

**MERCER COUNTY INSURANCE FUND COMMISSION  
AGENDA AND REPORTS  
MAY 22, 2017**

**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: MAY 22, 2017  
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: April 24, 2017 Open Minutes .....Appendix I  
April 24, 2017 Closed Minutes .....Handout
  
- CORRESPONDENCE:
  
- COMMITTEE REPORTS
  - Safety Committee:..... Verbal
  - Claims Committee: ..... Verbal
  
- EXECUTIVE DIRECTOR/ADMINISTRATOR - PERMA ..... Pages 3-16
  
- TREASURER – David Miller
  - Resolution 26-17 May Bill List - *Motion* .....Page 17
  - March Treasurer Reports..... Pages 18-19
  
- ATTORNEY – Arthur R. Sypek, Jr., Esq. .... Verbal
  
- CLAIMS SERVICE –Inservco Insurance Services, Inc. - *Motion*
  - Resolution 27-17 Authorizing Disclosure of Liability Claims Check Register..... Pages 20-21
  - Liability Claims Payments 4-1-17 to 4-30-17 ..... Pages 22-23
  
- MANAGED CARE – First MCO
  - Monthly Summary Report – April.....Page 24
  
- CEL SAFETY DIRECTOR – J.A. Montgomery Risk Control
  - Monthly Report.....Page 25
  
- RISK MANAGER CONSULTANT – Borden Perlman Salisbury & Kelly
  - Monthly Report..... Verbal
  
- OLD BUSINESS
- NEW BUSINESS:
- PUBLIC COMMENT
  
- CLOSED SESSION – Payment Authorization Requests (PARS) .....Pages 26-28  
Resolution 28-17 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: **June 26, 2017, 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 Fax (201) 881-7633*

Date: May 22, 2017  
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** – There were no certificate requests for the month of April.
- NJ Excess Counties Insurance Fund (CELJIF) (Pages 5-9)** - The CELJIF met on April 27, 2017. A written summary report of the meeting is included in the agenda on pages 5-6. The CEL is scheduled to meet again on 6-22-17.

The newly formed Coverage Committee met on May 1<sup>st</sup> to discuss a variety of topics. Included in the agenda on pages 7-9 is a copy of the agenda.

- MCIFC Property & Casualty Financial Fast Track (Page 10)** – Included in the agenda on page 10 is a copy of the Financial Fast Track as of **March 31, 2017**. The report indicates the Commission has a surplus of **\$5,486,424**. 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 March 31, 2017 is **\$690,655**. The total cash balance is **\$686,828**.
- NJ CEL Property and Casualty Financial Fast Track (Pages 11-12)** – Included in the agenda on pages 11-12 is a copy of the CEL Financial Fast Track for the month of March. As of **March 31, 2017** the Fund has a surplus of **\$7,466,329**. The cash balance is **\$17,268,676**.
- Claims Tracking Reports (Pages 13-15)** – Included in the agenda on pages 13-15 are copies of the Claim Activity Report and the Claims Management Report Expected Loss Ratio Analysis report as of April 30, 2017. The Executive Director will review the reports with the Commission.
- Mercer County Improvement Authority Membership** – The Improvement Authority’s three year membership in the Mercer County Insurance Fund Commission will expire as of June 30, 2017. The Fund office sent the applicable Indemnity and Trust Agreement to the Improvement Authority to renew their membership in the Commission. The Improvement Authority has agreed to renew its membership in the Commission through December 31, 2019. This date now coincides with the County’s renewal date of December 31, 2019. The

Fund Office has received copies of the executed renewal documents from the Improvement Authority.

- ❑ **2016 Auditor Proposal** – Bowman & Company, LLP is in the process of preparing a renewal proposal for their 2016 audit services.
  
- ❑ **Possible use of Drones in Public & Environmental Health (Page 16)** – Chairman Mair has requested a discussion on the possible use of drones. Included in the agenda on page 16 is a list of the possible uses.

**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:** April 27, 2017  
**To:** Executive Committee  
Mercer County Insurance Fund Commission  
**From:** PERMA Risk Management Services  
**Subject:** New Jersey Counties Excess Meeting Report

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**Professional Contracts**

**Litigation Management:** Fund Attorney reported a sub-committee met on April 21, 2017 to review responses to a Request for Proposals for Litigation Management. Fund Attorney noted only one response was received from the incumbent firm; committee's recommendation was to continue to contract for these services as they have greatly assisted in mitigating complex litigation. The Board of Fund Commissioners adopted a resolution authorizing the appointment of the firm Citta, Holzapfel & Zabarsky, P.A. for Litigation Management Services for a one-year term based on the submitted hourly fee proposal.

**Auditor Quotations:** Executive Director reported the fund office solicited quotations from Auditing firms for the position of Auditor to conduct the December 31, 2016 Audit; two responses were received from Bowman & Company LLP for a proposed fee of \$13,750 and Lerch, Vinci & Higgins for a proposed fee of \$13,000. Executive Director noted the firms were similar in terms of qualifications and experience with governmental entities. The Board of Fund Commissioners awarded the contract for services to Bowman & Company LLP based on the submitted fee to conduct the December 31, 2016 Audit.

**2017 Financial Disclosures:** Board members should have received notification to begin the online filing of the Financial Disclosure forms as both a NJCE Commissioner, as well as, any County-related positions that require filing. The Local Finance Board has indicated the deadline to file is April 30<sup>th</sup>, but they expect to delay enforcement of the deadline until May 30, 2017.

**Financial Fast Track:** The Financial Fast Track as of February 28, 2017 reflected a statutory surplus of \$8.4 million.

**Underwriting Manager:** Underwriting Manager submitted a memorandum which noted that National Casualty, the Fund's Excess Liability carrier will not be underwriting public entity business at the end of the policy term. Underwriting Manager reported a replacement carrier can be secured for the 2018 renewal as there is no shortage in the current market. The Board of Fund Commissioners accepted the Underwriting Manager's recommendation to finish the current policy term with National Casualty and seek a replacement for 2018 renewal.

Underwriting Manager submitted a second memorandum regarding the exclusion of coverage at the NJCE level for stand alone County members for Workers' Compensation - USL&H and Jones Act and General Liability – Subsidence, Sexual Abuse/Molestation, Owned Watercraft, Garagekeepers and Owned Watercraft 35'. Underwriting Manager summarized the coverages in brief and made the recommendation to extend coverage to the stand alone County members and confirmed there would be no budgetary impact. The Board of Fund Commissioners accepted the Underwriting Manager's recommendation to extend coverages and amend the 2017 Risk Management Plan; a copy would be included in the next agenda for information only.

Lastly, Underwriting Manager reported the NJCE first Coverage Committee meeting is scheduled for May 1, 2017. Committee is comprised of Fund Commissioners, Fund Administrators, Risk Managers and the Underwriting Team. Commissioners Kelly, White and Kessler have volunteered to serve on the committee; local member risk managers have been invited to participate as well.

