

**MERCER COUNTY INSURANCE FUND COMMISSION
AGENDA AND REPORTS
NOVEMBER 27, 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: NOVEMBER 27, 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: October 23, 2017 Open MinutesAppendix I
October 23, 2017 Closed MinutesHandout**

- CORRESPONDENCE:**

- COMMITTEE REPORTS**
 - Safety Committee:..... Verbal
 - Claims Committee: Verbal

- EXECUTIVE DIRECTOR/ADMINISTRATOR - PERMA Pages 3-15**

- TREASURER – David Miller**
 - Resolution 46-17 November Bill List - *Motion* Pages 16-17
 - October Treasurer Reports Pages 18-19

- ATTORNEY – Arthur R. Sypek, Jr., Esq. Verbal**

- CLAIMS SERVICE –Inservco Insurance Services, Inc. - *Motion***
 - Resolution 47-17 Authorizing Disclosure of Liability Claims Check Register..... Pages 20-21
 - Liability Claims Payments 10-1-17 to 10-31-17 Pages 22-34

- MANAGED CARE – First MCO**
 - Monthly Summary Report – October.....Page 24

- CEL SAFETY DIRECTOR – J.A. Montgomery Risk Control**
 - Monthly Report..... Pages 25-26

- RISK MANAGER CONSULTANT – Borden Perlman Salisbury & Kelly Verbal**

- OLD BUSINESS**
- NEW BUSINESS: Insurance Indemnification of Volunteers at County Sponsored Events**

- PUBLIC COMMENT**

- CLOSED SESSION – Payment Authorization Requests (PARS/SARS) Pages 27-29**
 - Resolution 48-17 Executive Session for purpose as permitted by the Open Public Meetings Act, more specifically to discuss PARS/SARS 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

MEETING ADJOURNMENT

NEXT SCHEDULED MEETING: **December 20, 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: November 27, 2017
Memo to: Commissioners of the Mercer County Insurance Fund Commission
From: PERMA Risk Management Services
Subject: Executive Director's Report

- 2018 Property & Casualty Budget Introduction (Pages 5-8)** – Attached on page 5 for your review and discussion is the 2018 proposed Property & Casualty Budget in the amount of \$7,888,462. The introductory budget represents a 1.91% decrease Commission wide compared to the 2017 budget.

The NJCE portion of the budget was approved on November 16, 2017. The NJCE budget includes a new line item for a property premium buffer layer of \$150,000 excess \$100,000 coverage. The excess insurer, Zurich, has provided a renewal quote at an increased deductible from \$100,000 \$250,000. The MCIFC budget reflects this program structure change.

A copy of the proposed assessments for the member entities are included on page 6. The annual assessment would be billed in three installments and payable as follows: 40% due on 3/15/18, 30% on 5/15/18 and 30% on 10/15/18. Also included in the agenda on pages 7-8 is a narrative regarding the 2018 Budget Introduction. The Fund Office will advertise the proposed 2018 budget in the applicable newspapers.

- Motion to introduce the 2018 Property and Casualty Budget in the amount of \$7,888,462 and schedule a Public Hearing on December 20, 2017 at the Mercer County McDade Building, 640 S. Broad Street, Trenton, NJ at 10:30 AM**
- Certificate of Insurance Issuance Report (Page 9)** – Attached on page 9 is the certificate of issuance report from the CEL listing the certificates issued for the month October. There were (2) two certificate of insurances issued during the month of October.
 - Motion to approve the certificate of insurance report for the month of October**
- NJ Excess Counties Insurance Fund (CELJIF)** – The CEL met on October 26, 2017 and introduced the 2018 Budget and it was approved on November 16, 2017. At the October meeting the Fund Commissioners adopted a resolution authorizing the release of a \$200,000

dividend from the 2010 and 2011 Fund Years. Summary reports of both meetings will appear in the next agenda. The next meeting of the CEL will be on February 22, 2018.

- ❑ **MCIFC Property & Casualty Financial Fast Track (Page 10)** – Included in the agenda on page 10 is a copy of the Financial Fast Track for the month of September. As of September 30, 2017 the Commission has a surplus of **\$6,838,729**. 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 September 30, 2017 is **\$800,861**. The total cash amount is \$1,181,177.
- ❑ **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 September. As of **September 30, 2017** the Fund has a surplus of **\$8,743,340**. The cash balance is **\$24,194,197**.
- ❑ **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 October 31, 2017. The Executive Director will review the reports with the Commission.
- ❑ **New Jersey Counties Excess Joint Insurance Fund – Joint Insurance Claims Committees Best Practices Workshop** –The 6th annual Joint Insurance Claims Committees Best Practices Workshop was held on November 1, 2017 and focused on Cyber Liability including Coverage, Risk Management and Available Resources. Positive feedback has been received from both the presenters and the relevant topic.
- ❑ **December Meeting Date** – The next Commission meeting is scheduled for **Wednesday**, December 20, 2017 at 10:30 AM.

MERCER COUNTY INSURANCE COMMISSION					
2018 PROPOSED BUDGET :					
NJCE Property Option 2: Renew with Property Premium Buffer				Total	
		ANNUALIZED	PROPOSED	Increase/Decrease	
APPROPRIATIONS		BUDGET FY2017	BUDGET FY2018	\$	%
I. Claims and Excess Insurance					
Claims					
1	Property	83,000	75,000	(8,000)	-9.64%
2	Liability	159,000	157,000	(2,000)	-1.26%
3	Auto	134,000	131,000	(3,000)	-2.24%
4	Workers' Comp.	4,709,000	4,455,000	(254,000)	-5.39%
5					
6	Subtotal - Claims	5,085,000	4,818,000	(267,000)	-5.25%
7					
8	Premiums				
9	CEL JIF	2,039,768	2,136,087	96,320	4.72%
10					
11	SubTotal Premiums	2,039,768	2,136,087	96,320	4.72%
12	Total Loss Fund	7,124,767	6,954,087	(170,680)	-2.40%
13					
14	II. Expenses, Fees & Contingency				
15					
16	Claims Adjustment	190,000	190,000	0	0.00%
17	Safety Director	124,440	126,929	2,489	2.00%
18	General Expense				
19	Exec. Director	160,305	163,511	3,206	2.00%
20	Actuary	9,260	9,445	185	2.00%
21	Auditor	7,500	7,650	150	2.00%
22	Attorney	0	0	0	0.00%
23	Treasurer	0	0	0	0.00%
24					
25					
26	Misc. Expense & Contingency	10,000	10,000	0	0.00%
27					
28	Total Fund Exp & Contingency	501,505	507,535	6,030	1.20%
29	Risk Managers	66,000	66,000	0	0.00%
30					
31					
32	XS JIF Ancillary Coverage				
33	POL/EPL	140,215	143,019	2,804	2.00%
34	XS POL/EPL	0	0	0	0.00%
35	Excess Liability	76,544	84,199	7,655	10.00%
36	Crime Program	13,711	13,711	0	0.00%
37	Medical Malpractice	36,031	36,752	721	2.00%
38	Pollution Liability	30,000	30,000	0	0.00%
39	Employed Lawyers Liab	0	0	0	0.00%
40	Cyber Liability/ Special Coverages	47,544	47,544	0	0.00%
41	Aviation	5,615	5,615	0	0.00%
42					
43	Total FUND Disbursements	8,041,932	7,888,462	(153,470)	-1.91%

