

**CAMDEN COUNTY MUNICIPAL  
JOINT INSURANCE FUND  
REPORT ON AUDIT OF FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**



CAMDEN COUNTY MUNICIPAL  
JOINT INSURANCE FUND

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ANNUAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2012

New Jersey Department of Insurance Joint Insurance Fund Code: \_\_\_\_\_

Joint Insurance Fund Name: CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND

Street Address: \_\_\_\_\_ Mail Address: C/O PERMA  
9 CAMPUS DRIVE  
SUITE 16  
PARSIPPANY, NJ 07054

Primary location of books and records: PERMA, 9 CAMPUS DRIVE,  
SUITE 16, PARSIPPANY, NJ 07054

Statement Contact Person: BRADFORD STOKES Phone No. ( 201 ) 881-7632

EXECUTIVE COMMITTEE

Chairman MICHAEL MEVOLI TERRY SHANNON  
Secretary JAMES MALEY JOSEPH WOLK  
RICHARD MICHIELLI NEAL ROCHFORD  
LOUIS DI ANGELO

EXECUTIVE COMMITTEE ALTERNATES

JACK LIPSETT \_\_\_\_\_  
JOSEPH GALLAGHER \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

State of NEW JERSEY  
County of CAMDEN

MICHAEL MEVOLI (Chairman), JAMES MALEY (Secretary), of the CAMDEN  
COUNTY MUNICIPAL JOINT INSURANCE FUND being duly sworn, each for himself

deposes and says that they are the above described executive committee members of the said joint insurance fund, and that on the 31st day of December, 2012 all of the herein described assets were the absolute property of the said joint insurance fund, free and clear from any liens or claims thereon, except as herein stated, and that this annual statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to are a full and true statement of all the assets and liabilities and of the condition and affairs of the said joint insurance fund as of the 31st day of December, 2012, and of its income and deductions therefrom for the year ended on that date, according to the best of their information, knowledge and belief respectively.

\_\_\_\_\_  
Chairman Secretary

- (a) Is this an original filing  Yes  No
- (b) If no,
  - (i) State the amendment number \_\_\_\_\_
  - (ii) Date filed \_\_\_\_\_
  - (iii) Number of pages attached \_\_\_\_\_

Subscribed and sworn to before me the \_\_\_\_\_ day of \_\_\_\_\_, 2013

## **INDEPENDENT AUDITORS' REPORT**

Board of Commissioners  
Camden County Municipal Joint Insurance Fund  
9 Campus Drive  
Suite 16  
Parsippany, NJ 07054

We have audited the accompanying financial statements of the Camden County Municipal Joint Insurance Fund (the "Fund") as of and for the years ended December 31, 2012 and 2011, and the related notes to the financial statements, which collectively comprise the Fund's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and in compliance with audit requirements as prescribed by the Department of Banking and Insurance and the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Camden County Municipal Joint Insurance Fund as of December 31, 2012 and 2011 and the results of its operations and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

**Other Matters**

***Required Supplementary Information***

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

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Camden County Municipal Joint Insurance Fund's basic financial statements taken as a whole. The information included in the Supplementary schedules listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Board of Commissioners  
Camden County Municipal Joint Insurance Fund

**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated June 24, 2013 on our consideration of the Fund's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Respectfully Submitted,

  
Bowman & Company LLP  
Certified Public Accountants  
& Consultants

Woodbury, New Jersey  
June 24, 2013

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE**  
**AND OTHER MATTERS ON AN AUDIT OF FINANCIAL STATEMENTS**  
**PERFORMED IN ACCORDANCE WITH**  
**GOVERNMENT AUDITING STANDARDS**

Board of Commissioners  
Camden County Municipal Joint Insurance Fund  
9 Campus Drive  
Suite 16  
Parsippany, NJ 07054

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Department of Banking and Insurance and the Division of Local Government Services, Department of Community Affairs of the State of New Jersey, the financial statements of the Camden County Municipal Joint Insurance Fund (the “Fund”) as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collective comprise the Fund’s basic financial statements, and have issued our report thereon dated June 24, 2013.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Fund's internal control over financial reporting (internal control) to determine the 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 Authority’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 internal control over financial reporting 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 significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Board of Commissioners  
Camden County Municipal Joint Insurance Fund


**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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards, and audit requirements as prescribed by the Department of Banking and Insurance and the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

  
Bowman & Company LLP  
Certified Public Accountants  
& Consultants

Woodbury, New Jersey  
June 24, 2013



# **CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND**

## **Management's 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 year ended December 31, 2012, 2011, and 2010. Please read it in conjunction with the basic financial statements that follow this section.

### **Overview of Basic Financial Statements**

The Fund's basic financial statements are prepared on the basis of accounting principles generally accepted in the United States of America for governmental entities and insurance enterprises where applicable. The primary purpose of the Fund is to provide property and casualty insurance coverage for municipalities 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:

**Comparative Statements of Net Position** – This statement presents information reflecting the Fund's assets, liabilities, and net position. Net position represent the amount of total assets less total liabilities.

**Comparative Statements 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.

**Comparative Statements 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 Net Position and results of operations for the Fund as of and for the years ended December 31, 2012, 2011 and 2010.

Net Position Summary	12/31/2012	12/31/2011	12/31/2010	2012 to 2011 Change	
				Amount	Percentage
<b>Assets</b>					
Cash & Cash Equivalents	\$12,232,347	\$11,975,243	\$11,806,382	\$ 257,104	2.1%
Investment in Joint Ventures	3,286,528	3,338,738	3,326,104	(52,210)	-1.6%
Other Assets	194,788	312,294	352,185	(117,506)	-37.6%
<b>Total Assets</b>	<b>15,713,663</b>	<b>15,626,275</b>	<b>15,484,671</b>	<b>87,388</b>	<b>0.6%</b>
<b>Liabilities &amp; Net Position</b>					
<b>Liabilities</b>					
Loss Reserves	9,061,637	7,911,281	8,837,983	1,150,356	14.5%
Other Liabilities & Reserves	270,050	895,897	1,001,814	(625,847)	-69.9%
<b>Total Liabilities</b>	<b>9,331,687</b>	<b>8,807,178</b>	<b>9,839,797</b>	<b>524,509</b>	<b>6.0%</b>
<b>Net Position</b>	<b>\$ 6,381,976</b>	<b>\$ 6,819,097</b>	<b>\$ 5,644,874</b>	<b>\$ (437,121)</b>	<b>-6.4%</b>

Net Position decreased by \$437,121 or 6.4% from 2011 to 2012. Comparatively, Net Position had increased by \$1,174,223 or 20.8% from 2010 to 2011. The Fund recognized a 0.6% increase in its assets and a 6.0% increase in liabilities from 2011 to 2012. Comparatively, the Fund recognized a 0.9% increase in its assets and a 10.5% decrease in liabilities from 2010 to 2011.

Statement of Revenue, Expenses, and Changes in Net Position Summary	12/31/2012	12/31/2011	12/31/2010	2012 to 2011 Change	
				Amount	Percentage
<b>Operating Revenue</b>					
Regular Contributions & Other Income	\$11,255,659	\$11,210,408	\$11,027,534	\$ 45,251	0.4%
<b>Operating Expenses:</b>					
Net Claims and Claims Adjustment Expenses	6,129,410	4,658,949	5,216,325	1,470,461	31.6%
Reinsurance & Group Insurance Premiums	3,543,404	3,585,360	3,592,439	(41,956)	-1.2%
Professional & Contractual Services	1,766,419	1,811,870	1,884,390	(45,451)	-2.5%
<b>Total Operating Expenses</b>	<b>11,439,233</b>	<b>10,056,179</b>	<b>10,693,154</b>	<b>1,383,054</b>	<b>13.8%</b>
<b>Operating Income (Loss)</b>	<b>(183,574)</b>	<b>1,154,229</b>	<b>334,380</b>	<b>(1,337,803)</b>	<b>-115.9%</b>
<b>Non Operating Revenue</b>					
Investment Income	112,628	339,798	117,356	(227,170)	-66.9%
Change in Investment in Joint Venture	(52,208)	12,634	140,403	(64,842)	513.2%
Return of Surplus	(313,967)	(332,438)	(111,550)	18,471	5.6%
<b>Change In Net Position</b>	<b>\$ (437,121)</b>	<b>\$ 1,174,223</b>	<b>\$ 480,589</b>	<b>\$ (1,611,344)</b>	<b>-137.2%</b>

## **Financial Highlights Continued**

The Camden County JIF's total assets increased by 0.6% and total liabilities increased by 6.0%. "Investment in Joint Venture" which represents its share of surplus retained in the Municipal Excess Liability Joint Insurance Fund, the Municipal Excess Liability Residual Claims Fund, and the Environmental Joint Insurance Fund decreased by 1.6%.

Assessments and other income grew by 0.4%, reflecting increased budgets for claims and increased exposure for existing and new members. The Fund recognized an Operating Loss of \$183,574 representing a 115.9%, negative change from 2011 primarily due to a 31.6% increase in provision for claims and claims expense.

Investment income decreased by 66.9%. Of the decrease, 44.6% was related to unrealized gains that were recorded in the prior year and the remaining 22.2% was related to declining returns on interest rates.

For 2012, the Camden JIF paid a dividend to its members' of \$313,967.

Overall, the Fund's unrestricted net position decreased by \$437,121, a 6.4% decrease.

## **Economic Conditions**

The future financial position of the Camden JIF will be impacted by medical costs trends that impact upon workers compensation costs. The Camden JIF continues to attempt to offset these trends by reducing accident frequency and severity, and by streamlining claims processing and management. Additionally, to address this cost area the Fund participated in the "Focus Group" program. The Fund plans to continue to manage its assets in such a way that it maintains liquidity and safety, while increasing earnings when opportunities arise.

