

**MERCER COUNTY INSURANCE FUND COMMISSION
AGENDA AND REPORTS
JANUARY 28, 2019**

**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: JANUARY 28, 2019
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:** December 22, 2018 Open Minutes.....Appendix I
December 22, 2018 Closed MinutesHandout

- ☐ **CORRESPONDENCE:**

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

- ☐ **EXECUTIVE DIRECTOR/ADMINISTRATOR - PERMA** Pages 3-31

- ☐ **TREASURER – David Miller**
Resolution 13-19 January Bill List - Motion..... Pages 32-33
November Treasurer Reports Pages 34-35

- ☐ **ATTORNEY – Paul Adezio, Esq.**..... Verbal

- ☐ **CLAIMS SERVICE –Inservco Insurance Services, Inc. - Motion**
Resolution 14-19 Authorizing Disclosure of Liability Claims Check Register..... Pages 36-37
Liability Claim Payments 12-1-18 to 12-31-18..... Pages 38-39

- ☐ **MANAGED CARE – First MCO**
Monthly Summary Report – DecemberPage 40

- ☐ **NJCESAFETY DIRECTOR – J.A. Montgomery Risk Control**
Monthly Report..... Pages 41-42
Safety Director Bulletins..... Pages 43-48

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

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

- ☐ **CLOSED SESSION – Payment Authorization Requests (PARS)**Pages 49-51
Resolution 15-19 Executive Session for purpose as permitted by the Open Public Meetings Act,
more specifically to discuss PARS/SARS related to pending or anticipated litigation as
identified in the list of claims prepared by third-party claim administrator Inservco Insurance
Services, Inc. and attached to this agenda.

☐ Motion for Executive Session

☐ **APPROVAL OF PARS - Motion**

☐ **MEETING ADJOURNMENT**

☐ **NEXT SCHEDULED MEETING: February 25, 2019, 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: January 28, 2019

Memo to: Commissioners of the Mercer County Insurance Fund Commission

From: PERMA Risk Management Services

Subject: Executive Director's Report

- ☐ **Reorganization Resolutions (Pages 5-17)** – The MCIFC is required to reorganize at the January Executive Committee meeting as per the Commission Rules & Regulations. Listed below are the necessary Reorganization Resolutions which are included in the agenda on pages 5-17.

| | | |
|------------------|---|--------------------|
| Resolution 1-19 | Appointing MCIFC Commissioners..... | Page 5 |
| Resolution 2-19 | Appointing NJCE Commissioner & Alternate..... | Page 6 |
| Resolution 3-19 | Appointing Treasurer | Page 7 |
| Resolution 4-19 | Appointing Commission Attorney..... | Page 8 |
| Resolution 5-19 | Designating Authorized Depositories for Fund Assets..... | Page 9 |
| Resolution 6-19 | Designating Authorized Signatures for Commission Bank Account | Page 10 |
| Resolution 7-19 | Designating Custodian of Records | Page 11 |
| Resolution 8-19 | Designating Official Newspapers | Page 12 |
| Resolution 9-19 | Establishing Cash Management Plan | Pages 13-16 |
| Resolution 10-19 | Authorizing Commission Treasurer to Process Payments & Expenses | Page 17 |
| Resolution 11-19 | Plan of Risk Management for 2019 | Appendix II |

The 2019 Plan of Risk Management is attached in Appendix II of the agenda. The Plan is an overview of the Commission's coverage, risks retained by the Commission, reserving philosophy, method of assessing member contributions, claims payment authority, etc. The changes are highlighted in yellow. Executive Director will review the changes at the meeting.

- ☐ **Motion to approve Reorganization Resolutions Number 1-19 through 11-19**
- ☐ **2019 MCIFC Meeting Dates (Pages 18-19)** – Attached on page 18 is a copy of the 2019 Annual Meeting Schedule which was presented at the December meeting. There are no meetings scheduled for May, August and November. If the Commissioners agree with the meeting schedule, attached on page 19 is Resolution 12-19 adopting the meeting dates for 2019.
- ☐ **Motion to adopt Resolution 12-19, Fixing Public Meeting dates for the year 2019**

- ❑ **2019 Property & Casualty Budget (Pages 20-21)** – At the December 20, 2018 Commission Meeting the 2019 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 20 is a copy of the budget. The budget decreased slightly as there was an adjustment to the TPA’s fee. The budget is in the amount of \$7,675,569. Also attached on page 21 is a copy of the assessments.
 - ❑ **Motion to open the Public Hearing on the 2019 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 2019 Year and Certify the 2019 Assessments**
- ❑ **Certificate of Insurance Request (Pages 22-24)** – Attached on pages 22-24 is the certificate of issuance report from the NJCE listing the certificates issued for the month of December. There were 13 certificate of insurances issued during the month of December.
 - ❑ **Motion to approve the certificate of insurance report for the month of December**
- ❑ **NJ Excess Counties Insurance Fund (NJCE)** - The NJCE 2019 Reorganization Meeting is scheduled for February 28, 2019 at 1:00 PM at the Camden County College Regional Emergency Training Center.
- ❑ **MCIFC Property & Casualty Financial Fast Track (Pages 25-26)** – Included in the agenda on pages 25-26 is a copy of the Financial Fast Track for the month of November. As of **November 30, 2018** the Commission has a surplus of **\$10,462,525**. Line 10 of the report “Investment in Joint Venture” is Mercer County Insurance Fund Commission’s share of equity in the NJCE. MCIFC’s equity in the NJCE as of November 30, 2018 is **\$1,101,585**. The total cash balance is **\$1,113,430**.
- ❑ **NJCE Property and Casualty Financial Fast Track (Pages 27-28)** – Included in the agenda on pages 27-28 is a copy of the NJCE Financial Fast Track for the month of November. As of **November 30, 2018** the Fund has a surplus of **\$14,196,075**. The cash balance is **\$28,184,625**.
- ❑ **Claims Tracking Reports (Pages 29-31)** Included in the agenda on pages 29-31 are copies of the Claim Activity Report and the Claims Management Report Expected Loss Ratio Analysis report as of November 30, 2018. The Executive Director will review the reports with the Commission.
- ❑ **Professional Service Contracts** – The County has issued the renewal 2019 Professional Services Contracts.

RESOLUTION NO. 1-19

MERCER COUNTY INSURANCE FUND COMMISSION

**CERTIFYING THE APPOINTMENT OF
CHAIRPERSON AND VICE CHAIRPERSON**

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

BE IT RESOLVED by the MERCER COUNTY INSURANCE FUND COMMISSION that the following persons have been appointed as Chairperson and Vice-Chairperson:

| | |
|------------------------------|--------------|
| <u>Andrew A. Mair</u> | Chairman |
| <u>K. Megan Clark Hughes</u> | Vice Chair |
| <u>Raissa Walker</u> | Commissioner |
| <u>Lillian Nazzaro</u> | Alternate |

BE IT FURTHER RESOLVED that the Chairman and Vice Chair shall serve for a one year term through 2020 reorganization of the Commission and until their successors shall be appointed and qualified

ADOPTED by THE MERCER COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on January 28, 2019.

ADOPTD:

ANDREW A. MAIR, CHAIRMAN

DATE

ATTEST:

K. MEGAN CLARK HUGHES, VICE CHAIR

DATE

RESOLUTION NO. 2-19

**MERCER COUNTY INSURANCE FUND COMMISSION APPOINTING A
COMMISSIONER AND ALTERNATE TO THE NEW JERSEY COUNTIES EXCESS
JOINT INSURANCE FUND FOR FUND YEAR 2019**

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

WHEREAS, the New Jersey Counties Excess Joint Insurance Fund (hereinafter the Fund) is duly constituted as a joint insurance fund; and

WHEREAS, the Fund by-laws require each member Insurance Fund Commission to appoint one (1) commissioner to the Fund; and

WHEREAS, Andrew A. Mair is an employee of the Commission and the Commission having deemed it appropriate to designate **Andrew A. Mair** as commissioner to the Fund; and

NOW THEREFORE BE IT RESOLVED by the Commissioners of said Commission Andrew A. Mair is designated commissioner to the New Jersey Counties Excess Joint Insurance Fund for the Fund year 2019.

FURTHER THEREFORE BE IT RESOLVED by the Commissioners of said Commission **Raissa Walker** is designated as the alternate commissioner to the New Jersey Counties Excess Joint Insurance Fund for the Fund year 2019.

ADOPTED by THE MERCER COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on January 28, 2019.

ADOPTD:

ANDREW A. MAIR, CHAIRMAN

DATE

ATTEST:

K. MEGAN CLARK HUGHES, VICE CHAIR

DATE

RESOLUTION NO. 3-19

**MERCER COUNTY INSURANCE FUND COMMISSION
DESIGNATING COMMISSION TREASURER**

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

WHEREAS, the MCIFC requires the services of a Treasurer, and

WHEREAS, David Miller has demonstrated the skill and possesses the qualifications to perform the duties of Treasurer for the County Insurance Commission;

WHEREAS, the Commission authorizes the appointment of **David Miller** as MCIFC Treasurer for the term commencing upon adoption of the within resolution through 2020 MCIFC Reorganization; and

BE IT FURTHER RESOLVED that David Miller shall receive no compensation to serve as Treasurer to the MCIFC.

ADOPTED by THE MERCER COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on January 28, 2019.

ADOPTD:

ANDREW A. MAIR, CHAIRMAN

DATE

ATTEST:

K. MEGAN CLARK HUGHES, VICE CHAIR

DATE

RESOLUTION NO. 4-19

**MERCER COUNTY INSURANCE FUND COMMISSION
DESIGNATING COMMISSION ATTORNEY**

MCIFC”) is duly constituted as an Insurance Fund Commission pursuant to N.J.S.A. 40A:10-6 et seq.; and

WHEREAS, the MCIFC requires the services of an Attorney, and

WHEREAS, **Paul Adezio** has demonstrated the skill and possesses the qualifications to perform the duties of Commission Attorney for the Insurance Fund Commission;

WHEREAS, the Commission authorizes the appointment of **Paul Adezio** as MCIFC Attorney for the term commencing upon adoption of the within resolution through 2020 MCIFC reorganization; and

BE IT FURTHER RESOLVED that Paul Adezio shall receive no compensation to serve as Commission Attorney to the MCIFC.

ADOPTED by THE MERCER COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on January 28, 2019.

ADOPTD:

ANDREW A. MAIR, CHAIRMAN

DATE

ATTEST:

K. MEGAN CLARK HUGHES, VICE CHAIR

DATE

RESOLUTION NO. 5-19

**MERCER COUNTY INSURANCE FUND COMMISSION
DESIGNATING AUTHORIZED DEPOSITORIES FOR FUND ASSETS**

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

BE IT RESOLVED that TD Bank is hereby designated as the depository for assets of the Fund or any other Bank with a location in Mercer County subject to the Governmental Unit Deposit Protection Act, “GUDPA”.

ADOPTED by THE MERCER COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on January 28, 2019.

ADOPTD:

ANDREW A. MAIR, CHAIRMAN

DATE

ATTEST:

K. MEGAN CLARK HUGHES, VICE CHAIR

DATE

RESOLUTION NO. 6-19

**MERCER COUNTY INSURANCE FUND COMMISSION
DESIGNATING AUTHORIZED SIGNATURES FOR COMMISSION BANK ACCOUNTS**

BE IT RESOLVED by the MERCER COUNTY INSURANCE FUND COMMISSION (hereinafter the Commission) that all funds of the Commission shall be withdrawn from the official named depositories by check, which shall bear the signatures of at least two (2) of the following persons who are duly authorized pursuant to this resolution, except for those checks in the amount of \$100,000 or more and in that instance at least three signatures shall be required; and

BE IT FURTHER RESOLVED that the funds in the amount of \$2,500 or less, withdrawn from the official named depositories by check prepared by the Commission's Claims Administrator for the purposes of satisfying workers compensation claims, such checks shall bear the signature of at least one (1) of the following persons who are duly authorized pursuant to this resolution.

| | |
|------------------------------|--------------|
| <u>Andrew A. Mair</u> | Chairman |
| <u>K. Megan Clark Hughes</u> | Vice Chair |
| <u>Raissa Walker</u> | Commissioner |
| <u>David Miller</u> | Treasurer |

ADOPTED by THE MERCER COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on January 28, 2019.

ADOPTD:

ANDREW A. MAIR, CHAIRMAN

DATE

ATTEST:

K. MEGAN CLARK HUGHES, VICE CHAIR

DATE

RESOLUTION NO. 7-19

**MERCER COUNTY INSURANCE FUND COMMISSION
APPOINTING AGENT FOR SERVICE OF PROCESS AND CUSTODIAN OF RECORDS
FOR THE COMMISSION
FOR THE YEAR 2019**

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

WHEREAS, the MCIFC has deemed it necessary and appropriate to formally organize for the 2019 commission year; and

NOW THEREFORE be it resolved by the MERCER COUNTY INSURANCE FUND COMMISSION that **PERMA Risk Management Services** is hereby appointed as agent for service of process upon the MCIFC, at its office located at 9 Campus Drive, Suite 216, Parsippany, NJ 07054 for the year 2019 or until its successor has been appointed and qualified. Said appointment shall be at no cost to the MCIFC.

BE IT FURTHER RESOLVED that PERMA Risk Management Services shall also be the Custodian of Records at no cost to the MCIFC.

ADOPTED by THE MERCER COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on January 28, 2019.

ADOPTD:

ANDREW A. MAIR, CHAIRMAN

DATE

ATTEST:

K. MEGAN CLARK HUGHES, VICE CHAIR

DATE

RESOLUTION NO. 8-19

**MERCER COUNTY INSURANCE FUND COMMISSION
DESIGNATING OFFICIAL NEWSPAPERS FOR THE COMMISSION**

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

WHEREAS, the MCIFC has deemed it necessary and appropriate to formally organize for the 2019 commission year; and

BE IT RESOLVED by the MERCER COUNTY INSURANCE FUND COMMISSION, (hereinafter the MCIFC) the Trenton Times, the Trentonian, and the Princeton Packet are hereby designated as the official newspapers for the Commission and all official notices required to be published shall be published in all newspapers.

BE IT FURTHER RESOLVED that the designation of official newspapers shall be effective upon adoption of the within resolution for the term of one year through the 2020 re-organization of the MCIFC.

BE IT FURTHER RESOLVED that in the case of special meetings or emergency meetings, the Executive Director of the MCIFC shall give notice of said meetings to the Trenton Times, the Trentonian, and the Princeton Packet.

ADOPTED by THE MERCER COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on January 28, 2019.

ADOPTD:

ANDREW A. MAIR, CHAIRMAN

DATE

ATTEST:

K. MEGAN CLARK HUGHES, VICE CHAIR

DATE

RESOLUTION NO. 9-19

**MERCER COUNTY INSURANCE FUND COMMISSION
ESTABLISHING CASH MANAGEMENT PLAN**

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

BE IT RESOLVED that the attached Cash and Investment Management Plan, is hereby adopted.

ADOPTED by THE MERCER COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on January 28, 2019.

ADOPTD:

ANDREW A. MAIR, CHAIRMAN

DATE

ATTEST:

K. MEGAN CLARK HUGHES, VICE CHAIR

DATE

MERCER COUNTY INSURANCE FUND COMMISSION

2019 CASH MANAGEMENT AND INVESTMENT POLICY

1.) **Cash Management and Investment Objectives**

The MERCER COUNTY INSURANCE FUND COMMISSION's (hereinafter referred to as the Commission) objectives in this area are:

- a.) Preservation of capital.
- b.) Adequate safekeeping of assets.
- c.) Maintenance of liquidity to meet operating needs, claims settlements and dividends.
- d.) Diversification of the Commission's portfolio to minimize risks associated with individual investments.
- e.) Maximization of total return, consistent with risk levels specified herein.
- f.) Investment of assets in accordance with State and Federal Laws and Regulations.
- g.) Accurate and timely reporting of interest earnings, gains and losses by line of coverage in each Commission year.
- h.) Where legally permissible, cooperation with other local municipal joint insurance funds/commissions, and the New Jersey Division of Investment in the planning and execution of investments in order to achieve economies of scale.
- i.) Stability in the value of the Commission's economic surplus.

