

**Municipal Excess Liability**  
**Joint Insurance Fund**  
Parsippany, New Jersey

Annual Comprehensive Financial Report  
For the Years Ended December 31, 2024 and 2023

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
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**INTRODUCTORY SECTION**



## Municipal Excess Liability Joint Insurance Fund

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 Parsippany, New Jersey 07054  
*Tel (201) 881-7632*  
*Fax (201) 881-7633*

May 9, 2025

Board of Fund Commissioners  
 Municipal Excess Liability Joint Insurance Fund  
 9 Campus Drive, Suite 216  
 Parsippany, NJ 07054

Dear Fund Commissioners:

The Annual Comprehensive Financial Report (ACFR) of the Municipal Excess Liability Joint Insurance Fund (MEL) for the year ended December 31, 2024 is hereby respectfully submitted. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the MEL. We believe the data, as presented, are accurate in all material respects; that they are presented in a manner designed to fairly set forth the financial position and results of the operations of the MEL as measured by the financial activity of its various membership years; and that all disclosures necessary to enable the reader to gain the maximum understanding of the MEL's financial affairs have been included.

The ACFR is presented in three sections: introductory, financial, and statistical. The introductory section contains this transmittal letter, substantive highlights of the year, a list of the MEL's members, a list of the MEL's officers and an organizational chart. The financial section includes a management discussion and analysis of the financial activities, the basic financial statements, as well as the independent auditors' opinion on the basic financial statements. State schedules are provided pursuant to the specifications of the New Jersey Department of Banking and Insurance, which, along with the Department of Community Affairs, exercises regulatory control over the MEL. The statistical section includes selected data covering the last ten years that the MEL has been operational.

The MEL was formed under State statutes which authorize local government entities to pool resources to meet risk management needs. Specifically, along with local joint insurance funds, the MEL administers a program of self-funding and commercial insurance, and reinsurance that provides protection to members in the areas of property, workers' compensation, and automobile, general, and optional excess professional liability. The MEL performs a number of tasks in accomplishing this mission, including contracting for support services such as claims and litigation management, loss control services and training, financial management and reporting, actuarial services, and general management.

The MEL's economic condition and its outlook continue to be strong. The MEL has provided its members with stable assessments, a long history of dividends, comprehensive insurance, and responsive service. These factors have resulted in steady growth. While the MEL is not expected to continue to grow at its historic rate because its market share is now so large, marginal growth or at least membership stability is expected.

### MEL Initiatives

Fund year 2024 saw many changes Fund Commissioners, Fund Professionals and Excess carriers – all occurring with a smooth transition.

During 2024, the Fund received the final report from Benchmark Analytics in identifying areas of success with the Police Accreditation process and began consideration for Phase II of the police accreditation study.

The MEL professionals began a process to respond to an adverse jury award concerning stormwaters that could lead to an increase in claim activity against other members; professionals explored multiple avenues to work toward reducing the impact of this decision on the member and other member municipalities.

The Coverage Committee met several times to explore opportunities to purchase excess crime bond limits and recommended for the 2025 budget.

While there continue to be many issues that are increasing claims cost for New Jersey public entities, management is confident that the MEL and its affiliated JIFs are in a strong position because of 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 lawsuits and the reluctance of the NJ Court System to grant summary judgements when Title 59 immunities should apply. Management also expects another sharp increase in excess and reinsurance premiums, especially for property insurance.

### **Financial Management and Control**

The financial statements have been prepared in conformity with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board and necessarily include amounts based upon reliable estimates and judgments. The MEL's books are maintained on a full accrual basis. A summary of significant accounting policies is discussed in more detail in the notes to the financial statements found in the financial section. The MEL's financial statements differ from the State schedules listed in the supplementary data section as Schedules A through F, as discussed in Note 11 to the financial statements.

### **Internal Accounting Structure**

The MEL's accounting system is organized so that each membership year, and line of coverage within each year, can be evaluated separately. The assets, liabilities, revenues, and expenses of each year and line of coverage are reported separately on a full accrual basis. This practice is necessary because the composition of the MEL's membership, and the extent of participation within each line of coverage, varies from year to year.

The MEL's management is responsible for establishing and maintaining an internal control system designed to ensure that assets are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal accounting controls are designed to provide reasonable assurance that these objectives are being met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits requires estimates and judgments by management. All internal control decisions are made within the above framework. Management believes that the MEL's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

### **Investment Management**

The Joint Cash Management and Investment program (the "JCMI") was formulated under P.L. 2018 Chapter 40 of the New Jersey Statutes which allowed Joint Insurance Funds to pool their funds and broaden the investments that they are permitted to use. The law provides conservative restrictions as to these investments. Specifically, the investment must be purchased at fair market value, guaranteed as interest and principal, and must have a credit rating of A3 or higher by Moody's Investor Service, or an A- or higher by Standard and Poor's Corporation. The maturity cannot be greater than 20 years. In addition, only 50% of the investment portfolio may be comprised of such long-term investments, without prior approval of the New Jersey Department of Community Affairs.

As of December 31, 2024, the MEL's portfolio consisted of the following:

	Amount	Percentage of Total
Checking Accounts/Money Market	\$ 22,660,382	27.06%
New Jersey Cash Management	16,404,117	19.59%
JCMI	44,667,218	53.35%
	<u>\$ 83,731,717</u>	<u>100.00%</u>

Nisivoccia LLP, independent accountants, provide an independent, objective review of the fairness of the MEL's reported financial position and results of operations. Their audit includes procedures they deem necessary to express an opinion as to the fairness of the financial statements. Their opinion is included in the financial section of this report.

### Acknowledgments

Our sincere appreciation is expressed to the members of the MEL Audit Committee for the leadership they provided in the expansion and improvement of the MEL's financial reporting format.

Our appreciation is also extended to each MEL commissioner, and particularly to Executive and Advisory Committee members, for their commitment to risk management and intergovernmental risk pooling.

Respectfully submitted,

*David N Grubb*

David N. Grubb, Executive Director

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
ROSTER OF OFFICIALS AND CONSULTANTS  
DECEMBER 31, 2024

Paul Tomasko	Fund Chairman
John Clarke	Fund Secretary
Greg Franz	Fund Commissioner
Joseph Wolk	Fund Commissioner
Thomas Nolan	Fund Commissioner
Bernard Rutkowski	Fund Commissioner
Veronica Laureigh	Fund Commissioner
Megan Champney Kweselait	Fund Commissioner
Meghan Jack	Fund Commissioner
Adam Brewer	Fund Commissioner
Jim Ulrich	Fund Commissioner
Robert McFarland	Fund Commissioner
Michael Razze	Fund Commissioner
Joy Tozzi	Fund Commissioner
Susan Dansen	Fund Commissioner
Joseph Criscuola	Fund Commissioner
Frank Elenio	Fund Commissioner
James Pacanowski	Fund Commissioner
Vincent Quatrone	Fund Commissioner
Perma Risk Management Services	Administrator
Joseph P. Hrubash	Executive Director
David N. Grubb	Executive Director
Cathleen Kiernan	Deputy Executive Director
Matthew Laracy	Treasurer
Dorsey & Semrau, Esqs.	Attorney
Russell Huntington, Esq.	Deputy Attorney
Nisivoccia LLP	Auditor
The Actuarial Advantage	Actuary
CB Botta & Associates	Claims Administrators - Excess Liability
Dorsey & Semrau	Claims Administrators – Public Official/EPL
Qual-Lynx	Claims Administrators – Excess Property
Qual-Lynx	Claims Administrators - Worker's Compensation
QualCare	Managed Care Provider
Conner Strong & Buckelew	Underwriting Manager
AJG Risk Program Administrators	Producer
Baker Tilly	Internal Auditor – Insurance Component
Carr Riggs & Ingram	Internal Auditor – Financial Component

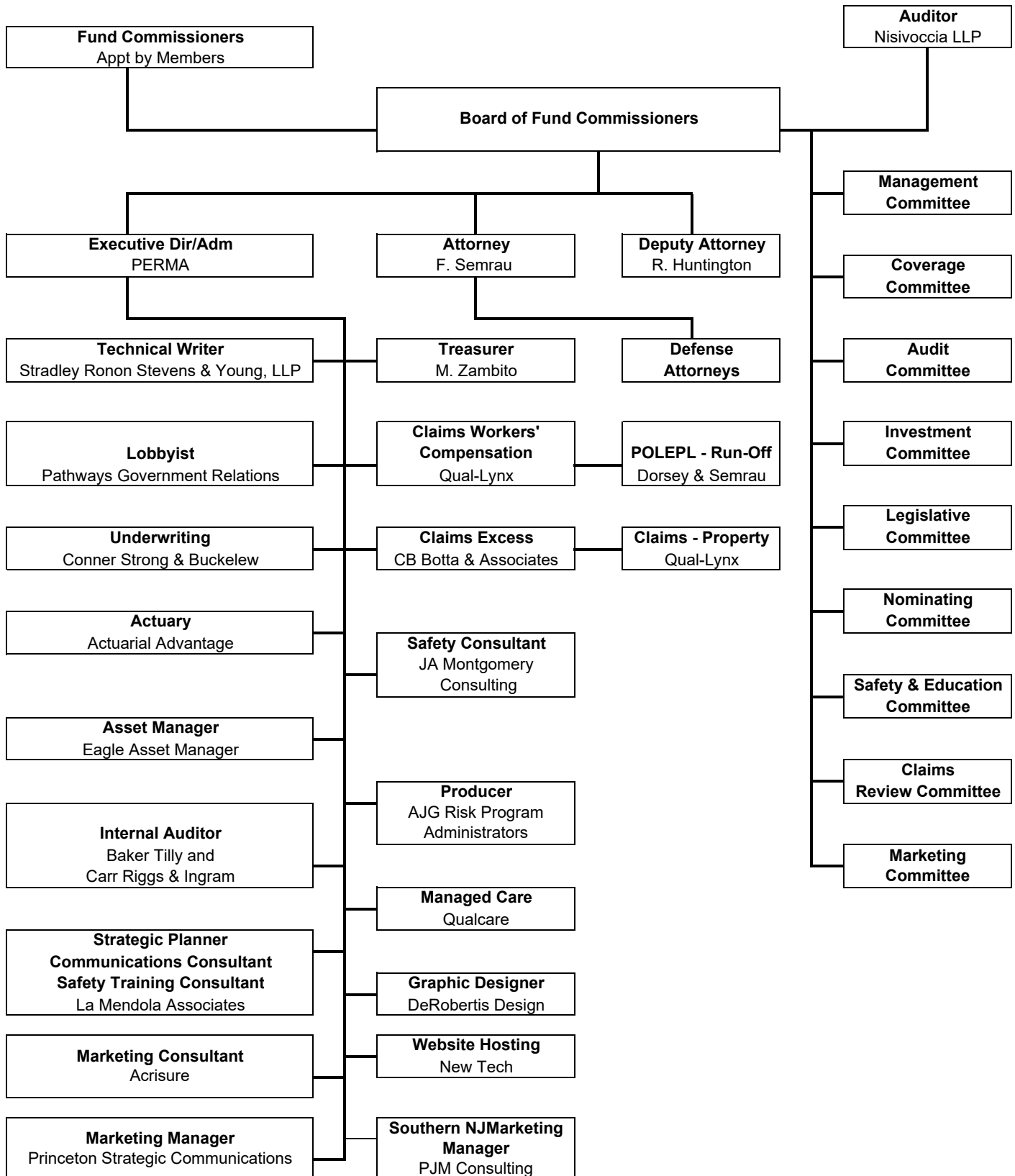


MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
ROSTER OF OFFICIALS AND CONSULTANTS  
DECEMBER 31, 2024

Eagle Asset Management	Asset Management
Pathways Governmental Relations LLC	Lobbyist
Stradley Ronon Stevens & Young, LLP	Technical Writer
JA Montgomery Risk Control	Safety Consultant and MSI Training
LaMendola Associates	Independent Strategic Planner & Communication Consultant, and Safety Trainer Consultant
Princeton Strategic Communications	Marketing Manager
Acrisure	Marketing Consultant
PJM Consultants	Southern New Jersey Marketing Consultant
DeRobertis Design	Graphic Designer
New Tech	Website – Monthly Hosting
BIS Safety Software Inc.	Learning Management System
Origami Risk LLC	Risk Management Information System
Benchmark Analytics	Police Accreditation Consulting Services
The Canning Group	Qualified Purchasing Agent
Thomas J. Germinario, Esq.	Special Legal Counsel Services
Matthew Giacobbe, Esq.	Special Legal Counsel Services
Dughi, Hewit & Domalewski P.C	Special Legal Counsel Services

# MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

## 2024 ORGANIZATIONAL CHART



MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
MEMBERSHIP LISTING  
AS OF DECEMBER 31, 2024

Atlantic County Municipal Joint Insurance Fund (41 Municipalities)

Bergen County Municipal Joint Insurance Fund (38 Municipalities)

Burlington County Municipal Joint Insurance Fund (28 Municipalities)

Camden County Municipal Joint Insurance Fund (38 Members)

Central Jersey Joint Insurance Fund (16 Municipalities)

Gloucester/Salem/Cumberland Counties Municipalities Joint Insurance Fund (38 Municipalities)

Mid Jersey Municipal Joint Insurance Fund (13 Municipalities)

Monmouth Municipal Joint Insurance Fund (45 Municipalities)

Morris County Municipal Joint Insurance Fund (45 Municipalities)

New Jersey First Responders Joint Insurance Fund (35 Districts)

New Jersey Public Housing Authorities Joint Insurance Fund (90 Authorities)

New Jersey Self Insurers' Joint Insurance Fund (4 Municipalities and 1 Regional Fire and Rescue Squad)

New Jersey Utility Authorities Joint Insurance Fund (72 Authorities)

Ocean County Municipal Joint Insurance Fund (31 Municipalities)

Professional Municipal Management Joint Insurance Fund (4 Municipalities)

Public Alliance Insurance Coverage Fund (20 Municipalities and 1 County)

South Bergen Municipal Joint Insurance Fund (23 Municipalities)

Suburban Metro Municipal Joint Insurance Fund (formerly Suburban Essex) - (11 Member Entities)

Suburban Municipal Joint Insurance Fund (12 Municipalities)

**FINANCIAL SECTION**

## Independent Auditors' Report

The Honorable Chairperson and Members  
of the Board of Fund Commissioners  
Municipal Excess Liability Joint Insurance Fund  
Parsippany, New Jersey

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the Municipal Excess Liability Joint Insurance Fund (the "Fund") as of and for the years ended December 31, 2024 and 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 financial position of the Fund, as of December 31, 2024 and 2023, and the changes in financial position, and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS), audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 the 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.