## **Contacting the Fund's Management**

This financial report is designed to provide the Camden County Municipal Joint Insurance Fund members and the Department of Banking and Insurance of the State of New Jersey with a general overview of the Fund's finances and to demonstrate the Fund's accountability for the public funds it receives. If you have any questions about this report or need additional financial information, contact the Executive Director of the Camden County Municipal Joint Insurance Fund office located at 9 Campus Drive, Suite 16, Parsippany, New Jersey 07054 or by phone at 201-881-7632.

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
COMPARATIVE STATEMENTS OF NET POSITION  
AS OF DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 4,108,163	\$ 1,347,583
Investments - Securities	8,099,781	10,593,475
Contributions Receivable	60,094	75,507
Dividend Receivable	63,967	82,438
Accrued Interest Receivable	24,403	34,185
MEL Safety Grant Receivable	-	11,229
Prepaid Expenses	1,179	-
Residual Claims Fund Reimbursement Receivable	69,548	143,120
Investments in Joint Ventures	3,286,528	3,338,738
	<u>15,713,663</u>	<u>15,626,275</u>
<u>LIABILITIES AND RESERVES</u>		
Liabilities:		
Accrued Administrative Expenses	79,485	97,649
Excess Insurance Payable	-	604,761
Dividends Payable	190,565	193,487
Total Liabilities	<u>270,050</u>	<u>895,897</u>
Claims Reserves:		
Case Reserves	5,195,068	5,767,459
IBNR Reserves	3,866,569	2,143,822
Total Reserves	<u>9,061,637</u>	<u>7,911,281</u>
Total Liabilities and Reserves	<u>9,331,687</u>	<u>8,807,178</u>
<u>NET POSITION</u>		
Unrestricted	<u>\$ 6,381,976</u>	<u>\$ 6,819,097</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
Operating Revenues:		
Assessments from Participating Members	\$ 11,191,693	\$ 11,127,970
Environmental JIF Dividend	<u>63,966</u>	<u>82,438</u>
Total Operating Revenue	<u>11,255,659</u>	<u>11,210,408</u>
Operating Expenses:		
Provision for Claims and Claims Adjustment Expenses	6,129,410	4,658,949
Premium for Excess Insurance	3,543,404	3,585,360
Administrative Expenses:		
Administrator	266,694	262,735
Claims Adjuster	271,000	351,091
Safety Director	120,543	118,762
Professional Services	275,332	266,523
Safety Programs	122,315	106,051
Risk Management Consultants	671,470	667,686
Miscellaneous Expenses	<u>39,063</u>	<u>39,022</u>
Total Operating Expenses	<u>11,439,231</u>	<u>10,056,179</u>
Operating Income (Loss)	<u>(183,572)</u>	<u>1,154,229</u>
Non-Operating Revenue:		
Investment Income	112,628	339,798
Change in Investments in Joint Ventures	<u>(52,210)</u>	<u>12,634</u>
Total Non-Operating Revenue	<u>60,418</u>	<u>352,432</u>
Change in Net Position	(123,154)	1,506,661
Net Position - Beginning of Year	6,819,097	5,644,874
Distributions to Members	<u>(313,967)</u>	<u>(332,438)</u>
Net Position - End of Year	<u>\$ 6,381,976</u>	<u>\$ 6,819,097</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
COMPARATIVE STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
Cash Flows From Operating Activities:		
Cash Flows From Operating Activities:		
Regular Contributions	\$ 11,207,106	\$ 11,083,435
Environmental JIF Dividend	93,666	100,321
Claim Payments	(4,906,661)	(5,520,699)
Insurance Premiums	(4,148,165)	(3,787,919)
Payments to Professionals and Suppliers	(1,784,581)	(1,795,574)
	<u>461,365</u>	<u>79,564</u>
Net Cash Flows Provided By Operating Activities		
Cash Flows From Investing Activities:		
Redemption of Investments	7,500,000	9,000,000
Purchase of Investments	(4,999,920)	(8,991,600)
Investment Income	116,024	171,014
	<u>2,616,104</u>	<u>179,414</u>
Net Cash Flows Provided By Investing Activities		
Cash Flows Used In Noncapital Financing Activities:		
Fund Equity Distribution to Participating Members	(316,889)	(250,501)
	<u>(316,889)</u>	<u>(250,501)</u>
Net Increase in Cash and Cash Equivalents	2,760,580	8,477
Cash and Cash Equivalents - Beginning of Year	<u>1,347,583</u>	<u>1,339,106</u>
Cash and Cash Equivalents - End of Year	<u>\$ 4,108,163</u>	<u>\$ 1,347,583</u>
Reconciliation of Operating Income (Loss) to		
Cash Flows From Operating Activities:		
Operating Income (Loss)	\$ (183,572)	\$ 1,154,229
Adjustments to Reconcile Operating Income to		
Net Cash Provided By Operating Activities:		
Changes in Assets and Liabilities:		
Contributions Receivable	15,413	(42,944)
Residual Claims Fund Reimbursement Receivable	73,572	60,371
Dividends Receivable	18,471	29,112
Mel Safety Grant Receivable	11,229	(11,229)
Claim Recoveries Receivable	(1,179)	4,581
Accrued Administrative Expenses	(18,164)	16,296
Excess Insurance Payable	(604,761)	(202,559)
Contribution Overpayments	-	(1,591)
Claims Reserves	1,150,356	(926,702)
	<u>\$ 461,365</u>	<u>\$ 79,564</u>
Net Cash Flows Provided By Operating Activities		
Supplemental Disclosure - Non-cash Activity:		
Unrealized Gain on Investments included in		
Investment Income	<u>\$ 5,136</u>	<u>\$ 102,725</u>
Change in Investment in Joint Venture	<u>\$ (52,210)</u>	<u>\$ 12,634</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 1: ORGANIZATION AND DESCRIPTION OF THE FUND**

On February 1, 1987 the Camden County Municipal Joint Insurance Fund (the "Fund") was formed 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 and N.J.S. 11:15-3 of the New Jersey Statutes. The Fund is operated in accordance with regulations of the New Jersey Department of Banking and Insurance and the Division of Local Government Services of the Department of Community Affairs for the purpose of securing significant savings in insurance cost as well as providing stability in coverage.

The Board of Commissioners of the Fund may approve membership by a two-thirds vote or may terminate any member by a majority vote, after proper notice has been given. New memberships are effective upon approval by the Commissioners of Banking and Insurance and Community Affairs. Early terminations require prior approval by the Commissioner of Banking and Insurance. The members of the Fund must also be members of the Municipal Excess Liability Joint Insurance Fund ("MEL").

During 2012, members of the Fund included: Audubon Park Borough, Audubon Borough, Barrington Borough, Bellmawr Borough, Berlin Borough, Berlin Township, Brooklawn Borough, Chesilhurst Borough, Clementon Borough, Collingswood Borough, Gibbsboro Borough, Gloucester City, Haddonfield Borough, Haddon Township, Hi-Nella Borough, Laurel Springs Borough, Lawnside Borough, Lindenwold Borough, Magnolia Borough, Medford Lakes Borough, Merchantville Borough, Mount Ephraim Borough, Oaklyn Borough, Pine Hill Borough, Runnemede Borough, Somerdale Borough, Voorhees Township, Winslow Township, Woodlynne Borough, Tavistock Borough, Pine Valley Borough, Cherry Hill Township, Camden Parking Authority, and Cherry Hill Fire District.

All members' contributions to the Fund, including a reserve for contingencies, are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Banking and Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

The Fund offers the following coverages to its members:

- Workers' compensation and employers' liability.
- Liability other than motor vehicles.
- Property damage other than motor vehicles.
- Motor vehicles liability and damage.

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following is a summary of the more significant policies followed by the Camden County Municipal Joint Insurance Fund (the "Fund") in the preparation of the accompanying financial statements:

**Reporting Entity-Component Unit**

The Fund has determined that there were no additional entities required to be included in the reporting entity under the criteria described in accordance with Governmental Accounting Standards Board ("GASB") Statement No. 14. In addition, the Fund is not includable in any other reporting entity on the basis of such criteria.

**CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Basis of Presentation**

The financial statements of the Fund have been prepared in accordance with accounting principles generally accepted in the United States of America applicable to enterprise funds of State and Local Governments on a going concern basis. The focus of enterprise funds is the measurement of economic resources, that is, the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

**Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Enterprise funds are accounted for using the accrual basis of accounting.

**Revenues** - Revenue is recorded on the accrual basis. Member Assessments are recognized as revenue at the time of assessment.

**Expenses** - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

**Cash, Cash Equivalents and Investments**

Cash and cash equivalents include petty cash, change funds and cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey governments units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local authorities and other state agencies.

Additionally, the Fund has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act. The Act was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. In lieu of designating a depository, the cash management plan may provide that the local unit make deposits with the State of New Jersey Cash Management Fund.



**CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Cash, Cash Equivalents and Investments (Cont'd)**

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

**Valuation of Investments**

Among the Fund's investment objectives are preservation of principal, diversification, and maximization of interest yield. The Fund invests in government securities with the intent of holding them until maturity. Investments are reported at fair value. Realized and unrealized gains and losses on investments are recognized as a component of investment income.

**Annual Contributions**

Annual contributions are based on loss funds as determined by the Fund's actuary and are received in two installments. Total contributions are recognized as earned revenue evenly over the fiscal contract period or period of risk, if different. All past due contributions bear interest at the rate established annually by the Executive Committee.

**Supplemental Contributions**

The Executive Committee shall by majority vote levy upon the participating municipalities additional assessments wherever needed or so ordered by the Commissioner of Banking and Insurance to supplement the Fund's claim, loss retention or administrative accounts, after consideration of anticipated investment income, to assure the payment of the Fund's obligations. Supplemental contributions to cover a deficit are recognized as revenue upon approval whether or not actually received.

**Investment Income Allocation**

Interest accruals, interest payments on cash instruments, net of investment management fees, and unrealized gains and losses on the fair value of investments are allocated every month based upon each line of coverage's share of opening cash and investment balances.

**CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Unpaid Claims Liabilities**

The Fund establishes claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claims costs depend on such complex factors as inflation, changes in doctrines of legal liability, and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount, particularly for coverage's such as general liability. Claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflect past inflation and on other factors that are considered to be appropriate modifiers of past experience. Adjustments to claims liabilities are reflected in reserves and cumulative expenses in the periods being reported upon.

A. Reported Claims Case Reserves

Case reserves include estimated unpaid claims cost for both future payments of losses and related allocated claim adjustment expenses as reported by the service agent, Qual-Lynx, Inc. and CompServices, Inc.

B. Claims Incurred But Not Reported (IBNR) Reserve

In order to recognize claims incurred but not reported, a reserve is calculated by the Fund's actuary, The Actuarial Advantage Inc.

Case and IBNR Reserves represent the estimated liability for the expected future development of claims already reported to the Fund plus claims incurred but not yet reported and unknown loss events that are expected to become claims. The liabilities for claims and related adjustment expenses are evaluated using Fund and industry data, case basis evaluations and other statistical analyses, and represent estimates of the ultimate net cost of all losses incurred through December 31, 2012. These liabilities are subject to variability between estimated ultimate losses determined as described and the actual experience as it emerges, including the impact of future changes in claim severity and frequency and other factors.

Management believes that the liabilities for unpaid claims above are adequate. The estimates are reviewed periodically and as adjustments to these liabilities become necessary, such adjustments are reflected in cumulative operations.

**Excess Coverage**

Coverage in excess of the Fund's self insured retention limit is provided through the Fund's membership in the Municipal Excess Liability Joint Insurance Fund as described in Note 6.

**CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Fund Transfers**

Interfund transfers are made upon the expressed approval of the Executive Committee, following prior written notification to the Commissioners of the Department of Banking and Insurance and the Department of Community Affairs.

Interyear fund transfers require prior approval of the Departments of Banking and Insurance and the Department of Community Affairs. The fund may seek approval from the Commissioners to make interyear fund transfers at any time from a claims or loss retention trust account from any year which has been completed for at least 12 months. The interyear fund transfer may be in any amount subject to the limitation that after the transfer, the remaining net current surplus must exceed 35 percent of unpaid claims for that fiscal year.

Claims must be undiscounted, the IBNR reserve must be certified by an actuary and the membership for each fiscal year involving interyear fund transfers must be identical.

All fund transfers are recognized at the time actual transfers take place.

**Subrogation**

Subrogation and all other recoverable claim amounts, excluding excess insurance, are recognized upon receipt of cash only.

**Return of Surplus/Dividends**

Refunds (dividends) are recognized upon authorization of the Executive Committee. Any moneys for a Fund year in excess of the amount necessary to fund all obligations for that fiscal year as certified by the Fund's actuary may be declared to be refundable by the Fund no less than twenty- four months after the end of the fiscal year. The initial and any subsequent refund for any year from a Claim or Loss Retention Account is subject to the limitation that after the refund, the remaining net current surplus must exceed thirty-five percent of unpaid claims for that fiscal year. In later years, the Fund can seek annual approval for payment of refunds from a Claim or Loss Retention Account remaining from any year which has been completed for at least thirty-six months or longer and may include such refund payments with initial refund payments from the preceding year. A full and final refund is not allowed until all Case reserves and IBNR reserves are closed.

**Administrative Expenses**

Administrative expenses are comprised mainly of compensation for services rendered by servicing organizations and appointed officials pursuant to written fee guidelines submitted and approved by a majority of the Commissioners/Executive Committee. In instances where invoices have not been submitted for specific periods, the maximum allowable contract amount has been accrued.

**Income Taxes**

The Fund is exempt from income taxes under Section 115 of the Internal Revenue Code.

**CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Operating and Non-Operating Revenues and Expenses**

Operating revenues include all revenues derived from member contributions. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts and on investments in debt securities and positive changes in the Fund's investment in joint ventures.

Operating expenses include expenses associated with the fund operations, including claims expense, insurance and administrative expenses. Non-operating expenses include negative changes in the Fund's investment in joint ventures.

**Use of Estimates**

Management of the Fund has made certain estimates and assumptions relating to the reporting of assets, liabilities and revenues and expenses to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results may differ from those estimates.

**New Accounting Standards Adopted**

During the year ended December 31, 2012, the Fund adopted the following new accounting standards issued by the Governmental Accounting Standards Board (GASB):

Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements

Issued in November 2010, the objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements:

- Financial Accounting Standards Board (FASB) Statements and Interpretations
- Accounting Principles Board Opinions
- Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure.

Hereinafter, these pronouncements collectively are referred to as the "FASB and AICPA pronouncements."

This Statement also supersedes Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting, thereby eliminating the election provided in paragraph 7 of that Statement for enterprise funds and business-type activities to apply post-November 30, 1989 FASB Statements and Interpretations that do not conflict with or contradict GASB pronouncements. However, those entities can continue to apply, as other accounting literature, post-November 30, 1989 FASB pronouncements that do not conflict with or contradict GASB pronouncements, including this Statement.

Implementation of this statement had no material impact on the Fund's 2012 financial statements.

**CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 3: CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits**

Custodial credit risk is the risk that, in the event of a bank failure, the Fund's deposits might not be recovered. Although the Fund does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the Fund in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings or funds that may pass to the Fund relative to the happening of a future condition. If the Fund had any such funds, they would be shown as Uninsured and Uncollateralized.

Of the Fund's bank balance of \$4,537,822 as of December 31, 2012, \$250,000 was insured while \$4,287,822 was collateralized under GUDPA.

Of the Fund's bank balance of \$1,614,488 as of December 31, 2011, \$250,000 was insured while \$1,364,488 was collateralized under GUDPA.

**New Jersey Cash Management Fund**

During the year, the Fund participated in the New Jersey Cash Management Fund. The Cash Management Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. The Fund's deposits with the New Jersey Cash Management Fund were \$59 at December 31, 2012 and 2011, respectively.

**Note 4: INVESTMENTS**

**Custodial Credit Risk**

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Fund, and are held by either the counterparty or the counterparty's trust department or agent but not in the Fund's name. Of the Fund's \$8,099,781 and \$10,593,475 in investments at December 31, 2012 and 2011, respectively in Federal Farm Credit Bank Notes (FFCB), Federal Home Loan Bank Notes (FHLB), Federal Home Loan Mortgage Corp. Notes (FHLMC), and Federal National Mortgage Association Notes (FNMA), \$8,099,781 and \$10,593,475 in investments at December 31, 2012 and 2011, respectively was held by either the counterparty or counterparty's trust department or agent, but not in the Fund's name.

**Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. To limit risk, the Fund's investment policy provides that no investment or deposit shall have a maturity longer than five (5) years from date of purchase.

**CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 4: INVESTMENTS (CONT'D)**

**Credit Risk**

Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. N.J.S.A. 40A:5-15.1 limits the investments that the Fund may purchase such as Treasury securities in order to limit the exposure of governmental units to credit risk. The Fund has no investment policy that would further limit its investment choices.

**Concentration of Credit Risk**

The Fund does not place a limit on the amount that may be invested in any one issuer. All of the Fund's investments are either in U.S. Treasury Notes or Mortgage Backed Securities.

As of December 31, 2012 and 2011, the Fund had the following investments and maturities:

<u>Investment</u>	<u>Interest Rate</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Market Value</u>	
				<u>2012</u>	<u>2011</u>
FHLB	2.150%	02/06/12	N/A		\$ 500,945
FHLB	0.250%	07/19/13	N/A	\$ 1,000,590	
FNMA	1.050%	06/27/14	N/A		2,006,540
FHLB	1.100%	10/27/14	N/A		1,003,510
FHLMC	1.250%	12/29/14	N/A		2,006,800
FNMA	0.550%	07/30/15	N/A	1,002,021	
FNMA	1.875%	09/09/15	N/A	2,075,800	
FNMA	1.875%	09/09/15	N/A		2,069,920
FNMA	1.000%	09/14/15	N/A		1,001,200
FNMA	1.050%	10/21/15	N/A	2,012,040	
FNMA	1.050%	10/21/15	N/A		2,004,560
FNMA	1.060%	01/06/16	N/A	1,007,110	
FNMA	0.620%	06/27/16	N/A	1,002,220	
				<b>\$ 8,099,781</b>	<b>\$ 10,593,475</b>

**CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 5: CHANGES IN UNPAID CLAIMS LIABILITIES**

As discussed in Note 2, the Fund establishes a liability for both reported and unreported insured events, which includes estimates of future payments of losses and related allocated claim adjustment expenses.

The following represents changes in those aggregate undiscounted reported and unreported liabilities for the Fund during 2012 and 2011 for all open Fund years net of excess insurance recoveries:

	<u>2012</u>	<u>2011</u>
Total unpaid claim and claim adjustment expenses all Fund years - Beginning of Year	\$ 7,911,281	\$ 8,837,983
Incurred claims and claims adjustment expenses:		
Provision for insured events of current fund year	5,379,438	5,165,000
Changes in provision for insured events of prior fund years	<u>749,972</u>	<u>(506,045)</u>
Total incurred claims and claims adjustment expenses all Fund years	<u>14,040,691</u>	<u>13,496,938</u>
Payments (Net of Recoveries):		
Claims and claim adjustments expenses:		
Attributable to insured events of current fund year	1,442,818	1,974,121
Attributable to insured events of prior fund years	<u>3,536,236</u>	<u>3,611,536</u>
Total Payments all Fund years	<u>4,979,054</u>	<u>5,585,657</u>
Total unpaid claim and claim adjustment expenses all Fund years - End of Year	<u>\$ 9,061,637</u>	<u>\$ 7,911,281</u>

**Note 6: MEMBERSHIP IN JOINT INSURANCE FUND**

**Municipal Excess Liability Residual Claims Fund**

The Fund is currently 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 loss reserves to the Residual Fund results in the closing of fund years and the unencumbering of the retained earnings related to the 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 severely liable for the Residual Fund's liabilities.

**CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 6: MEMBERSHIP IN JOINT INSURANCE FUND (CONT'D)**

**Municipal Excess Liability Residual Claims Fund (Cont'd)**

The Residual Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Insurance. These distributions are divided among the members in the same ratio as their individual assessment relates to the total assessment of the membership for that fund year. In accordance with Statement No. 10 of the Government Accounting Standards Board, these distributions are used to reduce the amount recorded for the Fund's membership assessment in the year in which the distribution was declared.

During 2012 and 2011, the Fund was assessed \$1,168,785 and \$819,464 respectively for the transfer of fund year 2008 and 2007 liabilities to the Residual Fund.

In addition, the Fund will invoice the Residual Fund for 2008 claims paid by the fund subsequent to June 30, 2012. As of December 31, 2012, reimbursable claims totaled \$69,548.

**Municipal Excess Liability Joint Insurance Fund**

The Fund is currently a member of the Municipal Excess Liability Joint Insurance Fund (the "MEL"). The MEL is a risk-sharing public entity risk pool that is a self-administered group of joint insurance funds established for the purpose of providing excess insurance coverage to participating members. 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 MEL are elected.

As a member of the MEL, the Fund could be subject to supplemental assessments in the event of deficiencies. If the assets of the MEL were to be exhausted, members would become jointly and severely liable for the MEL's liabilities.

The MEL can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment relates to the total assessment of the membership for that fund year.

**New Jersey Municipal Environmental Risk Management Fund**

The Fund is currently a member of the New Jersey Municipal Environmental Risk Management Fund (the "Environmental Fund"). The Environmental Fund provides its members with various environmental related coverage. The Environmental Fund is a risk-sharing public entity risk pool that is both an insured and self administered group of joint insurance funds established for the purpose of providing low-cost insurance coverage for their respective members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Environmental Fund are elected.

As a member of the Environmental Fund, the Fund could be subject to supplemental assessments in the event of deficiencies. If the assets of the Environmental Fund were to be exhausted, members would become responsible for their respective shares of the Environmental Fund's liabilities.

The Environmental 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 assessment related to the total assessment of the membership body.



**CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 6: MEMBERSHIP IN JOINT INSURANCE FUND (CONT'D)**

**Selected Financial Information**

Selected summarized financial information for the Residual Fund, the MEL and the Environmental Fund as of December 31, 2012 is as follows:

	<u>Residual</u> <u>Fund</u>	<u>MEL</u>	<u>Environmental</u> <u>Fund</u>
Total Assets	<u>\$ 78,433,943</u>	<u>\$ 80,156,954</u>	<u>\$ 24,988,518</u>
Total Liabilities	<u>\$ 75,875,317</u>	<u>\$ 59,280,898</u>	<u>\$ 14,690,626</u>
Net Assets	<u>\$ 2,558,626</u>	<u>\$ 20,876,056</u>	<u>\$ 10,297,892</u>
Total Revenue	<u>\$ 30,296,093</u>	<u>\$ 43,680,467</u>	<u>\$ 4,072,993</u>
Total Expenses	<u>\$ 30,436,967</u>	<u>\$ 44,456,352</u>	<u>\$ 2,882,437</u>
Net Income (Loss)	<u>\$ (540,874)</u>	<u>\$ (775,885)</u>	<u>\$ 565,556</u>
Distributions to Members	<u>\$ 400,000</u>	<u>\$ -</u>	<u>\$ 625,000</u>

Financial statements for the Municipal Excess Liability Residual Claims Fund, the Municipal Excess Liability Joint Insurance Fund and the New Jersey Municipal Environmental Risk Management Fund are available at the office of the Fund's Executive Director:

PERMA  
9 Campus Drive, Suite 16  
Parsippany, New Jersey 07054  
201-881-7632

**Note 7: RETURN OF SURPLUS**

At its October 22, 2012 meeting, the Executive Committee approved a dividend in the amount of \$250,000 payable from the Closed Years Account and \$63,967 from the EJIF, resulting in a total distribution of \$313,967. The Closed Years Account dividend and EJIF Dividend were subsequently approved by the Departments of Banking and Insurance and Department of Community Affairs.

**CAMDEN COUNTY MUNICIPAL  
JOINT INSURANCE FUND  
REQUIRED SUPPLEMENTARY INFORMATION  
AS OF DECEMBER 31, 2012**

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
RECONCILIATION OF CLAIMS LIABILITIES BY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Total</u>
Total unpaid claims and claim adjustment expenses - Beginning of Year	\$ 91,158	\$ 2,960,410	\$ 505,861	\$ 4,353,852	\$ 7,911,281
Incurred claims and claims adjustment expenses:					
Provision for insured events of current fund year	335,000	1,300,000	425,000	3,319,438	5,379,438
Changes in provision for insured events of prior fund years	(33,128)	227,123	11,002	544,975	749,972
Total incurred claims and claims adjustment expenses all Fund years	393,030	4,487,533	941,863	8,218,265	14,040,691
Payments:					
Claims and claims adjustment expenses:					
Attributable to insured events of current fund year	284,766	66,210	43,494	1,048,348	1,442,818
Attributable to insured events of prior fund years	33,838	1,268,577	355,875	1,877,946	3,536,236
Total payments all Fund years	318,604	1,334,787	399,369	2,926,294	4,979,054
Total unpaid claims and claim adjustment expenses - End of Year	\$ 74,426	\$ 3,152,746	\$ 542,494	\$ 5,291,971	\$ 9,061,637

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
TEN-YEAR CLAIMS DEVELOPMENT INFORMATION  
AS OF DECEMBER 31, 2012

	FUND YEAR ENDED DECEMBER 31									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Net Earned Required Contribution and Investment Revenue:										
Earned	\$ 7,252,495	\$ 7,415,003	\$ 8,621,465	\$ 9,145,218	\$ 9,572,240	\$ 10,453,696	\$ 10,684,067	\$ 11,037,581	\$ 11,267,368	\$ 11,217,134
Ceded	2,118,369	2,228,653	2,646,135	2,891,978	3,113,336	3,474,787	3,552,986	3,592,439	3,585,360	3,543,404
	5,134,126	5,186,350	5,975,330	6,253,240	6,458,904	6,978,909	7,131,081	7,445,142	7,682,008	7,673,730
Unallocated Expenses	1,281,908	1,348,120	1,498,693	1,573,974	1,610,493	1,727,032	1,798,590	1,864,952	1,836,372	1,733,147
Estimated Claims and Expenses, End of Policy Year:										
Incurred	2,934,998	3,854,848	3,735,000	3,290,000	4,485,000	3,954,785	5,825,094	4,599,999	5,165,000	5,379,438
Ceded										
Net Incurred	2,934,998	3,854,848	3,735,000	3,290,000	4,485,000	3,954,785	5,825,094	4,599,999	5,165,000	5,379,438
Paid (Cumulative) as of:										
End of Policy Year	1,157,774	1,302,873	959,857	1,529,151	1,634,638	1,460,340	1,923,616	1,529,865	1,974,121	1,442,818
One Year Later	1,846,818	2,063,106	1,649,333	2,746,349	2,502,992	2,285,042	3,362,120	2,798,776	3,031,219	
Two Years Later	2,202,909	2,712,251	2,259,911	3,322,641	2,884,107	3,010,631	4,285,495	3,487,749		
Three Years Later	2,608,818	3,380,764	2,980,335	4,014,462	3,535,283	3,326,384	4,737,723			
Four Years Later (A)	2,707,346	3,725,854	3,231,570	4,308,670	3,819,310	3,462,869				
Reestimated Ceded Claims and Expenses	438,282	298,046	749,144	755,244	819,464	1,168,785				
Reestimated Incurred Claims and Expenses:										
End of Policy Year	2,934,998	3,854,848	3,735,000	3,290,000	4,485,000	3,954,785	5,825,094	4,599,999	5,165,000	5,379,438
One Year Later	3,361,000	3,730,000	3,590,000	4,653,000	4,183,987	4,535,031	6,275,094	4,790,000	5,562,000	
Two Years Later	3,128,260	3,854,848	3,702,672	4,791,828	4,761,381	4,680,865	5,852,322	5,078,904		
Three Years Later	3,165,139	3,998,786	4,136,050	5,001,965	4,719,924	4,488,735	5,740,306			
Four Years Later (A)	3,145,629	4,023,900	3,980,714	5,063,914	4,638,774	4,631,654				
Increase (Decrease) in Estimated Incurred Claims and Expenses from End of Policy Year	\$ 210,631	\$ 169,052	\$ 245,714	\$ 1,773,914	\$ 153,774	\$ 676,869	\$ (84,788)	\$ 478,905	\$ 397,000	\$ -

(A) At the end of the Fourth Year the Fund Cedes remaining actuarially calculated liabilities to the Residual Claims Fund (R.C.F.)

