

**A RESOLUTION OF THE TOWNSHIP OF NORTH BRUNSWICK
AUTHORIZING AN AGREEMENT WITH THE
GARDEN STATE MUNICIPAL JOINT INSURANCE FUND**

WHEREAS, the Township of North Brunswick currently participates as a member of the Garden State Municipal Joint Insurance Fund pursuant to Chapter 372, Laws of 1983 (N.J.S.A. 40A:10-36 et seq.); and

WHEREAS, with the current agreement expiring on December 31, 2022, the Township has solicited proposals through its risk manager, Arthur J. Gallagher & Co., for continued insurance coverage, and has received three responsive proposals; and

WHEREAS, upon comparison of the proposed coverage, the deductibles, the annual premium, loss control programs, training, and the reputation of each proposer, the Risk Manager and Business Administrator recommend selecting the Garden State Municipal Joint Insurance Fund as being in the best interest of the municipality with an assessment of \$1,312,751.00 under a *Retrospective Rating Plan and Assessment Factor of 1.30x*; and

WHEREAS, the provision of Insurance may be negotiated and awarded by the governing body pursuant to Local Public Contracts Law N.J.S.A.40A:11-5(m) et seq.; and

WHEREAS, the Chief Financial Officer has certified that funds are available for this purpose in Account 3-01-23-210-000-193 in the amount of \$656,375.50 included in the FY2023 Budget and future payments will be paid from and subject to the appropriation of funds in future fiscal year budgets.

NOW THEREFORE, BE IT RESOLVED by the Township Council of the Township of North Brunswick, in the County of Middlesex, and the State of New Jersey as follows:

SECTION 1. The Township of North Brunswick hereby agrees to become a member of the Garden State Municipal Joint Insurance Fund (hereinafter the "Fund") for period of one year (1) year commencing January 1, 2023 and terminating on December 31, 2023, for the purpose of securing the insurance coverage, including:

- a) Workers Compensation and Employer's Liability;
- b) General Liability including Law Enforcement and Public Officials Liability;
- c) Motor Vehicle Liability;
- d) Property Damage Coverage (building, contents, equipment, and motor vehicle);
- e) Cyber Liability.

After the expiration of the said one (1) year period of membership, participation may be canceled or extended for one additional two-year period January 1, 2024 and terminating December 31, 2025.

SECTION 2. For the purposes of contribution of sums into the Fund to be designated for administrative costs and claims, the Township of North Brunswick hereby agrees to obtain the types of coverage from the Fund as are set forth in Section 1 of the Resolution and the Indemnity and Trust Agreement to be signed by it.

SECTION 3. The Mayor is hereby authorized to execute an Indemnity & Trust Agreement signifying membership.

BE IT FURTHER RESOLVED notice of this action shall be published in the Home News & Tribune as required by law within 10 (ten) days after its passage.

CERTIFICATION

The Chief Financial Officer of the Township of North Brunswick certifies that funds in the amount of \$656,375.50 are available in the FY2023 Budget and future payments will be paid from and subject to the appropriation of funds in future fiscal year budgets.

Cavel Gallimore
Chief Financial Officer

Justine Progebin
Business Administrator

Ronald Gordon, Esq.
Township Attorney
Approved as to legal form

RECORDED VOTE:

COUNCIL MEMBER	YES	NO	ABSTAIN	NOTES
HUTCHINSON				
MEHTA				
GUADAGNINO				
ANDREWS				
SOCIO				
DAVIS				
MAYOR WOMACK				

I hereby certify that the above Resolution was duly adopted by the Township Council of the Township of North Brunswick, County of Middlesex, at its meeting held on December 12, 2022.

Lisa Russo
Township Clerk

Summary of Significant Coverage Changes

Important:

This Highlight is only an outline of the changes compared to your current coverage since your last renewal. It does not include all of the changes in terms, coverages, exclusions, limitations and conditions. **YOU MUST READ THE POLICY FOR THOSE DETAILS.**