**Risk Control:** Safety Director submitted a report reflecting the risk control activities from February thru May 2018 and Safety Director Bulletins. Safety Director reported that members should anticipate an announcement on Law Enforcement Supervisor Training, which will be conducted by Retired Chief Hummel.

**Claims Administration Services Request for Proposals (RFP):** Fund Attorney reported the contract with the Fund's Claims Administrator is set to expire in August and the RFP has been prepared; proposals are due in Camden County Division of Purchasing by Wednesday May 31<sup>st</sup> at 11:00AM in order to present results at the June meeting. Fund Attorney requested at least three Fund Commissioners to comprise a review committee; Commissioner Kessler volunteered and other interested Fund Commissioners were asked to contact the Fund Attorney.

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

**Next Meeting:** The next meeting of the NJCE fund is scheduled for June 22, 2017 at 1:00PM at the Camden County College Regional Emergency Training Center.



**DATE:** May 1, 2017

**PLACE:** Conner Strong & Buckelew – Marlton Office  
40 Lake Center Executive Drive  
401 Route 73 North  
Marlton, NJ 08053  
*(Video Conference Available at CS&B Parsippany,  
Toms River and Philadelphia offices)*

**TELECONFERENCE:** Phone #: (512) 489-3100  
Code: 2136778

**TIME:** 2:00 P.M.

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## Action Items

### 1. Goals for 2017 and the 2018 Renewal

As we approach the mid-year mark for our policy term, the insurance marketing begins.

#### Discussion

Develop an action plan of items to accomplish for the remainder of 2017, as well as goals for the 2018 renewal.

### 2. Cyber Bulletin

With the increased frequency and severity of cyber-attacks, the members' will become subjects of such attacks. Since cyber exposures and coverage is such a new area, it is important to properly inform members what resources they have under the Cyber insurance policies and what steps they need to take when a breach happens.

#### Discussion

Discuss the information to be included in the Cyber bulletin and any further steps needed for the members.

### 3. Marinas and Airports

There are numerous member-owned or –operated marinas and airports around the state. Currently, coverage is purchased outside of the NJCE.

#### Discussion

The committee should discuss the want, need and benefits of adding such coverage into the NJCE.





## Discussion Items

### 1. Cyber (as a peril)

We are all getting more familiar with Cyber policies as a “coverage”; however, Cyber is truly a “peril”, not a coverage.

#### **Discussion**

Discuss why cyber is a peril and begin to identify how cyber as a peril could/is affecting the members.

### 2. Drones

Coverage for drones is provided in our casualty program and non-owned aircraft program. The uses for drones continues to expand in numerous directions.

#### **Discussion**

Discuss current/future uses for drones within the membership and discuss how to best manage for the membership going forward.

### 3. NJCE Manuscript Policy

As the NJCE JIF’s self-insured retentions continue to expand, as well as discussions of adding other coverages, the NJCE should consider a manuscript policy for the self-insured layer.

#### **Discussion**

Discuss the pros and cons for implementing a manuscript policy, and a plan for implementation.

### 4. Trending Cyber Attacks

Governmental entities continue to move up the lists of targeted sectors and cyber-related claims continue to grow in frequency, severity and complexity.

#### **Discussion**

The committee should discuss current trends in the market, as well as specifics to the NJCE members. Additionally, the committee should begin to plan on actions to take for cyber risk control.

### 5. Transportation Network Companies

Transportation network companies (i.e. Uber, Lyft, etc.) continue to rapidly expand in use and footprint.

#### **Discussion**

The committee should discuss current activity with transportation network companies within the members’ territories, as well as any actions to be taken.





## Informational Items

### 1. Valuation of Historic Buildings / Vacant Buildings (Property)

The NJCE Underwriting Manager has previously determined there is a need to establish clear valuation methods for historic and vacant buildings. Arising out of the Underwriting Manager's meeting with Zurich, Zurich has agreed to consider special valuation language and a clear reporting framework for historic and vacant buildings.