**CAMDEN COUNTY MUNICIPAL  
JOINT INSURANCE FUND  
SUPPLEMENTARY INFORMATION  
AS OF DECEMBER 31, 2012**

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
HISTORICAL BALANCE SHEET--STATUTORY BASIS  
AS OF DECEMBER 31, 2012

ASSETS

Cash and Cash Equivalents	\$ 4,108,163	
Investments	<u>8,099,781</u>	
Total Cash and Investments		\$ 12,207,944
Receivables:		
Contributions	\$ 60,094	
Interest	24,403	
Residual Claims Fund Reimbursement	69,548	
Dividends	<u>63,967</u>	
Total Receivables		218,012
Prepaid Expenses		<u>1,179</u>
Total Assets		12,427,135

LIABILITIES

Claims:		
Case Reserves	5,195,068	
IBNR Reserve	<u>3,866,569</u>	
Total Claims		9,061,637
Accrued Expenses:		
Administrative Expenses	<u>79,485</u>	
Total Accrued Expenses		79,485
Other Liabilities:		
Authorized Return of Surplus	<u>190,565</u>	
Total Other Liabilities		<u>190,565</u>
Total Liabilities		<u>9,331,687</u>
Net Statutory Surplus		<u>\$ 3,095,448</u>

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF HISTORICAL OPERATING RESULTS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD FEBRUARY 1, 1987 (DATE OF INCEPTION) TO DECEMBER 31, 2012

Underwriting Income:		
Regular Contributions	\$ 156,066,539	
Supplemental Contributions	595,000	
Residual Claims Fund Dividends	862,772	
MEL Dividend	216,655	
Environmental JIF Dividend	889,996	
Other Income	<u>60,856</u>	
 Total Underwriting Income		 \$ 158,691,818
Incurred Liabilities:		
Claims:		
Paid (Net of Recoveries)	62,112,912	
Case Reserves	5,195,070	
IBNR Reserves	3,866,569	
Residual Claims Fund Premium	<u>9,367,492</u>	
 Subtotal		 \$ 80,542,043
Less Excess Insurance:		
Received	260,901	
Recoverable	<u>-</u>	
 Subtotal		 <u>260,901</u>
 Total Limited Incurred Claims		 80,281,142
Expenses:		
Excess Insurance Premiums	40,671,726	
Administrative	<u>28,688,303</u>	
 Total Expenses		 <u>69,360,029</u>
 Total Incurred Liabilities		 <u>149,641,171</u>
 Underwriting Surplus		 9,050,647
Investment Income		<u>9,995,710</u>
 Gross Statutory Surplus		 19,046,357
Return of Surplus:		
Paid	15,760,344	
Authorized and Unpaid	<u>190,565</u>	
 Total Return of Surplus		 <u>15,950,909</u>
 Net Statutory Surplus		 <u>\$ 3,095,448</u>

**CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**NOTES TO SUPPLEMENTARY INFORMATION**

**Note 1: RELATIONSHIP WITH BASIC FINANCIAL STATEMENTS**

The information in the Fund's basic financial statements, Exhibits A-1 through A-3, differs from the accompanying Supplementary Information required by the Department of Banking and Insurance. The Supplementary Information does not reflect the Fund's Investments in Joint Ventures as follows:

	<u>2012</u>	<u>2011</u>
Total Assets - Statements of Net Position	\$ 15,713,663	\$ 15,626,275
Less Investment in Joint Ventures	<u>3,286,528</u>	<u>3,338,738</u>
Total Assets - Statutory Basis	<u>\$ 12,427,135</u>	<u>\$ 12,287,537</u>
Net Position - Statements of Net Position	\$ 6,381,976	\$ 6,819,097
Less Investment in Joint Ventures	<u>3,286,528</u>	<u>3,338,738</u>
Net Surplus - Statutory Basis	<u>\$ 3,095,448</u>	<u>\$ 3,480,359</u>



CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2012 OPERATING RESULTS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2012 TO DECEMBER 31, 2012

Underwriting Income:			
Regular Contributions	\$ 11,191,163		
Supplemental Contributions	-		
Environmental JIF Dividend	-		
Other Income	-		
	<hr/>		
Total Underwriting Income			\$ 11,191,163
Incurred Liabilities:			
Claims:			
Paid (Net of Recoveries)	1,442,818		
Case Reserves	1,510,469		
IBNR Reserves	2,426,151		
	<hr/>		
Subtotal		\$5,379,438	
Less Excess Insurance:			
Received	-		
Recoverable	-		
	<hr/>		
Subtotal		<hr/>	
Total Limited Incurred Claims		5,379,438	
Expenses:			
Excess Insurance Premiums	3,543,404		
Administrative	1,733,143		
	<hr/>		
Total Expenses		<hr/>	
Total Incurred Liabilities			<hr/>
Underwriting Surplus			535,178
Investment Income			<hr/>
			25,971
Gross Statutory Surplus			561,149
Return of Surplus:			
Paid		-	
Authorized and Unpaid		-	
		<hr/>	
Total Return of Surplus			<hr/>
Net Statutory Surplus			<hr/> <hr/>
			\$ 561,149

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2011 OPERATING RESULTS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2011 TO DECEMBER 31, 2012

Underwriting Income:			
Regular Contributions	\$ 11,128,502		
Supplemental Contributions	-		
Environmental JIF Dividend	-		
Other Income	-		
	<hr/>		
Total Underwriting Income			\$ 11,128,502
Incurred Liabilities:			
Claims:			
Paid (Net of Recoveries)	3,031,219		
Case Reserves	1,501,403		
IBNR Reserves	1,029,378		
	<hr/>		
Subtotal		\$ 5,562,000	
Less Excess Insurance:			
Received	-		
Recoverable	-		
	<hr/>		
Subtotal		-	
Total Limited Incurred Claims		5,562,000	
Expenses:			
Excess Insurance Premiums	3,585,360		
Administrative	1,836,373		
	<hr/>		
Total Expenses		5,421,733	
Total Incurred Liabilities			<hr/> 10,983,733
Underwriting Surplus			144,769
Investment Income			<hr/> 139,398
Gross Statutory Surplus			284,167
Return of Surplus:			
Paid		-	
Authorized and Unpaid		-	
		<hr/>	
Total Return of Surplus			<hr/> -
Net Statutory Surplus			<hr/> <hr/> \$ 284,167

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2010 OPERATING RESULTS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2010 TO DECEMBER 31, 2012

Underwriting Income:			
Regular Contributions	\$ 10,915,983		
Supplemental Contributions	-		
Environmental JIF Dividend	-		
Other Income	-		
	<hr/>		
Total Underwriting Income			\$ 10,915,983
Incurred Liabilities:			
Claims:			
Paid (Net of Recoveries)	3,487,749		
Case Reserves	1,362,989		
IBNR Reserves	228,166		
	<hr/>		
Subtotal		\$ 5,078,904	
Less Excess Insurance:			
Received	-		
Recoverable	-		
	<hr/>		
Subtotal		<hr/> -	
Total Limited Incurred Claims		5,078,904	
Expenses:			
Excess Insurance Premiums	3,592,438		
Administrative	1,864,953		
	<hr/>		
Total Expenses		<hr/> 5,457,391	
Total Incurred Liabilities			<hr/> 10,536,295
Underwriting Surplus			379,688
Investment Income			<hr/> 121,597
Gross Statutory Surplus			501,285
Return of Surplus:			
Paid		-	
Authorized and Unpaid		-	
		<hr/>	
Total Return of Surplus			<hr/> -
Net Statutory Surplus			<hr/> <hr/> \$ 501,285

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2009 OPERATING RESULTS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2009 TO DECEMBER 31, 2012

Underwriting Income:			
Regular Contributions	\$ 10,532,933		
Supplemental Contributions	-		
Environmental JIF Dividend	-		
Other Income	-		
	<hr/>		
Total Underwriting Income			\$ 10,532,933
Incurred Liabilities:			
Claims:			
Paid (Net of Recoveries)	4,737,223		
Case Reserves	820,209		
IBNR Reserves	182,874		
	<hr/>		
Subtotal		\$ 5,740,306	
Less Excess Insurance:			
Received	-		
Recoverable	-		
	<hr/>		
Subtotal		<hr/> -	
Total Limited Incurred Claims		5,740,306	
Expenses:			
Excess Insurance Premiums	3,552,987		
Administrative	1,798,592		
	<hr/>		
Total Expenses		<hr/> 5,351,579	
Total Incurred Liabilities			<hr/> 11,091,885
Underwriting Deficit			(558,952)
Investment Income			<hr/> 151,133
Gross Statutory Deficit			(407,819)
Return of Surplus:			
Paid		-	
Authorized and Unpaid		-	
		<hr/>	
Total Return of Surplus			<hr/> -
Net Statutory Deficit			<hr/> <hr/> \$ (407,819)

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2008 OPERATING RESULTS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2008 TO DECEMBER 31, 2012

Underwriting Income:			
Regular Contributions	\$ 10,164,241		
Supplemental Contributions	-		
Environmental JIF Dividend	-		
Other Income	<u>209</u>		
Total Underwriting Income			\$ 10,164,450
Incurred Liabilities:			
Claims:			
Paid (Net of Recoveries)	3,462,869		
Residual Claims Fund Premium	<u>1,168,785</u>		
Subtotal		\$ 4,631,654	
Less Excess Insurance:			
Received	-		
Recoverable	<u>-</u>		
Subtotal		<u>-</u>	
Total Limited Incurred Claims		4,631,654	
Expenses:			
Excess Insurance Premiums	3,474,787		
Administrative	<u>1,727,032</u>		
Total Expenses		<u>5,201,819</u>	
Total Incurred Liabilities			<u>9,833,473</u>
Underwriting Deficit			330,977
Investment Income			277,201
Surplus Transfer to Closed Year			<u>(608,178)</u>
Gross Statutory Surplus			-
Return of Surplus:			
Paid		-	
Authorized and Unpaid		<u>-</u>	
Total Return of Surplus			<u>-</u>
Net Statutory Surplus			<u><u>\$ -</u></u>

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF CLOSED FUND YEARS  
OPERATING RESULTS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD FEBRUARY 1, 1987, (DATE OF INCEPTION) TO DECEMBER 31, 2012

Underwriting Income:		
Regular Contributions	\$ 102,133,717	
Supplemental Contributions	595,000	
Residual Claims Fund Dividend	862,772	
MEL Dividend	216,655	
Environmental JIF Dividend	889,996	
Other Income	<u>60,647</u>	
Total Underwriting Income		\$ 104,758,787
Incurred Liabilities:		
Claims:		
Paid (Net of Recoveries)	45,951,034	
Residual Claims Fund Premium	<u>8,198,707</u>	
Subtotal		\$ 54,149,741
Less Excess Insurance:		
Received	260,901	
Recoverable	<u>-</u>	
		<u>260,901</u>
Total Limited Incurred Claims		53,888,840
Expenses:		
Excess Insurance Premiums	22,922,750	
Administrative	<u>19,728,210</u>	
Total Expenses		<u>42,650,960</u>
Total Incurred Liabilities		<u>96,539,800</u>
Underwriting Surplus		8,218,987
Investment Income		9,280,410
Transfer of Surplus From 2008 Fund Year		<u>608,178</u>
Gross Statutory Surplus		18,107,575
Return of Surplus:		
Paid	15,760,344	
Authorized and Unpaid	<u>190,565</u>	
Total Return of Surplus		<u>15,950,909</u>
Net Statutory Surplus		<u><u>\$ 2,156,666</u></u>

