

FIRST RESPONDER JOINT INSURANCE FUND
Financial Statements
December 31, 2017 and 2016
With Independent Auditors' Report

First Responder Joint Insurance Fund
Table of Contents
December 31, 2017 and 2016

	Page(s)
Management's Discussion and Analysis	1-2
Independent Auditors' Report	3-4
Financial Statements	
Balance Sheets.....	5
Statements of Revenue, Expenses, and Changes in Fund Surplus.....	6
Statements of Cash Flows.....	7
Notes to Financial Statements.....	8-12
Supplementary Schedules	
Nine Year Claims Development Information	13
Schedule of Changes in Claim Liabilities by Line of Coverage	14
Summary Schedule of Changes in Fund Surplus for the Fund Year 2009 Through 2017	15
Combined Cumulative Operating Results Analysis for the Fund Year 2009 Through 2017.....	16
2009 Fund Year – Cumulative Operating Results Analysis	17
2010 Fund Year – Cumulative Operating Results Analysis	18
2011 Fund Year – Cumulative Operating Results Analysis	19
2012 Fund Year – Cumulative Operating Results Analysis	20
2013 Fund Year – Cumulative Operating Results Analysis	21
2014 Fund Year – Cumulative Operating Results Analysis	22
2015 Fund Year – Cumulative Operating Results Analysis	23
2016 Fund Year – Cumulative Operating Results Analysis	24
2017 Fund Year – Cumulative Operating Results Analysis	25
2016 Fund Year – Cumulative Administrative Expense Analysis	26
2017 Fund Year – Cumulative Administrative Expense Analysis	27
Other Information	
Comments and Recommendations.....	28

**First Responder Joint Insurance Fund
Management's Discussion and Analysis
December 31, 2017 and 2016**

This section of First Responder Joint Insurance Fund's (the "Fund") annual financial report presents a discussion and analysis of the financial performance of the Fund for the years ended December 31, 2017 and 2016. Please read it in conjunction with the financial statements, which follows this section. The following table summarizes the financial position and results of operations of the Fund for 2017 and 2016:

	2017	2016
Assets		
Cash, investments and accrued interest	\$ 5,672,306	\$ 4,820,871
Prepaid expenses	1,297	3,602
Due from reinsurer	<u>130,553</u>	<u>73,290</u>
	<u>\$ 5,804,156</u>	<u>\$ 4,897,763</u>
Liabilities and Fund Surplus		
Reserves for unpaid claims	\$ 1,958,652	\$ 1,835,940
Other liabilities	634,861	591,161
Fund surplus	<u>3,210,643</u>	<u>2,470,662</u>
	<u>\$ 5,804,156</u>	<u>\$ 4,897,763</u>
Revenue and Expenses		
Revenue	\$ 3,804,161	\$ 3,888,767
Investment and other income	<u>42,283</u>	<u>24,180</u>
	<u>3,846,444</u>	<u>3,912,947</u>
Claims expense - net	1,489,899	1,393,282
Excess insurance premiums	978,618	1,083,925
Administrative expenses	<u>637,946</u>	<u>435,874</u>
	<u>3,106,463</u>	<u>2,913,081</u>
Net income	739,981	999,866
Fund surplus – beginning of year	<u>2,470,662</u>	<u>1,470,796</u>
Fund surplus – end of year	<u>\$ 3,210,643</u>	<u>\$ 2,470,662</u>

Overview of the Financial Statements

The Fund's financial statements are prepared on the basis of accounting principles generally accepted in the United States of America for governmental and insurance companies, where applicable. The primary purpose of the Fund is to provide emergency first responder local units and contracting units of government with a joint self-insurance fund. The fund provides insurance coverage for auto liability, general liability, property, and workers' compensation. The Fund operates under the provisions of New Jersey Statutes (N.J.S.A. 40A:10-36 et seq) and has 38 and 37 members in the fund as of December 31, 2017 and 2016, respectively. The three basic financial statements presented within the financial statements are as follows:

- Balance Sheet – This statement presents information reflecting the Fund's assets, liabilities and Fund surplus. Fund surplus represents the amount of total assets less total liabilities.

First Responder Joint Insurance Fund Management's Discussion and Analysis December 31, 2017 and 2016

- Statement of Revenue, Expenses and Changes in Fund Surplus – This statement reflects the operating revenues and expenses, as well as non-operating revenue and expenses during the operating year. The major source of operating revenue is derived from regular member contributions while major sources of operating expenses are claims paid, changes in case reserves, changes in the incurred but not reported claims and insurance and reinsurance premiums. The change in fund surplus is similar to the net profit or loss for any other insurance company.
- Statement of Cash Flows – This statement presents changes in cash and cash equivalents resulting from operating activities, investing activities and financing activities.

Financial Highlights

- The Fund's total revenue for its eighth year of operations is \$3,804,161 representing 38 members. For Fund year 2009, the Fund has two aggregate loss funds. The aggregate loss funds are 125% of each loss fund, workers' compensation and liability including property. Effective 2010, the Fund's aggregate protection is based on the total combined loss funds and is calculated at 125% of the total loss fund. Aggregate protection is provided for the loss funds via the Municipal Excess Liability Fund (MEL) and as required by the Department of Banking and Insurance regulations. The cost for aggregate protection is included in the reinsurance/excess section of the budget.
- Claims' case reserves represent a life to date estimate as to the expected liability for the reported claims and incurred but not reported claims (IBNR). Computing the claims liability does not result in achieving an exact amount. Claims' case reserves must be estimated due to the complex factors that determine the liability. Some of these factors are changes in legal doctrine, inflation, historical settlements, claim frequency, damage awards and other statistical techniques.
- The IBNR claims are a result of calculations supplied by the Fund's Actuary. IBNR takes into consideration three factors; unknown claims (those claims that have not flowed into the system yet); the trending of known claims and closed claims that have the potential to re-open.

