

**SALEM COUNTY INSURANCE FUND COMMISSION  
AGENDA AND REPORTS  
FEBRUARY 4, 2016 – 9 AM**

**COUNTY OLD COURTHOUSE  
104 MARKET STREET – 2<sup>ND</sup> FLOOR  
SALEM, NJ 08079**

**To attend the meeting via teleconference please dial 1-866-921-5493  
and enter passcode 7269691#**

**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 South Jersey News and the Elmer Times**
- II. Filing advance written notice of this meeting with the Commissioners of the SALEM COUNTY INSURANCE FUND COMMISSION; and**
- III. Posting notice on the Public Bulletin Board in the Salem County Courthouse and the Salem County Administration Building and filing it with the County Clerk**

**SALEM COUNTY INSURANCE FUND COMMISSION  
AGENDA -OPEN PUBLIC MEETING  
FEBRUARY 4, 2016 – 9:00 AM  
104 MARKET STREET  
SALEM, NJ 08079**

- ☐ **MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ**
  - ☐ **FLAG SALUTE**
  - ☐ **ROLL CALL OF COMMISSIONERS**
  - ☐ **APPROVAL OF MINUTES: December 10, 2015 Open Minutes.....Appendix I  
December 10, 2015 Closed Minutes.....To be Distributed**
  
  - ☐ **CORRESPONDENCE - None**
  
  - ☐ **EXECUTIVE DIRECTOR/ADMINISTRATOR – PERMA.....Page 1**
  
  - ☐ **COMMITTEE REPORTS**
    - Safety Committee Report.....Verbal
    - Claims Committee Report.....Verbal
    - Claims Committee Schedule & Charter.....Page 42
  
  - ☐ **TREASURER – Katie Coleman**
    - Resolution 13-16 Bills List.....Page 46
  
  - ☐ **CEL SAFETY DIRECTOR – J.A. Montgomery Risk Control**
    - Monthly Report ..... Page 48
  
  - ☐ **CLAIMS SERVICE – Inservco Insurance Services**
    - Monthly Savings Report..... Page 51
    - Stewardship Report.....Appendix II
  
  - ☐ **EXECUTIVE SESSION - Motion for Executive Session for Certain Specified Purposes  
for Personnel, Safety, Public Property or Litigation in accordance with the Open Public  
Meeting Act - PAYMENT AUTHORIZATION REQUEST**
  
  - ☐ **Motion to Return to Open Session**
  - ☐ **Motion to Approve PARS as presented in Closed Session**
- 
- ☐ **OLD BUSINESS**
  - ☐ **NEW BUSINESS**
  - ☐ **PUBLIC COMMENT**
- 
- ☐ **MEETING ADJOURNMENT**
    - NEXT SCHEDULED MEETING: APRIL 7, 2016**

## SALEM COUNTY INSURANCE FUND COMMISSION

9 Campus Drive, Suite 216  
Parsippany, NJ 07054

Date: February 4, 2016

Memo to: Commissioners of the Salem County Insurance Fund Commission

From: PERMA Risk Management Services

Subject: Executive Director's Report

---

☐ **Election of Chairperson & Vice Chairperson** – Executive Director asks for nominations and conducts election.

☐ **Reorganizational Resolutions (Pages 3-31)** – Listed below are the necessary Reorganizational Resolutions for the Salem County Insurance Fund Commission.

- Resolution 1-16 Certifying the Election of Chairperson and Vice Chairperson
- Resolution 2-16 Appointing CEL Commissioner
- Resolution 3-16 Appointing Commission Treasurer
- Resolution 4-16 Appointing Commission Attorney
- Resolution 5-16 Appointing Commission Secretary
- Resolution 6-16 Designating Authorized Depositories for Commission Assets and Establishing a Cash Management Plan
- Resolution 7-16 Designating Authorized Signatures for Commission Bank Accounts
- Resolution 8-16 Appointing Agent for Service of Process and Designating Custodian of Commission Records
- Resolution 9-16 Designating Official Newspapers
- Resolution 10-16 Establish Public Meeting Procedures
- Resolution 11-16 Approving the 2016 Risk Management Plan

☐ **Motion to approve Resolutions 1-16 through 11-16**

☐ **2016 Property & Casualty Budget Adoption** - At the December 10, 2015 meeting of the Fund, the 2016 Property & Casualty Budget was introduced. In accordance with State regulations, the budget has been advertised in the Commission's official newspaper and posted at the Clerk's office. The Public Hearing for the budget will be held at this meeting. A copy of the proposed 2016 budget appears on **page 32**.

