

**MERCER COUNTY INSURANCE FUND COMMISSION  
AGENDA AND REPORTS  
JULY 22, 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: JULY 22, 2019**  
**640 S. BROAD STREET, ROOM 212**  
**TRENTON, NJ 08650-8068**  
**10:30 AM**

- ☐ **MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ**
- ☐ **ROLL CALL OF COMMISSIONERS**
- ☐ **APPROVAL OF MINUTES:**    June 24, 2019 Open Minutes.....Appendix I  
   June 24, 2019 Closed Minutes .....Handout
  
- ☐ **CORRESPONDENCE: None**
  
- ☐ **COMMITTEE REPORTS**  
    Safety Committee:..... Verbal  
    Claims Committee: ..... Verbal
  
- ☐ **EXECUTIVE DIRECTOR/ADMINISTRATOR - PERMA ..... Pages 3-16**
  
- ☐ **TREASURER – David Miller**  
    Resolution 30-19 July Bill List - Motion .....Page 17  
    May Treasurer Reports ..... Pages 18-19
  
- ☐ **ATTORNEY – Paul Adezio, Esq. .... Verbal**
  
- ☐ **CLAIMS SERVICE –Inservco Insurance Services, Inc. - Motion**  
    Resolution 31-19 Authorizing Disclosure of Liability Claims Check Register..... Pages 20  
    Liability Claim Payments 6-1-19 to 6-30-19 ..... Pages 21-22
  
- ☐ **MANAGED CARE – First MCO**  
    Monthly Summary Report – June.....Page 23
  
- ☐ **NJCE SAFETY DIRECTOR – J.A. Montgomery Risk Control**  
    Monthly Report.....Page 24
  
- ☐ **RISK MANAGER CONSULTANT – Borden Perlman Salisbury & Kelly**  
    Monthly Report..... Verbal
  
- ☐ **OLD BUSINESS**
- ☐ **NEW BUSINESS:**
- ☐ **PUBLIC COMMENT**
  
- ☐ **CLOSED SESSION – Payment Authorization Requests (PARS) ..... Pages 25-26**  
    Resolution 32-19 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

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- ☐ MEETING ADJOURNMENT

- ☐ NEXT SCHEDULED MEETING: September 23, 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: July 22, 2019

Memo to: Commissioners of the Mercer County Insurance Fund Commission

From: PERMA Risk Management Services

Subject: Executive Director's Report

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- ☐ **Certificate of Insurance Report (Pages 5-6)** – Attached on pages 5-6 is the certificate of insurance report from the NJCE listing those certificates issued during the month of June. There were 5 certificates issued.

☐ **Motion to approve the certificate of insurance reports for the month of June**

- ☐ **Revised 2019 Plan of Risk Management (Appendix II)** – Effective July 1, 2019 the Plan was amended moving the Garagekeepers Liability coverage to the Property Section allowing full limits for Garagekeepers Liability. Attached in Appendix II is a copy of the revised plan, Resolution 29-19. The changes are highlighted in yellow.

☐ **Motion to adopt Resolution 29-19, Revised Risk Management Plan**

- ☐ **NJ Excess Counties Insurance Fund (NJCE) (Pages 7-9)** - The NJCE met on June 27, 2019. Attached on pages 7-9 is a written summary of the meeting. The NJCE is scheduled to meet again on September 26, 2019.
- ☐ **NJCE Appointed Property TPA** – The Board of Fund Commissioners adopted a resolution awarding a contract to Scibal Associates, Inc., t/a Qual-Lynx for Property Claims Administrator Services at their last meeting of June 27, 2019. Qual-Lynx was selected after an RFP process and evaluation by Fund Commissioners and JIF Professionals. The contract is effective as of August 1, 2019 and it is anticipated that Qual-Lynx will handle all property claims from first dollars, with the exception of auto physical damage claims, which will remain with the current TPA.

Introductory meetings with Qual-Lynx will be set up for the next Claims and or Commission meetings.

- ☐ **MCIFC Property & Casualty Financial Fast Track (Pages 10-11)** – Included in the agenda on pages 10-11 is a copy of the Financial Fast Track for the month of May. As of **May 31, 2019** the Commission has a surplus of **\$11,345,073**. 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 May 31, 2019 is **\$1,420,071**.

- ❑ **NJCE Property and Casualty Financial Fast Track (Pages 12-13)** – Included in the agenda on pages 12-13 is a copy of the NJCE Financial Fast Track for the month of May. As of **May 31**, the Fund has a surplus of **\$17,251,319**. The cash balance is **\$28,698,105**.
- ❑ **Claims Tracking Reports (Pages 14-16)** - Included in the agenda on pages 14-16 are copies of the Claim Activity Report and the Claims Management Report Expected Loss Ratio Analysis report as of May 31, 2019. The Executive Director will review the reports with the Commission.
- ❑ **2018 Commission Audit** – Mr. Jim Miles of Bowman & Company, LLP is starting the 2018 Commission Audit. We expect Mr. Miles to present a copy of the audit at our September meeting.
- ❑ **2019 Meeting Schedule** – The Commission is not scheduled to meet again until September 23, 2019. The Commission previously adopted Resolution 10-19, Authorizing the Commission Treasurer to Process Contracted Payments and Expenses when the Commission does not meet.

# Mercer County Insurance Comm.

## Certificate of Insurance Monthly Report

From 6/1/2019 To 7/1/2019

Holder (H)/ Insured Name (I)	Holder / Insured Address	Description of Operations	Issue Date/ Cert ID	Coverage
H - JBJ Group Inc, T/A Panek's Golf  I - County of Mercer	Car Service Company 374 Eggerts Crossing Road Trenton, NJ 08638	Company D: XS Liability \$5,000,000 XS of \$15,000,000 Policy Term: 1/1/19 to 1/1/20 Policy # TBD Company E: XS Workers Compensation Statutory xs \$1,000,000 XS Employers Liability \$5,000,000 xs \$1,000,000 Policy Term 1/1/19 to 1/1/20 Policy #SP4056379 The Certificate Holder is an Additional Insured on the above- referenced Commercial General Liability and Excess Liability Policies if required by written contract.	6/3/2019  #2186832	GL AU EX WC OTH
H - Borough of Lakehurst  I - County of Ocean	5 Union Avenue Lakehurst, NJ 08733	Company D: XS Liability \$5,000,000 XS of \$15,000,000 Policy Term: 1/1/19 to 1/1/20 Policy # TBD Company E: XS Workers Compensation Statutory xs \$1,000,000 XS Employers Liability \$5,000,000 xs \$1,000,000 Policy Term 1/1/19 to 1/1/20 Policy #SP4056379 The Certificate Holder is an Additional Insured on the above- referenced Commercial General Liability and Excess Liability Policies if required by written contract as respect to Kayak Clinic at Lake Horicon on June 15, 2019 - July 06, 2019 - August 10, 2019	6/12/2019  #2191979	GL AU EX WC OTH
H - Christopher Uffer  I - County of Mercer	NJ Transit Local Programs/Community Mobility One Penn Plaza East 4th Floor Newark, NJ 07105	Company D: XS Liability \$5,000,000 XS of \$15,000,000 Policy Term: 1/1/19 to 1/1/20 Policy # TBD Company E: XS Workers Compensation Statutory xs \$1,000,000 XS Employers Liability \$5,000,000 xs \$1,000,000 Policy Term 1/1/19 to 1/1/20 Policy #SP4056379 Certificate Holder/Lien Holder 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 2018 Ford E- 450, 12 Ambulatory Seats and 2 Securement locations, Vin #:1FDFF4FS1JDC37260, Vehicle No. 16-1997	6/18/2019  #2196480	GL AU EX WC OTH