MERCER COUNTY INSURANCE COMMISSION													
2018 PROPOSED ASSESSMENTS -													
Member ID	Member Name	2017			2018			Change \$			Change %		
		NJCE & Commission	Ancillary	Total	NJCE & Commission	Ancillary	Total	NJCE & Commission	Ancillary	Total	NJCE & Commission	Ancillary	Total
NJC023	Mercer County	7,419,538	290,290	7,709,828	7,260,726	300,220	7,560,946	(158,812)	9,930	(148,882)	-2.14%	3.42%	-1.93%
NJC027	Mercer County Improvement Authority	272,734	59,370	332,104	266,896	60,620	327,516	(5,838)	1,250	(4,588)	-2.14%	2.11%	-1.38%
Grand Totals:		7,692,272	349,660	8,041,932	7,527,622	360,840	7,888,462	(164,650)	11,180	(153,470)	-2.14%	3.20%	-1.91%

**Mercer County Insurance Fund Commission
2018 Proposed Budget Introduction**

The 2018 Proposed Budget includes the following Commission Members:

- ❖ Mercer County, MCBOSS, Park Commission
- ❖ Mercer Improvement Authority

Financial Fast Track (FFT): The enclosed report reflects the fund’s overall financial position as of September 30, 2017.

The FFT monitors underwriting income, claim expense, other expense, underwriting profit and statutory surplus. Changes are noted for the month, year to date change, the prior year end and the current fund balance for each item.

Statutory Surplus (Deficits) by Fund Year				
	12/31/2016	9/30/2017	\$ - Change	% - Change
2014	\$ 2,346,979	\$ 2,449,857	\$ 102,878	4.38%
2015	\$ 1,917,929	\$ 1,858,736	\$ (59,193)	-3.09%
2016	\$ 1,062,232	\$ 1,882,316	\$ 820,084	77.20%
2017	\$ -	\$ 647,820	\$ -	0%
Total	\$ 5,327,140	\$ 6,838,729	\$ 1,511,589	28%

The budget is divided into the following categories:

- ❖ **Actuarial Loss Projections JIF Retention:** The Actuary reviews Mercer’s loss experience and applies trend factors for changes in the Commission’s exposures and changes impacting the underlying costs of claims. The 2018 Loss Funds accounts for **61%** of the Commission’s total budget.

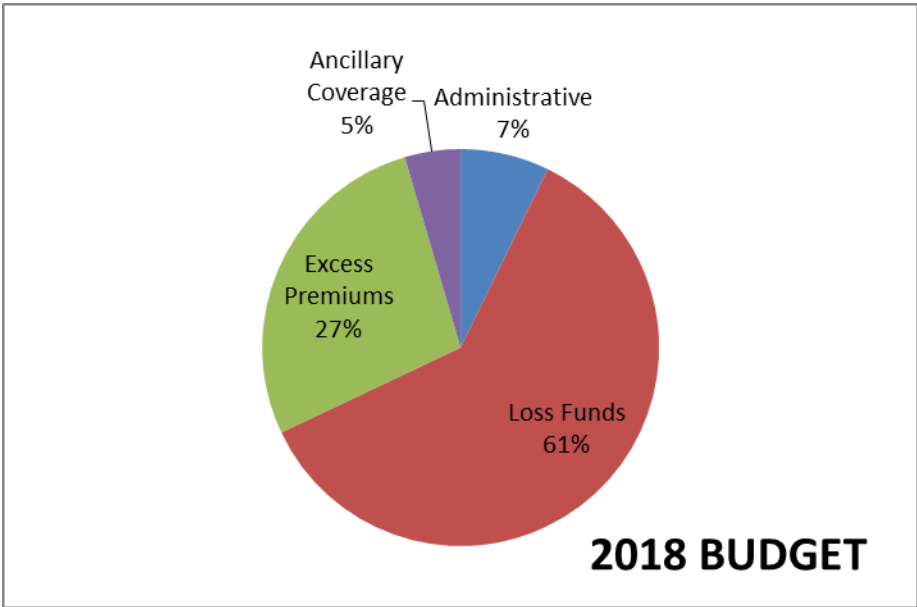
Loss Funds	Annualized 2017 Loss Funds	Projected 2018 Loss Funds	\$ - Change	% - Change
Property	\$ 83,000	\$ 75,000	\$ (8,000)	-10%
Liability	\$ 159,000	\$ 157,000	\$ (2,000)	-1%
Auto	\$ 134,000	\$ 131,000	\$ (3,000)	-2%
Workers Compensation	\$ 4,709,000	\$ 4,455,000	\$ (254,000)	-5.39%
Total	\$ 5,085,000	\$ 4,818,000	\$ (267,000)	-5.25%

- ❖ **Excess Insurance Premiums & Ancillary Coverages:** We are introducing a 2018 budget based upon certain reasonable assumptions given our loss experience and market conditions. The excess insurance premiums account for **27%** of the total budget.

Premiums	Annualized 2017	Projected 2018	\$ - Change	% - Change
NJCE Fund	\$ 2,039,768	\$ 2,136,087	\$ 96,319	4.72%
Total	\$ 2,039,768	\$ 2,136,087	\$ 96,319	4.72%

Ancilliary Coverages	Annualized 2017	Projected 2018	\$ - Change	% - Change
POL/EPL	\$ 140,215	\$ 143,019	\$ 2,804	2%
Excess Liability	\$ 76,544	\$ 84,199	\$ 7,655	10%
Crime	\$ 13,711	\$ 13,711	\$ -	0%
Medical Malpractice	\$ 36,031	\$ 36,752	\$ 721	2%
Pollution	\$ 30,000	\$ 30,000	\$ -	0%
Cyber Liability/Special Coverages	\$ 47,544	\$ 47,544	\$ -	0%
Aviation	\$ 5,615	\$ 5,615	\$ -	0%
Total	\$ 349,660	\$ 360,840	\$ 11,180	3%

❖ **Administrative Expenses:** The expenses to operate the Joint Insurance Fund accounts for **7%** of the budget and include professional fees, general fund expenses and miscellaneous contingency.



Mercer County Insurance Fund Commission

Certificate of Insurance Monthly Report

From 10/1/2017 To 10/31/2017

Holder (H)/ Insured Name (I)	Holder / Insured Address	Description of Operations	Issue Date/ Cert ID	Coverage
H - New Jersey Historical Commission I - County of Mercer	225 W State St PO Box 305 Trenton, NJ 08625	Company D: XS Liability \$10,000,000 XS of \$10,000,000 (\$10,000,000 Annual Aggregate) Policy Term: 1/1/17 to 1/1/18 Policy # XCO0000702 Company E: XS Workers Compensation Statutory xs \$1,000,000 XS Employers Liability \$5,000,000 xs \$1,000,000 Policy Term 1/1/17 to 1/1/18 Policy # 4056379 Certificate holder is additional insured for general, excess and auto liability pursuant to terms, conditions, limitations and exclusions of the JIF Casualty Insurance policy as respects grant dates 7/1/17 through 6/30/18.	10/4/2017 #1769234	GL AU EX WC OTH
H - Allentown United Methodist I - County of Mercer	Church 23 Church Street Allentown, NJ 08501	Company D: XS Liability \$10,000,000 XS of \$10,000,000 (\$10,000,000 Annual Aggregate) Policy Term: 1/1/17 to 1/1/18 Policy # XCO0000702 Company E: XS Workers Compensation Statutory xs \$1,000,000 XS Employers Liability \$5,000,000 xs \$1,000,000 Policy Term 1/1/17 to 1/1/18 Policy # 4056379 Evidence of insurance usual to County Governmental Entity as respects to The Allentown United Method Church will be used for the 4-H Clever Clovers Club monthly meetings. Monthly meetings will be held each first Sunday of the month 2 pm - 4 pm	10/10/2017 #1770390	GL AU EX WC OTH
Total # of Holders: 2				

