



2025 ACM JIF Budget Message

FUND YEAR 2025 DRAFT BUDGET OVERVIEW

The Atlantic County Municipal Joint Insurance Fund (ACM JIF) Proposed Budget for Fund Year 2025 is \$27,599,582 which includes assessments for excess coverages provided by the JIF, MEL, CYBER JIF, EPL/POL/Land Use, and EJIF. The Proposed Budget for 2025 reflects a 3.05% (\$817,818) increase over last year's combined annualized budget of \$26,781,764 and is based upon the known renewal data at the time the draft budget was prepared. As in years past, individual member assessments will fluctuate above or below the budget increase based on member claims experience as outlined in the accompanying *JIF Assessment Allocation Policy*. The Loss Funding, Operating Expense and Member Benefits portions of the Proposed Budget for 2025 is \$18,164,421 which represents an increase of 1.93% (\$343,063) over last year's \$17,821,358 annualized budget.

Highlights of the 2025 Budget are as follows:

- Budgeted loss funds increased by \$282,457 (1.92%)
- Operating Expenses (Fund Professional fees, Meeting Expenses, Postage/Copies, etc.) increased \$59,665 (2.32%)
- Member Benefits (Safety Programs, EPL/Cyber Programs, Wellness, etc.) increased \$941 (0.17%)
- Excess and Standalone premiums, inclusive of the MEL, Cyber JIF, EPL/POL/Land Use, and EJIF policies increased \$474,755 (5.30%)
- The application of the JIF's *Revaluation Program* to the 11 members renewing their membership effective January 1, 2025, resulted in seven (7) members qualifying. This program is thoroughly explained in the accompanying *Assessment Allocation Policy*.
- All members' performance are reviewed for inclusion in the JIF's *Retrospective Program*. One member (Stone Harbor Borough) met the Policy's criteria for inclusion in the Program. This program is thoroughly explained in the accompanying *Assessment Allocation Policy*.

JIF BUDGET FACTORS

Loss Funds

Loss Funds represent money used for the payment of member claims within the Fund's self-insured retention. Assuming no change in the SIR for Fund Year 2025, the Actuary recommended a 2.1% increase in the overall loss funding budget utilizing anticipated exposure growth of 0% for Auto & General Liability and Workers' Compensation and 4% for Property. As customary, the Actuary provided three confidence levels of loss funding: low (40% confidence level), central (55% confidence level), and high (70% confidence level). The Finance Committee opted to fund the central loss funding recommendation as they have done historically. They recognized that failure to fund at the central confidence level will have a negative impact on the Fund's surplus position and could result in the possibility of multiple years of large loss funding increases or additional assessments in future years. Due to the impact of the Retrospective Program, overall loss funding was reduced by \$29,907 as this funding is now the contractual obligation of the member on the Retrospective Program resulting in an overall Loss Funding increase of 1.92%.

- **Workers' Compensation** loss funding is increasing by 3.29% (\$290,178). There are many factors that are driving this increase including growing pressure on health care costs (medical inflation), the lingering impact of the pandemic, rising indemnity costs, and an increase in the overall number of claims "re-openers". Additional cost drivers identified by the Fund Actuary which includes \$561,000 in loss funding directly attributable to the "pension offset" regulatory change. Some initiatives the ACM JIF is utilizing to control Workers' Compensation costs include:
 - The use of a PPO & EPO resulting in over 96% of all medical expenses being repriced resulting in a savings of \$4,986,952 or 70% as of September 30, 2024