2.) **Permissible Investments**

Investments shall be limited to the following:

- a.) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America.
- b.) Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- c.) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located; or
- d.) Bonds or other obligations, having a maturity date not exceeding 397 days, approved by the Division of Investment of the Department of Treasury for investment by local units.
- e.) Debt obligations of federal agencies or government corporations with maturities not greater than five (5) years from the date of purchase, excluding mortgage backed obligations, providing that such investments are purchased through the New Jersey Division of Investment and are

consistent the Division's own investment guidelines, and providing that the investment a fixed rate of interest not dependent on any index or external factors.

- f.) Repurchase agreements of fully collateralized securities, subject to rules and conditions establish by the N.J. Department of Community Affairs.

No investment or deposit shall have a maturity longer than five (5) years from date of purchase.

3.) **Authorized Depositories**

In addition to the above, the Commission is authorized to deposit funds in certificates of deposit and other time deposits in banks covered by the Governmental Unit Depository Protection Act, NJSA 17:9-14 et seq. (GUDPA). The designated Bank must have a branch in Mercer County.

The Commission is also authorized to invest its assets in the New Jersey Cash Management Fund.

4.) **Authority for Investment Management**

The Treasurer is authorized and directed to make investments, with a maturity of three months or longer, through asset managers that may be selected by the Executive Committee. Such asset managers shall be discretionary trustees of the COMMISSION.

Their actions and decisions shall be consistent with this plan and all appropriate regulatory constraints.

In executing investments, asset managers shall minimize transaction costs by querying prices from at least three (3) dealers and purchasing securities on a competitive basis. When possible, federal securities shall be purchased directly from the US Treasury. Transactions shall not be processed through brokerages, which are organizationally affiliated with the asset manager. Transactions may also be processed through the New Jersey Division of Investment by the Commission's asset managers.

5.) **Preservation of Capital**

Securities shall be purchased with the ability to hold until maturity.

6.) **Safekeeping**

Securities purchased on behalf of the Commission shall be delivered electronically or physically to the Commission's custodial bank, which shall maintain custodial and/or safekeeping accounts for such securities on behalf of the Commission.

7.) **Audit**

This plan, and all matters pertaining to the implementation of it, shall be subject to the Commission's annual audit.

8.) **Cash Flow Projections**

Asset maturity decisions shall be guided by cash flow factors payout factors supplied by the Commission Actuary and reviewed by the Executive Director and the Treasurer.

9.) **Cash Management**

All moneys turned over to the Treasurer shall be deposited within forty-eight (48) hours in accordance with NJSA 40A:5-15.

In the event a check is made payable to the Treasurer rather than the Commission, the following procedure is to be followed:

- a.) The Treasurer endorses the check to the Commission and deposits it into the Commission account.
- b.) The Treasurer notifies the payer and requests that in the future any check be made payable to the Commission.

The Treasurer shall minimize the possibility of idle cash accumulating in accounts by assuring that all amounts in excess of negotiated compensating balances are kept in interest bearing accounts or promptly swept into the investment portfolio.

The method of calculating banking fees and compensating balances shall be documented to the Executive Committee by the Treasurer at least annually.

Cash may be withdrawn from investment pools under the discretion of asset managers only to Commission operations, claims imprest accounts, or approved dividend payments.

The Treasurer shall escheat to the State of New Jersey checks, which remain outstanding for twelve or more months after the date of issuance. However, prior to implementing such procedures, the Treasurer, with the assistance of the claims agent, as needed, shall confirm that the outstanding check continues to represent a valid claim against the Commission.

RESOLUTION NO. 10-19

**MERCER COUNTY INSURANCE FUND COMMISSION
AUTHORIZING COMMISSION TREASURER TO PROCESS
CONTRACTED PAYMENTS AND EXPENSES**

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

WHEREAS, the Board of Commissioners has deemed it necessary and appropriate to provide authorization to the Commission Treasurer to pay certain Commission contracted payments and expenses during the month(s) when the Commission does not meet; and

WHEREAS, payment by the Commission Treasurer of contracted payments and expenses for the month(s) in which the Commission does not meet shall be ratified by the Commission at its next regularly scheduled meeting; now, therefore,

BE IT RESOLVED by the Board of Commissioners of the Mercer County Insurance Fund Commission that the Commission Treasurer is hereby authorized to process the contracted payments and Commission expenses for all months in which the Commission does not meet during the year 2019.

BE IT FURTHER RESOLVED that the Board of Commissioners of the Mercer County Insurance Fund Commission shall ratify the contracted payments and Commission expenses so paid by the Commission Treasurer pursuant to the Resolution at its next regularly scheduled monthly meeting.

ADOPTED by THE MERCER COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on January 28, 2019.

ADOPTD:

ANDREW A. MAIR, CHAIRMAN

DATE

ATTEST:

K. MEGAN CLARK HUGHES, VICE CHAIR

DATE

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

TO: Members of the Commission

2019 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 28, 2019 | County of Mercer 640 South Broad Street, Room 211 Trenton, NJ 08650-0068 | Reorganization Meeting |
| 10:30 AM | February 25, 2019 | “ | Regular Meeting |
| 10:30 AM | March 25, 2019 | “ | Regular Meeting |
| 10:30 AM | April 22, 2019 | “ | Regular Meeting |
| 10:30 AM | June 24, 2019 | “ | Regular Meeting |
| 10:30 AM | July 22, 2019 | “ | Regular Meeting |
| 10:30 AM | September 23, 2019 | “ | Regular Meeting |
| 10:30 AM | October 28, 2019 | “ | Regular Meeting |
| 10:30 AM | December 19, 2019 | “ | 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

RESOLUTION NO. 12-19

**MERCER COUNTY INSURANCE FUND COMMISSION
2019 REGULAR MEETING SCHEDULE**

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 Open Public Meetings Act of the State of New Jersey, N.J.S.A.10:4-6 et seq. requires public bodies to adopt an annual schedule of regular meetings and to furnish the public with notice of said schedule in a manner more specifically said forth in said Act; and

NOW THEREFORE BE IT RESOLVED by the Commissioners of said MERCER County Insurance Fund Commission as follows:

1. The schedule of regular meetings of the MCIFC for the year 2019 annexed hereto and made a part hereof be and is hereby adopted;
2. Copies of said annual schedule of regular meetings shall be posted and shall continue to be posted throughout the year on the bulletin board in the vestibule of the Administration Building Trenton, New Jersey;
3. Copies of said annual schedule of regular meetings shall be provided to The Trentonian, Trenton Times and the Princeton Packet newspapers for publication;
4. A copy of said annual schedule of regular meetings shall be filed with the MERCER County Clerk.

ADOPTED by THE MERCER COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on January 28, 2019.

ADOPTD:

ANDREW A. MAIR, CHAIRMAN

DATE

ATTEST:

K. MEGAN CLARK HUGHES, VICE CHAIR

DATE

| MERCER COUNTY INSURANCE COMMISSION | | | | | |
|------------------------------------|------------------------------------|-----------------------------|---------------------------|-------------------|--------|
| 2019 PROPOSED BUDGET : | | | | | |
| | | | | Total | |
| | | | | Increase/Decrease | |
| | APPROPRIATIONS | ANNUALIZED BUDGET FY2018 | PROPOSED BUDGET FY2019 | \$ | % |
| | I. Claims and Excess Insurance | | | | |
| | Claims | | | | |
| 1 | Property | 74,131 | 75,000 | 869 | 1.17% |
| 2 | Liability | 157,000 | 160,000 | 3,000 | 1.91% |
| 3 | Auto | 131,000 | 132,000 | 1,000 | 0.76% |
| 4 | Workers' Comp. | 4,455,000 | 4,141,000 | (314,000) | -7.05% |
| 5 | | | | | |
| 6 | Subtotal - Claims | 4,817,131 | 4,508,000 | (309,131) | -6.42% |
| 7 | | | | | |
| 8 | Premiums | | | | |
| 9 | CEL JIF | 2,218,545 | 2,302,543 | 83,998 | 3.79% |
| 10 | | | | | |
| 11 | SubTotal Premiums | 2,218,545 | 2,302,543 | 83,998 | 3.79% |
| 12 | Total Loss Fund | 7,035,677 | 6,810,543 | (225,134) | -3.20% |
| 13 | | | | | |
| 14 | II. Expenses, Fees & Contingency | | | | |
| 15 | | | | | |
| 16 | Claims Adjustment | 190,000 | 195,700 | 5,700 | 3.00% |
| 17 | Safety Director | 126,929 | 129,467 | 2,539 | 2.00% |
| 18 | General Expense | | | | |
| 19 | Exec. Director | 163,511 | 166,781 | 3,270 | 2.00% |
| 20 | Actuary | 7,650 | 7,803 | 153 | 2.00% |
| 21 | Auditor | 9,445 | 9,634 | 189 | 2.00% |
| 22 | Attorney | 0 | 0 | 0 | 0.00% |
| 23 | Treasurer | 0 | 0 | 0 | 0.00% |
| 24 | | | | | |
| 25 | | | | | |
| 26 | Misc. Expense & Contingency | 10,000 | 10,000 | 0 | 0.00% |
| 27 | | | | | |
| 28 | Total Fund Exp & Contingency | 507,535 | 519,385 | 11,851 | 2.33% |
| 29 | Risk Managers | 66,000 | 66,000 | 0 | 0.00% |
| 30 | | | | | |
| 31 | | | | | |
| 32 | XS JIF Ancillary Coverage | | | | |
| 33 | POL/EPL | 143,019 | 143,019 | 0 | 0.00% |
| 34 | Crime Program | 13,711 | 13,711 | 0 | 0.00% |
| 35 | Medical Malpractice | 36,752 | 36,752 | 0 | 0.00% |
| 36 | Pollution Liabilty | 30,000 | 33,000 | 3,000 | 10.00% |
| 37 | Employed Lawyers Liab | 0 | 0 | 0 | 0.00% |
| 38 | Cyber Liability/ Special Coverages | 47,544 | 47,544 | 0 | 0.00% |
| 39 | Aviation | 5,615 | 5,615 | 0 | 0.00% |
| 40 | | | | | |
| 41 | Total FUND Disbursements | 7,885,852 | 7,675,569 | (210,283) | -2.67% |

| | | | | | | | | | | | | | |
|------------------|---|-------------------|----------------|------------------|-------------------|----------------|------------------|-------------------|--------------|------------------|-------------------|--------------|---------------|
| | MERCER COUNTY INSURANCE COMMISSION | | | | | | | | | | | | |
| | 2019 PROPOSED ASSESSMENTS - | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | 2018 | | | 2019 | | | Change \$ | | | Change % | | |
| Member ID | Member Name | NJCE & Commission | Ancillary | Total | NJCE & Commission | Ancillary | Total | NJCE & Commission | Ancillary | Total | NJCE & Commission | Ancillary | Total |
| NJC023 | Mercer County | 7,339,318 | 221,628 | 7,560,946 | 7,133,599 | 224,628 | 7,358,227 | (205,719) | 3,000 | (202,719) | -2.80% | 1.35% | -2.68% |
| NJC027 | Mercer County Improvement Authority | 269,894 | 55,013 | 324,907 | 262,329 | 55,013 | 317,342 | (7,565) | - | (7,565) | -2.80% | 0.00% | -2.33% |
| | | | | | | | | | | | | | |
| | Grand Totals: | 7,609,212 | 276,641 | 7,885,853 | 7,395,928 | 279,641 | 7,675,569 | (213,284) | 3,000 | (210,284) | -2.80% | 1.08% | -2.67% |

From 12/1/2018 To 1/1/2019

***Mercer County Insurance Comm.
Certificate of Insurance Monthly Report***

| Holder (H)/ Insured Name (I) | Holder / Insured Address | Description of Operations | Issue Date/ Cert ID | Coverage |
|--|---|---|------------------------------------|-----------------|
| H - New Jersey Council on the Arts I - County of Mercer | PO Box 306 Trenton, NJ 08625 | Evidence of Insurance. All operations usual to County Governmental entity | 12/9/2018 #2057664 | OTH |
| H - New Jersey Historical Commission I - County of Mercer | 225 W. State Street, P.O. Box 305 Trenton, NJ 08625 | Evidence of insurance. All operations usual to County Governmental Entity | 12/9/2018 #2057665 | OTH |
| H - County of Mercer I - County of Mercer | 640 S. Broad Street, PO Box 8068 Trenton, NJ 08650 | The City of Trenton is an Additional Insured on the above-referenced Commercial General Liability and Excess Liability Policies | 12/9/2018 #2057667 | OTH |
| H - City of Trenton I - County of Mercer | 319 East State Street Trenton, NJ 08608 | The City of Trenton is an Additional Insured on the above-referenced Commercial General Liability and Excess Liability Policies | 12/9/2018 #2057668 | OTH |
| H - Christopher Uffer NJ TRANSIT I - County of Mercer | Local Programs/Community Mobility One Penn Plaza East, 4th Floor Newark, NJ 07105 | NJ TRANSIT is an Additional Insured on the above-referenced Commercial General Liability and Excess Liability Policies and Loss Payee on the Property Policy if required by written contract as respects to: Vehicle information: Vehicle #: 16-1924 Grant#: NJ-65-0004 Vehicle type: 2017 Ford E-450 Vin#: 1FDFF4FS2HDC65966 30 Day notice to NJ TRANSIT of charge or cancellation of insurance. | 12/9/2018 #2057669 | OTH |
| H - Panek's Golf Car Service CO | 374 Eggerts Crossing Rd Ewing, NJ 08638 | Certificate Holder is an Additional Insured on the above-referenced Commercial General Liability Policy if | 12/9/2018 | OTH |

From 12/1/2018 To 1/1/2019

**Mercer County Insurance Comm.
Certificate of Insurance Monthly Report**

| | | | | |
|--|---|---|-----------------------|-----|
| I - County of Mercer | | required by written contract. | #2057670 | |
| H - Delaware County Regional Water I - County of Burlington | Quality Control 100 East Fifth Street Chester, PA 19013 | Evidence of insurance | 12/9/2018 #2057671 | OTH |
| H - City of Trenton I - County of Mercer | 319 East State Street Trenton, NJ 08608 | The City of Trenton is an Additional Insured on the above-referenced Commercial General Liability and Excess Liability Policies | 12/9/2018 #2057686 | OTH |
| H - County of Mercer I - County of Mercer | 640 S. Broad Street, PO Box 8068 Trenton, NJ 08650 | The City of Trenton is an Additional Insured on the above-referenced Commercial General Liability and Excess Liability Policies | 12/9/2018 #2057687 | OTH |
| H - Delaware County Regional Water I - County of Burlington | Quality Control 100 East Fifth Street Chester, PA 19013 | Evidence of insurance | 12/9/2018 #2057688 | OTH |
| H - New Jersey Council on the Arts I - County of Mercer | PO Box 306 Trenton, NJ 08625 | Evidence of Insurance. All operations usual to County Governmental entity | 12/9/2018 #2057689 | OTH |
| H - New Jersey Historical | 225 W. State Street, P.O. Box | Evidence of insurance. All operations usual to County | 12/9/2018 | OTH |

