

**MERCER COUNTY INSURANCE FUND COMMISSION
AGENDA AND REPORTS
MARCH 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: MARCH 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: February 27, 2017 Open Minutes.....Appendix I
February 27, 2017 Closed MinutesHandout

- CORRESPONDENCE:

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

- EXECUTIVE DIRECTOR/ADMINISTRATOR - PERMA Pages 3-22

- TREASURER – David Miller
Resolution 19-17 March Bill List - Motion Pages 23-24
January Treasurer Reports..... Pages 25-26

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

- CLAIMS SERVICE –Inservco Insurance Services, Inc. - Motion
Resolution 20-17 Authorizing Disclosure of Liability Claims Check Register..... Pages 27-28
Liability Claims Payments 2-1-17 to 2-28-17 Pages 29-31

- MANAGED CARE – First MCO
Monthly Summary Report – FebruaryPage 32

- CEL SAFETY DIRECTOR – J.A. Montgomery Risk Control
Monthly Report..... Pages 33-34

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

- OLD BUSINESS
- NEW BUSINESS:
- PUBLIC COMMENT

- CLOSED SESSION – Payment Authorization Requests (PARS)Pages 35-37
Resolution 21-17 Executive Session for purpose as permitted by the Open Public Meetings Act,
more specifically to discuss PARS related to pending or anticipated litigation as identified in
the list of claims prepared by third-party claim administrator Inservco Insurance Services,
Inc. and attached to this agenda.
 Motion for Executive Session

APPROVAL OF PARS - Motion

MEETING ADJOURNMENT

NEXT SCHEDULED MEETING: **April 24, 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: March 27, 2017
Memo to: Commissioners of the Mercer County Insurance Fund Commission
From: PERMA Risk Management Services
Subject: Executive Director's Report

Certificate of Insurance Issuance Report (Pages 5-7) – Attached on pages 5-7 is the certificate of issuance report from the CEL listing the certificates issued for the period of 2/1/17 to 2/28/17. There were 9 certificate of insurance issued during this period.

Motion to approve the certificate of insurance report

NJ Excess Counties Insurance Fund (CELJIF) (Pages 8-10) - The CEL’s Reorganization meeting was held on February 23, 2017. Attached on pages 8-10 is a summary report of the meeting. The CEL is scheduled to meet again on April 27, 2017.

MCIFC Property & Casualty Financial Fast Track (Page 11) – Included in the agenda on page 11 is a copy of the Financial Fast Track as of **January 31, 2017**. The report indicates the Commission has a surplus of **\$5,047,080**. 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 January 31, 2017 is **\$753,388**. The total cash balance is **\$749,685**.

NJ CEL Property and Casualty Financial Fast Track (Page 12) – Included in the agenda on page 12 is a copy of the CEL Financial Fast Track for the month of January. As of **January 31, 2017** the Fund has a surplus of **\$8,711,263**. The cash balance is **\$11,998,906**.

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 February 28, 2017. The Executive Director will review the reports with the Commission.

Bulletin NJCE 17-01 (Pages 16-20) - Attached on pages 16-20 is the first coverage bulletin issued by the NJCE Underwriting Manager regarding Unmanned Aircraft (“Drones”).

2017-2018 Limit Schematics (Appendix II) – Included in Appendix II is a copy of the 2017-2018 Limit Schematics for the Mercer County Insurance Fund Commission. A copy of the Limit Schematics will also be available on the Conner Strong & Buckelew website along with the policies.

- ❑ **CEL TPA (Pages 21-22)** – Included in the agenda on pages 21-22 is a copy of a letter from AmeriHealth with a revised Service Team announcement. Effective March 1, 2017 Amanda Metzger will be handling the CEL account taking over for Tom Watkins. Below is Amanda’s contact information:

Mandee Metzger
Client Administrator
215-587-1773
Amanda.Metzger@ahcasualty.com

- ❑ **2017 TPA Request for Proposals** – The Request for Proposals for Third Party Claims Administrator (TPA) was due on March 10, 2017 at 11:00 AM. A Committee will be reviewing and evaluating the responses after the Commission Meeting today.
- ❑ **Defense Attorney Panel** – The other CEL Member Insurance Commissions have a Defense Panel which is renewed each year through an RFP process. Executive Director is asking if the Mercer County Insurance Fund Commission should consider this procedure.
- ❑ **Potential New Membership** – The Chairman will provide a verbal update regarding his discussion with the Mercer County Vo-Tech and Special Services School Districts.

Mercer County Insurance Commission

Wednesday, March 08, 2017

Certificate Of Insurance Monthly Report

From 2/1/2017 To 2/28/2017

Holder (H) / Insured Name (I)	Holder / Insured Address	Holder Code	Description of Operations	Issue Date	Coverage
MCIC					
H- Lawrence Township I- County of Mercer	2207 Lawrenceville Road Lawrenceville, NJ 08648	1074	Evidence of insurance. All operations usual to County Governmental Entity as respects Mercer County 4-H to use Lawrence Nature Center as the venue for an Adventures in Art & Nature Day Camp this summer. (SEE PAGE 2) A3D 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 Worker Compensation Statutory x \$1,000,000 XS Employers Liability \$5,000,000 x \$1,000,000 Policy Term 1/1/17 to 1/1/18 Policy # SP4054261	2/6/2017	GL EX AU WC
H- SRI International I- County of Mercer	201 Washington Road Princeton, NJ 08540 McDade Administration Building 640 South Broad Street, PO Box 8068 Trenton, NJ 08650-0068	1100	Evidence of insurance. All operations usual to County Governmental Entity as respects to West Windsor District 2 SRI International, 201 Washington Road, West Windsor 08550. A3D Company D: XS Liability \$10,000,000 XS of \$10,000,000 Policy Term: 1/1/17 to 1/1/18 Policy # XCO0000702 Company E: XS Worker Compensation Statutory x \$1,000,000 XS Employers Liability \$5,000,000 x \$1,000,000 Policy Term 1/1/17 to 1/1/18 Policy # SP4056379	2/27/2017	GL EX AU WC
H- Szeles Real Estate Development I- County of Mercer	2405 Park Drive, Suite 102 Harrisburg, PA 17110 McDade Administration Building 640 South Broad Street, PO Box 8068 Trenton, NJ 08650-0068	1107	Certificate holder is additional insured where obligated by virtue of a written contract or written mutual aid agreement or other written agreement with the Named Assured, but only in respect to acts or operations by or on behalf of the Named Assured, and subject to the limitations on coverage contained in any such written contract or written mutual aid agreement or other written agreement with respects to (SEE PAGE 2) to lease of office space at Airport Corporate Center, 340 Scotch Road, Trenton, NJ 08628. 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 Worker Compensation Statutory x \$1,000,000 XS Employers Liability \$5,000,000 x \$1,000,000 Policy Term: 1/1/17 to 1/1/18 Policy # SP4056379	2/21/2017	GL EX AU WC

H- Szeles Real Estate Development	2405 Park Drive, Suite 102 Harrisburg, PA 17110	1107	Evidence of insurance. All operations usual to County Governmental Entity. A3D	2/21/2017 GL EX AU WC
I- County of Mercer	McDade Administration Building 640 South Broad Street, PO Box 8068 Trenton, NJ 08650-0068			
			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 Worker Compensation Statutory x \$1,000,000 XS Employers Liability \$5,000,000 x \$1,000,000 Policy Term: 1/1/17 to 1/1/18 Policy # SP4056379	
H- Robbinsville Field House	153 West Manor Way Robbinsville, NJ 08681	1412	Evidence of insurance as respects all operations usual to County Governmental Entity. (see page 2)	2/7/2017 GL EX AU WC
I- County of Mercer	McDade Administration Building 640 South Broad Street, PO Box 8068 Trenton, NJ 08650-0068			
			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 Worker Compensation Statutory x \$1,000,000 XS Employers Liability \$5,000,000 x \$1,000,000 Policy Term 1/1/17 to 1/1/18 Policy # SP4056379	
H- KravMaga Training Center	127 U.S. Highway 216, Unit 9 Trenton, NJ 08610	1501	Evidence of insurance as respects all operations usual to County Governmental Entity. (see page 2)	2/7/2017 GL EX AU WC
I- County of Mercer	McDade Administration Building 640 South Broad Street, PO Box 8068 Trenton, NJ 08650-0068			
			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 Worker Compensation Statutory x \$1,000,000 XS Employers Liability \$5,000,000 x \$1,000,000 Policy Term 1/1/16 to 1/1/17 Policy # SP4054261	
H- KravMaga Training Center	127 U.S. Highway 216, Unit 9 Trenton, NJ 08610	1501	Evidence of insurance as respects all operations usual to County Governmental Entity. (see page 2)	2/7/2017 GL EX AU WC
I- County of Mercer	McDade Administration Building 640 South Broad Street, PO Box 8068 Trenton, NJ 08650-0068			
			Company E: XS Worker Compensation Statutory x \$1,000,000 XS Employers Liability \$5,000,000 x \$1,000,000 Policy Term 1/1/16 to 1/1/17 Policy # SP4054261	

H- Beneficial Mutual Savings Bank
I- County of Mercer

530 Walnut Street Philadelphia, PA 19106
McDade Administration Building
640 South Broad Street, PO Box 8068
Trenton, NJ 08650-0068

1559

Certificate holder is additional insured where obligated by virtue of a 2/15/2017GL 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.