MERCER COUNTY INSURANCE COMMISSION					
FINANCIAL FAST TRACK REPORT					
		AS OF	March 31, 2017		
ALL YEARS COMBINED					
		THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1.	UNDERWRITING INCOME	670,161	2,010,484	23,272,864	25,283,348
2.	CLAIM EXPENSES				
	Paid Claims	71,697	244,959	4,490,926	4,735,885
	Case Reserves	173,111	538,288	2,541,379	3,079,666
	IBNR	(390,511)	302,753	3,082,038	3,384,791
	Discounted Claim Value	8,933	(28,474)	(171,381)	(199,855)
	<b>TOTAL CLAIMS</b>	<b>(136,770)</b>	<b>1,057,526</b>	<b>9,942,961</b>	<b>11,000,487</b>
3.	EXPENSES				
	Excess Premiums	199,119	597,357	7,070,368	7,667,725
	Administrative	46,963	143,004	1,676,363	1,819,366
	<b>TOTAL EXPENSES</b>	<b>246,082</b>	<b>740,361</b>	<b>8,746,731</b>	<b>9,487,091</b>
4.	UNDERWRITING PROFIT (1-2-3)	560,849	212,597	4,583,172	4,795,769
5.	INVESTMENT INCOME	0	0	0	0
6.	PROFIT (4 + 5)	560,849	212,597	4,583,172	4,795,769
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	(24,353)	(53,495)	744,150	690,655
11.	<b>SURPLUS (6 + 7 + 8)</b>	<b>536,496</b>	<b>159,102</b>	<b>5,327,322</b>	<b>5,486,424</b>
<b>SURPLUS (DEFICITS) BY FUND YEAR</b>					
	2014	17,594	15,916	2,346,979	2,362,895
	2015	(3,410)	(3,485)	1,917,929	1,914,443
	2016	158,340	158,556	1,062,415	1,220,971
	2017	363,972	(11,884)		(11,884)
	<b>TOTAL SURPLUS (DEFICITS)</b>	<b>536,496</b>	<b>159,102</b>	<b>5,327,323</b>	<b>5,486,425</b>
	<b>TOTAL CASH</b>				<b>686,828</b>
<b>CLAIM ANALYSIS BY FUND YEAR</b>					
<b>FUND YEAR 2014</b>					
	Paid Claims	3,191	11,922	1,747,206	1,759,128
	Case Reserves	(10,233)	(28,737)	407,154	378,417
	IBNR	(17,958)	(8,185)	566,120	557,934
	Discounted Claim Value	683	683	(30,942)	(30,258)
	<b>TOTAL FY 2014 CLAIMS</b>	<b>(24,317)</b>	<b>(24,317)</b>	<b>2,689,538</b>	<b>2,665,221</b>
<b>FUND YEAR 2015</b>					
	Paid Claims	25,606	39,385	1,628,411	1,667,796
	Case Reserves	20,960	18,163	773,291	791,453
	IBNR	(51,567)	(62,548)	707,161	644,613
	Discounted Claim Value	1,122	1,122	(45,233)	(44,111)
	<b>TOTAL FY 2015 CLAIMS</b>	<b>(3,878)</b>	<b>(3,878)</b>	<b>3,063,630</b>	<b>3,059,752</b>
<b>FUND YEAR 2016</b>					
	Paid Claims	22,130	156,625	1,115,309	1,271,934
	Case Reserves	(75,000)	(133,308)	1,360,934	1,227,627
	IBNR	(124,131)	(200,317)	1,808,757	1,608,440
	Discounted Claim Value	8,673	8,673	(95,207)	(86,534)
	<b>TOTAL FY 2016 CLAIMS</b>	<b>(168,327)</b>	<b>(168,327)</b>	<b>4,189,793</b>	<b>4,021,466</b>
<b>FUND YEAR 2017</b>					
	Paid Claims	20,770	37,027		37,027
	Case Reserves	237,383	682,170		682,170
	IBNR	(196,856)	573,804		573,804
	Discounted Claim Value	(1,545)	(38,952)		(38,952)
	<b>TOTAL FY 2017 CLAIMS</b>	<b>59,752</b>	<b>1,254,048</b>	<b>0</b>	<b>1,254,048</b>
	<b>COMBINED TOTAL CLAIMS</b>	<b>(136,770)</b>	<b>1,057,526</b>	<b>9,942,961</b>	<b>11,000,487</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	March 31, 2017		
ALL YEARS COMBINED					
		THIS	YTD	PRIOR	FUND
		MONTH	CHANGE	YEAR END	BALANCE
1.	<b>UNDERWRITING INCOME</b>	<b>1,746,446</b>	<b>5,239,339</b>	<b>97,465,900</b>	<b>102,705,240</b>
2.	<b>CLAIM EXPENSES</b>				
	Paid Claims	12,555	140,142	2,721,199	2,861,341
	Case Reserves	392,487	1,413,073	2,624,454	4,037,527
	IBNR	597,810	324,929	9,575,203	9,900,132
	Discounted Claim Value	(40,165)	(101,688)	(715,004)	(816,691)
	<b>TOTAL CLAIMS</b>	<b>962,687</b>	<b>1,776,456</b>	<b>14,205,852</b>	<b>15,982,308</b>
3.	<b>EXPENSES</b>				
	Excess Premiums	1,308,257	3,924,770	67,102,915	71,027,685
	Administrative	133,268	398,736	7,162,449	7,561,185
	<b>TOTAL EXPENSES</b>	<b>1,441,525</b>	<b>4,323,506</b>	<b>74,265,364</b>	<b>78,588,870</b>
4.	<b>UNDERWRITING PROFIT (1-2-3)</b>	<b>(657,766)</b>	<b>(860,622)</b>	<b>8,994,684</b>	<b>8,134,062</b>
5.	<b>INVESTMENT INCOME</b>	3,711	10,598	229,221	239,819
6.	<b>PROFIT (4+5)</b>	<b>(654,055)</b>	<b>(850,024)</b>	<b>9,223,904</b>	<b>8,373,880</b>
7.	<b>Dividend</b>	<b>0</b>	<b>0</b>	300,000	300,000
8.	<b>Cancelled Appropriations</b>	0	0	607,551	607,551
9.	<b>SURPLUS (6-7-8)</b>	<b>(654,055)</b>	<b>(850,024)</b>	<b>8,316,353</b>	<b>7,466,329</b>
<b>SURPLUS (DEFICITS) BY FUND YEAR</b>					
	2010	10,166	10,520	722,132	732,652
	2011	29,176	29,761	921,187	950,948
	2012	(419,238)	(416,076)	554,609	138,533
	2013	(113,453)	(112,483)	1,277,188	1,164,705
	2014	(41,493)	(51,854)	2,048,737	1,996,883
	2015	(48,057)	(46,577)	989,944	943,366
	2016	(68,689)	(67,136)	1,802,556	1,735,421
	2017	(2,467)	(196,180)		(196,180)
	<b>TOTAL SURPLUS (DEFICITS)</b>	<b>(654,055)</b>	<b>(850,024)</b>	<b>8,316,353</b>	<b>7,466,328</b>
	<b>TOTAL CASH</b>				<b>17,268,676</b>