# **Mercer County Insurance Comm.**

## **Certificate of Insurance Monthly Report**

**From 6/1/2019 To 7/1/2019**

H - Marina District Development I - County of Mercer	Company, LLC Attn: Legal Department 1 Borgata Way Atlantic City, NJ 08401	Company D: XS Liability \$5,000,000 XS of \$15,000,000 Policy Term: 1/1/19 to 1/1/20 Policy # TBD Company E: XS Workers Compensation Statutory xs \$1,000,000 XS Employers Liability \$5,000,000 xs \$1,000,000 Policy Term 1/1/19 to 1/1/20 Policy #SP4056379 Policy A: Property Policy #: MERC20191-14; Policy Term: 01/01/2019 - 01/01/2020; Policy Limit: \$100,000 Real & PP Policy F: Property Policy #: ERP9806162067; Policy Term: 01/01/2019 - 01/01/2020; Policy Limit: \$110,000,000 Policy F: Auto Phy Dam Policy #: ERP9806162067; Policy Term: 01/01/2019 - 01/01/2020; Policy Limit: \$15,000,000 Certificate Holder/Lien Holder 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 2018 Ford E- 450, 12 Ambulatory Seats and 2 Securement locations, Vin #: 1FDFE4FS1JDC37260, Vehicle No. 16-1997	6/19/2019 #2196556	GL AU EX WC OTH
H - Hopewell Township I - County of Mercer	201 Washington Crossing-Pennington Road Titusville, NJ 08560	Company D: XS Liability \$5,000,000 XS of \$15,000,000 Policy Term: 1/1/19 to 1/1/20 Policy # TBD Company E: XS Workers Compensation Statutory xs \$1,000,000 XS Employers Liability \$5,000,000 xs \$1,000,000 Policy Term 1/1/19 to 1/1/20 Policy #SP4056379 Evidence of Insurance with respect to Annual Insect Festival at the Mercer Educational Gardens on September 14th, 2019 from 11:00 am to 2:00pm	6/26/2019 #2200214	GL AU EX WC OTH
<b>Total # of Holders: 5</b>				

## NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND

9 Campus Drive – Suite 216

Parsippany, NJ 07054-4412

Telephone (201) 881-7632 Fax (201) 881-7633

**Date:** June 27, 2019

**To:** Mercer County Insurance Fund Commission

**From:** PERMA Risk Management Services

**Subject:** New Jersey Counties Excess Meeting Report

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**Financial Fast Track:** The Financial Fast Track as of April 30, 2019 reflected a year-to-date change of approximately \$90,000 in discount claim values on reserves and an overall statutory surplus of \$17 million.

**December 31, 2018 Audit:** Fund Auditor submitted a draft financial audit for the period ending December 31, 2018 and provided a summary review of the Financial Statements. Fund Auditor reported there were no recommendations or findings. Fund Auditor said the Fund is in excellent financial condition would be submitting a final report at the September meeting. The Board of Fund Commissioners adopted a resolution authorizing the Fund office to file the draft audit and request an extension to file the final audit report to the State's regulatory agencies.

**Litigation Management:** Fund Attorney submitted a report that a Request for Proposals (RFP) for Litigation Management services was advertised and one response from Citta, Holzapfel & Zabarsky P.A. (incumbent firm) was received. The Board of Fund Commissioners adopted a resolution ratifying an agreement between the Fund and Citta, Holzapfel & Zabarsky P.A. for Litigation Management Services.

**Excess Property Third Party Administrator (TPA):** Executive Director said as previously discussed, effective 1/1/2019 the Excess Property Self Insured Retention (SIR) increased from \$100,000 to \$250,000 - funded at the NJCE level – and claims would be managed by a TPA to adjust Excess Property claims from 1<sup>st</sup> dollar. Fund Attorney reported that an initial RFP was issued in January, but all responses were rejected in order to clarify information in the RFP.

Fund Attorney said a 2<sup>nd</sup> RFP was issued and a total of 5 responses were received; two vendors were not considered as they did not fully address an item(s) in the RFP and the other three vendors were interviewed by an RFP Evaluation Committee on June 25<sup>th</sup>. Fund Attorney submitted a memorandum to Board, which noted the Committee's recommendation to award an agreement to Scibal Associates, Inc. t/a Qual-Lynx based on tallied score sheets. Contract term is August 1, 2019 thru re-organization in February 2022. The Board of Fund Commissioners adopted a resolution awarding a contract to Scibal Associates, Inc. t/a Qual-Lynx for Property Claims Administrator Services.

**Legislation Update:** Deputy Executive Director said the Municipal Excess Liability JIF (MEL), NJ League of Municipalities (LOM) and New Jersey Association of Counties (NJAC) have been monitoring Senate Bill no. S-477 (Statute of Limitations), as well as, the amending Bills S3739 and



A5392 which extends the statute of limitations in civil actions for sexual abuse claims from two years to virtually unlimited. In late April, the draft amendment Bill S3739 was revised whereas eliminating all public entity immunities including those provided under Title 59. This created even greater implications for public entities, public officials, elected officials and all levels of government employees. The joint effort of the MEL, LOM, NJAC and New Jersey Schools Insurance Group (NJSIG) and with the help of other parties, the sponsor agreed to amend the Bill to bring back “common law” immunities and “case law” immunities for public entities. Deputy Executive reported that while Title 59 immunities were not reinstated this is a better result than having public entities in a “strict liability” situation. The law goes into effect 12/31/19.

Deputy Executive Director reported the MEL and its affiliated JIF - the Residual Claims Fund (RCF) - are working on a comprehensive training and education program as well as formulating a specialized claims handling and defense program to address the added exposure to its membership. The MEL and RCF will likely authorize the release of a request for proposal for specialized claims handling and defense panel firms. In addition, the MEL is working with J.A. Montgomery on the training and education program. The NJCE Board of Fund Commissioners agreed to participate with the MEL and RCF in the training and education program and the specialized claims handling and defense program.

Lastly, Deputy Executive Director reported that in addition to training, the MEL and RCF will provide cash flow options for their membership to address all current claims or new “tail” claims since it is impossible for the Actuary to assess loss funds for this new exposure. The NJCE Board of Fund Commissioners agreed to review a similar cash flow option for its membership at the next meeting.

**2020 Renewal – Underwriting Data Collection:** Executive Director reported the fund office will begin the data collection process for the 2020 renewal in order to provide relevant information to underwriters.

PERMA has entered into a contract with Origami to develop an online underwriting and claims data platform for members to access as a resource. Historical underwriting data and audited payrolls will be uploaded into the platform for members to review. Each Commission/County member has been asked to provide two representatives that will have access to the system. The anticipated launch date is late July allowing members to review underwriting data in time to introduce a budget at the October meeting. Additional information regarding system training and access will be provided when available.

**New Jersey Association of Counties (NJAC):** In May, the Board supported the Fund’s membership in the NJAC, as well as, attendance at the May 8-10<sup>th</sup> in Atlantic City. Attendees found the conference and the seminars beneficial and look forward to participating in future NJAC events.

**New Jersey Counties Excess JIF Logo:** In May, the Board supported development of a logo and two options were circulated for feedback: a) Doric Column design and b) NJ State/Leaf design. The NJ/leaf design was unanimously agreed upon and will be finalized by the graphic designer.

**Claims Status Summary:** AmeriHealth Casualty Services was in need of a Closed Session to discuss claims status and other matters, which was reviewed during Closed Session.

**NJCE Coverage Committee:** A Coverage Committee meeting has been scheduled for July 9, 2019 at 11:00AM; location will be hosted at the new Connor Strong & Buckelew Camden location with video conference available in other offices. Interested participants should contact the Fund office if you would like to attend.

**Underwriting Manager:** Underwriting Manager reported the NJCE Risk Management Plan will be amended at the next meeting to reflect two changes that are informational only: 1) name change of Rowan College and 2) clarification of garage-keepers liability. Underwriting Manager reported discussions are ongoing with excess carriers on the 2020 renewal and will provide additional information at the next meeting.

**Risk Control:** Safety Director submitted a report reflecting the risk control activities, meetings attended and the Safety Director Bulletins that were distributed from April to July 2019. Safety Director reported J.A. Montgomery issues an annual bulletin to members on the NJPEOSH Recording keeping regulations and can provide assistance to members to meet this compliance.