- The use of 85% of available transitional duty days by the members resulted in the savings of \$737,506 as of September 30, 2024.
 - The continued strong participation in Safety Training by all members.
 - The Fund continues to monitor the impact of expanding definitions of compensability, both legislative and court rendered, accidental disability claims, and “reopeners” on this line of coverage.
- **General Liability** loss funding is decreasing by 6.06% (\$134,258). This decrease is reflective of outstanding work done by the JIF’s Defense Panel in defending member liability claims and the relative low number of new claims (77 active General & Auto Liability claims as of September 30, 2024 for 39 members) being brought against the members in recent years. Some additional initiatives the JIF is utilizing to control General Liability Claims costs include:
 - Members use of the various liability risk control programs offered by the Fund including the recently updated model indemnification, defense, and hold harmless language in all municipal contracts including inter-local service agreements.
 - Members use of the TULIP (Tenant User Liability Insurance Program) Program that allows private users of municipal facilities to secure short-term, low cost, liability insurance policies over the internet. These policies automatically name the municipality as an *Additional Insured* and provide an added layer of protection to the members.
 - The funding of a Police Risk Management Consultant to assist member Police Departments in the adoption, training, and implementation of the most critical policies as identified by the JIF Defense Panel members who defend police related claims.
 - The recent hiring of retired police personnel by the JIF Safety Director to develop tailored programs to address police safety related matters.
- **Auto Liability** loss funding is decreasing 5.90% (\$21,066). At fault automobile accidents involving Police vehicles continue to be the main factor driving this line of coverage. Some initiatives the JIF is utilizing to control Auto Liability Claims costs include:
 - The Fund’s *Safety Incentive Program* includes a requirement that ALL emergency responders complete the S:ERVE Training program.
 - The Fund continues to promote the *Coaching of Emergency Vehicle Operators* training.
 - The Fund continues to promote annual Motor Vehicle Records check of all drivers of municipally owned vehicles.
 - The Fund Administrator is receiving a quarterly report that tracks at fault accidents involving police vehicles to track the costs of these accidents from both a property and workers’ compensation perspective.
- **Property** loss funding is increasing by 9.61% (\$105,235). This increase is driven by the escalating number of significant weather events and costs of labor and materials involved in recovering from a property loss. Some initiatives the JIF is utilizing to control Property Claims costs include:
 - Ongoing property appraisals of each member’s buildings at least once every four (4) years with value trending each year to ensure accurate values.
 - An ongoing review of member’s property and equipment schedules to ensure that coverage for all municipally owned property is properly designated within Origami.
 - The implementation of the *JIF Preferred Auto Shop Program* to make sure that all auto repair shops working on municipally owned vehicles are following stringent guidelines in regard to documentation of repairs, the use of appropriate aftermarket/OEM parts, the approval process for additional unforeseen repairs, and storage fees.

- **Loss Fund Contingency** funding is at \$0. This line item is utilized by the Finance Committee hold additional loss funding generated by the implementation of the annual loss funding strategy as well as any additional funding the Committee determines it would like maintain in the budget should the Fund Actuary recommend a decrease in the annual loss funding budget.

JIF LOSS FUNDING ASSESSMENT STRATEGY

In consideration of the aforementioned factors affecting the 2025 JIF Loss Funding Budget, the Finance Committee is recommending that the 2025 JIF loss funding assessments range from a decrease of 2.0% for renewing members, with a six year average loss ratio below 25%, to an increase of 2.12% for newer members who have less than three years loss experience with the ACM JIF. Members with six-year average loss ratios above 180% will receive a 7.0% increase in their loss funding assessment. Details outlining the assessment strategy are documented in the accompanying *2025 Assessment Allocation Strategy*.

OPERATING EXPENSES/MEMBER BENEFITS

Operating Expenses (i.e. Fund Professional fees, Meeting Expenses, Postage/Copies, etc.) represent approximately 10% of the overall JIF budget. Member Benefits (i.e. Safety Programs, EPL/Cyber Programs, Wellness, etc.) represent approximately 2%, of the combined JIF budget. Factors impacting the JIF operating expenses and member benefits include:

- Operating Expenses increased by \$59,665 (2.32%) with increases in professional fees averaging 2.00%; however, the Claims Administrator line increased \$26,435 (3.00%). The JIF Website increased \$1,300 (22.81%) as a result of the addition of a “members only” side to the JIF Website; resulting in the maintenance of two websites.
- Member Benefits increased by \$941 (0.17%) due to a 2.00% increase in the Police Risk Services fee and a \$441 (2.00%) increase in the Payroll Auditor fee.

EXCESS REINSURANCE & INSURANCE BUDGET – NJMEL

The 2025 MEL Budget is projecting a 7.7% budget increase (\$5,726,008) over 2024 which continues to be driven by a difficult worldwide excess insurance market in addition to the MEL funding various portions of their loss funding budget at the high confidence level within the MEL SIR. The ACM JIF is budgeting an increase of \$395,010 (6.39%) inclusive of rate increases and exposure growth. Over the last 24 months, the worldwide insurance market has been challenging due to ongoing natural disasters (i.e., hurricanes & wildfires), the lingering effects from the COVID-19 pandemic, the impact of law enforcement related claims, regulatory & statutory changes, and the impact of social inflation. The financial strength of the MEL continues to provide some protection to its members against the ravages of the hardening market. A copy of the proposed 2025 MEL Budget and rate table are attached. Some factors influencing the 2025 JIF MEL Budget include:

- The MEL continues to utilize the experience rating process based on the prior ten years MEL experience for WC and Liability claims funding.
- The ACM JIF has been a poor performer within the MEL over the prior ten years with a 10-year average loss ratio of 116.6% and will receive a 15% experience-rating penalty applied to its WC and Liability claims funding.
- The Finance Committee has opted not to fund additional premium in anticipation of future MEL Surplus Trigger Assessments due to the available balance in the *Closed MEL Unencumbered Surplus Contingency Account*. Additional details are included in the accompanying *Assessment Allocation Strategy*.

CYBER JIF

In recognition of the difficulty in securing Cyber Liability coverage for public entities in the commercial insurance market, the need for all members to implement stringent cyber security protocols, the volatile nature of cyber related

losses and the recent poor loss experience for members in the Cyber line of coverage; the MEL affiliated JIFs formed the Cyber Risk Management Joint Insurance Fund to provide Cyber related services and coverage for all MEL affiliated JIFs effective January 1, 2023. The Cyber JIF carries a self-insured retention of \$350,000 per claim and purchases specific and aggregate excess coverage for each member JIF from XL Insurance and Cowbell Insurance.

The Cyber JIF premium is allocated to members utilizing population tiers to create size categories, which is detailed in the accompanying *Assessment Allocation Strategy*. The members with smaller populations will have a lower premium than those members with large populations. This recognizes the complexity of larger towns that may have greater exposures than smaller towns. The Cyber JIF adopted a 4.09% (\$264,804) Budget increase for 2025. The impact to the ACM JIF is a Budget increase of 4.09% (\$17,284) due to the rate increase and year 3 of a 3-year census phase-in. A copy of the proposed 2025 Cyber JIF Budget is attached. In addition, the Cyber JIF has implemented a Risk Management Program that includes incentives in the form of lower out of pocket costs for members that make investments in their cyber security profile as outlined below:

- The Cyber JIF Risk Management Plan currently consists of three “tiers.” The three tiers of cyber security compliance are “basic”, “intermediate”, and “advanced”.
- Those members that do not meet the minimum cyber security standards will have a \$50,000 deductible and a 20% coinsurance requirement of the next \$300,000 of a claim, members in compliance with the “basic” cyber security standards will have a \$35,000 deductible with no coinsurance, members that meet the intermediate standards will have a \$20,000 deductible with no coinsurance, and members that meet the “advanced” cyber security standards will have no deductible assuming compliance with the standards at the time of the incident.
- The JIF continues to fund a Technology Risk Management Director who assists members and their IT professionals in implementing these security standards.

EPL/POL/Land Use/VDO

Overall, the JIF Budget for Employment Practices Liability, Public Officials Liability, Land Use, and Volunteers Directors, & Officers Liability Coverage is increasing 3.18% or \$65,364 for 2025. This is due to improvement of claims experience coupled and utilizing ten (10) years’ claims experience, rather than the five (5) years utilized in prior years. In addition, the revised experience rating model allocates larger increases to members with negative performance (100% loss ratio) in three (3) or more years with increased weighting for members with six (6) years or more of negative performance (100% loss ratio). This change provides relief to members with positive claims experience and those with only one (1) or two (2) poor performing years.

For Fund Year 2025, the JIF EPL/POL/Land Use/VDO insurer Lexington (AIG) is issuing a 3% statewide premium increase. This increase varies JIF by JIF based upon a revised formula for the pricing of all members that includes their individual exposures, loss performance, and the number of years wherein the member had an incurred loss over the preceding ten (10) years. Changes to the allocation for multiple year poor performers were made by the carrier as noted in the accompanying *Assessment Allocation Policy*.

E-JIF

Effective January 1, 2024, the JIF became a member of the Environmental Risk Management Joint Insurance Fund (E-JIF). The E-JIF provides its members with a defined Environmental Liability coverage package along with strong risk management programs and other member services including educational and training seminars. The E-JIF Budget increase is 1.2% (\$60,498) over 2024. E-JIF assessments are allocated based upon a member’s population with a current rate of \$0.9573 which is a 0% increase over 2024 and includes year 3 of the 3 year census phase-in. The impact on the JIF Budget is a decrease of 0.70% (\$2,093) due to a slight reduction in the JIF member population. A copy of the proposed 2025 E-JIF Budget is attached.

