

**MERCER COUNTY INSURANCE FUND COMMISSION  
AGENDA AND REPORTS  
JULY 25, 2016**

**MERCER COUNTY  
MCDADE ADMINISTRATION BUILDING  
640 SOUTH BROAD STREET  
ROOM 211  
TRENTON, NJ 08650-8068  
10:30 AM**

**OPEN PUBLIC MEETINGS ACT - STATEMENT OF COMPLIANCE**

**In accordance with the Open Public Meetings Act, notice of this meeting was given by:**

- I. Advertising the notice in the Trenton Times, The Trentonian and the Princeton Packet**
- II. Filing advance written notice of this meeting with the Commissioners of the Mercer County Insurance Fund Commission; and**
- III. Posting notice on the Public Bulletin Board of the Office of the County Clerk**

**MERCER COUNTY INSURANCE FUND COMMISSION  
AGENDA  
OPEN PUBLIC MEETING: JULY 25, 2016  
640 S. BROAD STREET, ROOM 211  
TRENTON, NJ 08650-8068  
10:30 AM**

- MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ**
- ROLL CALL OF COMMISSIONERS**
- APPROVAL OF MINUTES: June 27, 2016 Open Minutes .....Appendix I  
June 27, 2016 Closed Minutes.....Handout**
  
- CORRESPONDENCE:**
  
- COMMITTEE REPORTS**  
Safety Committee:..... Verbal  
Claims Committee: ..... Verbal
  
- EXECUTIVE DIRECTOR/ADMINISTRATOR - PERMA ..... Pages 3-11**
  
- TREASURER – David Miller**  
Resolution **35-16** July Bill List - *Motion* .....Page 12  
May Monthly Treasurer Reports ..... Pages 13-14
  
- ATTORNEY – Arthur R. Sypek, Jr., Esq. .... Verbal**
  
- CLAIMS SERVICE – Inservco Insurance Services, Inc. – Motion**  
Resolution **36-16** Authorizing Disclosure of Liability Claims Check Register..... Pages 15-16  
Liability Claims Payments 6-1-16 to 6-30-16 ..... Pages 17-18
  
- MANAGED CARE – First MCO**  
Monthly Summary Report – June.....Page 19
  
- CEL SAFETY DIRECTOR – J.A. Montgomery Risk Control**  
Monthly Report.....Page 20  
Accident Investigation Reports .....Handout
  
- RISK MANAGER CONSULTANT – Borden Perlman Salisbury & Kelly**  
Monthly Report ..... Verbal
  
- OLD BUSINESS**
- NEW BUSINESS:**
- PUBLIC COMMENT:**
- CLOSED SESSION – Payment Authorization Requests (PARS) .....Pages 21-23**  
Resolution **37-16** Executive Session for purpose as permitted by the Open Public Meetings Act,  
more specifically to discuss PARS related to pending or anticipated litigation as identified in  
the list of claims prepared by third-party claim administrator Inservco Insurance Services,  
Inc. and attached to this agenda.

- Motion for Executive Session
- APPROVAL OF PARS - Motion**

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- MEETING ADJOURNMENT**
  - NEXT SCHEDULED MEETING: August 22, 2016 MERCER COUNTY, McDADE ADMINISTRATION BUILDING, 640 S. BROAD STREET, TRENTON, NJ 08650-8068 10:30 AM**

**MERCER COUNTY INSURANCE FUND COMMISSION**

9 Campus Drive, Suite 216  
Parsippany, NJ 07054  
Telephone (201) 881-7632

Date: July 25, 2016  
Memo to: Commissioners of the Mercer County Insurance Fund Commission  
From: PERMA Risk Management Services  
Subject: Executive Director's Report

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- Certificate of Insurance Issuance Report (Page 5)** – Attached on page 5 is the certificate of insurance issuance report from the CEL listing those certificates issued for the period of June 20, 2016 to July 20, 2016. There was 1 certificate of insurance issued during this period.
- Motion to approve the certificate of insurance report**
- NJ Excess Counties Insurance Fund (CELJIF) (Pages 6-7)** – The CELJIF met on June 23, 2016. Bowman & Company, LLP presented a draft copy of the 2015 Audit. The Counties of Union, Hudson, Ocean and Mercer are scheduled to renew their membership with the Fund as of January 1, 2017. A summary report of the meeting is included in the agenda on pages 6-7. The CEL is scheduled to meet again on September 22, 2016 at 1:00 PM.
- NJCEJIF Membership** – Mercer County’s three year membership in the CELJIF expires on 12/31/16. The CEL will mail the applicable Resolution and Indemnity Agreement to the County Administrator for execution.
- Entity Membership in the Insurance Commission** – The three year membership for the Mercer County Insurance Fund Commission is also due to expire at the end of the year. The Fund Office will be mailing the applicable Indemnity and Trust Agreement to the County and Improvement Authority for execution. Each member entity will need to pass a resolution authorizing its participation in the Mercer County Insurance Fund Commission.
- MCIFC Property & Casualty Financial Fast Track (Page 8)** – Included in the agenda on page 8 is a copy of the Financial Fast Track as of **May 31, 2016**. The report indicates the Commission has a surplus of **\$3,172,475**. Line 10 of the report, “Investment in Joint Venture” is Mercer County Insurance Fund Commission’s share of equity in the CEL. MCIFC’s equity in the CEL as of May 31, 2016 is **\$449,764**. The total cash balance is **\$596,738**.

- ❑ **NJ CEL Property and Casualty Financial Fast Track (Page 9)** – Included in the agenda on page 9 is a copy of the CEL Financial Fast Track for the month of May. As of **May 31, 2016** the Fund has a surplus of **\$5,779,624**. The cash balance is **\$17,002,755**.
- ❑ **Claims Tracking Reports (Pages 10-11)** – Included in the agenda on pages 10-11 are copies of the Claim Activity Report and the Claims Management Report Expected Loss Ratio Analysis reports as of June 30, 2016. The Executive Director will review the reports with the Commission.
- ❑ **2017 Renewal** – On July 15, 2016 the Fund Office sent the NJCE FY 2017 Renewal Data Schedules to the County and Improvement Authority along with copies to the Risk Manager’s office. The updated documents should be returned by e-mail to Cathy Dodd no later than Monday, August, 22, 2016. The Fund office will also be sending out the renewal applications for completion as respects to the ancillary lines of insurance. Since the budget process is dependent on the timely receipt of the renewal data we ask your cooperation in meeting the due dates.
- ❑ **Request for Proposal – 2015 Auditor** – We have asked the Commissioners to review and evaluate the auditor responses that were received to make a recommendation to the Freeholders. The Commission will make the appointment at the August meeting.
- ❑ **Pollution Coverage** – Mr. Borden is working with the CEL Underwriting Manager regarding the pollution application that was submitted. We will ask Mr. Borden to provide an update on the status.