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 Worker Compensation Statutory x \$1,000,000
XS Employers Liability \$5,000,000 x \$1,000,000
Policy Term 1/1/17 to 1/1/18 Policy # SP4056379

H- Hamilton Twp. Board of Education
I- County of Mercer

Facilities Department
1700 Bell Avenue Hamilton, NJ 08619
McDade Administration Building 640 South Broad
640 South Broad Street, PO Box 8068
Trenton, NJ 08650-0068

1897

Evidence of insurance. All operations usual to County Governmental 2/27/2017GLE X AU WC Entity. (SEE PAGE 2) A3D

Company D: XS Liability \$10,000,000 XS of \$10,000,000
Policy Term: 1/1/17 to 1/1/18 Policy # XCO0000702

Company E: XS Worker Compensation Statutory x \$1,000,000
XS Employers Liability \$5,000,000 x \$1,000,000
Policy Term 1/1/17 to 1/1/18 Policy # SP4056379

Total # of Holders = 9

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: February 23, 2017

To: Executive Committee
 Mercer County Insurance Fund Commission

From: PERMA Risk Management Services

Subject: New Jersey Counties Excess Meeting Report

2017 Reorganization: The NJCE conducted its 2017 Reorganization and adopted the respective resolutions to conduct the business of the Fund.

As per the NJCE Bylaws, the total number of commissioners exceeds seven and can meet as an Executive Committee with a Chair, Secretary, and a five-member Executive Committee and up to four Alternate Commissioners. Below is a listing of the 2017 Executive Committee and alternates; however, the NJCE meets as a Board of Fund Commissioners.

2017 Officers & Executive Committee

Chairman	Ross Angilella	Camden County Insurance Commission
Secretary	John Kelly	Ocean County
Executive Committee	Janette Kessler	Atlantic County Insurance Commission
	Kendall Collins	Burlington County Insurance Commission
	Ken Mecouch	Cumberland County Insurance Commission
	Gerald White	Gloucester County Insurance Commission
	Edmund Shea	Hudson County
Alternates	Andrew Mair	Mercer County Insurance Fund Commission
	Jessica Foote Bishop	Salem County Insurance Commission
	Michael Yuska	Union County

Public Meeting Procedures: The Board of Fund Commissioners confirmed the following meeting schedule:

2017 Meeting Schedule & 2018 Reorganization

April 27, 2017	DiPiero Center – Blackwood, NJ	1:00PM
June 22, 2017	Camden County Emergency Training Center	1:00PM
September 28, 2017	Camden County Emergency Training Center	1:00PM
October 26, 2017	Camden County Emergency Training Center	1:00PM
November 16, 2017	Camden County Emergency Training Center	1:00PM
February 22, 2018	2018 Reorganization Camden County Emergency Training Center	1:00PM

2017 Risk Management Plan: Included as part of the Reorganization was the 2017 Risk Management Plan with changes highlighted from the prior year.

Solicitation of Quotations Auditor: The Fund's one-year contract with Bowman & Company will expire in April. The Board of Fund Commissioners authorized the fund office to proceed and solicit quotations for auditing services; results will be prepared by the next meeting for the board to review and award a contract so services can begin on the audit ending December 31, 2016.

Underwriting Data Validation - Payroll Audits: During the 2017 budget development, discussion was held on a progressive initiative to obtain consistent and ratable data through payroll audits, property appraisals and an underwriting data system. The fund office has received an informal scope and cost proposal from Bowman and Company to conduct a payroll audit for all members and their autonomous agencies for the 2018 renewal year. The Board of Fund Commissioners authorized the fund office to solicit quotations for payroll auditing service; results will be prepared by the next meeting for the board to review and award a contract.

Asset Manager: The fund office sought price quotes for Asset Manager Services to provide investment and monthly reporting on terms investments in securities authorized by law and the fund's cash management plan. Executive Director reported two firms - TD Bank and Wilmington Trust - responded to all required services; TD Bank submitted fees of 5.5 basis point and Wilmington Trust 5 basis points based on a percentage of fixed income assets. The Board of Fund Commissioners accepted a recommendation to award a one-year contract to Wilmington Trust at an estimated cost not to exceed \$10,000; using the fund's cash balance as of December 31, 2016 fees will be approximately \$2,000 per year.

Potential Membership: Executive Director reported marketing efforts have been underway to offer membership to the County of Monmouth effective on/about April 1, 2017. A summary report of the County and the proposed program was reviewed during Closed Session. The Board of Fund Commissioners adopted a resolution offering membership to the County of Monmouth and to authorize the Underwriting Manager to bind coverage.

Underwriting Manager

2017 Excess & Ancillary Renewal Program Report: Underwriting Manager submitted a report on the renewal and noted the following highlights:

- Negotiations with Zurich, the Fund's Property carrier, resulted in a flat rate renewal with an increase in deductibles for vacant properties from \$100,000 to \$250,000.
- Safety National, the Fund's expiring Excess Workers' Compensation carrier, offered a two-year renewal deal with incremental rate savings each year.

2017 Extraordinary Unspecifiable Services (EUS): The Board of Fund Commissioners previously approved authorization for the Underwriting Manager to bind coverage of the 2017 renewal program. The EUS statements binding the coverage are kept on file in the fund office; a summary statement was included in the agenda for information. The Board of Fund Commissioners adopted a resolution memorializing the authorization for the Underwriting Manager to bind coverage.

Coverage Committee: Underwriting Manager submitted a proposal on the formation of a Coverage Committee based on the Fund's continued membership growth and development

to review and steer coverage where needed. Committee would be comprised of Fund Commissioners, Fund Administrators, Risk Managers and the Underwriting Team. Commissioners Kelly, White and Kessler volunteered to serve on the committee; local member risk managers would be invited to participate as well.

2017 Budget: In accordance with the regulations, the budget adopted by the Fund was advertised in the Fund's official newspapers and filed with the State.

2017 Financial Disclosures: Board members should anticipate the online filing of the Financial Disclosure forms as both a NJCE Commissioner, as well as, any County-related positions that require filing. It is expected the Division of Local Government Services will distribute a notice in March and forms will need to be filed by April 30th.

Financial Fast Track: The Financial Fast Track as of December 31, 2016 reflected a statutory surplus of \$8.3 million.

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

Risk Control: Safety Director's report included a report reflecting the risk control activities from October 2016 thru March 2017 and Safety Director Bulletins.

Safety Director submitted a memorandum on the 2017 BRIT Safety Grant Program; the annual grant increased from \$30,000 to \$35,000. The Board of Fund Commissioners agreed with a suggestion to split the available funds in order to make the distribution equitable.

The MEL JIF has been asked to provide a fee proposal for NJCE members to access the MEL Safety Institute (MSI), which is an instructor-led training academy offering broad range of safety topics required by PEOSH and other agencies. A report will be provided at the next meeting.

Next Meeting: The next meeting of the NJCE fund is scheduled for April 27, 2017 at 1:00PM at the DiPiero Center – 512 Lakeland Road, Suite 200 7th Floor, Blackwood, NJ.

MERCER COUNTY INSURANCE COMMISSION					
FINANCIAL FAST TRACK REPORT					
		AS OF	January 31, 2017		
ALL YEARS COMBINED					
		THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1.	UNDERWRITING INCOME	670,161	670,161	23,272,864	23,943,025
2.	CLAIM EXPENSES				
	Paid Claims	98,813	98,813	4,490,926	4,589,739
	Case Reserves	380,279	380,279	2,541,379	2,921,657
	IBNR	255,271	255,271	3,082,038	3,337,308
	Discounted Claim Value	(22,669)	(22,669)	(171,381)	(194,050)
	TOTAL CLAIMS	711,694	711,694	9,942,961	10,654,655
3.	EXPENSES				
	Excess Premiums	199,119	199,119	7,070,368	7,269,487
	Administrative	48,861	48,861	1,676,331	1,725,192
	TOTAL EXPENSES	247,980	247,980	8,746,699	8,994,678
4.	UNDERWRITING PROFIT (1-2-3)	(289,512)	(289,512)	4,583,204	4,293,692
5.	INVESTMENT INCOME	0	0	0	0
6.	PROFIT (4 + 5)	(289,512)	(289,512)	4,583,204	4,293,692
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	9,238	9,238	744,150	753,388
11.	SURPLUS (6 + 7 + 8)	(280,274)	(280,274)	5,327,354	5,047,080
SURPLUS (DEFICITS) BY FUND YEAR					
	2014	128	128	2,346,979	2,347,107
	2015	138	138	1,917,929	1,918,067
	2016	(3,501)	(3,501)	1,062,446	1,058,946
	2017	(277,039)	(277,039)		(277,039)
	TOTAL SURPLUS (DEFICITS)	(280,274)	(280,274)	5,327,354	5,047,080
TOTAL CASH					749,685
CLAIM ANALYSIS BY FUND YEAR					
FUND YEAR 2014					
	Paid Claims	2,632	2,632	1,747,206	1,749,838
	Case Reserves	(11,339)	(11,339)	407,154	395,815
	IBNR	8,707	8,707	566,120	574,827
	Discounted Claim Value	0	0	(30,942)	(30,942)
	TOTAL FY 2014 CLAIMS	0	0	2,689,538	2,689,538
FUND YEAR 2015					
	Paid Claims	5,198	5,198	1,628,411	1,633,609
	Case Reserves	782	782	773,291	774,073
	IBNR	(5,981)	(5,981)	707,161	701,181
	Discounted Claim Value	0	0	(45,233)	(45,233)
	TOTAL FY 2015 CLAIMS	(0)	(0)	3,063,630	3,063,630
FUND YEAR 2016					
	Paid Claims	89,165	89,165	1,115,309	1,204,474
	Case Reserves	53,803	53,803	1,360,934	1,414,738
	IBNR	(142,968)	(142,968)	1,808,757	1,665,789
	Discounted Claim Value	0	0	(95,207)	(95,207)
	TOTAL FY 2016 CLAIMS	0	0	4,189,793	4,189,793
FUND YEAR 2017					
	Paid Claims	1,818	1,818		1,818
	Case Reserves	337,032	337,032		337,032
	IBNR	395,513	395,513		395,513
	Discounted Claim Value	(22,669)	(22,669)		(22,669)
	TOTAL FY 2017 CLAIMS	711,694	711,694	0	711,694
COMBINED TOTAL CLAIMS		711,694	711,694	9,942,961	10,654,655

