 2,871,741 | 6,550,499 |
| Total Liabilities | 1,197,488 | 1,234,524 | 574,446 | 3,560,002 | - | 4,214,874 | 373,708 | 1,581,335 | 2,871,741 | 9,057,619 |
| 3 Underwriting Surplus/(Deficit) | (357,137) | 67,951 | (265,572) | 1,239,998 | 244,440 | (657,238) | - | - | 271,082 | 543,524 |
| 4 Adjustments | | | | | | | | | | |
| Investment Income | 118 | 39,277 | 2,566 | 95,962 | 10,168 | (17,567) | - | - | 11,971 | 142,495 |
| Transfers (Permanent) | 118 | 39,277 | 2,566 | 95,962 | 10,168 | (17,567) | - | - | 11,971 | 142,495 |
| Total Adjustments | (357,019) | 107,228 | (263,006) | 1,335,960 | 254,608 | (674,805) | - | - | 283,053 | 686,019 |
| 5 Gross Statutory Surplus | | | | | | | | | | |
| 6 Return of Surplus | | | | | | | | | | |
| 7 Net Statutory Surplus | (357,019) | 107,228 | (263,006) | 1,335,960 | 254,608 | (674,805) | - | - | 283,053 | 686,019 |
| 8 Temporary Transfers | | | | | | | | | | |
| 9 Temporary Surplus Balance | (357,019) | 107,228 | (263,006) | 1,335,960 | 254,608 | (674,805) | - | - | 283,053 | 686,019 |
| 10 Future Investment Income | | | | | | | | | | |
| 11 Future Operating Position | \$ (357,019) | 107,228 | (263,006) | 1,335,960 | 254,608 | (674,805) | - | - | 283,053 | 686,019 |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

Schedule D

FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

2020 ASSESSMENT YEAR

DECEMBER 31, 2023

| | 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 | 15,869,667 |
| 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 | 15,869,667 |
| Total Income | | | | | | | | | | |
| 2 Incurred Liabilities | | | | | | | | | | |
| Claims (Limited Incurred) | 890,410 | 1,284,375 | 55,811 | 2,472,031 | | 3,859,111 | 377,571 | 1,513,236 | 2,818,127 | 4,702,627 |
| Expenses | 15,560 | 1,284,375 | 55,811 | 2,472,031 | - | 3,859,111 | 377,571 | 1,513,236 | 2,818,127 | 8,583,605 |
| Total Liabilities | 905,970 | 1,284,375 | 55,811 | 2,472,031 | - | 3,859,111 | 377,571 | 1,513,236 | 2,818,127 | 13,286,232 |
| 3 Underwriting Surplus/(Deficit) | (112,616) | 103,441 | 269,248 | 2,193,969 | 321,401 | (471,859) | 1 | 112 | 279,738 | 2,583,435 |
| 4 Adjustments | | | | | | | | | | |
| Investment Income | 4,133 | 33,079 | 11,919 | 124,988 | 13,334 | 10,166 | (7,924) | (1) | 22,126 | 211,820 |
| Transfers (Permanent) | | | | | | | | | | |
| Total Adjustments | 4,133 | 33,079 | 11,919 | 124,988 | 13,334 | 10,166 | (7,924) | (1) | 22,126 | 211,820 |
| 5 Gross Statutory Surplus | (108,483) | 136,520 | 281,167 | 2,318,957 | 334,735 | (461,693) | (7,923) | 111 | 301,864 | 2,795,255 |
| 6 Return of Surplus | | | | | | | | | | |
| 7 Net Statutory Surplus | (108,483) | 136,520 | 281,167 | 2,318,957 | 334,735 | (461,693) | (7,923) | 111 | 301,864 | 2,795,255 |
| 8 Temporary Transfers | | | | | | | | | | |
| 9 Temporary Surplus Balance | (108,483) | 136,520 | 281,167 | 2,318,957 | 334,735 | (461,693) | (7,923) | 111 | 301,864 | 2,795,255 |
| 10 Future Investment Income | | | | | | | | | | |
| 11 Future Operating Position | \$ (108,483) | 136,520 | 281,167 | 2,318,957 | 334,735 | (461,693) | (7,923) | 111 | 301,864 | 2,795,255 |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