**Next Meeting:** The next meeting of the NJCE fund is scheduled for September 26, 2019 at 1:00PM at the Camden County Emergency Training Center.

MERCER COUNTY INSURANCE COMMISSION						
FINANCIAL FAST TRACK REPORT						
			AS OF	May 31, 2019		
ALL YEARS COMBINED						
			THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1.	UNDERWRITING INCOME		639,631	3,198,154	39,200,662	42,398,816
2.	CLAIM EXPENSES					
		Paid Claims	412,037	1,346,970	8,607,798	9,954,768
		Case Reserves	(298,671)	221,817	3,371,815	3,593,632
		IBNR	509,799	239,308	2,780,441	3,019,748
		Discounted Claim Value	(8,513)	(7,335)	(164,942)	(172,277)
	TOTAL CLAIMS		614,651	1,800,759	14,595,112	16,395,871
3.	EXPENSES					
		Excess Premiums	215,182	1,075,910	11,954,709	13,030,619
		Administrative	48,002	240,004	2,807,320	3,047,324
	TOTAL EXPENSES		263,184	1,315,914	14,762,029	16,077,943
4.	UNDERWRITING PROFIT (1-2-3)		(238,204)	81,481	9,843,521	9,925,002
5.	INVESTMENT INCOME		0	0	0	0
6.	PROFIT (4 + 5)		(238,204)	81,481	9,843,521	9,925,002
7.	CEL APPROPRIATION CANCELLATION		0	0	0	0
8.	DIVIDEND INCOME		0	0	22,069	22,069
9.	DIVIDEND EXPENSE		0	0	(22,069)	(22,069)
10.	INVESTMENT IN JOINT VENTURE		24,987	264,892	1,155,179	1,420,071
11.	SURPLUS (6 + 7 + 8 - 9)		(213,217)	346,373	10,998,700	11,345,073
SURPLUS (DEFICITS) BY FUND YEAR						
	2014		856	51,724	2,433,230	2,484,955
	2015		882	(39,238)	2,243,378	2,204,140
	2016		1,057	91,641	2,307,201	2,398,842
	2017		1,026	(190,902)	2,675,148	2,484,245
	2018		1,160	284,958	1,339,743	1,624,701
	2019		(218,198)	148,189		148,189
TOTAL SURPLUS (DEFICITS)			(213,217)	346,373	10,998,700	11,345,073
TOTAL CASH						1,590,116

MERCER COUNTY INSURANCE COMMISSION					
FINANCIAL FAST TRACK REPORT					
		AS OF	May 31, 2019		
ALL YEARS COMBINED					
CLAIM ANALYSIS BY FUND YEAR					
FUND YEAR 2014					
	Paid Claims	36,212	131,640	1,919,054	2,050,694
	Case Reserves	(28,678)	(104,254)	288,151	183,897
	IBNR	(7,533)	(66,570)	400,196	333,626
	Discounted Claim Value	0	17,843	(35,376)	(17,533)
TOTAL FY 2014 CLAIMS		0	(21,341)	2,572,025	2,550,683
FUND YEAR 2015					
	Paid Claims	38,275	102,368	2,004,477	2,106,845
	Case Reserves	4,057	30,514	437,940	468,455
	IBNR	(42,331)	(78,750)	303,737	224,987
	Discounted Claim Value	0	3,446	(27,187)	(23,741)
TOTAL FY 2015 CLAIMS		0	57,578	2,718,967	2,776,545
FUND YEAR 2016					
	Paid Claims	18,226	141,548	2,085,902	2,227,449
	Case Reserves	(35,927)	(176,583)	822,231	645,649
	IBNR	17,701	(5,654)	160,316	154,662
	Discounted Claim Value	0	2,909	(22,666)	(19,757)
TOTAL FY 2016 CLAIMS		0	(37,780)	3,045,783	3,008,003
FUND YEAR 2017					
	Paid Claims	59,876	201,612	1,456,623	1,658,235
	Case Reserves	(59,686)	(88,523)	853,171	764,648
	IBNR	(190)	50,084	359,760	409,843
	Discounted Claim Value	0	(3,285)	(26,370)	(29,656)
TOTAL FY 2017 CLAIMS		(0)	159,888	2,643,183	2,803,071
FUND YEAR 2018					
	Paid Claims	50,059	425,342	1,141,742	1,567,084
	Case Reserves	(14,856)	95,431	970,322	1,065,753
	IBNR	(35,203)	(728,444)	1,556,433	827,989
	Discounted Claim Value	0	2,990	(53,342)	(50,352)
TOTAL FY 2018 CLAIMS		0	(204,681)	3,615,154	3,410,473
FUND YEAR 2019					
	Paid Claims	209,389	344,461		344,461
	Case Reserves	(163,580)	465,231		465,231
	IBNR	577,356	1,068,641		1,068,641
	Discounted Claim Value	(8,513)	(31,237)		(31,237)
TOTAL FY 2019 CLAIMS		614,651	1,847,096	0	1,847,096
COMBINED TOTAL CLAIMS		614,651	1,800,759	14,595,112	16,395,871
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	May 31, 2019		
ALL YEARS COMBINED						
			THIS	YTD	PRIOR	FUND
			MONTH	CHANGE	YEAR END	BALANCE
1.	UNDERWRITING INCOME		1,974,494	9,861,328	139,838,292	149,699,620
2.	CLAIM EXPENSES					
		Paid Claims	80,571	457,724	3,794,828	4,252,552
		Case Reserves	(96,416)	(692,691)	5,641,230	4,948,539
		IBNR	484,620	1,072,173	8,032,894	9,105,067
		Discounted Claim Value	(47,799)	(137,767)	(1,272,066)	(1,409,833)
	TOTAL CLAIMS		420,977	699,439	16,196,887	16,896,325
3.	EXPENSES					
		Excess Premiums	1,249,471	6,236,213	97,129,691	103,365,904
		Administrative	197,409	853,439	10,482,471	11,335,911
	TOTAL EXPENSES		1,446,881	7,089,652	107,612,162	114,701,814
4.	UNDERWRITING PROFIT (1-2-3)		106,637	2,072,237	16,029,244	18,101,481
5.	INVESTMENT INCOME		63,032	259,860	497,530	757,390
6.	PROFIT (4+5)		169,669	2,332,097	16,526,774	18,858,871
7.	Dividend		0	0	1,607,551	1,607,551
8.	SURPLUS (6-7-8)		169,669	2,332,097	14,919,223	17,251,320
SURPLUS (DEFICITS) BY FUND YEAR						
	2010		1,765	4,681	777,092	781,773
	2011		(62,624)	(149,517)	878,879	729,362
	2012		3,242	35,380	1,184,534	1,219,914
	2013		5,445	142,852	2,027,740	2,170,592
	2014		7,100	251,935	2,492,972	2,744,907
	2015		7,810	162,484	1,162,564	1,325,048
	2016		9,480	483,181	3,256,376	3,739,557
	2017		9,045	(273,324)	2,011,827	1,738,503
	2018		9,791	665,174	1,127,237	1,792,411
	2019		178,613	1,009,251		1,009,251
TOTAL SURPLUS (DEFICITS)			169,669	2,332,097	14,919,222	17,251,319
TOTAL CASH						28,698,105