**Mercer County Insurance Commission  
Certificate Of Insurance Monthly Report**

*Wednesday, July 20, 2016*

From 6/20/16 to 7/20/16

<b>Holder (H) / Insured Name (I) MCIC</b>	<b>Holder / Insured Address</b>	<b>Holder Code</b>	<b>Description of Operations</b>	<b>Issue Date</b>	<b>Coverage</b>
H- NJ Transit I- County of Mercer	4th Floor, One Penn Plaza East Newark, NJ 07105 McDade Administration Building 640 South Broad Street, PO Box 8068 Trenton, NJ 08650-0068	1411	NJ Transit and the State of NJ are additional insureds where obligated by virtue of a written contract or written mutual aid agreement or other written agreement with the Named Assured, but only in respect to acts or operations by or on behalf of the Named Assured, and subject to the limitations on coverage contained in any such written contract or written mutual aid agreement or other written agreement (SEE PAGE 2)  with respects to the SFY 2017 NJ-JARC 3 Grant Program.  Company D: XS Liability \$10,000,000 XS of \$10,000,000, (\$10,000,000 Annual Aggregate) Policy Term: 1/1/16 to 1/1/17 Policy # XCO0000261  Company E: XS Worker Compensation Statutory x \$1,000,000 XS Employers Liability \$5,000,000 x \$1,000,000 Policy Term 1/1/16 to 1/1/17 Policy # SP4054261	7/20/2016	GL EX AU WC

**Total # of Holders = 1**

**NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND**

9 Campus Drive – Suite 216  
Parsippany, NJ 07054-4412  
Telephone (201) 881-7632 Fax (201) 881-7633

**Date:** June 23, 2016  
**To:** Executive Committee  
Mercer County Insurance Fund Commission  
**From:** PERMA Risk Management Services  
**Subject:** New Jersey Counties Excess Meeting Report

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**Risk Management Plan – Amendment to Assessment Payment Schedule:** Executive Director reported that the Risk Management Plan (RMP) requires an amendment to update the assessment payment schedule to track to the Fund’s operations over the past six years.

Following budget certification, any adjustments to exposures reported by members result in minor changes to the budget and subsequent allocation of additional premiums. Any adjustments are included on the 2<sup>nd</sup> installment bill, which has been due May 15<sup>th</sup>. Executive Director reported adjustments have occurred well after the original May 15<sup>th</sup> date and recommended the installment dates change to allow billing flexibility, as well as, track to billings issued over the past six years. The Board of Fund Commissioners agreed with the recommendation and approved the amendment to the 2016 Risk Management Plan as respects to installment payments.

*Former wording of installment payments in the 2016 Risk Management Plan*

- c) The following shall be the payment schedule for assessments:  
60% of the assessment shall be due March 15<sup>th</sup> (or upon binding coverage if after the February 15<sup>th</sup> and the remainder due on May 15<sup>th</sup> (or upon binding coverage if after May 15<sup>th</sup>).

*Current amended wording of installment payments in the 2016 Risk Management Plan*

- c) The following shall be the payment schedule for assessments:
  - 1) Current Members: 60% of the assessment shall be due March 15<sup>th</sup> and the remainder due on August 1<sup>st</sup>.
  - 2) New Members:
    - a) New members will be billed based upon an agreed payment schedule for the initial first year of membership.
    - b) Thereafter the initial year, new members will be billed the same cycle as current members on March 15<sup>th</sup> and August 1<sup>st</sup>.

**Membership Renewal:** The Counties of Union, Hudson, Ocean and Mercer County Insurance Fund Commission are scheduled to renew their membership with the Fund as of January 1, 2017. Renewal documents will be sent to each respective County.

**December 31, 2015 Audit:** The Fund Auditor submitted and reviewed a draft financial audit for the period ending December 31, 2015. Fund Auditor noted there was no recommendations or findings and would prepare the final report for the next meeting. The Board adopted resolution 26-16 authorizing the fund office to file the draft audit and request an extension to submit the final report to the Department of Community Affairs.

**2017 Renewal:** The fund office will start the data collection process for the 2017 renewal in order to provide relevant information to underwriters. The fund office is working with the local Insurance Commissions and County members to roll out the process shortly; the initial deadline to complete the general liability and property information is set for August and all remaining exposure data by September in order to present a budget by the October meeting.

**Bylaw Amendment:** Following the May 5<sup>th</sup> public meeting, the fund office distributed the proposed bylaw amendment to members for their governing bodies to approve or deny. The amendment would allow a Joint insurance Fund(s) whose members are exclusive members of a local unit under the control and finance of the governing body of a County to apply for NJCE membership.

As per the NJCE bylaws, the amendment is only adopted by the Fund when the governing bodies of three-fourths (3/4) of the members approve the amendment within six (6) months of the hearing on the amendment. Executive Director reported to date, the office has received confirmation that 5 members have adopted the bylaw amendment.

**NJCE Financials:** The Financial Fast Track as of April 30, 2016 reflected the fund's statutory surplus of \$5.6 million.

**Claims Status Summary:** AmeriHealth Casualty Services provided a summary report of claims with large open reserves which were reviewed during Closed Session.

**Risk Control:** Safety Director's report included a report reflecting the risk control activities from April – July 2016. Safety Director said PEOSH has indicated they would be focusing on five-year strategic plan in the various counties. Safety Director said members could contact his office for assistance in responding to any citations.

**Next Meeting:** The next regularly scheduled meeting of the NJCE fund is September 22, 2016 at 1:00PM at the Camden County College Regional Emergency Training Center.



MERCER COUNTY INSURANCE COMMISSION					
FINANCIAL FAST TRACK REPORT					
AS OF May 31, 2016					
ALL YEARS COMBINED					
		THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1.	UNDERWRITING INCOME	662,591	3,312,954	15,321,408	18,634,362
2.	CLAIM EXPENSES				
	Paid Claims	396,828	1,112,048	2,337,196	3,449,245
	Case Reserves	(471,261)	540,362	2,201,600	2,741,962
	IBNR	203,181	854,668	1,995,683	2,850,351
	Discounted Claim Value	7,303	(40,682)	(109,981)	(150,662)
	<b>TOTAL CLAIMS</b>	<b>136,052</b>	<b>2,466,396</b>	<b>6,424,499</b>	<b>8,890,895</b>
3.	EXPENSES				
	Excess Premiums	198,488	992,672	4,687,910	5,680,582
	Administrative	47,993	242,930	1,097,244	1,340,174
	<b>TOTAL EXPENSES</b>	<b>246,481</b>	<b>1,235,602</b>	<b>5,785,154</b>	<b>7,020,756</b>
4.	UNDERWRITING PROFIT (1-2-3)	280,057	(389,045)	3,111,756	2,722,711
5.	INVESTMENT INCOME	0	0	0	0
6.	PROFIT (4 + 5)	280,057	(389,045)	3,111,756	2,722,711
7.	CEL APPROPRIATION CANCELLATION	0	0	0	0
8.	DIVIDEND INCOME	0	0	0	0
9.	DIVIDEND EXPENSE	0	0	0	0
10.	INVESTMENT IN JOINT VENTURE	15,907	80,908	368,857	449,764
11.	<b>SURPLUS (6 + 7 + 8)</b>	<b>295,964</b>	<b>(308,137)</b>	<b>3,480,612</b>	<b>3,172,475</b>
<b>SURPLUS (DEFICITS) BY FUND YEAR</b>					
	2014	60,808	248,929	1,863,521	2,112,450
	2015	34,844	(354,814)	1,617,091	1,262,278
	2016	200,312	(202,253)		(202,253)
	<b>TOTAL SURPLUS (DEFICITS)</b>	<b>295,964</b>	<b>(308,137)</b>	<b>3,480,612</b>	<b>3,172,475</b>
<b>TOTAL CASH</b>					
<b>596,738</b>					
<b>CLAIM ANALYSIS BY FUND YEAR</b>					
<b>FUND YEAR 2014</b>					
	Paid Claims	49,515	170,250	1,489,439	1,659,690
	Case Reserves	(107,855)	(299,485)	854,019	554,535
	IBNR	(3,520)	(77,565)	771,021	693,456
	Discounted Claim Value	2,878	9,539	(43,681)	(34,142)
	<b>TOTAL FY 2014 CLAIMS</b>	<b>(58,982)</b>	<b>(197,260)</b>	<b>3,070,798</b>	<b>2,873,538</b>
<b>FUND YEAR 2015</b>					
	Paid Claims	71,249	501,036	847,757	1,348,793
	Case Reserves	(107,589)	(103,914)	1,347,581	1,243,667
	IBNR	(1,135)	(88,613)	1,224,662	1,136,049
	Discounted Claim Value	2,764	2,233	(66,300)	(64,066)
	<b>TOTAL FY 2015 CLAIMS</b>	<b>(34,712)</b>	<b>310,743</b>	<b>3,353,701</b>	<b>3,664,443</b>
<b>FUND YEAR 2016</b>					
	Paid Claims	276,064	440,762		440,762
	Case Reserves	(255,816)	943,760		943,760
	IBNR	207,837	1,020,846		1,020,846
	Discounted Claim Value	1,661	(52,454)		(52,454)
	<b>TOTAL FY 2016 CLAIMS</b>	<b>229,745</b>	<b>2,352,914</b>	<b>0</b>	<b>2,352,914</b>
<b>COMBINED TOTAL CLAIMS</b>		<b>136,052</b>	<b>2,466,396</b>	<b>6,424,499</b>	<b>8,890,895</b>