Contacting the Fund's Management

This financial report is designed to provide the First Responder 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, please contact the Fund Administrator of the First Responder Joint Insurance Fund at the office of the Fund located at 51 Everett Drive, Suite 40-B, West Windsor, NJ 08550, or by phone at (609) 275-1155.

INDEPENDENT AUDITORS' REPORT

Fund Commissioners
First Responder Joint Insurance Fund

We have audited the accompanying financial statements of the First Responder Joint Insurance Fund ("the Fund") which comprise the balance sheets as of December 31, 2017 and 2016, and the related statements of revenues, expenses, and changes in fund surplus and cash flows for the years then ended, and the related notes to the financial statements.

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 an opinion 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. Those standards require that we plan and perform the audits 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 auditors' 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of First Responder Joint Insurance Fund as of December 31, 2017 and 2016, and the results of its operations and its cash flows for the years then ended in accordance 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 on pages 1 - 2 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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the basic financial statements as a whole. The supplementary information on pages 13 – 27 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 basic financial statements or to the basic 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.

Withum Smith & Brown, PC

May 1, 2018

First Responder Joint Insurance Fund
Balance Sheets
December 31, 2017 and 2016

	2017	2016
Assets		
Cash	\$ 4,136,172	\$ 3,289,695
Investments	1,529,680	1,525,185
Accrued interest	6,454	5,991
Prepaid expenses	1,297	3,602
Due from reinsurer	<u>130,553</u>	<u>73,290</u>
	<u><u>\$ 5,804,156</u></u>	<u><u>\$ 4,897,763</u></u>
Liabilities		
Loss reserves		
Case reserves	\$ 1,507,482	\$ 1,264,678
IBNR reserves	<u>451,170</u>	<u>571,262</u>
Total loss reserves	1,958,652	1,835,940
Other		
Assessments collected in advance	-	11,959
Administrative expenses payable	168,342	153,368
Excess insurance premiums payable	<u>466,519</u>	<u>425,834</u>
	<u>634,861</u>	<u>591,161</u>
Total liabilities	2,593,513	2,427,101
Fund surplus	<u>3,210,643</u>	<u>2,470,662</u>
	<u><u>\$ 5,804,156</u></u>	<u><u>\$ 4,897,763</u></u>

The Notes to Financial Statements are an integral part of these statements.

First Responder Joint Insurance Fund
Statements of Revenue, Expenses, and Changes in Fund Surplus
Years Ended December 31, 2017 and 2016

	2017	2016
Revenue		
Underwriting income - regular contributions	\$ 3,804,161	\$ 3,888,767
Expenses		
Claims		
Paid	1,367,187	1,156,702
Increase in case reserves	242,804	215,442
Increase (decrease) in IBNR reserves	(120,092)	21,138
Total claims	<u>1,489,899</u>	<u>1,393,282</u>
Insurance and reinsurance premiums	978,618	1,083,925
Administrative expenses	<u>637,946</u>	<u>435,874</u>
	<u>1,616,564</u>	<u>1,519,799</u>
Total expenses	<u>3,106,463</u>	<u>2,913,081</u>
Operating income	697,698	975,686
Interest and other income, net	53,963	27,883
Change in fair value of investments, net	<u>(11,680)</u>	<u>(3,703)</u>
Total non-operating income	<u>42,283</u>	<u>24,180</u>
Net income	739,981	999,866
Fund surplus, beginning of year	<u>2,470,662</u>	<u>1,470,796</u>
Fund surplus, end of year	<u>\$ 3,210,643</u>	<u>\$ 2,470,662</u>

The Notes to Financial Statements are an integral part of these statements.

First Responder Joint Insurance Fund
Statements of Cash Flows
Years Ended December 31, 2017 and 2016

	2017	2016
Cash flows from operating activities		
Underwriting income - regular contributions received	\$ 3,792,202	\$ 3,810,245
Claims paid	(1,367,187)	(1,156,702)
Excess insurance premium paid	(995,196)	(1,026,033)
Administrative expenses paid	(620,667)	(629,303)
Net cash provided by operating activities	<u>809,152</u>	<u>998,207</u>
Cash flows from investing activities		
Maturity/sale of investment securities	354,990	356,165
Purchase of investment securities	(373,439)	(382,178)
Investment income, net	55,774	28,600
Net cash provided by investing activities	<u>37,325</u>	<u>2,587</u>
Increase in cash	846,477	1,000,794
Cash		
Beginning of year	<u>3,289,695</u>	<u>2,288,901</u>
End of year	<u>\$ 4,136,172</u>	<u>\$ 3,289,695</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 697,698	\$ 975,686
Adjustments to reconcile operating income to net cash provided by operating activities:		
Increase in due from reinsurer	(57,263)	(36,625)
Decrease in prepaid expenses	2,305	2,121
Increase in case and IBNR reserves	122,713	236,582
Decrease in assessments collected in advance	(11,960)	(78,524)
Increase (decrease) in administrative expenses payable	14,974	(195,550)
Increase in excess insurance premium payable	40,685	94,517
Net cash provided by operating activities	<u>\$ 809,152</u>	<u>\$ 998,207</u>

The Notes to Financial Statements are an integral part of these statements.

First Responder Joint Insurance Fund
Notes to Financial Statements
December 31, 2017 and 2016

1. Operations

The First Responder Joint Insurance Fund (the "Fund") is an insurance fund formed under the provisions of and in accordance with P.L. 1983, c. 372 (N.J.S.A. 40A:10-36 et seq.) of the New Jersey statutes. The Fund was formed effective January 1, 2009. During the budget introduction, the Fund's initial membership consisted of 9 members. As of December 31, 2017 and 2016, the Fund had 38 and 37 members, respectively.

The Fund's general objective is to provide members with a long term alternative to the conventional insurance market as a means of stabilizing the otherwise cyclical nature of insurance expenditures. The bylaws of the Fund, as supplemented by the Risk Management Plan, set forth the various procedures which are to be followed in the organization, administration, and operation of the Fund.