NEW JERSEY COUNTIES EXCESS JIF				
FINANCIAL FAST TRACK REPORT				
	AS OF	May 31, 2019		
ALL YEARS COMBINED				
CLAIM ANALYSIS BY FUND YEAR				
<b>FUND YEAR 2010</b>				
Paid Claims	0	0	171,840	171,840
Case Reserves	0	0	(0)	(0)
IBNR	0	3,031	9,666	12,697
Discounted Claim Value	0	(214)	(1,005)	(1,219)
<b>TOTAL FY 2010 CLAIMS</b>	<b>0</b>	<b>2,818</b>	<b>180,501</b>	<b>183,318</b>
<b>FUND YEAR 2011</b>				
Paid Claims	61,062	82,682	488,982	571,664
Case Reserves	4,175	(45,433)	461,457	416,024
IBNR	0	128,646	39,375	168,021
Discounted Claim Value	0	(4,688)	(53,088)	(57,776)
<b>TOTAL FY 2011 CLAIMS</b>	<b>65,236</b>	<b>161,207</b>	<b>936,726</b>	<b>1,097,934</b>
<b>FUND YEAR 2012</b>				
Paid Claims	725	7,750	1,533,507	1,541,258
Case Reserves	(725)	(1,971)	87,538	85,567
IBNR	0	(33,937)	126,579	92,642
Discounted Claim Value	0	6,575	(22,910)	(16,335)
<b>TOTAL FY 2012 CLAIMS</b>	<b>0</b>	<b>(21,582)</b>	<b>1,724,714</b>	<b>1,703,132</b>
<b>FUND YEAR 2013</b>				
Paid Claims	1,499	14,715	520,298	535,013
Case Reserves	(1,499)	(85,824)	507,306	421,483
IBNR	0	(66,644)	226,103	159,460
Discounted Claim Value	0	18,563	(77,544)	(58,981)
<b>TOTAL FY 2013 CLAIMS</b>	<b>0</b>	<b>(119,190)</b>	<b>1,176,165</b>	<b>1,056,975</b>
<b>FUND YEAR 2014</b>				
Paid Claims	2,768	(16,888)	447,238	430,349
Case Reserves	(86,362)	(76,931)	655,655	578,725
IBNR	83,594	(160,131)	472,893	312,762
Discounted Claim Value	0	32,523	(91,782)	(59,259)
<b>TOTAL FY 2014 CLAIMS</b>	<b>0</b>	<b>(221,427)</b>	<b>1,484,004</b>	<b>1,262,577</b>
<b>FUND YEAR 2015</b>				
Paid Claims	6,063	348,383	395,960	744,343
Case Reserves	(6,062)	(380,616)	2,462,260	2,081,644
IBNR	(1)	(116,891)	603,828	486,937
Discounted Claim Value	0	21,042	(223,216)	(202,174)
<b>TOTAL FY 2015 CLAIMS</b>	<b>0</b>	<b>(128,082)</b>	<b>3,238,832</b>	<b>3,110,750</b>
<b>FUND YEAR 2016</b>				
Paid Claims	0	0	0	0
Case Reserves	(1)	(10,735)	530,313	519,578
IBNR	1	(496,775)	1,132,357	635,583
Discounted Claim Value	0	64,597	(170,405)	(105,807)
<b>TOTAL FY 2016 CLAIMS</b>	<b>0</b>	<b>(442,912)</b>	<b>1,492,266</b>	<b>1,049,353</b>
<b>FUND YEAR 2017</b>				
Paid Claims	0	330	25,647	25,977
Case Reserves	2,502	137,343	640,084	777,426
IBNR	(2,502)	238,885	2,126,369	2,365,254
Discounted Claim Value	0	(64,813)	(247,426)	(312,239)
<b>TOTAL FY 2017 CLAIMS</b>	<b>0</b>	<b>311,744</b>	<b>2,544,674</b>	<b>2,856,418</b>
<b>FUND YEAR 2018</b>				
Paid Claims	8,454	20,752	211,356	232,107
Case Reserves	(8,452)	(230,338)	296,617	66,279
IBNR	(2)	(441,726)	3,295,723	2,853,998
Discounted Claim Value	0	27,776	(384,692)	(356,916)
<b>TOTAL FY 2018 CLAIMS</b>	<b>0</b>	<b>(623,536)</b>	<b>3,419,005</b>	<b>2,795,469</b>
<b>FUND YEAR 2019</b>				
Paid Claims	0	0		0
Case Reserves	9	1,813		1,813
IBNR	403,531	2,017,714		2,017,714
Discounted Claim Value	(47,799)	(239,128)		(239,128)
<b>TOTAL FY 2019 CLAIMS</b>	<b>355,741</b>	<b>1,780,399</b>	<b>0</b>	<b>1,780,399</b>
<b>COMBINED TOTAL CLAIMS</b>	<b>420,977</b>	<b>699,439</b>	<b>16,196,887</b>	<b>16,896,325</b>
This report is based upon information which has not been audited nor certified by an actuary and as such may not truly represent the condition of the fund.				

Mercer County Insurance Fund Commission							
CLAIM ACTIVITY REPORT							
AS OF May 31, 2019							
<u>COVERAGE LINE - PROPERTY</u>							
CLAIM COUNT - OPEN CLAIMS							
Year	2014	2015	2016	2017	2018	2019	TOTAL
April-19	0	1	0	0	17	25	43
May-19	0	1	0	0	15	21	37
NET CHGE	0	0	0	0	-2	-4	-6
Limited Reserves							\$2,096
Year	2014	2015	2016	2017	2018	2019	TOTAL
April-19	\$0	\$0	\$0	\$0	\$55,000	\$21,250	\$76,250
May-19	\$0	\$0	\$0	\$0	\$60,000	\$17,553	\$77,553
NET CHGE	\$0	\$0	\$0	\$0	\$5,000	(\$3,697)	\$1,303
Ltd Incurred	\$18,499	(\$25)	\$99	\$75,405	\$135,140	\$17,693	\$246,811
<u>COVERAGE LINE - GENERAL LIABILITY</u>							
CLAIM COUNT - OPEN CLAIMS							
Year	2014	2015	2016	2017	2018	2019	TOTAL
April-19	1	4	3	9	22	11	50
May-19	1	4	2	9	20	11	47
NET CHGE	0	0	-1	0	-2	0	-3
Limited Reserves							\$5,630
Year	2014	2015	2016	2017	2018	2019	TOTAL
April-19	\$1,000	\$21,868	\$118,500	\$46,183	\$50,200	\$7,300	\$245,051
May-19	\$1,000	\$51,295	\$111,000	\$46,183	\$48,700	\$6,455	\$264,633
NET CHGE	\$0	\$29,427	(\$7,500)	\$0	(\$1,500)	(\$845)	\$19,582
Ltd Incurred	\$79,677	\$98,381	\$120,591	\$50,269	\$50,544	\$6,455	\$405,917
<u>COVERAGE LINE - AUTO LIABILITY</u>							
CLAIM COUNT - OPEN CLAIMS							
Year	2014	2015	2016	2017	2018	2019	TOTAL
April-19	0	0	1	2	3	4	10
May-19	0	0	1	2	3	2	8
NET CHGE	0	0	0	0	0	-2	-2
Limited Reserves							\$9,606
Year	2014	2015	2016	2017	2018	2019	TOTAL
April-19	\$0	\$0	\$2,830	\$62,470	\$4,000	\$4,100	\$73,400
May-19	\$0	\$0	\$2,830	\$62,470	\$6,047	\$5,500	\$76,847
NET CHGE	\$0	\$0	\$0	\$0	\$2,047	\$1,400	\$3,447
Ltd Incurred	\$10,891	\$6,969	\$25,728	\$73,780	\$15,653	\$8,697	\$141,718
<u>COVERAGE LINE - WORKERS COMP.</u>							
CLAIM COUNT - OPEN CLAIMS							
Year	2014	2015	2016	2017	2018	2019	TOTAL
April-19	9	13	19	25	42	52	160
May-19	8	11	17	23	38	41	138
NET CHGE	-1	-2	-2	-2	-4	-11	-22
Limited Reserves							\$23,004
Year	2014	2015	2016	2017	2018	2019	TOTAL
April-19	\$211,575	\$442,530	\$560,245	\$715,682	\$971,409	\$596,161	\$3,497,602
May-19	\$182,897	\$417,161	\$531,819	\$655,995	\$951,006	\$435,722	\$3,174,599
NET CHGE	(\$28,678)	(\$25,370)	(\$28,427)	(\$59,686)	(\$20,403)	(\$160,439)	(\$323,003)
Ltd Incurred	\$2,125,103	\$2,469,975	\$2,726,680	\$2,223,429	\$2,431,500	\$776,846	\$12,753,533
<u>TOTAL ALL LINES COMBINED</u>							
CLAIM COUNT - OPEN CLAIMS							
Year	2014	2015	2016	2017	2018	2019	TOTAL
April-19	10	18	23	36	84	92	263
May-19	9	16	20	34	76	75	230
NET CHGE	-1	-2	-3	-2	-8	-17	-33
Limited Reserves							\$15,624
Year	2014	2015	2016	2017	2018	2019	TOTAL
April-19	\$212,575	\$464,399	\$681,575	\$824,335	\$1,080,609	\$628,811	\$3,892,304
May-19	\$183,897	\$468,455	\$645,649	\$764,648	\$1,065,753	\$465,231	\$3,593,633
NET CHGE	(\$28,678)	\$4,057	(\$35,927)	(\$59,686)	(\$14,856)	(\$163,580)	(\$298,671)
Ltd Incurred	\$2,234,169	\$2,575,299	\$2,873,098	\$2,422,883	\$2,632,837	\$809,692	\$13,547,979