From 12/1/2018 To 1/1/2019

***Mercer County Insurance Comm.
Certificate of Insurance Monthly Report***

| | | | | |
|--|--|--|-----------------------|-----|
| Commission I - County of Mercer | 305 Trenton, NJ 08625 | Governmental Entity | #2057690 | |
| H - Panek's Golf Car Service CO I - County of Mercer | 374 Eggerts Crossing Rd Ewing, NJ 08638 | Certificate Holder is an Additional Insured on the above-referenced Commercial General Liability Policy if required by written contract. | 12/9/2018 #2057691 | OTH |
| Total # of Holders: 13 | | | | |

| MERCER COUNTY INSURANCE COMMISSION | | | | | | |
|--|------------------------------------|--|----------------|------------------|-------------------|-------------------|
| FINANCIAL FAST TRACK REPORT | | | | | | |
| AS OF November 30, 2018 | | | | | | |
| ALL YEARS COMBINED | | | | | | |
| | | | THIS MONTH | YTD CHANGE | PRIOR YEAR END | FUND BALANCE |
| 1. | UNDERWRITING INCOME | | 657,226 | 7,229,485 | 31,314,797 | 38,544,281 |
| 2. | CLAIM EXPENSES | | | | | |
| | Paid Claims | | 206,571 | 2,150,647 | 6,309,895 | 8,460,542 |
| | Case Reserves | | (293,858) | 308,005 | 3,017,956 | 3,325,961 |
| | IBNR | | 423,438 | (580,733) | 3,621,934 | 3,041,202 |
| | Discounted Claim Value | | (4,160) | 70,962 | (220,882) | (149,920) |
| | TOTAL CLAIMS | | 331,991 | 1,948,881 | 12,728,903 | 14,677,784 |
| 3. | EXPENSES | | | | | |
| | Excess Premiums | | 207,980 | 2,287,779 | 9,459,795 | 11,747,574 |
| | Administrative | | 47,216 | 518,879 | 2,239,105 | 2,757,983 |
| | TOTAL EXPENSES | | 255,196 | 2,806,658 | 11,698,900 | 14,505,558 |
| 4. | UNDERWRITING PROFIT (1-2-3) | | 70,040 | 2,473,946 | 6,886,993 | 9,360,939 |
| 5. | INVESTMENT INCOME | | 0 | 0 | 0 | 0 |
| 6. | PROFIT (4 + 5) | | 70,040 | 2,473,946 | 6,886,993 | 9,360,939 |
| 7. | CEL APPROPRIATION CANCELLATION | | 0 | 0 | 0 | 0 |
| 8. | DIVIDEND INCOME | | 0 | 22,069 | 0 | 22,069 |
| 9. | DIVIDEND EXPENSE | | 0 | (22,069) | 0 | (22,069) |
| 10. | INVESTMENT IN JOINT VENTURE | | 17,509 | 338,661 | 762,925 | 1,101,585 |
| 11. | SURPLUS (6 + 7 + 8) | | 87,549 | 2,812,607 | 7,649,918 | 10,462,525 |
| SURPLUS (DEFICITS) BY FUND YEAR | | | | | | |
| | 2014 | | 504 | 103,419 | 2,420,544 | 2,523,963 |
| | 2015 | | 536 | 233,082 | 1,921,196 | 2,154,278 |
| | 2016 | | 598 | 508,830 | 1,900,054 | 2,408,884 |
| | 2017 | | 384 | 1,121,323 | 1,408,124 | 2,529,447 |
| | 2018 | | 85,526 | 845,954 | | 845,954 |
| TOTAL SURPLUS (DEFICITS) | | | 87,549 | 2,812,607 | 7,649,919 | 10,462,525 |
| TOTAL CASH | | | | | | 1,113,430 |
| CLAIM ANALYSIS BY FUND YEAR | | | | | | |

| MERCER COUNTY INSURANCE COMMISSION | | | | |
|---|----------------|--------------------|-------------------|-------------------|
| FINANCIAL FAST TRACK REPORT | | | | |
| AS OF November 30, 2018 | | | | |
| ALL YEARS COMBINED | | | | |
| | THIS MONTH | YTD CHANGE | PRIOR YEAR END | FUND BALANCE |
| CLAIM ANALYSIS BY FUND YEAR | | | | |
| FUND YEAR 2014 | | | | |
| Paid Claims | 4,843 | 35,178 | 1,869,284 | 1,904,462 |
| Case Reserves | 4,260 | 45,987 | 184,577 | 230,564 |
| IBNR | (9,103) | (136,165) | 510,949 | 374,784 |
| Discounted Claim Value | 0 | (3,304) | (25,733) | (29,037) |
| TOTAL FY 2014 CLAIMS | 0 | (58,304) | 2,539,078 | 2,480,774 |
| FUND YEAR 2015 | | | | |
| Paid Claims | 25,768 | 130,661 | 1,867,042 | 1,997,703 |
| Case Reserves | (42,716) | (283,496) | 715,431 | 431,935 |
| IBNR | 16,948 | (75,166) | 515,502 | 440,337 |
| Discounted Claim Value | 0 | 12,553 | (40,751) | (28,199) |
| TOTAL FY 2015 CLAIMS | 0 | (215,448) | 3,057,223 | 2,841,776 |
| FUND YEAR 2016 | | | | |
| Paid Claims | 105,455 | 356,589 | 1,718,985 | 2,075,574 |
| Case Reserves | (107,666) | (303,175) | 1,133,237 | 830,061 |
| IBNR | 2,210 | (493,650) | 538,778 | 45,129 |
| Discounted Claim Value | 0 | 30,217 | (52,630) | (22,413) |
| TOTAL FY 2016 CLAIMS | (0) | (410,019) | 3,338,370 | 2,928,351 |
| FUND YEAR 2017 | | | | |
| Paid Claims | 11,802 | 593,658 | 854,584 | 1,448,242 |
| Case Reserves | (9,916) | (74,688) | 984,712 | 910,024 |
| IBNR | (1,856) | (1,627,970) | 2,056,705 | 428,734 |
| Discounted Claim Value | 0 | 72,151 | (101,768) | (29,616) |
| TOTAL FY 2017 CLAIMS | 30 | (1,036,849) | 3,794,233 | 2,757,384 |
| FUND YEAR 2018 | | | | |
| Paid Claims | 58,703 | 1,034,561 | | 1,034,561 |
| Case Reserves | (137,820) | 923,377 | | 923,377 |
| IBNR | 415,238 | 1,752,217 | | 1,752,217 |
| Discounted Claim Value | (4,160) | (40,656) | | (40,656) |
| TOTAL FY 2018 CLAIMS | 331,961 | 3,669,499 | 0 | 3,669,499 |
| COMBINED TOTAL CLAIMS | 331,991 | 1,948,881 | 12,728,903 | 14,677,784 |
| 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 | November 30, 2018 | | |
| ALL YEARS COMBINED | | | | | | |
| | | | THIS | YTD | PRIOR | FUND |
| | | | MONTH | CHANGE | YEAR END | BALANCE |
| 1. | UNDERWRITING INCOME | | 1,774,007 | 19,514,078 | 118,535,964 | 138,050,042 |
| 2. | CLAIM EXPENSES | | | | | |
| | | Paid Claims | 20,321 | 362,625 | 3,142,296 | 3,504,921 |
| | | Case Reserves | 434,006 | 1,498,970 | 3,560,908 | 5,059,878 |
| | | IBNR | (233,301) | (2,414,696) | 10,479,791 | 8,065,095 |
| | | Discounted Claim Value | (10,718) | 110,949 | (777,744) | (666,795) |
| | TOTAL CLAIMS | | 210,308 | (442,152) | 16,405,251 | 15,963,099 |
| 3. | EXPENSES | | | | | |
| | | Excess Premiums | 1,306,589 | 14,369,774 | 82,005,406 | 96,375,180 |
| | | Administrative | 133,659 | 1,535,626 | 8,815,738 | 10,351,365 |
| | TOTAL EXPENSES | | 1,440,247 | 15,905,400 | 90,821,144 | 106,726,544 |
| 4. | UNDERWRITING PROFIT (1-2-3) | | 123,452 | 4,050,829 | 11,309,569 | 15,360,399 |
| 5. | INVESTMENT INCOME | | 32,922 | 179,635 | 263,592 | 443,227 |
| 6. | PROFIT (4+5) | | 156,374 | 4,230,465 | 11,573,162 | 15,803,626 |
| 7. | Dividend | | 0 | 500,000 | 500,000 | 1,000,000 |
| 8. | Cancelled Appropriations | | 0 | 0 | 607,551 | 607,551 |
| 9. | SURPLUS (6-7-8) | | 156,374 | 3,730,465 | 10,465,611 | 14,196,075 |
| SURPLUS (DEFICITS) BY FUND YEAR | | | | | | |
| | | | | | | |
| | 2010 | | 1,004 | 269,830 | 487,880 | 757,711 |
| | 2011 | | 1,712 | (12,674) | 986,002 | 973,328 |
| | 2012 | | 1,881 | 253,579 | 670,408 | 923,987 |
| | 2013 | | 3,279 | 276,461 | 1,684,539 | 1,961,000 |
| | 2014 | | 4,183 | 374,089 | 2,114,583 | 2,488,672 |
| | 2015 | | 4,749 | 156,231 | 1,304,973 | 1,461,204 |
| | 2016 | | 5,368 | 886,417 | 2,228,683 | 3,115,100 |
| | 2017 | | 4,886 | 745,684 | 988,542 | 1,734,226 |
| | 2018 | | 129,313 | 780,848 | | 780,848 |
| TOTAL SURPLUS (DEFICITS) | | | 156,374 | 3,730,465 | 10,465,610 | 14,196,075 |
| TOTAL CASH | | | | | | 28,184,625 |

| NEW JERSEY COUNTIES EXCESS JIF | | | | |
|---|----------------|------------------|-------------------|-------------------|
| FINANCIAL FAST TRACK REPORT | | | | |
| AS OF November 30, 2018 | | | | |
| ALL YEARS COMBINED | | | | |
| | THIS | YTD | PRIOR | FUND |
| | MONTH | CHANGE | YEAR END | BALANCE |
| CLAIM ANALYSIS BY FUND YEAR | | | | |
| FUND YEAR 2010 | | | | |
| Paid Claims | 2,695 | 5,795 | 165,365 | 171,160 |
| Case Reserves | (7,889) | (84,636) | 84,636 | (0) |
| IBNR | 5,195 | (196,159) | 224,999 | 28,840 |
| Discounted Claim Value | 0 | 10,886 | (12,655) | (1,769) |
| TOTAL FY 2010 CLAIMS | 0 | (264,114) | 462,345 | 198,230 |
| FUND YEAR 2011 | | | | |
| Paid Claims | 3,596 | 39,980 | 435,147 | 475,127 |
| Case Reserves | 57,886 | 38,195 | 341,117 | 379,312 |
| IBNR | (61,482) | (231,613) | 238,736 | 7,123 |
| Discounted Claim Value | 0 | 9,259 | (31,362) | (22,103) |
| TOTAL FY 2011 CLAIMS | 0 | (144,179) | 983,638 | 839,459 |
| FUND YEAR 2012 | | | | |
| Paid Claims | 2,127 | 65,147 | 1,466,690 | 1,531,837 |
| Case Reserves | (1,177) | (111,961) | 180,069 | 68,108 |
| IBNR | (950) | (214,225) | 623,240 | 409,015 |
| Discounted Claim Value | 0 | 18,305 | (45,106) | (26,801) |
| TOTAL FY 2012 CLAIMS | 0 | (242,733) | 2,224,893 | 1,982,160 |
| FUND YEAR 2013 | | | | |
| Paid Claims | 1,901 | 211,081 | 306,969 | 518,050 |
| Case Reserves | (1,496) | (251,710) | 752,266 | 500,555 |
| IBNR | (405) | (412,370) | 680,765 | 268,395 |
| Discounted Claim Value | 0 | 29,166 | (78,671) | (49,505) |
| TOTAL FY 2013 CLAIMS | 0 | (423,834) | 1,661,329 | 1,237,495 |
| FUND YEAR 2014 | | | | |
| Paid Claims | 1,572 | 43,854 | 401,039 | 444,893 |
| Case Reserves | (1,572) | 144,687 | 410,814 | 555,501 |
| IBNR | 0 | (737,542) | 1,268,147 | 530,606 |
| Discounted Claim Value | 0 | 32,072 | (81,671) | (49,599) |
| TOTAL FY 2014 CLAIMS | 0 | (516,928) | 1,998,329 | 1,481,401 |
| FUND YEAR 2015 | | | | |
| Paid Claims | 634 | (3,533) | 345,381 | 341,848 |
| Case Reserves | 105,954 | 958,217 | 1,255,154 | 2,213,372 |
| IBNR | (106,636) | (1,123,684) | 1,619,464 | 495,780 |
| Discounted Claim Value | 0 | 39,324 | (157,891) | (118,567) |
| TOTAL FY 2015 CLAIMS | (48) | (129,676) | 3,062,109 | 2,932,433 |
| FUND YEAR 2016 | | | | |
| Paid Claims | 0 | 0 | 0 | 0 |
| Case Reserves | 1,002 | 278,393 | 250,120 | 528,513 |
| IBNR | (1,002) | (1,203,393) | 2,394,880 | 1,191,487 |
| Discounted Claim Value | 0 | 66,950 | (162,270) | (95,320) |
| TOTAL FY 2016 CLAIMS | 0 | (858,050) | 2,482,730 | 1,624,680 |
| FUND YEAR 2017 | | | | |
| Paid Claims | 7,796 | 301 | 21,705 | 22,006 |
| Case Reserves | 22,204 | 259,545 | 286,733 | 546,277 |
| IBNR | (30,000) | (1,044,194) | 3,429,559 | 2,385,365 |
| Discounted Claim Value | 0 | 68,283 | (208,119) | (139,835) |
| TOTAL FY 2017 CLAIMS | 0 | (716,065) | 3,529,878 | 2,813,813 |
| FUND YEAR 2018 | | | | |
| Paid Claims | 0 | 0 | | 0 |
| Case Reserves | 259,095 | 268,240 | | 268,240 |
| IBNR | (38,021) | 2,748,484 | | 2,748,484 |
| Discounted Claim Value | (10,718) | (163,297) | | (163,297) |
| TOTAL FY 2018 CLAIMS | 210,356 | 2,853,428 | 0 | 2,853,428 |
| COMBINED TOTAL CLAIMS | 210,308 | (442,152) | 16,405,251 | 15,963,099 |
| 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 11-30-18 | | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|-----------------|
| COVERAGE LINE- PROPERTY | | | | | | |
| CLAIM COUNT - OPEN CLAIMS | | | | | | |
| Year | 2014 | 2015 | 2016 | 2017 | 2018 | TOTAL |
| October-18 | 0 | 1 | 0 | 1 | 39 | 41 |
| November-18 | 0 | 1 | 0 | 1 | 45 | 47 |
| NET CHGE | 0 | 0 | 0 | 0 | 6 | 6 |
| Limited Reserves | | | | | | \$1,598 |
| Year | 2014 | 2015 | 2016 | 2017 | 2018 | TOTAL |
| October-18 | \$0 | \$0 | \$0 | \$1,000 | \$65,700 | \$66,700 |
| November-18 | \$0 | \$0 | \$0 | \$1,000 | \$74,100 | \$75,100 |
| NET CHGE | \$0 | \$0 | \$0 | \$0 | \$8,400 | \$8,400 |
| Ltd Incurred | \$18,499 | (\$25) | \$99 | \$76,405 | \$149,240 | \$244,217 |
| COVERAGE LINE- GENERAL LIABILITY | | | | | | |
| CLAIM COUNT - OPEN CLAIMS | | | | | | |
| Year | 2014 | 2015 | 2016 | 2017 | 2018 | TOTAL |
| October-18 | 1 | 4 | 5 | 22 | 51 | 83 |
| November-18 | 1 | 4 | 4 | 19 | 39 | 67 |
| NET CHGE | 0 | 0 | -1 | -3 | -12 | -16 |
| Limited Reserves | | | | | | \$4,154 |
| Year | 2014 | 2015 | 2016 | 2017 | 2018 | TOTAL |
| October-18 | \$5,186 | \$24,905 | \$129,972 | \$67,383 | \$73,500 | \$300,946 |
| November-18 | \$5,186 | \$24,747 | \$122,500 | \$64,383 | \$61,500 | \$278,316 |
| NET CHGE | \$0 | (\$158) | (\$7,472) | (\$3,000) | (\$12,000) | (\$22,630) |
| Ltd Incurred | \$8,863 | \$58,923 | \$132,091 | \$67,269 | \$63,267 | \$330,413 |
| COVERAGE LINE- AUTO LIABILITY | | | | | | |
| CLAIM COUNT - OPEN CLAIMS | | | | | | |
| Year | 2014 | 2015 | 2016 | 2017 | 2018 | TOTAL |
| October-18 | 0 | 0 | 2 | 4 | 6 | 12 |
| November-18 | 0 | 0 | 2 | 4 | 5 | 11 |
| NET CHGE | 0 | 0 | 0 | 0 | -1 | -1 |
| Limited Reserves | | | | | | \$7,345 |
| Year | 2014 | 2015 | 2016 | 2017 | 2018 | TOTAL |
| October-18 | \$0 | \$0 | \$10,330 | \$64,470 | \$7,000 | \$81,800 |
| November-18 | \$0 | \$0 | \$10,330 | \$64,470 | \$6,000 | \$80,800 |
| NET CHGE | \$0 | \$0 | \$0 | \$0 | (\$1,000) | (\$1,000) |
| Ltd Incurred | \$10,891 | \$6,969 | \$33,228 | \$75,780 | \$9,916 | \$136,784 |
| COVERAGE LINE- WORKERS COMP. | | | | | | |
| CLAIM COUNT - OPEN CLAIMS | | | | | | |
| Year | 2014 | 2015 | 2016 | 2017 | 2018 | TOTAL |
| October-18 | 9 | 14 | 22 | 28 | 69 | 142 |
| November-18 | 9 | 13 | 22 | 31 | 62 | 137 |
| NET CHGE | 0 | -1 | 0 | 3 | -7 | -5 |
| Limited Reserves | | | | | | \$21,108 |
| Year | 2014 | 2015 | 2016 | 2017 | 2018 | TOTAL |
| October-18 | \$221,119 | \$449,747 | \$797,425 | \$787,087 | \$914,997 | \$3,170,374 |
| November-18 | \$225,378 | \$407,188 | \$697,231 | \$780,171 | \$781,777 | \$2,891,746 |
| NET CHGE | \$4,260 | (\$42,558) | (\$100,193) | (\$6,916) | (\$133,220) | (\$278,628) |
| Ltd Incurred | \$2,096,353 | \$2,363,771 | \$2,740,217 | \$2,138,812 | \$1,736,765 | \$11,075,918 |
| TOTAL ALL LINES COMBINED | | | | | | |
| CLAIM COUNT - OPEN CLAIMS | | | | | | |
| Year | 2014 | 2015 | 2016 | 2017 | 2018 | TOTAL |
| October-18 | 10 | 19 | 29 | 55 | 165 | 278 |
| November-18 | 10 | 18 | 28 | 55 | 151 | 262 |
| NET CHGE | 0 | -1 | -1 | 0 | -14 | -16 |
| Limited Reserves | | | | | | \$12,695 |
| Year | 2014 | 2015 | 2016 | 2017 | 2018 | TOTAL |
| October-18 | \$226,304 | \$474,652 | \$937,727 | \$919,940 | \$1,061,197 | \$3,619,820 |
| November-18 | \$230,564 | \$431,936 | \$830,061 | \$910,024 | \$923,377 | \$3,325,961 |
| NET CHGE | \$4,260 | (\$42,716) | (\$107,666) | (\$9,916) | (\$137,820) | (\$293,858) |
| Ltd Incurred | \$2,134,605 | \$2,429,638 | \$2,905,635 | \$2,358,266 | \$1,959,188 | \$11,787,332 |