MERCER COUNTY INSURANCE COMMISSION					
FINANCIAL FAST TRACK REPORT					
AS OF September 30, 2017					
ALL YEARS COMBINED					
		THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1.	UNDERWRITING INCOME	670,161	6,031,450	23,272,864	29,304,314
2.	CLAIM EXPENSES				
	Paid Claims	89,406	1,109,763	4,490,926	5,600,689
	Case Reserves	26,125	1,274,635	2,541,379	3,816,014
	IBNR	(347,864)	34,602	3,082,038	3,116,640
	Discounted Claim Value	5,631	(56,634)	(171,381)	(228,015)
	TOTAL CLAIMS	(226,702)	2,362,366	9,942,961	12,305,327
3.	EXPENSES				
	Excess Premiums	199,119	1,792,071	7,070,368	8,862,438
	Administrative	46,478	422,318	1,676,363	2,098,681
	TOTAL EXPENSES	245,597	2,214,388	8,746,731	10,961,119
4.	UNDERWRITING PROFIT (1-2-3)	651,267	1,454,695	4,583,172	6,037,868
5.	INVESTMENT INCOME	0	0	0	0
6.	PROFIT (4 + 5)	651,267	1,454,695	4,583,172	6,037,868
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	93,235	56,894	743,967	800,861
11.	SURPLUS (6 + 7 + 8)	744,501	1,511,590	5,327,139	6,838,729
SURPLUS (DEFICITS) BY FUND YEAR					
	2014	72,830	102,878	2,346,979	2,449,857
	2015	(55,896)	(59,193)	1,917,929	1,858,736
	2016	294,266	820,084	1,062,232	1,882,316
	2017	433,301	647,820		647,820
	TOTAL SURPLUS (DEFICITS)	744,501	1,511,590	5,327,140	6,838,729
TOTAL CASH					
1,181,177					
CLAIM ANALYSIS BY FUND YEAR					
FUND YEAR 2014					
	Paid Claims	(31)	45,082	1,747,206	1,792,288
	Case Reserves	666	(110,229)	407,154	296,925
	IBNR	(35,634)	(39,853)	566,120	526,266
	Discounted Claim Value	433	1,536	(30,942)	(29,405)
	TOTAL FY 2014 CLAIMS	(34,567)	(103,464)	2,689,538	2,586,074
FUND YEAR 2015					
	Paid Claims	(43,653)	139,810	1,628,411	1,768,222
	Case Reserves	105,471	99,495	773,291	872,785
	IBNR	23,182	(154,305)	707,161	552,856
	Discounted Claim Value	(2,613)	(450)	(45,233)	(45,683)
	TOTAL FY 2015 CLAIMS	82,387	84,550	3,063,630	3,148,180
FUND YEAR 2016					
	Paid Claims	50,995	448,832	1,115,309	1,564,141
	Case Reserves	(139,951)	(239,104)	1,360,934	1,121,830
	IBNR	(192,044)	(1,026,728)	1,808,757	782,029
	Discounted Claim Value	10,273	35,026	(95,207)	(60,181)
	TOTAL FY 2016 CLAIMS	(270,727)	(781,974)	4,189,793	3,407,819
FUND YEAR 2017					
	Paid Claims	82,096	476,038		476,038
	Case Reserves	59,939	1,524,473		1,524,473
	IBNR	(143,368)	1,255,489		1,255,489
	Discounted Claim Value	(2,462)	(92,746)		(92,746)
	TOTAL FY 2017 CLAIMS	(3,795)	3,163,254	0	3,163,254
COMBINED TOTAL CLAIMS					
		(226,702)	2,362,366	9,942,961	12,305,327

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	September 30, 2017		
ALL YEARS COMBINED					
		THIS	YTD	PRIOR	FUND
		MONTH	CHANGE	YEAR END	BALANCE
1.	UNDERWRITING INCOME	1,755,721	15,801,487	97,465,900	113,267,387
2.	CLAIM EXPENSES				
	Paid Claims	16,966	471,520	2,721,199	3,192,719
	Case Reserves	(15,535)	1,147,576	2,624,454	3,772,030
	IBNR	(797,042)	905,047	9,575,203	10,480,250
	Discounted Claim Value	58,333	(80,290)	(715,004)	(795,293)
	TOTAL CLAIMS	(737,278)	2,443,853	14,205,852	16,649,705
3.	EXPENSES				
	Excess Premiums	1,314,306	11,786,751	67,102,915	78,889,666
	Administrative	130,597	1,172,916	7,163,639	8,336,555
	TOTAL EXPENSES	1,444,903	12,959,666	74,266,554	87,226,221
4.	UNDERWRITING PROFIT (1-2-3)	1,048,095	397,968	8,993,494	9,391,462
5.	INVESTMENT INCOME	(3,748)	30,209	229,221	259,430
6.	PROFIT (4+5)	1,044,347	428,177	9,222,714	9,650,892
7.	Dividend	0	0	300,000	300,000
8.	Cancelled Appropriations	0	0	607,551	607,551
9.	SURPLUS (6-7-8)	1,044,347	428,177	8,315,163	8,743,341
SURPLUS (DEFICITS) BY FUND YEAR					
	2010	9,803	(144,137)	722,132	577,996
	2011	28,081	111,941	921,187	1,033,128
	2012	274,448	(14,375)	554,609	540,233
	2013	124,968	90,732	1,277,188	1,367,920
	2014	236,178	(3,613)	2,048,737	2,045,124
	2015	174,669	169,167	989,944	1,159,111
	2016	161,896	262,108	1,801,366	2,063,475
	2017	34,305	(43,646)		(43,646)
	TOTAL SURPLUS (DEFICITS)	1,044,347	428,177	8,315,163	8,743,340
	TOTAL CASH				24,194,197