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

The Administrator is responsible for the overall administration of the Fund. Fees paid to the Administrator cover all administrative costs; accordingly, the Fund does not maintain any fixed assets nor incur any employee payroll expense.

The Fund offers its members coverage for property, general and auto liability, workers' compensation, environmental and management liability. The Fund also participates in the Municipal Excess Liability Fund which provides excess insurance coverage.

The Fund's liability, self-insured retention or SIR, for claims is limited to the following coverage and amounts:

	Fund Years	Per Occurrence	Aggregate Projection
Workers' Compensation Package	2009	\$200,000	\$471,704
Workers' Compensation	2010 - 2017	\$200,000	\$ 60,314
General Liability	2010 - 2017	\$200,000	125% of total loss funds
Auto Liability	2010 - 2017	\$200,000	125% of total loss funds
Property	2010 - 2016	\$50,000	125% of total loss funds
Property	2017	\$100,000	125% of total loss funds

Losses in excess of the above amounts are covered by reinsurance and excess insurance contracts. Package includes general liability, auto liability and property.

2. Summary of Significant Accounting Policies

The financial statements of the Fund are prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units and insurance companies, where applicable. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expenses during the reporting period. In addition certain actuarial assumptions have been made in the preparation of these financial statements. Actual results could differ from those estimates. A summary of the significant accounting policies is set forth below.

First Responder Joint Insurance Fund

Notes to Financial Statements

December 31, 2017 and 2016

Basis of Accounting

The Fund utilizes the accrual basis of accounting whereby revenue is recorded as earned and expenses reflected as incurred.

Revenue Recognition

Member assessments and investment income are recorded on the accrual basis. The assessments of the joint insurance fund are determined by the Finance Committee based on the operating budget and then certified by vote of the Fund Commissioners.

Assessments Receivable

Assessments receivable is comprised of member installments due to the Fund for the current year which remain unpaid at the end of the fiscal year. Per the Fund's by-laws, past due assessments shall bear interest at a rate determined annually by the Executive Committee. The interest rate assessed for the years ending December 31, 2017 and 2016 was 2% plus prime as determined by New Jersey Asset & Rebate Management Program and U.S. Bank, N.A., or its successors. Assessments receivable are written off when they are deemed to be uncollectible. Interest on delinquent assessments may be waived at the discretion of the Executive Committee.

Claims Liabilities

The Fund establishes claims liabilities for the Fund's Self-Insured Retention (SIR), loss and claim adjustment expense based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported (IBNR). 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 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 and historical data that reflect past inflation and on other factors that are considered to be appropriate modifiers of past experience. The Fund does not discount claim liabilities. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

Reinsurance

The Fund purchases reinsurance excess in accordance with the Risk Management Plan. Although reinsurance excess insurance does not discharge the primary liability of the Fund as direct insurer of the risk of loss, the Fund does not report the claim payments or liabilities under reinsurance contracts unless it is probable that those liabilities will not be covered by reinsurers. A contingent liability may exist with respect to reinsurance which would become an actual liability in the event any of the insurance companies might be unable to meet their obligations to the Fund.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. In addition, certain actuarial assumptions have been made in the preparation of these financial statements. Actual results could differ from those estimates. Significant estimates included in these financial statements are fair market value of investments, case reserves and incurred but not yet reported ("IBNR") reserves.

Income Taxes

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

First Responder Joint Insurance Fund
Notes to Financial Statements
December 31, 2017 and 2016

Fair Value of Financial Instruments

The Fund has adopted the provisions of FASB ASC 820, the accounting pronouncement relating to fair value measurements, with respect to its financial assets and liabilities only. FASB ASC 820 defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles and enhances disclosures about fair value measurements. Fair value is defined under FASB ASC 820 as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value under FASB ASC 820 must maximize the use of observable inputs and minimize the use of unobservable inputs. The standard describes a fair value hierarchy based on three levels of inputs, of which the first two are considered observable and the last unobservable, that may be used to measure fair value which are the following:

- Level 1—Quoted prices in active markets for identical assets or liabilities.
- Level 2—Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

3. Cash

Deposits

At December 31, 2017 and 2016, the carrying amounts of the Fund's deposits and the corresponding bank balances were as follows:

	<u>2017</u>		<u>2016</u>	
	<u>Carrying Amount</u>	<u>Bank Balance</u>	<u>Carrying Amount</u>	<u>Bank Balance</u>
Operating Checking Account	\$ 4,128,844	\$ 4,129,007	\$ 3,287,279	\$ 3,294,314
Money Market Account	<u>7,328</u>	<u>7,328</u>	<u>2,416</u>	<u>2,416</u>
	<u>\$ 4,136,172</u>	<u>\$ 4,136,335</u>	<u>\$ 3,289,695</u>	<u>\$ 3,296,730</u>

The operating checking account and money market account are deposited in public depositories which are fully insured up to \$250,000 per institution by the Federal Deposit Insurance Corporation (FDIC) and in excess of \$250,000 are fully collateralized by the bank through the Government Unit Deposit Protection Act (GUDPA).

The Fund considers all highly liquid investments with maturities of less than three months from date of initial maturity to be cash equivalents.

4. Investments

At December 31, 2017 and 2016, the Fund invested only in notes backed by the Federal Government. These notes are triple A rated (AAA) by Moody's with interest rates ranging from 1.0% to 3.50% as of December 31, 2017 and from .625% to 3.50% as of December 31, 2016. The maturity dates range from 9/30/2018 to 9/30/2022 as of December 31, 2017 and 7/31/2017 to 8/31/2021 as of December 31, 2016. 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 that are in the possession of an outside party. At December 31, 2017 and 2016, all of the Fund's investments are under the custody of New Jersey Asset and Rebate Management Program (NJ/ARM), who is the Fund's investment advisor.