This report is based upon information which has not been audited nor certified by an actuary and as such may not truly represent the condition of the fund.

NEW JERSEY COUNTIES EXCESS JIF					
FINANCIAL FAST TRACK REPORT					
AS OF May 31, 2016					
ALL YEARS COMBINED					
	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE	
1. UNDERWRITING INCOME	1,765,854	8,829,272	76,187,004	85,016,276	
2. CLAIM EXPENSES					
Paid Claims	56,361	757,709	1,089,974	1,847,683	
Case Reserves	401,151	962,607	2,413,317	3,375,923	
IBNR	(171,181)	404,969	9,188,910	9,593,879	
Discounted Claim Value	(33,839)	(118,603)	(651,074)	(769,677)	
<b>TOTAL CLAIMS</b>	<b>252,492</b>	<b>2,006,682</b>	<b>12,041,128</b>	<b>14,047,809</b>	
3. EXPENSES					
Excess Premiums	1,256,071	6,278,117	52,056,606	58,334,723	
Administrative	128,935	645,526	5,652,271	6,297,797	
<b>TOTAL EXPENSES</b>	<b>1,385,006</b>	<b>6,923,643</b>	<b>57,708,877</b>	<b>64,632,520</b>	
4. UNDERWRITING PROFIT (1-2-3)	128,357	(101,052)	6,436,999	6,335,947	
5. INVESTMENT INCOME	3,719	16,504	184,725	201,228	
6. PROFIT (4+5)	132,076	(84,548)	6,621,724	6,537,175	
7. Dividend	0	0	150,000	150,000	
8. Cancelled Appropriations	0	0	607,551	607,551	
9. SURPLUS (6-7-8)	132,076	(84,548)	5,864,173	5,779,624	
<b>SURPLUS (DEFICITS) BY FUND YEAR</b>					
2010	1,759	16,541	642,182	658,723	
2011	3,244	(194,241)	1,149,228	954,987	
2012	18,335	(311,904)	477,778	165,874	
2013	659	(127,587)	1,259,797	1,132,210	
2014	11,272	319,103	1,417,746	1,736,849	
2015	876	(289,074)	917,441	628,367	
2016	95,929	502,613		502,613	
<b>TOTAL SURPLUS (DEFICITS)</b>	<b>132,076</b>	<b>(84,548)</b>	<b>5,864,172</b>	<b>5,779,623</b>	
<b>TOTAL CASH</b>				<b>17,002,755</b>	
<b>CLAIM ANALYSIS BY FUND YEAR</b>					
<b>FUND YEAR 2010</b>					
Paid Claims	0	901	163,454	164,355	
Case Reserves	0	(0)	1	1	
IBNR	(1,603)	(17,124)	326,545	309,422	
Discounted Claim Value	53	710	(11,008)	(10,298)	
<b>TOTAL FY 2010 CLAIMS</b>	<b>(1,550)</b>	<b>(15,513)</b>	<b>478,992</b>	<b>463,479</b>	
<b>FUND YEAR 2011</b>					
Paid Claims	0	91,234	144,097	235,331	
Case Reserves	0	158,768	262,007	420,775	
IBNR	(3,007)	(43,638)	623,896	580,258	
Discounted Claim Value	141	(10,315)	(41,637)	(51,952)	
<b>TOTAL FY 2011 CLAIMS</b>	<b>(2,866)</b>	<b>196,049</b>	<b>988,363</b>	<b>1,184,412</b>	
<b>FUND YEAR 2012</b>					
Paid Claims	35,927	546,946	515,889	1,062,835	
Case Reserves	(51,988)	(136,694)	856,270	719,575	
IBNR	(5,309)	(95,441)	1,120,043	1,024,602	
Discounted Claim Value	3,438	(895)	(82,267)	(83,162)	
<b>TOTAL FY 2012 CLAIMS</b>	<b>(17,932)</b>	<b>313,916</b>	<b>2,409,934</b>	<b>2,723,850</b>	
<b>FUND YEAR 2013</b>					
Paid Claims	344	344	15,975	16,319	
Case Reserves	355,925	605,125	511,304	1,116,429	
IBNR	(343,208)	(463,778)	1,657,721	1,193,943	
Discounted Claim Value	(13,061)	(10,989)	(110,993)	(121,982)	
<b>TOTAL FY 2013 CLAIMS</b>	<b>0</b>	<b>130,702</b>	<b>2,074,007</b>	<b>2,204,709</b>	
<b>FUND YEAR 2014</b>					
Paid Claims	1,101	26,532	120,096	146,628	
Case Reserves	(1,101)	(166,940)	313,106	146,166	
IBNR	(11,236)	(198,300)	2,411,798	2,213,498	
Discounted Claim Value	749	23,316	(164,745)	(141,429)	
<b>TOTAL FY 2014 CLAIMS</b>	<b>(10,487)</b>	<b>(315,392)</b>	<b>2,680,255</b>	<b>2,364,863</b>	
<b>FUND YEAR 2015</b>					
Paid Claims	18,989	91,752	130,464	222,216	
Case Reserves	98,310	502,336	470,629	972,965	
IBNR	(113,158)	(281,417)	3,048,907	2,767,490	
Discounted Claim Value	(4,141)	(17,198)	(240,424)	(257,622)	
<b>TOTAL FY 2015 CLAIMS</b>	<b>(0)</b>	<b>295,473</b>	<b>3,409,576</b>	<b>3,705,049</b>	
<b>FUND YEAR 2016</b>					
Paid Claims	0	0		0	
Case Reserves	5	12		12	
IBNR	306,339	1,504,667		1,504,667	
Discounted Claim Value	(21,017)	(103,231)		(103,231)	
<b>TOTAL FY 2016 CLAIMS</b>	<b>285,327</b>	<b>1,401,447</b>	<b>0</b>	<b>1,401,447</b>	
<b>COMBINED TOTAL CLAIMS</b>	<b>252,492</b>	<b>2,006,682</b>	<b>12,041,128</b>	<b>14,047,809</b>	

This report is based upon information which has not been audited nor certified by an actuary and as such may not truly represent the condition of the fund.