CLOSED YEARS ACCOUNT - JIF DIVIDENDS

The Finance Committee made a recommendation to release varying amounts of surplus from Fund Years 2013 through 2019. In arriving at the amount of surplus to release, the Finance Committee continued its practice of

examining the financial development of the most current years to guarantee future consistent releases of surplus to the membership while providing a cushion against unforeseen events. In addition, the Finance Committee also considered the impact of the 12/31/2022 MEL Supplemental Assessment (\$1,140,643) and RCF Surplus Trigger Assessment (\$956,455) on the Fund's overall Surplus position. The MEL and RCF *Surplus Strengthening Programs* are detailed in the accompanying *Assessment Allocation Strategy*. The ACM JIF 12/31/2023 financial results include an unrealized loss in investment income of \$1,102,923. After examining its current surplus position and the aforementioned factors, the Committee recommended, and the Fund authorized release of \$2,000,000, which is the same as last year's release. As in prior years, the members will have the option to receive the dividend as a check, credit against their 2025 premium, or to transfer to the Aggregate Excess Loss Contingency Fund for future use.

RISK MANAGEMENT CONSULTANT FEES

Members of the Fund contract independently with their respective Risk Management Consultant. The fees associated with these services are built into member assessments and the expense is passed through the Fund budget.

FUND YEAR 2025 BUDGET

The attached draft budget is submitted for your consideration and introduction at the November 18, 2024 Executive Committee Meeting. A Budget Hearing will be held at the December 18, 2024 Executive Committee meeting.

File: ACM/2025/Budget

Tab: Budget Message

ATLANTIC COUNTY MUNICIPAL JOINT INSURANCE FUND
FUND YEAR 2025 BUDGET
\$500K SIR (WC/GL/AL) - \$100K SIR (PR)

	ANNUALIZED 2024	Proposed Budget 2025	CHANGE \$	CHANGE %
PROPERTY	1,095,296	1,200,531	105,235	9.61%
GENERAL LIABILITY	2,216,779	2,082,521	(134,258)	-6.06%
AUTO LIABILITY	357,346	336,280	(21,066)	-5.90%
WORKERS' COMPENSATION	8,815,642	9,105,820	290,178	3.29%
DEDUCTIBLE	2,203,247	2,245,615	42,368	1.92%
LOSS FUND CONTINGENCY	-	-	-	0.00%
TOTAL CLAIM LOSS FUNDS	14,688,310	14,970,767	282,457	1.92%
CLAIMS ADMINISTRATION	881,183	907,618	26,435	3.00%
PROFESSIONAL SERVICES	528,684	538,794	10,110	1.91%
- Actuary	52,455	53,504	1,049	2.00%
- Administrative Consultant	44,469	45,358	889	2.00%
- Attorney	141,362	144,189	2,827	2.00%
- Auditor	21,413	21,841	428	2.00%
- Safety Director	230,618	234,788	4,170	1.81%
- Treasurer	26,000	26,500	500	1.92%
- Underwriting Manager	12,367	12,614	247	2.00%
ADMINISTRATION	1,084,141	1,105,824	21,683	2.00%
CLAIMS AUDITOR	25,000	25,000	-	0.00%
MISCELLANEOUS OPERATING EXPENSES	51,630	53,067	1,437	2.78%
- Fidelity Bond (Admin/TPA/Treasurer)	3,000	3,000	-	0.00%
- JIF Website	5,700	7,000	1,300	22.81%
- Legal Notices	2,000	2,000	-	0.00%
- Meeting Expense	10,000	10,000	-	0.00%
- Office Supplies	2,500	2,500	-	0.00%
- Other	5,830	5,830	-	0.00%
- Performance Bond (TPA)	1,250	1,250	-	0.00%
- Postage/Copies/Fax	6,000	6,000	-	0.00%
- Printing	6,000	6,000	-	0.00%
- Record Retention Service	2,500	2,500	-	0.00%
- Recording Secretary	6,850	6,987	137	2.00%
TOTAL OPERATING EXPENSES	2,570,638	2,630,303	59,665	2.32%
SAFETY PROGRAMS	190,000	190,500	500	0.26%
- Optional Safety Budget	28,000	28,000	-	0.00%
- Safety Incentive Program	115,000	115,000	-	0.00%
- Training	47,000	47,500	500	1.06%
- Police Risk Services	25,000	25,500	500	2.00%
- Training	22,000	22,000	-	0.00%
EPL/CYBER	188,275	188,275	-	0.00%
- Cyber Risk Services	160,000	160,000	-	0.00%
- EPL/Cyber Incentive Program	28,275	28,275	-	0.00%
PAYROLL AUDITOR	22,074	22,515	441	2.00%
PROPERTY APPRAISER	46,359	46,359	-	0.00%
TECHNOLOGY RISK SERVICES DIRECTOR	70,702	70,702	-	0.00%
CONTINGENCY	20,000	20,000	-	0.00%
MISCELLANEOUS MEMBER BENEFITS	25,000	25,000	-	0.00%
- AGRIP/PRIMA	10,000	10,000	-	0.00%
- Annual Planning Retreat	15,000	15,000	-	0.00%
TOTAL MEMBER BENEFITS	562,410	563,351	941	0.17%
SUB TOTAL JIF BUDGET	17,821,358	18,164,421	343,063	1.93%
MUNICIPAL EXCESS LIABILITY JIF	6,179,990	6,575,000	395,010	6.39%
- MEL Excess WC & Liability	2,527,850	2,637,163	109,313	4.32%
- MEL Excess Property	3,652,140	3,937,837	285,697	7.82%
- Property	3,633,429	3,839,363	205,934	5.67%
- Fidelity/XS Crime	18,711	98,474	79,763	426.29%
CYBER JIF Premium	422,608	439,892	17,284	4.09%
EPL/POL/LU Premium	2,055,151	2,120,515	65,364	3.18%
EPL/POL/LU SURCHARGE	1,610	800	(810)	-50.31%
EJIF	301,047	298,954	(2,093)	-0.70%
SUB TOTAL PREMIUMS	8,960,406	9,435,161	474,755	5.30%
SUB TOTAL JIF & EXCESS BUDGET	26,781,764	27,599,582	817,818	3.05%
RISK MANAGEMENT CONSULTANTS	752,261	767,937	15,676	2.08%
TOTAL JIF BUDGET	27,534,025	28,367,519	833,494	3.03%