## FUND YEARS 2017 2018 2019

Mercer County Insurance Fund Commission																
CLAIMS MANAGEMENT REPORT																
EXPECTED LOSS RATIO ANALYSIS																
						AS OF				May 31, 2019						
FUND YEAR 2017 -- LOSSES CAPPED AT RETENTION																
	Budget	Current		29			Last Month		28			Last Year		17		
		Unlimited Incurred	Limited Incurred	Actual		MONTH	Unlimited Incurred	Limited Incurred	Actual		MONTH	Unlimited Incurred	Limited Incurred	Actual		MONTH
				31-May-19		TARGETED			30-Apr-19		TARGETED			30-May-18		TARGETED
PROPERTY	83,000	75,405	75,405	90.85%	83,000	100.00%	75,405	75,405	90.85%	83,000	100.00%	83,905	83,905	101.09%	80,403	96.87%
GEN LIABILITY	159,000	50,269	50,269	31.62%	134,597	84.65%	50,269	50,269	31.62%	132,865	83.56%	97,629	97,629	61.40%	110,578	69.55%
AUTO LIABILITY	134,000	73,780	73,780	55.06%	109,908	82.02%	73,780	73,780	55.06%	108,616	81.06%	74,780	74,780	55.81%	86,173	64.31%
WORKER'S COMP	4,709,000	2,223,429	2,223,429	47.22%	4,530,498	96.21%	2,223,239	2,223,239	47.21%	4,510,969	95.79%	2,094,370	2,094,370	44.48%	3,966,476	84.23%
TOTAL ALL LINES	5,085,000	2,422,883	2,422,883	47.65%	4,858,004	95.54%	2,422,693	2,422,693	47.64%	4,835,450	95.09%	2,350,684	2,350,684	46.23%	4,243,630	83.45%
NET PAYOUT %	\$1,658,235					32.61%										
FUND YEAR 2018 -- LOSSES CAPPED AT RETENTION																
	Budget	Current		17			Last Month		16			Last Year		5		
		Unlimited Incurred	Limited Incurred	Actual		MONTH	Unlimited Incurred	Limited Incurred	Actual		MONTH	Unlimited Incurred	Limited Incurred	Actual		MONTH
				31-May-19		TARGETED			30-Apr-19		TARGETED			30-May-18		TARGETED
PROPERTY	74,417	135,140	135,140	181.60%	72,089	96.87%	130,140	130,140	174.88%	71,921	96.65%	65,700	65,700	88.29%	27,534	37.00%
GEN LIABILITY	157,000	50,544	50,544	32.19%	109,187	69.55%	52,044	52,044	33.15%	106,520	67.85%	21,000	21,000	13.38%	21,980	14.00%
AUTO LIABILITY	131,000	15,653	15,653	11.95%	84,244	64.31%	13,607	13,607	10.39%	81,255	62.03%	3,760	3,760	2.87%	19,650	15.00%
WORKER'S COMP	4,455,000	2,431,500	2,431,500	54.58%	3,752,527	84.23%	2,401,844	2,401,844	53.91%	3,640,896	81.73%	897,468	897,468	20.15%	400,950	9.00%
TOTAL ALL LINES	4,817,417	2,632,837	2,632,837	54.65%	4,018,047	83.41%	2,597,634	2,597,634	53.92%	3,900,593	80.97%	987,929	987,929	20.51%	470,114	9.76%
NET PAYOUT %	\$1,567,084					32.53%										
FUND YEAR 2019 -- LOSSES CAPPED AT RETENTION																
	Budget	Current		5			Last Month		4			Last Year		-7		
		Unlimited Incurred	Limited Incurred	Actual		MONTH	Unlimited Incurred	Limited Incurred	Actual		MONTH	Unlimited Incurred	Limited Incurred	Actual		MONTH
				31-May-19		TARGETED			30-Apr-19		TARGETED			30-May-18		TARGETED
PROPERTY	75,000	17,693	17,693	23.59%	27,750	37.00%	21,390	21,390	28.52%	22,500	30.00%	0	0	N/A	N/A	N/A
GEN LIABILITY	160,000	6,455	6,455	4.03%	22,400	14.00%	7,300	7,300	4.56%	16,000	10.00%	0	0	N/A	N/A	N/A
AUTO LIABILITY	132,000	8,697	8,697	6.59%	19,800	15.00%	4,100	4,100	3.11%	13,200	10.00%	0	0	N/A	N/A	N/A
WORKER'S COMP	4,141,000	776,846	776,846	18.76%	372,690	9.00%	731,093	731,093	17.65%	248,460	6.00%	0	0	N/A	N/A	N/A
TOTAL ALL LINES	4,508,000	809,692	809,692	17.96%	442,640	9.82%	763,883	763,883	16.95%	300,160	6.66%	0	0	N/A	N/A	N/A
NET PAYOUT %	\$344,461					7.64%										



