

**MERCER COUNTY INSURANCE FUND COMMISSION
AGENDA AND REPORTS
DECEMBER 19, 2016**

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

OPEN PUBLIC MEETINGS ACT - STATEMENT OF COMPLIANCE

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

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

**MERCER COUNTY INSURANCE FUND COMMISSION
AGENDA
OPEN PUBLIC MEETING: DECEMBER 19, 2016
640 S. BROAD STREET, ROOM 211
TRENTON, NJ 08650-8068
10:30 AM**

- MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ**
- ROLL CALL OF COMMISSIONERS**
- APPROVAL OF MINUTES: November 28, 2016 Open MinutesAppendix I
November 28, 2016 Closed MinutesHandout**

- CORRESPONDENCE:**

- COMMITTEE REPORTS**
 - Safety Committee:..... Verbal
 - Claims Committee:
.2017 Meeting Schedule.....Page 3

- EXECUTIVE DIRECTOR/ADMINISTRATOR - PERMA Pages 4-17**

- TREASURER – David Miller**
 - Resolution **50-16** December Bill List - Motion.....Page 18

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

- CLAIMS SERVICE – Inservco Insurance Services, Inc. – Motion**
 - Resolution **51-16** Authorizing Disclosure of Liability Claims Check Register..... **Pages 19-20**
 - Liability Claims Payments 11-1-16 to 11-30-16 **Pages 21-22**

- MANAGED CARE – First MCO**
 - Monthly Summary Report –.....Page 23

- CEL SAFETY DIRECTOR – J.A. Montgomery Risk Control**
 - Monthly Report..... **Pages 24-25**

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

- OLD BUSINESS**
- NEW BUSINESS:**
- PUBLIC COMMENT:**

- CLOSED SESSION – Payment Authorization Requests (PARS/SARS).....Pages 26-28**
 - Resolution 52-16 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**

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- MEETING ADJOURNMENT**
 - NEXT SCHEDULED MEETING: [January 23, 2017](#) MERCER COUNTY, McDADE ADMINISTRATION BUILDING, 640 S. BROAD STREET, TRENTON, NJ 08650-8068
10:30 AM**

Mercer County Insurance Fund Commission
Claims Committee
2017 Meeting Schedule

All meetings will be held prior to the Commission Meeting
on the fourth Monday of the month at 9:30 or 10:00 AM
Time is dependent on the number of claims to review
A notice will be sent by e-mail prior to the meeting

January 23, 2017
February 27, 2017
March 27, 2017
April 24, 2017
May 22, 2017
June 26, 2017
July 24, 2017
August 28, 2017
September 25, 2017
October 23, 2017
November 27, 2017
December 20, 2017*

*changed to Wednesday due to holiday

MERCER COUNTY INSURANCE FUND COMMISSION

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

Date: December 19, 2016
Memo to: Commissioners of the Mercer County Insurance Fund Commission
From: PERMA Risk Management Services
Subject: Executive Director's Report

- 2015 Audit Report as of December 31, 2015** - A copy of the 2015 audit will be distributed at the meeting. The report is valued as of 12/31/15. Mr. Jim Miles of Bowman and Company, LLP will attend the meeting to review the audit. We will seek approval of the audit at the January meeting.

- 2017 Property & Casualty Budget Introduction (Pages 6-7)** – At the November 28, 2016 meeting the 2017 Property & Casualty Budget was introduced. In accordance with the regulations the budget was advertised in the Commission’s official newspapers. The Public Hearing for the budget will be held at this meeting. Attached on page 6 is a copy of the budget. This budget includes the estimated premium of \$30,000 for the pollution liability coverage. The budget is in the amount of \$8,041,932. Also attached on page 7 is a copy of the assessments.
 - Motion to open the Public Hearing on the 2017 Property & Casualty Budget**
 - Discussion of Budget and Assessments**
 - Motion to close the Public Hearing**
 - Motion to adopt the Property & Casualty Budget for Mercer County Insurance Fund Commission for the 2017 Year and Certify the 2017 Assessments**

- Certificate of Insurance Issuance Report (Page 8)** – Attached on page 8 is the certificate of insurance issuance report from the CEL listing those certificates issued for the period of November 21, 2016 to December 15, 2016. There was 1 certificate of insurance issued during this period.
 - Motion to approve the certificate of insurance report**

- NJ Excess Counties Insurance Fund (CELJIF) (Pages 9-12)** – As mentioned at the last meeting the CELJIF met on November 17th. A summary report of the meeting is included in the agenda on pages 9-12. The CELJIF will hold its 2017 Reorganization Meeting on February 23, 2017.

- ❑ **MCIFC Property & Casualty Financial Fast Track (Page 13)** – Included in the agenda on page 13 is a copy of the Financial Fast Track as of **October 31, 2016**. The report indicates the Commission has a surplus of **\$4,303,384**. 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 October 31, 2016 is **\$433,440**. The total cash amount is \$740,316.
- ❑ **NJ CEL Property and Casualty Financial Fast Track (Page 14)** – Included in the agenda on page 14 is a copy of the CEL Financial Fast Track for the month of October. As of **October 31, 2016** the Fund has a surplus of **\$7,627,617**. The cash balance is \$20,304,402.
- ❑ **Claims Tracking Reports (Pages 15-16)** – Included in the agenda on pages 15-16 are copies of the Claim Activity Report and the Claims Management Report Expected Loss Ratio Analysis reports as of November 30, 2016. The Executive Director will review the reports with the Commission.
- ❑ **2017 MCIFC Meeting Dates (Page 17)** – Attached on page 17 for your consideration is the proposed MCIFC Executive Committee meeting schedule for 2017. This year we are suggesting that we eliminate the August meeting as it is usually a slower month. The other Commissions in the CEL do not meet in August. If the dates are acceptable a resolution will be prepared for approval with the Reorganizational Resolutions in January.
- ❑ **Professional Service Contracts** – Chairman Mair advises that the County will reissue the RFP’s resulting in a delay of awarding the 2017 service contracts and has asked the vendors to continue their services on a month to month basis based on the 2016 service contracts. Executive Director has contacted the vendors and they are all in agreement to continue their services.

MERCER COUNTY INSURANCE COMMISSION					
2017 PROPOSED BUDGET -					
PROPERTY RETENTION 100K					
		ANNUALIZED	PROPOSED	Change \$	Change %
	APPROPRIATIONS	BUDGET FY2016*	BUDGET		
I. Claims and Excess Insurance					
Claims					
1	Property (SIR 100K except vacant 250K)	80,948	83,000	2,052	2.54%
2	Liability	155,896	159,000	3,104	1.99%
3	Auto	131,580	134,000	2,420	1.84%
4	Workers' Comp.	4,616,644	4,709,000	92,356	2.00%
5					
6	Subtotal - Claims	4,985,068	5,085,000	99,932	2.00%
7					
8	Premiums				
9	XS JIF	2,062,510	2,039,768	(22,743)	-1.10%
10					
11	SubTotal Premiums	2,062,510	2,039,768	(22,743)	-1.10%
12	Total Loss Fund	7,047,578	7,124,767	77,189	1.10%
13					
14	II. Expenses, Fees & Contingency				
15					
16	Claims Adjustment (proposed reflects expiring fee)	200,000	190,000	(10,000)	-5.00%
17	Safety Director	120,664	124,440	3,776	3.13%
18					
19	Exec. Director	157,162	160,305	3,143	2.00%
20	Actuary	27,257	7,500	(19,757)	-72.48%
21	Auditor	9,078	9,260	182	2.00%
22	Attorney	0	0	0	0.00%
23	Treasurer	0	0	0	0.00%
24	Underw riting Manager	0	0	0	0.00%
25					
26	Misc. Expense & Contingency	10,000	10,000	0	0.00%
27					
28	Total Fund Exp & Contingency	524,161	501,505	(22,656)	-4.32%
29	Risk Managers	60,000	66,000	6,000	10.00%
30					
31					
32	XS JIF Ancillary Coverage				
33	POL/EPL	140,215	140,215	0	0.00%
34	XS POL/EPL	0	0	0	0.00%
35	Excess Liability	76,544	76,544	0	0.00%
36	Crime Policy	13,711	13,711	0	0.00%
37	Medical Malpractice	36,031	36,031	0	0.00%
38	Pollution Liabilty	0	30,000	30,000	100.00%
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	0.01%
42					
43	Total FUND Disbursements	7,951,399	8,041,932	90,533	1.14%