**Mercer County Insurance Fund Commission  
CLAIM ACTIVITY REPORT**

AS OF	June 30, 2016								
<b>COVERAGE LINE-PROPERTY</b>									
<b>CLAIM COUNT - OPEN CLAIMS</b>									
Year	2010	2011	2012	2013	2014	2015	2016	<b>TOTAL</b>	
May-16	0	0	0	0	0	12	24	36	
June-16	0	0	0	0	0	8	24	32	
<b>NET CHGE</b>	0	0	0	0	0	-4	0	-4	
Limited Reserves									<b>\$1,381</b>
Year	2010	2011	2012	2013	2014	2015	2016	<b>TOTAL</b>	
May-16	\$0	\$0	\$0	\$0	\$0	\$14,065	\$47,250	\$61,315	
June-16	\$0	\$0	\$0	\$0	\$0	\$5,000	\$39,178	\$44,178	
<b>NET CHGE</b>	\$0	\$0	\$0	\$0	\$0	(\$9,065)	(\$8,072)	(\$17,137)	
Ltd Incurred	\$0	\$0	\$0	\$0	\$19,168	\$58,363	\$39,178	\$116,709	
<b>COVERAGE LINE-GENERAL LIABILITY</b>									
<b>CLAIM COUNT - OPEN CLAIMS</b>									
Year	2010	2011	2012	2013	2014	2015	2016	<b>TOTAL</b>	
May-16	0	0	0	0	6	24	12	42	
June-16	0	0	0	0	8	24	19	51	
<b>NET CHGE</b>	0	0	0	0	2	0	7	9	
Limited Reserves									<b>\$5,802</b>
Year	2010	2011	2012	2013	2014	2015	2016	<b>TOTAL</b>	
May-16	\$0	\$0	\$0	\$0	\$75,489	\$180,701	\$19,225	\$275,415	
June-16	\$0	\$0	\$0	\$0	\$85,489	\$177,601	\$32,834	\$295,924	
<b>NET CHGE</b>	\$0	\$0	\$0	\$0	\$10,000	(\$3,100)	\$13,609	\$20,509	
Ltd Incurred	\$0	\$0	\$0	\$0	\$86,852	\$184,327	\$34,259	\$305,437	
<b>COVERAGE LINE-AUTO LIABILITY</b>									
<b>CLAIM COUNT - OPEN CLAIMS</b>									
Year	2010	2011	2012	2013	2014	2015	2016	<b>TOTAL</b>	
May-16	0	0	0	0	0	7	2	9	
June-16	0	0	0	0	0	6	3	9	
<b>NET CHGE</b>	0	0	0	0	0	-1	1	0	
Limited Reserves									<b>\$2,609</b>
Year	2010	2011	2012	2013	2014	2015	2016	<b>TOTAL</b>	
May-16	\$0	\$0	\$0	\$0	\$0	\$21,984	\$3,000	\$24,984	
June-16	\$0	\$0	\$0	\$0	\$0	\$19,984	\$3,500	\$23,484	
<b>NET CHGE</b>	\$0	\$0	\$0	\$0	\$0	(\$2,000)	\$500	(\$1,500)	
Ltd Incurred	\$0	\$0	\$0	\$0	\$10,891	\$25,420	\$15,662	\$51,973	
<b>COVERAGE LINE-WORKERS COMP.</b>									
<b>CLAIM COUNT - OPEN CLAIMS</b>									
Year	2010	2011	2012	2013	2014	2015	2016	<b>TOTAL</b>	
May-16	0	0	0	0	18	34	40	92	
June-16	0	0	0	0	17	33	52	102	
<b>NET CHGE</b>	0	0	0	0	-1	-1	12	10	
Limited Reserves									<b>\$25,067</b>
Year	2010	2011	2012	2013	2014	2015	2016	<b>TOTAL</b>	
May-16	\$0	\$0	\$0	\$0	\$479,046	\$1,026,918	\$874,285	\$2,380,248	
June-16	\$0	\$0	\$0	\$0	\$476,742	\$990,875	\$1,089,202	\$2,556,819	
<b>NET CHGE</b>	\$0	\$0	\$0	\$0	(\$2,303)	(\$36,043)	\$214,917	\$176,571	
Ltd Incurred	\$0	\$0	\$0	\$0	\$2,123,670	\$2,292,142	\$1,589,444	\$6,005,256	
<b>TOTAL ALL LINES COMBINED</b>									
<b>CLAIM COUNT - OPEN CLAIMS</b>									
Year	2010	2011	2012	2013	2014	2015	2016	<b>TOTAL</b>	
May-16	0	0	0	0	24	77	78	179	
June-16	0	0	0	0	25	71	98	194	
<b>NET CHGE</b>	0	0	0	0	1	-6	20	15	
Limited Reserves									<b>\$15,054</b>
Year	2010	2011	2012	2013	2014	2015	2016	<b>TOTAL</b>	
May-16	\$0	\$0	\$0	\$0	\$554,535	\$1,243,668	\$943,760	\$2,741,962	
June-16	\$0	\$0	\$0	\$0	\$562,231	\$1,193,460	\$1,164,714	\$2,920,405	
<b>NET CHGE</b>	\$0	\$0	\$0	\$0	\$7,697	(\$50,208)	\$220,954	\$178,442	
Ltd Incurred	\$0	\$0	\$0	\$0	\$2,240,580	\$2,560,252	\$1,678,542	\$6,479,374	

Mercer County Insurance Fund Commission  
CLAIMS MANAGEMENT REPORT  
EXPECTED LOSS RATIO ANALYSIS

AS OF June 30, 2016

**FUND YEAR 2014 -- LOSSES CAPPED AT RETENTION**

	Budget	Current		30	MONTH	Last Month		29	MONTH	Last Year		18	MONTH			
		Unlimited Incurred	Limited Incurred	Actual 30-Jun-16		Unlimited Incurred	Limited Incurred	Actual 31-May-16		Unlimited Incurred	Limited Incurred	Actual 30-Jun-15				
PROPERTY	62,322	19,168	19,168	30.76%	100.00%	19,168	19,168	30.76%	100.00%	62,322	108,218	108,218	173.64%	60,507	97.09%	
GEN LIABILITY	124,157	86,852	86,852	69.95%	106,235	85.57%	76,852	76,852	61.90%	105,102	84.65%	159,890	159,890	128.78%	88,349	71.16%
AUTO LIABILITY	127,016	10,891	10,891	8.57%	105,312	82.91%	10,891	10,891	8.57%	104,180	82.02%	10,391	10,391	8.18%	84,379	66.43%
WORKER'S COMP	4,356,301	2,123,670	2,123,670	48.75%	4,206,954	96.57%	2,106,893	2,106,893	48.36%	4,191,169	96.21%	2,092,216	2,092,216	48.03%	3,759,970	86.31%
TOTAL ALL LINES	4,669,797	2,240,580	2,240,580	47.98%	4,480,823	95.95%	2,213,803	2,213,803	47.41%	4,462,773	95.57%	2,370,715	2,370,715	50.77%	3,993,205	85.51%
<b>NET PAYOUT %</b>	\$1,678,349					<b>35.94%</b>										