Schedule D

2019 ASSESSMENT YEAR

DECEMBER 31, 2023

| | 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 | 1,398,578 | 332,937 | 4,643,700 | 157,516 | 3,299,796 | 385,429 | 1,396,186 | 3,080,409 | 15,481,040 |
| Miscellaneous Income | 795,489 | 1,398,578 | 332,937 | 4,643,700 | 157,516 | 3,299,796 | 385,429 | 1,396,186 | 3,080,409 | 15,481,040 |
| Total Income | | | | | | | | | | |
| 2 Incurred Liabilities | | | | | | | | | | |
| Claims (Limited Incurred) | 859,154 | 1,505,283 | 244,648 | 4,574,935 | - | 3,293,204 | 385,430 | 1,396,833 | 2,752,103 | 7,184,020 |
| Expenses | 15,452 | | | | | 3,293,204 | 385,430 | 1,396,833 | 2,752,103 | 7,843,022 |
| Total Liabilities | 874,606 | 1,505,283 | 244,648 | 4,574,935 | - | 3,293,204 | 385,430 | 1,396,833 | 2,752,103 | 15,027,042 |
| 3 Underwriting Surplus/(Deficit) | (79,117) | (105,705) | 88,289 | 68,765 | 157,516 | 6,592 | (1) | (647) | 328,306 | 463,998 |
| 4 Adjustments | | | | | | | | | | |
| Investment Income | 8,997 | 32,542 | 7,559 | 95,306 | (2,667) | 57,459 | 208 | - | 36,837 | 236,241 |
| Transfers (Permanent) | 8,997 | 32,542 | 7,559 | 95,306 | (2,667) | 57,459 | 208 | - | 36,837 | 236,241 |
| Total Adjustments | (70,120) | (73,163) | 95,848 | 164,071 | 154,849 | 64,051 | 207 | (647) | 365,143 | 700,239 |
| 5 Gross Statutory Surplus | | | | | | | | | | |
| 6 Return of Surplus | | | | | | | | | | |
| 7 Net Statutory Surplus | (70,120) | (73,163) | 95,848 | 164,071 | 154,849 | 64,051 | 207 | (647) | 365,143 | 700,239 |
| 8 Temporary Transfers | | | | | | | | | | |
| 9 Temporary Surplus Balance | (70,120) | (73,163) | 95,848 | 164,071 | 154,849 | 64,051 | 207 | (647) | 365,143 | 700,239 |
| 10 Future Investment Income | | | | | | | | | | |
| 11 Transferred to Closed Years Fund | \$ (70,120) | (73,163) | 95,848 | 164,071 | 154,849 | 64,051 | 207 | (647) | 365,143 | 700,239 |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

Schedule E

2023 FUND YEAR CLAIMS ANALYSIS

DECEMBER 31, 2023

| | <u>Property</u> | <u>General Liability</u> | <u>Automotive Liability</u> | <u>Worker's Compensation</u> | <u>Totals</u> |
|-------------------------|------------------------|---------------------------------|------------------------------------|-------------------------------------|----------------------|
| Paid Claims | \$ 920,315 | 14,459 | 13,061 | 877,330 | 1,825,165 |
| Case Reserve | 802,844 | 283,297 | 41,473 | 1,251,016 | 2,378,630 |
| IBNR Reserve | 1,000 | 1,301,244 | 266,466 | 3,038,768 | 4,607,478 |
| Limited Incurred Claims | <u>\$ 1,724,159</u> | <u>1,599,000</u> | <u>321,000</u> | <u>5,167,114</u> | <u>8,811,273</u> |
| Number of Claims | 285 | 169 | 59 | 302 | 815 |
| Cost/Claim | <u>\$ 6,050</u> | <u>9,462</u> | <u>5,441</u> | <u>17,110</u> | <u>10,811</u> |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