The Honorable Chairperson and Members  
of the Board of Fund Commissioners  
Municipal Excess Liability Joint Insurance Fund  
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### ***Auditor's Responsibilities 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 GAAS, *Government Auditing Standards* and audit requirements prescribed by the Division 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, as 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 GAAS, *Government Auditing Standards* and audit requirements prescribed by the Division, 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 of America require that the management's discussion and analysis and the accompanying Comparative Reconciliation of Claims Liabilities by Fund and Ten-Year Claims Development Information Schedules 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, are 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 GAAS, 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.

The Honorable Chairperson and Members  
of the Board of Fund Commissioners  
Municipal Excess Liability Joint Insurance Fund  
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### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Fund's basic financial statements. The accompanying combining supplementary schedules 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying combining supplementary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, supplementary data schedules and the statistical section but does not include the financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 9, 2025 on our consideration of the Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund's internal control over financial reporting and compliance.

Mount Arlington, New Jersey  
May 9, 2025

*Nisioveccia LLP*

**MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND**  
**Management Discussion and Analysis**

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, 2024 and 2023. 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 excess property and casualty insurance for joint insurance funds that are 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, deferred outflows and inflows of resources, and net position. Net position represents the amount of total assets and deferred outflows of resources less total liabilities and deferred inflows of resources.

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, 2024, 2023 and 2022.

SUMMARY OF STATEMENT OF NET POSITION

	2024	2023	23-24 Percent Change	2022	22-23 Percent Change
<b>ASSETS:</b>					
Cash and Cash Equivalents	\$ 83,731,717	\$ 82,719,141	1.22%	\$ 78,363,402	5.56%
Assessments Receivable	9,279,089	4,617,713	100.95%	3,249,634	42.10%
Supplemental Underwriting Income Receivable	9,300,000	16,000,000	-41.88%	15,996,821	0.02%
Investment in Joint Venture	(147,226)	(1,464,491)	89.95%	(2,465,176)	40.59%
Other Assets	4,476,899	4,968,084	-9.89%	10,030,363	-50.47%
<b>Total</b>	<b>106,640,479</b>	<b>106,840,447</b>	<b>-0.19%</b>	<b>105,175,044</b>	<b>1.58%</b>
<b>LIABILITIES:</b>					
Loss Reserves	74,977,471	72,509,242	3.40%	74,306,055	-2.42%
Other Liabilities	19,403,789	21,949,680	-11.60%	22,027,959	-0.36%
<b>Total</b>	<b>94,381,260</b>	<b>94,458,922</b>	<b>-0.08%</b>	<b>96,334,014</b>	<b>-1.95%</b>
<b>NET POSITION</b>	<b>\$ 12,259,219</b>	<b>\$ 12,381,525</b>	<b>-0.99%</b>	<b>\$ 8,841,030</b>	<b>40.05%</b>



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

	2024	2023	23-24 Percent Change	2022	22-23 Percent Change
Operating Revenue:					
Assessments and Other Income	<u>\$ 85,070,804</u>	<u>\$ 66,461,441</u>	28.00%	<u>\$ 78,998,746</u>	-15.87%
Operating Expenses:					
Provision for Claims & Claims Expense	30,414,447	18,629,197	63.26%	23,953,209	-22.23%
Assessment for Participation in RCF	18,342,124	13,205,577	38.90%	20,386,697	-35.22%
Insurance Premiums	32,958,909	27,871,850	18.25%	27,533,487	1.23%
Administrative and Operating Expenses	<u>7,989,748</u>	<u>7,458,317</u>	7.13%	<u>7,792,054</u>	-4.28%
Total Operating Expenses	<u>89,705,228</u>	<u>67,164,941</u>	33.56%	<u>79,665,447</u>	-15.69%
Operating Income/(Loss)	(4,634,424)	(703,500)	-558.77%	(666,701)	-5.52%
Non-Operating Income/(Expenses):					
Change in Investment in Joint Venture	1,317,265	1,000,685	31.64%	(2,685,411)	137.26%
Investment Income	<u>3,194,853</u>	<u>3,243,310</u>	-1.49%	<u>(2,964,674)</u>	209.40%
Increase/(Decrease) in Net Position	<u>\$ (122,306)</u>	<u>\$ 3,540,495</u>	-103.45%	<u>\$ (6,316,786)</u>	156.05%

The Fund's asset base decreased by 0.19% during the reporting period primarily due to a 1.22% increase in Cash and Cash Equivalents, a 100.95% increase in assessments receivable, and a 89.95% increase in "Investment in Joint Venture" that represents the Fund's share of net position in the Municipal Excess Liability Residual Claims Fund (RCF), offset by a 9.89% decrease in other assets and a 41.88% decrease in supplemental underwriting income receivable.

The Fund's liabilities decreased by 0.08% primarily due to a 3.40% increase in loss reserves and an 11.60% decrease in other liabilities.

For 2024, assessments and other incomes increased 28.00%. The provision for claims and claims expense increased 63.26%. Insurance premiums increased 18.25%, and administrative and operating expenses increased 7.13%. Investment income decreased by 1.49%. For 2024, the Fund continued the policy started in 2004 of not issuing dividends. The Fund emphasized capital accumulation over continuity of dividends for the members.

The Fund's combined net position for all years is \$12,259,219 in 2024 compared to \$12,381,525 at the end of 2023; a decrease of 0.99%. Net position values for both reporting periods include the cumulative effect of the discounting of loss reserves.

The future financial position of the Fund will be impacted by medical costs trends that impact upon workers compensation costs. To address this cost area, the Fund continues to reevaluate its managed care contracts and procedures and closely monitor claims as well as offer accredited safety programs to its members.

**BASIC FINANCIAL STATEMENTS**

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
STATEMENT OF NET POSITION

	December 31	
	2024	2023
<u>ASSETS:</u>		
Current Assets:		
Cash and Cash Equivalents	\$ 83,731,717	\$ 82,719,141
Assessments Receivable	9,279,089	4,617,713
Supplemental Underwriting Income Receivable	9,300,000	16,000,000
Accounts Receivable	75,231	235,932
Notes Receivable	547,550	718,797
Insurance Receivables	809,523	1,436,134
Excess Insurance Receivable	528,175	819,557
Investment in Joint Venture	(147,226)	(1,464,491)
Total Current Assets	<u>104,124,059</u>	<u>105,082,783</u>
Long-Term Assets:		
Notes Receivable	2,516,420	1,757,664
Total Long-Term Assets	<u>2,516,420</u>	<u>1,757,664</u>
Total Assets	<u>106,640,479</u>	<u>106,840,447</u>
<u>LIABILITIES:</u>		
Loss Reserves	74,977,471	72,509,242
Accounts Payable - Vendors	424,882	178,305
Other Liabilities		1,515,033
Due to Municipal Excess Liability Residual Claims Fund	18,978,907	20,256,342
Total Liabilities	<u>94,381,260</u>	<u>94,458,922</u>
<u>NET POSITION:</u>		
Unrestricted	12,259,219	12,381,525
Total Net Position	<u>\$ 12,259,219</u>	<u>\$ 12,381,525</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS ARE  
AN INTEGRAL PART OF THIS STATEMENT

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION

	Year Ended December 31	
	2024	2023
Operating Revenue:		
Assessments from Participating Members	\$ 85,070,804	\$ 66,461,441
Total Operating Revenue	85,070,804	66,461,441
Operating Expenses:		
Provision for Claims and Claim Adjustment Expense (Net of Reinsurance of \$6,534,153 and \$2,250,301 for 2024 and 2023, respectively)	30,414,447	18,629,197
Assessment for Participation in Municipal Excess Liability:		
Residual Claims Fund	13,547,200	12,715,423
Residual Claims Fund - Additional Assessment	4,794,924	490,154
Insurance Premiums	32,958,909	27,871,850
Claims Administration	1,390,068	1,352,585
Other Contractual Services	2,659,796	2,364,858
Non-Contractual Expenses	506,842	310,554
Administration	1,966,653	1,926,443
EPL Credits	226,600	321,700
Managed Care	579,974	568,602
Reinsurance Manager	337,279	330,665
Risk Management Fees	322,536	282,910
Total Operating Expenses	89,705,228	67,164,941
Operating Income/(Loss)	(4,634,424)	(703,500)
Non-Operating Income/(Expenses):		
Change in Investment in Joint Venture	1,317,265	1,000,685
Investment Income/(Loss)	3,194,853	3,243,310
Change in Net Position	(122,306)	3,540,495
Net Position - Beginning of Year	12,381,525	8,841,030
Net Position - End of Year	\$ 12,259,219	\$ 12,381,525

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS ARE  
AN INTEGRAL PART OF THIS STATEMENT

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
STATEMENT OF CASH FLOWS

	Year Ended December 31	
	2024	2023
Cash Flows from Operating Activities:		
Assessments Collected	\$ 80,409,428	\$ 65,093,362
Supplemental Underwriting Income	6,700,000	(3,179)
Claims Expense	(27,946,218)	(20,426,010)
Professional and Administrative Expenses	(9,685,012)	(7,188,765)
Insurance Premiums	(32,332,298)	(27,298,550)
Municipal Excess Liability Residual Claims Fund	(19,328,177)	(9,064,429)
Net Cash Provided/(Used) by Operating Activities	(2,182,277)	1,112,429
Cash Flows from Investing Activities:		
Investment Income	3,194,853	3,243,310
Net Cash Provided/(Used) by Investing Activities	3,194,853	3,243,310
Net Increase/(Decrease) in Cash and Cash Equivalents	1,012,576	4,355,739
Cash and Cash Equivalents, January 1	82,719,141	78,363,402
Cash and Cash Equivalents, December 31	\$ 83,731,717	\$ 82,719,141
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:		
Operating Income/(Loss)	\$ (4,634,424)	\$ (703,500)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:		
Changes in Assets and Liabilities:		
(Increase)/Decrease in Assets:		
Assessments Receivable	(4,661,376)	(1,368,079)
Supplemental Underwriting Income Receivable	6,700,000	(3,179)
Insurance Receivables	626,611	573,300
Excess Insurance Receivable	291,382	4,271,503
Accounts Receivable	160,701	(37,085)
Notes Receivable	(587,509)	254,561
Increase/(Decrease) in Liabilities:		
Loss Reserves	2,468,229	(1,796,813)
Accounts Payable	246,577	(1,344,948)
Other Liabilities	(1,515,033)	1,397,024
Due to Municipal Excess Liability Residual Claims Fund	(1,277,435)	(130,355)
Net Cash Provided/(Used) by Operating Activities	\$ (2,182,277)	\$ 1,112,429

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS ARE  
AN INTEGRAL PART OF THIS STATEMENT

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

NOTE 1: NATURE OF OPERATIONS

The Municipal Excess Liability Joint Insurance Fund (the "Fund") was created on December 16, 1986, 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 Fund is both an insured and self-administered group of joint insurance funds established for the purpose of providing low-cost insurance coverage for the members in order to keep local property taxes and fees at a minimum for the municipalities and authorities who form the membership of the joint insurance funds. The participating joint insurance funds must be able to prove satisfactorily to the Fund their compliance with funding and underlying coverage criteria as annually agreed and approved by the Fund. The Fund has 20 members. The following coverages are offered by the Fund to its members:

- a) Excess Workers' Compensation and Employers' Liability
- b) Excess Liability Other than Motor Vehicles
- c) Excess Motor Vehicle
- d) Excess Public Officials'/Employment Practices Liability
- e) Excess Property
- f) Cyber Liability

Fund members are subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would be responsible for the Fund's liabilities. The Fund considers anticipated investment income when determining if a deficiency exists.

A participating member must remain in the Fund for the full term of membership unless terminated earlier by a majority vote of the Fund Commissioners or a two-thirds vote of the Executive Committee for nonpayment of assessments or continued noncompliance after written notice to comply with the bylaws or other obligations. Termination may occur only after proper notice has been given, in accordance with the Fund's bylaws.

The Executive Director and Administrator are responsible for the overall administration of the Fund. Fees paid to the Executive Director and Administrator encompasses all administrative duties which are performed at their offices. Accordingly, the Fund does not maintain any capital assets or incur any payroll expense.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing government accounting and financial reporting principles. The more significant of the Fund's accounting policies are described on the next pages.

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024  
(Continued)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Reporting Entity

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents. (2) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3). The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. The combined financial statements include all funds of the Fund over which the Fund exercises operating control. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the Fund is not includable in any other reporting entity on the basis of such criteria.