LINE OF BUSINESS	COVERAGE	EXPIRING POLICY
Garden State Municipal Joint Insurance Fund - Property	Property Policy Limit \$350,000,000; Property Deductible \$50,000; Flood Limit \$25,000,000; \$2,500,000 Occurrence Zones A and V; Flood Deductible \$50,000; Newly Acquired Buildings \$50,000,000; Money & Securities \$500,000; Windstorm locations have changed; Windstorm Deductible Tier 1 & 2 \$250,000; Windstorm Deductible all other locations \$50,000	Property Policy Limit \$600,000,000; Property Deductible \$1,000; Flood Limit \$50,000,000; \$5,000,000 Occurrence Zones A and V; Flood Deductible \$1,000; Newly Acquired Buildings – No Limit; Money and Securities \$2,500,000; Windstorm Deductible Tier 1 & 2 \$100,000; Windstorm Deductible all other locations \$1,000
Garden State Municipal Joint Insurance Fund – Equipment Breakdown	\$50,000 Deductible	\$1,000 Deductible
Garden State Municipal Joint Insurance Fund - Crime	New Coverage: Fraudulent Impersonation \$50,000 Deductible \$1,000	
Garden State Municipal Joint Insurance Fund – General Liability	\$10,000 Member Retention	\$0 Member Retention
Garden State Municipal Joint Insurance Fund – Automobile Liability	\$10,000 Member Retention \$5,000 Comprehensive Member Retention \$5,000 Collision Member Retention	\$0 Member Retention \$2,500 Comprehensive Member Retention \$2,500 Collision Member Retention
Garden State Municipal Joint Insurance Fund – Law Enforcement Liability	No Changes	No Changes
Garden State Municipal Joint Insurance Fund – Aviation	No Changes	No Changes

LINE OF BUSINESS	COVERAGE	EXPIRING POLICY
Garden State Municipal Joint Insurance Fund – Disaster Management Services	No Changes	No Changes
Garden State Municipal Joint Insurance Fund – Public Officials and Employment Practices Liability	No Changes	No Changes
Garden State Municipal Joint Insurance Fund – Cyber Liability	System Failure \$750,000; \$3,000,000 Each Claim Limit is New; No Limit for Security Breach or Cyber Extortion	System Failure \$1,000,000; \$1,500,000 Security Breach; \$1,500,000 Cyber Extortion
Garden State Municipal Joint Insurance Fund – Pollution Liability	Carrier Changed to Ace American Insurance Company;	
Garden State Municipal Joint Insurance Fund – Workers Compensation	Garden State Municipal Joint Insurance Fund Retention \$1,000,000	Garden State Municipal Joint Insurance Fund Retention \$750,000
Garden State Municipal Joint Insurance Fund	Retrospective Rating added	

Joint Insurance Fund History

15 Year Trend

Year	Joint Insurance Fund	Annual	Difference	Percentage Increase	Contract Year
2008	Middlesex County JIF Res. 394-12.07	1,088,334.00			1
2009	Middlesex County JIF Res. 394-12.07	1,132,099.00	43,765.00	4.02%	2
2010	Middlesex County JIF Res. 394-12.07	1,135,761.00	3,662.00	0.32%	3
2011	Garden State JIF - Res. 337-12.10	1,030,170.00	(105,591.00)	-9.30%	1
2012	Garden State JIF - Res. 337-12.10	1,055,825.00	25,655.00	2.49%	2
2013	Garden State JIF - Res. 337-12.10	1,074,273.00	18,448.00	1.75%	3
2014	Garden State JIF - Res 351-12.13	959,817.00	(114,456.00)	-10.65%	1
2015	Garden State JIF - Res 351-12.13	979,795.00	19,978.00	2.08%	2
2016	Garden State JIF - Res 351-12.13	999,552.00	19,757.00	2.02%	3
2017	Garden State JIF - Res 314-12.16	1,037,286.00	37,734.00	3.78%	1
2018	Garden State JIF - Res 314-12.16	1,072,940.00	35,654.00	3.44%	2
2019	Garden State JIF - Res 314-12.16	1,121,255.00	48,315.00	4.50%	3
2020	Garden State JIF - Res 328-12.19	1,134,998.00	13,743.00	1.23%	1
2021	Garden State JIF - Res 328-12.19	1,146,347.81	11,349.81	1.00%	2
2022	Garden State JIF - Res 328-12.19	1,243,408.91	97,061.10	8.47%	3
2023*	Garden State JIF - For Consideration	1,312,751.00	69,342.09	5.58%	1

* Retrospective Rating Plan and Assessment Factor of 1.30x Estimate