FUND YEARS 2017 2018

| Mercer County Insurance Fund Commission | | | | | | | | | | | | | | | | |
|--|-------------|-----------|-----------|-----------|-----------|----------|------------|-----------|-----------|-----------|----------|-----------|-----------|-----------|-----------|----------|
| CLAIMS MANAGEMENT REPORT | | | | | | | | | | | | | | | | |
| EXPECTED LOSS RATIO ANALYSIS | | | | | | | | | | | | | | | | |
| AS OF November 30, 2018 | | | | | | | | | | | | | | | | |
| FUND YEAR 2017 -- LOSSES CAPPED AT RETENTION | | | | | | | | | | | | | | | | |
| | Budget | Current | | 23 | | | Last Month | | 22 | | | Last Year | | 11 | | |
| | | Unlimited | Limited | Actual | | MONTH | Unlimited | Limited | Actual | | MONTH | Unlimited | Limited | Actual | | MONTH |
| | | Incurred | Incurred | 30-Nov-18 | | TARGETED | Incurred | Incurred | 31-Oct-18 | | TARGETED | Incurred | Incurred | 29-Nov-17 | | TARGETED |
| PROPERTY | 83,000 | 76,405 | 76,405 | 92.05% | 82,448 | 99.33% | 76,405 | 76,405 | 92.05% | 81,911 | 98.69% | 29,005 | 29,005 | 34.95% | 71,380 | 86.00% |
| GEN LIABILITY | 159,000 | 67,269 | 67,269 | 42.31% | 124,306 | 78.18% | 70,269 | 70,269 | 44.19% | 122,279 | 76.91% | 94,283 | 94,283 | 59.30% | 77,910 | 49.00% |
| AUTO LIABILITY | 134,000 | 75,780 | 75,780 | 56.55% | 100,578 | 75.06% | 75,780 | 75,780 | 56.55% | 98,587 | 73.57% | 72,314 | 72,314 | 53.97% | 60,300 | 45.00% |
| WORKER'S COMP | 4,709,000 | 2,138,812 | 2,138,812 | 45.42% | 4,365,845 | 92.71% | 2,133,956 | 2,133,956 | 45.32% | 4,322,960 | 91.80% | 1,853,462 | 1,853,462 | 39.36% | 2,448,680 | 52.00% |
| TOTAL ALL LINES | 5,085,000 | 2,358,266 | 2,358,266 | 46.38% | 4,673,176 | 91.90% | 2,356,410 | 2,356,410 | 46.34% | 4,625,737 | 90.97% | 2,049,064 | 2,049,064 | 40.30% | 2,658,270 | 52.28% |
| NET PAYOUT % | \$1,448,242 | | | | 28.48% | | | | | | | | | | | |
| FUND YEAR 2018 -- LOSSES CAPPED AT RETENTION | | | | | | | | | | | | | | | | |
| | Budget | Current | | 11 | | | Last Month | | 10 | | | Last Year | | -1 | | |
| | | Unlimited | Limited | Actual | | MONTH | Unlimited | Limited | Actual | | MONTH | Unlimited | Limited | Actual | | MONTH |
| | | Incurred | Incurred | 30-Nov-18 | | TARGETED | Incurred | Incurred | 31-Oct-18 | | TARGETED | Incurred | Incurred | 29-Nov-17 | | TARGETED |
| PROPERTY | 74,417 | 149,240 | 149,240 | 200.55% | 63,999 | 86.00% | 140,840 | 140,840 | 189.26% | 56,557 | 76.00% | 0 | 0 | N/A | N/A | N/A |
| GEN LIABILITY | 157,000 | 63,267 | 63,267 | 40.30% | 76,930 | 49.00% | 75,205 | 75,205 | 47.90% | 65,940 | 42.00% | 0 | 0 | N/A | N/A | N/A |
| AUTO LIABILITY | 131,000 | 9,916 | 9,916 | 7.57% | 58,950 | 45.00% | 10,416 | 10,416 | 7.95% | 52,400 | 40.00% | 0 | 0 | N/A | N/A | N/A |
| WORKER'S COMP | 4,455,000 | 1,736,765 | 1,736,765 | 38.98% | 2,316,600 | 52.00% | 1,810,565 | 1,810,565 | 40.64% | 1,871,100 | 42.00% | 0 | 0 | N/A | N/A | N/A |
| TOTAL ALL LINES | 4,817,417 | 1,959,188 | 1,959,188 | 40.67% | 2,516,479 | 52.24% | 2,037,025 | 2,037,025 | 42.28% | 2,045,997 | 42.47% | 0 | 0 | N/A | N/A | N/A |
| NET PAYOUT % | \$1,035,811 | | | | 21.50% | | | | | | | | | | | |

FUND YEARS 2014 2015 2016

| Mercer County Insurance Fund Commission | | | | | | | | | | | | | | | |
|--|-------------|-----------|-----------|-----------|-----------|----------|------------|-----------|-----------|-----------|----------|-----------|-----------|-----------|-----------|
| CLAIMS MANAGEMENT REPORT | | | | | | | | | | | | | | | |
| EXPECTED LOSS RATIO ANALYSIS | | | | | | | | | | | | | | | |
| AS OF November 30, 2018 | | | | | | | | | | | | | | | |
| FUND YEAR 2014 -- LOSSES CAPPED AT RETENTION | | | | | | | | | | | | | | | |
| | Budget | Current | | 59 | | MONTH | Last Month | | 58 | | MONTH | Last Year | | 47 | |
| | | Unlimited | Limited | Actual | | TARGETED | Unlimited | Limited | Actual | | TARGETED | Unlimited | Limited | Actual | MONTH |
| | | Incurred | Incurred | 30-Nov-18 | | | Incurred | Incurred | 31-Oct-18 | | | Incurred | Incurred | 29-Nov-17 | TARGETED |
| PROPERTY | 62,322 | 18,499 | 18,499 | 29.68% | 62,322 | 100.00% | 18,499 | 18,499 | 29.68% | 62,322 | 100.00% | 18,499 | 18,499 | 29.68% | 62,322 |
| GEN LIABILITY | 124,157 | 8,863 | 8,863 | 7.14% | 120,506 | 97.06% | 8,863 | 8,863 | 7.14% | 120,459 | 97.02% | 8,863 | 8,863 | 7.14% | 118,448 |
| AUTO LIABILITY | 127,016 | 10,891 | 10,891 | 8.57% | 121,862 | 95.94% | 10,891 | 10,891 | 8.57% | 121,547 | 95.69% | 10,891 | 10,891 | 8.57% | 117,120 |
| WORKER'S COMP | 4,356,301 | 2,096,353 | 2,096,353 | 48.12% | 4,350,211 | 99.86% | 2,087,251 | 2,087,251 | 47.91% | 4,348,908 | 99.83% | 2,044,958 | 2,044,958 | 46.94% | 4,327,738 |
| TOTAL ALL LINES | 4,669,797 | 2,134,605 | 2,134,605 | 45.71% | 4,654,900 | 99.68% | 2,125,503 | 2,125,503 | 45.52% | 4,653,236 | 99.65% | 2,083,210 | 2,083,210 | 44.61% | 4,625,628 |
| NET PAYOUT % | \$1,904,041 | | | | 40.77% | | | | | | | | | | |
| FUND YEAR 2015 -- LOSSES CAPPED AT RETENTION | | | | | | | | | | | | | | | |
| | Budget | Current | | 47 | | MONTH | Last Month | | 46 | | MONTH | Last Year | | 35 | |
| | | Unlimited | Limited | Actual | | TARGETED | Unlimited | Limited | Actual | | TARGETED | Unlimited | Limited | Actual | MONTH |
| | | Incurred | Incurred | 30-Nov-18 | | | Incurred | Incurred | 31-Oct-18 | | | Incurred | Incurred | 29-Nov-17 | TARGETED |
| PROPERTY | 80,948 | (25) | (25) | -0.03% | 80,948 | 100.00% | (25) | (25) | -0.03% | 80,948 | 100.00% | 57,975 | 57,975 | 71.62% | 80,948 |
| GEN LIABILITY | 155,896 | 58,923 | 58,923 | 37.80% | 148,727 | 95.40% | 58,923 | 58,923 | 37.80% | 148,204 | 95.07% | 166,313 | 166,313 | 106.68% | 139,492 |
| AUTO LIABILITY | 131,580 | 6,969 | 6,969 | 5.30% | 121,328 | 92.21% | 6,969 | 6,969 | 5.30% | 120,838 | 91.84% | 20,965 | 20,965 | 15.93% | 113,922 |
| WORKER'S COMP | 4,449,750 | 2,363,771 | 2,363,771 | 53.12% | 4,420,574 | 99.34% | 2,380,719 | 2,380,719 | 53.50% | 4,417,502 | 99.28% | 2,389,255 | 2,389,255 | 53.69% | 4,356,520 |
| TOTAL ALL LINES | 4,818,174 | 2,429,638 | 2,429,638 | 50.43% | 4,771,577 | 99.03% | 2,446,586 | 2,446,586 | 50.78% | 4,767,492 | 98.95% | 2,634,509 | 2,634,509 | 54.68% | 4,690,882 |
| NET PAYOUT % | \$1,997,702 | | | | 41.46% | | | | | | | | | | |
| FUND YEAR 2016 -- LOSSES CAPPED AT RETENTION | | | | | | | | | | | | | | | |
| | Budget | Current | | 35 | | MONTH | Last Month | | 34 | | MONTH | Last Year | | 23 | |
| | | Unlimited | Limited | Actual | | TARGETED | Unlimited | Limited | Actual | | TARGETED | Unlimited | Limited | Actual | MONTH |
| | | Incurred | Incurred | 30-Nov-18 | | | Incurred | Incurred | 31-Oct-18 | | | Incurred | Incurred | 29-Nov-17 | TARGETED |
| PROPERTY | 80,948 | 99 | 99 | 0.12% | 80,948 | 100.00% | 99 | 99 | 0.12% | 80,948 | 100.00% | 99 | 99 | 0.12% | 80,409 |
| GEN LIABILITY | 155,896 | 132,091 | 132,091 | 84.73% | 139,492 | 89.48% | 139,563 | 139,563 | 89.52% | 138,390 | 88.77% | 207,691 | 207,691 | 133.22% | 121,879 |
| AUTO LIABILITY | 131,580 | 33,228 | 33,228 | 25.25% | 113,922 | 86.58% | 33,228 | 33,228 | 25.25% | 113,080 | 85.94% | 117,228 | 117,228 | 89.09% | 98,762 |
| WORKER'S COMP | 4,616,644 | 2,740,217 | 2,740,217 | 59.36% | 4,519,918 | 97.90% | 2,734,955 | 2,734,955 | 59.24% | 4,509,763 | 97.68% | 2,483,408 | 2,483,408 | 53.79% | 4,280,219 |
| TOTAL ALL LINES | 4,985,068 | 2,905,635 | 2,905,635 | 58.29% | 4,854,280 | 97.38% | 2,907,846 | 2,907,846 | 58.33% | 4,842,181 | 97.13% | 2,808,426 | 2,808,426 | 56.34% | 4,581,269 |
| NET PAYOUT % | \$2,075,574 | | | | 41.64% | | | | | | | | | | |

**MERCER COUNTY INSURANCE FUND COMMISSION
BILLS LIST**

Resolution No. 13-19

JANUARY 2019

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 2018

| <u>CheckNumber</u> | <u>VendorName</u> | <u>Comment</u> | <u>InvoiceAmount</u> |
|--------------------|--------------------------------|-------------------------------------|----------------------|
| 000472 | | | |
| 000472 | PERMA RISK MANAGEMENT SERVICES | NOVEMBER POSTAGE | 2.05 |
| | | | 2.05 |
| 000473 | | | |
| 000473 | SPARK CREATIVE GROUP LLC | WEBSITE UPDATES THRU 12/18 | 131.25 |
| | | | 131.25 |
| 000474 | | | |
| 000474 | NJ ADVANCE MEDIA | ACCT#1153600 - AUDIT MTG - 12.12.18 | 104.40 |
| | | | 104.40 |
| | | Total Payments FY 2018 | 237.70 |