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

MEL RATE TABLES - Municipalities

CLAIMS & EXPENSES							
Attachment Key	Line of Coverage	Layer	RATING BASE	2025	2025 Minimums		
200	Liability Claims To 500K	300 x 200	Population	1.6666			
250		250 x 250		1.2433			
300		200 x 300		0.9013			
350		150 x 350		0.6197			
400		100 x 400		0.3825			
500		0 x 500		0.0000			
500	Liability Claims 1.5MIL Ex 500K	1,500 x 500	Population	1.6914	2307		
750		1,250 x 750		1.5496			
1000		1,000 x 1,000		1.4229			
1500		500 x 1,500		1.1901			
2000	Liability Claims 3MIL ex 2MIL	3,000 x 2,000	Population	0.5497	1025		
SPECIAL EXPOSURES							
		WATER UTILITY	Payroll	0.0112			
		ELECTRIC UTILITY(1)	Payroll to 1MIL	0.0195			
		ELECTRIC UTILITY(2)	Payroll over 1MIL	0.0020			
	Allocation to Liability Claims						
	Liability Claims To 500K			67.85%			
	Liability Claims 1.5MIL Ex 500K			32.15%			
SEASONAL SURCHARGE							
ATL	Allocation to Liability Claims is by % of Total			<u>Liability Assessment</u>			
MON				Liability Claims	6.00%		
CNTRL				Optional Excess Liability	6.00%		
OCE					6.00%		
200	Workers Comp Claims to 2MIL	1,800 x 200	Payroll	0.006238			
250		1,750 x 250		0.005016			
300		1,700 x 300		0.004098			
350		1,650 x 350		0.003400			
400		1,600 x 400		0.002865			
450		1,550 x 450		0.002434			
500		1,500 x 500		0.002081			
600		1,400 x 600		0.001539			
700		1,300 x 700		0.001160			
750		1,250 x 750		0.001019			
1250		750 x 1,250		0.000377			
2000		0.000000					
100	Property Claims to 250K	150K x 100K	TIV	0.0304			
150		100K x 150K		0.0157			
200		50K x 200K		0.0064			
250	Property Claims 500K x 250K	250K x 250K	TIV	0.0161			
500	Property Claims 500K x 500K	500K x 500K	TIV	0.0108			
1000	Property Claims 1.5MIL x 1MIL	1.5MIL x 1MIL	TIV	0.0119			
POLEPL Land Use							
Aggregate Excess LFC							
		Suburban Municipal JIF		16545			
JIF Faithful Performance Bond				FT EE	6.3405		
Surety Bond							
				<u>Base Limit</u>	<u>Optional Limit</u>		
0				500	234		
3001				500	234		
6001				500	234		
10001				1000	468		
15001			Population	1000	468		
20001				1250	585		
30001				1500	702		
40001				2000	936		
50001				2750	1287		
Loss Fund Contingency							
			Population	0.0450			
Loss Fund Contingency OTHER				Total Loss Fund Assmt	0.0392		
MEL Safety Institute				FT Ees	32.99		
Expense Contingency				% of Assessment	0.0933		
PREMIUMS							
Optional Excess Liability				2024 Certified Rate			
2	2 MILE EX 5 MIL	Population	0.2505	0.2572			
5				5 MILE EX 5 MIL	0.5050	0.5185	
10				10 MILE EX 5 MIL	0.7555	0.7757	1159.70449
15				15 MILE EX 5 MIL	0.8940	0.9179	1933.837126
				15 Optional)	% of base premium		43%
Optional Excess POL/EPL							
1	1MIL Ex 2MIL	Population	0.1544	0.1559	781.9582987		
2				2MIL Ex 2MIL	0.2556	0.2581	1294.922943
3				3MIL Ex 2MIL	0.3288	0.3321	1665.258393
4				4MIL Ex 2MIL	0.3880	0.3919	1965.53038
8				8MIL Ex 2MIL	0.7433	0.7507	3765.911166
Excess Crime				1MIL Ex 1MIL	FT Ees	26.55	
Workers Comp Premium				Payroll	0.001098	0.0011524	
Property Premiums							
	Excess Property	TIV	0.1196	0.12195			
	Excess Flood - \$25m x \$50 m		0.0106	0.01079			
	Excess Flood - \$25m x \$75m		0.0000	0.00000			