2022 FUND YEAR CLAIMS ANALYSIS

Schedule E

DECEMBER 31, 2023

| | <u>Property</u> | <u>General Liability</u> | <u>Automotive Liability</u> | <u>Worker's Compensation</u> | <u>Totals</u> |
|-------------------------|------------------------|---------------------------------|------------------------------------|-------------------------------------|----------------------|
| Paid Claims | \$ 897,275 | 228,266 | 49,975 | 1,685,094 | 2,860,610 |
| Case Reserve | 9,828 | 226,984 | 17,025 | 1,237,523 | 1,491,360 |
| IBNR Reserve | - | 682,575 | 164,400 | 876,460 | 1,723,435 |
| Limited Incurred Claims | <u>\$ 907,103</u> | <u>1,137,825</u> | <u>231,400</u> | <u>3,799,077</u> | <u>6,075,405</u> |
| Number of Claims | 263 | 178 | 60 | 448 | 949 |
| Cost/Claim | <u>\$ 3,449</u> | <u>6,392</u> | <u>3,857</u> | <u>8,480</u> | <u>6,402</u> |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

2021 FUND YEAR CLAIMS ANALYSIS

Schedule E

DECEMBER 31, 2023

| | <u>Property</u> | <u>General Liability</u> | <u>Automotive Liability</u> | <u>Worker's Compensation</u> | <u>Totals</u> |
|-------------------------|---------------------|--------------------------|-----------------------------|------------------------------|------------------|
| Paid Claims | \$ 1,180,917 | 270,015 | 240,122 | 1,921,075 | 3,612,129 |
| Case Reserve | 610 | 621,952 | 240,526 | 973,736 | 1,836,824 |
| IBNR Reserve | - | 342,557 | 93,798 | 665,191 | 1,101,546 |
| Limited Incurred Claims | <u>\$ 1,181,527</u> | <u>1,234,524</u> | <u>574,446</u> | <u>3,560,002</u> | <u>6,550,499</u> |
| Number of Claims | 278 | 189 | 90 | 592 | 1,149 |
| Cost/Claim | <u>\$ 4,250</u> | <u>6,532</u> | <u>6,383</u> | <u>6,014</u> | <u>5,701</u> |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

2020 FUND YEAR CLAIMS ANALYSIS

Schedule E

DECEMBER 31, 2023

| | Property | General Liability | Automotive Liability | Worker's Compensation | Totals |
|-------------------------|-------------------|--------------------------|-----------------------------|------------------------------|------------------|
| Paid Claims | \$ 880,396 | 777,056 | 55,811 | 1,812,249 | 3,525,512 |
| Case Reserve | 10,014 | 330,033 | - | 440,447 | 780,494 |
| IBNR Reserve | - | 177,286 | - | 219,335 | 396,621 |
| Limited Incurred Claims | <u>\$ 890,410</u> | <u>1,284,375</u> | <u>55,811</u> | <u>2,472,031</u> | <u>4,702,627</u> |
| Number of Claims | 260 | 161 | 56 | 485 | 962 |
| Cost/Claim | <u>\$ 3,425</u> | <u>7,977</u> | <u>997</u> | <u>5,097</u> | <u>4,888</u> |

MONMOUTH COUNTY MUNICIPAL**JOINT INSURANCE FUND****FUND YEAR EXPENSE ANALYSIS****2023 ASSESSMENT YEAR****Schedule F****AS OF DECEMBER 31, 2023**