First Responder Joint Insurance Fund
Notes to Financial Statements
December 31, 2017 and 2016

Investments are stated at fair value. The difference between fair value and amortized cost is recorded as unrealized gain (loss) at December 31 each year. The amounts are as follows:

	2017	2016
Face value	\$1,540,000	\$1,520,000
Unamortized premium, net	6,160	9,985
Unrealized loss	<u>(16,480)</u>	<u>(4,800)</u>
Fair value	<u>\$1,529,680</u>	<u>\$1,525,185</u>

Investment income consisted of the following for the years ended December 31, 2017 and 2016:

	2017	2016
Realized gain	\$ 43	\$ 512
Amortization of premium, net	(1,854)	(1,229)
Interest income	<u>55,774</u>	<u>28,600</u>
Investment income	<u>\$ 53,963</u>	<u>\$ 27,883</u>

5. Fair Value Accounting

Recurring Fair Value Measurements

Pursuant to the requirements of FASB ASC 820, the Fund has provided fair value disclosure information for relevant assets and liabilities in these financial statements. The following tables summarize assets which have been accounted for at fair value on a recurring basis as of December 31, 2017 and 2016, along with the basis for the determination of fair value:

2017

	Total	Basis for Valuation		
		Quoted Prices in Active Markets	Observable Measurement Criteria	Unobservable Measurement Criteria
Investments - US Treasury Notes	<u>\$1,529,680</u>	<u>\$1,529,680</u>	-	-

2016

	Total	Basis for Valuation		
		Quoted Prices in Active Markets	Observable Measurement Criteria	Unobservable Measurement Criteria
Investments - US Treasury Notes	<u>\$1,525,185</u>	<u>\$1,525,185</u>	-	-

For applicable assets and liabilities subject to this pronouncement, the Fund will value such assets and liabilities using quoted market prices in active markets for identical assets and liabilities to the extent possible. To the extent that such market prices are not available, the Fund will next attempt to value such assets and liabilities using observable measurement criteria, including quoted market prices of similar assets and liabilities in active and inactive markets and other corroborated factors. In the event that quoted market prices in active markets and other observable measurement criteria are not available, the Fund will develop measurement criteria based on the best information available.

U.S. Government backed fixed rate notes are valued at the closing price reported on the active market on which individual securities are traded along with comparable bond ratings under Moody's and S&P.

The valuation methods for these investments are consistent for the years ended December 31, 2017 and 2016.

First Responder Joint Insurance Fund
Notes to Financial Statements
December 31, 2017 and 2016

6. Loss Reserves

The liability for unpaid losses and loss adjustment expenses represents an estimate of the ultimate net cost of all losses and loss adjustment expenses incurred but not yet paid. This estimate is based on the estimated ultimate cost of settling the claims considering the historical experience of the members, various other industry statistics, including the effects of inflation and other societal or economic factors, and the Fund's retention level. Management believes that the liability for unpaid losses is adequate to cover the ultimate cost of reported and unreported claims incurred but not yet paid. However, the ultimate cost may be more or less than the estimated liability. The Fund has created a loss reserve for any potential unreported losses which have taken place but in which the Fund has not received notices or reports of losses (IBNR).

Loss reserves at December 31, 2017 and 2016 which have been estimated by the Fund's Actuary and Claims Servicing Organization of the members (less member deductibles) are as follows:

	2017	2016
Case reserves	\$1,507,482	\$1,264,678
Reserves for losses incurred but not reported	<u>451,170</u>	<u>571,262</u>
	<u>\$1,958,652</u>	<u>\$1,835,940</u>

The following represents changes in the aggregate reserves and claim adjustment expenses for the Fund during the years ended December 31, 2017 and 2016:

	2017	2016
Unpaid claim liabilities, beginning of year	<u>\$1,835,940</u>	<u>\$1,599,359</u>
Incurred claims:		
Provision for insured events of the current period	1,884,000	1,468,416
Decrease in provision for insured events of prior years'	<u>(394,101)</u>	<u>(75,133)</u>
Total increase incurred claims	<u>1,489,899</u>	<u>1,393,283</u>
Less: Claim payments – net:		
Payments – net of claims for the current year	805,334	517,854
Payments – net of claims for the prior year	<u>561,853</u>	<u>638,848</u>
Total payments – net	<u>1,367,187</u>	<u>1,156,702</u>
Unpaid claim liabilities, end of year	<u>\$1,958,652</u>	<u>\$1,835,940</u>

7. Subsequent Events

The Fund has evaluated subsequent events occurring after the balance sheet date through the date of May 1, 2018, which is the date the financial statements were available to be issued. Based on this evaluation, the Fund has determined that no subsequent events have occurred which require disclosure in the financial statements.

SUPPLEMENTARY SCHEDULES

First Responder Joint Insurance Fund
Nine Year Claims Development Information
December 31, 2017