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

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

NEW JERSEY MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND

2025 PROPOSED BUDGET BASED ON 2020 CENSUS

8/21/2024 10:36		2024	2,025		
		TOTAL	TOTAL	CHANGE	CHANGE
I. Claims and Excess Insurance				\$	%
Claims					
1	Third Party (Non-Site Specific)	471,826	495,965	24,139	5.1%
2	On Site Cleanup (Site Specific)	255,789	257,901	2,112	0.8%
3	PO Pollution Liability	161,408	158,708	(2,700)	-1.7%
4	Tank Systems	238,394	243,022	4,628	1.9%
5	DMA Waste Sites (Superfund Buyout)	1,355,925	1,324,224	(31,701)	-2.3%
6	LFC	21,739	24,439	2,700	12.4%
7	Total Loss Fund	2,505,081	2,504,259	(822)	0.0%
8					
9	II. Expenses, Fees & Contingency				
10	Professional Services				
11	Actuary	62,500	63,750	1,250	2.0%
12	Attorney	103,945	106,024	2,079	2.0%
13	Auditor	17,973	18,332	359	2.0%
14	Executive Director	384,036	391,717	7,681	2.0%
15	Treasurer	22,166	22,610	444	2.0%
16	Legislative Agent	45,000	45,000	-	0.0%
17	Underwriting Managers	304,173	310,256	6,083	2.0%
18	Environmental Services	543,587	554,458	10,871	2.0%
19	Claims Administration	35,927	36,645	718	2.0%
20	QPA	5,000	5,100	100	2.0%
21					
22	Subtotal - Contracted Prof Svcs	1,524,307	1,553,892	29,585	1.9%
23					
24	Non-Contracted Services				
25	Expenses contingency	32,845	32,845	-	0.0%
26	Member Testing	18,808	20,000	1,192	6.3%
27					
28	Subtotal - Non-contracted svcs	51,653	52,845	1,192	2.3%
29					
30	Subtotal-Contracted/Non-contracted svcs	1,575,960	1,606,737	30,777	2.0%
31					
32	Excess Aggregate Insurance	610,866	641,409	30,543	5.0%
33					
34	General Contingency	180,172	180,172	-	0.0%
35					
36	Total Exp, Fees & Contingency	2,366,998	2,428,318	61,320	2.6%
37					
38	TOTAL JIF APPROPRIATIONS	4,872,079	4,932,577	60,498	1.2%
39					
40	<i>*LFC = Members not based on population (i.e. Parking Au</i>		-		