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 January 31, 2017					
ALL YEARS COMBINED					
	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE	
1.	UNDERWRITING INCOME	1,746,446	1,746,446	97,465,900	99,212,347
2.	CLAIM EXPENSES				
	Paid Claims	(11,834)	(11,834)	2,721,199	2,545,011
	Case Reserves	338,862	338,862	2,624,454	2,963,316
	IBNR	(624)	(624)	9,575,203	9,409,580
	Discounted Claim Value	(22,681)	(22,681)	(715,004)	(734,879)
	TOTAL CLAIMS	303,724	303,724	14,205,852	14,183,027
3.	EXPENSES				
	Excess Premiums	1,222,732	1,222,732	67,102,915	68,325,648
	Administrative	130,897	130,897	7,187,402	7,318,300
	TOTAL EXPENSES	1,353,630	1,353,630	74,290,317	75,643,947
4.	UNDERWRITING PROFIT (1-2-3)	89,092	89,092	8,969,731	9,385,373
5.	INVESTMENT INCOME	4,220	4,220	229,221	233,441
6.	PROFIT (4+5)	93,313	93,313	9,198,951	9,618,814
7.	Dividend	0	0	300,000	300,000
8.	Cancelled Appropriations	0	0	607,551	607,551
9.	SURPLUS (6-7-8)	93,313	93,313	8,291,400	8,711,263
SURPLUS (DEFICITS) BY FUND YEAR					
	2010	217	217	722,132	722,349
	2011	360	360	921,187	921,547
	2012	2,908	2,908	554,609	557,517
	2013	595	595	1,277,188	1,277,783
	2014	790	790	2,048,737	2,049,527
	2015	909	909	989,944	990,852
	2016	944	944	1,777,603	1,778,547
	2017	86,590	86,590		86,590
	TOTAL SURPLUS (DEFICITS)	93,313	93,313	8,291,400	8,384,712
	TOTAL CASH				11,998,906
CLAIM ANALYSIS BY FUND YEAR					
FUND YEAR 2010					
	Paid Claims	0	0	164,355	164,355
	Case Reserves	0	0	1	1
	IBNR	0	0	164,999	164,999
	Discounted Claim Value	0	0	(2,805)	(2,805)
	TOTAL FY 2010 CLAIMS	0	0	326,550	326,550
FUND YEAR 2011					
	Paid Claims	4,440	4,440	396,667	401,107
	Case Reserves	(4,440)	(4,440)	407,372	402,932
	IBNR	0	0	380,961	380,961
	Discounted Claim Value	0	0	(39,146)	(39,146)
	TOTAL FY 2011 CLAIMS	0	0	1,145,854	1,145,854
FUND YEAR 2012					
	Paid Claims	6,551	6,551	1,132,971	1,139,522
	Case Reserves	240,945	240,945	430,462	671,408
	IBNR	(249,999)	(249,999)	844,069	594,070
	Discounted Claim Value	0	0	(69,604)	(69,604)
	TOTAL FY 2012 CLAIMS	(2,503)	(2,503)	2,337,897	2,335,395
FUND YEAR 2013					
	Paid Claims	(28,404)	(28,404)	516,427	488,023
	Case Reserves	69,984	69,984	623,730	693,714
	IBNR	(41,580)	(41,580)	1,009,843	968,263
	Discounted Claim Value	0	0	(86,001)	(86,001)
	TOTAL FY 2013 CLAIMS	0	0	2,063,999	2,063,999
FUND YEAR 2014					
	Paid Claims	5,230	5,230	268,119	273,349
	Case Reserves	23,155	23,155	141,719	164,875
	IBNR	(28,385)	(28,385)	1,750,161	1,721,776
	Discounted Claim Value	0	0	(101,570)	(101,570)
	TOTAL FY 2014 CLAIMS	0	0	2,058,430	2,058,430
FUND YEAR 2015					
	Paid Claims	349	349	242,661	243,010
	Case Reserves	9,108	9,108	1,021,082	1,030,189
	IBNR	(9,457)	(9,457)	2,311,258	2,301,801
	Discounted Claim Value	0	0	(204,420)	(204,420)
	TOTAL FY 2015 CLAIMS	0	0	3,370,580	3,370,580
FUND YEAR 2016					
	Paid Claims	0	0	0	0
	Case Reserves	110	110	88	198
	IBNR	(110)	(110)	3,113,912	3,113,802
	Discounted Claim Value	0	0	(211,458)	(211,458)
	TOTAL FY 2016 CLAIMS	0	0	2,902,542	2,902,542
FUND YEAR 2017					
	Paid Claims	0	0		0
	Case Reserves	0	0		0
	IBNR	328,907	328,907		328,907
	Discounted Claim Value	(22,681)	(22,681)		(22,681)
	TOTAL FY 2017 CLAIMS	306,227	306,227	0	306,227
	COMBINED TOTAL CLAIMS	303,724	303,724	14,205,852	14,509,577

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	February 28, 2017									
COVERAGE LINE-PROPERTY										
CLAIM COUNT - OPEN CLAIMS										
Year	2010	2011	2012	2013	2014	2015	2016	2017		TOTAL
January-17	0	0	0	0	0	2	15	6		23
February-17	0	0	0	0	0	2	13	13		28
NET CHGE	0	0	0	0	0	0	-2	7		5
Limited Reserves										\$1,425
Year	2010	2011	2012	2013	2014	2015	2016	2017		TOTAL
January-17	\$0	\$0	\$0	\$0	\$0	\$500	\$25,500	\$10,400		\$36,400
February-17	\$0	\$0	\$0	\$0	\$0	\$500	\$24,500	\$14,900		\$39,900
NET CHGE	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,000)	\$4,500		\$3,500
Ltd Incurred	\$0	\$0	\$0	\$0	\$19,168	\$53,863	\$24,599	\$14,900		\$112,530
COVERAGE LINE-GENERAL LIABILITY										
CLAIM COUNT - OPEN CLAIMS										
Year	2010	2011	2012	2013	2014	2015	2016	2017		TOTAL
January-17	0	0	0	0	3	10	37	3		53
February-17	0	0	0	0	3	10	39	6		58
NET CHGE	0	0	0	0	0	0	2	3		5
Limited Reserves										\$3,191
Year	2010	2011	2012	2013	2014	2015	2016	2017		TOTAL
January-17	\$0	\$0	\$0	\$0	\$19,386	\$70,944	\$88,170	\$3,000		\$181,500
February-17	\$0	\$0	\$0	\$0	\$19,386	\$70,944	\$90,070	\$4,700		\$185,100
NET CHGE	\$0	\$0	\$0	\$0	\$0	\$0	\$1,900	\$1,700		\$3,600
Ltd Incurred	\$0	\$0	\$0	\$0	\$21,863	\$90,273	\$99,661	\$4,700		\$216,497
COVERAGE LINE-AUTO LIABILITY										
CLAIM COUNT - OPEN CLAIMS										
Year	2010	2011	2012	2013	2014	2015	2016	2017		TOTAL
January-17	0	0	0	0	0	2	4	1		7
February-17	0	0	0	0	0	2	4	3		9
NET CHGE	0	0	0	0	0	0	0	2		2
Limited Reserves										\$12,684
Year	2010	2011	2012	2013	2014	2015	2016	2017		TOTAL
January-17	\$0	\$0	\$0	\$0	\$0	\$7,955	\$99,200	\$200		\$107,355
February-17	\$0	\$0	\$0	\$0	\$0	\$7,955	\$99,200	\$7,000		\$114,155
NET CHGE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,800		\$6,800
Ltd Incurred	\$0	\$0	\$0	\$0	\$10,891	\$13,920	\$119,228	\$7,000		\$151,039
COVERAGE LINE-WORKERS COMP.										
CLAIM COUNT - OPEN CLAIMS										
Year	2010	2011	2012	2013	2014	2015	2016	2017		TOTAL
January-17	0	0	0	0	14	24	49	7		94
February-17	0	0	0	0	13	24	38	19		94
NET CHGE	0	0	0	0	-1	0	-11	12		0
Limited Reserves										\$27,313
Year	2010	2011	2012	2013	2014	2015	2016	2017		TOTAL
January-17	\$0	\$0	\$0	\$0	\$376,429	\$694,675	\$1,201,868	\$323,432		\$2,596,404
February-17	\$0	\$0	\$0	\$0	\$369,264	\$691,095	\$1,088,856	\$418,187		\$2,567,401
NET CHGE	\$0	\$0	\$0	\$0	(\$7,165)	(\$3,580)	(\$113,011)	\$94,755		(\$29,002)
Ltd Incurred	\$0	\$0	\$0	\$0	\$2,092,245	\$2,254,626	\$2,308,942	\$434,444		\$7,090,257
TOTAL ALL LINES COMBINED										
CLAIM COUNT - OPEN CLAIMS										
Year	2010	2011	2012	2013	2014	2015	2016	2017		TOTAL
January-17	0	0	0	0	17	38	105	17		177
February-17	0	0	0	0	16	38	94	41		189
NET CHGE	0	0	0	0	-1	0	-11	24		12
Limited Reserves										\$15,379
Year	2010	2011	2012	2013	2014	2015	2016	2017		TOTAL
January-17	\$0	\$0	\$0	\$0	\$395,815	\$774,074	\$1,414,738	\$337,032		\$2,921,658
February-17	\$0	\$0	\$0	\$0	\$388,650	\$770,494	\$1,302,626	\$444,787		\$2,906,556
NET CHGE	\$0	\$0	\$0	\$0	(\$7,165)	(\$3,580)	(\$112,111)	\$107,755		(\$15,102)
Ltd Incurred	\$0	\$0	\$0	\$0	\$2,144,166	\$2,412,683	\$2,552,430	\$461,044		\$7,570,323

FUND YEARS 2016 & 2017

Mercer County Insurance Fund Commission
 CLAIMS MANAGEMENT REPORT
 EXPECTED LOSS RATIO ANALYSIS
 AS OF February 28, 2017