☐ **Motion to open the Public Hearing on the 2016 Budget.**

☐ **Discussion of Budget.**

☐ **Motion to close the Public Hearing.**

- ❑ Motion to adopt Resolution 12-16 adopting the Budget for the Salem County Insurance Fund Commission in the amount of \$1,498,979 as presented for the Commission Year 2016 and Certifying Assessments. (Page 33)**
- ❑ 2016 Property & Casualty Assessments** – In accordance with the Commission’s By Laws, the assessment bills for 2016 for property and casualty will be mailed to member entities now that the budget has been adopted. Assessments will be due as follows: The first payment of 40% will be due on March 15, 2016. The second assessment of 30% is due on June 15, 2016 and the third assessment of 30% is due on September 15, 2016.
- ❑ Certificate of Insurance Issuance Report:** Attached on **Page 34** is the Certificate of Insurance Issuance Report from the CEL listing those certificates issued for the period of November 24, 2015 to January 28, 2016. There were 10 certificate of insurance issued during this period.
- ❑ Motion to approve the certificate of insurance report.**
- ❑ NJ Excess Counties Insurance Fund (CELJIF) – (Page 36)** – The CEL held a public hearing on November 19, 2015 and adopted the 2016 Budget in the amount of \$21,461,623 and certified the assessments. A summary report of the meeting is included in the agenda. The CEL Reorganization meeting is scheduled for February 25, 2016 at 1:00 PM.
- ❑ Financial Fast Track** – Included on **Page 38 & 39** of the agenda are the Financial Fast Tracks for the Salem County Insurance Fund Commission for October and November. As of November 30, 2015 the Commission has a deficit of \$588,943.
- ❑ NJ CEL Property and Casualty Financial Fast Track** - Included in the agenda on **Page 40** is the NJ CEL Financial Fast Track Report as of November 30, 2015. The CEL has a surplus of **\$5,086,462.**
- ❑ Claims Tracking Report (Page 41)** – The claims tracking report is on page 45 of the agenda. The Claims Activity Report tracks open claims; the Executive Director will review the report with the Commission.

**RESOLUTION NO. 1 -16**

**SALEM COUNTY INSURANCE FUND COMMISSION**

**CERTIFYING THE ELECTION OF  
CHAIRPERSON AND VICE CHAIRPERSON**

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

**BE IT RESOLVED** by the Salem County Insurance Fund Commission that the following persons have been elected as Chairperson and Vice-Chairperson:

Robert Vanderslice

Chairman

Katie Coleman

Vice Chairperson

**BE IT FURTHER RESOLVED**, that the Chairman and Vice Chairperson shall serve through 2017 SCIFC Reorganization.

**ADOPTED** by THE SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 4, 2016.

**ADOPTED:**

**BY:** \_\_\_\_\_

**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**VICE CHAIRPERSON**

**RESOLUTION NO. 2 -16**

**COUNTY INSURANCE COMMISSION OF THE COUNTY OF SALEM APPOINTING A  
COMMISSIONER TO THE NEW JERSEY COUNTIES EXCESS JOINT INSURANCE  
FUND FOR FUND YEAR 2016**

**WHEREAS**, the SALEM COUNTY INSURANCE FUND COMMISSION (hereinafter “SCIFC”) is duly constituted as an Insurance 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 commission to appoint one (1) commissioner to the Fund; and

**WHEREAS**, \_\_\_\_\_ is a member of the Commission and the Commission having deemed it appropriate to designate \_\_\_\_\_ as commissioner to the Fund; and

**NOW THEREFORE BE IT RESOLVED** by the Commissioners of said Commission that **Robert Vanderslice** is designated Commissioner to the New Jersey Counties Excess Joint Insurance Fund until the New Jersey Counties Excess Joint Insurance Fund 2017 Reorganization.