Basis of Accounting

The Fund utilizes the accrual basis of accounting whereby revenue is recorded as earned and expenses are reflected as the liability is incurred. The Fund utilizes total economic resources as the measurement focus. Operating revenue, such as charges for services, result from exchange transactions associated with the principal activity of the Fund. Exchange transactions are those in which each party receives and gives up essentially equal value. Nonoperating revenue, such as subsidies and investment earnings, results from nonexchange transactions or ancillary activities. Nonexchange transactions, in which the Fund gives or receives value without directly receiving or giving equal value in exchange, generally do not occur, with the exception of investment earnings and the changes in joint ventures.

Investments

The Fund generally records investments at fair value and records the unrealized gains and losses as part of investment income. Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date. The Fund categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024  
(Continued)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Income Taxes

The Fund is a tax-exempt organization and is not subject to either federal or state income taxes.

Assessments

The gross claim fund assessment is determined by the actuary and, when combined with expense and premium projections, constitutes the Fund's budget. Assessments for participating joint insurance funds are determined by underwriting criteria established by the Board of Commissioners.

Unpaid Claims Liabilities

The Fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. 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 coverages 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. The Fund discounts claim liabilities for financial reporting purposes. 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 certain types of insured events. 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. Reinsurance premiums amounted to \$32,958,909 and \$27,871,850 for the years ended December 31, 2024 and 2023, respectively. The amount deducted from claims liabilities for reinsurance was \$15,027,369 and \$21,552,340 at December 31, 2024 and 2023, respectively.

Management Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.



MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024  
(Continued)

NOTE 3: LOSS RESERVES

The liability for unpaid losses and loss adjustment expenses represents an estimate of the ultimate net cost of all losses and loss adjustment expenses incurred but not yet paid as of December 31, 2024. This estimate is based on the estimated ultimate cost of settling the claims considering the historical experience of the Fund, various other industry statistics, including the effects of inflation and other societal or economic factors. Management believes that the liability for unpaid losses is adequate to cover the ultimate cost of reported and unreported claims incurred but not yet paid. However, the ultimate cost may be more or less than the estimated liability. The unpaid losses are stated net of any recoveries from excess loss insurance and reinsurance coverages. The Fund has created a loss reserve for any reported and potential unreported losses which have taken place but in which the Fund has not received notices or reports of losses.

Loss reserves, at December 31, 2024 and 2023, which have been estimated by the Fund's Actuary and Servicing Agents, are as follows:

	<u>2024</u>	<u>2023</u>
Case Reserves	\$ 18,098,986	\$ 22,094,002
Less Discount	(15,327,369)	(13,620,388)
Losses Incurred but not Reported	<u>72,205,854</u>	<u>64,035,628</u>
Total Loss Reserves	<u>\$ 74,977,471</u>	<u>\$ 72,509,242</u>

The following represents changes in the aggregate reserves for the Fund:

	<u>2024</u>	<u>2023</u>
Unpaid Claims and Claim Adjustment Expenses, Beginning of Year	<u>\$ 72,509,242</u>	<u>\$ 74,306,055</u>
Incurred Claims and Claim Adjustment Expenses:		
Provision for Insured Events of the Current Period	31,068,750	29,909,599
(Decrease)/Increase in Provision for Insured Events of Prior Years	<u>(654,303)</u>	<u>(11,280,402)</u>
Total Incurred Claims and Claim Adjustment Expenses	<u>30,414,447</u>	<u>18,629,197</u>
Payments:		
Claims and Claim Adjustment Expenses Attributable to Insured Events of the Current Period	3,563,679	5,142,438
Claims and Claim Adjustment Expenses Attributable to Insured Events of Prior Years	<u>24,382,539</u>	<u>15,283,572</u>
Total Payments	<u>27,946,218</u>	<u>20,426,010</u>
Total Unpaid Claims and Claim Adjustment Expenses, End of Year	<u>\$ 74,977,471</u>	<u>\$ 72,509,242</u>

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024  
(Continued)

NOTE 3: LOSS RESERVES (Cont'd)

The Fund has elected to discount its loss reserves. The Fund believes that the discounting of loss reserves presents a more accurate presentation of the current loss reserves to be paid in future periods.

At December 31, 2024, \$90,304,840 of unpaid claims and claim adjustment expenses are presented at their net present value of \$74,977,471. These claims are discounted at an annual rate of 3.00%.

At December 31, 2023, \$86,129,630 of unpaid claims and claim adjustment expenses are presented at their net present value of \$72,509,242. These claims are discounted at an annual rate of 3.00%.

The Fund maintains contracts for insurance including excess insurance covering losses in excess of an amount established between the Fund and the insurer up to the limits of coverage set forth in the contract on a specific occurrence, or per accident or annual aggregate basis. The Fund also maintains a contract for reinsurance for Liability other than motor vehicle covering losses in excess of an amount established between the Fund and the Reinsurer up to the limits of coverage set forth in the contract on a specific occurrence or aggregate basis.

A contingent liability exists with respect to insurance coverage which would become an actual liability in the event the insuring companies, or any of them, might be unable to meet their obligations to the Fund under existing reinsurance agreements.

NOTE 4: CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts in deposits, money market accounts, short-term investments with original maturities of three months or less. In addition, certain short-term money market investments are reported at amortized costs and included in the financial statements as cash equivalents.

GASB requires disclosure of the level of custodial credit risk assumed by the Fund in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial risk is the risk that in the event of bank failure, the government's deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the Fund ensures that any deposit or investments matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The Fund limits its investments to those authorized in its cash management plan which are permitted under state statutes as detailed in Note 5.

Custodial Credit Risk – The Fund's policy with respect to custodial credit risk requires that the Fund ensures that Fund's cash and cash equivalents are only deposited in financial institutions in which New Jersey insurance funds are permitted to invest their cash and cash equivalents.

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.

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024  
(Continued)

NOTE 4: CASH AND CASH EQUIVALENTS (Cont'd)

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

The market value of the collateral must equal 5% of the average daily balance of public funds; and in addition

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

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 \$25,000,000.

As of December 31, 2024 and 2023, cash and cash equivalents of the Fund consisted of the following:

	<u>Dec. 31, 2024</u>	<u>Dec. 31, 2023</u>
Checking Accounts	\$ 22,660,382	\$ 30,970,548
Cash Management Funds	16,404,117	8,593,419
JCMI	<u>44,667,218</u>	<u>43,155,174</u>
	<u>\$ 83,731,717</u>	<u>\$ 82,719,141</u>

The carrying amount of the Fund's cash and cash equivalents as of December 31, 2024 and 2023 were \$83,731,717 and \$82,719,141, respectively. The bank balances as of December 31, 2024 and 2023 were \$84,183,156 and \$79,611,334, respectively. The \$16,404,117 and \$8,593,419 invested with the State of New Jersey Cash Management Fund is uninsured and unregistered. The \$44,667,218 and \$43,155,174 are invested with BNY Mellon and is uninsured and unregistered.

JOINT CASH MANAGEMENT AND INVESTMENT PROGRAM

The Joint Cash Management and Investment program (the "JCMI") was formulated under P.L. 2018 Chapter 40 of the New Jersey Statutes which allowed Joint Insurance Funds to pool their funds and broaden the investments that they are permitted to use. The law provides conservative restrictions as to these investments. Specifically, the investment must be purchased at fair market value, guaranteed as interest and principal, and must have a credit rating of A3 or higher by Moody's Investor Service, or an A- or higher by Standard and Poor's Corporation. The maturity cannot be greater than 20 years. In addition, only 50% of the investment portfolio may be comprised of such long-term investments, without prior approval of the New Jersey Department of Community Affairs.

The JCMI Operating Committee is constituted as follows: Treasurer of the Fund, of the New Jersey Municipal Environmental Risk Management Fund, of the Municipal Excess Liability Residual Claims Fund, and one treasurer representing all local participating Joint Insurance Funds plus the Chair of the Fund Investment Committee or its designee from the Investment Committee.

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024  
(Continued)

NOTE 4: CASH AND CASH EQUIVALENTS (Cont'd)

JOINT CASH MANAGEMENT AND INVESTMENT PROGRAM (Cont'd)

The Investment Committee's decisions are made at the recommendation of an experienced and licensed Financial Advisor, Asset Manager, presented to the JCMI Operations Committee for approval; all within the guidelines set forth by the law. The results of the operation will be reported on a "unitized" type basis whereby each participating Fund and their investment will be tracked, charted and reported on a monthly basis. That, too, will be maintained, compensated for, monitored and information provided by the JCMI.

In addition to the monthly reporting, the JCMI will also report as follows:

Quarterly - The Asset Manager will provide the JCMI Operations Committee, the Fund and each participating Joint Insurance Fund with detailed information about the program including asset allocation, investment performance, future investment strategies, and other matters of interest to the JCMI Operations Committee. The Financial Advisor shall provide the JCMI Operations Committee with detailed information about the Municipal Bond Anticipation Notes purchased, the rate purchased and the savings to the issuer based on the cover bid made.

Annually - The Custodian will provide an annual summary of all transactions in each fiscal year, together with a report of investment performance for the year by portfolio, to the JCMI Operations Committee and each participating Joint Insurance Fund. Investment objectives will be reviewed to determine if they are being met.

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024  
(Continued)

NOTE 4: CASH AND CASH EQUIVALENTS (Cont'd)

JOINT CASH MANAGEMENT AND INVESTMENT PROGRAM (Cont'd)

Below is a listing of the total shares for each Joint Insurance Fund in the JCMI program.

Joint Insurance Fund Participant:

Municipal Excess Liability Residual Claims Fund	\$ 77,180,622
Municipal Excess Liability Joint Insurance Fund	44,667,218
Morris County Municipal Joint Insurance Fund	27,315,527
Gloucester, Salem, Cumberland Counties Municipal Joint Insurance Fund	26,286,045
New Jersey Municipal Environmental Risk Management Fund	26,009,525
Atlantic County Municipal Joint Insurance Fund	21,046,499
Camden County Municipal Joint Insurance Fund	20,200,954
Burlington County Municipal Joint Insurance Fund	12,959,201
South Bergen Municipal Joint Insurance Fund	14,598,342
Municipal Reinsurance Health Insurance Fund	11,171,175
Ocean County Municipal Joint Insurance Fund	9,997,419
Bergen County Municipal Joint Insurance Fund	8,702,236
Central Jersey Joint Insurance Fund	8,580,885
New Jersey Utility Authorities Joint Insurance Fund	8,075,348
Suburban Metro Municipal Joint Insurance Fund	5,332,975
Monmouth County Municipal Joint Insurance Fund	4,876,416
Professional Municipal Management Joint Insurance Fund	4,811,973
Suburban Municipal Joint Insurance Fund	4,672,390
Bergen Municipal Employee Benefits Fund	2,984,626
New Jersey Public Housing Authorities Joint Insurance Fund	1,205,316
	<u>\$ 340,674,692</u>

NOTE 5: INVESTMENTS

New Jersey statutes permit the Fund to purchase the following types of securities:

- (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 obligations bears a fixed rate of interest not dependent on any index or other external factor;

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024  
(Continued)

NOTE 5: INVESTMENTS (Cont'd)

- (4) Bonds or other obligations of local units or bonds or other obligations of school districts of which the local units are part or within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law" P.L. 1983, c. 313 (C.40A:5A-1 et seq.) Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); 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 subsection a. or are bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983 c.313 (C.40A:5A-1 et seq.);
  - (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); and
  - (e) a master repurchase agreement providing for the custody and security of collateral is executed.
- (9) Debt obligations of federal agencies or government corporations with maturities not to exceed 10 years from the date of purchase, excluding mortgage backed or derivative obligations, provided that the investments are purchased through the State Division of Investment and are invested consistent with the rules and regulations of the State Investment Council.

The Fund did not have any investments at December 31, 2024 and 2023.

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024  
(Continued)

NOTE 6: NET POSITION

The State of New Jersey has no statutory minimum net position requirements.

The Fund had statutory basis accumulated deficit net position accounts as follows:

Fund Year 2021 - Worker's Compensation	\$ 3,512,037
Fund Year 2021 - Public Officials Employment Practices	1,273,008
Fund Year 2022 - Liability	2,683,092
Fund Year 2022 - Worker's Compensation	3,390,217
Fund Year 2022 - Public Officials Employment Practices	346,759
Fund Year 2022 - Faithful Performance Bond	155,689
Fund Year 2023 - Property	1,776,011
Fund Year 2023 - Worker's Compensation	2,096,662
Fund Year 2023 - Faithful Performance Bond	1,659,705
Fund Year 2024 - Worker's Compensation	256,175
Fund Year 2024 - Faithful Performance Bond	182,938
Fund Year 2024 - General and Administrative	59,392

In addition, at December 31, 2024 the Fund had an overall deficit in MEL Aggregate Excess Loss Fund Contingency of \$5,458,719, Fund Year 2023 of \$4,823,628, and Fund Year 2022 of \$5,616,502. The Fund has no current plans to assess the membership to eliminate deficit balances.

NOTE 7: INSURANCE RECEIVABLES

Insurance receivables consist of funds due from an insurance company for claim reimbursements.

NOTE 8: MEMBERSHIP IN JOINT INSURANCE FUND

In 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 risk pool that is a self-administered group of joint insurance funds established for the purpose of assuming and discharging the liabilities associated with loss reserves of participating members. The transfer of these loss reserves to the Residual Fund results in the closing of those fund years and the unencumbering of the net position related to those closed fund years. 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 Residual Fund are elected. As a member of the Residual Fund, the Fund could be subject to supplemental assessments in the event of deficiencies. If the assets of the Residual Fund were to be exhausted, members would become jointly and severally liable for the Residual Fund's liabilities.

The Residual Fund 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 assessments are related to the total assessment of the membership for that fund year.