**FUND YEAR 2015 -- LOSSES CAPPED AT RETENTION**

	Budget	Current		18	MONTH	Last Month		17	MONTH	Last Year		6	MONTH			
		Unlimited Incurred	Limited Incurred	Actual 30-Jun-16		Unlimited Incurred	Limited Incurred	Actual 31-May-16		Unlimited Incurred	Limited Incurred	Actual 30-Jun-15				
PROPERTY	80,948	58,363	58,363	72.10%	78,590	97.09%	67,428	67,428	83.30%	78,415	96.87%	82,296	82,296	101.67%	36,427	45.00%
GEN LIABILITY	155,896	184,327	184,327	118.24%	110,934	71.16%	187,427	187,427	120.23%	108,419	69.55%	109,802	109,802	70.43%	29,620	19.00%
AUTO LIABILITY	131,580	25,420	25,420	19.32%	87,411	66.43%	27,420	27,420	20.84%	84,617	64.31%	8,182	8,182	6.22%	26,316	20.00%
WORKER'S COMP	4,449,750	2,292,142	2,292,142	51.51%	3,840,627	86.31%	2,310,185	2,310,185	51.92%	3,748,105	84.23%	818,773	818,773	18.40%	622,965	14.00%
TOTAL ALL LINES	4,818,174	2,560,252	2,560,252	53.14%	4,117,562	85.46%	2,592,460	2,592,460	53.81%	4,019,557	83.42%	1,019,052	1,019,052	21.15%	715,328	14.85%
<b>NET PAYOUT %</b>	\$1,366,792					<b>28.37%</b>										

**FUND YEAR 2016 -- LOSSES CAPPED AT RETENTION**

	Budget	Current		6	MONTH	Last Month		5	MONTH	Last Year		-6	MONTH			
		Unlimited Incurred	Limited Incurred	Actual 30-Jun-16		Unlimited Incurred	Limited Incurred	Actual 31-May-16		Unlimited Incurred	Limited Incurred	Actual 30-Jun-15				
PROPERTY	80,948	39,178	39,178	48.40%	36,427	45.00%	47,250	47,250	58.37%	29,951	37.00%	0	0	N/A	N/A	N/A
GEN LIABILITY	155,896	34,259	34,259	21.98%	29,620	19.00%	20,510	20,510	13.16%	21,825	14.00%	0	0	N/A	N/A	N/A
AUTO LIABILITY	131,580	15,662	15,662	11.90%	26,316	20.00%	15,162	15,162	11.52%	19,737	15.00%	0	0	N/A	N/A	N/A
WORKER'S COMP	4,616,644	1,589,444	1,589,444	34.43%	646,330	14.00%	1,301,600	1,301,600	28.19%	415,498	9.00%	0	0	N/A	N/A	N/A
TOTAL ALL LINES	4,985,068	1,678,542	1,678,542	33.67%	738,693	14.82%	1,384,522	1,384,522	27.77%	487,011	9.77%	0	0	N/A	N/A	N/A
<b>NET PAYOUT %</b>	\$513,829					<b>10.31%</b>										

**MERCER COUNTY INSURANCE FUND COMMISSION  
BILLS LIST**

**Resolution No. 35-16**

**JULY 2016**

**WHEREAS**, the Treasurer has certified that funding is available to pay the following bills:

**BE IT RESOLVED** that the Mercer County Insurance Fund Commission, hereby authorizes the Commission Treasurer to issue warrants in payment of the following claims; and

**FURTHER**, that this authorization shall be made a permanent part of the records of the Commission

**FUND YEAR 2016**

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
<b>000228</b>			
000228	NEW JERSEY COUNTIES EXCESS JIF	CEL 2ND 2016 INSTALLMENT	951,543.95
			<b>951,543.95</b>
<b>000229</b>			
000229	BORDEN PERLMAN SALISBURY&KELLY	INSURANCE CONSULTING FEE 07/2016	5,000.00
			<b>5,000.00</b>
<b>000230</b>			
000230	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 06/2016	1.99
000230	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 07/2016	13,096.83
			<b>13,098.82</b>
<b>000231</b>			
000231	THE ACTUARIAL ADVANTAGE	ACTUARIAL SERVICES FEE 07/2016	2,271.42
			<b>2,271.42</b>
<b>000232</b>			
000232	INSERVCO INSURANCE SERVICES	MONTHLY CLAIMS SERVICE - 07/2016	16,666.66
			<b>16,666.66</b>
<b>000233</b>			
000233	THE TRENTONIAN	ACCT: 884004 - CLOSED SESSION - 06/2016	12.60
			<b>12.60</b>
<b>000234</b>			
000234	J.A. MONTGOMERY RISK CONTROL	RISK CONTROL SERVICE - 7/2016	10,055.00
			<b>10,055.00</b>
<b>000235</b>			
000235	NJ ADVANCE MEDIA	ACCT: 1153600 - CLOSED SESSION_ 6/15/16	43.56
			<b>43.56</b>
TOTAL PAYMENTS FY 2016			998,692.01

**TOTAL PAYMENTS ALL FUND YEARS \$ 998,692.01**

Attest:

Dated: \_\_\_\_\_

I hereby certify the availability of sufficient unencumbered funds in the proper accounts to fully pay the above claims.

\_\_\_\_\_  
Treasurer

<b>MERCER COUNTY INSURANCE COMMISSION</b>							
<b>SUMMARY OF CASH TRANSACTIONS - ALL FUND YEARS COMBINED</b>							
<b>Current Fund Year: 2016</b>							
<b>Month Ending: May</b>							
	<b>Property</b>	<b>Liability</b>	<b>Auto</b>	<b>Worker's Com</b>	<b>NJ CEL</b>	<b>Admin</b>	<b>TOTAL</b>
OPEN BALANCE	17,284.26	173,831.64	159,750.92	3,483,326.84	(2,787,304.53)	(447,329.67)	599,559.46
RECEIPTS							
Assessments	4,544.81	8,780.75	7,412.90	250,714.79	137,315.10	32,475.56	441,243.91
Refunds	0.00	0.00	0.00	445.07	0.00	0.00	445.07
Invest Pymnts	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Invest Adj	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal Invest	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other *	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>4,544.81</b>	<b>8,780.75</b>	<b>7,412.90</b>	<b>251,159.86</b>	<b>137,315.10</b>	<b>32,475.56</b>	<b>441,688.98</b>
EXPENSES							
Claims Transfers	0.00	3,257.56	1,000.00	393,016.00	0.00	0.00	397,273.56
Expenses	0.00	0.00	0.00	0.00	0.00	47,176.65	47,176.65
Other *	0.00	0.00	0.00	0.00	0.00	60.00	60.00
<b>TOTAL</b>	<b>0.00</b>	<b>3,257.56</b>	<b>1,000.00</b>	<b>393,016.00</b>	<b>0.00</b>	<b>47,236.65</b>	<b>444,510.21</b>
<b>END BALANCE</b>	<b>21,829.07</b>	<b>179,354.83</b>	<b>166,163.82</b>	<b>3,341,470.70</b>	<b>(2,649,989.43)</b>	<b>(462,090.76)</b>	<b>596,738.23</b>

<b>SUMMARY OF CASH AND INVESTMENT INSTRUMENTS</b>			
<b>MERCER COUNTY INSURANCE COMMISSION</b>			
<b>ALL FUND YEARS COMBINED</b>			
<b>CURRENT MONTH</b>	May		
<b>CURRENT FUND YEAR</b>	2016		
	<b>Description:</b>	<b>MCIFC General A/C</b>	<b>MCIFC Claims A/C</b>
	<b>ID Number:</b>		
	<b>Maturity (Yrs)</b>		
	<b>Purchase Yield:</b>		
	<b>TOTAL for All Accts &amp; instruments</b>		
<b>Opening Cash &amp; Investment Balance</b>	<b>\$599,559.46</b>	<b>684823.67</b>	<b>-85264.21</b>
<b>Opening Interest Accrual Balance</b>	<b>\$0.00</b>	<b>0</b>	<b>0</b>
1	Interest Accrued and/or Interest Cost	\$0.00	\$0.00
2	Interest Accrued - discounted Instr.s	\$0.00	\$0.00
3	(Amortization and/or Interest Cost)	\$0.00	\$0.00
4	Accretion	\$0.00	\$0.00
5	Interest Paid - Cash Instr.s	\$0.00	\$0.00
6	Interest Paid - Term Instr.s	\$0.00	\$0.00
7	Realized Gain (Loss)	\$0.00	\$0.00
8	Net Investment Income	\$0.00	\$0.00
9	Deposits - Purchases	\$441,688.98	\$47,134.41
10	(Withdrawals - Sales)	-\$444,510.21	-\$47,191.65
	Ending Cash & Investment Balance	\$596,738.23	\$684,766.43
	Ending Interest Accrual Balance	\$0.00	\$0.00
	Plus Outstanding Checks	\$349,117.26	\$47,176.65
	(Less Deposits in Transit)	\$0.00	\$0.00
	Balance per Bank	\$945,855.49	\$731,943.08
			\$213,912.41