**ADOPTED** by THE SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 4, 2016 .

**ADOPTED:**

**BY:** \_\_\_\_\_  
**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**VICE CHAIRPERSON**

**RESOLUTION NO. 3 -16**

**SALEM COUNTY INSURANCE FUND COMMISSION  
DESIGNATING COMMISSION TREASURER**

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

**WHEREAS**, the SCIFC requires the services of a Treasurer, and

**WHEREAS**, **Katie B. Coleman** 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 **Katie B. Coleman** as SCIFC Treasurer for the term commencing upon adoption of the within resolution through 2017 SCIFC Reorganization;

**BE IT FURTHER RESOLVED** that **Katie B. Coleman** shall receive no compensation to serve as Commission Treasurer to the SCIFC.

**ADOPTED** by THE SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 4, 2016

**ADOPTED:**

**BY:** \_\_\_\_\_  
**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**VICE CHAIRPERSON**

**RESOLUTION NO. 4 -16**

**SALEM COUNTY INSURANCE FUND COMMISSION  
DESIGNATING COMMISSION ATTORNEY**

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

**WHEREAS**, the SCIFC requires the services of an Attorney, and

**WHEREAS**, **Michael M. Mulligan** has demonstrated the skill and possesses the qualifications to perform the duties of Commission Attorney for the County Insurance Commission;

WHEREAS, the Commission authorizes the appointment of **Michael M. Mulligan** as SCIFC Attorney for the term commencing upon adoption of the within resolution through 2017 SCIFC Reorganization; and

**BE IT FURTHER RESOLVED** that **Michael M. Mulligan** shall receive no compensation to serve as Commission Attorney to the SCIFC.

**ADOPTED** by THE SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 4, 2016.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**VICE CHAIRPERSON**



**RESOLUTION NO. 5 -16**

**SALEM COUNTY INSURANCE FUND COMMISSION  
DESIGNATING COMMISSION SECRETARY**

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

**WHEREAS**, the SCIFC requires the services of an Secretary, and

**WHEREAS**, \_\_\_\_\_ has demonstrated the skill and possesses the qualifications to perform the duties of Commission Secretary for the County Insurance Commission;

**WHEREAS**, the Commission authorizes the appointment of \_\_\_\_\_ as SCIFC Secretary for the term commencing upon adoption of the within resolution through 2017 SCIFC Reorganization; and

**ADOPTED** by THE SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 4, 2016.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**VICE CHAIRPERSON**

**RESOLUTION NO. 6-16**

**SALEM COUNTY INSURANCE FUND COMMISSION  
DESIGNATING AUTHORIZED DEPOSITORIES FOR FUND ASSETS  
AND ESTABLISHING A CASH MANAGEMENT PLAN**

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

**BE IT RESOLVED** that **Fulton Bank** is hereby designated as the depository for assets of the Fund.

**BE IT FURTHER RESOLVED** that the attached Cash and Investment Management Plan, which includes the designation of authorized depositories, be and is hereby adopted.

**ADOPTED** by THE SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 4, 2016.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**VICE CHAIRPERSON**

## SALEM COUNTY INSURANCE FUND COMMISSION

### 2016 CASH MANAGEMENT AND INVESTMENT POLICY

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

The SALEM 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.
- g.) Government money market mutual funds
- h.) Local Government Investment Pools

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 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.) **Selection of Asset Managers, Custodial Banks and Operating Banks**

Asset managers, custodial banks and operating banks shall be retained for contract periods of one (1) year. Additionally, the Commission shall maintain the ability to change asset managers and/or custodial banks more frequently based upon performance appraisals and upon reasonable notice, and based upon changes in policy or procedures.

8.) **Reporting**

If the Commission utilizes the services of asset managers, they will submit written statements to the Treasurer and Executive Director describing the proposed investment strategy for achieving the objectives identified herein. Asset managers shall also submit revisions to strategy when justified as a result of changing market conditions or other factors. Such statements shall be provided to the Treasurer and Executive Director. The statements shall also include confirmation that all investments are made in accordance with this plan. Additionally, the Investment Manager shall include a statement that verifies the Investment Manager has reconciled and determined the appropriate fair value of the Commission's portfolio based on valuation guidelines that shall be kept on file in the Executive Director's office.

The Treasurer shall report to the Executive Committee at all regular meetings on all investments. This report shall include information on the balances in all bank and investment accounts, and purchases, sales, and redemptions occurring in the prior month.

9.) **Audit**

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

10.) **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.