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024  
(Continued)

NOTE 8: MEMBERSHIP IN JOINT INSURANCE FUND (Cont'd)

During 2024, the Residual Fund assumed the obligation for discharging the Fund's liabilities for claims and losses for the 2020 Fund Year. Loss reserves totaling \$18,936,104 at December 31, 2024, were assumed as of December 31, 2024 in exchange for the Fund's assessment for participation in the Residual Fund of \$18,936,104.

During 2023, the Residual Fund assumed the obligation for discharging the Fund's liabilities for claims and losses for the 2019 Fund Year. Loss reserves totaling \$12,715,423 at December 31, 2023, were assumed as of December 31, 2023 in exchange for the Fund's assessment for participation in the Residual Fund of \$12,715,423.

The December 31, 2024 audit report of the Residual Fund is not filed as of the date of this audit. Selected, summarized unaudited financial information for the Residual Fund as of December 31, 2023 is as follows:

Total Assets	\$ 133,956,491
Net Position/(Deficit)	\$ (4,768,014)
Total Revenue	\$ 37,648,003
Total Expenses	\$ 34,507,313
Change in Net Position	\$ 2,440,690
Member Dividends	\$ 700,000

The Fund's equity interest in the Residual Fund was \$(147,226) and \$(1,464,491) as of December 31, 2024 and 2023, respectively.

Financial statements for the Residual Fund are available at the office of the Residual Fund's Executive Director:

PERMA Risk Management Services  
9 Campus Drive, Suite 216  
Parsippany, New Jersey, 07054  
(201) 881-7632

NOTE 9: CONTINGENCIES

In the normal course of its operations, the Fund has a number of lawsuits filed by claimants in various stages. Although estimated loss reserves have been established by the Fund, a number of these cases may possibly be settled for amounts in excess of the Fund's loss reserves. No provision for these contingencies has been included in the financial statements since the amounts are not reasonably estimable.



MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024  
(Continued)

NOTE 10: NOTES RECEIVABLE

On December 17, 2015 the Fund entered into an advanced loan agreement with the Borough of Bogota. Whereas the Fund contributed \$1,500,000 to the Borough of Bogota as part of an overall settlement. The Borough is on a payment plan to reimburse the Fund over the next 20 years in \$75,000 installments plus interest with the first installment payment being made on or before December 31, 2016.

On January 28, 2020, the Fund entered into a repayment agreement with the Borough of Palisades Park for \$245,000. The municipality will make annual installments to the Fund in the amount of \$35,000 initiating on February 1, 2020 and terminating on February 1, 2026, together with interest equal to the rate of interest the Fund is currently receiving on its investments.

In July of 2020 the Fund entered into a repayment agreement with the Borough of Rutherford for \$450,000. The municipality will make payments in \$90,000 installments to the Fund starting on January 1, 2021 and terminating on January 1, 2025, together with interest equal to the rate of interest the Fund is currently receiving on its investments.

On December 21, 2020, the Fund entered into a repayment agreement with the Borough of Woodcliff Lake for \$600,000. The municipality will make annual installments to the Fund in the amount of \$120,000 initiating on January 1, 2021 and terminating on January 1, 2025, together with interest equal to the rate of interest the Fund is currently receiving on its investments.

In 2022 the Fund entered into a Promissory Note with the Township of Mahwah. The total amount of the settlement was \$750,000. The Township of Mahwah agreed to pay the Fund in installments of \$107,143 over seven years.

On March 9, 2023, the Fund entered into a repayment agreement with the Township of Little Falls for \$271,250. The municipality will make annual installments to the Fund in the amount of \$54,250 initiating on January 1, 2024 and terminating on January 1, 2028, together with interest equal to the rate of interest the Fund is currently receiving on its investments.

On June 27, 2023, the Fund entered into a repayment agreement with the Township of Eagleswood for \$33,203. The municipality will make biannual installments to the Fund in the amount of \$5,534 initiating on January 1, 2024 and terminating on January 1, 2026, together with interest equal to the rate of interest the Fund is currently receiving on its investments.

In 2024, the Fund entered into a repayment agreement with the Township of Sea Girt for \$653,475. The municipality will make annual installments to the Fund in the amount of \$65,347 initiating on January 1, 2024 and terminating on January 1, 2032, together with interest equal to the rate of interest the Fund is currently receiving on its investments.

In 2024, the Fund entered into a repayment agreement with the Township of Saddle Brook for \$147,500. The municipality will make annual installments to the Fund in the amount of \$14,750 initiating on February 1, 2025 and terminating on February 1, 2035, together with interest equal to the rate of interest the Fund is currently receiving on its investments.

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024  
(Continued)

NOTE 10: NOTES RECEIVABLE (Cont'd)

In 2024, the Fund entered into a repayment agreement with the Borough of South Bound Brook for \$388,680. The municipality will make annual installments to the Fund in the amount of \$55,526 initiating on January 1, 2025 and terminating on January 1, 2032, together with interest equal to the rate of interest the Fund is currently receiving on its investments.

NOTE 11: RELATIONSHIP WITH STATE SCHEDULES

The information in the Fund's financial statements differs from the State Schedules listed in the supplementary data section as Schedules A through F. 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 a joint venture and the discounting of loss reserves at the financial statement date. The Supplementary Schedules do not reflect the equity interest in a joint venture and the discounting of loss reserves.

NOTE 12: AGGREGATE EXCESS LOSS FUND CONTINGENCY

The Fund has adopted a retrospective rating premium approach to implement experience rated assessments for liability and workers' compensation coverages. The Fund billed 85% of the experience rated assessment in the first year and, should a member joint insurance fund exceed that amount, an additional assessment would be calculated based on each member joint insurance fund's retrospective rating modification. The retrospective rating modification is an experience rated factor, and any additional assessments would be capped at 100%, 115% or 125% of that factor. If a member joint insurance fund's liability and workers' compensation loss funds stay within the 85% threshold, there would not be an additional assessment. In 2024, the Board made a decision to cancel and collect on the 15% balance due.

NOTE 13: SUBSEQUENT EVENTS

While there are many issues that are increasing claims cost for New Jersey public entities, management is confident that the MEL and its affiliated JIFs are in a strong position because of 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 lawsuits and the reluctance of the NJ Court System to grant summary judgements when Title 59 immunities should apply. Fortunately, the rates for excess and reinsurance appear to be stabilizing.

**REQUIRED SUPPLEMENTARY INFORMATION**

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
COMPARATIVE RECONCILIATION OF CLAIMS LIABILITIES BY FUND  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>Property</u>		<u>Liability</u>		<u>Faithful Performance Bond</u>		<u>Worker's Compensation</u>		<u>Public Officials/ Employment Practices</u>		<u>Totals</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Unpaid claims and claim adjustment expenses at beginning of year	\$ (3,084,657)	\$ 903,243	\$ 35,407,915	\$ 35,997,787	\$ 46,410	\$ 306,662	\$ 30,683,621	\$ 28,891,828	\$ 9,455,953	\$ 8,206,535	\$ 72,509,242	\$ 74,306,055
Incurred claims and claim adjustment expenses:												
Provision for insured events of the current period	5,631,952	7,192,534	13,816,669	12,034,161	425,964	1,211,733	10,251,281	8,536,328	942,884	934,843	31,068,750	29,909,599
Increases/(decreases) in provision for insured events of prior years	(1,298,307)	(112,868)	590,607	(7,408,945)	471,145	(482,656)	(237,230)	(4,227,408)	(180,518)	951,475	(654,303)	(11,280,402)
Total incurred claims and claim adjustment expenses	<u>4,333,645</u>	<u>7,079,666</u>	<u>14,407,276</u>	<u>4,625,216</u>	<u>897,109</u>	<u>729,077</u>	<u>10,014,051</u>	<u>4,308,920</u>	<u>762,366</u>	<u>1,886,318</u>	<u>30,414,447</u>	<u>18,629,197</u>
Payments:												
Claims and claim adjustment expenses attributable to insured events of the current period	3,157,303	2,578,375			399,621	1,199,700	6,755	1,364,363			3,563,679	5,142,438
Claims and claim adjustment expenses attributable to insured events of the current period	<u>7,129,124</u>	<u>8,489,191</u>	<u>8,029,333</u>	<u>5,215,088</u>	<u>502,835</u>	<u>(210,371)</u>	<u>8,721,247</u>	<u>1,152,764</u>		<u>636,900</u>	<u>24,382,539</u>	<u>15,283,572</u>
Total payments	<u>10,286,427</u>	<u>11,067,566</u>	<u>8,029,333</u>	<u>5,215,088</u>	<u>902,456</u>	<u>989,329</u>	<u>8,728,002</u>	<u>2,517,127</u>		<u>636,900</u>	<u>27,946,218</u>	<u>20,426,010</u>
Unpaid claims and claim adjustment expenses at end of year	<u>\$ (9,037,439)</u>	<u>\$ (3,084,657)</u>	<u>\$ 41,785,858</u>	<u>\$ 35,407,915</u>	<u>\$ 41,063</u>	<u>\$ 46,410</u>	<u>\$ 31,969,670</u>	<u>\$ 30,683,621</u>	<u>\$10,218,319</u>	<u>\$9,455,953</u>	<u>\$ 74,977,471</u>	<u>\$ 72,509,242</u>

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
TEN-YEAR CLAIMS DEVELOPMENT INFORMATION

	Fiscal Period Ended December 31, 2024 and Policy Period Ended December 31,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Required contribution and investment revenue:										
Earned	\$ 45,952,529	\$ 43,909,018	\$ 51,794,039	\$ 47,072,218	\$ 49,538,126	\$ 57,313,232	\$ 63,664,844	\$ 64,305,968	\$ 67,622,870	\$ 85,643,257
Ceded	19,785,005	19,994,332	21,610,971	20,917,638	18,974,820	19,696,045	21,648,186	27,492,588	27,876,929	32,958,909
	<u>26,167,524</u>	<u>23,914,686</u>	<u>30,183,068</u>	<u>26,154,580</u>	<u>30,563,306</u>	<u>37,617,187</u>	<u>42,016,658</u>	<u>36,813,380</u>	<u>39,745,941</u>	<u>52,684,348</u>
Unallocated expenses	5,688,731	5,759,865	7,199,155	7,437,710	6,769,895	6,960,304	7,202,475	7,433,140	7,584,822	7,636,627
Estimated claims and expenses, end of policy year:										
Incurred	18,870,160	14,769,676	12,465,172	15,617,783	16,845,118	41,746,222	43,015,600	29,489,723	29,909,599	31,068,750
Ceded	1,517,755	274,112	37,544	1,183,686	1,510,952	15,401,256	12,843,371	270,000		
Net Incurred	<u>17,352,405</u>	<u>14,495,564</u>	<u>12,427,628</u>	<u>14,434,097</u>	<u>15,334,166</u>	<u>26,344,966</u>	<u>30,172,229</u>	<u>29,219,723</u>	<u>29,909,599</u>	<u>31,068,750</u>
Paid (cumulative) as of:										
End of policy year	2,985,974	3,243,964	905,149	2,760,147	2,834,668	3,266,005	(539,070)	2,494,355	5,142,438	3,563,679
One year later	4,915,572	5,700,905	3,145,885	6,174,859	5,045,367	11,739,266	13,745,740	8,765,509	10,581,483	
Two years later	5,359,519	7,106,871	4,199,779	6,679,857	6,435,118	9,416,495	18,956,889	10,796,111		
Three years later	9,995,188	10,690,019	4,982,816	8,145,928	8,032,654	10,736,900	26,432,829			
Four years later	11,584,718	12,293,016	5,774,902	11,286,457	10,513,518	20,173,852				
Five years later	11,584,718	12,293,016	6,566,988	11,286,457	10,513,518					
Six years later	11,584,718	12,293,016	6,566,988	11,286,457						
Seven years later	11,584,718	12,293,016	6,566,988							
Eight years later	11,584,718	12,293,016								
Nine years later	11,584,718									
Reestimated ceded claims and expenses	28,380,548	28,488,899	9,333,074	14,636,624	12,726,387	31,279,092	23,511,001	1,619,153		
Reestimated incurred claims and expense:										
End of policy year	17,352,405	14,495,564	12,427,628	14,434,097	15,334,166	26,344,966	30,172,229	29,219,723	29,909,599	31,068,750
One year later	16,500,405	17,375,790	12,902,178	16,519,142	17,747,025	26,209,703	30,070,571	28,099,013	32,994,461	
Two years later	16,535,077	18,680,599	14,206,403	19,151,500	20,132,939	27,862,697	28,828,319	31,439,340		
Three years later	17,768,894	19,488,140	13,886,610	18,813,678	20,842,308	29,274,047	30,849,022			
Four years later	11,584,718	12,293,016	5,774,902	11,286,457	10,513,518	20,173,852				
Five years later	11,584,718	12,293,016	6,566,988	11,286,457	10,513,518					
Six years later	11,584,718	12,293,016	6,566,988	11,286,457						
Seven years later	11,584,718	12,293,016	6,566,988							
Eight years later	11,584,718	12,293,016								
Nine years later	11,584,718									
Increase/(decrease) in estimated incurred claims and expense from end of policy year	<u>\$ (5,767,687)</u>	<u>\$ (2,202,548)</u>	<u>\$ (5,860,640)</u>	<u>\$ (3,147,640)</u>	<u>\$ (4,820,648)</u>	<u>\$ (6,171,114)</u>	<u>\$ 676,793</u>	<u>\$ 2,219,617</u>	<u>\$ 3,084,862</u>	<u>\$ -0-</u>