FUND YEAR 2016 -- LOSSES CAPPED AT RETENTION

	Budget	Current		14		Last Month		13		Last Year		2				
		Unlimited Incurred	Limited Incurred	Actual	MONTH TARGETED	Unlimited Incurred	Limited Incurred	Actual	MONTH TARGETED	Unlimited Incurred	Limited Incurred	Actual	MONTH TARGETED			
PROPERTY	80,948	24,599	24,599	30.39%	77,737	96.03%	25,599	25,599	31.62%	77,410	95.63%	36,501	36,501	45.09%	10,523	13.00%
GEN LIABILITY	155,896	99,661	99,661	63.93%	100,081	64.20%	97,761	97,761	62.71%	97,029	62.24%	3,540	3,540	2.27%	3,897	2.50%
AUTO LIABILITY	131,580	119,228	119,228	90.61%	74,953	56.96%	119,228	119,228	90.61%	71,267	54.16%	7,860	7,860	5.97%	3,290	2.50%
WORKER'S COMP	4,616,644	2,308,942	2,308,942	50.01%	3,457,125	74.88%	2,376,623	2,376,623	51.48%	3,237,705	70.13%	131,715	131,715	2.85%	92,333	2.00%
TOTAL ALL LINES	4,985,068	2,552,430	2,552,430	51.20%	3,709,896	74.42%	2,619,211	2,619,211	52.54%	3,483,411	69.88%	179,615	179,615	3.60%	110,043	2.21%
NET PAYOUT %	\$1,249,804					25.07%										

FUND YEAR 2017 -- LOSSES CAPPED AT RETENTION

	Budget	Current		2		Last Month		1		Last Year		-10				
		Unlimited Incurred	Limited Incurred	Actual	MONTH TARGETED	Unlimited Incurred	Limited Incurred	Actual	MONTH TARGETED	Unlimited Incurred	Limited Incurred	Actual	MONTH TARGETED			
PROPERTY	83,000	14,900	14,900	17.95%	10,790	13.00%	10,400	10,400	12.53%	4,980	6.00%	0	0	N/A	N/A	N/A
GEN LIABILITY	159,000	4,700	4,700	2.96%	3,975	2.50%	3,000	3,000	1.89%	1,590	1.00%	0	0	N/A	N/A	N/A
AUTO LIABILITY	134,000	7,000	7,000	5.22%	3,350	2.50%	200	200	0.15%	1,340	1.00%	0	0	N/A	N/A	N/A
WORKER'S COMP	4,709,000	434,444	434,444	9.23%	94,180	2.00%	325,250	325,250	6.91%	23,545	0.50%	0	0	N/A	N/A	N/A
TOTAL ALL LINES	5,085,000	461,044	461,044	9.07%	112,295	2.21%	338,850	338,850	6.66%	31,455	0.62%	0	0	N/A	N/A	N/A

FUND YEARS 2014 & 2015

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

AS OF

February 28, 2017

FUND YEAR 2014 -- LOSSES CAPPED AT RETENTION

	Budget	Current		38		Last Month		37		MONTH TARGETED	MONTH TARGETED
		Unlimited Incurred	Limited Incurred	Actual 28-Feb-17	Actual 28-Feb-17	Unlimited Incurred	Limited Incurred	Actual 31-Jan-17	Actual 31-Jan-17		
PROPERTY	62,322	19,168	19,168	30.76%	62,322	100.00%	19,168	19,168	30.76%	62,322	100.00%
GEN LIABILITY	124,157	21,863	21,863	17.61%	113,458	91.38%	21,863	21,863	17.61%	112,706	90.78%
AUTO LIABILITY	127,016	10,891	10,891	8.57%	112,156	88.30%	10,891	10,891	8.57%	111,477	87.77%
WORKER'S COMP	4,356,301	2,092,245	2,092,245	48.03%	4,287,698	98.43%	2,093,311	2,093,311	48.05%	4,280,957	98.27%
TOTAL ALL LINES	4,669,797	2,144,166	2,144,166	45.92%	4,575,634	97.98%	2,145,232	2,145,232	45.94%	4,567,461	97.81%
NET PAYOUT %	\$1,755,516				37.59%						

FUND YEAR 2015 -- LOSSES CAPPED AT RETENTION

	Budget	Current		26		Last Month		25		MONTH TARGETED	MONTH TARGETED
		Unlimited Incurred	Limited Incurred	Actual 28-Feb-17	Actual 28-Feb-17	Unlimited Incurred	Limited Incurred	Actual 31-Jan-17	Actual 31-Jan-17		
PROPERTY	80,948	53,863	53,863	66.54%	80,948	100.00%	53,863	53,863	66.54%	80,948	100.00%
GEN LIABILITY	155,896	90,273	90,273	57.91%	127,293	81.65%	90,273	90,273	57.91%	125,571	80.55%
AUTO LIABILITY	131,580	13,920	13,920	10.58%	103,843	78.92%	13,920	13,920	10.58%	102,270	77.72%
WORKER'S COMP	4,449,750	2,254,626	2,254,626	50.67%	4,218,172	94.80%	2,249,626	2,249,626	50.56%	4,191,550	94.20%
TOTAL ALL LINES	4,818,174	2,412,683	2,412,683	50.07%	4,530,257	94.02%	2,407,682	2,407,682	49.97%	4,500,339	93.40%

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND

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

BULLETIN NJCE 17-01

Date: February 1, 2017
To: Fund Commissioners of NJCE
From: NJCE Underwriting Manager, Conner Strong & Buckelew
Re: Unmanned Aircraft (“Drones”)

Liability coverage for Unmanned Aircraft, also known as “drones”, as previously reported, is available within your Non-Owned Aircraft policy and your Casualty policy. Non-owned drones, those not owned by the NJCE insureds, would be covered under the Non-Owned Aircraft policy on a blanket basis. Owned drones, those owned by the NJCE insureds, would be covered under the Casualty policy. Additional information on operating the drones and the regulations can be found in the attached addendums.

AVAILABLE COVERAGE

Non-Owned Aircraft Policy

- ✓ Pilot of the aircraft must meet the requirements of the FAA
- ✓ Homebuilt aircraft and military aircraft are specifically excluded

Owned Aircraft (Casualty Policy)

- ✓ Coverage is only available in the first layer of excess casualty coverage with Brit
- ✓ The aircraft cannot be weaponized
- ✓ “Unmanned Aircraft”: means an aircraft, either fixed-wing or rotary-wing, without a human pilot on board, weighing 10 pounds or less, controlled by computers in the aircraft or under the remote control of a pilot on the ground
 - Aircraft 10 pounds or less: must be underwritten
 - Aircraft over 10 pounds: must be underwritten and scheduled
- ✓ Minimum underwriting information required:
 - Year, make and model
 - Description
 - Date of purchase
 - Unit cost
 - Unit serial number
 - Payload, if any (i.e. cameras, etc.)
 - Intended use
 - Legal compliance (i.e. FAA registration)

The above description is a general discussion of the coverage and limits provided by the NJCE; however, the actual terms and conditions are defined in the policy document and all issues shall be decided based on the policy document. If you have any questions concerning this bulletin, please contact your Risk Management Consultant, Commission Executive Director or the Underwriting Manager.

cc: Risk Management Consultants
Fund and Commission Professionals
Fund and Commission Executive Directors

First and foremost, we strongly recommend counsel review of the planned operations of the drone and the compliance requirements.

Following is the link to the full FAA Rule Part 107:

<http://www.ecfr.gov/cgi-bin/text-idx?SID=6d9c3436a0ff5933d8197519c063133f&mc=true&node=pt14.2.107&rgn=div5>

The following is a summary published by the FAA regarding its final rule on drones:

Summary of Small Unmanned Aircraft Rule (Part 107) – June 21, 2016

Operational Limitations:

- Unmanned aircraft must weigh less than 55 lbs. (25 kg).
- Visual line-of-sight (VLOS) only; the unmanned aircraft must remain within VLOS of the remote pilot in command and the person manipulating the flight controls of the small UAS. Alternatively, the unmanned aircraft must remain within VLOS of the visual observer.
- At all times the small unmanned aircraft must remain close enough to the remote pilot in command and the person manipulating the flight controls of the small UAS for those people to be capable of seeing the aircraft with vision unaided by any device other than corrective lenses.
- Small unmanned aircraft may not operate over any persons not directly participating in the operation, not under a covered structure, and not inside a covered stationary vehicle.
- Daylight-only operations, or civil twilight (30 minutes before official sunrise to 30 minutes after official sunset, local time) with appropriate anti-collision lighting.
- Must yield right of way to other aircraft.
- May use visual observer (VO) but not required.
- First-person view camera cannot satisfy “see-and-avoid” requirement but can be used as long as requirement is satisfied in other ways.
- Maximum groundspeed of 100 mph (87 knots).
- Maximum altitude of 400 feet above ground level (AGL) or, if higher than 400 feet AGL, remain within 400 feet of a structure.
- Minimum weather visibility of 3 miles from control station.
- Operations in Class B, C, D and E airspace are allowed with the required ATC permission.
- Operations in Class G airspace are allowed without ATC permission.
- No person may act as a remote pilot in command or VO for more than one unmanned aircraft operation at one time.
- No operations from a moving aircraft.
- No operations from a moving vehicle unless the operation is over a sparsely populated area.
- No careless or reckless operations.
- No carriage of hazardous materials.
- Requires preflight inspection by the remote pilot in command.
- A person may not operate a small unmanned aircraft if he or she knows or has reason to know of any physical or mental condition that would interfere with the safe operation of a small UAS.
- Foreign-registered small unmanned aircraft are allowed to operate under part 107 if they satisfy the requirements of part 375.
- External load operations are allowed if the object being carried by the unmanned aircraft is securely attached and does not adversely affect the flight characteristics or controllability of the aircraft.
- Transportation of property for compensation or hire allowed provided that:
 - The aircraft, including its attached systems, payload and cargo weigh less than 55 pounds total;
 - The flight is conducted within visual line of sight and not from a moving vehicle or aircraft; and
 - The flight occurs wholly within the bounds of a State and does not involve transport between (1) Hawaii and another place in Hawaii through airspace outside Hawaii; (2) the District of Columbia

and another place in the District of Columbia; or (3) a territory or possession of the United States and another place in the same territory or possession.