FUND YEAR 2019

| <u>CheckNumber</u> | <u>VendorName</u> | <u>Comment</u> | <u>InvoiceAmount</u> |
|--------------------|--------------------------------|--|----------------------|
| 000475 | | | |
| 000475 | BORDEN PERLMAN SALISBURY&KELLY | INSURANCE CONSULTING FEE 1/19 | 5,500.00 |
| | | | 5,500.00 |
| 000476 | | | |
| 000476 | PERMA RISK MANAGEMENT SERVICES | EXECUTIVE DIRECTOR FEE 1/19 | 13,898.42 |
| | | | 13,898.42 |
| 000477 | | | |
| 000477 | THE ACTUARIAL ADVANTAGE | ACTUARIAL CONSULTING SERVICES 1/19 | 650.25 |
| | | | 650.25 |
| 000478 | | | |
| 000478 | INSERVCO INSURANCE SERVICES | CLAIMS SERVICE FEE 1/19 | 16,308.33 |
| | | | 16,308.33 |
| 000479 | | | |
| 000479 | PACKET MEDIA GROUP, LLC | ACCT#32129 - PRINCETON PACKET - 1.4.19 | 30.45 |
| | | | 30.45 |
| 000480 | | | |
| 000480 | J.A. MONTGOMERY RISK CONTROL | LOSS CONTROL SERVICES 1/19 | 10,789.00 |
| | | | 10,789.00 |
| | | Total Payments FY 2019 | 47,176.45 |

TOTAL PAYMENTS ALL FUND YEARS \$47,414.15

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: 2018 Month Ending: November | | | | | | | |
| | Property | Liability | Auto | Worker's Comp | NJ CEL | Admin | TOTAL |
| OPEN BALANCE | 63,437.75 | 397,004.52 | 352,342.98 | 5,929,130.98 | (4,631,129.08) | (904,356.62) | 1,206,430.53 |
| RECEIPTS | | | | | | | |
| Assessments | 1,743.36 | 3,351.32 | 2,826.62 | 99,117.76 | 50,286.69 | 11,932.72 | 169,258.47 |
| Refunds | 0.00 | 0.00 | 0.00 | 1,250.00 | 0.00 | 0.00 | 1,250.00 |
| Invest Pymnts | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Invest Adj | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Subtotal Invest | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Other * | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL | 1,743.36 | 3,351.32 | 2,826.62 | 100,367.76 | 50,286.69 | 11,932.72 | 170,508.47 |
| EXPENSES | | | | | | | |
| Claims Transfers | 0.00 | 219.68 | 500.00 | 207,101.14 | 0.00 | 0.00 | 207,820.82 |
| Expenses | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 55,688.15 | 55,688.15 |
| Other * | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL | 0.00 | 219.68 | 500.00 | 207,101.14 | 0.00 | 55,688.15 | 263,508.97 |
| END BALANCE | 65,181.11 | 400,136.16 | 354,669.60 | 5,822,397.60 | (4,580,842.39) | (948,112.05) | 1,113,430.03 |

| | | | |
|---|-----------------------|------------------------------|-----------------------------|
| SUMMARY OF CASH AND INVESTMENT INSTRUMENTS | | | |
| MERCER COUNTY INSURANCE COMMISSION | | | |
| ALL FUND YEARS COMBINED | | | |
| CURRENT MONTH | November | | |
| CURRENT FUND YEAR | 2018 | | |
| Description: ID Number: Maturity (Yrs) Purchase Yield: TOTAL for All Accts & instruments | | MCIFC General A/C | MCIFC Claims A/C |
| Opening Cash & Investment Balance | \$1,206,430.53 | 533,607.57 | 672,822.96 |
| 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 | \$170,508.47 | \$56,938.15 | \$113,570.32 |
| 10 (Withdrawals - Sales) | -\$263,508.97 | -\$55,688.15 | -\$207,820.82 |
| Ending Cash & Investment Balance | \$1,113,430.03 | \$534,857.57 | \$578,572.46 |
| Ending Interest Accrual Balance | \$0.00 | \$0.00 | \$0.00 |
| Plus Outstanding Checks | \$204,986.37 | \$637.50 | \$204,348.87 |
| (Less Deposits in Transit) | \$0.00 | \$0.00 | \$0.00 |
| Balance per Bank | \$1,318,416.40 | \$535,495.07 | \$782,921.33 |

RESOLUTION NO. 14-19

**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 January 28, 2019 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 December 1, 2018 to December 31, 2018 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 January 28, 2019.

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
12/01/2018 Thru 12/31/2018

| Type | Check # | Claim # | Claimant Name | From Date | To Date | Payee Name | Trans. Date | Payment Description | Amt. Requested | Amt. Paid |
|------|---------|---------|---------------|-----------|---------|------------|-------------|---------------------|----------------|-----------|
|------|---------|---------|---------------|-----------|---------|------------|-------------|---------------------|----------------|-----------|

I n s e r v c o R e p o r t T e r m i n o l o g y

| 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
12/01/2018 Thru 12/31/2018

| Type | Check # | Claim # | Claimant Name | From Date | To Date | Payee Name | Trans. Date | Payment Description | Amt. Requested | Amt. Paid |
|--|---------|----------------|---------------|------------|------------|--------------------------|-----------------------------|---------------------|-----------------|-----------------|
| Coverage: Police Professional | | | | | | | | | | |
| C | 18755 | 3960000905 001 | NASH, MONICA | 10/22/2018 | 10/22/2018 | NJL COURT REPORTING LLC | 12/21/2018 | INVOICE #10985 | 556.60 | 556.60 |
| C | 18756 | 3960000905 001 | NASH, MONICA | 11/1/2018 | 11/1/2018 | TWIN COURT REPORTING LLC | 12/21/2018 | INVOICE #1445 | 826.75 | 826.75 |
| C | 18757 | 3960000905 001 | NASH, MONICA | 9/10/2018 | 9/10/2018 | TWIN COURT REPORTING LLC | 12/21/2018 | INVOICE #1401 | 560.00 | 560.00 |
| C | 18758 | 3960000905 001 | NASH, MONICA | 8/16/2018 | 8/16/2018 | NJL COURT REPORTING LLC | 12/21/2018 | INVOICE #10936 | 736.80 | 736.80 |
| Total for Coverage: Police Professional | | | | | | | Number of entries: 4 | | 2,680.15 | 2,680.15 |
| Total for Mercer County Ins Fund Comm - 396 | | | | | | | Number of entries: 4 | | 2,680.15 | 2,680.15 |



First Managed Care Option, Inc.

First MCO Bill Review Services

MERCER CO INS COMM

Medical Savings by Month

NJ

| Month of Reprice Service | Provider Billed Amount | First MCO Repriced | U & C / Fee Schedule | Savings | % of Savings | # of Bills | In Network | Out Of Network | % PPO Penetration | # of Appeals | FMCO Fee | Net Savings |
|--------------------------|------------------------|--------------------|----------------------|-------------|--------------|------------|------------|----------------|-------------------|--------------|-----------|-------------|
| Total 2014 | \$822,559 | \$509,923 | \$814,817 | \$312,636 | 38% | 752 | 618 | 134 | 82% | 6 | \$61,563 | \$251,073 |
| Total 2015 | \$718,860 | \$435,127 | \$706,183 | \$283,733 | 39% | 695 | 558 | 137 | 80% | 18 | \$56,661 | \$227,072 |
| Total 2016 | \$1,310,806 | \$661,339 | \$1,492,038 | \$649,467 | 50% | 1,311 | 1,172 | 139 | 89% | 18 | \$129,313 | \$520,155 |
| Total 2017 | \$858,268 | \$428,786 | \$995,115 | \$429,482 | 50% | 819 | 686 | 133 | 84% | 13 | \$85,891 | \$343,591 |
| Jan-18 | \$96,388 | \$28,915 | \$100,774 | \$67,474 | 70% | 91 | 85 | 6 | 93% | 1 | \$13,484 | \$53,990 |
| Feb-18 | \$82,710 | \$38,185 | \$147,440 | \$44,525 | 54% | 71 | 57 | 14 | 80% | 1 | \$8,905 | \$35,620 |
| Mar-18 | \$71,745 | \$40,127 | \$70,632 | \$31,618 | 44% | 75 | 64 | 11 | 85% | 9 | \$6,324 | \$25,295 |
| Apr-18 | \$35,052 | \$20,653 | \$62,351 | \$14,398 | 41% | 94 | 75 | 19 | 80% | 1 | \$2,880 | \$11,519 |
| May-18 | \$221,506 | \$91,282 | \$200,451 | \$130,224 | 59% | 98 | 82 | 16 | 84% | 0 | \$26,045 | \$104,179 |
| Jun-18 | \$230,742 | \$68,298 | \$275,047 | \$162,444 | 70% | 86 | 67 | 19 | 78% | 4 | \$32,478 | \$129,965 |
| Jul-18 | \$132,918 | \$67,213 | \$178,224 | \$65,705 | 49% | 120 | 102 | 18 | 85% | 1 | \$13,141 | \$52,564 |
| Aug-18 | \$192,940 | \$75,951 | \$214,787 | \$116,989 | 61% | 92 | 84 | 8 | 91% | 2 | \$23,398 | \$93,591 |
| Sep-18 | \$132,718 | \$46,421 | \$103,386 | \$86,296 | 65% | 64 | 54 | 10 | 84% | 1 | \$17,259 | \$69,037 |
| Oct-18 | \$37,100 | \$21,194 | \$35,899 | \$15,906 | 43% | 85 | 69 | 16 | 81% | 0 | \$3,181 | \$12,725 |
| Nov-18 | \$44,354 | \$28,175 | \$73,975 | \$16,179 | 36% | 118 | 108 | 10 | 92% | 1 | \$3,236 | \$12,943 |
| Dec-18 | \$38,257 | \$23,005 | \$38,891 | \$15,252 | 40% | 62 | 51 | 11 | 82% | 0 | \$3,050 | \$12,202 |
| Total 2018 | \$1,316,429 | \$549,418 | \$1,501,858 | \$767,011 | 58% | 1,056 | 898 | 158 | 85% | 21 | \$153,381 | \$613,630 |
| Total to Date | \$5,026,923 | \$2,584,593 | \$5,510,011 | \$2,442,329 | 49% | 4,633 | 3,932 | 701 | 85% | 76 | \$486,809 | \$1,955,521 |

Report Run Date:01/02/2019

MCC



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

TO: Fund Commissioners
FROM: J.A. Montgomery Risk Control, Safety Director
DATE: January 18, 2019

**RISK CONTROL ACTIVITIES
December - January 2019**

| | | |
|--|---|---|
| Paul Shives, Vice President Public Sector Director pshives@jamontgomery.com Office: 732-736-5213 | Glenn Prince, Associate Public Sector Director gprince@jamontgomery.com Office: 856-552-4744 Cell: 609-238-3949 | Natalie Dougherty, Senior Administrative Coordinator ndougherty@jamontgomery.com Office: 856-552-4738 |
|--|---|---|

MEETINGS ATTENDED / LOSS CONTROL VISITS CONDUCTED

- **December 19:** Attended the MCIFC Accident Review Panel meeting in Trenton.
- **December 19:** Conducted a loss control survey of the MCIFC Civil Court House and of the Criminal Court House.
- **December 20:** Attended the MCIFC Meeting in Trenton.
- **December 20:** Attended the MCIFC Claims Committee meeting in Trenton

UPCOMING MEETINGS / LOSS CONTROL VISITS PLANNED

- **January 28:** Plan to attend the MCIFC Meeting in Trenton.
- **January 28:** Plan to attend the MCIFC Claims Committee meeting in Trenton

CEL MEDIA LIBRARY USAGE

No Videos have been utilized in 2019.

TRAINING CONDUCTED AND SCHEDULED (DECEMBER 11 THRU JANUARY)

| DATE | CLIENT | TOPIC | TIME |
|-------------|-----------------------|--|------------------|
| 12/12/18 | MCIFC - County Parks | HazMat Awareness w/HazCom GHS | 9:00 - 12:00 pm |
| 12/12/18 | MCIFC - County Parks | Back Safety/Material Handling | 12:30 - 1:30 pm |
| 12/13/18 | MCIFC - Mercer County | LOTO | 8:00 - 10:00 am |
| 12/13/18 | MCIFC - Mercer County | Fire Safety | 10:15 - 11:15 am |
| 12/18/18 | MCIFC - Mercer County | Fall Protection Awareness | 8:00 - 10:00 am |
| 12/18/18 | MCIFC - Mercer County | LOTO | 10:15 - 12:15 pm |
| 12/19/18 | MCIFC - Mercer County | Bucket Truck (Aerial Lift) - Practical Portion | 8:00 AM |
| 12/20/18 | MCIFC - Mercer County | DDC 6 | 8:30 - 3:00 pm |
| 1/8/19 | MCIFC - County Parks | Snow Plow/Snow Removal | 8:00 - 10:00 |
| 1/8/19 | MCIFC - County Parks | Employee Conduct/Violence Prevention | 10:15 - 11:45 am |
| 1/8/19 | MCIFC - County Parks | BBP | 12:30 - 1:30 pm |
| 1/10/19 | MCIFC - County Parks | PPE | 8:00 -10:00 am |
| 1/10/19 | MCIFC - County Parks | HazCom w-GHS | 10:15- 11:45 am |
| 1/10/19 | MCIFC - County Parks | Fire Extinguisher Safety | 12:30 - 1:30 pm |
| 1/14/19 | MCIFC - County Parks | PPE | 8:00 -10:00 am |
| 1/14/19 | MCIFC - County Parks | HazCom w-GHS | 10:15- 11:45 am |
| 1/14/19 | MCIFC - County Parks | Fire Extinguisher Safety | 12:30 - 1:30 pm |
| 1/17/19 | MCIFC - County Parks | CDL-Drivers Safety Regulations | 8:00 - 10:00 am |
| 1/17/19 | MCIFC - County Parks | LOTO | 10:15 - 12:15 pm |
| 1/22/19 | MCIFC - County Parks | Snow Plow/Snow Removal | 8:00 - 10:00 am |
| 1/22/19 | MCIFC - County Parks | Employee Conduct/Violence Prevention | 10:15 - 11:45 am |
| 1/22/19 | MCIFC - County Parks | BBP | 12:30 - 1:30 pm |
| 1/23/19 | MCIFC - County Parks | DDC 6 | 8:00 - 2:30 pm |
| 1/24/19 | MCIFC - County Parks | Landscape Safety | 9:00 - 12:00 pm |
| 1/25/19 | MCIFC - County Parks | DDC 6 | 8:00 - 2:30 pm |
| 1/28/19 | MCIFC - County Parks | Landscape Safety | 9:00 - 12:00 pm |
| 1/28/19 | MCIFC - County Parks | Shop & Tool Safety | 12:30 - 1:30 pm |
| 1/30/19 | MCIFC - County Parks | DDC 6 | 8:00 - 2:30 pm |
| 1/31/19 | MCIFC - County Parks | DDC 6 | 8:00 - 2:30 pm |

SAFETY DIRECTOR BULLETINS

- Reminder to Check Motor Vehicle Records of Drivers – December 11
- Avoiding Deer-Vehicle Collisions – December 13
- Planning for Snow Events – January 14

Conducting Motor Vehicle Record Checks

Public entities have many employees who operate vehicles as part of their duties. Law enforcement officers are on patrol around the clock. Volunteer firefighters and emergency medical technicians respond in their private vehicles before getting in apparatus and ambulances. Public works and utility employees drive large vehicles that require Commercial Drivers Licenses (CDL). Administrative personnel and elected officials may occasionally use agency or private vehicles to conduct official business. **Public agencies must verify that all employees who drive on the agency's behalf possess a valid driver's license and an acceptable driving record.**

Public employers should have a motor vehicle policy that encompasses all the types of drivers under their auspices. The Safety Directors recommend Motor Vehicle Records (MVRs) be reviewed at the following times:

- Once a year for all full-time, part-time, seasonal and volunteer employees who drive an agency or personal vehicle as part of their job responsibilities,
- As part of the pre-employment screening process, and
- Before approving volunteer firefighters, EMTs, or OEM personnel's "Blue Light" applications.