NEW JERSEY COUNTIES EXCESS JIF					
FINANCIAL FAST TRACK REPORT					
		AS OF	September 30, 2017		
ALL YEARS COMBINED					
CLAIM ANALYSIS BY FUND YEAR					
FUND YEAR 2010					
Paid Claims	0	400	164,355	164,755	
Case Reserves	0	85,245	1	85,246	
IBNR	(10,000)	70,000	164,999	234,999	
Discounted Claim Value	58	(10,134)	(2,805)	(12,938)	
TOTAL FY 2010 CLAIMS	(9,942)	145,511	326,550	472,061	
FUND YEAR 2011					
Paid Claims	2,960	29,600	396,667	426,267	
Case Reserves	(2,960)	(57,375)	407,372	349,997	
IBNR	(30,000)	(87,225)	380,961	293,736	
Discounted Claim Value	1,686	5,376	(39,146)	(33,770)	
TOTAL FY 2011 CLAIMS	(28,314)	(109,624)	1,145,854	1,036,230	
FUND YEAR 2012					
Paid Claims	3,590	325,111	1,132,971	1,458,082	
Case Reserves	(3,591)	(221,014)	430,462	209,449	
IBNR	(294,999)	(106,600)	844,069	737,468	
Discounted Claim Value	20,312	19,383	(69,604)	(50,221)	
TOTAL FY 2012 CLAIMS	(274,688)	16,881	2,337,897	2,354,778	
FUND YEAR 2013					
Paid Claims	1,499	(223,689)	516,427	292,738	
Case Reserves	(17,637)	397,294	623,730	1,021,025	
IBNR	(118,862)	(248,606)	1,009,843	761,238	
Discounted Claim Value	9,599	(11,573)	(86,001)	(97,575)	
TOTAL FY 2013 CLAIMS	(125,401)	(86,573)	2,063,999	1,977,425	
FUND YEAR 2014					
Paid Claims	3,372	85,062	268,119	353,181	
Case Reserves	(19,749)	268,592	141,719	410,312	
IBNR	(228,623)	(358,654)	1,750,161	1,391,507	
Discounted Claim Value	8,289	13,723	(101,570)	(87,847)	
TOTAL FY 2014 CLAIMS	(236,711)	8,723	2,058,430	2,067,153	
FUND YEAR 2015					
Paid Claims	1,387	97,809	242,661	340,469	
Case Reserves	(73,296)	226,006	1,021,082	1,247,087	
IBNR	(118,090)	(518,814)	2,311,258	1,792,443	
Discounted Claim Value	14,747	31,684	(204,420)	(172,736)	
TOTAL FY 2015 CLAIMS	(175,253)	(163,316)	3,370,580	3,207,264	
FUND YEAR 2016					
Paid Claims	0	0	0	0	
Case Reserves	(2)	250,027	88	250,115	
IBNR	(179,998)	(539,027)	3,113,912	2,574,885	
Discounted Claim Value	17,435	33,338	(211,458)	(178,120)	
TOTAL FY 2016 CLAIMS	(162,565)	(255,662)	2,902,542	2,646,880	
FUND YEAR 2017					
Paid Claims	4,159	157,226		157,226	
Case Reserves	101,700	198,800		198,800	
IBNR	183,530	2,693,974		2,693,974	
Discounted Claim Value	(13,794)	(162,086)		(162,086)	
TOTAL FY 2017 CLAIMS	275,595	2,887,914	0	2,887,914	
COMBINED TOTAL CLAIMS	(737,278)	2,443,853	14,205,852	16,649,705	

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	October 31, 2017										
COVERAGE LINE - PROPERTY											
CLAIM COUNT - OPEN CLAIMS											
Year	2010	2011	2012	2013	2014	2015	2016	2017		TOTAL	
September-17	0	0	0	0	0	3	1	25		29	
October-17	0	0	0	0	0	3	1	23		27	
NET CHGE	0	0	0	0	0	0	0	-2		-2	
Limited Reserves											\$2,752
Year	2010	2011	2012	2013	2014	2015	2016	2017		TOTAL	
September-17	\$0	\$0	\$0	\$0	\$669	\$53,888	\$7,500	\$15,500		\$77,557	
October-17	\$0	\$0	\$0	\$0	\$0	\$50,500	\$7,500	\$16,300		\$74,300	
NET CHGE	\$0	\$0	\$0	\$0	(\$669)	(\$3,388)	\$0	\$800		(\$3,257)	
Ltd Incurred	\$0	\$0	\$0	\$0	\$18,499	\$50,475	\$7,599	\$16,705		\$93,277	
COVERAGE LINE - GENERAL LIABILITY											
CLAIM COUNT - OPEN CLAIMS											
Year	2010	2011	2012	2013	2014	2015	2016	2017		TOTAL	
September-17	0	0	0	0	1	9	25	26		61	
October-17	0	0	0	0	1	11	26	28		66	
NET CHGE	0	0	0	0	0	2	1	2		5	
Limited Reserves											\$5,244
Year	2010	2011	2012	2013	2014	2015	2016	2017		TOTAL	
September-17	\$0	\$0	\$0	\$0	\$6,386	\$117,292	\$121,100	\$72,500		\$317,278	
October-17	\$0	\$0	\$0	\$0	\$6,386	\$128,143	\$131,600	\$80,000		\$346,129	
NET CHGE	\$0	\$0	\$0	\$0	\$0	\$10,851	\$10,500	\$7,500		\$28,851	
Ltd Incurred	\$0	\$0	\$0	\$0	\$8,863	\$167,313	\$141,191	\$80,783		\$398,150	
COVERAGE LINE - AUTO LIABILITY											
CLAIM COUNT - OPEN CLAIMS											
Year	2010	2011	2012	2013	2014	2015	2016	2017		TOTAL	
September-17	0	0	0	0	0	3	1	3		7	
October-17	0	0	0	0	0	3	1	3		7	
NET CHGE	0	0	0	0	0	0	0	0		0	
Limited Reserves											\$25,535
Year	2010	2011	2012	2013	2014	2015	2016	2017		TOTAL	
September-17	\$0	\$0	\$0	\$0	\$0	\$22,150	\$94,595	\$63,444		\$180,189	
October-17	\$0	\$0	\$0	\$0	\$0	\$22,150	\$94,595	\$62,000		\$178,745	
NET CHGE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,444)		(\$1,444)	
Ltd Incurred	\$0	\$0	\$0	\$0	\$10,891	\$28,465	\$117,228	\$71,314		\$227,899	
COVERAGE LINE - WORKERS COMP.											
CLAIM COUNT - OPEN CLAIMS											
Year	2010	2011	2012	2013	2014	2015	2016	2017		TOTAL	
September-17	0	0	0	0	11	21	30	47		109	
October-17	0	0	0	0	10	21	31	49		111	
NET CHGE	0	0	0	0	-1	0	1	2		2	
Limited Reserves											\$26,839
Year	2010	2011	2012	2013	2014	2015	2016	2017		TOTAL	
September-17	\$0	\$0	\$0	\$0	\$289,874	\$679,455	\$898,636	\$1,424,124		\$3,292,088	
October-17	\$0	\$0	\$0	\$0	\$247,170	\$611,405	\$890,568	\$1,230,027		\$2,979,170	
NET CHGE	\$0	\$0	\$0	\$0	(\$42,704)	(\$68,050)	(\$8,068)	(\$194,096)		(\$312,918)	
Ltd Incurred	\$0	\$0	\$0	\$0	\$2,038,394	\$2,410,464	\$2,455,778	\$1,808,649		\$8,713,286	
TOTAL ALL LINES COMBINED											
CLAIM COUNT - OPEN CLAIMS											
Year	2010	2011	2012	2013	2014	2015	2016	2017		TOTAL	
September-17	0	0	0	0	12	36	57	101		206	
October-17	0	0	0	0	11	38	59	103		211	
NET CHGE	0	0	0	0	-1	2	2	2		5	
Limited Reserves											\$16,959
Year	2010	2011	2012	2013	2014	2015	2016	2017		TOTAL	
September-17	\$0	\$0	\$0	\$0	\$296,928	\$872,786	\$1,121,830	\$1,575,568		\$3,867,113	
October-17	\$0	\$0	\$0	\$0	\$253,555	\$812,199	\$1,124,263	\$1,388,327		\$3,578,344	
NET CHGE	\$0	\$0	\$0	\$0	(\$43,373)	(\$60,587)	\$2,432	(\$187,241)		(\$288,768)	
Ltd Incurred	\$0	\$0	\$0	\$0	\$2,076,646	\$2,656,717	\$2,721,797	\$1,977,452		\$9,432,612	