- Most of the restrictions discussed above are waivable if the applicant demonstrates that his or her operation can safely be conducted under the terms of a certificate of waiver.

Summary of Small Unmanned Aircraft Rule (Part 107) (cont'd)

Remote Pilot in Command Certification and Responsibilities:

- Establishes a remote pilot in command position.
- A person operating a small UAS must either hold a remote pilot airman certificate with a small UAS rating or be under the direct supervision of a person who does hold a remote pilot certificate (remote pilot in command).
- To qualify for a remote pilot certificate, a person must:
 - Demonstrate aeronautical knowledge by either:
 - Passing an initial aeronautical knowledge test at an FAA-approved knowledge testing center; or
 - Hold a part 61 pilot certificate other than student pilot, complete a flight review within the previous 24 months, and complete a small UAS online training course provided by the FAA.
 - Be vetted by the Transportation Security Administration.
 - Be at least 16 years old.
- Part 61 pilot certificate holders may obtain a temporary remote pilot certificate immediately upon submission of their application for a permanent certificate. Other applicants will obtain a temporary remote pilot certificate upon successful completion of TSA security vetting. The FAA anticipates that it will be able to issue a temporary remote pilot certificate within 10 business days after receiving a completed remote pilot certificate application.
- Until international standards are developed, foreign-certificated UAS pilots will be required to obtain an FAA-issued remote pilot certificate with a small UAS rating.

A remote pilot in command must:

- Make available to the FAA, upon request, the small UAS for inspection or testing, and any associated documents/records required to be kept under the rule.
- Report to the FAA within 10 days of any operation that results in at least serious injury, loss of consciousness, or property damage of at least \$500.
- Conduct a preflight inspection, to include specific aircraft and control station systems checks, to ensure the small UAS is in a condition for safe operation.
- Ensure that the small unmanned aircraft complies with the existing registration requirements specified in § 91.203(a)(2).

A remote pilot in command may deviate from the requirements of this rule in response to an in-flight emergency.

Aircraft Requirements:

- FAA airworthiness certification is not required. However, the remote pilot in command must conduct a preflight check of the small UAS to ensure that it is in a condition for safe operation.

Model Aircraft:

- Part 107 does not apply to model aircraft that satisfy all of the criteria specified in section 336 of Public Law 112-95.
- The rule codifies the FAA's enforcement authority in part 101 by prohibiting model aircraft operators from endangering the safety of the NAS.

The following is a fact sheet published by the FAA regarding its final rule on drones:

Fact Sheet – Small Unmanned Aircraft Regulations (Part 107)

June 21, 2016

The new rules for non-hobbyist small unmanned aircraft (UAS) operations – Part 107 of the Federal Aviation Regulations (http://www.faa.gov/uas/media/RIN_2120-AJ60_Clean_Signed.pdf) (PDF) – cover a broad spectrum of commercial uses for drones weighing less than 55 pounds. Here are the highlights of the new rule.

Operating Requirements

The small UAS operator manipulating the controls of a drone should always avoid manned aircraft and never operate in a careless or reckless manner. You must keep your drone within sight. Alternatively, if you use First Person View or similar technology, you must have a visual observer always keep your aircraft within unaided sight (for example, no binoculars). However, even if you use a visual observer, you must still keep your unmanned aircraft close enough to be able to see it if something unexpected happens. Neither you nor a visual observer can be responsible for more than one unmanned aircraft operation at a time.

You can fly during daylight or in twilight (30 minutes before official sunrise to 30 minutes after official sunset, local time) with appropriate anticollision lighting. Minimum weather visibility is three miles from your control station. The maximum allowable altitude is 400 feet above the ground, and higher if your drone remains within 400 feet of a structure. The maximum speed is 100 mph (87 knots).

You can't fly a small UAS over anyone who is not directly participating in the operation, not under a covered structure, or not inside a covered stationary vehicle. No operations from a moving vehicle are allowed unless you are flying over a sparsely populated area.

Operations in Class G airspace are allowed without air traffic control permission. Operations in Class B, C, D and E airspace need ATC approval. See Chapter 14 in the Pilot's Handbook
http://www.faa.gov/regulations_policies/handbooks_manuals/aviation/pilot_handbook/media/phak%20-20chapter%2014.pdf

You can carry an external load if it is securely attached and does not adversely affect the flight characteristics or controllability of the aircraft. You also may transport property for compensation or hire within state boundaries provided the drone – including its attached systems, payload and cargo – weighs less than 55 pounds total and you obey the other flight rules. (Some exceptions apply to Hawaii and the District of Columbia. These are spelled out in Part 107.)

You can request a waiver of most operational restrictions if you can show that your proposed operation can be conducted safely under a waiver. The FAA will make an online portal available to apply for such waivers.

Pilot Certification

To operate the controls of a small UAS under Part 107, you need a remote pilot airman certificate with a small UAS rating, or be under the direct supervision of a person who holds such a certificate.

You must be at least 16 years old to qualify for a remote pilot certificate, and you can obtain it in one of two ways:

- You may pass an initial aeronautical knowledge test at an FAA-approved knowledge testing center.
- If you already have a Part 61 pilot certificate, other than a student pilot certificate, you must have completed a flight review in the previous 24 months and you must take a small UAS online training course provided by the FAA.

If you have a non-student pilot Part 61 certificate, you will immediately receive a temporary remote pilot certificate when you apply for a permanent certificate. Other applicants will obtain a temporary remote pilot certificate upon successful completion of a security background check. We anticipate we will be able to issue temporary certificates within 10 business days after receiving a completed application.

Fact Sheet – Small Unmanned Aircraft Regulations (Part 107) (cont'd)

June 21, 2016

UAS Certification

You are responsible for ensuring a drone is safe before flying, but the FAA does not require small UAS to comply with current agency airworthiness standards or obtain aircraft certification. Instead, the remote pilot will simply have to perform a preflight visual and operational check of the small UAS to ensure that safety-pertinent systems are functioning properly. This includes checking the communications link between the control station and the UAS. The UAS must also be registered.

Respecting Privacy

Although the new rule does not specifically deal with privacy issues in the use of drones, and the FAA does not regulate how UAS gather data on people or property, the FAA is acting to address privacy considerations in this area. The FAA strongly encourages all UAS pilots to check local and state laws before gathering information through remote sensing technology or photography.

As part of a privacy education campaign, the agency will provide all drone users with recommended privacy guidelines as part of the UAS registration process and through the FAA's B4UFly mobile app. The FAA also will educate all commercial drone pilots on privacy during their pilot certification process; and will issue new guidance to local and state governments on drone privacy issues. The FAA's effort builds on the privacy "best practices" of the National Telecommunications and Information Administration published last month as the result of a year-long outreach initiative with privacy advocates and industry.

https://www.ntia.doc.gov/files/ntia/publications/voluntary_best_practices_for_uas_privacy_transparency_and_accountability_0.pdf

Other Requirements

If you are acting as pilot in command, you have to comply with several other provisions of the rule:

- You must make your drone available to the FAA for inspection or testing on request, and you must provide any associated records required to be kept under the rule.
- You must report to the FAA within 10 days any operation that results in serious injury, loss of consciousness, or property damage (to property other than the UAS) of at least \$500.

This page was originally published at: http://www.faa.gov/news/fact_sheets/news_story.cfm?newsId=20516

Special Provisions for Government Entities

Government entities or organizations (e.g. law enforcement agencies, public universities, state governments, local municipalities) have 2 options for flying UAS:

1. Fly under the [small UAS rule](#) – follow all rules under 14 CFR part 107, including aircraft and pilot requirements; or
2. Obtain a blanket public Certificate of Waiver or Authorization (COA) – permits nationwide flights in Class G airspace at or below 400 feet, self-certification of the UAS pilot, and the option to obtain emergency COAs (e-COAs) under special circumstances.

1700 Market Street
Suite 700
Philadelphia, PA 19103
1-800-335-5972
amerihealthcasualty.com



Dear Clients,

As you may be aware, an agreement is in place for AmTrust Financial Services, Inc. to purchase the insured business of AmeriHealth Casualty, and subject to regulatory approval, the sale is scheduled to close on February 28, 2017. This sale, however, will not impact our TPA business operations.

We know that you have come to appreciate our outstanding third party administrative services and as such, we will continue to offer these same services in the future. This letter is to simply inform you of staffing changes that will be occurring in the near future.

Lee Herzer, Vice President of Operations, will lead the sales and marketing efforts of the third party administration business. Lee has been with AmeriHealth since 1995. He has over 30 years of industry related experience. Lee is responsible for overall operations. He directs, develops, coordinates, and implements claims management activities for all of AmeriHealth. His duties also involve oversight of information systems.

Amanda Metzger, Client Administrator, will be handling your account effective March 1, 2017, taking over for Tom Watkins and Kristen Hayes. Amanda began her career at AmeriHealth in 2011 in the claims department and transitioned into client services beginning in 2014. I am confident that you will find the transition to be seamless and will be more than satisfied with Amanda's ability to handle your account.

Denise Hall will continue to service our clients in her capacity as Program Manager. Denise joined AmeriHealth in 2009 as a Claims Supervisor overseeing a team of claims professionals including lost time adjusters, liability adjusters, and nurse case managers. Denise has extensive joint insurance fund experience and is well versed in both workers' compensation and liability case law. She is a graduate of Los Angeles Valley College with a B.A. in Business Administration, and holds claims licenses in multiple states.

AmeriHealth Casualty Services wants to sincerely thank you for your support in making 2016 a successful year, and we plan on the same in 2017.

