

ATLANTIC COUNTY MUNICIPAL JOINT INSURANCE FUND

Administrative Policies & Procedures

Date Adopted: 9/20/23

POLICY: Budget Amendment Policy

PURPOSE: To establish appropriate purposes and timelines for the Budget Amendments

During the course of each Fund Year it becomes necessary to amend the Fund's budget due to circumstances that were normally unforeseen by the Fund at the time the budget was adopted. Amending the budget requires that each member of the Fund receive a copy of the proposed amendment for posting on the member's official Municipal Bulletin Board. In addition, the proposed Amendment must be advertised as a Legal Notice in the Fund's three official newspapers. Therefore, for purposes of efficiency, it is in the best interest of the Fund to limit the number of times that the Fund amends its budget during the year. To accomplish this goal, the following guidelines shall be used in determining when and why the Fund Budget shall be amended:

- If a new member joins the Fund effective January 1st of a new Fund Year, the Fund shall amend the budget to include the new member's exposures as soon as practical following the commencement of the New Year.
- All other Budget revisions requested by the member municipalities, for the purposes outlined below, shall be consolidated into one amendment and must be submitted to the Executive Director's office no later than July 1st in recognition of the Budget Development process the Fund undertakes in preparation for the new Fund Year. The final annual Budget Amendment will be adopted no later than October 1st:
 - Changes to RMC agreements from the previous year
 - Changes in member excess coverage limits / deductibles/co-insurance terms
 - Changes to an operational exposure that requires the addition/removal of premium to the budget.
 - Changes in JIF Loss Funding will be provided by the Fund Actuary and Operating Expenses allocated by the Executive Director's Office if applicable and reflected in the final installment invoice.
 - Changes in Excess / Stand Alone Premiums will be provided by the MEL's Executive Director's office. The member will be provided a quote utilizing the current Fund Year rates for an estimated financial impact that will apply for the upcoming renewal year. However, the member's premium will not be modified in the current year.
- All other proposed amendments, for whatever purpose, that are brought to the attention of the Executive Director's office after July 1st shall be reviewed with the Finance Committee to determine the appropriate method to address the changes in exposures and the impact on the member's assessment.