FUND YEARS 2016 & 2017

Mercer County Insurance Fund Commission																
CLAIMS MANAGEMENT REPORT																
EXPECTED LOSS RATIO ANALYSIS																
AS OF																
October 31, 2017																
FUND YEAR 2016 -- LOSSES CAPPED AT RETENTION																
	Budget	Current		22	MONTH	Last Month		21	MONTH	Last Year		10	MONTH			
		Unlimited Incurred	Limited Incurred	Actual 31-Oct-17		Unlimited Incurred	Limited Incurred	Actual 30-Sep-17		Unlimited Incurred	Limited Incurred	Actual 30-Oct-16		Actual	MONTH	
PROPERTY	80,948	7,599	7,599	9.39%	79,886	98.69%	7,599	7,599	9.39%	79,361	98.04%	40,970	40,970	50.61%	61,520	76.00%
GEN LIABILITY	155,896	141,191	141,191	90.57%	119,892	76.91%	130,691	130,691	83.83%	117,817	75.57%	82,969	82,969	53.22%	65,476	42.00%
AUTO LIABILITY	131,580	117,228	117,228	89.09%	96,807	73.57%	117,228	117,228	89.09%	94,710	71.98%	24,909	24,909	18.93%	52,632	40.00%
WORKER'S COMP	4,616,644	2,455,778	2,455,778	53.19%	4,238,175	91.80%	2,430,453	2,430,453	52.65%	4,189,332	90.74%	2,053,267	2,053,267	44.48%	1,938,991	42.00%
TOTAL ALL LINES	4,985,068	2,721,797	2,721,797	54.60%	4,534,760	90.97%	2,685,971	2,685,971	53.88%	4,481,220	89.89%	2,202,116	2,202,116	44.17%	2,118,619	42.50%
NET PAYOUT %	\$1,597,534					32.05%										
FUND YEAR 2017 -- LOSSES CAPPED AT RETENTION																
	Budget	Current		10	MONTH	Last Month		9	MONTH	Last Year		-2	MONTH			
		Unlimited Incurred	Limited Incurred	Actual 31-Oct-17		Unlimited Incurred	Limited Incurred	Actual 30-Sep-17		Unlimited Incurred	Limited Incurred	Actual 30-Oct-16		Actual	MONTH	
PROPERTY	83,000	16,705	16,705	20.13%	63,080	76.00%	15,905	15,905	19.16%	56,440	68.00%	0	0	N/A	N/A	N/A
GEN LIABILITY	159,000	80,783	80,783	50.81%	66,780	42.00%	72,783	72,783	45.78%	57,240	36.00%	0	0	N/A	N/A	N/A
AUTO LIABILITY	134,000	71,314	71,314	53.22%	53,600	40.00%	71,314	71,314	53.22%	46,900	35.00%	0	0	N/A	N/A	N/A
WORKER'S COMP	4,709,000	1,808,649	1,808,649	38.41%	1,977,780	42.00%	1,891,603	1,891,603	40.17%	1,553,970	33.00%	0	0	N/A	N/A	N/A
TOTAL ALL LINES	5,085,000	1,977,452	1,977,452	38.89%	2,161,240	42.50%	2,051,606	2,051,606	40.35%	1,714,550	33.72%	0	0	N/A	N/A	N/A
NET PAYOUT %	\$0					0.00%										

FUND YEARS 2014 & 2015

Mercer County Insurance Fund Commission																
CLAIMS MANAGEMENT REPORT																
EXPECTED LOSS RATIO ANALYSIS																
AS OF October 31, 2017																
FUND YEAR 2014 -- LOSSES CAPPED AT RETENTION																
	Budget	Current		46	MONTH	Last Month		45	MONTH	Last Year		34	MONTH			
		Unlimited Incurred	Limited Incurred	Actual 31-Oct-17		Actual	Unlimited Incurred	Limited Incurred		Actual 30-Sep-17	TARGETED	Unlimited Incurred		Limited Incurred	Actual 30-Oct-16	TARGETED
PROPERTY	62,322	18,499	18,499	29.68%	62,322	100.00%	19,168	19,168	30.76%	62,322	100.00%	19,168	19,168	30.76%	62,322	100.00%
GEN LIABILITY	124,157	8,863	8,863	7.14%	118,031	95.07%	8,863	8,863	7.14%	117,584	94.71%	87,352	87,352	70.36%	110,215	88.77%
AUTO LIABILITY	127,016	10,891	10,891	8.57%	116,647	91.84%	10,891	10,891	8.57%	116,156	91.45%	10,891	10,891	8.57%	109,158	85.94%
WORKER'S COMP	4,356,301	2,038,394	2,038,394	46.79%	4,324,731	99.28%	2,049,874	2,049,874	47.06%	4,321,299	99.20%	2,134,859	2,134,859	49.01%	4,255,447	97.68%
TOTAL ALL LINES	4,669,797	2,076,646	2,076,646	44.47%	4,621,730	98.97%	2,088,795	2,088,795	44.73%	4,617,361	98.88%	2,252,269	2,252,269	48.23%	4,537,142	97.16%
NET PAYOUT %	\$1,823,091															
FUND YEAR 2015 -- LOSSES CAPPED AT RETENTION																
	Budget	Current		34	MONTH	Last Month		33	MONTH	Last Year		22	MONTH			
		Unlimited Incurred	Limited Incurred	Actual 31-Oct-17		Actual	Unlimited Incurred	Limited Incurred		Actual 30-Sep-17	TARGETED	Unlimited Incurred		Limited Incurred	Actual 30-Oct-16	TARGETED
PROPERTY	80,948	50,475	50,475	62.35%	80,948	100.00%	53,863	53,863	66.54%	80,948	100.00%	57,363	57,363	70.86%	79,886	98.69%
GEN LIABILITY	155,896	167,313	167,313	107.32%	138,390	88.77%	154,813	154,813	99.31%	137,232	88.03%	166,873	166,873	107.04%	119,892	76.91%
AUTO LIABILITY	131,580	28,465	28,465	21.63%	113,080	85.94%	28,465	28,465	21.63%	112,183	85.26%	11,420	11,420	8.68%	96,807	73.57%
WORKER'S COMP	4,449,750	2,410,464	2,410,464	54.17%	4,346,732	97.68%	2,403,865	2,403,865	54.02%	4,336,566	97.46%	2,236,786	2,236,786	50.27%	4,084,963	91.80%
TOTAL ALL LINES	4,818,174	2,656,717	2,656,717	55.14%	4,679,150	97.11%	2,641,007	2,641,007	54.81%	4,666,930	96.86%	2,472,443	2,472,443	51.31%	4,381,548	90.94%
NET PAYOUT %	\$1,844,518															

**MERCER COUNTY INSURANCE FUND COMMISSION
BILLS LIST**

Resolution No. 46-17

NOVEMBER 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 2016

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
000358			
000358	BOWMAN & COMPANY LLP	AUDITOR FEE 10/16/2017 - FY 2016	9,200.00
			9,200.00
		TOTAL PAYMENTS FY 2016	9,200.00

FUND YEAR 2017

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
000359			
000359	BORDEN PERLMAN SALISBURY&KELLY	INSURANCE CONSULTING FEE 11/2017	5,500.00
			5,500.00
000360			
000360	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 10/2017	2.03
000360	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 11/2017	13,358.75
			13,360.78
000361			
000361	THE ACTUARIAL ADVANTAGE	ACTUARIAL SERVICES FEE 11/2017	625.00
			625.00
000362			
000362	INSERVCO INSURANCE SERVICES	MONTHLY CLAIMS SERVICE FEE 11/2017	15,833.33
			15,833.33
000363			
000363	PACKET MEDIA LLC	AD#294330 - 10/13/17 - OCTOBER MTG	16.80
			16.80
000364			
000364	21ST CENTURY MEDIA-PHILLY CLUSTER	ACCT: 884004-10/10/17-OCT CLOSED SESSION	12.25
			12.25
000365			
000365	J.A. MONTGOMERY RISK CONTROL	RISK CONTROL SERVICES - 11/2017	10,370.00
			10,370.00
000366			
000366	NJ ADVANCE MEDIA	ACCT; 1153600 - 10/12/17 - CLOSED SESSIO	35.44
			35.44
		TOTAL PAYMENTS FY 2017	45,753.60