MERCER COUNTY INSURANCE COMMISSION												
2017 PROPOSED BUDGET												
GL/AL=250K WC 300K												
Member Name	FY2016 Annualized Assessment			FY2017 Proposed Assessment			Difference \$			Difference %		
	NJCEL	MCIC	Total	NJCEL	MCIC	Total	NJCEL	MCIC	Total	NJCEL	MCIC	Total
Mercer County	2,174,017	5,444,085	7,618,103	2,184,590	5,525,239	7,709,828	10,572.19	81,153.40	91,725.59	0.49%	1.49%	1.20%
Improvement Authority	208,152	125,144	333,296	204,838	127,266	332,104	(3,314.27)	2,121.82	(1,192.45)	-1.59%	1.70%	-0.36%
Grand Totals:	2,382,170	5,569,229	7,951,399	2,389,428	5,652,504	8,041,932	7,257.92	83,275.22	90,533.14	0.30%	1.50%	1.14%

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

Friday, December 16, 2016

From 11/21/16 to 12/15/16

Holder (H) / Insured Name (I)	Holder / Insured Address	Holder Code	Description of Operations	Issue Date	Coverage
MCIC					
H- Szeles Real Estate Development, L.P.	2405 Park Drive, Suite 102 Harrisburg, PA 17110	1107	Certificate holder is additional insured where obligated by virtue of a12/2/2016 GL EX AU WC written contract or written mutual aid agreement or other written agreement with the Named Assured, but only in respect to acts or operations by or on behalf of the Named Assured, and subject to the limitations on coverage contained in any such written contract or written mutual aid agreement or other written agreement with respects to (SEE PAGE 2)		
I- County of Mercer	McDade Administration Building 640 South Broad Street, PO Box 8068 Trenton, NJ 08650-0068				
			to lease of office space at Airport Corporate Center, 340 Scotch Road, Trenton, NJ 08628.		
			Company D: XS Liability Aggregate)	\$10,000,000 XS of \$10,000,000, (\$10,000,000 Annual	
				Policy Term: 1/1/16 to 1/1/17 Policy # XCO0000261	
			Company E: XS Worker Compensation XS Employers Liability	Statutory x \$1,000,000 \$5,000,000 x \$1,000,000	
				Policy Term 1/1/16 to 1/1/17 Policy # SP4054261	

Total # of Holders = 1

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND

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

Date: November 17, 2016
To: Mercer County Insurance Fund Commission
From: PERMA Risk Management Services
Subject: New Jersey Counties Excess Meeting Report

2017 Budget: Last month, the Fund introduced the proposed 2017 budget, which was advertised in the Fund’s designated newspapers.

Executive Director reported the fund office obtained final confirmation on property and payroll figures submitted and budget represents underwriting data as of 11/10/16. The proposed 2017 budget totaled \$20,977,357 or a decrease of 1.4% over last year.

The budget highlights are as follows:

Claims Loss Funds – lines 1-4

- Actuary projected overall 3% increase to projected claims loss funding for Liability, Auto and Workers’ Compensation; one county’s workers’ compensation self-insured retention (SIR) will increase from \$250,000 to \$300,000 for 2017.

Premiums – lines 8-13

- Overall 3.1% decrease based on submitted underwriting data as applied against expiring 2016 rates.
- The introduced budget contemplated a change in the property SIR from \$100,000 to \$250,000 for the underlying Commission and stand-alone County members. The Underwriting Manager was able to negotiate the renewal at the expiring SIR of \$100,000 and \$250,000 for Vacant Properties both at a flat rate renewal.

Expenses – lines 20-30

- Overall 2.7% decrease with a 2% increase to professional and contractual fees. An additional line item *Underwriting Data Validation* was built into budget to reflect a progressive initiative to obtain consistent and ratable data through payroll audits, property appraisals and an underwriting data system.

Ancillary Coverages – lines 37-45

- Flat renewal for these optional coverages purchased by members

Following the public meeting, the Board of Fund Commissioners adopted the 2017 budget in the amount of \$20,977,357 and certified the assessments.

2017 Renewal Coverages: The Board of Fund Commissioners authorized the Underwriting Manager to bind and enter into the required agreements for the 2017 excess and ancillary coverages; a resolution formalizing the action will be included in the 2017 Reorganization agenda.

Professional Contracts – Actuary: As previously reported, the fund’s contract with The Actuarial Advantage expired. The fund office issued a Request for Price Quotes and two firms responded: The Actuarial Advantage and SGRisk, LLC. The Board of Fund Commissioners reviewed the submitted fees and adopted a resolution awarding a contract The Actuarial Advantage as Fund Actuary based on their submitted quote for a one-year term.

Risk Control: Safety Director provided a report on risk control activities and requested members contact J.A. Montgomery for any training needs.

Next Meeting: The next meeting is the 2017 Reorganization meeting scheduled for February 23, 2017 at 1:00PM in the Camden County Regional Emergency Training Center.