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2012 ACCOUNT OPERATING RESULTS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2012 TO DECEMBER 31, 2012

	Property	General Liability	Automobile	Workers' Compensation	Environmental JIF	MEL	Public Officials & Employment Practices	Expense & Contingency	Total
Underwriting Income:									
Regular Contributions	\$ 914,381	\$ 1,338,095	\$ 388,406	\$ 3,528,729	\$ 313,934	\$ 2,047,363	\$ 751,832	\$ 1,908,423	\$ 11,191,163
Supplemental Contributions									-
Environmental JIF Dividend									-
Other Income									-
<b>Total Income</b>	<b>914,381</b>	<b>1,338,095</b>	<b>388,406</b>	<b>3,528,729</b>	<b>313,934</b>	<b>2,047,363</b>	<b>751,832</b>	<b>1,908,423</b>	<b>11,191,163</b>
Incurred Liabilities:									
Claims	335,000	1,300,000	425,000	3,319,438	313,934	2,047,363	754,085	1,733,143	5,379,438
Expenses	428,022								5,276,547
<b>Total Liabilities</b>	<b>763,022</b>	<b>1,300,000</b>	<b>425,000</b>	<b>3,319,438</b>	<b>313,934</b>	<b>2,047,363</b>	<b>754,085</b>	<b>1,733,143</b>	<b>10,655,985</b>
Underwriting Surplus (Deficit)	151,359	38,095	(36,594)	209,291	-	-	(2,253)	175,280	535,178
Adjustments:									
Investment Income	1,705	5,783	1,555	13,191	161	1,837	(75)	1,814	25,971
Permanent Transfers									-
<b>Total Adjustments</b>	<b>1,705</b>	<b>5,783</b>	<b>1,555</b>	<b>13,191</b>	<b>161</b>	<b>1,837</b>	<b>(75)</b>	<b>1,814</b>	<b>25,971</b>
Gross Statutory Surplus (Deficit)	153,064	43,878	(35,039)	222,482	161	1,837	(2,328)	177,094	561,149
Return of Surplus									-
<b>Net Statutory Surplus (Deficit)</b>	<b>\$ 153,064</b>	<b>\$ 43,878</b>	<b>\$ (35,039)</b>	<b>\$ 222,482</b>	<b>\$ 161</b>	<b>\$ 1,837</b>	<b>\$ (2,328)</b>	<b>\$ 177,094</b>	<b>\$ 561,149</b>

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2011 ACCOUNT OPERATING RESULTS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2011 TO DECEMBER 31, 2012

	<u>Coverages and Other Accounts</u>							Total	
	Property	General Liability	Automobile	Workers' Compensation	Environmental JIF	MEL	Public Officials & Employment Practices		Expense & Contingency
Underwriting Income:									
Regular Contributions	\$ 898,183	\$ 1,300,364	\$ 420,271	\$ 3,404,221	\$ 316,472	\$ 2,093,998	\$ 770,406	\$ 1,924,587	\$ 11,128,502
Supplemental Contributions									-
Environmental JIF Dividend									-
<b>Total Income</b>	<b>898,183</b>	<b>1,300,364</b>	<b>420,271</b>	<b>3,404,221</b>	<b>316,472</b>	<b>2,093,998</b>	<b>770,406</b>	<b>1,924,587</b>	<b>11,128,502</b>
Incurred Liabilities:									
Claims	487,000	1,100,000	180,000	3,795,000	316,472	2,092,325	770,406	1,836,373	5,562,000
Expenses	406,157								5,421,733
<b>Total Liabilities</b>	<b>893,157</b>	<b>1,100,000</b>	<b>180,000</b>	<b>3,795,000</b>	<b>316,472</b>	<b>2,092,325</b>	<b>770,406</b>	<b>1,836,373</b>	<b>10,983,733</b>
Underwriting Surplus	5,026	200,364	240,271	(390,779)	-	1,673	-	88,214	144,769
Adjustments:									
Investment Income	6,062	29,311	8,998	64,047	(151)	14,986	(556)	16,701	139,398
Permanent Transfers									-
<b>Total Adjustments</b>	<b>6,062</b>	<b>29,311</b>	<b>8,998</b>	<b>64,047</b>	<b>(151)</b>	<b>14,986</b>	<b>(556)</b>	<b>16,701</b>	<b>139,398</b>
Gross Statutory Surplus (Deficit)	11,088	229,675	249,269	(326,732)	(151)	16,659	(556)	104,915	284,167
Return of Surplus									-
<b>Net Statutory Surplus (Deficit)</b>	<b>\$ 11,088</b>	<b>\$ 229,675</b>	<b>\$ 249,269</b>	<b>\$ (326,732)</b>	<b>\$ (151)</b>	<b>\$ 16,659</b>	<b>\$ (556)</b>	<b>\$ 104,915</b>	<b>\$ 284,167</b>



CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2010 ACCOUNT OPERATING RESULTS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2010 TO DECEMBER 31, 2012

Coverages and Other Accounts

	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Environmental JIF</u>	<u>MEL</u>	<u>Expense &amp; Contingency</u>	<u>Total</u>
Underwriting Income:								
Regular Contributions	\$ 876,337	\$ 1,255,716	\$ 410,966	\$ 3,258,103	\$ 321,123	\$ 2,876,515	\$ 1,917,223	\$ 10,915,983
Supplemental Contributions								-
Environmental JIF Dividend								-
Other Income								-
<b>Total Income</b>	<b>876,337</b>	<b>1,255,716</b>	<b>410,966</b>	<b>3,258,103</b>	<b>321,123</b>	<b>2,876,515</b>	<b>1,917,223</b>	<b>10,915,983</b>
Incurred Liabilities:								
Claims	309,920	1,466,000	150,000	3,152,984	321,123	2,875,342	1,864,953	5,078,904
Expenses	395,973							5,457,391
<b>Total Liabilities</b>	<b>705,893</b>	<b>1,466,000</b>	<b>150,000</b>	<b>3,152,984</b>	<b>321,123</b>	<b>2,875,342</b>	<b>1,864,953</b>	<b>10,536,295</b>
<b>Underwriting Surplus (Deficit)</b>	<b>170,444</b>	<b>(210,284)</b>	<b>260,966</b>	<b>105,119</b>	<b>-</b>	<b>1,173</b>	<b>52,270</b>	<b>379,688</b>
Adjustments:								
Investment Income	6,484	35,031	11,573	57,383	486	3,477	7,163	121,597
Permanent Transfers								-
<b>Total Adjustments</b>	<b>6,484</b>	<b>35,031</b>	<b>11,573</b>	<b>57,383</b>	<b>486</b>	<b>3,477</b>	<b>7,163</b>	<b>121,597</b>
<b>Gross Statutory Surplus (Deficit)</b>	<b>176,928</b>	<b>(175,253)</b>	<b>272,539</b>	<b>162,502</b>	<b>486</b>	<b>4,650</b>	<b>59,433</b>	<b>501,285</b>
Return of Surplus	-	-	-	-	-	-	-	-
<b>Net Statutory Surplus (Deficit)</b>	<b>\$ 176,928</b>	<b>\$ (175,253)</b>	<b>\$ 272,539</b>	<b>\$ 162,502</b>	<b>\$ 486</b>	<b>\$ 4,650</b>	<b>\$ 59,433</b>	<b>\$ 501,285</b>

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2009 ACCOUNT OPERATING RESULTS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2009 TO DECEMBER 31, 2012

Coverages and Other Accounts

	Property	General Liability	Automobile	Workers' Compensation	Environmental JIF	MEL	Expense & Contingency	Total
Underwriting Income:								
Regular Contributions	\$ 1,021,267	\$ 1,063,522	\$ 401,343	\$ 3,073,839	\$ 321,043	\$ 2,802,522	\$ 1,849,397	\$ 10,532,933
Supplemental Contributions								-
Environmental JIF Dividend								-
Other Income								-
<b>Total Income</b>	<b>1,021,267</b>	<b>1,063,522</b>	<b>401,343</b>	<b>3,073,839</b>	<b>321,043</b>	<b>2,802,522</b>	<b>1,849,397</b>	<b>10,532,933</b>
Incurred Liabilities:								
Claims	440,755	1,351,122	113,429	3,835,000	321,043	2,801,379	1,798,592	5,740,306
Expenses	430,565							5,351,579
<b>Total Liabilities</b>	<b>871,320</b>	<b>1,351,122</b>	<b>113,429</b>	<b>3,835,000</b>	<b>321,043</b>	<b>2,801,379</b>	<b>1,798,592</b>	<b>11,091,885</b>
Underwriting Surplus (Deficit)	149,947	(287,600)	287,914	(761,161)	-	1,143	50,805	(558,952)
Adjustments:								
Investment Income	10,993	43,226	17,479	51,898	260	17,850	9,427	151,133
Permanent Transfers								-
<b>Total Adjustments</b>	<b>10,993</b>	<b>43,226</b>	<b>17,479</b>	<b>51,898</b>	<b>260</b>	<b>17,850</b>	<b>9,427</b>	<b>151,133</b>
Gross Statutory Surplus (Deficit)	160,940	(244,374)	305,393	(709,263)	260	18,993	60,232	(407,819)
Return of Surplus								-
<b>Net Statutory Surplus (Deficit)</b>	<b>\$ 160,940</b>	<b>\$ (244,374)</b>	<b>\$ 305,393</b>	<b>\$ (709,263)</b>	<b>\$ 260</b>	<b>\$ 18,993</b>	<b>\$ 60,232</b>	<b>\$ (407,819)</b>