TOTAL PAYMENTS ALL FUND YEARS \$ 54,953.60

Chairperson

Attest:

Dated: _____

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

_____ Treasurer

MERCER COUNTY INSURANCE COMMISSION							
SUMMARY OF CASH TRANSACTIONS - ALL FUND YEARS COMBINED							
Current Fund Year: 2017							
Month Ending: October							
	Property	Liability	Auto	Worker's Comp	NJ CEL	Admin	TOTAL
OPEN BALANCE	154,954.66	289,102.63	260,499.30	5,067,028.83	(3,872,792.20)	(717,615.89)	1,181,177.33
RECEIPTS							
Assessments	1,659.66	3,189.15	2,684.75	94,470.55	48,748.49	11,959.33	162,711.93
Refunds	0.00	0.00	0.00	4.25	0.00	0.00	4.25
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
TOTAL	1,659.66	3,189.15	2,684.75	94,474.80	48,748.49	11,959.33	162,716.18
EXPENSES							
Claims Transfers	0.00	2,149.00	1,444.15	250,411.94	0.00	0.00	254,005.09
Expenses	0.00	0.00	0.00	0.00	0.00	45,732.57	45,732.57
Other *	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	0.00	2,149.00	1,444.15	250,411.94	0.00	45,732.57	299,737.66
END BALANCE	156,614.32	290,142.78	261,739.90	4,911,091.69	(3,824,043.71)	(751,389.13)	1,044,155.85

SUMMARY OF CASH AND INVESTMENT INSTRUMENTS			
MERCER COUNTY INSURANCE COMMISSION			
ALL FUND YEARS COMBINED			
CURRENT MONTH	October		
CURRENT FUND YEAR	2017		
	Description:	MCIFC General A/C	MCIFC Claims A/C
	ID Number:		
	Maturity (Yrs)		
	Purchase Yield:		
	TOTAL for All Accts & instruments		
Opening Cash & Investment Balance	\$1,181,177.33	1,087,532.01	93645.32
Opening Interest Accrual Balance	\$0.00	-	0
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	\$162,716.18	\$162,716.18
10	(Withdrawals - Sales)	-\$299,737.66	-\$254,005.09
	Ending Cash & Investment Balance	\$1,044,155.85	\$2,356.41
	Ending Interest Accrual Balance	\$0.00	\$0.00
	Plus Outstanding Checks	\$201,088.34	\$155,355.77
	(Less Deposits in Transit)	\$0.00	\$0.00
	Balance per Bank	\$1,245,244.19	\$157,712.18

RESOLUTION NO. 47-17

**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 November 27, 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 October 1, 2017 to October 31, 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 November 27, 2017.

ADOPTD:

ANDREW A. MAIR, CHAIRMAN

DATE

ATTEST:

DATE

Mercer County Ins Fund Comm - 396
Financial Transaction Log - Liability Claim Payments
Monthly / Detail / By Coverage / By Payment Type / By Check Number
10/01/2017 Thru 10/31/2017

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
10/01/2017 Thru 10/31/2017

Type	Check #	Claim #	Claimant Name	From Date	To Date	Payee Name	Trans. Date	Payment Description	Amt. Requested	Amt. Paid
Coverage: Auto Liability										
C	13364	3960001809	001 IMMORDINO, VICTORIA	8/22/2017	8/22/2017	VICTORIA IMMORDINO	10/2/2017	Full & Final Settlement of All Claims	694.15	694.15
C	13365	3960001765	001 LONGO, JOSEPH	6/9/2017	6/9/2017	JOSEPH LONGO	10/2/2017	Full & Final Settlement of All Claims	750.00	750.00
Total for Coverage: Auto Liability							Number of entries: 2		1,444.15	1,444.15
Coverage: General Liability										
C	13366	3960000620	001 SCOTT, TERRENCE	8/11/2017	8/31/2017	LENOX SOCEY FORMIDONI GIORDANO	10/2/2017	LEGAL FEE	990.50	990.50
C	13367	3960001696	001 DYKAS, LAWRENCE	5/16/2017	5/16/2017	LAWRENCE DYKAS	10/2/2017	Full & Final Settlement of All Claims	500.00	500.00
C	13508	3960000620	001 SCOTT, TERRENCE	7/18/2017	7/18/2017	E-REPORTING STENOGRAPHIC	10/16/2017	INV 244545	27.00	27.00
C	13509	3960000620	001 SCOTT, TERRENCE	8/11/2017	8/11/2017	E-REPORTING STENOGRAPHIC	10/16/2017	INVOICE #246386	251.50	251.50
C	13644	3960000620	001 SCOTT, TERRENCE	9/8/2017	9/19/2017	LENOX SOCEY FORMIDONI GIORDANO	10/30/2017	LEGAL FEE - #18897	380.00	380.00
Total for Coverage: General Liability							Number of entries: 5		2,149.00	2,149.00
Total for Mercer County Ins Fund Comm - 396							Number of entries: 7		3,593.15	3,593.15



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
Total 2014	\$822,559	\$509,923	\$814,817	\$312,636	38%	752	618	134	82%	6	\$61,563	\$251,073
Total 2015	\$718,860	\$435,127	\$706,183	\$283,733	39%	695	558	137	80%	18	\$56,661	\$227,072
Total 2016	\$1,310,806	\$661,339	\$1,492,038	\$649,467	50%	1,311	1,172	139	89%	18	\$129,313	\$520,155
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
May-17	\$138,284	\$37,557	\$149,254	\$100,727	73%	85	61	24	72%	3	\$20,145	\$80,581
Jun-17	\$232,376	\$113,818	\$242,819	\$118,558	51%	121	96	25	79%	0	\$23,712	\$94,847
Jul-17	\$45,857	\$20,056	\$68,748	\$25,801	56%	80	67	13	84%	0	\$5,155	\$20,646
Aug-17	\$44,519	\$21,598	\$53,618	\$22,921	51%	57	39	18	68%	1	\$4,584	\$18,337
Sep-17	\$99,374	\$32,630	\$102,325	\$66,744	67%	67	56	11	84%	2	\$13,349	\$53,395
Oct-17	\$101,585	\$51,109	\$80,262	\$50,476	50%	52	44	8	85%	3	\$10,095	\$40,381
Total 2017	\$784,574	\$384,098	\$907,554	\$400,477	51%	707	586	121	83%	12	\$80,090	\$320,387
Total to Date	\$3,636,800	\$1,990,487	\$3,920,592	\$1,646,313	45%	3,465	2,934	531	85%	54	\$327,627	\$1,318,686

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

TO: Fund Commissioners
FROM: J.A. Montgomery Risk Control, Safety Director
DATE: November 16, 2017

**October - November 2017
RISK CONTROL ACTIVITIES**

Glenn Prince, Associate Public Sector Director gprince@jamontgomery.com Office: 856-552-4744 Cell: 609-238-3949	Natalie Dougherty, Executive Assistant ndougherty@jamontgomery.com Office: 856-552-4738
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MEETINGS ATTENDED / LOSS CONTROL VISITS CONDUCTED

- **October 18:** Attended the MCIFC Accident Review Panel Meeting in Trenton.
- **October 23:** Attended the MCIFC Meeting in Trenton.
- **October 23:** Attended the MCIFC Claims Committee meeting in Trenton.