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND				
2017 ADOPTED BUDGET -		RETENTIONS AS EXPIRING*		
APPROPRIATIONS	(A)	(C)	(D)	(E)
I. Claims and Excess Insurance			(C - A)	(D / A)
Claims	ANNUALIZED BUDGET FY2016	PROPOSED BUDGET FY2017	Change \$	Change %
1 Liability	876,231	903,773	27,542	3.1%
2 Auto	241,714	247,550	5,836	2.4%
3 Workers' Comp.	2,581,005	2,654,446	73,442	2.8%
4 WC 150 x 1K (7720)	<u>134,539</u>	<u>141,118</u>	<u>6,579</u>	4.9%
5 Subtotal - Claims	3,833,489	3,946,887	113,398	3.0%
6 Premiums				
7				
8 Property	4,751,941	4,782,345	30,404	0.6%
9 XS Flood to 50	355,266	363,409	8,143	2.3%
10 Liability (Brit)	2,703,204	2,555,000	(148,204)	-5.5%
11 Workers Comp (450 x 550) *	1,461,573	1,314,536	(147,037)	-10.1%
12 Workers Comp (Stat x 1MIL)	2,384,357	2,278,083	(106,274)	-4.5%
13 Excess premium contingency	(0)	0	0	-100.0%
14				
15 SubTotal Premiums	11,656,341	11,293,374	(362,967)	-3.1%
16 Total Loss Fund	15,489,829	15,240,261	(249,569)	-1.6%
17				
18 II. Expenses, Fees & Contingency				
19				
20 Claims Adjustment	58,000	59,160	1,160	2.0%
21 Safety Director	375,000	381,250	6,250	1.7%
22 General Expense				
23 Exec. Director	595,000	604,917	9,917	1.7%
24 Actuary	21,224	21,648	424	2.0%
25 Auditor	13,500	13,770	270	2.0%
26 Attorney	15,000	15,300	300	2.0%
27 Litigation Attorney	30,000	30,000	0	0.0%
28 Treasurer	15,000	15,300	300	2.0%
29 Underwriting Manager	425,000	432,083	7,083	1.7%
30 Underwriting Data Validation	-	75,000	75,000	0.0%
31				
32 Misc. Expense & Contingency	198,563	50,000	(148,563)	-74.8%
33 Total Fund Exp & Contingenc	1,746,287	1,698,429	(47,858)	-2.7%
34 Total Self Insured Program	17,236,116	16,938,689	(297,427)	-1.7%
35				
36 Ancillary Coverages				
37 POL/EPL	1,510,039	1,510,039	0	0.0%
38 XS POL/EPL	51,485	51,485	0	0.0%
39 Excess Liability	1,045,774	1,045,774	0	0.0%
40 Crime Program	141,386	141,386	0	0.0%
41 Medical Malpractice	637,500	637,500	0	0.0%
42 Pollution Liability	149,598	149,598	(0)	0.0%
43 Employed Lawyers Liability	166,800	166,800	0	0.0%
44 Cyber Liability	296,086	296,086	0	0.0%
45 Aviation	40,000	40,000	0	0.0%
46				
47 Total Ancillary Coverages	4,038,668	4,038,668	(0)	0.0%
48				
49 Total FUND Disbursements	21,274,784	20,977,357	(297,427)	-1.4%

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND											
FUND YEAR 2016 ASSESSMENTS BY MEMBER											
	ACIC	BCIC	CCIC	CUIC	GCIC	HC	MCIC	OC	SCIC	UC	Total
Claims	\$ 191,325	\$ 316,388	\$ 842,658	\$ 157,575	\$ 548,616	\$ 285,730	\$ 568,529	\$ 279,858	\$ 69,633	\$ 686,576	\$ 3,946,887
Premiums	\$ 989,733	\$ 1,095,982	\$ 2,517,348	\$ 506,647	\$ 1,115,518	\$ 1,110,819	\$ 1,259,106	\$ 1,145,094	\$ 363,877	\$ 1,189,249	\$ 11,293,374
Expenses, Fees & Contingency	\$ 124,752	\$ 175,113	\$ 382,483	\$ 65,933	\$ 142,606	\$ 185,212	\$ 212,133	\$ 156,409	\$ 59,402	\$ 194,386	\$ 1,698,429
Total Self Insured Program	\$ 1,305,810	\$ 1,587,483	\$ 3,742,488	\$ 730,155	\$ 1,806,739	\$ 1,581,761	\$ 2,039,768	\$ 1,581,362	\$ 492,912	\$ 2,070,212	\$ 16,938,689
Total Ancilliary Coverages	\$ 545,501	\$ 194,111	\$ 952,407	\$ 371,054	\$ 915,694	\$ 36,150	\$ 319,660	\$ 102,203	\$ 185,617	\$ 416,271	\$ 4,038,668
Total FUND Disbursements	\$ 1,851,311	\$ 1,781,594	\$ 4,694,895	\$ 1,101,209	\$ 2,722,433	\$ 1,617,911	\$ 2,359,428	\$ 1,683,565	\$ 678,529	\$ 2,486,483	\$ 20,977,357

MERCER COUNTY INSURANCE COMMISSION				
FINANCIAL FAST TRACK REPORT				
AS OF October 31, 2016				
ALL YEARS COMBINED				
	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1. UNDERWRITING INCOME	662,621	6,626,213	15,321,408	21,947,621
2. CLAIM EXPENSES				
Paid Claims	165,449	1,827,832	2,337,196	4,165,028
Case Reserves	211,356	883,653	2,201,600	3,085,252
IBNR	141,374	941,695	1,995,683	2,937,378
Discounted Claim Value	(10,736)	(66,190)	(109,981)	(176,171)
TOTAL CLAIMS	507,443	3,586,989	6,424,499	10,011,488
3. EXPENSES				
Excess Premiums	198,519	1,985,189	4,688,141	6,673,330
Administrative	47,988	482,888	1,097,244	1,580,133
TOTAL EXPENSES	246,507	2,468,077	5,785,385	8,253,463
4. UNDERWRITING PROFIT (1-2-3)	(91,329)	571,146	3,111,525	3,682,671
5. INVESTMENT INCOME	0	0	0	0
6. PROFIT (4 + 5)	(91,329)	571,146	3,111,525	3,682,671
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	(8,070)	251,857	368,857	620,713
11. SURPLUS (6 + 7 + 8)	(99,399)	823,003	3,480,381	4,303,384
SURPLUS (DEFICITS) BY FUND YEAR				
2014	(11,218)	334,415	1,863,521	2,197,936
2015	11,232	55,149	1,616,861	1,672,010
2016	(99,414)	433,440		433,440
TOTAL SURPLUS (DEFICITS)	(99,399)	823,003	3,480,382	4,303,385
TOTAL CASH				740,316
CLAIM ANALYSIS BY FUND YEAR				
FUND YEAR 2014				
Paid Claims	2,799	221,472	1,489,439	1,710,911
Case Reserves	5,124	(304,321)	854,019	549,698
IBNR	(5,978)	(179,206)	771,021	591,815
Discounted Claim Value	(48)	9,617	(43,681)	(34,065)
TOTAL FY 2014 CLAIMS	1,896	(252,439)	3,070,798	2,818,359
FUND YEAR 2015				
Paid Claims	31,380	631,187	847,757	1,478,944
Case Reserves	(46,303)	(369,005)	1,347,581	978,576
IBNR	1,750	(348,355)	1,224,662	876,307
Discounted Claim Value	1,365	12,593	(66,300)	(53,707)
TOTAL FY 2015 CLAIMS	(11,809)	(73,581)	3,353,701	3,280,119
FUND YEAR 2016				
Paid Claims	131,271	975,173		975,173
Case Reserves	252,535	1,556,979		1,556,979
IBNR	145,602	1,469,256		1,469,256
Discounted Claim Value	(12,052)	(88,399)		(88,399)
TOTAL FY 2016 CLAIMS	517,356	3,913,009	0	3,913,009
COMBINED TOTAL CLAIMS	507,443	3,586,989	6,424,499	10,011,488