## FUND YEARS 2014 2015 2016

Mercer County Insurance Fund Commission																
CLAIMS MANAGEMENT REPORT																
EXPECTED LOSS RATIO ANALYSIS																
AS OF May 31, 2019																
FUND YEAR 2014 -- LOSSES CAPPED AT RETENTION																
	Budget	Current		65		MONTH	Last Month		64		MONTH	Last Year		53		MONTH
		Unlimited Incurred	Limited Incurred	Actual 31-May-19		TARGETED	Unlimited Incurred	Limited Incurred	Actual 30-Apr-19		TARGETED	Unlimited Incurred	Limited Incurred	Actual 30-May-18		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	100.00%
GEN LIABILITY	124,157	79,677	79,677	64.17%	120,541	97.09%	79,677	79,677	64.17%	120,576	97.12%	8,863	8,863	7.14%	119,970	96.63%
AUTO LIABILITY	127,016	10,891	10,891	8.57%	123,269	97.05%	10,891	10,891	8.57%	123,102	96.92%	10,891	10,891	8.57%	119,725	94.26%
WORKER'S COMP	4,356,301	2,125,103	2,125,103	48.78%	4,355,430	99.98%	2,117,570	2,117,570	48.61%	4,354,560	99.96%	2,007,691	2,007,691	46.09%	4,341,540	99.66%
TOTAL ALL LINES	4,669,797	2,234,169	2,234,169	47.84%	4,661,562	99.82%	2,226,636	2,226,636	47.68%	4,660,559	99.80%	2,045,944	2,045,944	43.81%	4,643,557	99.44%
NET PAYOUT %	\$2,050,273			43.90%												
FUND YEAR 2015 -- LOSSES CAPPED AT RETENTION																
	Budget	Current		53		MONTH	Last Month		52		MONTH	Last Year		41		MONTH
		Unlimited Incurred	Limited Incurred	Actual 31-May-19		TARGETED	Unlimited Incurred	Limited Incurred	Actual 30-Apr-19		TARGETED	Unlimited Incurred	Limited Incurred	Actual 30-May-18		TARGETED
PROPERTY	80,948	(25)	(25)	-0.03%	80,948	100.00%	(25)	(25)	-0.03%	80,948	100.00%	475	475	0.59%	80,948	100.00%
GEN LIABILITY	155,896	98,381	98,381	63.11%	150,639	96.63%	67,381	67,381	43.22%	150,450	96.51%	108,398	108,398	69.53%	144,966	92.99%
AUTO LIABILITY	131,580	6,969	6,969	5.30%	124,027	94.26%	6,969	6,969	5.30%	123,607	93.94%	20,965	20,965	15.93%	118,115	89.77%
WORKER'S COMP	4,449,750	2,469,975	2,469,975	55.51%	4,434,672	99.66%	2,458,644	2,458,644	55.25%	4,432,905	99.62%	2,360,439	2,360,439	53.05%	4,396,986	98.81%
TOTAL ALL LINES	4,818,174	2,575,299	2,575,299	53.45%	4,790,286	99.42%	2,532,968	2,532,968	52.57%	4,787,910	99.37%	2,490,277	2,490,277	51.69%	4,741,015	98.40%
NET PAYOUT %	\$2,106,844			43.73%												
FUND YEAR 2016 -- LOSSES CAPPED AT RETENTION																
	Budget	Current		41		MONTH	Last Month		40		MONTH	Last Year		29		MONTH
		Unlimited Incurred	Limited Incurred	Actual 31-May-19		TARGETED	Unlimited Incurred	Limited Incurred	Actual 30-Apr-19		TARGETED	Unlimited Incurred	Limited Incurred	Actual 30-May-18		TARGETED
PROPERTY	80,948	99	99	0.12%	80,948	100.00%	99	99	0.12%	80,948	100.00%	99	99	0.12%	80,948	100.00%
GEN LIABILITY	155,896	120,591	120,591	77.35%	144,966	92.99%	128,091	128,091	82.16%	144,175	92.48%	193,163	193,163	123.91%	131,970	84.65%
AUTO LIABILITY	131,580	25,728	25,728	19.55%	118,115	89.77%	25,728	25,728	19.55%	117,503	89.30%	22,898	22,898	17.40%	107,923	82.02%
WORKER'S COMP	4,616,644	2,726,680	2,726,680	59.06%	4,561,901	98.81%	2,736,880	2,736,880	59.28%	4,556,498	98.70%	2,605,599	2,605,599	56.44%	4,441,643	96.21%
TOTAL ALL LINES	4,985,068	2,873,098	2,873,098	57.63%	4,905,930	98.41%	2,890,799	2,890,799	57.99%	4,899,124	98.28%	2,821,759	2,821,759	56.60%	4,762,484	95.53%
NET PAYOUT %	\$2,227,449			44.68%												

# MERCER COUNTY INSURANCE FUND COMMISSION

## BILLS LIST

Resolution No. 30-19

JULY 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 2019**

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
000519			
000519	BORDEN PERLMAN SALISBURY&KELLY	INSURANCE CONSULTING FEE 7/19	5,500.00
			<b>5,500.00</b>
000520			
000520	PERMA RISK MANAGEMENT SERVICES	POSTAGE 6/19	1.60
000520	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 7/19	13,898.42
			<b>13,900.02</b>
000521			
000521	THE ACTUARIAL ADVANTAGE	ACTUARIAL CONSULTING SERVICES 7/19	650.25
			<b>650.25</b>
000522			
000522	INSERVCO INSURANCE SERVICES	CLAIMS SERVICE FEE 7/19	16,308.33
			<b>16,308.33</b>
000523			
000523	PACKET MEDIA GROUP, LLC	ACCT#00032129 - LEGAL AD - 6.14.19	19.95
			<b>19.95</b>
000524			
000524	21ST CENTURY MEDIA-PHILLY CLUSTER	ACCT#896855 - NOTICE - 6.11.19	13.65
			<b>13.65</b>
000525			
000525	J.A. MONTGOMERY RISK CONTROL	LOSS CONTROL SERVICES 7/19	10,788.97
			<b>10,788.97</b>
000526			
000526	NJ ADVANCE MEDIA	ACCT#1153600 - AD - 7.11.19	41.53
			<b>41.53</b>
		<b>Total Payments FY 2019</b>	<b>47,222.70</b>
	<b>TOTAL PAYMENTS ALL FUND YEARS</b>		<b>\$47,222.70</b>

\_\_\_\_\_  
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							
<b>Current Fund Year: 2019</b>							
<b>Month Ending: May</b>							
	Property	Liability	Auto	Worker's Comp	NJ CEL	Admin	TOTAL
OPEN BALANCE	99,924.05	383,490.53	401,986.15	6,813,226.90	(5,115,347.01)	(945,614.72)	1,637,665.90
RECEIPTS							
Assessments	4,240.36	8,151.38	6,875.15	241,083.13	122,311.81	29,023.84	411,685.67
Refunds	0.00	0.00	0.00	1,458.19	0.00	0.00	1,458.19
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	4,240.36	8,151.38	6,875.15	242,541.32	122,311.81	29,023.84	413,143.86
EXPENSES							
Claims Transfers	0.00	1,573.40	3,196.94	408,724.45	0.00	0.00	413,494.79
Expenses	0.00	0.00	0.00	0.00	0.00	47,198.70	47,198.70
Other *	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	0.00	1,573.40	3,196.94	408,724.45	0.00	47,198.70	460,693.49
END BALANCE	104,164.41	390,068.51	405,664.36	6,647,043.77	(4,993,035.20)	(963,789.58)	1,590,116.27

SUMMARY OF CASH AND INVESTMENT INSTRUMENTS			
MERCER COUNTY INSURANCE COMMISSION			
ALL FUND YEARS COMBINED			
CURRENT MONTH	May		
CURRENT FUND YEAR	2019		
	Description:	MCIFC General A/C	MCIFC Claims A/C
	ID Number:		
	Maturity (Yrs)		
	Purchase Yield:		
	TOTAL for All		
Accts & instruments			
Opening Cash & Investment Balance	\$1,637,665.90	1405928.37	231737.53
Opening Interest Accrual Balance	\$0.00	0	0
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	\$413,143.86	\$0.00	\$413,143.86
10 (Withdrawals - Sales)	-\$460,693.49	-\$47,198.70	-\$413,494.79
Ending Cash & Investment Balance	\$1,590,116.27	\$1,358,729.67	\$231,386.60
Ending Interest Accrual Balance	\$0.00	\$0.00	\$0.00
Plus Outstanding Checks	\$227,788.71	\$47,198.70	\$180,590.01
(Less Deposits in Transit)	\$0.00	\$0.00	\$0.00
Balance per Bank	\$1,817,904.98	\$1,405,928.37	\$411,976.61

**RESOLUTION NO. 31-19**

**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 July 22, 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 June 1, 2019 to June 30, 2019 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 July 22, 2019.