11.) **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. 7-16**

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

**BE IT RESOLVED** by the SALEM 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

Robert Vanderslice - Chairman

Katie Coleman – Treasurer

Jessica Bishop – Commissioner

**BE IT FURTHER RESOLVED** that for 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.

Robert Vanderslice - Chairman

Katie Coleman - Treasurer

Jessica Bishop – Commissioner

**ADOPTED** by THE SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 4, 2016.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**VICE CHAIRPERSON**

**RESOLUTION NO. 8-16**

**SALEM COUNTY INSURANCE FUND COMMISSION  
APPOINTING AGENT FOR SERVICE OF PROCESS AND CUSTODIAN OF RECORDS  
FOR THE COMMISSION FOR THE YEAR 2016**

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

**WHEREAS**, the SCIFC has deemed it necessary and appropriate to formally organize for the 2016 commission year; and

**NOW THEREFORE** be it resolved by the Salem County Insurance Fund Commission that **PERMA Risk Management Services** is hereby appointed as agent for service of process upon the SCIFC, at its office located at 9 Campus Drive, Suite 16, Parsippany, NJ 07054 and at 401 Route 73 North, Suite 300, Marlton, NJ 08053 for the year 2016 or until its successor has been appointed and qualified. Said appointment shall be at no cost to the SCIFC.

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

**ADOPTED** by THE SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 4, 2016.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**VICE-CHAIRPERSON**



**RESOLUTION NO. 9-16**

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

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

**WHEREAS**, the SCIFC has deemed it necessary and appropriate to formally organize for the 2016 commission year; and

**BE IT RESOLVED** by the SCIFC, the **South Jersey Times and/or Elmer Times** are hereby designated as the official newspaper for the Commission and all official notices required to be published and shall be published in these newspapers.

**BE IT FURTHER RESOLVED** that the designation of official newspapers shall be effective upon adoption of the within resolution through the 2017 re-organization of the SCIFC.

**BE IT FURTHER RESOLVED** that in the case of special meetings or emergency meetings, the SCIFC shall give notice of said meetings to the **South Jersey Times and/or Elmer Times**.

**ADOPTED** by THE SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 4, 2016.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**VICE CHAIRPERSON**

**RESOLUTION NO. 10-16**

**SALEM COUNTY INSURANCE FUND COMMISSION  
ESTABLISHING PUBLIC MEETING PROCEDURES**

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

**WHEREAS**, the SCIC has deemed it necessary and appropriate to formally establish meeting procedures for the 2016 Fund Year; and

**NOW, THEREFORE BE IT RESOLVED**, by the Commissioners of the Salem County Insurance Fund Commission that the SCIC shall hold public meetings during the year 2016 as follows:

| <u>TIME</u> | <u>DATE</u>       | <u>LOCATION</u>   | <u>PURPOSE</u>         |
|-------------|-------------------|---|------------------------|
| 9:00 AM     | April 7, 2016     | Salem County Old Courthouse<br>104 Market Street<br>Salem, NJ 08079 | Regular Meeting        |
| 9:00 AM     | June 2, 2016      | “   | Regular Meeting        |
| 9:00 AM     | August 4, 2016    | “   | Regular Meeting        |
| 9:00 AM     | October 6, 2016   | “   | Regular Meeting        |
| 9:00 AM     | *December 8, 2016 | “   | Regular Meeting        |
| 9:00 AM     | February 2, 2017  | “   | Reorganization Meeting |

**ADOPTED** by the SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 4, 2016.

\*Second Thursday

**ADOPTED:**

**BY:** \_\_\_\_\_  
**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**VICE CHAIRPERSON**

**RESOLUTION NO. 11-16**

**2016 Risk Management Plan**

**Salem County Insurance Fund Commission**  
(hereinafter the "Insurance Commission")

**Amended February 4, 2016**

BE IT RESOLVED by the Insurance Commission's governing body that effective 1/1/16 the 2016 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
    - Excess General Liability
    - Excess Auto Liability
    - Excess Property including Boiler and Machinery
    - Public Officials Liability/School Board Legal/Employment Practices Liability
    - Crime
    - Pollution Liability
    - Medical Professional and General Liability

- Employed Lawyers Liability NOT PURCHASED
- Cyber Liability
- Non-Owned Aircraft Liability

2.) The limits of coverage.

a.) Workers' Compensation limits.