| | <u>Paid</u> | <u>Unpaid</u> | <u>Total</u> |
|------------------------------------|----------------------|---------------|-------------------|
| Excess Insurance | \$ 16,015 | - | 16,015 |
| Environmental Fund Expenses | 377,028 | - | 377,028 |
| MEL Expenses | 4,746,718 | - | 4,746,718 |
| Cyber Fund Expenses | 455,799 | - | 455,799 |
| POL/EPL Expenses | 1,716,281 | - | 1,716,281 |
| Administrative Expenses | | | |
| Administrator | 413,309 | | 413,309 |
| Loss Fund Management | 36,519 | | 36,519 |
| Claims Adjuster | 685,471 | | 685,471 |
| Safety | 285,957 | - | 285,957 |
| Managed Care | 219,596 | - | 219,596 |
| Legal | 125,722 | 12,617 | 138,339 |
| Treasurer | 21,973 | - | 21,973 |
| Actuary | 47,228 | - | 47,228 |
| Payroll Auditor | 20,739 | - | 20,739 |
| Auditor | - | 17,457 | 17,457 |
| Underwriting Managers | 13,000 | - | 13,000 |
| Risk Manager | 1,002,897 | 34,044 | 1,036,941 |
| Miscellaneous | 26,412 | 804 | 27,216 |
| Sub-Total Administrative | <u>2,898,823</u> | <u>64,922</u> | <u>2,963,745</u> |
| Total Expenses | <u>\$ 10,210,664</u> | <u>64,922</u> | <u>10,275,586</u> |

MONMOUTH COUNTY MUNICIPALJOINT INSURANCE FUNDFUND YEAR EXPENSE ANALYSIS2022 ASSESSMENT YEAR

Schedule F

AS OF DECEMBER 31, 2023

| | <u>Paid</u> | <u>Unpaid</u> | <u>Total</u> |
|------------------------------------|---------------------|---------------|------------------|
| Excess Insurance | \$ 15,635 | - | 15,635 |
| Environmental Fund Expenses | 377,518 | - | 377,518 |
| MEL Expenses | 4,364,514 | - | 4,364,514 |
| POL/EPL Expenses | 1,661,272 | - | 1,661,272 |
| Administrative Expenses | | | |
| Administrator | 405,204 | | 405,204 |
| Loss Fund Management | 35,808 | | 35,808 |
| Claims Adjuster | 672,030 | | 672,030 |
| Safety | 325,034 | - | 325,034 |
| Managed Care | 215,290 | - | 215,290 |
| Legal | 136,332 | - | 136,332 |
| Treasurer | 21,542 | - | 21,542 |
| Actuary | 46,302 | - | 46,302 |
| Payroll Auditor | 20,332 | - | 20,332 |
| Auditor | 17,115 | - | 17,115 |
| Underwriting Managers | 12,745 | - | 12,745 |
| Risk Manager | 994,357 | 20,641 | 1,014,998 |
| Miscellaneous | 19,550 | - | 19,550 |
| Sub-Total Administrative | <u>2,921,641</u> | <u>20,641</u> | <u>2,942,282</u> |
| Total Expenses | <u>\$ 9,340,580</u> | <u>20,641</u> | <u>9,361,221</u> |

MONMOUTH COUNTY MUNICIPAL**JOINT INSURANCE FUND****FUND YEAR EXPENSE ANALYSIS****2021 ASSESSMENT YEAR****Schedule F****AS OF DECEMBER 31, 2023**

| | <u>Paid</u> | <u>Unpaid</u> | <u>Total</u> |
|------------------------------------|---------------------|----------------|------------------|
| Excess Insurance | \$ 15,961 | | 15,961 |
| Environmental Fund Expenses | 373,708 | | 373,708 |
| MEL Expenses | 3,558,636 | 656,238 | 4,214,874 |
| 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 | 316,663 | | 316,663 |
| Managed Care | 211,069 | | 211,069 |
| Legal | 136,222 | | 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 | 16,837 | | 16,837 |
| Sub-Total Administrative | <u>2,871,741</u> | | <u>2,871,741</u> |
| Total Expenses | <u>\$ 8,401,381</u> | <u>656,238</u> | <u>9,057,619</u> |