**COMBINING SUPPLEMENTARY SCHEDULES**

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
COMBINING SCHEDULE OF NET POSITION  
DECEMBER 31, 2024

	Fund Year						
	MEL Aggregate Excess Loss Fund Contingency	MEL Surplus Trigger	2021	2022	2023	2024	Total
<u>ASSETS</u>							
Current Assets:							
Cash and Cash Equivalents	\$ 8,982,691	\$ 3,040,074	\$ (993,877)	\$ 18,539,129	\$ 21,055,923	\$ 33,107,777	\$ 83,731,717
Assessments Receivable	711,264					8,567,825	9,279,089
Supplemental Underwriting Income Receivable			9,300,000				9,300,000
Accounts Receivable			75,231				75,231
Notes Receivable	547,550						547,550
Insurance Receivables	279,088				530,435		809,523
Excess Insurance Receivable	528,175						528,175
Investment in Joint Venture/(Deficit)	(147,226)						(147,226)
Total Current Assets	10,901,542	3,040,074	8,381,354	18,539,129	21,586,358	41,675,602	104,124,059
Long Term Assets:							
Notes Receivable	2,516,420						2,516,420
Total Long-Term Assets	2,516,420						2,516,420
Total Assets	13,417,962	3,040,074	8,381,354	18,539,129	21,586,358	41,675,602	106,640,479
<u>LIABILITIES</u>							
Loss Reserves			4,416,194	20,643,229	22,412,977	27,505,071	74,977,471
Accounts Payable					6,722	418,160	424,882
Due to/(from) Municipal Excess Liability Residual Claims Fund	19,023,907			(45,000)			18,978,907
Total Liabilities	19,023,907		4,416,194	20,598,229	22,419,699	27,923,231	94,381,260
<u>NET POSITION</u>							
Unrestricted/(Deficit)	(5,605,945)	3,040,074	3,965,160	(2,059,100)	(833,341)	13,752,371	12,259,219
Total Net Position/(Deficit)	\$ (5,605,945)	\$ 3,040,074	\$ 3,965,160	\$ (2,059,100)	\$ (833,341)	\$ 13,752,371	\$ 12,259,219

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2024

	Fund Year						
	MEL Aggregate Excess Loss Fund Contingency	MEL Surplus Trigger	2021	2022	2023	2024	Total
Operating Revenue:							
Assessments from Participating Members				\$ (1,114)	\$ (2,650)	\$ 85,074,568	\$ 85,070,804
Total Operating Revenue				(1,114)	(2,650)	85,074,568	85,070,804
Operating Expenses:							
Provision for Claims and Claim Adjustment Expense	\$ (9,100,200)		\$ 2,020,708	3,340,328	3,084,861	31,068,750	30,414,447
Assessment for Participation in Municipal Excess Liability:							
Residual Claims Fund	13,547,200						13,547,200
Residual Claims Fund - Additional Assessment	4,794,924						4,794,924
Insurance Premiums						32,958,909	32,958,909
Claims Administration						1,390,068	1,390,068
Other Contractual Services					58,868.00	2,600,928	2,659,796
Non-Contractual Expenses					67,653.00	439,189	506,842
Administration						1,966,653	1,966,653
EPL Credits						226,600	226,600
Managed Care						579,974	579,974
Reinsurance Manager						337,279	337,279
Risk Management Fees						322,536	322,536
Total Operating Expenses	9,241,924		2,020,708	3,340,328	3,211,382	71,890,886	89,705,228
Operating Income/(Loss)	(9,241,924)		(2,020,708)	(3,341,442)	(3,214,032)	13,183,682	(4,634,424)
Non-Operating Income/(Expenses):							
Change in Investment in Joint Venture	1,317,265						1,317,265
Investment Income/(Loss)	650,625	\$ 104,755	334,987	685,623	850,174	568,689	3,194,853
Change in Net Position	(7,274,034)	104,755	(1,685,721)	(2,655,819)	(2,363,858)	13,752,371	(122,306)
Net Position/(Deficit) - Beginning of Year	1,668,089	2,935,319	5,650,881	596,719	1,530,517		12,381,525
Net Position/(Deficit) - End of Year	\$ (5,605,945)	\$ 3,040,074	\$ 3,965,160	\$ (2,059,100)	\$ (833,341)	\$ 13,752,371	\$ 12,259,219



**SUPPLEMENTARY DATA**  
(UNAUDITED)

## MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

### HISTORICAL OPERATING RESULTS ANALYSIS

ALL FUND YEARS

DECEMBER 31, 2024

(Unaudited)

1. Underwriting Income:

Regular Contributions (earned)	\$ 1,365,912,532
Supplemental Contributions	16,862,606
Other Income (except investments)	15,470,356
Total Income	

\$ 1,398,245,494

2. Incurred Liabilities:

**Claims:**

Paid	419,800,242	
Case Reserves	33,126,355	
IBNR Reserve	72,205,854	
Subtotal		\$ 525,132,451

### Less Excess Insurance:

Received	44,849,534
Receivable	528,175
Recoverable	15,027,369

Subtotal	60,405,078
Limited Incurred Claims (claims-excess)	464,727,373

Limited Incurred Claims (claims-excess)

Expenses:

Excess Insurance Premiums	796,321,187	
Administrative	150,703,766	
Worker's Compensation	8,199,282	
Property Grant	848,509	
EPL Credits	<u>1,852,352</u>	
Subtotal Expenses		957,925,096

## Total Incurred Liabilities

(limited claims and expenses)	1,422,652,469
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3. Underwriting Surplus/(Deficit) = 1-2

(24,406,975)

- #### 4. Investment Income (Earned)

65,751,637

- #### 4a Transfer

5. Gross Operating Surplus/(Deficit) = 3+4

41,344,662

6. Return of Surplus:

Paid	44,265,586
Authorized and Unpaid	
Subtotal Return of Surplus	

44,265,586

7. Net Current Surplus/(Deficit) = 5-6

\$ (2,920,924)

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

HISTORICAL BALANCE SHEET

ALL FUND YEARS

DECEMBER 31, 2024

(Unaudited)

1. Assets:

Cash and Investments (1)	\$ 83,731,717		
		\$ 83,731,717	
<u>Receivables (1):</u>			
Excess Insurance	528,175		
Assessments	9,279,089		
Other	13,248,724		
Total Receivables		23,055,988	
Prepaid Expenses (1)			
Other Assets (1)			
<u>Total Assets</u>			\$ 106,787,705

2. Liabilities:

<u>Claims:</u>			
Case Reserves	18,098,986		
IBNR Reserve (2)	72,205,854		
Subtotal Claims		90,304,840	
<u>Expenses (unpaid) (1):</u>			
Excess Insurance			
Administrative	424,882		
Subtotal Expenses		424,882	
<u>Other Liabilities:</u>			
Unearned Contributions			
Authorized Return of Surplus			
Miscellaneous Liabilities (1)	18,978,907		
Subtotal		18,978,907	
<u>Total Liabilities</u>			109,708,629

NET CURRENT SURPLUS/(DEFICIT) = 1-2	\$ (2,920,924)
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Notes: (1) attach schedule itemizing these categories

(2) attach an opinion from the actuary

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
FUND YEAR OPERATING RESULTS ANALYSIS  
FUND YEAR - MEL AGGREGATE EXCESS LOSS FUND CONTINGENCY  
DECEMBER 31, 2024  
(Unaudited)

1. <u>Underwriting Income:</u>		
Regular Contributions (earned)	\$ 1,096,609,055	
Supplemental Contributions	7,562,606	
Premium Deferral Cancellation	12,864,164	
Other Income (except investments)	<u>187,207</u>	
Total Income		\$ 1,117,223,032
2. <u>Incurred Liabilities:</u>		
<u>Claims:</u>		
Paid	358,323,355	
Case Reserves		
IBNR Reserve		
Subtotal	<u></u>	\$ 358,323,355
Less Excess Insurance:		
Received	34,746,749	
Receivable	528,175	
Recoverable		
Subtotal	<u></u>	<u>35,274,924</u>
Limited Incurred Claims (claims-excess)		<u>323,048,431</u>
<u>Expenses:</u>		
Excess Insurance Premiums	686,344,575	
Administrative	124,046,303	
Workers Compensation	5,946,731	
Property Grant	848,509	
EPL Credits	<u>678,702</u>	
Subtotal Expenses		<u>817,864,820</u>
<u>Total Incurred Liabilities</u>		
(limited claims and expenses)		<u>1,140,913,251</u>
3. <u>Underwriting Surplus/(Deficit) = 1-2</u>		(23,690,219)
4. <u>Investment Income (Earned)</u>		62,497,086
4a. <u>Transfer</u>		<u></u>
5. <u>Gross Operating Surplus/(Deficit) = 3+4</u>		38,806,867
6. <u>Return of Surplus:</u>		
Paid	44,265,586	
Authorized and Unpaid	<u></u>	
Subtotal Return of Surplus		<u>44,265,586</u>
7. <u>Net Current Surplus/(Deficit) = 5-6</u>		<u>\$ (5,458,719)</u>

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - MEL SURPLUS TRIGGER

DECEMBER 31, 2024

(Unaudited)

1. <u>Underwriting Income:</u>			
Regular Contributions (earned)	\$	2,978,484	
Supplemental Contributions			
Other Income (except investments)			
Total Income			\$ 2,978,484
2. <u>Incurred Liabilities:</u>			
<u>Claims:</u>			
Paid			
Case Reserves			
IBNR Reserve			
Subtotal			
Less Excess Insurance:			
Received			
Receivable			
Recoverable			
Subtotal			
Limited Incurred Claims (claims-excess)			
<u>Expenses:</u>			
Excess Insurance Premiums			
Administrative			
Workers Compensation			
Property Grant			
Subtotal Expenses			
<u>Total Incurred Liabilities</u>			
(limited claims and expenses)			
3. <u>Underwriting Surplus/(Deficit) = 1-2</u>			2,978,484
4. <u>Investment Income (Earned)</u>			61,590
4a. <u>Transfer</u>			
5. <u>Gross Operating Surplus/(Deficit) = 3+4</u>			3,040,074
6. <u>Return of Surplus:</u>			
Paid			
Authorized and Unpaid			
Subtotal Return of Surplus			
7. <u>Net Current Surplus/(Deficit) = 5-6</u>			\$ 3,040,074

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
FUND YEAR OPERATING RESULTS ANALYSIS  
FUND YEAR - 2021  
DECEMBER 31, 2024  
(Unaudited)

1. <u>Underwriting Income:</u>		
Regular Contributions (earned)	\$ 51,793,696	
Supplemental Contributions	9,300,000	
Premium Deferral Cancellation	2,418,985	
Other Income (except investments)		
Total Income		\$ 63,512,681
2. <u>Incurred Liabilities:</u>		
<u>Claims:</u>		
Paid	36,535,614	
Case Reserves	12,632,595	
IBNR Reserve	7,437,117	
Subtotal		\$ 56,605,326
Less Excess Insurance:		
Received	10,102,785	
Receivable		
Recoverable	13,408,216	
Subtotal		23,511,001
Limited Incurred Claims (claims-excess)		33,094,325
<u>Expenses:</u>		
Excess Insurance Premiums	21,648,186	
Administrative	6,322,453	
Worker's Compensation	546,522	
EPL Credits	333,500	
Subtotal Expenses		28,850,661
<u>Total Incurred Liabilities</u>		
(limited claims and expenses)		61,944,986
3. <u>Underwriting Surplus/(Deficit) = 1-2</u>		1,567,695
4. <u>Investment Income (Earned)</u>		152,163
5. <u>Gross Operating Surplus/(Deficit) = 3+4</u>		1,719,858
6. <u>Return of Surplus:</u>		
Paid		
Authorized and Unpaid		
Subtotal Return of Surplus		
7. <u>Net Current Surplus/(Deficit) = 5-6</u>		\$ 1,719,858

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2022  
DECEMBER 31, 2024  
(Unaudited)

1. <u>Underwriting Income:</u>		
Regular Contributions (earned)	\$ 62,985,674	
Supplemental Contributions		
Premium Deferral Cancellation		
Other Income (except investments)		
Total Income		\$ 62,985,674
2. <u>Incurred Liabilities:</u>		
<u>Claims:</u>		
Paid	10,796,111	
Case Reserves	10,275,098	
IBNR Reserve	15,544,686	
Subtotal		\$ 36,615,895
Less Excess Insurance:		
Received		
Receivable		
Recoverable	1,619,153	
Subtotal		1,619,153
Limited Incurred Claims (claims-excess)		34,996,742
<u>Expenses:</u>		
Excess Insurance Premiums	27,492,588	
Administrative	6,583,837	
Workers' Compensation	557,453	
EPL Credits	291,850	
Subtotal Expenses		34,925,728
<u>Total Incurred Liabilities</u>		
(limited claims and expenses)		69,922,470
3. <u>Underwriting Surplus/(Deficit) = 1-2</u>		(6,936,796)
4. <u>Investment Income (Earned)</u>		1,320,294
4a <u>Transfers</u>		
5. <u>Gross Operating Surplus/(Deficit) = 3+4</u>		(5,616,502)
6. <u>Return of Surplus:</u>		
Paid		
Authorized and Unpaid		
Subtotal Return of Surplus		
7. <u>Net Current Surplus/(Deficit) = 5-6</u>		\$ (5,616,502)

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2023

DECEMBER 31, 2024

(Unaudited)