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 October 31, 2016					
ALL YEARS COMBINED					
	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE	
1. UNDERWRITING INCOME	1,774,018	17,732,414	76,187,004	93,919,418	
2. CLAIM EXPENSES					
Paid Claims	13,004	1,454,936	1,089,974	2,544,910	
Case Reserves	89,760	144,337	2,413,317	2,557,654	
IBNR	317,061	624,207	9,188,910	9,813,118	
Discounted Claim Value	(25,568)	(79,186)	(651,074)	(730,260)	
TOTAL CLAIMS	394,256	2,144,295	12,041,128	14,185,422	
3. EXPENSES					
Excess Premiums	1,256,275	12,559,766	52,056,606	64,616,372	
Administrative	131,636	1,301,033	5,652,271	6,953,304	
TOTAL EXPENSES	1,387,912	13,860,799	57,708,877	71,569,676	
4. UNDERWRITING PROFIT (1-2-3)	(8,150)	1,727,320	6,436,999	8,164,319	
5. INVESTMENT INCOME	4,225	36,125	184,725	220,849	
6. PROFIT (4+5)	(3,925)	1,763,445	6,621,724	8,385,168	
7. Dividend	0	0	150,000	150,000	
8. Cancelled Appropriations	0	0	607,551	607,551	
9. SURPLUS (6-7-8)	(3,925)	1,763,445	5,864,173	7,627,617	
SURPLUS (DEFICITS) BY FUND YEAR					
2010	8,650	43,965	642,182	686,147	
2011	(11,395)	(188,976)	1,149,228	960,251	
2012	24,951	289,069	477,778	766,847	
2013	22,634	(60,396)	1,259,797	1,199,401	
2014	(57,536)	506,172	1,417,746	1,923,919	
2015	(3,803)	(121,545)	917,441	795,896	
2016	12,573	1,295,156		1,295,156	
TOTAL SURPLUS (DEFICITS)	(3,925)	1,763,445	5,864,172	7,627,616	
TOTAL CASH					
				20,304,402	
CLAIM ANALYSIS BY FUND YEAR					
FUND YEAR 2010					
Paid Claims	0	901	163,454	164,355	
Case Reserves	0	(0)	1	1	
IBNR	(8,719)	(44,620)	326,545	281,925	
Discounted Claim Value	284	1,841	(11,008)	(9,167)	
TOTAL FY 2010 CLAIMS	(8,436)	(41,879)	478,992	437,113	
FUND YEAR 2011					
Paid Claims	0	91,234	144,097	235,331	
Case Reserves	24,999	302,701	262,007	564,708	
IBNR	(13,349)	(192,285)	623,896	431,611	
Discounted Claim Value	133	(8,954)	(41,637)	(50,591)	
TOTAL FY 2011 CLAIMS	11,783	192,696	988,363	1,181,059	
FUND YEAR 2012					
Paid Claims	3,388	610,058	515,889	1,125,947	
Case Reserves	(3,388)	(645,184)	856,270	211,086	
IBNR	(26,125)	(275,343)	1,120,043	844,700	
Discounted Claim Value	1,576	25,403	(82,267)	(56,865)	
TOTAL FY 2012 CLAIMS	(24,549)	(285,065)	2,409,934	2,124,869	
FUND YEAR 2013					
Paid Claims	5,689	500,452	15,975	516,427	
Case Reserves	(6,689)	112,427	511,304	623,730	
IBNR	(22,277)	(566,155)	1,657,721	1,091,566	
Discounted Claim Value	1,231	19,898	(110,993)	(91,095)	
TOTAL FY 2013 CLAIMS	(22,046)	66,621	2,074,007	2,140,629	
FUND YEAR 2014					
Paid Claims	3,926	140,171	120,096	260,267	
Case Reserves	74,817	(176,097)	313,106	137,009	
IBNR	(19,165)	(514,496)	2,411,798	1,897,302	
Discounted Claim Value	(1,260)	51,879	(164,745)	(112,866)	
TOTAL FY 2014 CLAIMS	58,318	(498,543)	2,680,255	2,181,713	
FUND YEAR 2015					
Paid Claims	0	112,120	130,464	242,584	
Case Reserves	0	550,427	470,629	1,021,057	
IBNR	4,993	(547,554)	3,048,907	2,501,353	
Discounted Claim Value	(308)	18,105	(240,424)	(222,319)	
TOTAL FY 2015 CLAIMS	4,684	133,098	3,409,576	3,542,674	
FUND YEAR 2016					
Paid Claims	0	0		0	
Case Reserves	21	63		63	
IBNR	401,703	2,764,661		2,764,661	
Discounted Claim Value	(27,223)	(187,357)		(187,357)	
TOTAL FY 2016 CLAIMS	374,500	2,577,366	0	2,577,366	
COMBINED TOTAL CLAIMS	394,256	2,144,295	12,041,128	14,185,422	

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	November 30, 2016							
COVERAGE LINE-PROPERTY								
CLAIM COUNT - OPEN CLAIMS								
Year	2010	2011	2012	2013	2014	2015	2016	TOTAL
October-16	0	0	0	0	0	7	19	26
November-16	0	0	0	0	0	4	18	22
NET CHGE	0	0	0	0	0	-3	-1	-4
Limited Reserves								\$1,614
Year	2010	2011	2012	2013	2014	2015	2016	TOTAL
October-16	\$0	\$0	\$0	\$0	\$0	\$4,000	\$40,970	\$44,970
November-16	\$0	\$0	\$0	\$0	\$0	\$2,000	\$33,500	\$35,500
NET CHGE	\$0	\$0	\$0	\$0	\$0	(\$2,000)	(\$7,470)	(\$9,470)
Ltd Incurred	\$0	\$0	\$0	\$0	\$19,168	\$55,363	\$33,500	\$108,031
COVERAGE LINE-GENERAL LIABILITY								
CLAIM COUNT - OPEN CLAIMS								
Year	2010	2011	2012	2013	2014	2015	2016	TOTAL
October-16	0	0	0	0	8	19	32	59
November-16	0	0	0	0	5	12	36	53
NET CHGE	0	0	0	0	-3	-7	4	-6
Limited Reserves								\$5,882
Year	2010	2011	2012	2013	2014	2015	2016	TOTAL
October-16	\$0	\$0	\$0	\$0	\$84,875	\$159,600	\$73,878	\$318,353
November-16	\$0	\$0	\$0	\$0	\$69,875	\$160,944	\$80,905	\$311,724
NET CHGE	\$0	\$0	\$0	\$0	(\$15,000)	\$1,344	\$7,027	(\$6,629)
Ltd Incurred	\$0	\$0	\$0	\$0	\$72,352	\$168,273	\$90,496	\$331,121
COVERAGE LINE-AUTO LIABILITY								
CLAIM COUNT - OPEN CLAIMS								
Year	2010	2011	2012	2013	2014	2015	2016	TOTAL
October-16	0	0	0	0	0	2	2	4
November-16	0	0	0	0	0	2	2	4
NET CHGE	0	0	0	0	0	0	0	0
Limited Reserves								\$4,114
Year	2010	2011	2012	2013	2014	2015	2016	TOTAL
October-16	\$0	\$0	\$0	\$0	\$0	\$5,455	\$8,000	\$13,455
November-16	\$0	\$0	\$0	\$0	\$0	\$7,955	\$8,500	\$16,455
NET CHGE	\$0	\$0	\$0	\$0	\$0	\$2,500	\$500	\$3,000
Ltd Incurred	\$0	\$0	\$0	\$0	\$10,891	\$13,920	\$25,409	\$50,220
COVERAGE LINE-WORKERS COMP.								
CLAIM COUNT - OPEN CLAIMS								
Year	2010	2011	2012	2013	2014	2015	2016	TOTAL
October-16	0	0	0	0	18	30	59	107
November-16	0	0	0	0	16	26	48	90
NET CHGE	0	0	0	0	-2	-4	-11	-17
Limited Reserves								\$26,848
Year	2010	2011	2012	2013	2014	2015	2016	TOTAL
October-16	\$0	\$0	\$0	\$0	\$459,703	\$855,825	\$1,235,365	\$2,550,892
November-16	\$0	\$0	\$0	\$0	\$442,038	\$776,553	\$1,197,702	\$2,416,292
NET CHGE	\$0	\$0	\$0	\$0	(\$17,665)	(\$79,272)	(\$37,663)	(\$134,600)
Ltd Incurred	\$0	\$0	\$0	\$0	\$2,140,485	\$2,278,691	\$2,200,944	\$6,620,120
TOTAL ALL LINES COMBINED								
CLAIM COUNT - OPEN CLAIMS								
Year	2010	2011	2012	2013	2014	2015	2016	TOTAL
October-16	0	0	0	0	26	58	112	196
November-16	0	0	0	0	21	44	104	169
NET CHGE	0	0	0	0	-5	-14	-8	-27
Limited Reserves								\$16,450
Year	2010	2011	2012	2013	2014	2015	2016	TOTAL
October-16	\$0	\$0	\$0	\$0	\$544,577	\$1,024,880	\$1,358,213	\$2,927,670
November-16	\$0	\$0	\$0	\$0	\$511,912	\$947,452	\$1,320,607	\$2,779,971
NET CHGE	\$0	\$0	\$0	\$0	(\$32,665)	(\$77,428)	(\$37,607)	(\$147,699)
Ltd Incurred	\$0	\$0	\$0	\$0	\$2,242,895	\$2,516,248	\$2,350,349	\$7,109,491