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Underwriting income - regular contributions	\$ 1,049,840	\$ 1,823,176	\$ 1,939,927	\$ 2,159,614	\$ 2,638,629	\$ 3,110,375	\$ 3,746,076	\$ 3,888,767	\$ 3,804,161
Investment income	2,349	3,980	4,249	3,067	13,860	26,241	14,129	15,707	9,737
	<u>1,052,189</u>	<u>1,827,156</u>	<u>1,944,176</u>	<u>2,162,681</u>	<u>2,652,489</u>	<u>3,136,616</u>	<u>3,760,205</u>	<u>3,904,474</u>	<u>3,813,898</u>
Insurance and reinsurance premiums	225,079	520,367	577,687	625,094	706,725	815,527	877,144	1,118,862	1,063,612
Administrative	223,037	369,554	391,478	421,703	482,137	561,046	630,053	645,971	658,041
	<u>448,116</u>	<u>889,921</u>	<u>969,165</u>	<u>1,046,797</u>	<u>1,188,862</u>	<u>1,376,573</u>	<u>1,507,197</u>	<u>1,764,833</u>	<u>1,721,653</u>
Estimated incurred claims, end of policy year	<u>489,505</u>	<u>798,844</u>	<u>866,066</u>	<u>983,458</u>	<u>1,148,001</u>	<u>1,276,000</u>	<u>2,134,857</u>	<u>1,468,416</u>	<u>1,884,001</u>
Cumulative paid claims as of									
End of policy year	319,852	490,087	538,647	691,759	376,252	458,973	979,438	517,855	805,334
One year later	473,731	730,971	710,463	983,458	681,591	566,562	1,603,585	721,652	
Two years later	473,731	798,844	741,552	983,458	855,056	573,090	1,906,961		
Three years later	473,731	798,844	826,731	983,458	863,228	592,049			
Four years later	473,731	798,844	804,237	983,458	910,419				
Five years later	473,731	798,844	804,237	983,458					
Six years later	473,731	798,844	792,765						
Seven years later	473,731	798,844							
Eight years later	473,731								
Cumulative incurred claims as of									
End of policy year	489,505	798,844	866,066	983,458	1,148,001	1,276,000	2,134,857	1,468,416	1,884,001
One year later	473,731	798,844	866,066	983,458	1,138,688	795,869	2,134,857	1,468,416	
Two years later	473,731	798,844	816,066	983,458	1,069,689	775,735	2,134,857		
Three years later	473,731	798,844	866,067	983,458	1,014,688	719,594			
Four years later	473,731	798,844	804,237	983,458	1,088,688				
Five years later	473,731	798,844	804,237	983,458					
Six years later	473,731	798,844	792,765						
Seven years later	473,731	798,844							
Eight years later	473,731								
Decrease in cumulative incurred claims from end of policy year	<u>\$ (15,774)</u>	<u>\$ -</u>	<u>\$ (73,301)</u>	<u>\$ -</u>	<u>\$ (59,313)</u>	<u>\$ (556,406)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report.

**First Responder Joint Insurance Fund
 Summary Schedule of Changes in Fund Surplus
 For the Fund Years 2009 Through 2017
 Year Ended December 31, 2017**

Fund Year	Fund Surplus 1/1/2017	Net Income (Loss)	Less Surplus Returned to Members	Fund Surplus 12/31/2017
2009	\$ -	\$ -	\$ -	\$ -
2010	81,725.80	661.46	-	82,387.26
2011	169,605.77	12,643.10	-	182,248.87
2012	131,454.54	973.62	-	132,428.16
2013	444,530.42	(69,579.54)	-	374,950.88
2014	975,367.28	65,127.36	-	1,040,494.64
2015	29,385.44	88,788.36	-	118,173.80
2016	638,592.86	433,122.43	-	1,071,715.29
2017	-	208,244.25	-	208,244.25
	<u>\$ 2,470,662.11</u>	<u>\$ 739,981.04</u>	<u>\$ -</u>	<u>\$ 3,210,643.15</u>

**First Responder Joint Insurance Fund
 Combined Cumulative Operating Results Analysis
 For the Fund Years 2009 Through 2017
 December 31, 2017**

Revenue	
Underwriting income - regular contributions	<u>\$ 24,160,565.00</u>
Expenses	
Claims	
Paid	7,985,212.95
Case reserves	1,507,481.67
IBNR reserves	<u>451,170.00</u>
	9,943,864.62
Insurance and reinsurance premiums	6,530,096.32
Administrative expenses	<u>4,383,021.86</u>
	<u>20,856,982.80</u>
Operating income	3,303,582.20
Interest and other income	93,410.95
Transfers	<u>(186,350.00)</u>
Non-operating loss	<u>(92,939.05)</u>
Net income and fund surplus	<u><u>\$ 3,210,643.15</u></u>

First Responder Joint Insurance Fund
2009 Fund Year
Cumulative Operating Results Analysis
December 31, 2017

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Property</u>	<u>Auto Liability</u>	<u>Administrative</u>	<u>Totals</u>
Revenue:						
Underwriting income - regular contributions	\$ 605,468.00	\$ 87,280.00	\$ 67,804.00	\$ 37,628.00	\$ 251,660.00	\$ 1,049,840.00
Expenses:						
Claims:						
Paid	471,703.75	1,252.44	774.41	-	-	473,730.60
Case reserves	-	-	-	-	-	-
IBNR reserves	-	-	-	-	-	-
Claims - net	471,703.75	1,252.44	774.41	-	-	473,730.60
Other:						
Insurance and reinsurance premiums	126,200.58	63,986.79	22,618.33	12,273.75	-	225,079.45
Administrative expenses	-	-	-	-	223,036.62	223,036.62
	126,200.58	63,986.79	22,618.33	12,273.75	223,036.62	448,116.07
Total expenses	597,904.33	65,239.23	23,392.74	12,273.75	223,036.62	921,846.67
Operating income	7,563.67	22,040.77	44,411.26	25,354.25	28,623.38	127,993.33
Other:						
Investment income	839.73	283.57	519.45	291.54	414.55	2,348.84
Miscellaneous income	-	-	-	-	2.50	2.50
Total	839.73	283.57	519.45	291.54	417.05	2,351.34
Net Income	8,403.40	22,324.34	44,930.71	25,645.79	29,040.43	130,344.67
Transfers	(8,403.40)	(22,324.34)	(44,930.71)	(25,645.79)	(29,040.43)	(130,344.67)
Fund Surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See Independent Auditors' Report.