If you have any questions please feel free to contact us:

Lee.Herzer@ahcasualty.com or 215-587-1982

Denise.Hall@ahcasualty.com or 856-380-6546

Amanda.Metzger@ahcasualty.com or 215-587-1773



Service Team

Lee Herzer

Vice President of Operations

215-587-1982

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Denise Hall

Program Manager

856-380-6546

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Mandee Metzger

Client Administrator

215-587-1773

Amanda.Metzger@ahcasualty.com

**MERCER COUNTY INSURANCE FUND COMMISSION
BILLS LIST**

Resolution No. 19-17

MARCH 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>
000294			
000294	PACKET MEDIA LLC	ACCT: 32129 - 5/20/16 - CLOSED SESSION	31.80
			31.80
TOTAL PAYMENTS FY 2016			31.80

FUND YEAR 2017

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
000295			
000295	BORDEN PERLMAN SALISBURY&KELLY	INSURANCE CONSULTING FEE 03/2017	5,500.00
000295	BORDEN PERLMAN SALISBURY&KELLY	INSURANCE CONSULTING FEE 01/2017 ADJ	500.00
000295	BORDEN PERLMAN SALISBURY&KELLY	INSURANCE CONSULTING FEE 02/2017 ADJ	500.00
			6,500.00
000296			
000296	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 02/2017	3.29
000296	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 03/2017	13,358.75
000296	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 01/2017 - ADJ	261.88
000296	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 02/2017 - ADJ	261.88
			13,885.80
000297			
000297	THE ACTUARIAL ADVANTAGE	ACTUARIAL SERVICES - 03/2017	625.00
			625.00
000298			
000298	INSERVCO INSURANCE SERVICES	MONTHLY CLAIMS SERVICES FEE 03/2017	16,666.66
			16,666.66
000299			
000299	PACKET MEDIA LLC	ACCT: 32129 - 2/17/17 - CLOSED SESSION	18.90
			18.90
000300			
000300	SPARK CREATIVE GROUP LLC	WEBSITE HOSTING - 03/2017	325.00
			325.00
000301			
000301	J.A. MONTGOMERY RISK CONTROL	RISK CONTROL SERVICES - 03/2017	10,370.00
000301	J.A. MONTGOMERY RISK CONTROL	RISK CONTROL SERVICES 01/2017 - BALANCE	315.00
000301	J.A. MONTGOMERY RISK CONTROL	RISK CONTROL SERVICES - 02/2017 -BALANCE	315.00
			11,000.00
000302			
000302	NJ ADVANCE MEDIA	ACCT: 1153600 - 2/17/17 - CLOSED SESSION	36.60
000302	NJ ADVANCE MEDIA	ACCT: 1153600 - 1/14/17 - CLOSED SESSION	45.88
			82.48
TOTAL PAYMENTS FY 2017			49,103.84

TOTAL PAYMENTS ALL FUND YEARS \$ 49,135.64

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: January							
	Property	Liability	Auto	Worker's Comp	NJ CEL	Admin	TOTAL
OPEN BALANCE	56,878.63	222,518.63	202,775.50	3,717,544.46	(2,793,030.55)	(609,153.53)	797,533.14
RECEIPTS							
Assessments	1,017.78	1,966.39	1,660.07	56,145.80	30,750.74	7,272.66	98,813.44
Refunds	0.00	0.00	0.00	61.75	0.00	0.00	61.75
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	1,017.78	1,966.39	1,660.07	56,207.55	30,750.74	7,272.66	98,875.19
EXPENSES							
Claims Transfers	0.00	0.00	3,119.45	95,755.74	0.00	0.00	98,875.19
Expenses	0.00	0.00	0.00	0.00	0.00	47,787.73	47,787.73
Other *	0.00	0.00	0.00	0.00	0.00	60.00	60.00
TOTAL	0.00	0.00	3,119.45	95,755.74	0.00	47,847.73	146,722.92
END BALANCE	57,896.41	224,485.02	201,316.12	3,677,996.27	(2,762,279.81)	(649,728.60)	749,685.41

SUMMARY OF CASH AND INVESTMENT INSTRUMENTS				
MERCER COUNTY INSURANCE COMMISSION				
ALL FUND YEARS COMBINED				
CURRENT MONTH	January			
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	\$797,533.14	841,467.26	-	43,934.12
Opening Interest Accrual Balance	\$0.00	-	-	-
1	Interest Accrued and/or Interest Cost	\$0.00	\$0.00	\$0.00
2	Interest Accrued - discounted Instr.s	\$0.00	\$0.00	\$0.00
3	(Amortization and/or Interest Cost)	\$0.00	\$0.00	\$0.00
4	Accretion	\$0.00	\$0.00	\$0.00
5	Interest Paid - Cash Instr.s	\$0.00	\$0.00	\$0.00
6	Interest Paid - Term Instr.s	\$0.00	\$0.00	\$0.00
7	Realized Gain (Loss)	\$0.00	\$0.00	\$0.00
8	Net Investment Income	\$0.00	\$0.00	\$0.00
9	Deposits - Purchases	\$98,875.19	\$0.00	\$98,875.19
10	(Withdrawals - Sales)	-\$146,722.92	-\$47,787.73	-\$98,935.19
	Ending Cash & Investment Balance	\$749,685.41	\$793,679.53	-\$43,994.12
	Ending Interest Accrual Balance	\$0.00	\$0.00	\$0.00
	Plus Outstanding Checks	\$178,664.02	\$47,787.73	\$130,876.29
	(Less Deposits in Transit)	\$0.00	\$0.00	\$0.00
	Balance per Bank	\$928,349.43	\$841,467.26	\$86,882.17

RESOLUTION NO. 20-17

**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 March 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 February 1, 2017 to February 28, 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 March 27, 2017.

ADOPTD:

ANDREW A. MAIR, CHAIRMAN

DATE

ATTEST:

K. MEGAN CLARK HUGHES, VICE CHAIR

DATE

Mercer County Ins Fund Comm - 396
Financial Transaction Log - Liability Claim Payments
Monthly / Detail / By Coverage / By Payment Type / By Check Number
02/01/2017 Thru 02/28/2017

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
02/01/2017 Thru 02/28/2017

Type	Check #	Claim #	Claimant Name	From Date	To Date	Payee Name	Trans. Date	Payment Description	Amt. Requested	Amt. Paid
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* There are no records that match the reporting criteria.

Mercer County Ins Fund Comm - 396
Financial Transaction Log - Liability Claim Payments
Monthly / Detail / By Coverage / By Payment Type / By Check Number
02/01/2017 Thru 02/28/2017

Type	Check #	Claim #	Claimant Name	From Date	To Date	Payee Name	Trans. Date	Payment Description	Amt. Requested	Amt. Paid
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Total for Mercer County Ins Fund Comm - 396

Number of entries: 0



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
Total 2017	\$57,673	\$35,373	\$68,311	\$22,300	39%	108	97	11	90%	0	\$4,460	\$17,840
Total to Date	\$2,909,899	\$1,641,763	\$3,081,348	\$1,268,136	44%	2,866	2,445	421	85%	42	\$251,996	\$1,016,139

Report Run Date:03/06/2017

MCC



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

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

**January - February 2017
 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

- **February 15:** Attended the MCIFC Accident Review Panel Meeting in Trenton.
- **February 27:** Attended the MCIFC Meeting in Trenton.
- **February 27:** Attended the MCIFC Claims Committee Meeting in Trenton.
- **March 15:** Attended the MCIFC Accident Review Panel Meeting in Trenton.

UPCOMING MEETINGS / LOSS CONTROL VISITS PLANNED

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

TRAINING CONDUCTED AND SCHEDULED (FEBRUARY-MARCH)

DATE	CLIENT	TOPIC	TIME
3/1/17	MCIFC - DOT	Flagger Workzone	8:00 - 12:00 pm
3/1/17	MCIFC - DOT	BBP	12:30 - 1:30 pm
3/6/17	MCIFC - DOT	Excavation/Trenching/Shoring	8:00 - 12:00 pm
3/6/17	MCIFC - DOT	HazCom w-GHS	12:30 - 2:00 pm
3/8/17	MCIFC - DOT	DDC-6	8:30 - 3:00 pm w/lunch brk
3/9/17	MCIFC - County Parks	HazMat Awareness w/HazCom GHS	9:00 - 12:00 pm
3/9/17	MCIFC - County Parks	Back Safety/Material Handling	12:30 - 1:30 pm
3/17/17	MCIFC - DOT	DDC-6	8:30 - 3:00 pm w/lunch brk
3/23/17	MCIFC - County Parks	Snow Plow/Snow Removal	8:00 - 10:00 am
3/23/17	MCIFC - County Parks	Employee Conduct/Violence Prevention	10:15 - 11:45 am
3/23/17	MCIFC - County Parks	BBP	12:30 - 1:30 pm
3/24/17	MCIFC - DOT	Fall Protection Awareness	8:30 - 10:30 am
3/24/17	MCIFC - DOT	Back Safety/Material Handling	10:45 - 11:45 am

RESOLUTION NO. 21-17

**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 March 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 March 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 March 27, 2017.

ADOPTED:

ANDREW A. MAIR, CHAIRMAN

DATE

ATTEST:

K. MEGAN CLARK HUGHES, VICE CHAIR

DATE

PAYMENT AUTHORIZATION REQUESTS

March 27, 2017

<u>Claim #</u>	<u>Claimant</u>	<u>Type of Claim</u>	<u>PAR/SAR</u>	<u>C.P or DO #</u>
3960001561	Nicole McCallum-Manning	Worker Compensation	PAR	
3960001560	Edgar Oyola	Worker Compensation	PAR	
3960000898	Edwin Rodriguez	Worker Compensation	SAR	

APPENDIX I

**MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – FEBRUARY 27, 2017
Mercer County
McDade Administration Building
640 South Broad Street
Trenton, NJ 08650-0068
10:30AM**

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

ROLL CALL OF COMMISSIONERS:

Andrew A. Mair	Present
K. Megan Clark Hughes	Present
Raissa Walker	Present (<i>arrived at 10:40</i>)
Lillian Nazzaro	Present (<i>left at 10:40</i>)

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
Claims Service	Inservco Insurance Services, Inc. Nancy Fowlkes Matthew Baron Keith Platt Amy Zeiders
	Conner Strong & Buckelew Danielle Batchelor
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	Arthur R. Sypek, Jr. 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
Susan Schaefer, Susan Schaefer, LLC
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN & CLOSED MINUTES OF JANUARY 27, 2017

Chairman Mair reported he had a correction to the open minutes. Chairman Mair advised on page 3 where he had referred to the use of the GIS (Geographic Information System) the correct word was mitigate and not litigate.