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

AS OF November 30, 2016

FUND YEAR 2014 -- LOSSES CAPPED AT RETENTION

	Budget	Current		35		MONTH TARGETED	Last Month		34		MONTH TARGETED	Last Year		23		MONTH TARGETED
		Unlimited Incurred	Limited Incurred	Actual			Unlimited Incurred	Limited Incurred	Actual			Unlimited Incurred	Limited Incurred	Actual		
				30-Nov-16					31-Oct-16					30-Nov-15		
PROPERTY	62,322	19,168	19,168	30.76%	62,322	100.00%	19,168	19,168	30.76%	62,322	100.00%	25,668	25,668	41.19%	61,907	99.33%
GEN LIABILITY	124,157	72,352	72,352	58.27%	111,093	89.48%	87,352	87,352	70.36%	110,215	88.77%	209,390	209,390	168.65%	97,066	78.18%
AUTO LIABILITY	127,016	10,891	10,891	8.57%	109,971	86.58%	10,891	10,891	8.57%	109,158	85.94%	10,891	10,891	8.57%	95,336	75.06%
WORKER'S COMP	4,356,301	2,140,485	2,140,485	49.14%	4,265,030	97.90%	2,134,859	2,134,859	49.01%	4,255,447	97.68%	2,215,582	2,215,582	50.86%	4,038,848	92.71%
TOTAL ALL LINES	4,669,797	2,242,895	2,242,895	48.03%	4,548,415	97.40%	2,252,269	2,252,269	48.23%	4,537,142	97.16%	2,461,531	2,461,531	52.71%	4,293,157	91.93%
NET PAYOUT %	\$1,730,982					37.07%										

FUND YEAR 2015 -- LOSSES CAPPED AT RETENTION

	Budget	Current		23		MONTH TARGETED	Last Month		22		MONTH TARGETED	Last Year		11		MONTH TARGETED
		Unlimited Incurred	Limited Incurred	Actual			Unlimited Incurred	Limited Incurred	Actual			Unlimited Incurred	Limited Incurred	Actual		
				30-Nov-16					31-Oct-16					30-Nov-15		
PROPERTY	80,948	55,363	55,363	68.39%	80,409	99.33%	57,363	57,363	70.86%	79,886	98.69%	102,548	102,548	126.68%	69,615	86.00%
GEN LIABILITY	155,896	168,273	168,273	107.94%	121,879	78.18%	166,873	166,873	107.04%	119,892	76.91%	138,873	138,873	89.08%	76,389	49.00%
AUTO LIABILITY	131,580	13,920	13,920	10.58%	98,762	75.06%	11,420	11,420	8.68%	96,807	73.57%	21,684	21,684	16.48%	59,211	45.00%
WORKER'S COMP	4,449,750	2,278,691	2,278,691	51.21%	4,125,487	92.71%	2,236,786	2,236,786	50.27%	4,084,963	91.80%	1,936,022	1,936,022	43.51%	2,313,870	52.00%
TOTAL ALL LINES	4,818,174	2,516,248	2,516,248	52.22%	4,426,537	91.87%	2,472,443	2,472,443	51.31%	4,381,548	90.94%	2,199,128	2,199,128	45.64%	2,519,085	52.28%
NET PAYOUT %	\$1,568,796					32.56%										

FUND YEAR 2016 -- LOSSES CAPPED AT RETENTION

	Budget	Current		11		MONTH TARGETED	Last Month		10		MONTH TARGETED	Last Year		-1		MONTH TARGETED
		Unlimited Incurred	Limited Incurred	Actual			Unlimited Incurred	Limited Incurred	Actual			Unlimited Incurred	Limited Incurred	Actual		
				30-Nov-16					31-Oct-16					30-Nov-15		
PROPERTY	80,948	33,500	33,500	41.38%	69,615	86.00%	40,970	40,970	50.61%	61,520	76.00%	0	0	N/A	N/A	N/A
GEN LIABILITY	155,896	90,496	90,496	58.05%	76,389	49.00%	82,969	82,969	53.22%	65,476	42.00%	0	0	N/A	N/A	N/A
AUTO LIABILITY	131,580	25,409	25,409	19.31%	59,211	45.00%	24,909	24,909	18.93%	52,632	40.00%	0	0	N/A	N/A	N/A
WORKER'S COMP	4,616,644	2,200,944	2,200,944	47.67%	2,400,655	52.00%	2,053,267	2,053,267	44.48%	1,938,991	42.00%	0	0	N/A	N/A	N/A
TOTAL ALL LINES	4,985,068	2,350,349	2,350,349	47.15%	2,605,870	52.27%	2,202,116	2,202,116	44.17%	2,118,619	42.50%	0	0	N/A	N/A	N/A

MERCER COUNTY INSURANCE FUND COMMISSION
9 CAMPUS DRIVE, SUITE 216
PARSIPPANY, NJ 07054

TO: Members of the Commission

2017 PROPOSED ANNUAL MEETING NOTICE

Pursuant to Chapter 231, Laws of 1975, known as the Open Public Meeting Acts, the following have been designated as meeting dates of the Mercer County Insurance Fund Commission at which the business of said Commission may be formally discussed, decided or acted upon.

<u>TIME</u>	<u>DATE</u>	<u>LOCATION</u>	<u>PURPOSE</u>
10:30 AM	January 23, 2017	County of Mercer 640 South Broad Street, Room 211 Trenton, NJ 08650-0068	Reorganization Meeting
10:30 AM	February 27, 2017	“	Regular Meeting
10:30 AM	March 27, 2017	“	Regular Meeting
10:30 AM	April 24, 2017	“	Regular Meeting
10:30 AM	May 22, 2017	“	Regular Meeting
10:30 AM	June 26, 2017	“	Regular Meeting
10:30 AM	July 24, 2017	“	Regular Meeting
10:30 AM	September 25, 2017	“	Regular Meeting
10:30 AM	October 23, 2017	“	Regular Meeting
10:30 AM	November 27, 2017	“	Regular Meeting
10:30 AM	December 20, 2017	“	Regular Meeting

In addition such other meetings as may be required shall be scheduled and held, but pursuant to and with such additional notice as may be required by statute.