First Responder Joint Insurance Fund
2010 Fund Year
Cumulative Operating Results Analysis
December 31, 2017

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Property</u>	<u>Auto Liability</u>	<u>Administrative</u>	<u>Totals</u>
Revenue:						
Underwriting income - regular contributions	\$ 703,617.00	\$ 347,201.80	\$ 225,301.00	\$ 103,165.20	\$ 443,891.00	\$ 1,823,176.00
Expenses:						
Claims:						
Paid	687,330.78	-	102,793.41	8,719.56	-	798,843.75
Case reserves	-	-	-	-	-	-
IBNR reserves	-	-	-	-	-	-
Claims - net	687,330.78	-	102,793.41	8,719.56	-	798,843.75
Other:						
Insurance and reinsurance premiums	144,534.55	241,997.40	87,614.46	46,219.67	-	520,366.08
Administrative expenses	-	-	-	-	369,554.49	369,554.49
	<u>144,534.55</u>	<u>241,997.40</u>	<u>87,614.46</u>	<u>46,219.67</u>	<u>369,554.49</u>	<u>889,920.57</u>
Total expenses	831,865.33	241,997.40	190,407.87	54,939.23	369,554.49	1,688,764.32
Operating (loss) income	(128,248.33)	105,204.40	34,893.13	48,225.97	74,336.51	134,411.68
Other:						
Investment income	572.10	1,417.40	485.82	668.25	836.31	3,979.88
Miscellaneous income	-	-	-	-	1.03	1.03
Total	572.10	1,417.40	485.82	668.25	837.34	3,980.91
Net (Loss) Income	(127,676.23)	106,621.80	35,378.95	48,894.22	75,173.85	138,392.59
Transfers	-	-	-	-	(56,005.33)	(56,005.33)
Fund (Deficit) Surplus	<u>\$ (127,676.23)</u>	<u>\$ 106,621.80</u>	<u>\$ 35,378.95</u>	<u>\$ 48,894.22</u>	<u>\$ 19,168.52</u>	<u>\$ 82,387.26</u>

See Independent Auditors' Report.

**First Responder Joint Insurance Fund
2011 Fund Year
Cumulative Operating Results Analysis
December 31, 2017**

	<u>Workers' Compensation</u>	<u>Package</u>	<u>Property</u>	<u>Auto Liability</u>	<u>Administrative</u>	<u>Totals</u>
Revenue:						
Underwriting income - regular contributions	\$ 767,903.00	\$ 333,799.48	\$ 255,326.00	\$ 121,132.60	\$ 461,765.92	\$ 1,939,927.00
Expenses:						
Claims:						
Paid	572,165.26	629.41	189,937.70	30,032.78	-	792,765.15
Case reserves	-	-	-	-	-	-
IBNR reserves	-	-	-	-	-	-
Claims - net	572,165.26	629.41	189,937.70	30,032.78	-	792,765.15
Other:						
Insurance and reinsurance premiums	154,708.38	269,844.63	100,315.24	52,818.90	-	577,687.15
Administrative expenses	-	-	-	-	391,477.99	391,477.99
	154,708.38	269,844.63	100,315.24	52,818.90	391,477.99	969,165.14
Total expenses	726,873.64	270,474.04	290,252.94	82,851.68	391,477.99	1,761,930.29
Operating income (loss)	41,029.36	63,325.44	(34,926.94)	38,280.92	70,287.93	177,996.71
Other:						
Investment income	1,119.27	1,032.58	61.49	628.06	1,407.76	4,249.16
Miscellaneous income	-	-	-	-	3.00	3.00
Total	1,119.27	1,032.58	61.49	628.06	1,410.76	4,252.16
Net Income (Loss)	42,148.63	64,358.02	(34,865.45)	38,908.98	71,698.69	182,248.87
Transfers	-	-	-	-	-	-
Fund Surplus (Deficit)	\$ 42,148.63	\$ 64,358.02	\$ (34,865.45)	\$ 38,908.98	\$ 71,698.69	\$ 182,248.87

See Independent Auditors' Report.

**First Responder Joint Insurance Fund
2012 Fund Year
Cumulative Operating Results Analysis
December 31, 2017**

	<u>Workers' Compensation</u>	<u>Package</u>	<u>Property</u>	<u>Auto Liability</u>	<u>Administrative</u>	<u>Totals</u>
Revenue:						
Underwriting income - regular contributions	\$ 870,184.00	\$ 355,204.00	\$ 307,620.50	\$ 119,536.00	\$ 507,069.50	\$ 2,159,614.00
Expenses:						
Claims:						
Paid	829,348.39	-	139,875.88	14,233.23	-	983,457.50
Case reserves	-	-	-	-	-	-
IBNR reserves	-	-	-	-	-	-
Claims - net	829,348.39	-	139,875.88	14,233.23	-	983,457.50
Other:						
Insurance and reinsurance premiums	178,883.95	268,187.04	128,704.41	49,319.09	-	625,094.49
Administrative expenses	-	-	-	-	421,703.32	421,703.32
	178,883.95	268,187.04	128,704.41	49,319.09	421,703.32	1,046,797.81
Total expenses	1,008,232.34	268,187.04	268,580.29	63,552.32	421,703.32	2,030,255.31
Operating (loss) income	(138,048.34)	87,016.96	39,040.21	55,983.68	85,366.18	129,358.69
Other:						
Investment income	49.36	921.80	431.25	595.29	1,069.77	3,067.47
Miscellaneous income	-	-	-	-	2.00	2.00
Total	49.36	921.80	431.25	595.29	1,071.77	3,069.47
Net (Loss) Income	(137,998.98)	87,938.76	39,471.46	56,578.97	86,437.95	132,428.16
Transfers	-	-	-	-	-	-
Fund (Deficit) Surplus	\$ (137,998.98)	\$ 87,938.76	\$ 39,471.46	\$ 56,578.97	\$ 86,437.95	\$ 132,428.16

See Independent Auditors' Report.