<b>CLAIM ANALYSIS BY FUND YEAR</b>				
<b>FUND YEAR 2010</b>				
Paid Claims	0	0	164,355	164,355
Case Reserves	0	0	1	1
IBNR	(10,000)	(10,000)	164,999	154,999
Discounted Claim Value	15	15	(2,805)	(2,790)
<b>TOTAL FY 2010 CLAIMS</b>	<b>(9,985)</b>	<b>(9,985)</b>	<b>326,550</b>	<b>316,565</b>
<b>FUND YEAR 2011</b>				
Paid Claims	2,960	10,360	396,667	407,027
Case Reserves	(2,960)	(38,135)	407,372	369,237
IBNR	(30,000)	(2,225)	380,961	378,736
Discounted Claim Value	1,131	1,131	(39,146)	(38,015)
<b>TOTAL FY 2011 CLAIMS</b>	<b>(28,869)</b>	<b>(28,869)</b>	<b>1,145,854</b>	<b>1,116,985</b>
<b>FUND YEAR 2012</b>				
Paid Claims	253,333	264,218	1,132,971	1,397,188
Case Reserves	(3,116)	233,496	430,462	663,958
IBNR	179,783	(70,216)	844,069	773,853
Discounted Claim Value	(10,409)	(10,409)	(69,604)	(80,013)
<b>TOTAL FY 2012 CLAIMS</b>	<b>419,591</b>	<b>417,089</b>	<b>2,337,897</b>	<b>2,754,986</b>
<b>FUND YEAR 2013</b>				
Paid Claims	(250,000)	(278,204)	516,427	238,223
Case Reserves	403,627	473,411	623,730	1,097,141
IBNR	(13,627)	(55,207)	1,009,843	954,636
Discounted Claim Value	(26,024)	(26,024)	(86,001)	(112,026)
<b>TOTAL FY 2013 CLAIMS</b>	<b>113,976</b>	<b>113,976</b>	<b>2,063,999</b>	<b>2,177,974</b>
<b>FUND YEAR 2014</b>				
Paid Claims	5,261	141,159	268,119	409,279
Case Reserves	(4,076)	24,322	141,719	166,041
IBNR	33,815	(118,835)	1,750,161	1,631,326
Discounted Claim Value	7,160	7,160	(101,570)	(94,409)
<b>TOTAL FY 2014 CLAIMS</b>	<b>42,160</b>	<b>53,806</b>	<b>2,058,430</b>	<b>2,112,237</b>
<b>FUND YEAR 2015</b>				
Paid Claims	0	481	242,661	243,142
Case Reserves	0	222,078	1,021,082	1,243,160
IBNR	50,000	(172,559)	2,311,258	2,138,699
Discounted Claim Value	(1,163)	(1,163)	(204,420)	(205,583)
<b>TOTAL FY 2015 CLAIMS</b>	<b>48,837</b>	<b>48,837</b>	<b>3,370,580</b>	<b>3,419,417</b>
<b>FUND YEAR 2016</b>				
Paid Claims	0	0	0	0
Case Reserves	4	250,020	88	250,108
IBNR	70,996	(179,020)	3,113,912	2,934,892
Discounted Claim Value	(1,462)	(1,462)	(211,458)	(212,920)
<b>TOTAL FY 2016 CLAIMS</b>	<b>69,538</b>	<b>69,538</b>	<b>2,902,542</b>	<b>2,972,080</b>
<b>FUND YEAR 2017</b>				
Paid Claims	1,001	2,128		2,128
Case Reserves	(992)	247,881		247,881
IBNR	316,843	932,991		932,991
Discounted Claim Value	(9,412)	(70,935)		(70,935)
<b>TOTAL FY 2017 CLAIMS</b>	<b>307,440</b>	<b>1,112,065</b>	<b>0</b>	<b>1,112,065</b>
<b>COMBINED TOTAL CLAIMS</b>	<b>962,687</b>	<b>1,776,456</b>	<b>14,205,852</b>	<b>15,982,308</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		April 30, 2017								
<b>COVERAGE LINE-PROPERTY</b>										
<b>CLAIM COUNT - OPEN CLAIMS</b>										
Year		2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
	March-17	0	0	0	0	0	2	10	26	38
	April-17	0	0	0	0	0	2	8	29	39
<b>NET CHGE</b>		0	0	0	0	0	0	-2	3	1
Limited Reserves										<b>\$898</b>
Year		2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
	March-17	\$0	\$0	\$0	\$0	\$0	\$500	\$17,000	\$22,900	\$40,400
	April-17	\$0	\$0	\$0	\$0	\$0	\$500	\$9,000	\$25,535	\$35,035
<b>NET CHGE</b>		\$0	\$0	\$0	\$0	\$0	\$0	(\$8,000)	\$2,635	(\$5,365)
Ltd Incurred		\$0	\$0	\$0	\$0	\$19,168	\$53,863	\$9,099	\$25,535	\$107,665
<b>COVERAGE LINE-GENERAL LIABILITY</b>										
<b>CLAIM COUNT - OPEN CLAIMS</b>										
Year		2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
	March-17	0	0	0	0	3	11	32	8	54
	April-17	0	0	0	0	3	11	31	11	56
<b>NET CHGE</b>		0	0	0	0	0	0	-1	3	2
Limited Reserves										<b>\$4,180</b>
Year		2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
	March-17	\$0	\$0	\$0	\$0	\$19,386	\$111,944	\$80,720	\$11,300	\$223,350
	April-17	\$0	\$0	\$0	\$0	\$19,386	\$111,468	\$89,921	\$13,300	\$234,075
<b>NET CHGE</b>		\$0	\$0	\$0	\$0	\$0	(\$476)	\$9,201	\$2,000	\$10,726
Ltd Incurred		\$0	\$0	\$0	\$0	\$21,863	\$131,273	\$99,512	\$13,300	\$265,948
<b>COVERAGE LINE-AUTO LIABILITY</b>										
<b>CLAIM COUNT - OPEN CLAIMS</b>										
Year		2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
	March-17	0	0	0	0	0	2	3	3	8
	April-17	0	0	0	0	0	2	3	6	11
<b>NET CHGE</b>		0	0	0	0	0	0	0	3	3
Limited Reserves										<b>\$10,441</b>
Year		2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
	March-17	\$0	\$0	\$0	\$0	\$0	\$7,955	\$97,599	\$7,434	\$112,988
	April-17	\$0	\$0	\$0	\$0	\$0	\$7,955	\$97,599	\$9,300	\$114,854
<b>NET CHGE</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,866	\$1,866
Ltd Incurred		\$0	\$0	\$0	\$0	\$10,891	\$13,920	\$118,228	\$9,934	\$152,973
<b>COVERAGE LINE-WORKERS COMP.</b>										
<b>CLAIM COUNT - OPEN CLAIMS</b>										
Year		2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
	March-17	0	0	0	0	12	24	37	33	106
	April-17	0	0	0	0	13	24	34	32	103
<b>NET CHGE</b>		0	0	0	0	1	0	-3	-1	-3
Limited Reserves										<b>\$26,889</b>
Year		2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
	March-17	\$0	\$0	\$0	\$0	\$359,034	\$671,055	\$1,082,307	\$692,410	\$2,804,807
	April-17	\$0	\$0	\$0	\$0	\$369,639	\$618,761	\$1,106,954	\$674,170	\$2,769,524
<b>NET CHGE</b>		\$0	\$0	\$0	\$0	\$10,605	(\$52,294)	\$24,647	(\$18,241)	(\$35,283)
Ltd Incurred		\$0	\$0	\$0	\$0	\$2,097,206	\$2,243,137	\$2,446,575	\$752,610	\$7,539,527
<b>TOTAL ALL LINES COMBINED</b>										
<b>CLAIM COUNT - OPEN CLAIMS</b>										
Year		2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
	March-17	0	0	0	0	15	39	82	70	206
	April-17	0	0	0	0	16	39	76	78	209
<b>NET CHGE</b>		0	0	0	0	1	0	-6	8	3
Limited Reserves										<b>\$15,088</b>
Year		2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
	March-17	\$0	\$0	\$0	\$0	\$378,420	\$791,454	\$1,277,627	\$734,045	\$3,181,546
	April-17	\$0	\$0	\$0	\$0	\$389,025	\$738,684	\$1,303,475	\$722,305	\$3,153,489
<b>NET CHGE</b>		\$0	\$0	\$0	\$0	\$10,605	(\$52,770)	\$25,848	(\$11,740)	(\$28,057)
Ltd Incurred		\$0	\$0	\$0	\$0	\$2,149,127	\$2,442,193	\$2,673,415	\$801,379	\$8,066,114

15-May-17

## FUND YEARS 2016 & 2017

Mercer County Insurance Fund Commission  
 CLAIMS MANAGEMENT REPORT  
 EXPECTED LOSS RATIO ANALYSIS  
 AS OF April 30, 2017