By: PERMA Risk Management Services
Administrator

MERCER COUNTY INSURANCE FUND COMMISSION

**MERCER COUNTY INSURANCE FUND COMMISSION
BILLS LIST**

Resolution No. 50-16

DECEMBER 2016

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

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

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

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	
000267			
000267	BORDEN PERLMAN SALISBURY&KELLY	RMC FEE 12/2016	5,000.00
			5,000.00
000268			
000268	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 11/2016	1.99
000268	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR - 12/2016	13,096.87
			13,098.86
000269			
000269	THE ACTUARIAL ADVANTAGE	ACTUARIAL SERVICES - 12/2016	2,271.38
			2,271.38
000270			
000270	INSERVCO INSURANCE SERVICES	MONTHLY CLAIMS SERVICES - 12/2016	16,666.66
			16,666.66
000271			
000271	PACKET MEDIA LLC	ACCT: 1042540 - 11/18/16 REGULAR MTG	19.95
000271	PACKET MEDIA LLC	ACCT: 1042540 - 12/2/16 - 2017 BUDGET	31.50
			51.45
000272			
000272	21ST CENTURY MEDIA - PHILLY CLUSTER	ACCT: 884004 11/30/16 ADV BUDGET	70.92
000272	21ST CENTURY MEDIA - PHILLY CLUSTER	ACCT: 884004 11/15/16 ADV CLOSED SESSN	12.60
			83.52
000273			
000273	J.A. MONTGOMERY RISK CONTROL	RISK CONTROL SERVICES - 12/2016	10,059.00
			10,059.00
000274			
000274	NJ ADVANCE MEDIA	ACCT: 1153600 -11/16/16 ADV CLOSED SESSN	40.08
			40.08
	TOTAL PAYMENTS FY 2016		47,270.95

Chairperson

Attest:

Dated: _____

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

Treasurer

RESOLUTION NO. 51-16

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

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

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

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

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

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

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

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

WHEREAS, the MCIFC did hold a closed session from which the public was excluded on December 19, 2016 at which time certain items were discussed as were referenced in a separate resolution authorizing said closed session and it being determined certain liability & property claim payment information can be made public at this time; and

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

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

ADOPTED by THE MERCER COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on December 19, 2016.

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
11/01/2016 Thru 11/30/2016

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

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

Mercer County Ins Fund Comm - 396
Financial Transaction Log - Liability Claim Payments
Monthly / Detail / By Coverage / By Payment Type / By Check Number
11/01/2016 Thru 11/30/2016

Type	Check #	Claim #	Claimant Name	From Date	To Date	Payee Name	Trans. Date	Payment Description	Amt. Requested	Amt. Paid
Coverage: Auto Physical Damage										
V	10094	3960001316	001 COUNTY OF MERCER			GROFF TRACTOR NJ LLC	11/9/2016	FOR CASE 821E SER# N7F203077	-10,170.00	-10,170.00
Total for Coverage: Auto Physical Damage							Number of entries: 1		-10,170.00	-10,170.00
Total for Mercer County Ins Fund Comm - 396							Number of entries: 1		-10,170.00	-10,170.00



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
Jan-16	\$155,061	\$83,394	\$153,004	\$71,667	46%	81	56	25	69%	2	\$14,333	\$57,333
Feb-16	\$88,857	\$55,542	\$86,730	\$33,315	37%	131	118	13	90%	0	\$6,566	\$26,749
Mar-16	\$139,873	\$78,468	\$136,744	\$61,405	44%	206	192	14	93%	0	\$12,281	\$49,124
Apr-16	\$353,592	\$124,022	\$362,479	\$229,569	65%	122	104	18	85%	2	\$45,914	\$183,655
May-16	\$88,712	\$47,169	\$120,288	\$41,544	47%	100	87	13	87%	3	\$8,309	\$33,235
Jun-16	\$109,995	\$65,537	\$130,827	\$44,458	40%	156	148	8	95%	3	\$8,733	\$35,725
Jul-16	\$114,062	\$59,351	\$95,261	\$54,710	48%	84	72	12	86%	2	\$10,621	\$44,089
Aug-16	\$86,526	\$53,777	\$131,418	\$32,749	38%	120	112	8	93%	3	\$6,550	\$26,199
Sep-16	\$40,670	\$27,156	\$57,874	\$13,514	33%	92	84	8	91%	0	\$2,699	\$10,815
Oct-16	\$45,376	\$22,827	\$69,576	\$22,550	50%	68	61	7	90%	2	\$4,510	\$18,040
Nov-16	\$56,291	\$29,907	\$52,246	\$26,384	47%	89	84	5	94%	1	\$5,277	\$21,107
Total 2016	\$1,279,015	\$647,150	\$1,396,449	\$631,865	49%	1,249	1,118	131	90%	18	\$125,792	\$506,073
Total to Date	\$2,820,434	\$1,592,200	\$2,917,448	\$1,228,234	44%	2,696	2,294	402	85%	42	\$244,016	\$984,218

Report Run Date: 12/02/2016

MCC



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

TO: Fund Commissioners
FROM: J.A. Montgomery Risk Control, Safety Director
DATE: December 9, 2016

**November - December 2016
 RISK CONTROL ACTIVITIES**

David McHale, Public Sector Director dmchale@jamontgomery.com Office: 732-736-5213 Cell: 732-673-4802	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

- **November 28:** Attended the MCIFC meeting in Trenton.
- **November 28:** Attended the MCIFC Claims Committee meeting in Trenton.
- **November 30:** Attended and presented at the MCIFC Safety Day.
- **November 30:** Conducted an Accident Investigation for the MCDOT.
- **November 30:** Conducted a loss control survey of the County Prosecutor's Office.

UPCOMING MEETINGS / LOSS CONTROL VISITS PLANNED

- **December 19:** Plan to attend the MCIFC meeting in Trenton.
- **December 19:** Plan to attend the MCIFC Claims Committee meeting in Trenton.
- **December 21:** Plan to attend the MCIFC Accident Review Panel meeting in Trenton.

TRAINING CONDUCTED AND SCHEDULED (OCTOBER-NOVEMBER)