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2008 ACCOUNT OPERATING RESULTS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2008 TO DECEMBER 31, 2012

	<u>Coverages and Other Accounts</u>								
	Property	General Liability	Automobile	Workers' Compensation	Loss Contingency	Environmental JIF	MEL	Expense & Contingency	Total
Underwriting Income:									
Regular Contributions	\$ 1,097,940	\$ 985,947	\$ 393,207	\$ 2,849,800	\$ 125,000	\$ 313,716	\$ 2,619,601	\$ 1,779,030	\$ 10,164,241
Supplemental Contributions									-
Environmental JIF Dividend									-
Other Income								209	209
<b>Total Income</b>	<b>1,097,940</b>	<b>985,947</b>	<b>393,207</b>	<b>2,849,800</b>	<b>125,000</b>	<b>313,716</b>	<b>2,619,601</b>	<b>1,779,239</b>	<b>10,164,450</b>
Incurred Liabilities:									
Claims	335,654	1,100,000	421,000	2,775,000		313,716	2,619,478	1,727,032	4,631,654
Expenses	541,593								5,201,819
<b>Total Liabilities</b>	<b>877,247</b>	<b>1,100,000</b>	<b>421,000</b>	<b>2,775,000</b>	<b>-</b>	<b>313,716</b>	<b>2,619,478</b>	<b>1,727,032</b>	<b>9,833,473</b>
<b>Underwriting Surplus (Deficit)</b>	<b>220,693</b>	<b>(114,053)</b>	<b>(27,793)</b>	<b>74,800</b>	<b>125,000</b>	<b>-</b>	<b>123.00</b>	<b>52,207</b>	<b>330,977</b>
Adjustments:									
Investment Income	23,602	61,401	28,546	111,087	8,644	1,166	24,946	17,809	277,201
Permanent Transfers									-
<b>Total Adjustments</b>	<b>23,602</b>	<b>61,401</b>	<b>28,546</b>	<b>111,087</b>	<b>8,644</b>	<b>1,166</b>	<b>24,946</b>	<b>17,809</b>	<b>277,201</b>
<b>Gross Statutory Surplus (Deficit)</b>	<b>244,295</b>	<b>(52,652)</b>	<b>753</b>	<b>185,887</b>	<b>133,644</b>	<b>1,166</b>	<b>25,069</b>	<b>70,016</b>	<b>608,178</b>
(Surplus) Deficit Transfer to Closed Fund Year	244,295	(52,652)	753	185,887	133,644	1,166	25,069	70,016	608,178
<b>Net Statutory Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2012 CLAIMS ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2012 TO DECEMBER 31, 2012

	<u>Coverages</u>				
	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	<u>Total</u>
Paid Claims					
(Net of Recoveries)	\$ 284,765	\$ 66,209	\$ 43,494	\$ 1,048,350	\$ 1,442,818
Case Reserves	64,029	112,255	50,975	1,283,210	1,510,469
IBNR Reserves	(13,794)	1,121,536	330,531	987,878	2,426,151
Subtotal	335,000	1,300,000	425,000	3,319,438	5,379,438
Excess Insurance					
Received					-
Recoverable					-
Subtotal	-	-	-	-	-
Limited Incurred Claims	\$ 335,000	\$ 1,300,000	\$ 425,000	\$ 3,319,438	\$ 5,379,438
Number of Claims	76	69	52	257	454
Average Cost Per Claim	\$ 4,408	\$ 18,841	\$ 8,173	\$ 12,916	\$ 11,849

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
 STATEMENT OF FUND YEAR 2011 CLAIMS ANALYSIS--STATUTORY BASIS  
 FOR THE PERIOD JANUARY 1, 2011 TO DECEMBER 31, 2012

	<u>Coverages</u>				<u>Total</u>
	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	
Paid Claims (Net of Recoveries)	\$ 481,322	\$ 276,901	\$ 83,425	\$ 2,189,571	\$ 3,031,219
Case Reserves	7,613	196,965	11,413	1,285,412	1,501,403
IBNR Reserves	(1,935)	626,134	85,162	320,017	1,029,378
Subtotal	<u>487,000</u>	<u>1,100,000</u>	<u>180,000</u>	<u>3,795,000</u>	<u>5,562,000</u>
Excess Insurance Received Recoverable					-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Limited Incurred Claims	<u>\$ 487,000</u>	<u>\$ 1,100,000</u>	<u>\$ 180,000</u>	<u>\$ 3,795,000</u>	<u>\$ 5,562,000</u>
Number of Claims	<u>140</u>	<u>220</u>	<u>93</u>	<u>285</u>	<u>738</u>
Average Cost Per Claim	<u>\$ 3,479</u>	<u>\$ 5,000</u>	<u>\$ 1,935</u>	<u>\$ 13,316</u>	<u>\$ 7,537</u>

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
 STATEMENT OF FUND YEAR 2010 CLAIMS ANALYSIS--STATUTORY BASIS  
 FOR THE PERIOD JANUARY 1, 2010 TO DECEMBER 31, 2012

	<u>Coverages</u>				<u>Total</u>
	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	
Paid Claims (Net of Recoveries)	\$ 304,576	\$ 852,160	\$ 85,587	\$ 2,245,426	\$ 3,487,749
Case Reserves	5,344	465,497	41,384	850,764	1,362,989
IBNR Reserves		148,343	23,029	56,794	228,166
Subtotal	<u>309,920</u>	<u>1,466,000</u>	<u>150,000</u>	<u>3,152,984</u>	<u>5,078,904</u>
Excess Insurance Received Recoverable					-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Limited Incurred Claims	<u>\$ 309,920</u>	<u>\$ 1,466,000</u>	<u>\$ 150,000</u>	<u>\$ 3,152,984</u>	<u>\$ 5,078,904</u>
Number of Claims	<u>138</u>	<u>220</u>	<u>116</u>	<u>320</u>	<u>794</u>
Average Cost Per Claim	<u>\$ 2,246</u>	<u>\$ 6,664</u>	<u>\$ 1,293</u>	<u>\$ 9,853</u>	<u>\$ 6,397</u>

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
 STATEMENT OF FUND YEAR 2009 CLAIMS ANALYSIS--STATUTORY BASIS  
 FOR THE PERIOD JANUARY 1, 2009 TO DECEMBER 31, 2012

	<u>Coverages</u>				<u>Total</u>
	<u>Property</u>	<u>General Liability</u>	<u>Automobile</u>	<u>Workers' Compensation</u>	
Paid Claims (Net of Recoveries)	\$ 427,583	\$ 869,106	\$ 113,429	\$ 3,327,105	\$ 4,737,223
Case Reserves	13,172	400,238		406,799	820,209
IBNR Reserves		81,778		101,096	182,874
Subtotal	440,755	1,351,122	113,429	3,835,000	5,740,306
Excess Insurance Received Recoverable					-
Subtotal	-	-	-	-	-
Limited Incurred Claims	\$ 440,755	\$ 1,351,122	\$ 113,429	\$ 3,835,000	\$ 5,740,306
Number of Claims	165	230	100	310	805
Average Cost Per Claim	\$ 2,671	\$ 5,874	\$ 1,134	\$ 12,371	\$ 7,131

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2012 EXPENSE ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2012 TO DECEMBER 31, 2012

	<u>Paid</u>	<u>Accrued</u>	<u>Total</u>
Excess Insurance Premiums			
Property Account-MEL	\$ 541,593		\$ 541,593
Environmental Account MEL	313,716		313,716
	2,619,478		2,619,478
	<hr/>		
Subtotal Excess Insurance	3,474,787	-	3,474,787
	<hr/>		
Administrative Expenses:			
Actuary	41,901		41,901
Administration	266,694		266,694
Attorney	16,533	\$ 3,298	19,831
Auditor	-	24,121	24,121
Claims Administration	246,000	25,000	271,000
Director's Fee	15,000		15,000
Internal Auditor	14,000		14,000
Litigation Management	35,936	6,431	42,367
Medical Management	99,527		99,527
Risk Management Consulting	671,470		671,470
Safety Director	120,543		120,543
Safety Programs	70,628	18,461	89,089
Treasurer	22,945		22,945
Underwriter	10,404		10,404
Miscellaneous Expenses, Postage, Telephone, Advertising, Etc.	22,977	1,274	24,251
	<hr/>		
Subtotal Administrative Expenses	1,654,558	78,585	1,733,143
	<hr/>		
Total Expenses	\$ 5,129,345	\$ 78,585	\$ 5,207,930
	<hr/> <hr/>		



CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2011 EXPENSE ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2011 TO DECEMBER 31, 2012

	<u>Paid</u>	<u>Accrued</u>	<u>Total</u>
Excess Insurance Premiums			
Property Account-MEL	\$ 406,157		\$ 406,157
Environmental Account	316,472		316,472
MEL	2,092,325		2,092,325
Public Officials & Employment Practices	770,406		770,406
	<hr/>		
Subtotal Excess Insurance	3,585,360	-	3,585,360
	<hr/>		
Administrative Expenses:			
Actuary	41,282		41,282
Administrator	262,735		262,735
Attorney	19,828		19,828
Auditors	23,000		23,000
Claims Administrator	351,091		351,091
Director's Fees - Meeting Attendance	17,100		17,100
Internal Audit	30,489		30,489
Litigation Management	34,401		34,401
Medical Management	98,056		98,056
Risk Management Consulting	667,678		667,678
Safety Director	103,629		103,629
Safety Programs	145,436		145,436
Treasurer	22,606		22,606
Underwriter Manager's Fee	10,250		10,250
Miscellaneous Expenses, Postage, Telephone, Advertising, Etc.	7,892	\$ 900	8,792
	<hr/>		
Subtotal Administrative Expenses	1,835,473	900	1,836,373
	<hr/>		
Total Expenses	\$ 5,420,833	\$ 900	\$ 5,421,733
	<hr/> <hr/>		

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2010 EXPENSE ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2010 TO DECEMBER 31, 2012