UPCOMING MEETINGS / LOSS CONTROL VISITS PLANNED

- **November 27** Plan to attend the MCIFC Meeting in Trenton.
- **November 27:** Plan to attend the MCIFC Claims Committee meeting in Trenton.

TRAINING CONDUCTED AND SCHEDULED (OCTOBER 14 THRU NOVEMBER)

DATE	CLIENT	TOPIC	TIME
10/18/17	MCIFC - Corrections	DDC 6 - evening	3:30 - 10:00 pm (w/dinner brk)
10/24/17	MCIFC - Corrections	Fire Safety-evening	5:15 - 6:15 pm
10/24/17	MCIFC - Corrections	Fire Extinguisher - evening	6:30 - 7:30 pm
10/24/17	MCIFC - Corrections	BBP-evening	8:00 - 9:00 pm
10/24/17	MCIFC - Corrections	Employee Conduct & Violence Prevention-evening	9:15 - 10:45 pm
10/25/17	MCIFC - Corrections	Fire Safety	9:45 - 10:45 am
10/25/17	MCIFC - Corrections	Fire Extinguisher	11:00 - 12:00 pm
10/25/17	MCIFC - Corrections	BBP	12:30 - 1:30 pm
10/25/17	MCIFC - Corrections	Employee Conduct and Violence Prevention	1:45 - 3:15 pm
10/30/17	MCIFC - Corrections	HazCom w-GHS	8:00 - 9:30 am
10/30/17	MCIFC - Corrections	Fire Safety	9:45 - 10:45 am
10/30/17	MCIFC - Corrections	Fire Extinguisher	11:00 - 12:00 pm
10/30/17	MCIFC - Corrections	BBP	12:30 - 1:30 pm
10/30/17	MCIFC - Corrections	Employee Conduct and Violence Prevention	1:45 - 3:15 pm
10/30/17	MCIFC - Corrections	HazCom w-GHS-evening	3:30 - 5:00 pm
10/30/17	MCIFC - Corrections	Fire Safety-evening	5:15 - 6:15 pm
10/30/17	MCIFC - Corrections	Fire Extinguisher - evening	6:30 - 7:30 pm
10/30/17	MCIFC - Corrections	BBP-evening	8:00 - 9:00 pm
10/30/17	MCIFC - Corrections	Employee Conduct & Violence Prevention-evening	9:15 - 10:45 pm
11/1/17	MCIFC - Corrections	DDC - 6	8:30 - 3:00 pm
11/2/17	MCIFC - Mercer County	Shop and Tool Safety	12:30 pm - 1:30 pm
11/2/17	MCIFC - Mercer County	Bloodborne Pathogens	1:45 pm - 2:45 pm
11/2/17	MCIFC - Mercer County	Hazard Communications w/GHS	3:00 pm – 4:30 pm
11/13/17	MCIFC - Corrections	DDC - 6	8:30 - 3:00 pm

RESOLUTION NO. 48-17

**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 November 27, 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 November 27, 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 November 27, 2017.

ADOPTED:

ANDREW A. MAIR, CHAIRMAN

DATE

ATTEST:

DATE

PAYMENT AUTHORIZATION REQUESTS

November 27, 2017

<u>Claim #</u>	<u>Claimant</u>	<u>Type of Claim</u>	<u>PAR/SAR</u>
3960001166	Anthony Kuligoski	Worker Compensation	PAR
3960000312	Tammy Zwartjes	Worker Compensation	Discussion
3960001209	Rafael Jardines	Liability	PAR

APPENDIX I

**MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – October 23, 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	Absent
Lillian Nazzaro (<i>Alternate</i>)	Absent

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
Claims Service	Inservco Insurance Services, Inc. Nancy Fowlkes Amy Zeiders
	Conner Strong & Buckelew Greg Hunt
Managed Care Services	First MCO Kelly Royce
CEL Underwriting Manager	Conner Strong & Buckelew Ed Cooney
Risk Management Consultant	Borden Perlman Salisbury & Kelly Doug Borden
Attorney	Paul Adezio, Esq.
Safety Director	J.A. Montgomery Risk Control Glenn Prince
Auditor	Bowman & Company, LLP Jim Miles

ALSO PRESENT:

Ana-Eliza T. Bauersachs, Esq., Capehart Scatchard, PA
Jackie Tolbert, Mercer County Improvement Authority
Susan Schaefer, Susan Schaefer, LLC
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN & CLOSED MINUTES OF SEPTEMBER 25, 2017

**MOTION TO APPROVE THE OPEN & CLOSED MINUTES OF
SEPTEMBER 25, 2017**

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

In response to Chairman Mair’s inquiry regarding safety training on wood chippers, Mr. Prince reported he was coordinating the training with the Parks Department. Mr. Prince advised there was a program available, however the training would be modified to suit the needs exclusively for the Parks Department. Mr. Prince noted the use of equipment at the Parks Department would be reviewed first to ensure the training was consistent for the utilization of the equipment. Mr. Prince advised he would provide an update of the progress at the next meeting.

Chairman Mair discussed the purchase of only major event insurance for 2018. Mr. Borden reported that coverage was tabled for this year and it was discussed that once the events were announced in February or March the larger events would be considered.

CORRESPONDENCE: None

SAFETY COMMITTEE: Mr. Prince reported the Safety & Accident Review Committee last met on October 18th and approximately 5 accidents were reviewed. Mr. Prince stated a fire drill was also conducted and the next meeting was scheduled for November 15th. In response to Chairman Mair’s inquiry regarding training on use of force for the Correction Officers, Mr. Prince responded the officers were familiar with the guidelines and with the implementation of more and more cameras in the law enforcement communities he found the numbers are coming down. Mr. Prince advised he advocated the use of cameras because they accurately document exactly what transpired and forces professionalism.

CLAIMS COMMITTEE: Mr. Hunt advised he was reporting on behalf of Michelle Leighton and reported the Claims Committee met prior to the Commission meeting and the payment authority requests would be discussed during closed session.

EXECUTIVE DIRECTOR REPORT: Executive Director reported there were two action items during his report today and the first was the 2016 Audit Report. Executive Director introduced Mr. Miles of Bowman and Company, LLP and asked him to present the draft 2016 audit. Executive Director advised he would seek approval of the audit if the Commissioners agreed.

2016 AUDIT REPORT AS OF DECEMBER 31, 2016: Mr. Miles distributed draft copies of the 2016 Audit Report as of December 31, 2016. Mr. Miles reviewed the highlights of the audit and noted there were no findings or recommendations. Mr. Miles expressed his appreciation and assistance provided to his office during the audit and thanked the Commission for the opportunity to serve as the auditor. Mr. Miles advised that concluded his report unless anyone had any questions.