An employer may order MVRs on their employees under the Federal Driver's Privacy Act which defines the following "permissible uses" of an MVR:

- i. For use by any governmental agency ... in carrying out its functions
- ii. For use by an employer ... to obtain or verify information relating to a holder of a commercial drivers' license (CDL) that is required under Chapter 313 of Title 49.

Employees must be made aware their MVRs will be checked periodically. The N.J. Motor Vehicle Commission requires employees to sign an acknowledgment that they are aware the employer obtains driving history abstracts before operating a motor vehicle on employer business, and periodically thereafter. The signed release can be part of your Employee Handbook or a specific release to check the employee's MVRs. Work with your solicitor to draft a release that conforms to the organization's operations and any collective bargaining agreements. Each year the State will verify signed releases are on file.

WHO SHOULD OBTAIN THE MVR ABSTRACTS?

Designate one or two authorized individuals to order the MVRs from the N.J. Motor Vehicle Commission. MVRs may not be obtained through the local Police Department. Authorized individuals may be the Clerk, an Administrator, a Human Resource representative or the Police Chief. The designated individual must understand they may not share the information with unauthorized individuals as required by the Driver Privacy Protection Act. *Remember, these are confidential reports.* Department heads who review or act upon the MVR reports must also be aware of the confidential nature of driving histories.

This bulletin is intended for general information purposes only. It should not be construed as legal advice or legal opinion regarding any specific or factual situation. Always follow your organization's policies and procedures as presented by your manager or supervisor. For further information regarding this bulletin, contact your Safety Director at 877.398.3045.

HOW DO I ORDER MVRs?

New Jersey public entities can order MVR abstracts from the NJ Motor Vehicle Commission (NJMVC). If you are ordering a small number of MVRs per year, then you are eligible to request MVRs by mail. Mail your request on letterhead to N. J. Motor Vehicle Commission, Business and Government Services, 225 East State Street, 3rd Floor East Wing, P.O. Box 122, Trenton, NJ 08666-0122. If you have any questions, you can call 609-292-4572. There is an annual fee for this service.

Public employers requiring larger numbers of MVRs will need to establish a Customer Abstract Information Retrieval (CAIR) account by applying online at <http://www.state.nj.us/mvc/business/cairrecords.htm>. An Individual User Guide is available on the CAIR homepage. CAIR regulations require users to log in to their account at least every 90 days, or their account will be suspended. The Password must be updated every 45 days. Suspended accounts will need to be reactivated by a CAIR Administrator. The Safety Director suggests users put a reminder on their calendars.

HOW DO I EVALUATE INFORMATION ON THE MVR?

A sample policy for evaluating MVR information is provided below. It is up to each public employer to establish evaluation standards for their agency in consultation with their agency's attorney. The policy must be enforced consistently and without discrimination.

All employees authorized to drive vehicles owned, leased, or controlled by the [Public Entity Name] or use their personal vehicles to conduct business on behalf of the [Entity Name] may have their MVRs reviewed prior to entrustment of a vehicle and annually thereafter.

Drivers with acceptable, marginal or probation grading may be allowed to operate [Entity Name] vehicles or their personal vehicles to conduct business on behalf of the agency.

Drivers with marginal or probation grading will have their MVRs reviewed more frequently. [Semiannual or quarterly reports are recommended] Additional violations or accidents may result in suspension of driving privileges for [Public Entity / Department Name].

Drivers with unacceptable driving records will not be permitted to operate an agency or their personal vehicle to conduct business on behalf of [Public Entity Name].

Acceptable: No moving violations and/or preventable accidents over the last 36 months.

Marginal: Up to 2 moving violations and/or preventable accidents in the last 36 months.

Probation: Up to 3 moving violations and/or preventable accidents within the last 36 months.

Unacceptable: More than three moving violations and preventable accidents within the last 36 months, or more than two moving violations and/or preventable accidents within the most recent year, or any of the violations listed below:

- *Driving while under the influence (DWI or DUI)*
- *Leaving the scene of an accident*
- *Reckless driving violations*
- *Homicide or assault through the use of a motor vehicle*
- *Drivers who currently have a revoked or suspended license*

If an accident is shown on an MVR, it will be assumed to be an 'at-fault' accident. Any change to such a classification will be made only upon receipt of a police report or ruling from an accident review panel showing that the driver in question was not at fault.

Please contact your Safety Director or the State Motor Vehicle Commission if you have additional Motor Vehicle Record questions.

Avoiding Deer-Vehicle Collisions

Autumn is the deer breeding season, or 'rut'. The rut brings a peak in deer movement and we experience more deer on New Jersey roads, leading to a number of deer-vehicle collisions. Vehicles operated by public employers are not immune from this hazard and in some cases, their operations can increase the likelihood, such as the 24 / 7 / 365 operations of law enforcement, fire and EMS agencies. The Safety Director offers the following best practices for avoiding deer-vehicle collisions.

Know your local 'Danger Zones' – As you conduct your everyday business, learn the local areas where you see more deer than other places all year-round. Often these are places where trees form pinch points that create natural funnels. Pay extra attention to these areas, and mentally mark them as danger zones. Make a mental note of the locations of the deer crossing warning signs.

Be vigilant – This is your most effective defense against a deer - vehicle collision. In areas where woodlands adjoin the roadway, be on the lookout in the ditches and forest edges for deer. Deer are most active at dusk and dawn: periods when your vision is most compromised. To add to their terrible timing, deer are most on the move after we turn our clocks back an hour and you are more likely to travel in darkness. You may also spot a deer because their eyes will brightly reflect a car's headlights, making them easier to spot.

Avoid distractions – There are a lot of things in work vehicles that can take our attention away from the road; radios, cell phones, computers, and conversations with passengers. Make a conscious decision to resist these distractions as much as possible, especially in danger zones.

Slow down early – When you think you see a deer ahead, slow down and be prepared to completely stop if necessary. At night, deer may be blinded or confused by your headlights. They may not be sure if there is danger or where it is located and may dart suddenly in front of you. Depending on traffic, you may also be able to move towards the center of the road giving you more time to react if the deer decides to enter the road.

Blow your horn – Once you spot a deer standing on the roadside ahead, slow down and blow your horn. The structure of a deer's ears, and their ability to pivot each ear independently, makes them very good at pinpointing the locations of sounds. Some experts recommend that one long blast of the horn will scare deer out of the road. Do not rely on hood whistles or other devices designed to scare off deer. University of Georgia researchers tested a variety of sounds of different frequencies and intensities to see how deer on a roadway reacted. These sounds, emitted from a specially equipped car, included a wide range of the high-frequency sounds that "deer whistles" are claimed to emit. In hundreds of trials, high-frequency whistles did not change deer behavior from the way they reacted when no sound was being emitted.

Use your high beams – When traveling at night in suburban or rural areas, use your high beams whenever possible to help you spot deer on the roadside. Of course, don't forget to dim your lights for oncoming traffic.

Anticipate more than one deer – Deer are pack animals, and rarely travel alone. If a deer crosses in front of you, chances are there are more nearby. During the rut, a doe that runs across the road is very likely to be followed by one or more bucks. If you see one deer run across the road ahead of you, slow down and be prepared to stop.

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Do not swerve to avoid hitting the animal - If you see a deer, brake firmly and calmly, and stay in your lane. Do not swerve into the opposite lane or onto the shoulder of the road to avoid hitting the deer. Swerving or over-steering could make you lose control of your vehicle and turn a bad situation much worse. Deer can be unpredictable, and you could actually swerve directly into their changed path of travel.

Experts advise braking firmly up until the very last second of impact, and then releasing the brakes. This should propel the deer away from your vehicle instead of on to the hood or windshield. Should the animal make contact with the windshield, there's a chance it will smash through, causing the driver to lose control of the vehicle, resulting in serious injury and in some cases, even death to the driver and passengers.

Wear your seatbelt - While wearing a seatbelt may not help prevent a collision with a deer, if the situation worsens and an impact is inevitable, it may lessen the consequences. A seat belt will keep you behind the steering wheel and in a better position to operate the controls of the car.

Investigate new technology - Researchers are constantly searching for new and innovative solutions to the hazards of deer - vehicle collisions. For example, developers have introduced a siren that they claim produces a sound wave that better scares deer away from the source of the noise. While the Safety Director does not recommend any particular product, we do recommend members evaluate for themselves promising new products, procedures, or ideas. We also promote sharing of successes among members.

If you are involved in a deer - vehicle collision:

1. Stay calm.
2. Move your vehicle to a safe place. If possible, pull over to the side of the road and onto the shoulder. Most accidents occur between dusk and dawn; times when you or your vehicle may be less visible to other motorists. Get out of your vehicle and stand in a safe place, well off the roadway.
3. Turn on your hazard lights.
4. New Jersey law requires you to call 9-1-1 if persons were injured or there is property or vehicle damage in excess of \$500.00. The Safety Director recommends the police be notified of any deer-vehicle collision involving a public vehicle or a personal vehicle being driven on official business.
5. Notify your supervisor.
6. Stay away from the deer. If it is still alive, it could be confused, injured and dangerous if approached. A wounded deer could use its powerful legs and sharp hooves to harm you. When contacting the authorities, let them know if the deer is injured or blocking traffic or creating a threat for other drivers so that it can be quickly handled.
7. Document the incident: If it's safe to do so, take photographs of the roadway, your surroundings, damage to your vehicle, and any injuries you or your passengers sustained. If witnesses stop, take down their account of what occurred and ask for their contact information.

January 2019

Best Practices for Snow Emergencies

During the winter months exposure to slip and falls greatly increase due to weather conditions such as freezing rain, snow and ice. Public agencies in New Jersey must plan to protect their workers and community from accidents occurring on icy surfaces. The following guidelines are offered as suggestions when planning for emergency operations presented by winter storms. Every storm event is different and municipal needs and resources will vary. This document offers best practices that have been identified by our member towns regarding hours of operation, rest breaks, and rotating schedules for before, during and after snow events.

Pre-planning

- **Chain of command**
 - Identify who will hold command staff positions. Plan for at least two persons for each command staff position to man the command center around the clock for the first day or two for major snow events.
 - Develop a written snow plan with defined roles and hierarchy.
 - Verify emergency contact information.
- **Staffing**
 - Supplement crews with back ups, including contractors, utilities, fire department and per diem drivers
 - Consider developing a list of retired CDL drivers you might call upon.
 - Consider areas that may require the use of contractors with specialized equipment i.e. cul-de-sacs.
 - Consider having departments clear their own lots if possible; i.e. fire departments and utilities.
- **Shift work planning**
 - Remind workers of need to prepare their homes and families for their absence during the emergency.
 - Consider sending workers home early in anticipation of call back e.g. sending a crew home if storm predicted to begin during the night. May be treated as "excused absence."
 - Consider shifts of 12 hours of continuous operation (with allowances for meal breaks and periodic rest periods); followed by 6 hours of downtime. Under extreme conditions, entities may need to extend to, but should not exceed, 18 hours.
- **Plan for rest breaks / sleeping accommodations**
 - Entities may need to encourage drivers to stay at municipal facilities. Provide sleeping arrangements at fire and EMS stations, Senior Centers or municipal complex.
 - Ensure quiet time at these locations.
 - Plan for possible power interruptions at these locations.
- **Plan for Health and Welfare**
 - Consider needs for food and hydration, especially for the drivers.
 - Educate workers on appropriate winter and protective apparel.
 - Remind workers to pack personal items such as medications, special dietary needs, etc.
 - Remind supervisors and employees that employees on transitional duty may not work beyond their medical restrictions.

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Operations during storm

- **Establish priority routes and areas**
 - Clear parking lots and access routes of emergency response agencies (police, fire, and EMS) first
 - Consider providing sand / salt to use until clearing occurs at municipal facilities
- **Communication plans / telephone or radio contact**
 - Establish who will operate as Base (part of incident command structure)
 - Determine who takes calls from residents, both emergency and non-emergency (complaints)
 - Establish liaison with other towns or agencies, news agencies, etc.
 - Ensure operators remain in constant contact with Base
 - Establish procedures for reporting and responding to accidents / incidents
- **Deteriorating Storm Conditions “When to temporarily halt operations”**
 - Who makes the final call when to halt operations?
 - Include the criteria for “temporary halting of operations” in plan, i.e., discontinuing operations until conditions improve, with consultation of major stakeholders,
 - Encourage all who are in the field to report status of conditions for the safety of the entire crew
- **Rest breaks / Fatigue**
 - Inform drivers that they have the personal responsibility to pull themselves from driving if they feel overly fatigued or diminished. Have a procedure on how the driver will report to a supervisor and how to address the situation within employment agreements.
- **Rotations**
 - Incorporate travel distance to work into shift planning. Those who live farthest, home after 12 hours to sleep and return for next shift.

Post-Storm Operations

- **Return to normal operations**
 - As conditions normalize, transition back to normal 8-hour shifts
 - Consider fatigue from the extended shifts when transitioning back to normal operations.
 - Inspect, repair and perform routine maintenance on equipment
- **Conduct after-incident debriefing**
 - Review with all stakeholders what worked and what challenges were encountered
 - Update your Snow Emergency Plan with lessons learned from the event
- **Liability issues – Recommendations to limit liability**
 - Maintain a record of weather conditions
 - Document actions taken, date, time, crews, equipment employed, and materials (salt etc.) used
 - Record *all* complaints with date and time received
 - Document specific actions taken and time of action in response to complaints
 - Take photographs to record weather conditions and incidents
 - Preserve newspaper articles on storm severity and clean up activities
 - Work with police to have their accident reports supplemented with photographs showing conditions

Snow events are difficult. Proper planning and training can ease the strain on employees, managers, and the community.

RESOLUTION NO. 15-19

**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 January 28, 2019.

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 January 28, 2019 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 January 28, 2019.

ADOPTED:

ANDREW A. MAIR, CHAIRMAN

DATE

ATTEST:

K. MEGAN CLARK HUGHES, VICE CHAIR

DATE

PAYMENT AUTHORIZATION REQUESTS

January 28, 2019

| <u>Claim #</u> | <u>Claimant</u> | <u>Type of Claim</u> | <u>PAR/SAR</u> |
|-----------------------|------------------------|-----------------------------|-----------------------|
| 3960000953 | Gwendoyln Knott | Worker Compensation | PAR |
| 3960001151 | Jaime Palecek | Worker Compensation | SAR |
| 3960002062 | Mark Jackson | Worker Compensation | PAR |
| 3960002463 | Kevin Molder | Worker Compensation | PAR |
| 3960002402 | Brian Blakely | Worker Compensation | PAR |
| 3960000571 | Alan Longstreet | Worker Compensation | PAR/SAR |

APPENDIX I

**MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – DECEMBER 20, 2018
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 | Excused |
| Lillian Nazzaro (<i>Alternate</i>) | Excused |

FUND PROFESSIONALS PRESENT:

| | |
|----------------------------|---|
| Executive Director | PERMA Risk Management Services Joseph Hrubash |
| Claims Service | Inservco Insurance Services, Inc. Nancy Fowlkes Suretha Hobbs Yvonne Frey |
| | Conner Strong & Buckelew Michael Cusack |
| Managed Care Services | First MCO Alyson Cronk |
| NJCE Underwriting Manager | Conner Strong & Buckelew |
| Risk Management Consultant | Borden Perlman Salisbury & Kelly Doug Borden Jeff Martin |
| Attorney | Paul Adezio, Esq. |
| Safety Director | J.A. Montgomery Risk Control Glenn Prince |

ALSO PRESENT:

John Pszwaro, Esq., Capehart Scatchard, PA
Susan Schaefer, Susan Schaefer, LLC
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN & CLOSED MINUTES OF OCTOBER 27, 2018

**MOTION TO APPROVE THE OPEN & CLOSED MINUTES OF
OCTOBER 27, 2018**

| | |
|---------|----------------------|
| Moved: | Commissioners Hughes |
| Second: | Chairman Mair |
| Vote: | 2 Yes, 0 Nays |

CORRESPONDENCE: None

SAFETY COMMITTEE REPORTS: Mr. Prince reported the Safety Committee last met on December 18, 2018. Mr. Prince noted the next meeting was scheduled for January 16, 2019. Mr. Prince advised that concluded his report unless there were any questions.