1. <u>Underwriting Income:</u>		
Regular Contributions (earned)	\$ 66,471,055	
Supplemental Contributions		
Deferred Premium Cancellation		
Other Income (except investments)		
Total Income		\$ 66,471,055
2. <u>Incurred Liabilities:</u>		
<u>Claims:</u>		
Paid	10,581,483	
Case Reserves	6,197,907	
IBNR Reserve	20,205,357	
Subtotal		\$ 36,984,747
Less Excess Insurance:		
Received		
Receivable		
Recoverable		
Subtotal		
Limited Incurred Claims (claims-excess)		36,984,747
<u>Expenses:</u>		
Excess Insurance Premiums	27,876,929	
Administrative	6,694,520	
Worker's Compensation	568,602	
EPL Credits	321,700	
Subtotal Expenses		35,461,751
<u>Total Incurred Liabilities</u>		
(limited claims and expenses)		72,446,498
3. <u>Underwriting Surplus/(Deficit) = 1-2</u>		(5,975,443)
4. <u>Investment Income (Earned)</u>		1,151,815
5. <u>Gross Operating Surplus/(Deficit) = 3+4</u>		(4,823,628)
6. <u>Return of Surplus:</u>		
Paid		
Authorized and Unpaid		
7. <u>Net Current Surplus/(Deficit) = 5-6</u>		\$ (4,823,628)



MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

FUND YEAR OPERATING RESULTS ANALYSIS

FUND YEAR - 2024

DECEMBER 31, 2024

(Unaudited)

1. <u>Underwriting Income:</u>		
Regular Contributions (earned)	\$ 85,074,568	
Supplemental Contributions		
Premium Deferral Cancellation		
Other Income (except investments)		
Total Income		\$ 85,074,568
2. <u>Incurred Liabilities:</u>		
<u>Claims:</u>		
Paid	3,563,679	
Case Reserves	4,020,755	
IBNR Reserve	29,018,694	
Subtotal		\$ 36,603,128
Less Excess Insurance:		
Received		
Receivable		
Recoverable		
Subtotal		
Limited Incurred Claims (claims-excess)		36,603,128
<u>Expenses:</u>		
Excess Insurance Premiums	32,958,909	
Administrative	7,056,653	
Workers Compensation	579,974	
Property Grant	226,600	
Subtotal Expenses		40,822,136
<u>Total Incurred Liabilities</u>		
(limited claims and expenses)		77,425,264
3. <u>Underwriting Surplus/(Deficit) = 1-2</u>		7,649,304
4. <u>Investment Income (Earned)</u>		568,689
4a. <u>Transfer</u>		
5. <u>Gross Operating Surplus/(Deficit) = 3+4</u>		8,217,993
6. <u>Return of Surplus:</u>		
Paid		
Authorized and Unpaid		
Subtotal Return of Surplus		
7. <u>Net Current Surplus/(Deficit) = 5-6</u>		\$ 8,217,993

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 2021

DECEMBER 31, 2024

(Unaudited)

Coverages and Other Accounts

	Property	Liability	Worker's Compensation	Optional Excess Public Officials/ Employment Practices	Faithful Performance Bond	Loss Fund Contingency	General and Administrative	Total
1. <u>Underwriting Income</u>								
Regular Contributions (earned)	\$ 15,926,606	\$ 15,591,871	\$ 9,951,363	\$ 1,918,384	\$ 226,963	\$ 1,717,424	\$ 6,461,085	\$ 51,793,696
Supplemental Contributions	6,500,000	1,500,000	1,300,000					9,300,000
Premium Deferral Cancellation		1,188,007	1,230,978					2,418,985
Other Income (except investments)								
Total Income	<u>22,426,606</u>	<u>18,279,878</u>	<u>12,482,341</u>	<u>1,918,384</u>	<u>226,963</u>	<u>1,717,424</u>	<u>6,461,085</u>	<u>63,512,681</u>
2. <u>Incurred Liabilities</u>								
Claims (limited incurred)	7,470,355	12,155,999	11,873,650	1,449,686	144,635			33,094,325
Expenses	12,246,840	4,557,815	3,983,871	1,739,682			6,322,453	28,850,661
Total Liabilities	<u>19,717,195</u>	<u>16,713,814</u>	<u>15,857,521</u>	<u>3,189,368</u>	<u>144,635</u>		<u>6,322,453</u>	<u>61,944,986</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>2,709,411</u>	<u>1,566,064</u>	<u>(3,375,180)</u>	<u>(1,270,984)</u>	<u>82,328</u>	<u>1,717,424</u>	<u>138,632</u>	<u>1,567,695</u>
4. <u>Adjustments</u>								
Investment Income	(19,043)	217,538	(136,857)	(2,024)	(3,527)	111,849	(15,773)	152,163
Transfers								
Total Adjustments	<u>(19,043)</u>	<u>217,538</u>	<u>(136,857)</u>	<u>(2,024)</u>	<u>(3,527)</u>	<u>111,849</u>	<u>(15,773)</u>	<u>152,163</u>
5. Gross Operating Surplus	<u>2,690,368</u>	<u>1,783,602</u>	<u>(3,512,037)</u>	<u>(1,273,008)</u>	<u>78,801</u>	<u>1,829,273</u>	<u>122,859</u>	<u>1,719,858</u>
6. Return of Surplus								
7. Net Current Surplus	<u>\$ 2,690,368</u>	<u>\$ 1,783,602</u>	<u>\$ (3,512,037)</u>	<u>\$ (1,273,008)</u>	<u>\$ 78,801</u>	<u>\$ 1,829,273</u>	<u>\$ 122,859</u>	<u>\$ 1,719,858</u>

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 2022

DECEMBER 31, 2024

(Unaudited)

Coverages and Other Accounts

	Property	Liability	Worker's Compensation	Optional Excess Public Officials'/ Employment Practices	Faithful Performance Bond	Loss Fund Contingency	General and Administrative	Total
1. <u>Underwriting Income</u>								
Regular Contributions (earned)	\$ 21,032,714	\$ 18,288,332	\$ 13,038,241	\$ 3,275,801	\$ 240,455	\$ 344,787	\$ 6,765,344	\$ 62,985,674
Supplemental Contributions								
Premium Deferral Cancellation								
Other Income (except investments)								
Total Income	<u>21,032,714</u>	<u>18,288,332</u>	<u>13,038,241</u>	<u>3,275,801</u>	<u>240,455</u>	<u>344,787</u>	<u>6,765,344</u>	<u>62,985,674</u>
2. <u>Incurred Liabilities</u>								
Claims (limited incurred)	5,944,208	14,325,497	12,814,074	1,519,596	393,367			34,996,742
Expenses	14,843,079	7,201,699	4,146,591	2,150,522			6,583,837	34,925,728
Total Liabilities	<u>20,787,287</u>	<u>21,527,196</u>	<u>16,960,665</u>	<u>3,670,118</u>	<u>393,367</u>		<u>6,583,837</u>	<u>69,922,470</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>245,427</u>	<u>(3,238,864)</u>	<u>(3,922,424)</u>	<u>(394,317)</u>	<u>(152,912)</u>	<u>344,787</u>	<u>181,507</u>	<u>(6,936,796)</u>
4. <u>Adjustments</u>								
Investment Income	180,195	555,772	532,207	47,558	(2,777)	21,686	(14,347)	1,320,294
Transfers								
Total Adjustments	<u>180,195</u>	<u>555,772</u>	<u>532,207</u>	<u>47,558</u>	<u>(2,777)</u>	<u>21,686</u>	<u>(14,347)</u>	<u>1,320,294</u>
5. Gross Operating Surplus	<u>425,622</u>	<u>(2,683,092)</u>	<u>(3,390,217)</u>	<u>(346,759)</u>	<u>(155,689)</u>	<u>366,473</u>	<u>167,160</u>	<u>(5,616,502)</u>
6. Return of Surplus								
7. Net Current Surplus	<u>\$ 425,622</u>	<u>\$ (2,683,092)</u>	<u>\$ (3,390,217)</u>	<u>\$ (346,759)</u>	<u>\$ (155,689)</u>	<u>\$ 366,473</u>	<u>\$ 167,160</u>	<u>\$ (5,616,502)</u>

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS

FUND YEAR - 2023

DECEMBER 31, 2024

(Unaudited)

Coverages and Other Accounts								
	Property	Liability	Worker's Compensation	Optional Excess Public Officials'/ Employment Practices	Faithful Performance Bond	Loss Fund Contingency	General and Administrative	Total
1. <u>Underwriting Income</u>								
Regular Contributions (earned)	\$ 23,855,655	\$ 17,471,630	\$ 14,549,429	\$ 3,253,066	\$ 239,478	\$ 351,654	\$ 6,750,143	\$ 66,471,055
Supplemental Contributions								
Premium Deferral Cancellation								
Other Income (except investments)								
Total Income	<u>23,855,655</u>	<u>17,471,630</u>	<u>14,549,429</u>	<u>3,253,066</u>	<u>239,478</u>	<u>351,654</u>	<u>6,750,143</u>	<u>66,471,055</u>
2. <u>Incurred Liabilities</u>								
Claims (limited incurred)	7,231,024	14,085,352	12,688,120	1,080,416	1,899,835			36,984,747
Expenses	18,405,306	3,962,101	4,336,154	2,063,670			6,694,520	35,461,751
Total Liabilities	<u>25,636,330</u>	<u>18,047,453</u>	<u>17,024,274</u>	<u>3,144,086</u>	<u>1,899,835</u>		<u>6,694,520</u>	<u>72,446,498</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>(1,780,675)</u>	<u>(575,823)</u>	<u>(2,474,845)</u>	<u>108,980</u>	<u>(1,660,357)</u>	<u>351,654</u>	<u>55,623</u>	<u>(5,975,443)</u>
4. <u>Adjustments</u>								
Investment Income	4,664	702,222	378,183	43,344	652	20,063	2,687	1,151,815
Transfers								
Total Adjustments	<u>4,664</u>	<u>702,222</u>	<u>378,183</u>	<u>43,344</u>	<u>652</u>	<u>20,063</u>	<u>2,687</u>	<u>1,151,815</u>
5. Gross Operating Surplus	<u>(1,776,011)</u>	<u>126,399</u>	<u>(2,096,662)</u>	<u>152,324</u>	<u>(1,659,705)</u>	<u>371,717</u>	<u>58,310</u>	<u>(4,823,628)</u>
6. Return of Surplus								
7. Net Current Surplus	<u>\$ (1,776,011)</u>	<u>\$ 126,399</u>	<u>\$ (2,096,662)</u>	<u>\$ 152,324</u>	<u>\$ (1,659,705)</u>	<u>\$ 371,717</u>	<u>\$ 58,310</u>	<u>\$ (4,823,628)</u>

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
JOINT INSURANCE FUND  
FUND YEAR ACCOUNT OPERATING RESULTS ANALYSIS  
FUND YEAR - 2024  
DECEMBER 31, 2024  
 (Unaudited)

Coverages and Other Accounts								
	Property	Liability	Worker's Compensation	Optional Excess Public Officials/ Employment Practices	Faithful Performance Bond	Loss Fund Contingency	General and Administrative	Total
1. <u>Underwriting Income</u>								
Regular Contributions (earned)	\$ 36,076,394	\$ 20,216,747	\$ 17,610,483	\$ 3,443,954	\$ 239,616	\$ 283,212	\$ 7,204,162	\$ 85,074,568
Supplemental Contributions								
Premium Deferral Cancellation								
Other Income (except investments)								
Total Income	<u>36,076,394</u>	<u>20,216,747</u>	<u>17,610,483</u>	<u>3,443,954</u>	<u>239,616</u>	<u>283,212</u>	<u>7,204,162</u>	<u>85,074,568</u>
2. <u>Incurred Liabilities</u>								
Claims (limited incurred)	5,710,452	16,035,992	13,335,548	1,094,336	426,800		226,600	36,829,728
Expenses	22,529,309	4,241,634	4,738,844	2,255,696			7,056,653	40,822,136
Total Liabilities	<u>28,239,761</u>	<u>20,277,626</u>	<u>18,074,392</u>	<u>3,350,032</u>	<u>426,800</u>		<u>7,283,253</u>	<u>77,651,864</u>
3. <u>Underwriting Surplus/(Deficit)</u>	<u>7,836,633</u>	<u>(60,879)</u>	<u>(463,909)</u>	<u>93,922</u>	<u>(187,184)</u>	<u>283,212</u>	<u>(79,091)</u>	<u>7,422,704</u>
4. <u>Adjustments</u>								
Investment Income	(268)	288,205	207,734	40,226	4,246	8,847	19,699	568,689
Transfers								
Total Adjustments	<u>(268)</u>	<u>288,205</u>	<u>207,734</u>	<u>40,226</u>	<u>4,246</u>	<u>8,847</u>	<u>19,699</u>	<u>568,689</u>
5. Gross Operating Surplus	<u>7,836,365</u>	<u>227,326</u>	<u>(256,175)</u>	<u>134,148</u>	<u>(182,938)</u>	<u>292,059</u>	<u>(59,392)</u>	<u>7,991,393</u>
6. Return of Surplus								
7. Net Current Surplus	<u>\$ 7,836,365</u>	<u>\$ 227,326</u>	<u>\$ (256,175)</u>	<u>\$ 134,148</u>	<u>\$ (182,938)</u>	<u>\$ 292,059</u>	<u>\$ (59,392)</u>	<u>\$ 7,991,393</u>

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUNDFUND YEAR CLAIMS ANALYSISFUND YEAR - 2021DECEMBER 31, 2024

(Unaudited)