**First Responder Joint Insurance Fund
2013 Fund Year
Cumulative Operating Results Analysis
December 31, 2017**

	<u>Workers' Compensation</u>	<u>Package</u>	<u>Property</u>	<u>Auto Liability</u>	<u>Administrative</u>	<u>Totals</u>
Revenue:						
Underwriting income - regular contributions	\$ 1,090,452.00	\$ 422,616.20	\$ 389,775.00	\$ 160,521.80	\$ 575,264.00	\$ 2,638,629.00
Expenses:						
Claims:						
Paid	796,730.74	-	112,688.49	1,000.00	-	910,419.23
Case reserves	175,728.20	-	-	-	-	175,728.20
IBNR reserves	2,541.00	-	-	-	-	2,541.00
Claims - net	974,999.94	-	112,688.49	1,000.00	-	1,088,688.43
Other:						
Insurance and reinsurance premiums	199,404.56	308,434.29	140,871.00	58,014.80	-	706,724.65
Administrative expenses	-	-	-	-	482,137.31	482,137.31
	199,404.56	308,434.29	140,871.00	58,014.80	482,137.31	1,188,861.96
Total expenses	1,174,404.50	308,434.29	253,559.49	59,014.80	482,137.31	2,277,550.39
Operating (loss) income	(83,952.50)	114,181.91	136,215.51	101,507.00	93,126.69	361,078.61
Other:						
Investment income	2,845.63	2,495.29	3,941.76	2,214.68	2,362.91	13,860.27
Miscellaneous income	-	-	-	-	12.00	12.00
Total	2,845.63	2,495.29	3,941.76	2,214.68	2,374.91	13,872.27
Net (Loss) Income	(81,106.87)	116,677.20	140,157.27	103,721.68	95,501.60	374,950.88
Transfers	-	-	-	-	-	-
Fund (Deficit) Surplus	\$ (81,106.87)	\$ 116,677.20	\$ 140,157.27	\$ 103,721.68	\$ 95,501.60	\$ 374,950.88

See Independent Auditors' Report.

First Responder Joint Insurance Fund
2014 Fund Year
Cumulative Operating Results Analysis
December 31, 2017

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Property</u>	<u>Auto Liability</u>	<u>Administrative</u>	<u>Totals</u>
Revenue:						
Underwriting income - regular contributions	\$ 1,347,635.00	\$ 495,942.00	\$ 490,339.00	\$ 197,882.00	\$ 578,577.00	\$ 3,110,375.00
Expenses:						
Claims:						
Paid	399,935.96	644.08	164,243.52	27,225.12	-	592,048.68
Case reserves	100,357.66	-	2,482.02	-	-	102,839.68
IBNR reserves	24,706.00	-	-	-	-	24,706.00
Claims - net	524,999.62	644.08	166,725.54	27,225.12	-	719,594.36
Other:						
Insurance and reinsurance premiums	211,477.20	351,468.26	181,241.07	71,340.00	-	815,526.53
Administrative expenses	-	-	-	-	561,046.15	561,046.15
	211,477.20	351,468.26	181,241.07	71,340.00	561,046.15	1,376,572.68
Total expenses	736,476.82	352,112.34	347,966.61	98,565.12	561,046.15	2,096,167.04
Operating income	611,158.18	143,829.66	142,372.39	99,316.88	17,530.85	1,014,207.96
Other:						
Investment income	16,685.10	3,184.25	3,332.00	2,230.36	809.62	26,241.33
Miscellaneous income	-	-	-	-	45.35	45.35
Total	16,685.10	3,184.25	3,332.00	2,230.36	854.97	26,286.68
Net Income	627,843.28	147,013.91	145,704.39	101,547.24	18,385.82	1,040,494.64
Transfers	-	-	-	-	-	-
Fund Surplus	\$ 627,843.28	\$ 147,013.91	\$ 145,704.39	\$ 101,547.24	\$ 18,385.82	\$ 1,040,494.64

See Independent Auditors' Report.

First Responder Joint Insurance Fund
2015 Fund Year
Cumulative Operating Results Analysis
December 31, 2017

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Property</u>	<u>Auto Liability</u>	<u>Administrative</u>	<u>Totals</u>
Revenue:						
Underwriting income - regular contributions	\$ 1,946,082.00	\$ 510,526.00	\$ 468,903.00	\$ 171,484.00	\$ 649,081.00	\$ 3,746,076.00
Expenses:						
Claims:						
Paid	1,737,581.37	2,901.35	153,498.81	12,979.95	-	1,906,961.48
Case reserves	227,896.02	-	-	-	-	227,896.02
IBNR reserves	-	-	-	-	-	-
Claims - net	<u>1,965,477.39</u>	<u>2,901.35</u>	<u>153,498.81</u>	<u>12,979.95</u>	<u>-</u>	<u>2,134,857.50</u>
Other:						
Insurance and reinsurance premiums	225,241.51	353,146.44	226,695.00	72,061.02	-	877,143.97
Administrative expenses	-	-	-	-	630,053.43	630,053.43
	<u>225,241.51</u>	<u>353,146.44</u>	<u>226,695.00</u>	<u>72,061.02</u>	<u>630,053.43</u>	<u>1,507,197.40</u>
Total expenses	<u>2,190,718.90</u>	<u>356,047.79</u>	<u>380,193.81</u>	<u>85,040.97</u>	<u>630,053.43</u>	<u>3,642,054.90</u>
Operating (loss) income	(244,636.90)	154,478.21	88,709.19	86,443.03	19,027.57	104,021.10
Other:						
Investment income	6,744.62	3,063.16	1,872.84	1,720.08	728.22	14,128.92
Miscellaneous income	-	-	-	-	23.78	23.78
Total	<u>6,744.62</u>	<u>3,063.16</u>	<u>1,872.84</u>	<u>1,720.08</u>	<u>752.00</u>	<u>14,152.70</u>
Net (Loss) Income	(237,892.28)	157,541.37	90,582.03	88,163.11	19,779.57	118,173.80
Transfers	-	-	-	-	-	-
Fund (Deficit) Surplus	<u>\$ (237,892.28)</u>	<u>\$ 157,541.37</u>	<u>\$ 90,582.03</u>	<u>\$ 88,163.11</u>	<u>\$ 19,779.57</u>	<u>\$ 118,173.80</u>

See Independent Auditors' Report.

