

## **YOUR MUNICIPALITY'S INSURANCE COVERAGE**

*We participate in a Joint Insurance Fund*

### **Isn't the Municipality insured by a traditional insurance company, similar to my car and home owners insurance? NO.**

Your Municipality is a member of an organization of 36 municipalities from Gloucester, Salem and Cumberland counties. These towns have joined forces to save tax dollars by pooling their resources to provide their members comprehensive fire, liability, automobile and workers' compensation insurance and strong risk management and safety programs. The Joint Insurance Fund (JIF) is not an insurance company, it is a tax dollar financed organization. This organization is called the Gloucester, Salem and Cumberland Counties Municipal Joint Insurance Fund (TRICO JIF).

### **Why wouldn't the Municipality just purchase the insurance through a traditional insurance company?**

#### **TO SAVE TAX PAYERS MONEY!**

By joining the TRICO JIF, Member Municipalities are saving their tax payers millions of dollars that would otherwise have been used to finance hefty traditional insurance premiums. By maintaining a very low overhead and using extensive loss control, risk management and claims management techniques the TRICO JIF has proven to be a valuable resource in these difficult economic times.

### **Who owns, governs and runs the TRICO JIF? THE MEMBER MUNICIPALITIES!**

The Member Municipalities own and govern the TRICO JIF. Each Member Municipality is represented by one of their employees or elected officials called a *Fund Commissioner*. Member participation on TRICO JIF Committees such as finance, claims, and safety make the JIF a member driven organization dedicated to meeting the needs of its members. Because of the complexities involved in managing the JIF, the member municipalities don't run the JIF on their own. The JIF Leadership (Executive Committee) appoints highly trained insurance professionals including an Administrator, Underwriter, Claims Administrator, Managed Care Organization, Auditor, Attorney, Treasurer, etc. to assist with the operations.

### **Who receives the money that is NOT spent on claims by the TRICO JIF? THE MEMBER MUNICIPALITIES!**

Unlike insurance companies, the TRICO JIF returns 100% of all unspent funds with interest to its member municipalities. These surplus distributions would have been insurance company profits, instead they are local tax payer's savings. If the towns perform well, and if excess funds were collected, the unspent funds are returned to the municipalities in the form of dividends. To date, over **\$9.7 million** has been returned.

### **Who is affected when there is a claim against the municipality? THE MUNICIPALITY, THE COMMUNITY AND YOU, THE TAX PAYER.**

The misconception: If I sue the municipality, then the municipality's insurance company will pay the settlement. **NOT TRUE.** Every claim and every lawsuit against a member municipality ultimately impacts the municipality, the other member municipalities in the JIF, and the tax payers.

### **Why is the JIF so efficient? THE MEMBER MUNICIPALITIES AND THE DECISIONS THEY MAKE!**

- JIF operating expenses are very low, 13.6%. Insurance company operating expenses are very high, over 30%!
- Through a structured safety program, members' awareness of safety issues has risen resulting in the elimination of unsafe acts and conditions. Member employees attend safety training and seminars. Members are required to appoint a Safety Committee to help reduce risk and prevent claims.
- The use of a Managed Care provider network ensures all claims are managed efficiently, and all medical procedures are provided by a strong group of in-network medical providers to reduce the cost of medical bills.

### **How can our municipality save money? LESS ACCIDENTS = LESS MONEY SPENT ON CLAIMS**

One way to save money is by preventing injuries to employees and accidents involving members of the public. When a claim does occur, the JIF utilizes their unique claims management program to assist in lowering costs, subsequently saving tax payers money. The JIF tax payer savings programs include safety training, claims management and review, managed care network of medical providers, and risk management.

#### **In Summary:**

- Fully tax payer funded public entity established in 1991 that functions like a municipal government. The JIF pays NO local, state and federal taxes or insurance company surcharges which keeps expenses low.
- The JIF provides guidance so that municipal functions and events can be conducted with less risk of injury to residents and employees.
- Local Involvement, Local Leadership.
- Unlike the insurance companies that preceded it, the JIF focuses on municipal issues of loss prevention, risk management and claims management.
- JIF provides risk management guidance so that municipal operations and special community events can be conducted with less risk of injury to participants and employees.
- Less accidents = Less money spent on claims = Return of unspent assessments to the members = More Money in tax payers pockets.
- We're all in this together and do our best to save money through safety and claims management

***Most successful example of interlocal cooperation in the history of the State!***

Questions about the TRICO JIF, please call your Town's Fund Commissioner or Safety Coordinator

#### **MEMBERS**

ALLOWAY TOWNSHIP  
 CARNEYS POINT TOWNSHIP  
 CLAYTON BOROUGH  
 DEPTFORD TOWNSHIP  
 EAST GREENWICH TOWNSHIP  
 ELK TOWNSHIP  
 ELSINBORO TOWNSHIP  
 FAIRFIELD TOWNSHIP  
 FRANKLIN TOWNSHIP  
 GLASSBORO BOROUGH  
 GREENWICH TOWNSHIP  
 HARRISON TOWNSHIP  
 LOGAN TOWNSHIP  
 LOWER ALLOWAYS CREEK  
 MANNINGTON TOWNSHIP  
 MANTUA TOWNSHIP  
 MONROE TOWNSHIP  
 OLDMANS TOWNSHIP  
 PAULSBORO BOROUGH  
 PENNS GROVE BOROUGH  
 PENNSVILLE TOWNSHIP  
 PILESGROVE TOWNSHIP  
 PITMAN BOROUGH  
 QUINTON TOWNSHIP  
 SHILOH BOROUGH  
 SOUTH HARRISON TOWNSHIP  
 SWEDESBORO BOROUGH  
 UPPER PITTSBORO TOWNSHIP  
 VINELAND CITY  
 WASHINGTON TOWNSHIP  
 WENONAH BOROUGH  
 WESTVILLE BOROUGH  
 WOODBURY CITY  
 WOODBURY HEIGHTS BOROUGH  
 WOODSTOWN BOROUGH  
 WOOLWICH TOWNSHIP

#### **JIF ADMINISTRATOR**

Arthur J. Gallagher Risk  
 Management Services, Inc.  
**Mr. Paul Miola**, CPCU, ARM  
 Executive Director  
 P: (856) 446-9130  
 E: paul\_miola@ajg.com  
 Or  
**Mr. Paul Forlenza**  
 Deputy Executive Director  
 P: (856) 446-9135  
 E: paul\_forlenza@ajg.com

*Fund Commissioner*

*Phone Number*

*Safety Coordinator*

*Phone Number*