	Coverages					Total
	Property	Liability	Worker's Compensation	Public Officials' Employment Practice	Faithful Performance	
Paid Claims	\$ 27,963,657	\$ 5,807,874	\$ 1,955,493	\$ 663,955	\$ 144,635	\$ 36,535,614
Case Reserves	3,017,699	1,186,447	7,642,718	785,731		12,632,595
IBNR Reserve		5,161,678	2,275,439			7,437,117
Subtotal	30,981,356	12,155,999	11,873,650	1,449,686	144,635	56,605,326
Excess Insurance						
Received	10,102,785					10,102,785
Receivable						
Recoverable	13,408,216					13,408,216
Subtotal	23,511,001					23,511,001
Incurred Claims	7,470,355	12,155,999	11,873,650	1,449,686	144,635	\$ 33,094,325
Number of Claims	260	344	1,453	3	8	
Cost/Claim	\$ 28,732	\$ 35,337	\$ 8,172	\$ 483,229	\$ 18,079	

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUNDFUND YEAR CLAIMS ANALYSISFUND YEAR - 2022DECEMBER 31, 2024

(Unaudited)

	Coverages					
	Property	Liability	Worker's Compensation	Public Officials' Employment Practice	Faithful Performance	Total
Paid Claims	\$ 7,027,977	\$ 2,251,663	\$ 1,133,104		\$ 383,367	\$ 10,796,111
Case Reserves	535,384	2,708,802	6,232,212	\$ 788,700	10,000	10,275,098
IBNR Reserve		9,365,032	5,448,758	730,896		15,544,686
Subtotal	<u>7,563,361</u>	<u>14,325,497</u>	<u>12,814,074</u>	<u>1,519,596</u>	<u>393,367</u>	<u>36,615,895</u>
Excess Insurance						
Received						
Receivable						
Recoverable	<u>1,619,153</u>					<u>1,619,153</u>
Subtotal	<u>1,619,153</u>					<u>1,619,153</u>
Incurred Claims	<u>5,944,208</u>	<u>14,325,497</u>	<u>12,814,074</u>	<u>1,519,596</u>	<u>393,367</u>	<u>\$ 34,996,742</u>
Number of Claims	122	286	317		5	
Cost/Claim	<u>\$ 48,723</u>	<u>\$ 50,089</u>	<u>\$ 40,423</u>	<u>\$ -0-</u>	<u>\$ 78,673</u>	

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
FUND YEAR CLAIMS ANALYSIS  
FUND YEAR - 2023  
DECEMBER 31, 2024  
 (Unaudited)

	Coverages					
	Property	Liability	Worker's Compensation	Public Officials' Employment Practice	Faithful Performance	Total
Paid Claims	\$ 6,671,033		\$ 2,026,859		\$ 1,883,591	\$ 10,581,483
Case Reserves	488,397	\$ 1,260,000	4,433,266		16,244	6,197,907
IBNR Reserve	71,594	12,825,352	6,227,995	\$ 1,080,416		20,205,357
Subtotal	7,231,024	14,085,352	12,688,120	1,080,416	1,899,835	36,984,747
Excess Insurance:						
Received						
Receivable						
Recoverable						
Subtotal						
Incurred Claims	7,231,024	14,085,352	12,688,120	1,080,416	1,899,835	\$ 36,984,747
Number of Claims	157	196	178		9	
Cost/Claim	\$ 46,057	\$ 71,864	\$ 71,282	\$ -0-	\$ 211,093	



MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUNDFUND YEAR CLAIMS ANALYSISFUND YEAR - 2024DECEMBER 31, 2024

(Unaudited)

	Coverages					
	Property	Liability	Worker's Compensation	Public Officials' Employment Practice	Faithful Performance	Total
Paid Claims	\$ 3,157,303		\$ 6,755		\$ 399,621	\$ 3,563,679
Case Reserves	2,333,516		1,660,060		27,179	4,020,755
IBNR Reserve	219,633	\$ 16,035,992	11,668,733	\$ 1,094,336		29,018,694
Subtotal	5,710,452	16,035,992	13,335,548	1,094,336	426,800	36,603,128
Excess Insurance:						
Received						
Receivable						
Recoverable						
Subtotal						
Incurred Claims	5,710,452	16,035,992	13,335,548	1,094,336	426,800	\$ 36,603,128
Number of Claims	146	151	69		5	
Cost/Claim	\$ 39,113	\$ 106,199	\$ 193,269	\$ -0-	\$ 85,360	

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

FUND YEAR EXPENSE ANALYSIS

FUND YEAR - 2021

DECEMBER 31, 2024

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Property	\$ 12,246,840		\$ 12,246,840
Liability	4,224,315		4,224,315
Worker's Compensation	3,437,349		3,437,349
Public Officials Liability	1,739,682		1,739,682
Subtotal Excess	<u>21,648,186</u>		<u>21,648,186</u>
2. <u>Administrative Expenses</u>			
Claims Administration	1,180,872		1,180,872
Safety and Education	1,430,487		1,430,487
Administration	1,363,025		1,363,025
Actuary	52,140		52,140
Attorney	48,455		48,455
Auditor	30,630		30,630
Treasurer	26,178		26,178
Other Consultants	888,697		888,697
Reinsurance Manager	317,825		317,825
Internal Audit	78,531		78,531
Brokerage Expense	550,387		550,387
Non-Contracted Expenses	141,164		141,164
Risk Management Consultant	214,062		214,062
Subtotal Administrative	<u>6,322,453</u>		<u>6,322,453</u>
3. <u>Worker's Compensation</u>			
Managed Care	546,522		546,522
Subtotal Worker's Compensation	<u>546,522</u>		<u>546,522</u>
4. <u>Liability</u>			
EPL Credits	333,500		333,500
Subtotal Liability	<u>333,500</u>		<u>333,500</u>
Total Expenses = 1+2+3+4	<u>\$ 28,850,661</u>	<u>\$ -0-</u>	<u>\$ 28,850,661</u>

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

FUND YEAR EXPENSE ANALYSIS

FUND YEAR - 2022

DECEMBER 31, 2024

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Property	\$ 14,843,079		\$ 14,843,079
Liability	6,909,849		6,909,849
Worker's Compensation	3,589,138		3,589,138
Public Officials'/Employment Practice	2,150,522		2,150,522
Subtotal Excess	<u>27,492,588</u>		<u>27,492,588</u>
2. <u>Administrative Expenses</u>			
Claims Administration	1,360,956		1,360,956
Safety and Education	1,581,511		1,581,511
Administration	1,540,690		1,540,690
Actuary	54,456		54,456
Attorney	66,606		66,606
Auditor	30,631		30,631
Treasurer	26,701		26,701
Other Consultants	530,882		530,882
Reinsurance Manager	324,182		324,182
Internal Audit	60,652		60,652
Brokerage Expense	590,609		590,609
Non-Contracted Expenses	158,046		158,046
Risk Management Consultant	257,915		257,915
Subtotal Administrative	<u>6,583,837</u>		<u>6,583,837</u>
3. <u>Worker's Compensation</u>			
Managed Care	<u>557,453</u>		<u>557,453</u>
Subtotal Worker's Compensation	<u>557,453</u>		<u>557,453</u>
4. <u>Liability</u>			
EPL Credits	<u>291,850</u>		<u>291,850</u>
Subtotal Liability	<u>291,850</u>		<u>291,850</u>
Total Expenses = 1+2+3+4	<u>\$ 34,925,728</u>	<u>\$ -0-</u>	<u>\$ 34,925,728</u>

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
FUND YEAR EXPENSE ANALYSIS  
FUND YEAR - 2023  
DECEMBER 31, 2024  
(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Property	\$ 18,405,306		\$ 18,405,306
Liability	3,640,401		3,640,401
Worker's Compensation	3,767,552		3,767,552
Public Officials'/Employment Practice	2,063,670		2,063,670
Subtotal Excess	<u>27,876,929</u>		<u>27,876,929</u>
2. <u>Administrative Expenses</u>			
Claims Administration	1,352,585		1,352,585
Safety and Education	1,621,408		1,621,408
Administration	1,928,091		1,928,091
Actuary	54,247		54,247
Attorney	66,575		66,575
Auditor	31,110		31,110
Treasurer	27,235		27,235
Reinsurance Manager	330,665		330,665
Other Consultants	640,548		640,548
Internal Audit	63,878		63,878
Brokerage Expense			
Non-Contracted Expenses	288,546	\$ 6,722	295,268
Risk Management Consultant	282,910		282,910
Subtotal Administrative	<u>6,687,798</u>	<u>6,722</u>	<u>6,694,520</u>
3. <u>Worker's Compensation</u>			
Managed Care	568,602		568,602
Subtotal Worker's Compensation	<u>568,602</u>		<u>568,602</u>
4. <u>Liability</u>			
EPL Credits	321,700		321,700
Subtotal Liability	<u>321,700</u>		<u>321,700</u>
Total Expenses = 1+2+3+4	<u>\$ 35,455,029</u>	<u>\$ 6,722</u>	<u>\$ 35,461,751</u>

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

FUND YEAR EXPENSE ANALYSIS

FUND YEAR - 2024

DECEMBER 31, 2024

(Unaudited)

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
1. <u>Excess Insurance (itemize)</u>			
Insurance Premiums:			
Property	\$ 22,529,309		\$ 22,529,309
Liability	4,015,034		4,015,034
Worker's Compensation	4,158,870		4,158,870
Public Officials Liability	2,255,696		2,255,696
Subtotal Excess	<u>32,958,909</u>		<u>32,958,909</u>
2. <u>Administrative Expenses</u>			
Claims Administration	1,344,739	\$ 45,329	1,390,068
Safety and Education	1,518,017	197,731	1,715,748
Administration	1,966,653		1,966,653
Actuary	55,332		55,332
Attorney	178,242	20,139	198,381
Auditor		31,868	31,868
Treasurer	27,779		27,779
Other Consultants	388,380	34,210	422,590
Internal Audit		65,156	65,156
Reinsurance Manager			
Brokerage Expense			
Non-Contracted Expenses	415,462	23,727	439,189
Risk Management Consultant	743,889		743,889
Subtotal Administrative	<u>6,638,493</u>	<u>418,160</u>	<u>7,056,653</u>
3. <u>Worker's Compensation</u>			
Managed Care	<u>579,974</u>		<u>579,974</u>
Subtotal Workers's Compensation	<u>579,974</u>		<u>579,974</u>
4. <u>Liability</u>			
EPL Credits	<u>226,600</u>		<u>226,600</u>
Subtotal Liabiliby	<u>226,600</u>		<u>226,600</u>
Total Expenses = 1+2+3+4	<u>\$ 40,403,976</u>	<u>\$ 418,160</u>	<u>\$ 40,822,136</u>

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUNDPROGRAM SUMMARYFUND YEAR - 2024DECEMBER 31, 2024

(Unaudited)

COVERAGES

	Liability	Worker's Compensation	Property	Crime	Public Officials/ Employment Practices
1. Limits	\$5,000,000 CSL for general liability, automotive liability, and police professional. \$5,000,000 combined annual aggregate for general liability and police professional per municipality. Automotive liability is unaggregated. An optional \$2,000,000, \$5,000,000, \$10,000,000 or \$15,000,000 per occurrence and \$2,000,000, \$5,000,000, \$10,000,000 or \$15,000,000 aggregate is also available.	Cov. A - Statutory Cov. B - \$5,000,000	\$125 million per occurrence	\$1,000,000 per loss Statutory Positions Covered By Endorsement, subject to application and approval process.	Optional limits of \$1,000,000, \$2,000,000, \$3,000,000, \$4,000,000 or \$8,000,000 are available excess of AIG/Lexington Insurance Policies issued to members by the affiliated local Joint Insurance Fund
2. Fund Retention Specific	The difference between the underlying limits from \$200,000 to \$600,000 per occurrence and \$5,000,000	\$1,700,000 excess of JIF \$300,000 (local retention may vary)	\$2,400,000 excess of JIF \$100,000	\$950,000 excess of JIF Self insured retention of \$50,000 JIF SIR does not provide coverage for statutory positions	None
3. Excess Insurers (list all insurers and amount insured)	Munich Re offers optional limits up to \$15,000,000 excess of \$5,000,000 Chubb provides a per member option for a shared aggregate limit of \$10,000,000 excess of \$20,000,000 (if member JIF extends)	Safety National provides statutory as above over a \$2,000,000 JIF & MEL self insured retention and \$5,000,000 for employers liability.	Lexington Insurance Various insurers & Layered Quotas	None	Munich Re offers optional excess public officials employment practices liability to the members of Municipal Excess Liability Joint Insurance Fund up to \$8,000,000 excess of \$2,000,000
4. Number of Participants	19	19	19	19	19
5. Incurred Liabilities	\$20,051,026	\$18,074,392	\$28,239,761	\$426,800	\$3,350,032
6. Exposure Units (population or students) (A) Sq. Footage (First Responders)	5,746,784 Population 512,749	3,718,519,225 Payroll	19,125,075,869 Property Value	39,142 Full time Employees	5,746,784 Population
7. Liabilities/Unit	\$3.49	\$0.00	\$0.00	\$10.90	\$1.72

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
STATE REQUIRED SUPPORTING  
SCHEDULE - ANNUAL REPORT  
ANALYSIS OF CASH AND INVESTMENTS  
DECEMBER 31, 2024  
(Unaudited)

Bank	Account Description	Amount
Citizens Bank-Claims-QL	Claims	\$ 352,907
Citizens Bank-Claims-CB	Claims	236,368
BNY Mellon	Investment	44,667,218
New Jersey Cash Management Fund	Cash Management	16,404,117
Republic Bank	Money Market	9,871,513
Citizens Bank	Checking	12,651,033
		<u>84,183,156</u>
Add: Deposit in Transit		183,531
Less: Outstanding Checks		<u>634,970</u>
		<u><u>\$ 83,731,717</u></u>

ANALYSIS OF EXCESS INSURANCE RECEIVABLE  
DECEMBER 31, 2024  
(Unaudited)