MONMOUTH COUNTY MUNICIPALJOINT INSURANCE FUNDFUND YEAR EXPENSE ANALYSIS2020 ASSESSMENT YEAR

Schedule F

AS OF DECEMBER 31, 2023

| | <u>Total</u> |
|--------------------------------|---------------------|
| Excess Insurance | \$ 15,560 |
| Environmental Fund Expenses | 377,571 |
| MEL Expenses | 3,859,111 |
| POL/EPL Expenses | 1,513,236 |
| 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 | 15,294 |
| Sub-Total Administrative | 2,818,127 |
| Total Expenses | <u>\$ 8,583,605</u> |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND

FUND YEAR PROGRAM SUMMARY

2023 ASSESSMENT YEAR

PERIOD ENDED DECEMBER 31, 2023

Schedule G

| | Coverages | | | Worker's Compensation | Environmental | Public Officials/ Employment Practices | Cyber | Totals |
|-----------------------------|--|---|---|-------------------------|---|--|--|--------------|
| | Property | General Liability | Auto Liability | | | | | |
| Limits | \$ 125,000,000 Blanket Limit | \$ 5,000,000 Per Occurrence Combined Single Limit | \$ 5,000,000 Per Occurrence Combined Single Limit | Statutory \$ 300,000 | \$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 Claims/ \$3,000,000 Aggregate/ \$6,000,000 JIF Aggregate | |
| Fund Retention: Specific | \$ 100,000 | \$ 300,000 | \$ 300,000 | \$ 300,000 | None | 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 Ascot Specialty Insurance Co. provides \$9,000,000/\$9,000,000 Occurrence/Aggregate. Excess that attaches when E.I.J.F claim payments exceed a \$3,000,000 attachment point. | Munich Re provides 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 \$6,000,000. | Great American \$3,000,000 Follow Form Covball \$3,000,000 Follow Form \$6,000,000 Aggregate | |
| Number of Participants | 41 | 41 | 41 | 41 | 41 | 41 | 41 | |
| Inured Liabilities | \$ 1,724,159 | \$ 1,599,000 | \$ 321,000 | \$ 5,167,114 | | | | \$ 8,811,273 |
| Exposure Units | \$ 1,101,639,968 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 | \$ 4.10 | \$ 122.05 | \$ 0.02 | | | | \$ 126.18 |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND**ANALYSIS OF CASH AND INVESTMENTS**

Table 1

FUND YEARS 2023, 2022, 2021, 2020, AGGREGATE EXCESS LOSS AND CLOSED YEARS FUND**DECEMBER 31, 2023**

| <u>Institution</u> | <u>Amount</u> |
|---|----------------------|
| State of N.J. - Cash Management Fund Dean Witter Trust Co. | \$ 1,583,993 |
| Investor's Bank - Operating Account | 4,925,644 |
| Investor's Bank - Administrative Account | 215,251 |
| BNY Mellon - JCMI Account | 4,711,343 |
| Wilmington Trust - Investment | <u>15,401,747</u> |
| | <u>\$ 26,837,978</u> |

MONMOUTH COUNTY MUNICIPAL JOINT INSURANCE FUND**ADMINISTRATIVE EXPENSES PAYABLE****2022 ASSESSMENT YEAR****AT DECEMBER 31, 2023****Table 2****LIABILITIES (ACCRUED)**

| | |
|---------------------------------|------------------|
| Risk Management Consultant Fees | \$ 20,641 |
| Total | <u>\$ 20,641</u> |

ADMINISTRATIVE EXPENSES PAYABLE**2023 ASSESSMENT YEAR****AT DECEMBER 31, 2023****Table 3****LIABILITIES (ACCRUED)**

| | |
|---------------------------------|------------------|
| Legal | \$ 12,617 |
| Auditors | 17,457 |
| Risk Management Consultant Fees | 34,044 |
| Miscellaneous | <u>804</u> |
| Total | <u>\$ 64,922</u> |

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

Robert A. Hulsart and Company
 CERTIFIED PUBLIC ACCOUNTANTS

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.

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RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

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, 2023, and have issued our report thereon dated May 9, 2024. 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 9, 2024

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.