**RESOLUTION NO. 36-16**

**MERCER COUNTY INSURANCE FUND COMMISSION  
AUTHORIZING DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTER**

**WHEREAS**, the MERCER COUNTY INSURANCE FUND COMMISSION (hereinafter "MCIFC") is duly constituted as an Insurance Commission pursuant to N.J.S.A. 40A:10-6 et seq.; and

**WHEREAS**, the MCIFC is subject to the requirements of the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq.; and

**WHEREAS**, the Open Public Meetings Act requires all meetings of public bodies be open to the public; and

**WHEREAS**, the Open Public Meetings Act further provides a public body may permissibly exclude the public from a portion of a meeting at which the public body discusses items per the Open Public Meetings Act at N.J.S.A. 10:4-12.b.(1) thru (9) recognized as requiring confidentiality, and

**WHEREAS**, it is necessary and appropriate for the MCIFC to discuss certain matters in a meeting not open to the public consistent with N.J.S.A. 10:4-12.b.(7); and

**WHEREAS**, the MCIFC is a public agency which must comply with the Open Public Records Act (OPRA) N.J.S.A. 47: 1A-1 to -13; and

**WHEREAS**, the MCIFC must comply with OPRA and reported New Jersey Case Law interpreting same; and

**WHEREAS**, the MCIFC did hold a closed session from which the public was excluded on July 25, 2016 at which time certain items were discussed as were referenced in a separate resolution authorizing said closed session and it being determined certain liability & property claim payment information can be made public at this time; and

**NOW THEREFORE BE IT RESOLVED** by the Commissioners of said MERCER County Insurance Fund Commission pursuant to both the Open Public Meetings Act and the Open Public Records Act as follows:

The attached financial transaction logs generated by third party administrator Inservco Insurances Inc. for the period June 1, 2016 to June 30, 2016 and related to all non-workers compensation payments are hereby approved for distribution to the listed claimants and for disclosure to the general public

**ADOPTED** by THE MERCER COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on July 25, 2016.

**ADOPTD:**



\_\_\_\_\_  
**K. MEGAN CLARK HUGHES, VICE CHAIR**

\_\_\_\_\_  
**DATE**

**ATTEST:**

\_\_\_\_\_  
**LILLIAN NAZZARO**

\_\_\_\_\_  
**DATE**

**Mercer County Ins Fund Comm - 396**  
**Financial Transaction Log - Liability Claim Payments**  
**Monthly / Detail / By Coverage / By Payment Type / By Check Number**  
**06/01/2016 Thru 06/30/2016**

Type	Check #	Claim #	Claimant Name	From Date	To Date	Payee Name	Trans. Date	Payment Description	Amt. Requested	Amt. Paid
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*Inservco Report Terminology*

Reporting Name	Business Name	Business Description
Amount/Amt Paid	Amount Paid	Amount actually paid or received
Amount/Amt Requested	Amount Requested	Amount requested to be paid
As Of Date/To Date	Report End Date	Ending date of transactions on report, usually month end
Payment Type	Type	Types of transactions--Computer, Manual, Refund, Recovery, Stop Pay, Void
Report Begin Date	Report Begin Date	Beginning date of transactions on report, usually beginning of month or inception
Trans Date	Transaction Date	Issue date for computer issued payments and add date for all other type entries

**Mercer County Ins Fund Comm - 396**  
**Financial Transaction Log - Liability Claim Payments**  
**Monthly / Detail / By Coverage / By Payment Type / By Check Number**  
**06/01/2016 Thru 06/30/2016**

Type	Check #	Claim #	Claimant Name	From Date	To Date	Payee Name	Trans. Date	Payment Description	Amnt. Requested	Amnt. Paid
<b>Coverage: General Liability</b>										
C	8934	3990001131	001 JASWAL, SURESH	1/23/2016	1/23/2016	SURESH JASWAL	6/27/2016	Full & Final Settlement of All Claims Melbox	140.00	140.00
M	8609	3990001147	001 WORTHY, JERLENE	3/30/2016	5/4/2016	JERLENE WORTHY	6/1/2016	Rental Fees	1,257.56	1,257.56
V	8609	3990001147	001 WORTHY, JERLENE	3/30/2016	5/4/2016	JERLENE WORTHY	6/1/2016	Rental Fees	-1,257.56	-1,257.56
<b>Total for Coverage: General Liability</b>							<b>Number of entries: 3</b>		<b>140.00</b>	<b>140.00</b>
<b>Total for Mercer County Ins Fund Comm - 396</b>							<b>Number of entries: 3</b>		<b>140.00</b>	<b>140.00</b>



*First Managed Care Option, Inc.*

First MCO Bill Review Services  
 MERCER CO INS COMM  
 Medical Savings by Month  
 NJ

Month of Reprice Service	Provider Billed Amount	First MCO Repriced	U & C / Fee Schedule	Savings	% of Savings	# of Bills	In Network	Out Of Network	% PPO Penetration	# of Appeals	FMCO Fee	Net Savings
<b>Total 2014</b>	<b>\$822,559</b>	<b>\$509,923</b>	<b>\$814,817</b>	<b>\$312,636</b>	<b>38%</b>	<b>752</b>	<b>618</b>	<b>134</b>	<b>82%</b>	<b>6</b>	<b>\$61,563</b>	<b>\$251,073</b>
<b>Total 2015</b>	<b>\$718,860</b>	<b>\$435,127</b>	<b>\$706,183</b>	<b>\$283,733</b>	<b>39%</b>	<b>695</b>	<b>558</b>	<b>137</b>	<b>80%</b>	<b>18</b>	<b>\$56,661</b>	<b>\$227,072</b>
Jan-16	\$155,061	\$83,394	\$153,004	\$71,667	46%	81	56	25	69%	2	\$14,333	\$57,333
Feb-16	\$88,857	\$55,542	\$86,730	\$33,315	37%	131	118	13	90%	0	\$6,566	\$26,749
Mar-16	\$139,873	\$78,468	\$136,744	\$61,405	44%	206	192	14	93%	0	\$12,281	\$49,124
Apr-16	\$353,592	\$124,022	\$362,479	\$229,569	65%	122	104	18	85%	2	\$45,914	\$183,655
May-16	\$88,712	\$47,169	\$120,288	\$41,544	47%	100	87	13	87%	3	\$8,309	\$33,235
<b>Total 2016</b>	<b>\$826,095</b>	<b>\$388,595</b>	<b>\$859,246</b>	<b>\$437,500</b>	<b>53%</b>	<b>640</b>	<b>557</b>	<b>83</b>	<b>87%</b>	<b>7</b>	<b>\$87,403</b>	<b>\$350,097</b>
<b>Total to Date</b>	<b>\$2,367,514</b>	<b>\$1,333,645</b>	<b>\$2,380,246</b>	<b>\$1,033,869</b>	<b>44%</b>	<b>2,087</b>	<b>1,733</b>	<b>354</b>	<b>83%</b>	<b>31</b>	<b>\$205,627</b>	<b>\$828,242</b>