Amount Due From Reinsurance Company:	
Closed Years	<u><u>\$ 528,175</u></u>

ANALYSIS OF ASSESSMENTS RECEIVABLE  
DECEMBER 31, 2024  
(Unaudited)

Fund Year - MEL - Closed Years	\$ 711,264
Fund Year 2024	<u>8,567,825</u>
	<u><u>\$ 9,279,089</u></u>

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
STATE REQUIRED SUPPORTING  
SCHEDULE - ANNUAL REPORT  
ANALYSIS OF OTHER RECEIVABLES  
DECEMBER 31, 2024  
(Unaudited)

Fund Year - MEL - Aggregate Excess Loss Fund Contingency:

Notes Receivable Borough of South Bound Brook	\$ 388,681	
Notes Receivable Township of Mahwah	535,714	
Notes Receivable Borough of Bogota	825,000	
Notes Receivable Township of Sea Girt	653,474	
Notes Receivable Township of Saddle Brook	147,500	
Notes Receivable Borough of Rutherford	90,000	
Notes Receivable Borough of Woodcliff Lake	120,000	
Notes Receivable Borough of Palisades Park	70,000	
Notes Receivable Borough of Eagleswood	16,601	
Notes Receivable Borough of Little Falls	217,000	
	<hr/>	
		\$ 3,063,970

Fund Year - 1988

Genesis Insurance Receivable - Workers Compensation	275,730
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Fund Year - 2020

Genesis Insurance Receivable - Workers Compensation	3,358
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Fund Year - 2021

Cyber Deductible Receivable	75,231
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Fund Year - 2023

Genesis Insurance Receivable - Workers Compensation	530,435
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Supplemental Underwriting Income Receivable:

Fund Year 2021	<hr/>	9,300,000
	<hr/>	
	\$	<hr/> <hr/> 13,248,724



MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
STATE REQUIRED SUPPORTING  
SCHEDULE - ANNUAL REPORT  
ANALYSIS OF ADMINISTRATIVE EXPENSES PAYABLE  
DECEMBER 31, 2024  
(Unaudited)

## Fund Year 2023:

Non-Contracted Expenses	\$	6,722
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## Fund Year 2024:

Claims Administration	\$	45,329
Safety and Education		197,731
Attorney		20,139
External Auditor		31,868
Other Consultants		34,210
Internal Auditor		65,156
Non-Contracted Expenses		23,727
		418,160
	\$	424,882

ANALYSIS OF MISCELLANEOUS LIABILITIES  
DECEMBER 31, 2024  
(Unaudited)

## Fund Year - MEL - Aggregate Excess Loss Fund Contingency:

Due to Municipal Excess Liability Residual Claims Fund	\$	19,023,907
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## Fund Year - 2022:

Due to/(from) Municipal Excess Liability Residual Claims Fund		(45,000)
	\$	18,978,907

**REPORT PURSUANT TO GOVERNMENT AUDITING STANDARDS**

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*

Independent Auditors' Report

The Honorable Chairperson and Members  
 of the Board of Fund Commissioners  
 Municipal Excess Liability Joint Insurance Fund  
 Parsippany, New Jersey

We have audited, in accordance with the 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 the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), the financial statements of the Municipal Excess Liability Joint Insurance Fund (the "Fund") as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Fund's basic financial statements, and have issued our report thereon dated May 9, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Fund's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control.

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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

The Honorable Chairperson and Members  
of the Board of Fund Commissioners  
Municipal Excess Liability Joint Insurance Fund  
Page 2

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Fund's 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 financial statements. 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*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mount Arlington, New Jersey  
May 9, 2025

*Nisiavoccia LLP*

## **STATISTICAL SECTION**

### **(Unaudited)**

This part of the Fund's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the Fund's overall financial health.

#### **Contents**

##### **Financial Trends**

These schedules contain trend information to help the reader understand how the Fund's financial performance and well-being have changed over time.

##### **Revenue Capacity (Not Applicable)**

These schedules contain information to help the reader assess the factors affecting the Fund's ability to generate its revenue.

##### **Debt Capacity (Not Applicable)**

These schedules present information to help the reader assess the affordability of the Fund's current levels of outstanding debt and the Fund's ability to issue additional debt in the future.

##### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Fund's financial activities take place and to help make comparisons over time and with other governments.

##### **Operating Information**

These schedules contain information about the Fund's operations and resources to help the reader understand how the Fund's financial information relates to the services the Fund provides and the activities it performs.

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
NET POSITION BY COMPONENT  
LAST TEN YEARS  
(Unaudited)

		December 31,				
		2015	2016	2017	2018	2019
Business-Type Activities						
Unrestricted		\$ 19,113,098	\$ 29,998,611	\$ 30,788,695	\$ 27,761,506	\$ 26,272,636
Total Business-Type Activities Net Position		<u>\$ 19,113,098</u>	<u>\$ 29,998,611</u>	<u>\$ 30,788,695</u>	<u>\$ 27,761,506</u>	<u>\$ 26,272,636</u>
		December 31,				
		2020	2021	2022	2023	2024
Business-Type Activities						
Unrestricted		\$ 16,251,657	\$ 15,157,816	\$ 8,841,030	\$ 12,381,525	\$ 12,259,219
Total Business-Type Activities Net Position		<u>\$ 16,251,657</u>	<u>\$ 15,157,816</u>	<u>\$ 8,841,030</u>	<u>\$ 12,381,525</u>	<u>\$ 12,259,219</u>

Source - Insurance Fund Financial Records.

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
SCHEDULE OF CHANGE IN NET POSITION  
LAST TEN YEARS  
(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue:										
Assessments from Participating Members	\$45,611,847	\$43,450,989	\$44,367,354	\$44,109,647	\$47,310,501	\$ 51,144,687	\$ 51,794,039	\$63,002,188 15,996,558	\$66,461,441	\$85,070,804
Supplemental Underwriting Income							15,283,111			
Deferred Premium Cancellation							(168,038)	(2,964,674)	1,000,685	1,317,265
Investment Income/(Loss)	324,193	597,183	371,100	927,981	1,754,444	962,896	(5,743,677)	(2,685,411)	3,243,310	3,194,853
Change in Investment in Joint Venture	1,248,544	4,794,438	94,118	(824,443)	668,349	394,808				
Total Revenue	47,184,584	48,842,610	44,832,572	44,213,185	49,733,294	52,502,391	61,165,435	73,348,661	70,705,436	89,582,922
Expenses:										
Provision for Claims and Claim Adjustment Expense	8,838,158	(97,461)	5,653,871	11,543,780	13,346,801	23,875,263	23,973,349	23,953,209	18,629,197	30,414,447
Assessment for Participation in Municipal Excess Liability:										
Residual Claims Fund	14,858,457	12,247,851	12,458,867	7,811,361	12,190,987	11,949,635	9,333,074	13,211,400	12,715,423	13,547,200
Residual Claims Fund - Additional Assessment							476,394	7,175,297	490,154	4,794,924
Insurance Premiums	19,783,632	19,987,434	19,930,759	20,926,903	18,974,820	19,697,503	21,610,909	27,533,487	27,871,850	32,958,909
Claims Administration	1,154,900	1,142,848	1,153,273	1,168,601	1,193,587	1,312,707	1,146,799	1,359,980	1,352,585	1,390,068
Other Contractual Services	2,407,344	2,513,117	2,596,844	3,119,579	2,815,051	3,013,344	3,045,645	3,592,962	3,264,125	3,577,049
Non-Contractual Expenses	269,856	193,597	240,292	279,776	285,270	287,044	211,357	156,400	310,554	506,842
Administration	1,016,726	1,124,916	1,147,468	1,317,570	1,336,443	1,374,469	1,363,050	1,542,338	1,926,443	1,966,653
EPL Credits				350,844	327,608	254,832	334,250	291,850	321,700	226,600
Insurance Brokerage Expense	498,502	508,472	518,641	529,014	539,594	550,387	550,387	590,609		
Risk Management Fees	332,003	336,323	342,473	192,946	212,003	208,186	214,062	257,915	282,910	322,536
Total Expenses	49,159,578	37,957,097	44,042,488	47,240,374	51,222,164	62,523,370	62,259,276	79,665,447	67,164,941	89,705,228
Change in Net Position	<u>\$ (1,974,994)</u>	<u>\$10,885,513</u>	<u>\$ 790,084</u>	<u>\$ (3,027,189)</u>	<u>\$ (1,488,870)</u>	<u>\$ (10,020,979)</u>	<u>\$ (1,093,841)</u>	<u>\$ (6,316,786)</u>	<u>\$ 3,540,495</u>	<u>\$ (122,306)</u>

Source - Insurance Fund Financial Records.

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
MEMBER GROWTH ANALYSIS - BY FUND YEAR  
FOR THE TEN-YEAR PERIOD ENDED DECEMBER 31, 2024  
(Unaudited)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Total number of members	19	19	19	19	19
Total employees	34,273	34,072	34,552	33,891	35,559
Total annual payrolls	\$ 2,835,141,051	\$ 2,835,141,051	\$ 2,929,818,008	\$ 2,979,452,834	\$ 3,162,926,354
Total member assessments	\$ 45,565,058	\$ 43,405,565	\$ 44,505,992	\$ 44,099,209	\$ 47,314,276
Total number of claims	660	618	576	816	765
Total reported losses	\$ 14,177,842	\$ 14,760,884	\$ 8,784,189	\$ 15,401,240	\$ 15,043,589
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Total number of members	19	20	20	20	19
Total employees	35,932	36,193	37,316	38,469	39,142
Total annual payrolls	\$ 3,234,701,535	\$ 3,585,394,140	\$ 3,540,391,904	\$ 3,532,008,169	\$ 3,718,519,225
Total member assessments	\$ 48,166,203	\$ 51,794,039	\$ 63,002,188	\$ 66,473,705	\$ 85,074,568
Total number of claims	3,252	2,068	730	540	371
Total reported losses	\$ 23,928,180	\$ 25,657,208	\$ 19,452,056	\$ 16,779,390	\$ 7,584,434

Note - Reported losses have not been discounted.

Source - Joint Insurance Fund - Executive Director's Office and Third Party Claims Administrator



MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
REPORTED LOSS HISTORY - BY FUND YEAR  
FOR THE TEN-YEAR PERIOD ENDED DECEMBER 31, 2024  
(Unaudited)

During its years of existence, the Fund has incurred the following reported losses (paid claims plus case reserves from claims incurred by Fund members). The claims reflect both the impact of increase in membership, the delay in claims reaching the Fund's coverages, and the changes in the average cost per claim. These amounts do not include incurred but not reported ("IBNR") claim estimates.

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Property	\$ 2,446,654	\$ 3,868,266	\$ 2,262,516	\$ 4,228,948	\$ 3,458,793	\$ 5,922,492	\$ 7,470,355	\$ 5,944,208	\$ 7,159,430	\$ 5,490,819
Liability	6,363,630	7,084,244	2,111,680	4,674,692	3,257,710	6,457,480	6,994,321	4,960,465	1,260,000	
Workers' Compensation	5,367,558	3,575,933	4,409,993	6,204,068	8,061,401	11,250,082	9,598,211	7,365,316	6,460,125	1,666,815
Faithful Performance Bond		232,441		67,532	239,998	52,064	144,635	393,367	1,899,835	426,800
Public Officials' Liability				226,000	25,687	246,062	1,449,686	788,700		
Total	<u>\$ 14,177,842</u>	<u>\$ 14,760,884</u>	<u>\$ 8,784,189</u>	<u>\$ 15,401,240</u>	<u>\$ 15,043,589</u>	<u>\$ 23,928,180</u>	<u>\$ 25,657,208</u>	<u>\$ 19,452,056</u>	<u>\$ 16,779,390</u>	<u>\$ 7,584,434</u>
Total number of claims	<u>660</u>	<u>618</u>	<u>576</u>	<u>816</u>	<u>765</u>	<u>3,252</u>	<u>2,068</u>	<u>730</u>	<u>540</u>	<u>371</u>
Average cost per claim	<u>\$ 21,482</u>	<u>\$ 23,885</u>	<u>\$ 15,250</u>	<u>\$ 18,874</u>	<u>\$ 19,665</u>	<u>\$ 7,358</u>	<u>\$ 12,407</u>	<u>\$ 26,647</u>	<u>\$ 31,073</u>	<u>\$ 20,443</u>

Note - Reported losses have not been discounted.

Source - Joint Insurance Fund- Third Party Claims Administrator

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND  
REPORTED CLAIM ACTIVITY - BY FUND YEAR  
FOR THE TEN-YEAR PERIOD ENDED DECEMBER 31, 2024  
(Unaudited)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Property	116	136	61	189	139	282	260	122	157	146
Liability	365	321	384	385	381	334	344	286	196	151
Workers' Compensation	179	157	131	130	117	2,628	1,453	317	178	69
Faithful Performance Bond		4		1	3	2	8	5	9	5
Public Officials' Liability				111	125	6	3			
Total	<u>660</u>	<u>618</u>	<u>576</u>	<u>816</u>	<u>765</u>	<u>3,252</u>	<u>2,068</u>	<u>730</u>	<u>540</u>	<u>371</u>
Claims settled in full	555	520	454	692	643	3,131	1,924	562	341	197
Claims pending	<u>105</u>	<u>98</u>	<u>122</u>	<u>124</u>	<u>122</u>	<u>121</u>	<u>144</u>	<u>168</u>	<u>199</u>	<u>174</u>
Total	<u>660</u>	<u>618</u>	<u>576</u>	<u>816</u>	<u>765</u>	<u>3,252</u>	<u>2,068</u>	<u>730</u>	<u>540</u>	<u>371</u>

Source - Joint Insurance Fund - Third Party Claims Administrator