DATE	CLIENT	TOPIC	TIME
11/3/16	MCIFC - Corrections	Employee Conduct & Violence Prevention	8:30 - 10:00 am
11/4/16	MCIFC - Motor Pool	DDC 6	8:30 - 3:00 pm
11/7/16	MCIFC - Corrections	HazCom w-GHS-evening	3:30 - 5:00 pm
11/7/16	MCIFC - Corrections	Fire Safety-evening	5:15 - 6:15 pm
11/7/16	MCIFC - Corrections	Fire Extinguisher - evening	6:30 - 7:30 pm
11/7/16	MCIFC - Corrections	BBP-evening	8:00 - 9:00 pm
11/9/16	MCIFC - Corrections	DDC 6	8:30 - 3:00 pm w/lunch brk
11/10/16	MCIFC - Corrections	HazCom w-GHS	8:00 - 9:30 am
11/10/16	MCIFC - Corrections	Fire Safety	9:45 - 10:45 am
11/10/16	MCIFC - Corrections	Fire Extinguisher	11:00 - 12:00 pm
11/10/16	MCIFC - Corrections	BBP	12:30 - 1:30 pm
11/10/16	MCIFC - Corrections	HazCom w-GHS-evening	3:30 - 5:00 pm
11/10/16	MCIFC - Corrections	Fire Safety-evening	5:15 - 6:15 pm
11/10/16	MCIFC - Corrections	Fire Extinguisher - evening	6:30 - 7:30 pm
11/10/16	MCIFC - Corrections	BBP-evening	8:00 - 9:00 pm
11/14/16	MCIFC - Corrections	Employee Conduct & Violence Prevention	8:30 - 10:00 am
11/14/16	MCIFC - Corrections	Employee Conduct & Violence Prevention- Evening	3:30 - 5:00 pm
11/15/16	MCIFC - Motor Pool	LOTO	8:00 - 10:00 am
11/15/16	MCIFC - Motor Pool	HazCom w-GHS	10:15 - 11:45 am
11/15/16	MCIFC - Motor Pool	Shop and Tool Safety	12:30 - 1:30 pm
11/15/16	MCIFC - Corrections	HazCom w-GHS-evening	3:30 - 5:00 pm
11/15/16	MCIFC - Corrections	Fire Safety-evening	5:15 - 6:15 pm
11/15/16	MCIFC - Corrections	Fire Extinguisher - evening	6:30 - 7:30 pm
11/15/16	MCIFC - Corrections	BBP-evening	8:00 - 9:00 pm
11/16/16	MCIFC - Corrections	DDC 6 - Evening	3:30 - 10:00 pm
11/17/16	MCIFC - Corrections	HazCom w-GHS	8:00 - 9:30 am
11/17/16	MCIFC - Corrections	Fire Safety	9:45 - 10:45 am
11/17/16	MCIFC - Corrections	Fire Extinguisher	11:00 - 12:00 pm
11/17/16	MCIFC - Corrections	BBP	12:30 - 1:30 pm
11/17/16	MCIFC - Corrections	HazCom w-GHS-evening	3:30 - 5:00 pm
11/17/16	MCIFC - Corrections	Fire Safety-evening	5:15 - 6:15 pm
11/17/16	MCIFC - Corrections	Fire Extinguisher - evening	6:30 - 7:30 pm
11/17/16	MCIFC - Corrections	BBP-evening	8:00 - 9:00 pm
11/29/16	MCIFC - Corrections	Employee Conduct & Violence Prevention	8:30 - 10:00 am
12/1/16	MCIFC - Corrections	Employee Conduct & Violence Prevention	8:30 - 10:00 am
12/1/16	MCIFC - Corrections	Employee Conduct & Violence Prevention- Evening	3:30 - 5:00 pm
12/6/16	MCIFC - DOT	Forklift Certification	8:30 - 2:30 pm w/lunch brk
12/7/16	MCIFC - DOT	Fall Protection Awareness	8:30 - 10:30 am
12/7/16	MCIFC - DOT	Confined Space Awareness	10:45 - 11:45 am
12/1/16	MCIFC - Corrections	Employee Conduct & Violence Prevention	8:30 - 10:00 am
12/1/16	MCIFC - Corrections	Employee Conduct & Violence Prevention- Evening	3:30 - 5:00 pm

RESOLUTION NO. 52-16

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

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

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

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

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

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

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

The MCIFC shall hold a closed session from which the public shall be excluded on December 19, 2016.

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

The specific litigation is identified by the claim number assigned by Inservco in its capacity as the third-party claims administrator, name of the claimant, date of loss, workers’ compensation petition number and/or court assigned docket number which is set forth in the attached list which list is also appended to the MCIFC monthly meeting agenda for December 19, 2016 which agenda has been timely posted per the Open Public Meetings Act.

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

ADOPTED by THE MERCER COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on December 19, 2016.

ADOPTD:

ANDREW A. MAIR, CHAIRMAN

DATE

ATTEST:

K. MEGAN CLARK HUGHES, VICE CHAIR

DATE

PAYMENT AUTHORIZATION REQUESTS

<u>Claim #</u>	<u>Claimant</u>	<u>Type of Claim</u>	<u>PAR/SAR</u>	<u>C.P or DO #</u>
3960001466	Brian Blakely	Worker Compensation	PAR	
3960001376	Anthony Herbert	Worker Compensation	PAR	
3960001310	Donna Weyand	Worker Compensation	PAR	
3960001422	Estate of Mary Walls	Liabililty	PAR	

APPENDIX I

**MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – November 28, 2016
Mercer County
McDade Administration Building
640 South Broad Street
Trenton, NJ 08611
10:30 AM**

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

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
Claims Service	Inservco Insurance Services, Inc. Nancy Fowlkes Keith Platt Matthew Baron Amy Zeiders Sureatha Hobbs
	Conner Strong & Buckelew Danielle Batchelor Monica Lester
Managed Care Services	First MCO Diana Cortes Mary Bresadola
CEL Underwriting Manager	Conner Strong & Buckelew
Risk Management Consultant	Borden Perlman Salisbury & Kelly Doug Borden
Attorney	Paul Adezio, Esq.
Treasurer	
Safety Director	J.A. Montgomery Risk Control Glenn Prince

ALSO PRESENT:

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

APPROVAL OF MINUTES: OPEN & CLOSED MINUTES OF OCTOBER 24, 2016

MOTION TO APPROVE THE OPEN & CLOSED MINUTES OF OCTOBER 24, 2016

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

Chairman Mair advised part of the minutes were regarding the pollution liability coverage. Chairman Mair asked Mr. Borden to provide an update. Mr. Borden suggested that the County proceed with the environmental liability policy. Mr. Borden reviewed the coverage and advised the retroactive date would be 1/1/17. Mr. Borden noted Chairman Mair and Ms. Hughes were aware of the fact that the policy would not cover any underground storage tanks because it was designed to be excess. Mr. Borden explained if we put in place underground storage tank coverage which he was quoting then the environmental policy would cover excess. Mr. Borden advised the policy cost was \$85,000 for three years. In response to Mr. Borden’s inquiry, Executive Director answered that the policy would be issued on an annual installment basis. Mr. Borden then explained how the retro active date was applied and noted the limits of the policy were shared among the CEL members.

In response to Chairman Mair’s inquiry, Executive Director advised the Auto ID cards would be distributed the beginning of December and the cards should be placed in the County’s vehicles. Ms. Dodd indicated the cards were being mailed to Ms. Hughes for distribution.

CORRESPONDENCE: NONE

SAFETY COMMITTEE: Mr. Prince reported the Safety & Accident Committee last met on October 19, 2016 and was scheduled to meet again on December 21, 2016. Mr. Prince advised Mercer County Safety Day was scheduled for November 30th and there were a variety of programs being presented such as CPR and AED. Also J. A. Montgomery would have a presentation on Fire Safety and an Active Shooter presentation. Mr. Prince advised that concluded his report unless anyone had any questions.

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

EXECUTIVE DIRECTOR REPORT: Executive Director advised the first item for his report was the introduction of the 2017 Property & Casualty Budget.

2017 PROPERTY & CASUALTY BUDGET INTRODUCTION: Executive Director reported there were two budgets included in the agenda. The first budget on page 5 did not include the premium for the pollution liability policy; however, the second budget on page 7 included an additional amount of \$30,000 for the coverage. Executive Director noted as he mentioned earlier the premium of \$85,000 was for a three year policy so the budget included a line item for \$30,000.