First Responder Joint Insurance Fund
2016 Fund Year
Cumulative Operating Results Analysis
December 31, 2017

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Property</u>	<u>Auto Liability</u>	<u>Administrative</u>	<u>Totals</u>
Revenue:						
Underwriting income - regular contributions	\$ 1,987,230.00	\$ 539,600.00	\$ 501,733.00	\$ 184,924.00	\$ 675,280.00	\$ 3,888,767.00
Expenses:						
Claims:						
Paid	539,287.79	10,795.56	161,926.82	9,642.07	-	721,652.24
Case reserves	299,238.33	-	-	-	-	299,238.33
IBNR reserves	11,474.00	26,204.00	-	9,358.00	-	47,036.00
Claims - net	850,000.12	36,999.56	161,926.82	19,000.07	-	1,067,926.57
Other:						
Insurance and reinsurance premiums	314,572.00	437,946.01	279,997.99	86,346.00	-	1,118,862.00
Administrative expenses	-	-	-	-	645,971.15	645,971.15
	314,572.00	437,946.01	279,997.99	86,346.00	645,971.15	1,764,833.15
Total expenses	1,164,572.12	474,945.57	441,924.81	105,346.07	645,971.15	2,832,759.72
Operating income	822,657.88	64,654.43	59,808.19	79,577.93	29,308.85	1,056,007.28
Other:						
Investment income	11,378.05	1,354.06	1,388.47	934.62	651.81	15,707.01
Miscellaneous income	-	-	-	-	1.00	1.00
Total	11,378.05	1,354.06	1,388.47	934.62	652.81	15,708.01
Net Income	834,035.93	66,008.49	61,196.66	80,512.55	29,961.66	1,071,715.29
Transfers	-	-	-	-	-	-
Fund Surplus	\$ 834,035.93	\$ 66,008.49	\$ 61,196.66	\$ 80,512.55	\$ 29,961.66	\$ 1,071,715.29

See Independent Auditors' Report.

First Responder Joint Insurance Fund
2017 Fund Year
Cumulative Operating Results Analysis
December 31, 2017

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Property</u>	<u>Auto Liability</u>	<u>Administrative</u>	<u>Totals</u>
Revenue:						
Underwriting income - regular contributions	\$ 1,903,019.00	\$ 521,154.00	\$ 540,800.00	\$ 169,331.00	\$ 669,857.00	\$ 3,804,161.00
Expenses:						
Claims:						
Paid	691,696.94	500.00	108,738.38	4,399.00	-	805,334.32
Case reserves	624,362.44	-	71,917.00	5,500.00	-	701,779.44
IBNR reserves	283,941.00	63,500.00	(3,655.00)	33,101.00	-	376,887.00
Claims - net	1,600,000.38	64,000.00	177,000.38	43,000.00	-	1,884,000.76
Other:						
Insurance and reinsurance premiums	277,116.00	427,631.20	278,548.00	80,316.80	-	1,063,612.00
Administrative expenses	-	-	-	-	658,041.40	658,041.40
	277,116.00	427,631.20	278,548.00	80,316.80	658,041.40	1,721,653.40
Total expenses	1,877,116.38	491,631.20	455,548.38	123,316.80	658,041.40	3,605,654.16
Operating income	25,902.62	29,522.80	85,251.62	46,014.20	11,815.60	198,506.84
Other:						
Investment income	5,063.47	1,265.85	1,363.23	389.51	1,655.35	9,737.41
Miscellaneous income	-	-	-	-	-	-
Total	5,063.47	1,265.85	1,363.23	389.51	1,655.35	9,737.41
Net Income	30,966.09	30,788.65	86,614.85	46,403.71	13,470.95	208,244.25
Transfers	-	-	-	-	-	-
Fund Surplus	\$ 30,966.09	\$ 30,788.65	\$ 86,614.85	\$ 46,403.71	\$ 13,470.95	\$ 208,244.25

See Independent Auditors' Report.

**First Responder Joint Insurance Fund
2016 Fund Year
Cumulative Administrative Expense Analysis
December 31, 2017**

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
Actuary	\$ 12,991.00	\$ -	\$ 12,991.00
Administrator	194,438.00	-	194,438.00
Attorney	30,541.92	-	30,541.92
Auditor	7,465.00	-	7,465.00
Claims service	23,480.00	-	23,480.00
Treasurer	3,600.00	-	3,600.00
Non - contracted expenses	11,164.03	-	11,164.03
Loss control and safety	44,798.80	-	44,798.80
Website	2,286.48	-	2,286.48
RMC fees	300,205.92	-	300,205.92
Contingency	-	15,000.00	15,000.00
	<u>\$ 630,971.15</u>	<u>\$ 15,000.00</u>	<u>\$ 645,971.15</u>

**First Responder Joint Insurance Fund
2017 Fund Year
Cumulative Administrative Expense Analysis
December 31, 2017**

	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
Actuary	\$ 13,251.00	\$ -	\$ 13,251.00
Administrator	174,357.34	15,850.66	190,208.00
Attorney	26,340.00	5,270.00	31,610.00
Auditor	-	7,689.00	7,689.00
Claims service	20,690.00	15,586.00	36,276.00
Treasurer	3,600.00	-	3,600.00
Non - contracted expenses	10,807.24	4,192.76	15,000.00
Loss control and safety	41,993.50	3,754.50	45,748.00
Website	2,428.80	2,571.20	5,000.00
RMC fees	291,231.68	2,677.72	293,909.40
Contingency	-	15,750.00	15,750.00
	<u>\$ 584,699.56</u>	<u>\$ 73,341.84</u>	<u>\$ 658,041.40</u>

See Independent Auditors' Report.

**First Responder Joint Insurance Fund
Comments and Recommendations
December 31, 2017 and 2016**

None