<b>FUND YEAR 2016 -- LOSSES CAPPED AT RETENTION</b>																	
Budget	Current			16			Last Month			15			Last Year			4	
	Unlimited Incurred	Limited Incurred	Actual	30-Apr-17	MONTH TARGETED	Unlimited Incurred	Limited Incurred	Actual	31-Mar-17	MONTH TARGETED	Unlimited Incurred	Limited Incurred	Actual	29-Apr-16	MONTH TARGETED		
PROPERTY	80,948	9,099	9,099	11.24%	78,233	96.65%	17,099	17,099	21.12%	78,060	96.43%	39,300	39,300	48.55%	24,284	30.00%	
GEN LIABILITY	155,896	99,512	99,512	63.83%	105,771	67.85%	90,311	90,311	57.93%	102,997	66.07%	17,751	17,751	11.39%	15,590	10.00%	
AUTO LIABILITY	131,580	118,228	118,228	89.85%	81,615	62.03%	118,228	118,228	89.85%	78,396	59.58%	15,162	15,162	11.52%	13,158	10.00%	
WORKER'S COMP	4,616,644	2,446,575	2,446,575	52.99%	3,773,001	81.73%	2,323,922	2,323,922	50.34%	3,631,721	78.67%	1,292,061	1,292,061	27.99%	276,999	6.00%	
TOTAL ALL LINES	4,985,068	2,673,415	2,673,415	53.63%	4,038,621	81.01%	2,549,560	2,549,560	51.14%	3,891,174	78.06%	1,364,274	1,364,274	27.37%	330,031	6.62%	
<b>NET PAYOUT %</b>	<b>\$1,369,940</b>				<b>27.48%</b>												
<b>FUND YEAR 2017 -- LOSSES CAPPED AT RETENTION</b>																	
Budget	Current			4			Last Month			3			Last Year			-8	
	Unlimited Incurred	Limited Incurred	Actual	30-Apr-17	MONTH TARGETED	Unlimited Incurred	Limited Incurred	Actual	31-Mar-17	MONTH TARGETED	Unlimited Incurred	Limited Incurred	Actual	29-Apr-16	MONTH TARGETED		
PROPERTY	83,000	25,535	25,535	30.77%	24,900	30.00%	22,900	22,900	27.59%	19,090	23.00%	0	0	N/A	N/A	N/A	
GEN LIABILITY	159,000	13,300	13,300	8.36%	15,900	10.00%	11,300	11,300	7.11%	9,540	6.00%	0	0	N/A	N/A	N/A	
AUTO LIABILITY	134,000	9,934	9,934	7.41%	13,400	10.00%	7,434	7,434	5.55%	8,040	6.00%	0	0	N/A	N/A	N/A	
WORKER'S COMP	4,709,000	752,610	752,610	15.98%	282,540	6.00%	729,437	729,437	15.49%	141,270	3.00%	0	0	N/A	N/A	N/A	
TOTAL ALL LINES	5,085,000	801,379	801,379	15.76%	336,740	6.62%	771,072	771,072	15.16%	177,940	3.50%	0	0	N/A	N/A	N/A	

FUND YEARS 2014 & 2015

Mercer County Insurance Fund Commission  
 CLAIMS MANAGEMENT REPORT  
 EXPECTED LOSS RATIO ANALYSIS  
 AS OF April 30, 2017

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

	Budget	Current		40	MONTH	Last Month		39	MONTH	Last Year		28	MONTH			
		Unlimited Incurred	Limited Incurred	Actual 30-Apr-17		Unlimited Incurred	Limited Incurred	Actual 31-Mar-17		Unlimited Incurred	Limited Incurred	Actual 29-Apr-16		TARGETED	TARGETED	
PROPERTY	62,322	19,168	19,168	30.76%	62,322	100.00%	19,168	19,168	30.76%	62,322	100.00%	20,168	20,168	32.36%	62,322	100.00%
GEN LIABILITY	124,157	21,863	21,863	17.61%	114,822	92.48%	21,863	21,863	17.61%	114,157	91.95%	140,852	140,852	113.45%	103,750	83.56%
AUTO LIABILITY	127,016	10,891	10,891	8.57%	113,428	89.30%	10,891	10,891	8.57%	112,803	88.81%	10,891	10,891	8.57%	102,956	81.06%
WORKER'S COMP	4,356,301	2,097,206	2,097,206	48.14%	4,299,547	98.70%	2,085,206	2,085,206	47.87%	4,294,038	98.57%	2,100,233	2,100,233	48.21%	4,173,102	95.79%
<b>TOTAL ALL LINES</b>	<b>4,669,797</b>	<b>2,149,127</b>	<b>2,149,127</b>	<b>46.02%</b>	<b>4,590,119</b>	<b>98.29%</b>	<b>2,137,127</b>	<b>2,137,127</b>	<b>45.76%</b>	<b>4,583,320</b>	<b>98.15%</b>	<b>2,272,143</b>	<b>2,272,143</b>	<b>48.66%</b>	<b>4,442,129</b>	<b>95.12%</b>
<b>NET PAYOUT %</b>	<b>\$1,760,102</b>						<b>37.69%</b>									

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

	Budget	Current		28	MONTH	Last Month		27	MONTH	Last Year		16	MONTH			
		Unlimited Incurred	Limited Incurred	Actual 30-Apr-17		Unlimited Incurred	Limited Incurred	Actual 31-Mar-17		Unlimited Incurred	Limited Incurred	Actual 29-Apr-16		TARGETED	TARGETED	
PROPERTY	80,948	53,863	53,863	66.54%	80,948	100.00%	53,863	53,863	66.54%	80,948	100.00%	72,428	72,428	89.47%	78,233	96.65%
GEN LIABILITY	155,896	131,273	131,273	84.21%	130,272	83.56%	131,273	131,273	84.21%	128,925	82.70%	226,327	226,327	145.18%	105,771	67.85%
AUTO LIABILITY	131,580	13,920	13,920	10.58%	106,655	81.06%	13,920	13,920	10.58%	105,298	80.03%	27,420	27,420	20.84%	81,615	62.03%
WORKER'S COMP	4,449,750	2,243,137	2,243,137	50.41%	4,262,621	95.79%	2,260,193	2,260,193	50.79%	4,241,897	95.33%	2,302,625	2,302,625	51.75%	3,636,605	81.73%
<b>TOTAL ALL LINES</b>	<b>4,818,174</b>	<b>2,442,193</b>	<b>2,442,193</b>	<b>50.69%</b>	<b>4,580,495</b>	<b>95.07%</b>	<b>2,459,250</b>	<b>2,459,250</b>	<b>51.04%</b>	<b>4,557,068</b>	<b>94.58%</b>	<b>2,628,800</b>	<b>2,628,800</b>	<b>54.56%</b>	<b>3,902,225</b>	<b>80.99%</b>
<b>NET PAYOUT %</b>	<b>\$1,703,509</b>						<b>35.36%</b>									



# **Possible use of Drones in Public & Environmental Health Discussed 4-25-2017**

- Mass Prophylaxis and Distribution of Medications during an Emergency.
- Identification and tracking of spills related to Hazardous Materials.
- Geo-tagging of Minor Source 'B' Equipment (Boilers, Emergency Generators) located on licensed facilities and release of smoke.
- Geo-tagging of Well Heads coordinates located on licensed facilities.
- Measuring of Compost, Wood Chips & Scrap Metal pile volume, tonnage, height & width.
- Illegal dumping of Solid Waste on sites not easily accessible.