Executive Director referred to the claim section of the budget and noted the actuary projects the loss funds and advised there was a 2% increase. Executive Director advised line 9 of the budget was for excess premiums paid to the NJ CEL and pointed out there was a reduction of 1.10%. Executive Director reviewed the expenses and explained if Inservco remained on the account their fee was \$190,000. Executive Director advised the Safety Director and Executive Director fees were based on their proposals. Executive Director advised that the prior actuary fee was higher due to the additional work in the beginning years of the Commission; however the fee was reduced to provide the ongoing annual maintenance. Executive Director reported there was no change in the Misc. Expense & Contingency line and noted this account was used for advertising costs and the bond premium. Executive Director advised the fee for the Risk Manager was based on their RFP response subject to final approval of the Freeholders.

Executive Director referred to the ancillary coverages and advised there was no increase in premium; however, as discussed there was now a line for the pollution liability coverage.

Executive Director advised the total 2017 budget amount including the pollution liability premium was \$8,041,932 representing an increase of 1.14% over last year's budget. Executive Director asked if anyone had any questions regarding the 2017 budget.

In response to Executive Director's inquiry, Chairman Mair advised the budget should be introduced including the pollution liability premium. Executive Director advised the assessments were included in the agenda; however, the assessments did not include the pollution liability. The assessments will be amended for the budget adoption.

MOTION TO INTRODUCE THE 2017 PROPERTY AND CASUALTY BUDGET IN THE AMOUNT OF \$8,041,932 AND SCHEDULE A PUBLIC HEARING ON DECEMBER 19, 2016 AT THE MERCER COUNTY McDADE BUILDING, 640 S. BROAD STREET, TRENTON, NJ AT 10:30 AM

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

POLLUTION COVERAGE: Executive Director advised the next action item needed was to authorize the CEL Underwriting Manager to bind the pollution liability coverage as of January 1, 2017.

MOTION TO BIND THE POLLUTION LIABILITY COVERAGE EFFECTIVE JANUARY 1, 2017

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

CERTIFICATE OF INSURANCE ISSUANCE REPORT: Executive Director reported on the Certificate of Insurance Report for the period of October 19, 2016 to November 20, 2016. There was one (1) certificate of insurance issued during the period. Executive Director asked if there were any questions and requested a motion.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

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

NJ EXCESS COUNTIES INSURANCE FUND (CELJIF): Executive Director reported the CELJIF met on November 17, 2016 and the Fund Commissioners adopted the 2017 budget in the amount of \$20,977,357. Executive Director advised the CEL Underwriting Manager was given authorization to bind the 2017 excess and ancillary policies. The Fund Commissioners also authorized a Professional Service Agreement to the incumbent, The Actuarial Advantage Inc. for actuary services. Executive Director advised a summary report would appear in the next agenda. Executive Director noted the CELJIF would hold its 2017 Reorganization Meeting on February 23, 2017.

MCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACKS: Executive Director advised the September Financial Fast Track was included in the agenda. The Commission had a surplus of \$4,402,843 as of September 30, 2016. Executive Director also referred to line 10 of the report, "Investment in Joint Venture" and indicated \$628,783 of the surplus was the MCIFC's share of the CELJIF equity. Executive Director noted the cash balance was \$794,893.

NJ CEL PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the September Financial Fast Track was included in the agenda. Executive Director advised as of September 30, 2016 the Fund had a surplus of \$7,631,542 and a total cash figure of \$19,720,440. Executive Director asked if anyone had any questions regarding the Financial Fast Tracks.

CLAIM TRACKING REPORTS: Executive Director advised the Claims Tracking Reports for the month of October was included in the agenda. Executive Director reported he reviewed the Claim Activity Report and did not find any anomalies for the month. Executive Director reviewed the Claims Management Report Expected Loss Ratio Analysis report and stated the reports reflected the strong financials of the Commission.

OUTSOURCING OF MEDICAL EXAMINER'S OFFICE: Chairman Mair advised they were in the process of Outsourcing the Medical Examiner's office and gave the Executive Director a draft copy of the contract for his review.

PROFESSIONAL SERVICE CONTRACTS: Executive Director reported the County issued the RFP's for the positions of Executive Director, Actuary, Risk Management Consultant and Third Party Claims Administrator. Executive Director advised an evaluation was done by the County and recommendations would be made to the Freeholders.

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND – JOINT INSURANCE CLAIMS COMMITTEES BEST PRACTICES WORKSHOP: Executive Director advised he thought the Workshop was a great success and asked Ms. Batchelor for her comments. Ms. Batchelor reported the Workshop was held on Wednesday, November 2nd at the Conner Strong & Buckelew office in Marlton. Ms. Batchelor thanked everyone involved with the Workshop and also thought it was a success. Ms. Batchelor noted that if anyone was interested in reviewing any of the presentations to let her know and she would provide copies of the material.

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 November Bill List, Resolution 47-16, was included in the agenda.

**MOTION TO APPROVE RESOLUTION 47-16, NOVEMBER BILL LIST
IN THE AMOUNT OF \$49,468.89**

Moved:	Chairman Mair
Second:	Commissioner Walker
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 at this time.

CLAIMS SERVICE:

Executive Director advised Resolution 48-16, Disclosure of Liability Claims Check Register, was included in the agenda along with a copy of the check register for the period of October 1, 2016 to October 31, 2016.

**MOTION TO APPROVE RESOLUTION 48-16 AUTHORIZING
DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTER**

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

MANAGED CARE: Executive Director introduced Mary Bresaola and the new Client Services Coordinator, Diana Cortes, of First MCO. Ms. Cortes reported for the month of October provider

bills were received in the amount of \$45,376 and First MCO repriced the bills to \$ 22,827 for a savings of \$22,550 or 50 %. Ms. Cortes advised the PPO penetration for the month of October was 90%. Ms. Cortes advised that concluded her report unless anyone had any questions.

CEL SAFETY DIRECTOR: Mr. Prince reviewed the October - November Risk Control Activity Report which was included in the agenda. Mr. Prince noted the agenda also included the training calendar for the months of October and November. Mr. Prince reviewed two Loss Control Reports conducted by his colleague, Mr. Sloane, which were included in the agenda one for the Mercer County Libraries and the Mercer County Park System. Mr. Prince advised both reports included some minor recommendations. Chairman Mair indicated he would follow up with the Parks Department. Chairman Mair noted that all but two of their Cushman vehicles were now equipped with safety gear. Mr. Prince advised that concluded his report unless anyone had any questions.

RISK MANAGER CONSULTANT: Mr. Borden advised he was working with Ms. Hughes on an additional air carrier at the Airport, Allegiant Airlines. Executive Director thanked Ms. Hughes, Mr. Borden and his office for all of their work regarding the pollution application which was a lengthy process.

Correspondence Made Part of Minutes.

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT:

MOTION TO OPEN THE MEETING TO THE PUBLIC

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

CLOSED SESSION: Chairman Mair read and requested a motion to approve Resolution 49-16 authorizing a Closed Session to discuss PARS.

MOTION TO APPROVE RESOLUTION 49-16 FOR EXECUTIVE SESSION

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

MOTION TO RETURN TO OPEN SESSION

Moved: Commissioner Hughes
Second: Chairman Walker
Vote: 3 Ayes, 0 Nayes

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

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

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 10:59 AM

Minutes prepared by:
Cathy Dodd, Assisting Secretary