MOTION TO APPROVE RESOLUTION 42-17 CERTIFICATION OF ANNUAL REPORT FOR PERIOD ENDING DECEMBER 31, 2016

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

CERTIFICATE OF INSURANCE ISSUANCE REPORT: Executive Director reported on the Certificate of Insurance Report for the month of September. Executive Director advised there was one certificate of insurance issued during September. Executive Director asked if anyone had any questions on the report.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

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

NJ EXCESS COUNTIES INSURANCE FUND (CELJIF): Executive Director reported the CEL met on September 28, 2017 and a summary report of the meeting was included in the agenda. Executive Director advised he would provide some of the highlights of the meeting and stated the Board of Fund Commissioners approved the 2016 Audit and appointed Bowman & Company, LLP for Payroll Auditing Services. Executive Director reported the renewal documentation was received from Burlington and Atlantic Counties to continue their membership in the CEL. Executive Director noted renewal documents were also sent to the Cumberland and Salem Counties. Executive Director stated Sussex and Essex Counties were being quoted for potential new membership. Lastly, Executive Director advised the CEL was scheduled to meet again on October 26th to introduce the 2018 Budget.

MCIFC 2018 BUDGET: Executive Director reported the 2018 MCIFC Budget would be introduced at the November 27th meeting and budget adoption was scheduled for the December 20th meeting.

CLASH COVERAGE: Executive Director advised the Chairman asked to have a discussion on Clash Coverage which the CEL confirmed at their last meeting and asked the Chairman if he had any questions. Chairman Mair indicated they discussed the coverage internally and asked Mr. Borden if the coverage was redundant of their existing coverage. Executive Director advised the difference was the clash coverage was automatically built in for liability coverage and explained if there were a combination of a liability loss and auto loss in any one occurrence the clash coverage was available. Executive Director advised at the CEL level it brings in the worker compensation as

well. Executive Director noted at the Commission there would only be one retention and then the CEL would respond. Mr. Borden advised there was no additional cost for this and improved the coverage. In response to Chairman Mair's inquiry, Executive Director advised there was no additional cost as the actuary had already contemplated the fact that this was being done.

MCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director advised the August Financial Fast Track was included in the agenda. The Commission had a surplus of \$6,094,277 as of August 31, 2017. Executive Director also referred to line 10 of the report, "Investment in Joint Venture" and indicated \$707,627 of the surplus was the MCIFC's share of the CELJIF equity.

NJ CEL PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director reported the August Financial Fast Track was included in the agenda. As of August 31, 2017 the Fund had a surplus of \$7,698,993 and the cash balance was \$25,581,140. Executive Director advised the CEL Finance Committee would be discussing any eligible dividends when they met. In response to Mr. Borden's inquiry, Executive Director advised there were no closed out years and believed the dividends issued in the past were for Fund Years 2010 and 2011. Executive Director indicated the 2014 Fund year when Mercer joined was not performing well. Executive Director did not believe there would be a dividend for Mercer. 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 September were included in the agenda. Executive Director reported he reviewed the Claim Activity Report and did not see any anomalies. Executive Director referred to the Claims Management Report Expected Loss Ratio Analysis which were included in the agenda. Executive Director advised all of the Fund Years were performing well. Executive Director noted this could result in a reduced budget for 2018 due to an assessment of the loss funds. In response to Mr. Borden's inquiry regarding the CEL dividend Executive Director advised it was based on contributions to the CEL. Executive Director asked if anyone had any other questions on the claim reports.

2018 AUTO ID CARDS/WC POSTING NOTICES/RENEWAL CERTIFICATE OF INSURANCE: Executive Director advised the 2018 Auto ID Cards and the WC Posting Notices would be sent to each member entity representative for distribution the beginning of December. Executive Director noted the CEL Underwriting Manager's Teams would review any certificates which need to be re-issued for the 2018 renewal.

Executive Director asked Greg Hunt of Conner Strong & Buckelew to discuss the next two items of his report.

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND – JOINT INSURANCE CLAIMS COMMITTEES BEST PRACTICES WORKSHOP: Mr. Hunt reported as mentioned at the last meeting the Workshop was scheduled for November 1, 2017 at the Conner Strong & Buckelew office in Marlton. Mr. Hunt advised the focus this year was on Cyber Liability including Coverage, Risk Management and Available Resources. Mr. Hunt referred to a copy of the workshop agenda which was included in the agenda and encouraged the attendance of individuals from the IT departments.

REPORTING OF CLAIMS TO CLAIMS MADE POLICIES PRIOR TO 12/31/17 EXPIRATION: Mr. Hunt referred to a copy of the letter that was included in the agenda. Mr. Hunt explained the policies listed in the letter provided coverage on a discovery or claims made and reported basis. Mr. Hunt reported it was imperative that any claim, potential claim or facts and circumstances that may give rise to a claim be reported to the insurance company prior to the policy expiration. Mr. Hunt requested that any claims be reported to Conner Strong & Buckelew no later than Monday, 12/18/17.

SUBROGATION: Executive Director reported at the last meeting a discussion was held on the possibility of utilizing a subrogation firm. Executive Director advised Inservco prepared a report of open cases and a further discussion would take place during closed session.

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 October Bill List, Resolution 43-17 was included in the agenda.

MOTION TO APPROVE RESOLUTION 43-17, OCTOBER BILL LIST IN THE AMOUNT OF \$45,732.57

Moved:	Chairman Mair
Second:	Commissioner Hughes
Vote:	2 Yes, 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: Ms. Fowlkes reported she would present the PARS during closed session. Ms. Fowlkes advised Resolution 44-17, Disclosure of Liability Claims Check Register, was included in the agenda along with a copy of the check register for September 1, 2017 to September 30, 2017.

MOTION TO APPROVE RESOLUTION 44-17 AUTHORIZING DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTER

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

MANAGED CARE: Ms. Royce advised she would review her report which was included in the agenda. Ms. Royce reported bills were received in the amount of \$99,374 for the month of September. First MCO repriced the bills to \$32,630 for a total savings of \$66,744 or 67%. Ms.

Royce advised the penetration rate was 84%. Ms. Royce advised she had been attempting to work with Capital Health and reported last week they were finally able to submit a proposal. Ms. Royce indicated she was now working with one person at the hospital. Ms. Royce noted she was going to continue to pursue working with the hospital in an attempt to obtain a contract and would keep the Commission updated of her progress.

CEL SAFETY DIRECTOR: Mr. Prince reviewed the September - October Risk Control Activity Report which was included in the agenda. Mr. Prince referred to the training calendar and advised there were 39 courses scheduled for the Corrections Department and some of the courses were scheduled in the evening to accommodate everyone. Mr. Prince noted the agenda also included a Safety Director Bulletin on Fire Prevention. Mr. Prince advised the bulletin included tips for your work place and also at home. Mr. Prince advised that concluded his report unless there were any questions. Chairman Mair reported the Sheriff Department was in the process of presenting an active shooter program. Mr. Prince indicated they had a template available for an emergency action plan and advised he would send to Ms. Hughes for distribution.

RISK MANAGER CONSULTANT: Mr. Borden advised he did not have anything to report at this time.

Correspondence Made Part of Minutes.

OLD BUSINESS: Ms. Hughes stated the annual Safety Day was scheduled for November 2, 2017 and the Sheriff's Department would conduct CPR training in the morning and then J.A. Montgomery would conduct several different training sessions in the afternoon.

NEW BUSINESS: None

PUBLIC COMMENT:

MOTION TO OPEN THE MEETING TO THE PUBLIC

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

CLOSED SESSION: Chairman Mair read and requested a motion to approve Resolution 45-17 authorizing a Closed Session to discuss PARS.

MOTION TO APPROVE RESOLUTION 45-17 FOR EXECUTIVE SESSION

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

MOTION TO RETURN TO OPEN SESSION

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

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

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

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 10:54 AM

Minutes prepared by:
Cathy Dodd, Assisting Secretary