

MEMORANDUM

TO: BURLCO JIF Fund Commissioners
FROM: Jodi Palmeri, Senior Financial Analyst
DATE: February 16, 2016
RE: Quarterly MEL Loss Ratio Snapshot

Loss Ratio Report

Attached you will find your individual MEL Loss Ratio Snapshot for Fund Years 2009 through 2014 valued as of December 31, 2015. The report reflects your respective loss ratio performance compared to the Fund in both table and graph format for all Lines of Coverage.

The reports serve as a mechanism for members to analyze their respective claims position and understand how the loss ratio calculation works.

Loss Ratio is defined as *Incurred Claims* (paid claim amounts + open case reserves) divided by *Loss Funds*.

To illustrate, a member with an annual loss fund assessment of \$100,000 compared to \$40,000 in incurred claims has a 40% **Loss Ratio**. The member is defined as a *Net Giver*, because they are giving 60% more to the Fund than they take in losses.

A loss ratio of 100% represents the breakeven point at which a member's contributed loss funds equal the amount of claims incurred.

A member with an annual loss fund assessment of \$100,000 compared to \$140,000 in incurred claims has a 140% **Loss Ratio**. The member is defined as a *Net Taker*, because they are taking 40% more from the MEL than they contribute in paid loss funds.

Claim File Report

Attached to the report you will also find a listing of all MEL claim files for your municipality for Fund Years 2009 through 2014.

We encourage each member to review the status of all files listed.

If you have any questions regarding a specific file, please contact the applicable adjuster listed. All adjuster phone numbers are listed on the Fund website at www.burlcojif.org. If you have a question on this report, please contact our office.

Copy: Risk Management Consultants

File: BURLCO/GEN/MEL Loss Ratio Snapshot; Tab: December 31, 2015

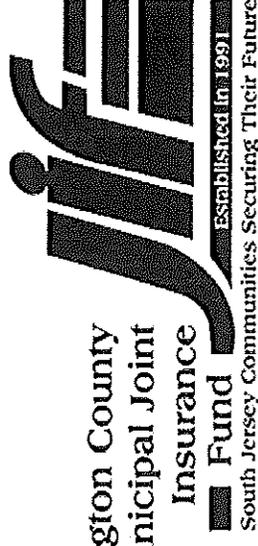
Burlington County Municipal Joint Insurance Fund

MEL Loss Ratio Snapshot & File Summary

December 31, 2015

Pemberton Township

**Burlington County
Municipal Joint
Insurance
Fund**



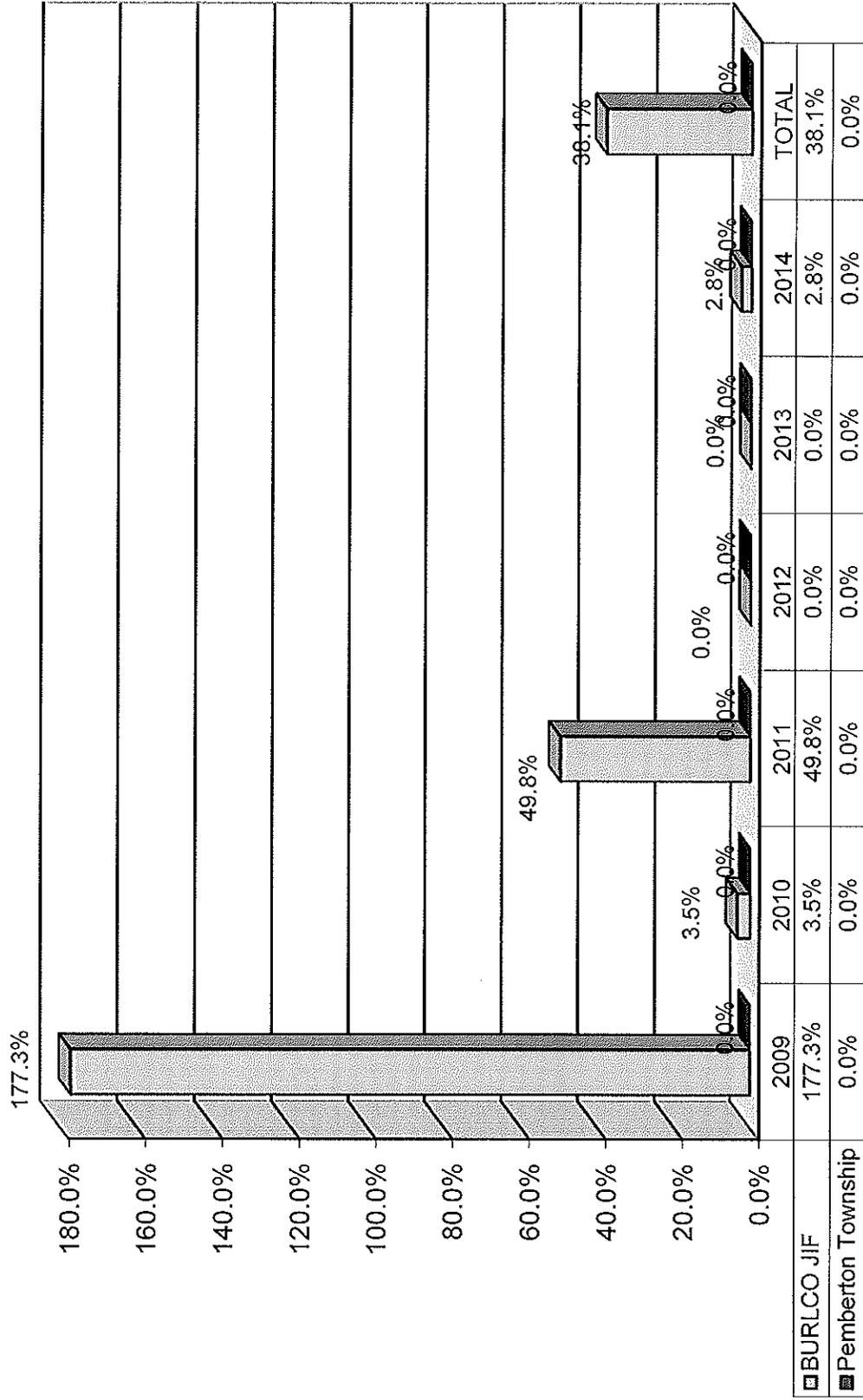
Burlington County Municipal Joint Insurance Fund
Six Year Cumulative MEL Loss Ratio Summary
December 31, 2015

	2009	2010	2011	2012	2013	2014	TOTAL
BURLCO JIF							
LOSS FUNDS	640,323	569,250	602,885	665,047	701,999	693,420	3,872,924
CLAIMS INCURRED	1,135,466	20,069	300,366	-	-	19,561	1,475,462
LOSS RATIO	177.3%	3.5%	49.8%	0.0%	0.0%	2.8%	38.1%

PEMBERTON							
LOSS FUNDS	-	-	-	-	85,639	82,030	167,670
CLAIMS INCURRED	-	-	-	-	-	-	-
LOSS RATIO	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

PLEASE NOTE: Claims Incurred includes any money that has been paid on the claim (expenses, medical, settlement, etc) and reserves established by the TPA to account for the anticipated ultimate cost of the claim (expenses, medical, settlement, etc.)

MEL LOSS RATIO SUMMARY - DECEMBER 31, 2015



LOSS RATIO