**MERCER COUNTY INSURANCE FUND COMMISSION  
BILLS LIST**

**Resolution No. 26-17**

**MAY 2017**

**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 2017**

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
<b>000312</b>			
000312	BORDEN PERLMAN SALISBURY&KELLY	INSURANCE CONSULTING FEE MAY -JUN 2017	5,500.00
			<b>5,500.00</b>
<b>000313</b>			
000313	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 04/2017	2.24
000313	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FE 05/2017	13,358.75
			<b>13,360.99</b>
<b>000314</b>			
000314	THE ACTUARIAL ADVANTAGE	ACTUARIAL SERVICES FEE 05/2017	625.00
			<b>625.00</b>
<b>000315</b>			
000315	INSERVCO INSURANCE SERVICES	MONTHLY CLAIMS SERVICES 05/2017	16,666.66
			<b>16,666.66</b>
<b>000316</b>			
000316	PACKET MEDIA LLC	ACCT: 32129 - 4/14/17 - 4/24/17 MTG	16.80
			<b>16.80</b>
<b>000317</b>			
000317	21ST CENTURY MEDIA	ACCT: 884004/4/24 EXECUTIVE SESSION	12.25
			<b>12.25</b>
<b>000318</b>			
000318	J.A. MONTGOMERY RISK CONTROL	RISK CONTROL SERVICES - 05/2017	10,370.00
			<b>10,370.00</b>
<b>000319</b>			
000319	NJ ADVANCE MEDIA	ACCT: 1153600 - 4/13/2017 - MEETING NOTI	11.60
			<b>11.60</b>
		TOTAL PAYMENTS FY 2017	46,563.30

**TOTAL PAYMENTS ALL FUND YEARS \$46,563.30**

\_\_\_\_\_  
Chairperson

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: 2017</b>							
<b>Month Ending: March</b>							
	<b>Property</b>	<b>Liability</b>	<b>Auto</b>	<b>Worker's Comp</b>	<b>NJ CEL</b>	<b>Admin</b>	<b>TOTAL</b>
OPEN BALANCE	74,288.71	255,666.16	227,613.25	4,490,440.89	(3,708,723.90)	(589,674.70)	749,610.41
RECEIPTS							
Assessments	592.88	1,139.25	959.06	33,747.38	17,414.25	4,272.18	58,125.00
Refunds	0.00	0.00	0.00	1,875.00	0.00	0.00	1,875.00
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>592.88</b>	<b>1,139.25</b>	<b>959.06</b>	<b>35,622.38</b>	<b>17,414.25</b>	<b>4,272.18</b>	<b>60,000.00</b>
EXPENSES							
Claims Transfers	0.00	0.00	600.66	72,970.94	0.00	0.00	73,571.60
Expenses	0.00	0.00	0.00	0.00	0.00	49,135.64	49,135.64
Other *	0.00	0.00	0.00	0.00	0.00	75.00	75.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>600.66</b>	<b>72,970.94</b>	<b>0.00</b>	<b>49,210.64</b>	<b>122,782.24</b>
<b>END BALANCE</b>	<b>74,881.59</b>	<b>256,805.41</b>	<b>227,971.65</b>	<b>4,453,092.33</b>	<b>(3,691,309.65)</b>	<b>(634,613.16)</b>	<b>686,828.17</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>		<b>March</b>		
<b>CURRENT FUND YEAR</b>		<b>2017</b>		
		<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>\$</b>	<b>749,610.41</b>	<b>\$ 793,664.53</b>	<b>-\$ 44,054.12</b>
<b>Opening Interest Accrual Balance</b>	<b>\$</b>	<b>-</b>	<b>\$ -</b>	<b>\$ -</b>
1	Interest Accrued and/or Interest Cost	\$0.00	\$0.00	\$0.00
2	Interest Accrued - discounted Instr.s	\$0.00	\$0.00	\$0.00
3	(Amortization and/or Interest Cost)	\$0.00	\$0.00	\$0.00
4	Accretion	\$0.00	\$0.00	\$0.00
5	Interest Paid - Cash Instr.s	\$0.00	\$0.00	\$0.00
6	Interest Paid - Term Instr.s	\$0.00	\$0.00	\$0.00
7	Realized Gain (Loss)	\$0.00	\$0.00	\$0.00
8	Net Investment Income	\$0.00	\$0.00	\$0.00
9	Deposits - Purchases	\$60,000.00	\$0.00	\$60,000.00
10	(Withdrawals - Sales)	-\$122,782.24	-\$49,135.64	-\$73,646.60
	Ending Cash & Investment Balance	\$686,828.17	\$744,528.89	-\$57,700.72
	Ending Interest Accrual Balance	\$0.00	\$0.00	\$0.00
	Plus Outstanding Checks	\$1,542,831.79	\$1,483,159.11	\$59,672.68
	(Less Deposits in Transit)	\$0.00	\$0.00	\$0.00
	<b>Balance per Bank</b>	<b>\$2,229,659.96</b>	<b>\$2,227,688.00</b>	<b>\$1,971.96</b>

**RESOLUTION NO. 27-17**

**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 May 22, 2017 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 April 1, 2017 to April 30, 2017 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 May 22, 2017.

**ADOPTD:**

\_\_\_\_\_  
**ANDREW A. MAIR, CHAIRMAN**

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

**ATTEST:**

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

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

**Mercer County Ins Fund Comm - 396**  
**Financial Transaction Log - Liability Claim Payments**  
**Monthly / Detail / By Coverage / By Payment Type / By Check Number**  
**04/01/2017 Thru 04/30/2017**

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**  
**04/01/2017 Thru 04/30/2017**

Type	Check #	Claim #	Claimant Name	From Date	To Date	Payee Name	Trans. Date	Payment Description	Amt. Requested	Amt. Paid
<b>Coverage: Auto Liability</b>										
C	11603	3960001544 001	DIMEMMO, JOSEPH	2/9/2017	2/9/2017	JOSEPH DIMEMMO	4/3/2017	Mailbox Damage	434.00	434.00
C	11704	3960001523 001	ARMITAGE, BRUCE	1/11/2017	1/11/2017	BRUCE ARMITAGE	4/17/2017	Full & Final Settlement of All Claims	200.00	200.00
<b>Total for Coverage: Auto Liability</b>							<b>Number of entries: 2</b>		<b>634.00</b>	<b>634.00</b>
<b>Coverage: General Liability</b>										
C	11705	3960000620 001	SCOTT, TERRENCE	3/2/2017	3/2/2017	SCHULMAN WIEGMANN & ASSOCIATES	4/17/2017	INVOICE #69690	475.70	475.70
<b>Total for Coverage: General Liability</b>							<b>Number of entries: 1</b>		<b>475.70</b>	<b>475.70</b>
<b>Total for Mercer County Ins Fund Comm - 396</b>							<b>Number of entries: 3</b>		<b>1,109.70</b>	<b>1,109.70</b>