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

**ATTEST:**

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

**Mercer County Ins Fund Comm - 396**  
**Financial Transaction Log - Liability Claim Payments**  
**Monthly / Detail / By Coverage / By Payment Type / By Check Number**  
**06/01/2019 Thru 06/30/2019**

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

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

**Mercer County Ins Fund Comm - 396**  
**Financial Transaction Log - Liability Claim Payments**  
**Monthly / Detail / By Coverage / By Payment Type / By Check Number**  
**06/01/2019 Thru 06/30/2019**

Type	Check #	Claim #	Claimant Name	From Date	To Date	Payee Name	Trans. Date	Payment Description	Amt. Requested	Amt. Paid	
Coverage: Auto Liability											
C	20761	3960002220	001	MORALES, JEANETTE	4/19/2018	4/19/2018	JEANETTE MORALES	6/10/2019	FULL/FINAL SETTLEMENT	2,546.88	2,546.88
Total for Coverage: Auto Liability								Number of entries: 1	2,546.88	2,546.88	
Coverage: General Liability											
C	20906	3960001870	001	TOMPKINS, TERI	4/10/2019	4/10/2019	TWIN COURT REPORTING LLC	6/24/2019	INVOICE #1571	340.45	340.45
Total for Coverage: General Liability								Number of entries: 1	340.45	340.45	
Coverage: Police Professional											
C	20639	3960000905	001	NASH, MONICA	5/7/2019	5/7/2019	CHRISTOPHER CHAPMAN MD	6/3/2019	INV 1	9,324.00	9,324.00
C	20905	3960001546	001	BATSCH, KYLE	6/4/2019	6/4/2019	Gledys S. Fenichel, MD	6/24/2019	INVOICE #1	3,150.00	3,150.00
Total for Coverage: Police Professional								Number of entries: 2	12,474.00	12,474.00	
Total for Mercer County Ins Fund Comm - 396								Number of entries: 4	15,361.33	15,361.33	





*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
<b>Total 2014</b>	<b>\$822,559</b>	<b>\$509,923</b>	<b>\$814,817</b>	<b>\$312,636</b>	<b>38%</b>	<b>752</b>	<b>618</b>	<b>134</b>	<b>82%</b>	<b>6</b>	<b>\$61,563</b>	<b>\$251,073</b>
<b>Total 2015</b>	<b>\$718,860</b>	<b>\$435,127</b>	<b>\$706,183</b>	<b>\$283,733</b>	<b>39%</b>	<b>695</b>	<b>558</b>	<b>137</b>	<b>80%</b>	<b>18</b>	<b>\$56,661</b>	<b>\$227,072</b>
<b>Total 2016</b>	<b>\$1,310,806</b>	<b>\$661,339</b>	<b>\$1,492,038</b>	<b>\$649,467</b>	<b>50%</b>	<b>1,311</b>	<b>1,172</b>	<b>139</b>	<b>89%</b>	<b>18</b>	<b>\$129,313</b>	<b>\$520,155</b>
<b>Total 2017</b>	<b>\$858,268</b>	<b>\$428,786</b>	<b>\$995,115</b>	<b>\$429,482</b>	<b>50%</b>	<b>819</b>	<b>686</b>	<b>133</b>	<b>84%</b>	<b>13</b>	<b>\$85,891</b>	<b>\$343,591</b>
<b>Total 2018</b>	<b>\$1,316,429</b>	<b>\$549,418</b>	<b>\$1,501,858</b>	<b>\$767,011</b>	<b>58%</b>	<b>1,056</b>	<b>898</b>	<b>158</b>	<b>85%</b>	<b>23</b>	<b>\$153,381</b>	<b>\$613,630</b>
Jan-19	\$81,487	\$40,117	\$80,567	\$41,371	51%	45	41	4	91%	0	\$8,274	\$33,097
Feb-19	\$46,173	\$21,650	\$46,353	\$24,524	53%	43	35	8	81%	1	\$4,905	\$19,619
Mar-19	\$75,212	\$42,042	\$65,216	\$33,170	44%	83	75	8	90%	0	\$6,634	\$26,536
Apr-19	\$300,295	\$180,619	\$303,135	\$119,677	40%	165	155	10	94%	1	\$23,936	\$95,741
May-19	\$448,037	\$278,278	\$531,673	\$169,758	38%	99	70	29	71%	11	\$33,952	\$135,807
Jun-19	\$150,332	\$52,324	\$148,207	\$98,008	65%	99	86	13	87%	0	\$19,602	\$78,406
<b>Total 2019</b>	<b>\$1,101,536</b>	<b>\$615,029</b>	<b>\$1,175,149</b>	<b>\$486,507</b>	<b>44%</b>	<b>534</b>	<b>462</b>	<b>72</b>	<b>87%</b>	<b>13</b>	<b>\$97,302</b>	<b>\$389,206</b>
<b>Total to Date</b>	<b>\$6,128,459</b>	<b>\$3,199,623</b>	<b>\$6,685,160</b>	<b>\$2,928,837</b>	<b>48%</b>	<b>5,167</b>	<b>4,394</b>	<b>773</b>	<b>85%</b>	<b>91</b>	<b>\$584,111</b>	<b>\$2,344,726</b>

Report Run Date:07/01/2019

MCC



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

**TO:** Fund Commissioners

**FROM:** J.A. Montgomery Risk Control, Safety Director

**DATE:** July 12, 2019

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Paul Shives, Vice President Public Sector Director <a href="mailto:pshives@jamontgomery.com">pshives@jamontgomery.com</a> Office: 732-736-5213	Glenn Prince, Associate Public Sector Director <a href="mailto:gprince@jamontgomery.com">gprince@jamontgomery.com</a> Office: 856-552-4744 Cell: 609-238-3949	Natalie Dougherty, Senior Administrative Coordinator <a href="mailto:ndougherty@jamontgomery.com">ndougherty@jamontgomery.com</a> Office: 856-552-4738
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**RISK CONTROL ACTIVITIES**  
**JUNE – JULY 2019**

**MEETINGS ATTENDED / LOSS CONTROL VISITS CONDUCTED**

- **June 24:** Attended the MCIFC Meeting in Trenton.
- **June 24:** Attended the MCIFC Claims Committee meeting in Trenton.
- **July 1:** Conducted an Accident Investigation at the County DOT.
- **July 1:** Conducted a loss control survey of the Princeton Country Club.

**UPCOMING MEETINGS / LOSS CONTROL VISITS PLANNED**

- **July 19:** Plan to attend the Accident Review Panel meeting in Trenton.
- **July 22:** Plan to attend the MCIFC Meeting in Trenton.
- **July 22:** Plan to attend the MCIFC Claims Committee meeting in Trenton.

**CEL MEDIA LIBRARY USAGE**

No Videos have been utilized in 2019.

**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 July 22, 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 July 22, 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 July 22, 2019.

**ADOPTED:**

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

**ATTEST:**

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

**PAYMENT AUTHORIZATION REQUESTS**

*July 22, 2019*

<b><u>Claim #</u></b>	<b><u>Claimant</u></b>	<b><u>Type of Claim</u></b>	<b><u>PAR/SAR</u></b>
3960002793	Brian Blakely	Worker Compensation	PAR
3960002315	Gabrielle Buck	Worker Compensation	SAR
3960002765	Jacqueline Fioravanti	Worker Compensation	PAR
3960002783	Frank Paul	Worker Compensation	PAR
3960001997	Umilo Santora	Worker Compensation	SAR
3960002803	Veronica Williams	Worker Compensation	PAR

# **APPENDIX I**

**MERCER COUNTY INSURANCE FUND COMMISSION  
OPEN MINUTES  
MEETING – June 24, 2019  
Mercer County  
McDade Administration Building  
640 South Broad Street  
Trenton, NJ 08650-0068  
10:30 AM**

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

**ROLL CALL OF COMMISSIONERS:**

Andrew A. Mair	Present
K. Megan Clark Hughes	Present
Raissa Walker	Present
Lillian Nazzaro ( <i>Alternate</i> )	Excused

**FUND PROFESSIONALS PRESENT:**

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

**ALSO PRESENT:**

Ana-Eliza T. Bauersachs, Capehart Scatchard, PA  
Susan Schaefer, Susan Schaefer, LLC  
Cathy Dodd, PERMA Risk Management Services

**APPROVAL OF MINUTES:** OPEN & CLOSED MINUTES OF MARCH 25, 2019 & APRIL 22, 2019

**MOTION TO APPROVE THE OPEN & CLOSED MINUTES OF MARCH 25, 2019 & APRIL 22, 2019**

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

**CORRESPONDENCE:** None

**SAFETY COMMITTEE REPORTS:** Mr. Prince advised the Safety Committee meeting scheduled for June 19<sup>th</sup> was rescheduled to July 17<sup>th</sup> and would be attended by his colleague, Barry Sloane. Mr. Prince advised that concluded his report unless there were any questions.