- The Insurance Commission covers \$250,000 per occurrence including:
  - Employer's Liability - \$250,000 per occurrence.
  - USL&H – \$250,000 per occurrence.
  - Harbor Marine/Jones Act - \$250,000 per occurrence.
- The NJC covers excess workers compensation claims to the following limits.
  - Workers' Compensation – statutory excess of the Insurance Commission's \$250,000.
  - Employer's Liability - at a sub-limit of \$30,750,000 excess of the Insurance Commission's \$250,000.
  - USL&H – \$250,000 less NJ State benefits excess of member's SIR of \$250,000.
  - Harbor Marine/Jones Act - \$250,000 less NJ State benefits excess of member's SIR of \$250,000.

NJC retains limits of \$250,000 excess \$250,000 for Workers Compensation and Employers Liability. NJC purchases from Wesco Insurance Company \$500,000 excess \$500,000 each occurrence/employee 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 \$10,000,000 excess of \$6,000,000 are purchased from Underwriters at Lloyds, \$15,000,000 excess \$16,000,000 from National Casualty

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
  - Owned Watercraft 35' in length or less - \$250,000.
  - Garagekeepers Legal Liability - \$250,000
- The NJC covers excess liability claims as follows:
  - General Liability - \$25,250,000 excess the Insurance Commission's \$250,000. The \$10,000,000 excess \$500,000 commercial excess layer is subject to a \$20,000,000 aggregate limit for the policy period 1/1/16-17 - The \$15,000,000 excess \$10,500,000 commercial excess layer is subject to a \$15,000,000 annual aggregate limit (1/1/16-1/1/17).
  - Law Enforcement - included in the NJC's excess General Liability limits.
  - Employee Benefits Liability - included in the NJC's excess General Liability limits.
  - Subsidence - \$750,000 per occurrence excess of the Insurance Commission's \$250,000. NJC retains 100% of the limit excess of the Member's retention.
  - Owned Watercraft 35' in length or less - \$750,000 excess of the Insurance Commission's \$250,000. NJC retains 100% of the limit excess of the Member'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's retention.

NJC retains limits of \$250,000 excess \$250,000 and purchases from Underwriters at Lloyds limits of \$10,000,000 per occurrence and a \$20,000,000 aggregate for the policy period of 1/1/16-17 excess over and above \$500,000. NJC also purchases from National Casualty limits of

\$15,000,000 per occurrence and a \$15,000,000 annual aggregate (1/1/16-1/1/17) excess over and above the \$10,000,000/\$20,000,000 with Underwriters at Lloyds.

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) per Addendum I of this Plan.
  - The Insurance Commission covers \$15,000/\$30,000/5,000 for Underinsured/Uninsured Motorists Liability per Addendum II of this Plan.
- The NJC covers excess automobile liability claims as follows:
  - Automobile Bodily Injury and Property Damage Liability claims excess of the Insurance Commission's \$250,000 CSL limit. Included in the NJC's excess General Liability limits as shown above.

NJC retains limits of \$250,000 excess \$250,000 and purchases from Underwriters at Lloyds limits of \$10,000,000 per occurrence and a \$20,000,000 aggregate for the policy period of 1/1/16-17 excess over and above \$500,000. NJC also purchases from National Casualty limits of \$15,000,000 per occurrence and a \$15,000,000 annual aggregate (1/1/16-1/1/17) excess over and above the \$10,000,000/\$20,000,000 with Underwriters at Lloyds.

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

The excess general liability, auto liability, law enforcement liability and employers liability limits with Underwriters at Lloyds, National Casualty are per member Commission and are shared limits amongst SCIC member entities.

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

- The NJC via the commercial market covers public officials liability, school board legal liability (where applicable) and employment practices liability as follows:
  - \$10,000,000 each claim and in the annual aggregate on a claims made basis per member Insurance Commission subject to the deductibles as outlined below:
    - Salem County - \$50,000 POL/\$75,000 EPL

e.) Excess Public Officials Liability/Employment Practices Liability/School Board Legal Liability:

- The NJC does not purchase an additional excess public officials liability/school board legal liability/employment practices liability program.

f.) 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 and Equipment Breakdown coverage via the commercial market with Zurich and excess property coverage with Mitsui Sumitomo Insurance Company of America (33.33%); Scottsdale Insurance Company (33.33%); Starr Companies (33.33%) quota share basis with the following limits excess of the member retention and member entity per occurrence deductible (*SHARED BY ALL NJC MEMBER COMMISSIONS AND THEIR MEMBER ENTITIES*)