**First Managed Care Option, Inc.**

**First MCO Bill Review Services  
MERCER COINS 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>
<b>Total 2016</b>	<b>\$1,310,806</b>	<b>\$661,339</b>	<b>\$1,492,038</b>	<b>\$649,467</b>	<b>50%</b>	<b>1,311</b>	<b>1,172</b>	<b>139</b>	<b>89%</b>	<b>18</b>	<b>\$129,313</b>	<b>\$520,155</b>
Jan-17	\$35,284	\$24,951	\$43,318	\$10,334	29%	80	70	10	88%	0	\$2,067	\$8,267
Feb-17	\$22,389	\$10,423	\$24,993	\$11,966	53%	28	27	1	96%	0	\$2,393	\$9,573
Mar-17	\$42,343	\$55,329	\$115,494	-\$12,986	-31%	77	73	4	95%	2	-\$2,597	-\$10,389
Apr-17	\$22,563	\$16,627	\$26,723	\$5,936	26%	60	53	7	88%	1	\$1,187	\$4,749
<b>Total 2017</b>	<b>\$122,579</b>	<b>\$107,329</b>	<b>\$210,528</b>	<b>\$15,250</b>	<b>12%</b>	<b>245</b>	<b>223</b>	<b>22</b>	<b>91%</b>	<b>3</b>	<b>\$3,050</b>	<b>\$12,200</b>
<b>Total to Date</b>	<b>\$2,974,805</b>	<b>\$1,713,719</b>	<b>\$3,223,565</b>	<b>\$1,261,086</b>	<b>42%</b>	<b>3,003</b>	<b>2,571</b>	<b>432</b>	<b>86%</b>	<b>45</b>	<b>\$250,586</b>	<b>\$1,010,500</b>

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

**TO:** Fund Commissioners  
**FROM:** J.A. Montgomery Risk Control, Safety Director  
**DATE:** May 15, 2017

**May - June 2017  
 RISK CONTROL ACTIVITIES**

David McHale, Public Sector Director <a href="mailto:dmchale@jamontgomery.com">dmchale@jamontgomery.com</a> Office: 732-736-5213 Cell: 732-673-4802	Glenn Prince, Associate Public Sector Director <a href="mailto:gprince@jamontgomery.com">gprince@jamontgomery.com</a> Office: 856-552-4744 Cell: 609-238-3949	Natalie Dougherty, Executive Assistant <a href="mailto:ndougherty@jamontgomery.com">ndougherty@jamontgomery.com</a> Office: 856-552-4738
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**MEETINGS ATTENDED / LOSS CONTROL VISITS CONDUCTED**

- **April 19:** Attended the Accident Review Panel and McDade Fire Drill.
- **April 19:** Respiratory Fit Testing and Training was conducted for MCIFC.
- **April 24:** Attended the MCIFC meeting in Trenton.
- **April 24:** Attended the MCIFC Claims Committee meeting in Trenton.
- **May 3:** Conducted an Accident Investigation for Buildings and Grounds.

**UPCOMING MEETINGS / LOSS CONTROL VISITS PLANNED**

- **May 22:** Plan to attend the MCIFC meeting in Trenton.
- **May 22:** Plan to attend the MCIFC Claims Committee meeting in Trenton.
- **June 26:** Plan to attend the MCIFC meeting in Trenton.

**RESOLUTION NO. 28-17**

**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 May 22, 2017.

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 May 22, 2017 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 May 22, 2017.

**ADOPTED:**

\_\_\_\_\_  
**ANDREW A. MAIR, CHAIRMAN**

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

**ATTEST:**

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

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

**PAYMENT AUTHORIZATION REQUESTS**

**May 22, 2017**

<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>
3960001663	Gary Mattia	Worker Compensation	PAR	
3960001125	Joe McClendon	Worker Compensation	PAR	
3960001328	Wayne Miller	Worker Compensation	PAR	2016-23678
3960000983	Shannan Turner (Rush-Jenkins)	Worker Compensation	SAR	2016-1585
3960001649	Darryl Williams	Worker Compensation	PAR	
3960001646	Michelle Busby	Liability	PAR	

# **APPENDIX I**

**MERCER COUNTY INSURANCE FUND COMMISSION  
OPEN MINUTES  
MEETING – April 24, 2017  
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 10:39</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> <b>Amy Zeiders</b>  Conner Strong & Buckelew <b>Danielle Batchelor</b>
Managed Care Services	First MCO <b>Mary Bresadola</b>
CEL Underwriting Manager	Conner Strong & Buckelew
Risk Management Consultant	Borden Perlman Salisbury & Kelly
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  
Ana-Eliza T. Bauersachs, Esq., Capehart Scatchard, PA  
Susan Schaefer, Susan Schaefer, LLC  
Cathy Dodd, PERMA Risk Management Services

**APPROVAL OF MINUTES: OPEN & CLOSED MINUTES OF MARCH 27, 2017**

**MOTION TO APPROVE THE OPEN & CLOSED MINUTES OF MARCH 27, 2017**

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

**CORRESPONDENCE: NONE**

**SAFETY COMMITTEE:** Mr. Prince reported the Safety & Accident Review Committee last met on April 19<sup>th</sup> and eleven claims were reviewed. Mr. Prince noted the next meeting was scheduled for May 17, 2017. Mr. Prince advised during his Safety Director Report he would discuss some other material regarding prisoner transportation updated policies and best practices which would be beneficial in the future.

**CLAIMS COMMITTEE:** Ms. Batchelor reported the Claims Committee met prior to the Commission meeting and reviewed four PARS for closed session. Ms. Batchelor advised that concluded her report unless there were any questions.

**EXECUTIVE DIRECTOR REPORT:** Executive Director reported he had three action items for his report today.

**CERTIFICATE OF INSURANCE ISSUANCE REPORT:** Executive Director reported on the Certificate of Insurance Report for the month of March. There were 5 certificates issued for this period.

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

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

**MERCER COUNTY APPROVED COUNSEL:** Executive Director referred to a copy of Resolution 22-17, Utilizing Mercer County Approved Counsel for the County Insurance Commission which was included in the agenda. Executive Director advised the intent of the resolution was to utilize the approved County Counsel for the Commission. At the last meeting it was determined on occasion the Commission might have a need for legal services



to handle certain claims. Executive Director advised the resolution was reviewed by the Commission Attorney. Executive Director asked if anyone had any questions and requested a motion.

In response to Chairman Mair's comment, Mr. Adezio agreed and advised he would draft some contracts for the approved counsel. Chairman Mair noted this situation preceded the Commission and carried forward professional relationships which have not necessarily been established by contract. Chairman Mair advised this would be reviewed for not only the Commission but the County.

**MOTION TO ADOPT RESOLUTION 22-17, UTILIZING MERCER COUNTY APPROVED COUNSEL FOR THE COUNTY INSURANCE COMMISSION**

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

**2017 TPA APPOINTMENT:** Executive Director reported the TPA responses were reviewed and evaluated by the County Commissioners and asked for their recommendations. Chairman Mair advised he had given the Executive Director a written summary. Ms. Hughes advised she recommended Inservco and Chairman Mair said he also recommended Inservco although mathematically on his sheet it was a tie between Inservco and PMA. Chairman Mair indicated it was unanimous that Inservco be reappointed. Executive Director requested a motion.