**CLAIMS COMMITTEE:** Mr. Cusack referred to the Chubb Cyber Services that were included in Appendix II section of the agenda. Mr. Cusack advised you could enroll with the Chubb Cyber Alert application and report any incident to Chubb immediately with a touch of a button. Mr. Cusack noted Chubb collaborated with a security training provider, Skillbridge, to deliver online cyber security training to all Chubb cyber policyholders. Mr. Cusack asked everyone to review the material and if anyone had any questions to reach out to him.

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

**CERTIFICATE OF INSURANCE ISSUANCE REPORT:** Executive Director reported the certificate of issuance report from the NJCE listing the certificates issued for the month of May was included in the agenda. Executive Director advised there were 11 certificate of insurances issued during the month. Executive Director noted there were no certificate requests for the month of April.

**NJ COUNTIES EXCESS JOINT INSURANCE FUND (NJCE):** Executive Director reported the NJCE met on April 25, 2019 and a written summary report of the meeting was included in the agenda. Executive Director noted he was pleased to announce that the County of Monmouth joined the NJCE as of April 1, 2019. Executive Director advised the NJCE became of member of NJAC and had an exhibit at the recent NJAC Annual Conference in Atlantic City. Executive Director reported several of the NJCE Commissioners and JIF Professionals were interviewing 3 potential firms for the Excess Property Third Administrator. Executive Director advised for the first time the NJCE was a co-sponsor of the 2019 MEL, MRHIF Educational Seminar held on May 3<sup>rd</sup>. Executive Director said the County folks that did attend found topics to be educational and very useful.

**NJCE COVERAGE COMMITTEE:** Executive Director advised the NJCE Coverage Committee was scheduled to meet on July 9, 2019 at 11:00 AM at the new Conner Strong & Buckelew Camden Office.

**MCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACK:** Executive Director advised the March Financial Fast Track was included in the agenda. The Commission had a surplus of \$11,122,065 as of March 31, 2019. Executive Director also referred to line 10 of the report, “Investment in Joint Venture” and indicated \$1,207,862 of the surplus was the MCIFC’s share of the NJCE equity.

**NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK:** Executive Director reported the March Financial Fast Track was included in the agenda. As of March 31, 2019 the Fund had a surplus of \$16,770,243 and the cash balance was \$32,360,213.

**CLAIMS TRACKING REPORTS:** Executive Director advised the Claims Tracking Reports for the month of March 31, 2019 were included in the agenda. Executive Director referred to a copy of the Claims Management Report Expected Loss Ratio Analysis Report and reviewed the actuary’s projections compared to the actual losses. Executive Director noted the report supported the Financial Fast Track as all of the Fund Years were running below the actuary’s projections.

**LEGISLATION:** Executive Director reported he wanted to provide a Legislation update on Senate Bill no. S.477 (Statute of Limitations) as well as, amending Bills S3739 and A5392 which extended the statute of limitations in civil actions for sexual abuse claims from two years to virtually unlimited. Executive Director noted a joint effort with the MEL, LOM, NJAC and NJSIG and with help from other parties, the sponsor agreed to amend the Bill to bring back “common law” immunities and “case law” immunities for public entities. Executive Director reported that while Title 59 immunities were not reinstated this was a better result than having public entities in a “strict liability” situation. Executive Director said the MEL was working on a training and education program as well as a formulating a specialized claims handling and defense program. Executive Director said this topic would be discussed at the next NJCE meeting to see if the Board of Commissioners wanted to participate.

**ORIGAMI’S RISK MANAGEMENT INFORMATION SYSTEMS, (RMIS):** Executive Director advised PERMA representatives met with representatives from Origami to start the implementation of the online system to collect the underwriting information for the 2020 renewal. Executive Director advised more information would follow regarding training of the users and collection of the underwriting data for the 2020 renewal.

**NJCE JIF MEMBERSHIP:** Executive Director reported Mercer County’s three year membership in the NJCE JIF expired on 12/31/19. Executive Director advised the NJCE would mail the applicable Resolution and Indemnity Agreement to the County Administrator for execution.

**ENTITY MEMBERSHIP IN THE INSURANCE COMMISSION:** Executive Director reported the year membership in the Mercer County Insurance Fund Commission was also due to expire the end of the year. Executive Director advised the Fund Office would mail the applicable Indemnity and Trust Agreement to the County and Improvement Authority for execution. Executive Director noted each member entity would need to pass a resolution authorizing its participation in the Mercer County Insurance Fund Commission.

Executive Director's Report Made Part of Minutes.

**TREASURER REPORT:** Chairman Mair advised the Treasurer was not present. Chairman Mair advised the May Bill List, Resolution 25-19 and June Bill List, Resolution 26-19 were included in the agenda.

**MOTION TO APPROVE RESOLUTION 25-19, MAY BILL LIST AND  
RESOLUTION 26-19 JUNE BILL LIST**

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

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

**ATTORNEY:** Mr. Adezio advised he did not have anything to report.

**CLAIMS SERVICE:** Ms. Fowlkes reported she would present the PARS during closed session. Ms. Fowlkes advised Resolution 27-19, Disclosure of Liability Claims Check Register, was included in the agenda along with a copies of the check registers for April 1, 2019 to April 30, 2019 and May 1, 2019 and May 31, 2019.

**MOTION TO APPROVE RESOLUTION 27-19 AUTHORIZING  
DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTERS**

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

**MANAGED CARE:** Ms. Cronk advised First MCO's report was included in the agenda and she would review the month of May. Ms. Cronk reported for May bills were received in the amount of \$448,037. First MCO repriced the bills to \$278,278 for a total savings of \$169,758 or 38%. Ms. Cronk advised there were 99 bills and 70 bills were in network. Ms. Cronk noted the PPO Penetration was 71%. Ms. Cronk advised the savings and penetration rate were down due to some appeals that were just settled. Ms. Cronk advised that concluded her report unless there were any questions.

**NJCE SAFETY DIRECTOR:** Mr. Prince reported the Safety's Director Report for April through June was included in the agenda. Mr. Prince advised the agenda also included a Safety Director Bulletin on "Preparing for the 2019 Hurricane Season". Chairman Mair advised he liked the bulletins and many times his Communication Department rewrote the information for the general citizens. Mr. Prince advised that concluded his report unless anyone had any questions.

**RISK MANAGER CONSULTANT:** Mr. Martin advised he did not have anything to report.

Correspondence Made Part of Minutes.

**OLD BUSINESS:** None

**NEW BUSINESS:** None



**PUBLIC COMMENT:**

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

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

**CLOSED SESSION:** Chairman Mair read and requested a motion to approve Resolution 28-19 authorizing a Closed Session to discuss PARS.

**MOTION TO APPROVE RESOLUTION 28-19 FOR EXECUTIVE SESSION**

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

**MOTION TO RETURN TO OPEN SESSION**

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

**MOTION TO AUTHORIZE PAYMENT AUTHORITY REQUESTS AND SETTLEMENT REQUESTS AS DISCUSSED IN CLOSED SESSION, WITH CHANGES TO THE COVERAGE SHEET CLAIM #1133, KIDD, FOR \$20,000 CONTINGENT ON SETTLING BY SECTION 20 AND CLAIM #1419, GORDAN WAS TABLED**

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

**MOTION TO ADJOURN:**

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

**MEETING ADJOURNED: 11:21AM**

Minutes prepared by: Cathy Dodd, Assisting Secretary

## **APPENDIX II**

### ***PLAN OF RISK MANAGEMENT***

## **RESOLUTION NO. 29-19**

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

BE IT RESOLVED by the Insurance Commission's governing body that effective 7/1/19 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.
- **Garage 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.
  - **Garage 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
- **Garagekeepers Liability – Included**
- 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 22 of July, 2019.

Mercer County Insurance Fund Commission

By: \_\_\_\_\_

Attest:

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