	<u>Paid</u>	<u>Accrued</u>	<u>Total</u>
Excess Insurance Premiums			
Property Account-MEL	\$ 395,973		\$ 395,973
Environmental Account	321,123		321,123
MEL	2,875,342		2,875,342
	<hr/>		
Subtotal Excess Insurance	3,592,438	-	3,592,438
	<hr/>		
Administrative Expenses:			
Actuary	41,282		41,282
Administrator	262,734		262,734
Attorney	19,955		19,955
Auditors	23,000		23,000
Claims Administrator	351,091		351,091
Director's Fees - Meeting Attendance	16,950		16,950
Internal Audit	40,218		40,218
Litigation Management	35,666		35,666
Medical Management	98,056		98,056
Risk Management Consulting	655,018		655,018
Safety Director	118,762		118,762
Safety Programs	156,414		156,414
Treasurer	22,605		22,605
Underwriter Manager's Fee	10,250		10,250
Miscellaneous Expenses, Postage, Telephone, Advertising, Etc.	12,952		12,952
	<hr/>		
Subtotal Administrative Expenses	1,864,953	-	1,864,953
	<hr/>		
Total Expenses	\$ 5,457,391	-	\$ 5,457,391
	<hr/> <hr/>		

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2009 EXPENSE ANALYSIS--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2009 TO DECEMBER 31, 2012

	<u>Paid</u>	<u>Accrued</u>	<u>Total</u>
Excess Insurance Premiums			
Property Account-MEL	\$ 430,565		\$ 430,565
Environmental Account	321,043		321,043
MEL	2,801,379		2,801,379
	<hr/>		
Subtotal Excess Insurance	3,552,987	-	3,552,987
	<hr/>		
Administrative Expenses:			
Actuary	40,275		40,275
Administrator	256,327		256,327
Attorney	19,505		19,505
Auditors	23,184		23,184
Claims Administrator	342,582		342,582
Director's Fees - Meeting Attendance	14,400		14,400
Internal Audit	43,009		43,009
Litigation Management	26,579		26,579
Medical Management	97,095		97,095
Risk Management Consulting	631,976		631,976
Safety Director	115,865		115,865
Safety Programs	140,378		140,378
Treasurer	22,054		22,054
Underwriter Manager's Fee	10,000		10,000
Miscellaneous Expenses, Postage, Telephone, Advertising, Etc.	15,363		15,363
	<hr/>		
Subtotal Administrative Expenses	1,798,592	-	1,798,592
	<hr/>		
Total Expenses	\$ 5,351,579	-	\$ 5,351,579
	<hr/> <hr/>		

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2012 PROGRAM SUMMARY--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2012 TO DECEMBER 31, 2012

	<u>Coverages</u>			
	<u>Property</u>	<u>General Liability</u>	<u>Auto</u>	<u>Workers Compensation</u>
Limits	\$100,000,000	\$200,000	\$200,000	STATUTORY
Fund Retention	\$50,000	\$200,000	\$200,000	\$200,000
Excess Insurers	MEL	MEL	MEL	MEL
Number of Participants	34	34	34	34
Incurred Liabilities:				
Claims (Schedule D)	\$335,000	\$1,300,000	\$425,000	\$3,319,438
Administrative Expenses (1)	574,834	403,915	117,244	1,065,177
	<u>\$909,834</u>	<u>\$1,703,915</u>	<u>\$542,244</u>	<u>\$4,384,615</u>
Exposure Units	\$ 667,766,213 (Property Value)	313,300 (Population)	2,089 (Vehicles)	\$ 134,359,476 (Payroll)
Average Liability Per Exposure Unit	\$1.36 (Per \$1,000 Value)	\$5.44 (Per Capita)	\$259.57 (Per Vehicle)	\$32.63 (Per \$1,000 Payroll)

(1) Allocated on the basis of assessments and transfers by coverage to total net of Property account insurance premiums.

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2011 PROGRAM SUMMARY--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2011 TO DECEMBER 31, 2012

	<u>Coverages</u>			
	<u>Property</u>	<u>General Liability</u>	<u>Auto</u>	<u>Workers Compensation</u>
Limits	\$100,000,000	\$250,000	\$250,000	STATUTORY
Fund Retention	\$50,000	\$250,000	\$250,000	\$250,000
Excess Insurers	MEL	MEL	MEL	MEL
Number of Participants	35	35	35	35
Incurred Liabilities:				
Claims (Schedule D)	\$487,000	\$1,100,000	\$180,000	\$3,795,000
Administrative Expenses (1)	567,019	425,138	137,403	1,112,969
	<u>\$1,054,019</u>	<u>\$1,525,138</u>	<u>\$317,403</u>	<u>\$4,907,969</u>
Exposure Units	\$ 667,766,213 (Property Value)	313,300 (Population)	1,799 (Vehicles)	\$131,982,808 (Payroll)
Average Liability Per Exposure Unit	\$1.58 (Per \$1,000 Value)	\$4.87 (Per Capita)	\$176.43 (Per Vehicle)	\$37.19 (Per \$1,000 Payroll)

(1) Allocated on the basis of assessments and transfers by coverage to total net of Property account insurance premiums.

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2010 PROGRAM SUMMARY--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2010 TO DECEMBER 31, 2012

	<u>Coverages</u>			
	<u>Property</u>	<u>General Liability</u>	<u>Auto</u>	<u>Workers Compensation</u>
Limits	\$100,000,000	\$250,000	\$250,000	STATUTORY
Fund Retention	\$50,000	\$250,000	\$250,000	\$250,000
Excess Insurers	MEL	MEL	MEL	MEL
Number of Participants	36	36	36	36
Incurred Liabilities:				
Claims (Schedule D)	\$309,920	\$1,466,000	\$150,000	\$3,152,984
Administrative Expenses (1)	561,714	433,263	141,797	1,124,151
	<u>\$871,634</u>	<u>\$1,899,263</u>	<u>\$291,797</u>	<u>\$4,277,135</u>
Exposure Units	\$ 643,298,559 (Property Value)	313,300 (Population)	1,764 (Vehicles)	\$153,276,761 (Payroll)
Average Liability Per Exposure Unit	\$1.35 (Per \$1,000 Value)	\$6.06 (Per Capita)	\$165.42 (Per Vehicle)	\$27.90 (Per \$1,000 Payroll)

(1) Allocated on the basis of assessments and transfers by coverage to total net of Property account insurance premiums.

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
STATEMENT OF FUND YEAR 2009 PROGRAM SUMMARY--STATUTORY BASIS  
FOR THE PERIOD JANUARY 1, 2009 TO DECEMBER 31, 2012

	<u>Coverages</u>			
	<u>Property</u>	<u>General Liability</u>	<u>Auto</u>	<u>Workers Compensation</u>
Limits	\$100,000,000	\$200,000	\$200,000	STATUTORY
Fund Retention	\$50,000	\$200,000	\$200,000	\$200,000
Excess Insurers	MEL	MEL	MEL	MEL
Number of Participants	36	36	36	36
Incurred Liabilities:				
Claims (Schedule D)	\$440,755	\$1,351,122	\$113,429	\$3,835,000
Administrative Expenses (1)	637,690	372,916	140,728	1,077,820
	<u>\$1,078,445</u>	<u>\$1,724,038</u>	<u>\$254,157</u>	<u>\$4,912,820</u>
Exposure Units	\$ 624,636,984 (Property Value)	313,300 (Population)	1,810 (Vehicles)	\$146,104,717 (Payroll)
Average Liability Per Exposure Unit	\$1.73 (Per \$1,000 Value)	\$5.50 (Per Capita)	\$140.42 (Per Vehicle)	\$33.63 (Per \$1,000 Payroll)

(1) Allocated on the basis of assessments and transfers by coverage to total net of Property account insurance premiums.

CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF CASH AND INVESTMENTS  
AS OF DECEMBER 31, 2012

<u>Description</u>	<u>Amount</u>
<u>Cash and Cash Equivalents</u>	
TD Bank:	
Administration and Expense Account	\$ 600
Claims Account - Property & Liability	130
Claims Account - Workers Compensation	-
Clearing Account	451,462
Investment Account	3,655,912
NJ Cash Management Fund	59
Total Cash and Cash Equivalents	4,108,163
<u>Investments</u>	
TD Wealth Management - Investment Account	8,099,781
Total Cash and Investments per Schedule A - Historical Balance Sheet	\$ 12,207,944
Total Cash and Investments by Fund Year:	
2012	4,574,144
2011	2,810,577
2010	2,088,486
2009	593,816
Closed Years	2,140,921
	\$ 12,207,944



CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF ACCRUED EXPENSES  
AS OF DECEMBER 31, 2012

<u>Description</u>	<u>Fund Year</u>	<u>Amount</u>
Administrative Expenses:		
Miscellaneous Expenses	2011	\$ 900
Total 2011 Fund Year		<u>900</u>
Administrative Expenses:		
Bowman & Company LLP - Auditor	2012	24,120
Brown & Connery, LLP - Legal	2012	3,298
Compservices, Inc. - Claims Administrator	2012	25,000
Litigation Management	2012	6,431
Safety Program Expenses	2012	19,362
Miscellaneous Expenses	2012	374
Total 2012 Fund Year		<u>78,585</u>
Total Accrued Expenses per Schedule A - Historical Balance Sheet		<u>\$ 79,485</u>

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards and in compliance with audit requirements as prescribed by the Department of Banking and Insurance and the Division of Local Government Services, Department of Community Affairs of the State of New Jersey.

**SCHEDULE OF FINANCIAL STATEMENT FINDINGS**

None

**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AS PREPARED BY MANAGEMENT**


This section identifies the status of prior year audit findings related to the financial statements that are required to be reported in accordance with Government Auditing Standards.

There were no findings in the prior year.

**APPRECIATION**

We express our appreciation for the assistance provided to us during our audit.

Respectfully submitted,  
BOWMAN & COMPANY LLP



James J. Miles, Jr