CLAIMS COMMITTEE: Mr. Cusack referred to a copy of the Claims Committee 2019 Meeting Schedule which was included in the agenda. Mr. Cusack advised the start time of the meeting was dependent on the number of claims. Mr. Cusack noted the start time would be either 9:30 or 10:00 and an e-mail would be sent prior to the meeting announcing the time.

Mr. Cusack referred to a copy of Chubb's endorsement # 8 which was included in the Appendix section of the agenda. Mr. Cusack advised the quarterly bordereau reporting was set up to ease the reporting of EPL claims. Mr. Cusack advised a spreadsheet which was approved by Chubb was being used to report claims during a three month period. The report was reviewed by Mr. Cusack and Ms. Zeiders and then the report was submitted to Chubb. In response to Chairman Mair inquiry, Mr. Adezio advised all incidents were being reporting through the bordereau. Mr. Cusack reviewed items i through vi of the endorsement and noted those claims should be reported immediately and outside of the bordereau. Ms. Zeiders advised if the incident was on the bordereau but needed to be reported immediately, the information would be deleted from the bordereau and set up with a claim number.

Mr. Cusack also referred to a copy of his memo which was included in the agenda regarding the Reporting of "Discovery" or Claims Made and Reported" Policies Prior to 12/31/18 Expiration Date. Mr. Cusack reminded everyone that it was imperative that any claim, potential claim or facts and circumstances that may give rise to a claim be reported to the insurance company prior to the policy expiration.

Lastly, Mr. Cusack advised the Best Practice Workshop was held on November 1st and one of the topics covered was the Opioid Epidemic. Mr. Cusack referred to a copy of the e-book, "The Opioid Epidemic" which was included in the Appendix of the agenda for employers to use as a

supplemental resource to address this critical topic. Mr. Cusack advised that concluded his report unless there were any questions.

EXECUTIVE DIRECTOR REPORT: Executive Director advised his report was included in the agenda and there were three action items.

2019 PROPERTY & CASUALTY BUDGET: Executive Director referred to a copy of the 2019 Property & Casualty Budget which was included in the agenda. Executive Director advised the introductory budget was in the amount of \$7,677,369 and represented an overall decrease of \$208,483 or 2.64% over last year's budget. Executive Director explained this was due primarily to a reduction in the worker compensation loss funds and overall performance of the Commission. Chairman Mair advised the performance of the Commission was attributed to the hard work and efforts of Ms. Walker and Ms. Hughes. Executive Director referred to line 9, the CELJIF premium and advised the premium was increased due to the changes in the property retention, increased property premium and the addition of a property TPA as well as the a new underwriting and claims system.

Executive Director advised a copy of the assessments were also included in the agenda. Executive Director asked if there were any questions and if not requested a motion to introduce the budget.

**MOTION TO INTRODUCE THE 2019 PROPERTY & CASUALTY
BUDGET IN THE AMOUNT OF \$7,677,369 AND SCHEDULE A PUBLIC
HEARING ON JANUARY 28, 2019 AT THE MERCER COUNTY
MCDADE BUILDING, 640 S. BROAD STREET, TRENTON, NJ AT 10:30
AM**

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

NJCE DIVIDEND: Executive Director advised the NJCE declared a dividend for the 2011, 2013 and 2014 Fund years in the amount of \$500,000. Executive Director reported Mercer County Insurance Fund Commission's share was \$22,069. Executive Director referred to a copy of the per member entity share of the dividend which was included in the agenda. Executive Director noted a dividend credit would appear on the first 2019 assessment billing.

CERTIFICATE OF INSURANCE ISSUANCE REPORT: Executive Director reported the certificate of issuance report from the NJCE listing the certificates issued for the months of October and November were included in the agenda. Executive Director advised there were 7 certificate of insurances issued during the month of October and 5 for the month of November.

**MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT
FOR THE MONTHS OF OCTOBER AND NOVEMBER**

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

EMPLOYEE DISHONESTY COVERAGE RENEWAL: Executive Director reported the Employee Dishonesty Coverage policy with Selective Insurance Company renewed on January 1, 2019. Executive Director advised the policy covered the positions of Executive Director, Third Party Administrator and the Treasurer. Executive Director indicated the annual premium was \$1,841 and was slightly less than last year's premium. Executive Director noted the limit per loss was \$1,000,000 with a \$10,000 deductible. Executive Director advised the coverage for this policy would be paid out of the miscellaneous and contingency budget line.

**MOTION TO APPROVE EXPENDITURE FOR EMPLOYEE
DISHONESTY COVERAGE IN THE AMOUNT OF \$1,841**

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

NJ COUNTIES EXCESS JOINT INSURANCE FUND (NJCE): Executive Director advised the NJCE met on November 15, 2018 and a summary report of the meeting was included in the agenda. Executive Director reported the NJCE adopted the 2019 Budget in the amount of \$23,315,997. Executive Director advised the Board of Fund Commissioners adopted resolutions reaffirming membership offers to the Counties of Monmouth and Essex. Executive Director noted the NJCE was scheduled to meet again on February 28, 2019.

MCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director advised the October Financial Fast Track was included in the agenda. The Commission had a surplus of \$10,374,975 as of October 31, 2018. Executive Director also referred to line 10 of the report, "Investment in Joint Venture" and indicated \$1,084,076 of the surplus was the MCIFC's share of the NJCE equity.

NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the October Financial Fast Track was included in the agenda. As of October 31, 2018 the Fund had a surplus of \$14,039,701 and the cash balance was \$28,306,728.

CLAIMS TRACKING REPORTS: Executive Director advised the Claims Tracking Reports for the month of October were included in the agenda. Executive Director reviewed the reports with the Commission.

2019 MCIFC MEETING DATES: Executive Director referred to a copy of the proposed 2019 MCIFC Executive Committee Meeting Schedule which was included in the agenda. Executive Director reported the May meeting date fell on Memorial Day. Executive Director advised his recommendation was not to schedule a meeting but if one was needed the meeting could be scheduled prior to May. Executive Director noted the Commission would not meet in August or November, however meetings could be scheduled with the required notice. Executive Director advised if the dates were acceptable a resolution would be prepared for approval with the Reorganization Resolutions in January.

EMPLOYEE ADMINISTRATION OF NARCAN: Executive Director reported the Chairman had requested a discussion on the administration of narcan. Chairman Mair advised they had provided narcan training to the employees if they encounter someone who has overdosed to administer the narcan. Chairman Mair reported some of the employees expressed concern over liabilities if they do this. Chairman Mair advised there was indemnification and there was the Good Samaritan law. In response to Chairman Mair, Mr. Borden advised their policy did include incidental malpractice.

Executive Director advised that concluded his report unless there were 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 41-18 and December Bill List, Resolution 42-18 were included in the agenda.

**MOTION TO APPROVE RESOLUTION 41-18, NOVEMBER BILL LIST
AND DECEMBER BILL LIST, RESOLUTION 42-18**

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

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

ATTORNEY: Mr. Adezio advised he was pleased to announce the Freeholders adopted all of the resolutions to authorize the services of all of the Professionals for 2019.

CLAIMS SERVICE: Ms. Fowlkes reported she would present the PARS during closed session. Ms. Fowlkes advised Resolution 43-18, Disclosure of Liability Claims Check Registers, were included in the agenda along with a copies of the check registers for October 1, 2018 to October 31, 2018 and November 1, 2018 through November 30, 2018.

**MOTION TO APPROVE RESOLUTION 43-18 AUTHORIZING
DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTERS**

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

MANAGED CARE: Ms. Cronk advised First MCO's report was included in the agenda and she would review the month of November. Ms. Cronk reported for November bills were received in the amount of \$44,354. First MCO repriced the bills to \$28,175 for a total savings of \$16,179 or 36%. Ms. Cronk advised there were 118 bills and 108 bills were in network. Ms. Cronk noted the PPO Penetration was 92%. Ms. Cronk advised that concluded her report unless there were any questions.

NJCE SAFETY DIRECTOR: Mr. Prince reviewed the October - December Risk Control Activity Report which was included in the agenda. Mr. Prince referred to pages 34-35 of the agenda which listed the training opportunities for the period of October 16, 2018 through December 20, 2018. Mr. Prince noted the 6 hour Defensive Driver Course was in progress in the next room. Mr. Prince advised he was asked to look into a claim at the firing range and he would provide a report during closed session. Mr. Prince advised that concluded his report unless anyone had any questions.

RISK MANAGER CONSULTANT: Mr. Martin advised his office was working with County Counsel on a claim that just came out of the airport that dates back to a lease in the 1970's.

Correspondence Made Part of Minutes.

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT:

MOTION TO OPEN THE MEETING TO THE PUBLIC

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

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

MOTION TO CLOSE MEETING TO THE PUBLIC

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

CLOSED SESSION: Chairman Mair read and requested a motion to approve Resolution 44-18 authorizing a Closed Session to discuss PARS.

MOTION TO APPROVE RESOLUTION 44-18 FOR EXECUTIVE SESSION

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

MOTION TO RETURN TO OPEN SESSION

| | |
|--------|---------------|
| Moved: | Chairman Mair |
|--------|---------------|

Second: Commissioner Hughes
Vote: 2 Yes, 0 Nays

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

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

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 11:02AM

Minutes prepared by:
Cathy Dodd, Assisting Secretary

APPENDIX II

2019 Plan of Risk Management

RESOLUTION NO. 11-19

Mercer County Insurance Fund Commission (hereinafter the "Insurance Commission")

BE IT RESOLVED by the Insurance Commission's governing body that effective 1/1/19 the 2019 Plan of Risk Management shall be:

- 1.) The perils or liability to be insured against.
 - a.) The Insurance Commission insures the following perils or liability:
 - Workers' Compensation including Employer's Liability, USL&H and Harbor Marine/Jones Act.
 - General Liability including Law Enforcement Liability and Employee Benefits Liability.
 - Automobile Liability including PIP and Uninsured/Underinsured Motorists Coverage.
 - Property, Auto Physical Damage and Boiler & Machinery.
 - b.) The following coverage are provided to the Insurance Commission's member entities by their membership in the New Jersey Counties Excess Joint Insurance Fund (NJC).
 - Excess Workers' Compensation including employers liability
 - Excess General Liability including law enforcement liability
 - Excess Auto Liability
 - Excess Property including Boiler and Machinery
 - Public Officials Liability/School Board Legal/EPL
 - Crime
 - Pollution Liability
 - Medical Professional and General Liability
 - Cyber Liability
 - Non-Owned Aircraft Liability

2.) The limits of coverage.

a.) Workers' Compensation limits.

- The Insurance Commission covers \$300,000 per occurrence including:
 - Employer's Liability - \$300,000 per occurrence.
 - USL&H – \$300,000 per occurrence.
 - Harbor Marine/Jones Act - \$300,000 per occurrence.
- The NJC covers excess workers compensation claims to the following limits.
 - Workers' Compensation – Statutory excess of the Insurance Commission's \$300,000.
 - Employer's Liability - at a sub-limit of \$25,750,000 excess of the Insurance Commission's \$300,000.
 - USL&H – \$250,000 less NJ State benefits excess of the Insurance Commission's \$300,000.
 - Harbor Marine/Jones Act - \$250,000 less NJ State benefits excess of the Insurance Commission's \$300,000.

NJC retains limits of \$250,000 excess \$300,000 for Workers Compensation and Employers Liability. NJC purchases from Underwriters at Lloyds \$450,000 excess \$500,000 each occurrence/employee for Employers Liability and purchases from Safety National Casualty Company 'Statutory' Workers Compensation limits excess of \$1,000,000 and \$5,000,000 excess of \$1,000,000 for Employers Liability. Additional Employers Liability limits of \$15,000,000 excess of \$6,000,000 are purchased from Underwriters at Lloyds, \$5,000,000/\$10,000,000 excess \$16,000,000 from Argonaut.

b.) General Liability limits.

- The Insurance Commission covers \$250,000 per occurrence.
- Law Enforcement - included in the General Liability limits.

- Employee Benefits Liability - included in the General Liability limits.
- Subsidence - \$250,000 per occurrence
- Sexual Abuse or Molestation Coverage - \$250,000 per occurrence except for schools.
- Owned Watercraft 35' in length or less - \$250,000.
- Garagekeepers Legal Liability - \$250,000
- The NJC covers excess liability claims as follows:
 - General Liability - \$20,250,000 excess the Insurance Commission's \$250,000. The \$15,000,000 excess \$500,000 commercial excess layer is subject to a \$20,000,000 per member insurance commission 12 month aggregate limit. The \$5,000,000 excess \$15,000,000 commercial excess layer is subject to a \$10,000,000 12 month annual aggregate limit.
 - Law Enforcement - included in the NJC's excess General Liability limits.
 - Employee Benefits Liability - included in the NJC's excess General Liability limits.
 - Subsidence - \$250,000 per occurrence excess of the Insurance Commission's \$250,000. NJC retains 100% of the limit excess of the Member Commission's retention.
 - Sexual Abuse or Molestation Coverage - \$250,000 excess of the Insurance Commission's \$250,000 except for schools. NJC retains 100% of the limit excess of the Member Commission's retention.
 - Owned Watercraft 35' in length or less - \$250,000 excess of the Insurance Commission's \$250,000. NJC retains 100% of the limit excess of the Member Commission's retention.
 - Garagekeepers Legal Liability - \$250,000 excess of the Insurance Commission's \$250,000. NJC retains 100% of the limit excess of the Member Commission's retention.

c.) Automobile Liability limits.

- The Insurance Commission covers automobile liability claims as follows:
 - Automobile Bodily Injury and Property Damage Liability claims at a combined single limit of \$250,000.
 - The Insurance Commission covers \$250,000 for Personal Injury Protection (PIP).
 - The Insurance Commission covers \$15,000/\$30,000/\$5,000 for Underinsured/Uninsured Motorists Liability.
- The NJC covers excess automobile liability claims as follows:
 - Automobile Bodily Injury and Property Damage Liability \$20,250,000 excess the Insurance Commission's \$250,000. Please note, an aggregate limit does not apply to automobile liability coverage.

The NJC does not provide excess PIP OR Uninsured/Underinsured Motorist Coverage.