**MOTION TO APPOINT INSERVCO INSURANCE SERVICES, INC. FOR TPA SERVICES**

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

**NJ EXCESS COUNTIES INSURANCE FUND (CELJIF):** Executive Director reported the CELJIF was scheduled to meet on Thursday, April 27, 2017 at 1:00 PM. A summary report of the meeting would appear in the next agenda. Chairman Mair advised he might not be available to participate in the call.

**MCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACK:** Executive Director advised the February Financial Fast Track was included in the agenda. The Commission had a surplus of \$4,949,929 as of February 28, 2017. Executive Director also referred to line 10 of the report, "Investment in Joint Venture" and indicated \$715,008 of the surplus was the MCIFC's share of the CELJIF equity. Executive Director noted the cash balance was \$749,610.

**NJ CEL PROPERTY AND CASUALTY FINANCIAL FAST TRACK:** Executive Director reported the February Financial Fast Track was included in the agenda. As of February 28, 2017 the Fund had a surplus of \$8,120,383 and the cash balance was \$14,011,062. Executive Director asked if anyone had any questions regarding the Financial Fast Tracks.

**CLAIMS TRACKING REPORTS:** Executive Director advised the Claims Tracking Reports for the month of March was included in the agenda. Executive Director noted there was a significant amount of activity on property claims between February and March. Mr. Platt advised there were numerous auto property damage claims attributable to the winter storm. Executive Director also noted there was an uptick in worker compensation claims. Ms. Fowlkes indicated there were some slip and fall claims, two spit in the eye claims and a laceration to the finger claim. In response to Chairman Mair's inquiry, Mr. Prince advised all of the claims were reviewed the Safety and Accident Committee. Mr. Prince noted they were also reviewing the claim involving the manhole cover and he would have more information regarding the claim next month. He would also discuss devices that are available on the market to reduce this type of exposure. Executive Director reviewed the Claims Management Report Expected Loss Ratio Analysis report and advised this report compared the actuary's projections of the loss funds versus the actual figures. Executive Director noted the actual amount of claims for all of the years were lower than the actuary projected resulting in a surplus.

**2016 AUDIT:** Executive Director reported the Commission had a need for auditor services to prepare the 2016 Commission Audit. Executive Director advised the auditor contract does not expire until September 21, 2017. Executive Director noted the 2016 budget included the fee for auditor services. Executive Director suggested that we start the process now but would leave that decision up to the Commissioners. Chairman Mair reported unless he was advised otherwise by legal, it was his intent not to go out for a competitive process for the auditor. In response to Executive Director's inquiry Chairman Mair asked the Executive Director to obtain an updated proposal from the auditor.

**2017 EXCESS INSURANCE AND ANCILLARY COVERAGE POLICIES:** Executive Director reported on April 10<sup>th</sup> the CEL Underwriting Manager distributed an e-mail providing login information and instructions to access the Conner Strong & Buckelew website to view the insurance policies and endorsements. Executive Director advised if anyone had any difficulties with the website they should contact the Fund Office for assistance.

**MANDATORY SEAT BELTS:** Executive Director reported Mr. Prince planned on discussing seat belts during his Safety Director report.

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

*It was noted that Ms. Walker was now in attendance.*

Executive Director's Report Made Part of Minutes.

**TREASURER REPORT:** Chairman Mair advised the Treasurer was not present. Chairman Mair advised the April Bill List, Resolution 23-17, was included in the agenda.

**MOTION TO APPROVE RESOLUTION 23-17, APRIL BILL LIST  
IN THE AMOUNT OF \$46,723.94**

Moved: Chairman Mair  
Second: Commissioner Hughes  
Vote: 3 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:** Executive Director advised Resolution 24-17, Disclosure of Liability Claims Check Register, was included in the agenda along with a copy of the check register for the period of March 1, 2017 to March 31, 2017.

**MOTION TO APPROVE RESOLUTION 24-17 AUTHORIZING  
DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTER**

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

**MANAGED CARE:** Ms. Bresadola reported for the month of March, provider bills were received in the amount of \$42,343 and First MCO repriced the bills to \$55,329 for a total savings of \$12,986 CR or a 31CR%. Ms. Bresadola explained there was an appeal for a hospital bill that was not processed promptly which resulted in additional money owed to the hospital. The contract term required the payment be made in full but after negotiations it was reduced. Ms. Bresadola advised the PPO penetration for the month of March was 95% which was very good.

**CEL SAFETY DIRECTOR:** Mr. Prince reviewed the March - April Risk Control Activity Report which was included in the agenda along the training schedule for April. Mr. Prince advised last month he was asked to research policies, procedures and accreditations standards for prisoner and inmate transportation. Mr. Prince reported he consulted with a variety of sources including the NJ State Department of Corrections and other policies around the State and this would be made part of the Risk Control initiatives during the upcoming months when he meets with the Correction's, Sheriff's and Prosecutor's Department to advise the best practices and their recommendations in terms of prisoner transportation and protecting the interest of the County.

Also NJ Statute, Title 39, Motor Vehicle Code mandates all passengers of a vehicle be seat-belted at the time they are being transported or as passengers in motor vehicles. Mr. Prince noted there were some devices installed in some of the vans, transportation vehicles, and

there were after market devices seat belts and items of that nature that would secure passenger as they were being transported such as fiber glass inserts or stainless inserts which were in the back of vans. Mr. Prince recommended when it was time to purchase new vehicles that information was included in the specifications so the vendors could address those issues. Chairman Mair asked if Mr. Prince's report was available prior to the next Commission meeting he would like to meet with Mr. Prince separately.

**RISK MANAGER CONSULTANT:** Mr. Borden advised he did not have anything to discuss.

Correspondence Made Part of Minutes.

**OLD BUSINESS:** Chairman Mair advised he was meeting internally with the Director of DOT&I (Department of Transportation and Infrastructure) and the Engineer to discuss the pattern of claims involving pot holes.

Chairman Mair also advised there have been discussions on non-owned aircraft, drones insurance coverage. Chairman Mair reported there was probably a need to use drones by the Planning Department to generate planning documents and also had a request from the Emergency Communication for the use of drones. Chairman Mair advised they were forbidden in the Parks. Chairman Mair advised this would be a topic of conversation for later.

**NEW BUSINESS:** None

**PUBLIC COMMENT:**

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

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

**CLOSED SESSION:** Chairman Mair read and requested a motion to approve Resolution 25-17 authorizing a Closed Session to discuss PARS.

**MOTION TO APPROVE RESOLUTION 25-17 FOR EXECUTIVE SESSION**

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

**MOTION TO RETURN TO OPEN SESSION**

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

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

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

**MOTION TO ADJOURN:**

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

**MEETING ADJOURNED: 10:57 AM**

Minutes prepared by:  
Cathy Dodd, Assisting Secretary