Chairman Mair also requested that Mr. Borden discuss the status of the Under Ground Storage Tank coverage during his report.

MOTION TO APPROVE THE OPEN & CLOSED MINUTES OF JANUARY 27, 2017 WITH THE CORRECTION AS NOTED BY CHAIRMAN MAIR

Moved:	Chairman Mair
Second:	Commissioner Nazzaro
Vote:	3 Yes, 0 Nays

CORRESPONDENCE: NONE

SAFETY COMMITTEE: Mr. Prince reported the Safety & Accident Review Committee last met on February 15th and the next meeting was scheduled for March 15, 2017.

CLAIMS COMMITTEE: Ms. Batchelor reported the Claims Committee met prior to the Commission meeting and there were four PARS to present during closed session.

EXECUTIVE DIRECTOR REPORT: Executive Director reported he did not have any action items for his report today and would review the informational items.

CERTIFICATE OF INSURANCE ISSUANCE REPORT: Executive Director reported on the Certificate of Insurance Report for the period of 1/1/17 to 1/31/17. There were 65 certificates issued for this period. A copy of the report was included in Appendix II of the agenda.

NJ EXCESS COUNTIES INSURANCE FUND (CELJIF): Executive Director advised the CELJIF held their Reorganization Meeting on February 23, 2017. Executive Director reported Ross Angilella was elected as Chairman and John Kelly was elected as Secretary. The Board of Commissioners appointed Wilmington Trust to provide Asset Manager Services. A resolution was adopted to offer membership to the County of Monmouth. Executive Director advised a Coverage Committee was also formed at the CEL level and the Underwriting Manager would contact the Risk Managers to see if they wanted to participate in the Committee. The Commissioners on the Committee are Gerald White, John Kelly and Jeannette Kessler. Executive Director advised the

CEL was going to issue an RFQ for a payroll auditor. Executive Director noted the CEL was scheduled to meet again on April 27, 2017.

MCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACKS: Executive Director advised the December Financial Fast Track was included in the agenda. The Commission had a surplus of \$5,327,420 as of December 31, 2016. Executive Director also referred to line 10 of the report, "Investment in Joint Venture" and indicated \$744,150 of the surplus was the MCIFC's share of the CELJIF equity. Executive Director noted the cash balance was \$797,533.

NJ CEL PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the December Financial Fast Track was included in the agenda. Executive Director advised as of December 31, 2016 the Fund had a surplus of \$8,316,420 and a total cash figure of \$19,865,780. 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 January was included in the agenda. Executive Director reported he reviewed the Claim Activity Report and noted there were 6 new property claims and 7 new worker compensation claims. Mr. Platt advised there was an influx of auto physical damage claims. Executive Director reviewed the Claims Management Report Expected Loss Ratio Analysis report and advised this report compared the actuary's projections of the loss funds versus the actual figures. Executive Director noted the first three years were doing exceptionally well.

2017 PROFESSIONAL SERVICE CONTRACTS: Executive Director advised the Request for Proposals for the Third Party Claims Administrator was posted on the County of Mercer Website. Executive Director noted the responses were due on March 10, 2017 at 11:00 AM. In response to Executive Director's inquiry regarding the status of the Professional Service Contracts, Chairman Mair advised he believed they were going to award those as non fair and open. Executive Director noted Ms. Coffee was handling the contracts and had been out of the office and he expected her back tomorrow.

POTENTIAL NEW MEMBERSHIP: Executive Director reported Conner Strong & Buckelew had reached out to the Mercer County Vo-Tech and Special Services School Districts, however had not received a response yet. Executive Director advised he understood that Chairman Mair was now involved. Chairman Mair advised he was trying to schedule a meeting to talk to the schools.

2017 EXCESS INSURANCE AND ANCILLARY COVERAGE POLICIES: Executive Director reported the CEL renewal policies would be available electronically through the Conner Strong & Buckelew secure website. Executive Director advised an e-mail would be sent out to the authorized representatives with the instructions to access the website when the policies were available. Executive Director noted the limit/retention schematics and Plan of Risk Management would also be available on the website. Executive Director stated the policies were expected to be available by 4/1/17.

2017 ASSESSMENT BILLS: Executive Director advised the 2017 Assessment Bills were e-mailed to the member entities and the first payment was due on March 15, 2017.

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 February Bill List, Resolution 16-17, was included in the agenda.

**MOTION TO APPROVE RESOLUTION 16-17, FEBRUARY BILL LIST
IN THE AMOUNT OF \$1,489,078.88**

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. Sypek advised he did not have anything to report.

CLAIMS SERVICE:

Ms. Fowlkes advised she would present the PARS during closed session and Ms. Zeiders would discuss the Liability Stewardship Report.

Ms. Zeiders distributed copies of the Liability Stewardship Report and referred to the Executive Summary page of the report. Ms. Zeiders advised she would highlight some of the items in the report. There were a total of 859 liability and property claims for the years 2014, 2015 and 2016. Ms. Zeiders noted there was a downward trend in the amount of liability and property claims filed with the Commission. During 2014 the majority of the claims were general liability with 237 and the next highest was auto physical damage claims with 81. For the policy year 2015 the majority of claims were general liability with 123 and then auto physical damage claims with 92. Ms. Zeiders advised for 2016 the highest claims were for auto physical damage claims with 100 claims and there were a total of 90 general liability claims.

Ms. Zeiders reported the number of claims filed with the Commission did decrease, however the incurred losses had steadily increased from \$41,920.92 in 2014 to \$158,056.70 in 2015 and to \$243,198.82 in 2016. However, the actual paid to date have not seen a similar increase. Ms. Zeiders advised they would continue to watch the paid to date as it developed. Ms. Zeiders continued to highlight the Observations, Conclusions and Suggestions on pages 3 and 4 of the report. Ms. Zeiders asked if anyone had questions regarding the report.

Executive Director advised Resolution 17-17, Disclosure of Liability Claims Check Register, was included in the agenda along with a copy of the check register for the period of January 1, 2017 to January 31, 2017.

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

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

MANAGED CARE: Ms. Royce reported for the month of January provider bills were received in the amount of \$35,284 and First MCO repriced the bills to \$24,951 for a savings of \$10,334 or 29%. Ms. Royce advised the PPO penetration for the month of January was 88%. Ms. Royce pointed out that the savings of 29% was low although the penetration was high. Ms. Royce explained the claims were being directed into the network and advised some of the providers especially Robert Wood Johnson were not billing what they would normally charge but billing the amount that they knew would be paid or the contracted rate. Therefore the reports are not showing a savings. Ms. Royce advised that concluded her report unless anyone had any questions.

CEL SAFETY DIRECTOR: Mr. Prince reviewed the January - February Risk Control Activity Report which was included in the agenda. Mr. Prince reported the agenda also included a bulletin on NJ PEOSH Recording and Reporting of Occupational Injuries and Illnesses along with a matrix of the Injury Reporting Requirements. Mr. Prince also referred to the information included in the agenda regarding a 16 minute webinar to ensure your organization is compliant with PEOSH's latest rules, regulations and record-keeping requirements.

Mr. Prince advised the excess carrier, BRIT, had increased the funding for the Safety Grant to \$35,000 for the 2017 CELJIF Program. Mr. Prince reported at the CEL meeting he proposed five grants of \$7,000 each and inquired if there was any type of safety incentive program that County was interested in. Mr. Prince advised he would be available to assist with any potential ideas the County might have.

RISK MANAGER CONSULTANT: Mr. Borden advised he had three items to discuss. Mr. Borden stated with regard to the Underground Storage Tank Coverage he believed the Brinkerhoff report was received. This report would provide an assessment of the County's tank. Mr. Borden reported he was talking with Leslie Floyd, County Planning Director, and was assisting her with a comprehensive property schedule. Lastly Mr. Borden advised he had a calendar reminder to discuss the event cancellation coverage; however the Parks had not posted their calendar yet. Mr. Adezio offered to reach out to see if anything was scheduled.

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 18-17 authorizing a Closed Session to discuss PARS.

MOTION TO APPROVE RESOLUTION 18-17 FOR EXECUTIVE SESSION

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

MOTION TO RETURN TO OPEN SESSION

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

MOTION TO AUTHORIZE PAYMENT AUTHORITY/SETTLEMENT AUTHORITY REQUESTS DISCUSSED IN CLOSED SESSION EXCEPT FOR CLAIM # 39600000710

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

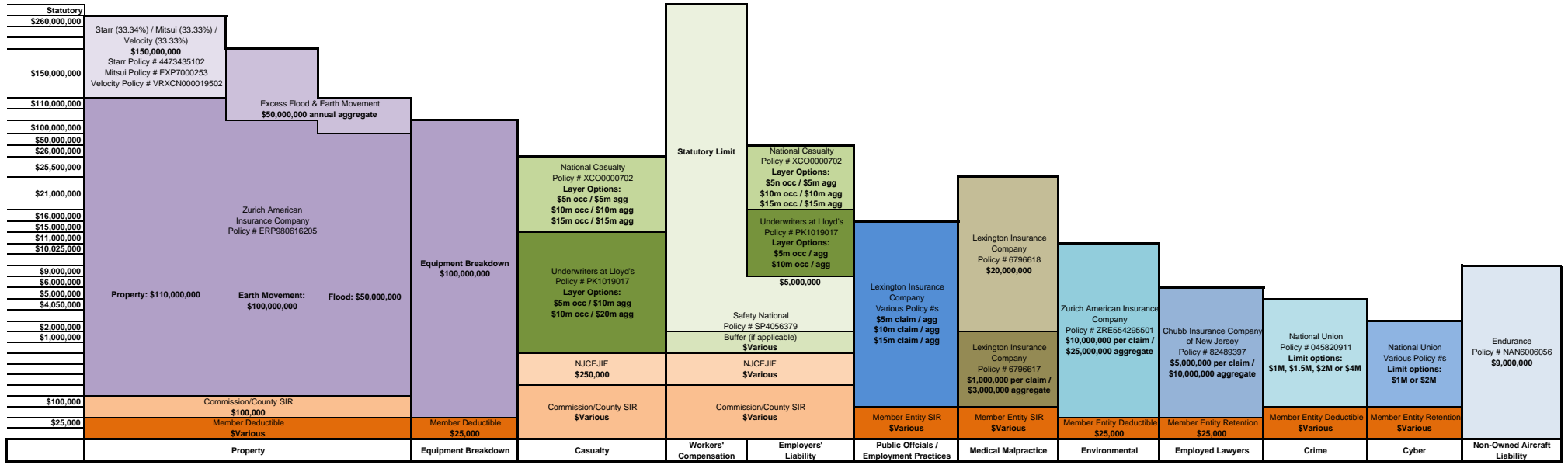
MOTION TO ADJOURN:

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

MEETING ADJOURNED: 11:06 AM

Minutes prepared by:
Cathy Dodd, Assisting Secretary

APPENDIX II





Statutory	Mitsui (33.33%) / Starr (33.34%) / Velocity (33.33%) \$150,000,000 Starr Policy # 4473435102 Mitsui Policy # EXP7000253 Velocity Policy # VRXCN000019502						
\$260,000,000							
\$110,000,000	Zurich American Insurance Company Policy # ERP980616205 \$110,000,000	Zurich American Insurance Company Policy # ERP980616205 \$100,000,000	National Casualty Company Policy # XCO0000702 \$10,000,000	Underwriters at Lloyd's (Brit) Policy # PK1019017 \$10,000,000 per occurrence / \$20,000,000 aggregate	National Casualty Company Policy # XCO0000702 \$10,000,000	Underwriters at Lloyd's (Brit) Policy # PK1019017 \$10,000,000	Safety National Casualty Company Policy # SP4056379 \$5,000,000
\$100,000,000							
\$26,000,000							
\$20,500,000							
\$16,000,000							
\$10,500,000							
\$6,000,000							
\$1,000,000							
\$800,000							
\$500,000							
\$300,000							
\$250,000							
\$100,000	Mercer County Insurance Commission \$100,000						
Various	Entity Deductible Various	Entity Deductible \$25,000					
	Property	Equipment Breakdown	CGL	Auto Liability	Law Enforcement Liability	Employers' Liability	WC

- NOTES:**
 1. Underwriters at Lloyd's (Brit) and National Casualty policy limits apply per Commission/Member County.
 2. WC/EL SIR for Police/Fire is \$1,150,000.

MEMBER ENTITIES & DEDUCTIBLES:

Entity	Property	Vacant Property	Auto Physical Damage		Equipment Breakdown	POL / EPL Buy-Down
			Comprehensive	Collision		
Mercer County	\$25,000	\$250,000	\$25,000	\$25,000	\$25,000	
Mercer County Improvement Authority	\$5,000 (Arena: \$10,000)	\$250,000	\$1,000	\$5,000 (Arena: \$10,000)	\$1,000	





\$5,000,000	Lexington Insurance Company Policy # 065206408 \$5,000,000	National Union Policy # 058430677 \$2,000,000	National Union Policy # 057666489 \$1,000,000
\$2,000,000			
\$1,000,000			
Various	Entity Self Insured Retention Various		
	Public Officials Liability & Employment Practices	Cyber County, BoSS	Cyber IA

MEMBER ENTITIES & SELF-INSURED RETENTIONS:

Entity	Public Officials / Employment Practices		Cyber		
	All Other	Employment	All Other	Event Management	Extortion
Mercer County	\$100,000	\$175,000	\$25,000	\$25,000	\$25,000
Mercer County Board of Social Services	\$100,000	\$175,000	\$25,000	\$25,000	\$25,000
Mercer County Improvement Authority	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000



\$21,000,000	Lexington Insurance Company Policy # 6796618 \$20,000,000
\$1,000,000	Lexington Insurance Company Policy # 6796617 \$1,000,000 per claim / \$3,000,000 aggregate
Various	Member Entity Self Insured Retention Various
Medical Malpractice & General Liability	

NOTES:

1. Mercer County elected not to purchase the excess limits.

MEMBER ENTITIES & SELF-INSURED RETENTIONS:

Entity	Self-Insured Retention
Camden County	
Clinic	\$5,000
Camden County College Allied Healthcare Programs and Dental Clinic Operations	\$5,000
Health Services Center Behavioral Health Operations (Divested Operation) and LTC Operations (Divested Operation)	\$50,000 PL / \$25,000 GL
Gloucester County	
Department of Corrections, Division of Education & Disability, Division of Senior Services, Department of Health Services	\$25,000
Rowan College at Gloucester County Allied Health Programs	\$5,000
Improvement Authority (dba Shady Lane Nursing Home)	\$10,000
Prosecutor's Office (Sexual Assault Nurse Examiners)	\$5,000
Emergency Response Center	\$20,000
Burlington County	
Department of Health, Buttonwood Hospital (Divested Operation)	\$5,000
Cumberland County	
Department of Health (Outpatient Clinic), Department of Human Services - Division of Mental Health & Addiction Services, Sexual Assault Nurse Examiners (SANE)	\$50,000
Department of Corrections	\$100,000
Salem County	
Department of Health (Clinic)	\$5,000
Department of Corrections (Prison Infirmary)	\$25,000
Atlantic County	
Meadowview Nursing Home	\$1,000,000
Clinic/Public Health Nurses	\$1,000,000
University of Medicine and Dentistry (GL Only)	\$1,000,000
Mercer County	
Medical Reserves Corps	\$2,500
Employed Nurses of Correctional Facilities	\$25,000
Scheduled Physicians	
Charles F. Siebert, Jr. (GC) Gerald A. Feigin (CC, SC, GC) Jonathan Briskin (GC) Josette Palmer (GC) Ian Hood (BC) Richard Sharpe (BC) John W. Peterson (BC) Nicoletta Turner-Foster (BC) Lois Lawson-Bridgell (RC) Daksha Shah (MC) Raafat Ahmad (MC) Diane McDevitt (AC) Barbara Kennedy (AC)	\$5,000



\$10,000,000	Zurich American Insurance Company Policy # ZRE554295501 \$10,000,000 per claim / \$25,000,000 aggregate	Zurich American Insurance Company Policy # ZRE554295501 \$1,000,000	Zurich American Insurance Company Policy # ZRE554295501 \$1,500,000
\$1,500,000			
\$1,000,000			
\$25,000	Member Entity Deductible \$25,000		
	Pollution <i>All Other</i>	Pollution <i>Cumberland UA</i>	Pollution <i>Atlantic UA</i>

MEMBER ENTITIES:

Camden County
Camden County College
Camden County College Foundation
Camden County Mosquito Commission
Camden County Municipal Utilities Authority
Camden County Pollution Control Financing Authority
Camden County Health Services Center
Camden County Board of Social Services
Camden County Improvement Authority
Gloucester County
Rowan College at Gloucester County
Gloucester County Utilities Authority
Gloucester County Improvement Authority
Gloucester County Library Commission
Burlington County
Burlington County Board of Social Services
Burlington County Bridge Commission
County of Union
Cumberland County Utilities Authority
Ocean County Mosquito Extermination Commission
Atlantic County Utilities Authority
Salem County
Cumberland County
Mercer County





\$4,000,000	National Union Policy # 045820911 \$4,000,000	National Union Policy # 045820911 \$2,000,000	National Union Policy # 045820911 \$1,500,000	National Union Policy # 045820911 \$1,000,000	National Union Policy # 045820911 \$1,000,000	National Union Policy # 045820911 \$1,000,000
\$2,000,000						
\$1,500,000						
\$1,000,000						
Various	Member Entity Deductible \$50,000	Member Entity Deductible \$50,000			Member Entity Deductible \$15,000	Member Entity Deductible \$10,000
Crime						

NOTES:

1. Each Entity listed below has its own limit of insurance.

MEMBER ENTITIES:

	Camden County (including Camden County Police)	The County of Ocean	County of Atlantic (including Meadowview Nursing Home)	Cumberland County	Atlantic County Improvement Authority	County of Burlington
		The Ocean County Board of Chosen Freeholders		Hudson County	Atlantic County Utilities Authority	Burlington County Bridge Commission
		The Ocean County Library Commission, Inc.		Mercer County	Camden County Health Services Center	Camden County Board of Social Services
		The Ocean County Mosquito Extermination Commission		Union County	Gloucester County	Camden County College (including Camden County College Foundation)
		The Ocean County Private Industry Council, Inc.		Union County Board of Social Services	Mercer County Improvement Authority	Camden County Municipal Utilities Authority
				Runnells Specialized Hospital of Union County		Pollution Control Financing Authority of Camden County
						Cumberland County Board of Social Services
						Gloucester County Improvement Authority
						Gloucester County Library Commission
						Gloucester County Utilities Authority
						Rowan College at Gloucester County
						Salem County



\$9,000,000	Endurance American Insurance Company Policy # NAN6006056 \$9,000,000
Non-Owned Aircraft Liability	

MEMBER ENTITIES:

Atlantic County
Atlantic County Improvement Authority
Atlantic County Utilities Authority
Burlington County
Burlington County Board of Social Services
Burlington County Bridge Commission
Camden County
Camden County Board of Social Services
Camden County College
Camden County Department of Police Services
Camden County Improvement Authority
Camden County Municipal Utilities Authority
Camden County Pollution Control Financing Authority
Cumberland County
Cumberland County Improvement Authority
Cumberland County Utilities Authority
Gloucester County
Gloucester County Improvement Authority
Gloucester County Library Commission
Gloucester County Utilities Authority
Rowan College at Gloucester County
Hudson County
Mercer County
Mercer County Improvement Authority
Ocean County
Salem County
Union County