The PIP and Uninsured/Underinsured Motorist coverages shall follow the most current statutory guidelines provided by the State of New Jersey.

d.) Public Officials Liability/School Board Legal/Employment Practices Liability

- The NJC via the commercial market covers public officials liability/school board legal liability/employment practices liability as follows:
 - \$5,000,000 each claim and \$5,000,000 in the annual aggregate on a claims made basis per Insurance Commission subject to the deductibles as outlined below:
 - Mercer County - \$100,000 each POL & \$175,000 EPL
 - Mercer County BOSS - \$100,000 each POL & \$175,000 EPL

- Mercer County Improvement Authority -\$25,000 each POL & \$25,000 EPL

e.) Property/Equipment Breakdown

Property Limits/Sub-limits

- The Insurance Commission covers \$100,000 per occurrence less applicable member entity per occurrence deductibles.
- The NJC provides excess property coverage of \$150,000 excess of the member Insurance Commission limit of \$100,000, and excess coverage via the commercial market with Zurich and excess property coverage with multiple insurers on a quota share basis with the following limits (*SHARED BY ALL NJC MEMBER COMMISSIONS AND THEIR MEMBER ENTITIES*) excess of the member retention and member entity per occurrence deductibles:

Property Per Occurrence Limits:

- A. \$110,000,000 Per Occurrence with Zurich
- B. \$150,000,000 Per Occurrence quota share
- C. \$50,000,000/\$100,000,000 Flood/Earthquake per occurrence
- D. \$260,000,000 per Occurrence Total Program Limit

Property Sub-Limits:

- Earthquake - \$200,000,000 (Annual Aggregate)
- Flood - \$100,000,000 (Annual Aggregate) Except;
 - Flood, Special Flood Hazard Area (SFHA) - \$25,000,000
- Business Interruption -Included
- Extra Expense – \$10,000,000
- Miscellaneous Unnamed Locations - \$10,000,000
- New Construction and Additions – \$25,000,000 per location (90 day reporting period)
- Service Interruption - \$10,000,000 Combined Time Element and Property Damage Including Overhead Transmission Lines within 1 mile of insured premises, 24 hour qualifying period)
- Auto Physical Damage - \$15,000,000
- Underground Piping - \$5,000,000 (only if within 5 MILES of a pump station, process plant, metering pit, wells or similar operational locations which are owned, leased, used occupied or intended for use by the member entity). There is no coverage for perils of Earthquake, Flood or Named Storm

- Outdoor Property - \$10,000,000
- Equipment Breakdown - \$100,000,000

Property Deductibles

- The standard member insurance commission retention is \$100,000 per occurrence less member entity per occurrence deductibles below. Also applies to time element, auto physical damage and flood (except as noted below).
 - Mercer County - \$25,000 Property and \$25,000 Auto Physical Damage.
 - Mercer County IA - \$5,000 Property except the Arena \$10,000 Property, \$1,000 Auto Physical Damage Comprehensive, \$5,000 Auto Physical Damage Collision Arena Only \$10,000
- The Equipment Breakdown deductible is \$25,000 member entity deductible per occurrence.
- Mercer County IA Equipment Breakdown deductible is \$1,000
- The Earthquake Member Insurance Commission retention is \$100,000 per occurrence less the per occurrence member entity deductibles. However, if there is a loss from a single occurrence involving multiple entities, the maximum occurrence deductible will be \$250,000
- The Flood Member Insurance Commission retention is \$100,000 per occurrence (combined property damage and time element) less member entity per occurrence deductibles. However, if there is a loss from a single occurrence involving multiple entities, the maximum occurrence deductible will be \$250,000
- Flood loss for property within the Special Flood Hazard Area (SFHA) is subject to a deductible of \$500,000 each building for municipality buildings, and \$500,000 each building for building contents member entity deductible per occurrence; and \$250,000 for each building for loss of income or the National Flood Insurance Plan's (NFIP) maximum available limits for public entities, whichever is greater, regardless of whether National Flood Insurance program coverage is purchased or not. Losses shall also be adjusted subject to a \$250,000 per occurrence Insurance Commission deductible for pumping stations, pistol ranges, vehicles and mobile equipment less the applicable member entity deductible.

- “Named Storm as respects to covered property in Atlantic, Ocean, Monmouth and Burlington Counties located east of the Garden State Parkway and any covered property in Cape May County”
For Property Damage: subject to a deductible of 1% of the value, per the Schedule of Values on file with the company as of the date of loss, for those Buildings where the direct physical loss or damage occurred, per occurrence; For Time Element: 1% of the full 12 months Gross Earnings or Gross Profit values that would have been earned following the occurrence by use of the facilities at the Location where the direct physical loss or damage occurred and all other Locations where Time Element loss ensues, per occurrence. The 1% Time Element deductible does not apply Extra Expense. Combined PD and TE deductible subject to a minimum deductible of \$250,000 per Location and a maximum deductible of \$1,000,000 per occurrence. The “Named Storm” deductible is a per member entity deductible.
- Note: The Mercer County Insurance Fund Commission provides coverage for the difference in deductible for “insured property” resulting from “insured perils” (per the terms and conditions of the Zurich policy through the NJC JIF), but only for what is not reimbursed by FEMA less the member entity deductible. The Mercer County Insurance Commission will not provide coverage for the difference in deductible for time element loss.

Named Storm is defined as any storm or weather disturbance that is named by the U.S. National Oceanic and Atmospheric Administration (NOAA) or the U.S. National Weather Service or the National Hurricane Center or any comparable worldwide equivalent. Location is defined as a building(s) bounded on all sides by public streets, clear land space or open waterways, each not less than 50 feet wide, a site or tract of land occupied or available for occupancy with tangible property. If the Named Storm involves covered property within the Special Flood Hazard Area (SFHA), the Special Flood Hazard Area (SFHA) deductible above applies.

Special Flood Hazard Area (SFHA) - Is an area defined by FEMA or any foreign equivalent that will be inundated by the flood event having a 1-percent chance of being equaled or exceeded in any given year. The 1-percent annual chance flood is also referred to by FEMA as the base flood or 100-year EDGE-100-B (12/10) flood. SFHA’s per FEMA include but are not limited to Zone A, Zone AO, Zone AH, Zones A1-A30, Zone AE, Zone A99, Zone AR, Zone AR/AE, Zone AR/AO, Zone AR/A1-A30, Zone AR/A, Zone V, Zone VE, and Zones V1-V30. If not defined by FEMA or any foreign

equivalent, it is an area that will be inundated by the flood event having a 1-percent chance of being equaled or exceeded in any given year.

- Underground Piping \$100,000 per occurrence less the member entity deductibles as stated above. There is no coverage for the perils of Earthquake, Flood or named Storm
- Golf Carts - \$25,000

f.) Pollution Liability

The NJC via the commercial market provides pollution liability coverage at the following limits and deductibles (the Insurance Commission retains no risk for Pollution Liability):

- Limit of Liability: \$10,000,000 per claim and \$25,000,000 annual aggregate.
- Member Entity Deductible: \$25,000

NJC does not retain any risk as it is fully insured in the commercial market.

g.) Crime

The NJC via the commercial market provides crime coverage at the following limits and deductibles (the Insurance Commission retains no risk for Crime):

Limit per occurrence:

- Mercer County – \$1,000,000
- Mercer County IA - \$1,000,000

Deductible per occurrence:

- Mercer County – \$25,000
- Mercer County IA - \$15,000

NJC does not retain any risk as it is fully insured in the commercial market.

h.) Medical Professional General Liability/Excess Medical Professional

The NJC via the commercial market provides medical professional general liability/excess medical professional coverage at the

following limits and deductibles (the Insurance Commission retains no risk for medical professional general liability):

- Limit per claim/annual aggregate: \$1,000,000/\$3,000,000
 - This primary aggregate limit is shared by each member entity of each NJC member Commission.
- Member Entity Deductibles GL and PL:
 - Mercer County (Medical Reserves Corp) – \$2,500
 - MCIFC Scheduled Physicians - \$5,000
 - D. Shah -MC
 - R. Ahmad - MC

NJC does not retain any risk as it is fully insured in the commercial market.

i.) Employed Lawyers Professional Liability

- The NJC via the commercial market offers employed lawyers professional liability coverage program that MCIFC does not currently participate.

J.) Cyber Liability – Network Privacy & Security Liability

The NJC via the commercial market provides on an optional basis network privacy & security liability coverage at the following limits and deductibles (the insurance commission retains no risk for network privacy & security liability coverage):

- Limits per claim and annual aggregate: \$3,000,000/\$3,000,000
- Retention per member entity:
 - All Other: \$25,000
 - Waiting Period: 12 Hours
 - Breach Counsel: \$0
- Participating member entities are:
 - Mercer County (Including Board of Social Services)
 - Mercer County IA

h.) Non-Owned Aircraft. The NJCE covers \$9,000,000 CSL for Bodily Injury and Property Damage Liability, and \$5,000 medical expense for each passenger.

NOTICE: The above description is a general overview of the coverage and limits provided by the Insurance Commission. The actual terms and conditions are defined in the individual policy documents and this Risk Management Plan. All issues and/or conflicts shall be decided upon by the individual policy documents. Additional terms, conditions, limits, sublimits and retentions may apply.

- 3.) The amount of risk to be retained by the Insurance Commission (except as noted in section 2. Limits of coverage).
- a.) Workers' Compensation (all coverages) - \$300,000 CSL
 - b.) General Liability (all coverages) - \$250,000 CSL
 - c.) Law Enforcement Liability – Included in General Liability
 - d.) Automobile Liability
 - Property Damage & Bodily Injury - \$250,000 CSL
 - Underinsured/Uninsured - \$15,000/\$30,000/\$5,000 CSL
 - Personal Injury Protection - \$250,000 CSL
 - d.) Public Officials Liability/School Board Legal/Employment Practices Liability - None
 - e.) Property/APD - \$100,000 per occurrence less member entity deductibles.
 - f.) Equipment Breakdown – None for Mercer County and \$25,000 less member deductible of \$1,000 for MCIA.
 - g.) Crime – None
 - h.) Pollution Liability – None
 - i.) Medical Professional General Liability – None
 - j.) Employed Lawyers Liability – None
 - k.) Cyber Liability – None
 - l.) Non-Owned Aircraft - None
- 4.) The amount of unpaid claims to be established.

- a.) The general reserving philosophy is to set reserves based upon the probable total cost of the claim at the time of conclusion. Historically, on claims aged eighteen (18) months, the Insurance Commission expects the claims servicing company to set reserves at 85% accuracy. The Insurance Commission also establishes reserves recommended by the Insurance Commission's Actuary for claims that have been incurred but not yet reported so that the Insurance Commission has adequate reserves to pay all claims and allocated loss adjusted expense liability.
 - b.) Claims reserves are subject to regular review by the Insurance Commission's Executive Director/Administrator, Attorney, Board of Commissioners and claims servicing company. Reserves on large or unusual claims are also subject to review by the claims departments of the commercial insurance companies or reinsurance companies providing primary or excess coverages to the Insurance Commission either directly or through the NJC JIF.
- 5.) The method of assessing contributions to be paid by each member of the Insurance Commission.
- a.) By November 15th of each year, the actuary computes the probable net cost for the upcoming Insurance Commission year by line of coverage and for each prior Insurance Commission year. The Actuary includes all budget items in these computations. The annual assessment of each participating member entity is its pro rata share of the probable net cost of the upcoming Insurance Commission year for each line of coverage as computed by the Actuary.
 - b.) The calculation of pro rata shares is based on each member's experience modified manual premium for that line of coverage. The Insurance Commission's Governing Body also adopts a capping formula which limits the increase of any member's assessment from the preceding year to the Insurance Commission wide average increase plus a percentage selected by the Governing Body. The total amount of each member's annual assessment is certified by majority vote of the Insurance Commission's Governing Body at least one (1) month prior to the beginning of the next fiscal year.
 - c.) The Treasurer deposits each member's assessment into the appropriate accounts, including the administrative account, and the claim or loss retention trust Insurance Commission account by Insurance Commission year for each type of coverage in which the member participates.

- d.) If a member entity becomes a member of the Insurance Commission or elects to participate in a line of coverage after the start of the Insurance Commission year, such participant's assessments and supplement assessments are reduced in proportion to that part of the year which had elapsed.
 - e.) The Insurance Commission's Governing Body may by majority vote levy upon the participating member entities additional assessments wherever needed or so ordered by the Commissioner of Insurance to supplement the Insurance Commission's claim, loss retention or administrative accounts to assure the payment of the Insurance Commission's obligations. All supplemental assessments are charged to the participating member entities by applicable Insurance Commission year, and shall be apportioned by the year's assessments for that line of coverage.
 - f.) Should any member fail or refuse to pay its assessments or supplemental assessments, or should the Insurance Commission fail to assess funds required to meet its obligations, the Chairman, or in the event by his or her failure to do so, the custodian of the Insurance Commission's assets, shall notify the Commissioner of Banking and Insurance and the Director of Community Affairs. Past due assessments shall bear interest at the rate established annually by the Insurance Commission's Governing Body.
- 6.) Procedures governing loss adjustment and legal expenses.
- a.) The Insurance Commission engages a claims service company to handle all claims. The performance of the claims adjusters is monitored and periodically audited by the Executive Director's office, the Insurance Commission Attorney, the NJC's attorney's office, as well as the claims department of the NJC's three major excess insurers (i.e. Underwriters at Lloyds, National Casualty for excess liability; Underwriters at Lloyds and Safety National Casualty Company for workers' compensation/employers liability). Every three years, the NJC's internal auditors may conduct an audit.
 - b.) Each member entity is provided with a claim reporting procedure and appropriate forms.
 - c.) In order to control workers' compensation medical costs, the Insurance Commission has engaged a managed care organization component through a contract with the claims service company whose procedures are integrated into the Insurance Commission's claims process.

- d.) To provide for quality defense and control costs, the Insurance Commission will utilize County Counsel attorneys and/or in-house counsel. In addition, it has established an approved defense attorney panel with firms which specialize in Title 59 matters. The performance of the defense attorneys is overseen by the Insurance Commission Attorney, as well as, the various firms which audit the claims adjusters.
- 7.) Coverage to be purchased from a commercial insurer, if any.
- The Insurance Commission purchases a commercial crime bond to provide coverage in the event of an employee theft loss caused by the Insurance Commission's TPA, Executive Director, and/or Treasurer. The bond is purchased from Selective Fire and Casualty Insurance Company.
- 8.) Reinsurance to be purchased.
- The Insurance Commission does not purchase reinsurance.
- 9.) Procedures for the closure of Insurance Commission years, including the maintenance of all relevant accounting records.
- a.) Not applicable at this time.
- 10.) Assumptions and Methodology used for the calculation of appropriate reserves requirements to be established and administered in accordance with sound actuarial principles.
- a.) The general approach in estimating the loss reserves of the Insurance Commission is to project ultimate losses for each Insurance Commission year using paid and incurred loss data. Two traditional actuarial methodologies are used: the paid loss development method and the incurred loss development method. From the two different indications resulting from these methods the Insurance Commission Actuary chooses a "select" estimate of ultimate losses. Subtraction of the paid losses from the select ultimate losses yields the loss reserve liability or Insurance Commission funding requirement.
- b.) The following is an overview of the two actuarial methods used to project the ultimate losses.
- Paid Loss Development Method - This method uses historical accident year paid loss patterns to project ultimate losses for each accident year. Because this method does not use case reserve data, estimates from it are not affected by changes in case reserving practices. However, the results of this method are

sensitive to changes in the rate of which claims are settled and losses are paid, and may underestimate ultimate losses if provisions are not included for very large open claims.

- Case Incurred Loss Development Method - This method is similar to the paid loss development method except it uses historical case incurred loss patterns (paid plus case outstanding reserves) to estimate ultimate losses. Because the data used includes case reserve estimates, the results from this method may be affected by changes in case reserve adequacy.

11.) The maximum amount a certifying and approving officer may approve pursuant to N.J.A.C. 11:15-2.22.

- \$20,000 for workers compensation claims
- \$7,500 for liability claims
- With the advance approval of the Insurance Commission Attorney or Executive Director, the certifying and approving officer may also pay hospital bills if waiting until after the next regularly scheduled Insurance Commission meeting would result in the loss of a discount on such bills. When the certifying and approving officer utilizes this authority, a report shall be made to the Commissioners at their next meeting.

Adopted by the Governing Body this day of 28 of January 28, **2019**.

Mercer County Insurance Fund Commission

By: _____
Chairperson

Attest:

Secretary