**MERCER COUNTY INSURANCE FUND COMMISSION  
SAFETY DIRECTOR'S REPORT**

**TO:** Fund Commissioners  
**FROM:** J.A. Montgomery Risk Control, Safety Director  
**DATE:** July 20, 2016

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**June - July 2016  
RISK CONTROL ACTIVITIES**

**MEETINGS ATTENDED / LOSS CONTROL VISITS CONDUCTED**

- **June 15:** Attended the MCIFC Accident Review Panel meeting in Trenton
- **June 27:** Attended the MCIFC meeting in Trenton.
- **June 27:** Attended the MCIFC Claims Committee meeting in Trenton.
- **July 19:** A Defensive Driving Course was conducted for MCIFC.
- **July 20:** Attended the MCIFC Accident Review Panel meeting in Trenton.
- **July 20:** Conducted an Accident Investigation for the MCBOS and the Prosecutors Office.

**UPCOMING MEETINGS / LOSS CONTROL VISITS PLANNED**

- **July 25:** Plan to attend the MCIFC meeting in Trenton.
- **July 25:** Plan to attend the MCIFC Claims Committee meeting in Trenton.

**RESOLUTION NO. 37-16**

**MERCER COUNTY INSURANCE FUND COMMISSION  
AUTHORIZING A CLOSED SESSION TO DISCUSS  
PAYMENT AUTHORIZATION REQUESTS (PARS) & SETTLEMENT (SARS)  
RELATED TO PENDING OR ANTICIPATED LITIGATION**

**WHEREAS**, the MERCER COUNTY INSURANCE FUND COMMISSION (hereinafter “MCIFC”) is duly constituted as an Insurance Commission pursuant to N.J.S.A. 40A:10-6 et seq.; and

**WHEREAS**, the MCIFC is subject to the requirements of the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq.; and

**WHEREAS**, the Open Public Meetings Act requires all meetings of public bodies be open to the public; and

**WHEREAS**, the Open Public Meetings Act further provides a public body may permissibly exclude the public from a portion of a meeting at which the public body discusses items per the Open Public Meetings Act at N.J.S.A. 10:4-12.b.(1) thru (9) recognized as requiring confidentiality; and

**WHEREAS**, it is necessary and appropriate for the MCIFC to discuss certain matters in a meeting not open to the public consistent with N.J.S.A. 10:4-12.b.(7); and

**NOW THEREFORE BE IT RESOLVED** by the Commissioners of said Mercer County Insurance Fund Commission pursuant to the Open Public Meetings Act as follows:

The MCIFC shall hold a closed session from which the public shall be excluded on July 25, 2016.

The general nature of the items to be discussed at said closed session shall include the following: the appropriateness of payment of statutorily required workers’ compensation benefits, settlement authority if any or continuing defense of pending or anticipated litigation, discussion of litigation strategy, position the MCIFC will take in said litigation, strengths and weaknesses of MCIFC’s position in said litigation.

The specific litigation is identified by the claim number assigned by Inservco in its capacity as the third-party claims administrator, name of the claimant, date of loss, workers’ compensation petition number and/or court assigned docket number which is set forth in the attached list which list is also appended to the MCIFC monthly meeting agenda for July 25, 2016 which agenda has been timely posted per the Open Public Meetings Act.

The minutes of said closed session shall be made available for disclosure to the public consistent with N.J.S.A. 10:4-13 when the items which are the subject of the closed session discussions are resolved and the reasons for confidentiality as to both the MCIFC and the claimant no longer exist.

**ADOPTED** by THE MERCER COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on July 25, 2016.

**ADOPTD:**

\_\_\_\_\_  
**K. MEGAN CLARK HUGHES, VICE CHAIR**

\_\_\_\_\_  
**DATE**

**ATTEST:**

\_\_\_\_\_  
**LILLIAN NAZZARO**

\_\_\_\_\_  
**DATE**

**PAYMENT AUTHORIZATION REQUESTS**

**7-25-16**

<b><u>Claim #</u></b>	<b><u>Claimant</u></b>	<b><u>Type of Claim</u></b>	<b><u>PAR/SAR</u></b>	<b><u>C.P or DO #</u></b>
3960001177	Celestino Gonzalez	Worker Compensation	PAR	
3960000220	Christopher McKenna	Worker Compensation	PAR	
3960000724	Patrick Corvine	Worker Compensation	SAR	2015-20352



# APPENDIX I

**MERCER COUNTY INSURANCE FUND COMMISSION  
OPEN MINUTES  
MEETING – June 27, 2016  
Mercer County  
McDade Administration Building  
640 South Broad Street  
Trenton, NJ 08650-0068  
10:30AM**

Meeting was called to order by Chairman Mair. Ms. Dodd read the Open Public Meetings notice into record.

**ROLL CALL OF COMMISSIONERS:**

Andrew A. Mair	Present
K. Megan Clark Hughes	Present
Raissa Walker	Present ( <i>arrived 10:42 AM</i> )

**FUND PROFESSIONALS PRESENT:**

Executive Director	PERMA Risk Management Services <b>Joseph Hrubash</b>
Claims Service	Inservco Insurance Services, Inc. <b>Nancy Fowlkes</b> <b>Keith Platt</b>
	Conner Strong & Buckelew <b>Danielle Batchelor</b>
Managed Care Services	First MCO <b>Kelly Royce</b>
CEL Underwriting Manager	Conner Strong & Buckelew
Risk Management Consultant	Borden Perlman Salisbury & Kelly <b>Doug Borden</b>
Attorney	<b>Paul Adezio, Esq.</b>
Treasurer	
Safety Director	J.A. Montgomery Risk Control <b>Glenn Prince</b>

**ALSO PRESENT:**

Alma Ortiz, Mercer County Improvement Authority  
Thomas J. Walls, Jr., Capehart Scatchard, PA  
Paul Adezio, Esq., Mercer County  
Susan Schaefer, Susan Schaefer, LLC  
Cathy Dodd, PERMA Risk Management Services

**APPROVAL OF MINUTES: OPEN & CLOSED MINUTES OF MAY 23, 2016**

**MOTION TO APPROVE THE OPEN & CLOSED MINUTES OF MAY 23, 2016**

Moved: Commission Hughes  
Second: Chairman Mair  
Vote: 2 Ayes, 0 Nays

**CORRESPONDENCE: NONE**

**SAFETY COMMITTEE:** Mr. Prince reported the Safety & Accident Committee last met on June 14<sup>th</sup> and was scheduled to meet again on July 12<sup>th</sup>. Mr. Prince advised that concluded his report unless anyone had any questions.

**CLAIMS COMMITTEE:** Ms. Batchelor reported the Claims Committee met immediately prior to the Commission meeting today. Ms. Batchelor advised there were four PARS to present during closed session. Ms. Batchelor advised that concluded her report unless anyone had any questions.

**EXECUTIVE DIRECTOR REPORT:** Executive Director advised he had one action item for his report.

**CERTIFICATE OF INSURANCE ISSUANCE REPORT:** Executive Director reported on the Certificate of Insurance Report for the period of May 19, 2016 to June 19, 2016. There were two (2) certificates of insurances issued during this period. Executive Director asked if there were any questions and requested a motion.

**MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT**

Moved: Chairman Mair  
Second: Commissioner Hughes  
Vote: 2 Ayes, 0 Nays

**NJ EXCESS COUNTIES INSURANCE FUND (CELJIF):** Executive Director reported the CELJIF met on June 23, 2016. Executive Director advised he did not have a written report, however would quickly summarize the two major items which were discussed. Executive Director reported a draft copy of the 2015 audit was presented, approved and filed with the Department of Insurance. Executive Director also indicated there were four Counties which were up for renewal as

of January 1, 2017 and included Union, Ocean, Hudson, and Mercer. Executive Director noted the CEL would be sending the renewal documents to the Counties shortly. In response to Chairman Mair's inquiry, Executive Director advised it was a clean audit.

**MCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACKS:** Executive Director advised the April Financial Fast Track was included in the agenda. The Commission had a surplus of \$2,876,511 as of April 30, 2016. Executive Director also referred to line 10 of the report, "Investment in Joint Venture" and indicated \$433,857 of the surplus was the MCIFC's share of the CEL JIF equity. Executive Director noted the total cash balance was \$599,559.

**NJ CEL PROPERTY & CASUALTY FINANCIAL FAST TRACK:** Executive Director reported the April Financial Fast Track was included in the agenda. Executive Director advised as of April 30, 2016 the Fund had a surplus of \$5,647,549 and a total cash figure of \$17,556,245. Executive Director asked if anyone had any questions regarding the Financial Fast Tracks.

**CLAIMS TRACKING REPORTS:** Executive Director reported the Claims Activity report was included in the agenda as of May 31, 2016. Executive advised he reviewed the report and did not see any anomalies. Executive Director also reviewed the "Claims Management Report Expected Loss Ratio Analysis" report. Executive Director advised this report was another method to determine how the Commission was operating. Executive Director indicated he was pleased to report fund years 2014 and 2015 were continuing to run profitable and was also noted in the Financial Fast Track. Executive Director noted 2016 was off to a slow start as the actuary projection was 9%; however the actual amount was 27%. Executive Director indicated the concerns were the property and worker compensation losses. Executive Director indicated the Claims Administration verified there was an increase in claims so far in 2016. Executive Director asked if anyone had questions on the claim reports.

**DISCLAIMER SIGNS AT COUNTY PARK FACILITIES:** Executive Director reported a copy of the "Park at your own risk" signs were included in the agenda which the Commission had discussed at previous meetings.

**REQUEST FOR PROPOSAL – AUDITOR:** Executive Director advised the County issued the RFP for the 2015 Auditor Position and the responses were due on June 23, 2016. Mr. Adezio reported the County's Purchasing Department would circulate a list of the responses that were received. Mr. Adezio noted the responses would be reviewed and evaluated by the Commissioners, with input from Commission Treasurer and Executive Director. Mr. Adezio advised once that was done a recommendation would be presented to the Freeholders for approval.

**THE SCHOOL DISTRICT OF PHILADELPHIA:** Executive Director reported the agenda included a letter from the School District of Philadelphia regarding a request made by the Mercer County Park Commission for evidence of liability insurance in order for grade school students to visit the Howell Living History Farm. Executive Director explained the School District of Philadelphia was self insured and it was typically difficult to obtain certificate of insurances. Executive Director noted their letter referred to the Tort Claims Act. After a brief discussion, Mr. Adezio noted the School did come out went to lunch and then decided to schedule the visit for another day. Commissioner Hughes advised they did bring a copy of the letter with them when they

arrived. Executive Director also indicated it appeared they did not mandate student accident insurance covering injuries' incurred at the school or in school activities. Chairman Mair advised a letter should be sent to the School District advising what was required for their visit. Executive Director advised there were markets for special event policies for the day and suggested the School look into purchasing this type of policy for the day. Mr. Borden advised the Commission program was structured the same way and the Commission issues certificate of insurances so the School could still voluntarily issue. Mr. Borden also commented that the letter refers to the PA Tort Claim but felt it did not apply. Executive Director advised he agreed that a letter should be sent to the School advising they present some form of coverage or the facility would not be available.

**POLLUTION COVERAGE:** Executive Director reported the CEL Underwriting Manager advised that the insurance company provided a list of additional information that was needed. Mr. Borden advised he would reach out to Mr. Cooney for more clarification.

Executive Director advised that concluded his report unless anyone had any questions.

Executive Director's Report Made Part of Minutes.

**TREASURER REPORT:** Chairman Mair advised the Treasurer was not present. Chairman Mair advised the May Bill List, Resolution 32-16, was included in the agenda.

**MOTION TO APPROVE RESOLUTION 32-16, JUNE BILL LIST IN THE AMOUNT OF \$47,178.93**

Moved:	Commissioner Hughes
Second:	Chairman Mair
Vote:	Ayes, 0 Nays

Executive Director advised the monthly Treasurer Reports were included in the agenda.

**ATTORNEY:** Mr. Adezio advised he did not have anything to report.

**CLAIMS SERVICE:**

*It was noted that Commissioner Walker entered the meeting.*

Executive Director advised Resolution 33-16, Disclosure of Liability Claims Check Register, was included in the agenda along with a copy of the check register for the period of May 1, 2016 to May 31, 2016.

**MOTION TO APPROVE RESOLUTION 33-16 AUTHORIZING DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTER**

Moved:	Commissioner Hughes
Second:	Commissioner Walker
Vote:	3 Ayes, 0 Nays

**MANAGED CARE:** Ms. Royce advised she would review the Managed Care Report which was included in the agenda. Ms. Royce reported for the month of May provider bills were received in the amount of \$88,712 and First MCO re-priced the bills to \$47,169 for a savings of \$41,544 or 47%. Ms. Royce advised the PPO penetration for the month of May was 47%. Ms. Royce advised that concluded her report unless anyone had any questions.

**CEL SAFETY DIRECTOR:** Mr. Prince reviewed the May – June Risk Control Activity Report which was included in the agenda. Mr. Prince advised he conducted some accident investigation reports which he would discuss further in closed session. Mr. Prince advised that concluded his report unless anyone had any questions.

**RISK MANAGER CONSULTANT:** Mr. Borden advised he had nothing to report.

Correspondence Made Part of Minutes.

**OLD BUSINESS:** None

**NEW BUSINESS:** None

**PUBLIC COMMENT:**

**MOTION TO OPEN THE MEETING TO THE PUBLIC**

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Vote:	3 Ayes, 0 Nays

Seeing no members of the public wishing to speak Chairman Mair asked for a motion to close the public comment portion of the meeting.

**MOTION TO CLOSE MEETING TO THE PUBLIC**

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Vote:	3 Ayes, 0 Nays

**CLOSED SESSION:** Chairman Mair read and requested a motion to approve Resolution 31-16 authorizing a Closed Session to discuss PARS.

**MOTION TO APPROVE RESOLUTION 34-16 FOR EXECUTIVE SESSION**

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Vote:	3Ayes, 0 Nays

**MOTION TO RETURN TO OPEN SESSION**

Moved: Commissioner Walker  
Second: Commissioner Hughes  
Vote: 3 Ayes, 0 Nays

**MOTION TO AUTHORIZE PAYMENT AUTHORITY REQUESTS  
DISCUSSED IN CLOSED SESSION**

Moved: Commissioner Walker  
Second: Chairman Mair  
Vote: 3 Ayes, 0 Nays

**MOTION TO ADJOURN:**

Moved: Commissioner Walker  
Second: Chairman Mair  
Vote: 3 Ayes, 0 Nays

**MEETING ADJOURNED: 11:04 AM**

Minutes prepared by:  
Cathy Dodd, Assisting Secretary