Property Per Occurrence Limits:

- A. \$110,000,000 Per Occurrence with Zurich
- B. \$150,000,000 Per Occurrence with Mitsui Sumitomo Insurance Company of America (33.33%); Scottsdale Insurance Company (33.33%); Starr Companies (33.33%)
- C. \$260,000,000 per Occurrence Total Program Limit

Property Sub-Limits:

- Named Storm Wind and Hail - \$160,000,000 per occurrence for covered property east of GSP for Atlantic, Ocean, Monmouth and Burlington counties and all of Cape May County
- Earthquake - \$100,000,000 (Annual Aggregate) + Excess Earthquake - \$100,000,000
- Flood - \$100,000,000 (Annual Aggregate) Except;

- Flood Inside Special Flood Hazard Area (SFHA) - \$25,000,000
  - Excess Flood Add \$15,000,000 (Annual Aggregate)
- Asbestos Cleanup - \$50,000 per occurrence
  - Valuable Paper And Records - \$10,000,000
  - Accounts Receivable - \$10,000,000
  - Demolition & Increased Cost of Construction -\$25,000,000
  - Business Interruption -Included in \$110,000,000 blanket limit (Business Income On Revenue Producing Property Only)
  - Extra Expense – \$10,000,000
  - Transit- \$1,000,000 Per Conveyance/\$1,000,000 Per Occurrence
  - Fine Arts - \$2,500,000 (Owned And Non Owned)
  - Pollution And Contamination Cleanup (Limited) - \$250,000 (Annual Aggregate)
  - Miscellaneous Unnamed Locations - \$10,000,000
  - New Construction and Additions - \$25,000,000 (the lesser of \$1,000,000 sublimit or 60 days for soft costs, subject to applicable deductible per cause of loss and 24 hour qualifying period)
  - Newly Acquired Locations – \$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)
  - Ingress/Egress – 30 Day Period for Property with a 5 mile radius not to exceed a \$5,000,000 limit.
  - Debris Removal -\$25,000,000
  - Civil Government Authority – Lesser of \$5,000,000 or 30 day period, within 5 mile radius
  - Leasehold Interest - \$15,000,000
  - Loss Of Rents - \$15,000,000
  - Professional Fees - \$1,250,000
  - Extended Period of Liability – 365 Days
  - 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 the perils of Earthquake, Flood or named Storm
  - EDP Equipment – Subject to a 24 hour qualifying period. No sub-limit for equipment. \$1,000,000 sublimit for data and software
  - Outdoor Property - \$10,000,000
  - Equipment Breakdown - \$100,000,000
    - Ammonia Contamination - \$5,000,000
    - Spoilage - \$5,000,000
    - Extended Period Of Indemnity - 365 Days



- Note: There is an Excess Property Policy with Mitsui Sumitomo Insurance Company of America (33.33%); Scottsdale Insurance Company (33.33%); Starr Companies (33.33%) on a quota share basis which extends the Per Occurrence Policy Limits by \$150,000,000 to a total of \$260,000,000. The excess policy provides a sub-limit of \$25,000,000 excess of the underlying \$110,000,000 per occurrence for Named Storm Wind and Hail for Atlantic, Cape May, Ocean, Monmouth and Cumberland counties. Coverage sub-limits on the Primary policy are excluded by the Excess Property policy, including Equipment Breakdown. The primary limit is \$110,000,000.
- There is an Excess Flood/Earthquake policy placed with Aspen Specialty (20%)/AXIS Surplus (20%)/United Specialty (20%)/Endurance American Specialty(10%)/Interstate Fire & Casualty (10%)/RSUI Indemnity (10%)/Westchester Surplus (10%) which provides:
  - \$50,000,000 aggregate policy limit for Flood coverage excess of the aggregate policy limits provided by Zurich (\$25,000,000 for locations inside the 100-Year Flood Zone, \$50,000,000 for all other locations, as noted above); and
  - \$100,000,000 aggregate policy limit for Earthquake coverage excess of the \$100,000,000 aggregate policy limit provided by Zurich (noted above).

#### 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).Property/Boiler & Machinery
  - Salem County - \$5,000 Property & Auto Physical Damage
- The Equipment Breakdown deductible is \$25,000 member entity deductible per occurrence.
- The Earthquake Member Insurance Commission retention is \$100,000 per occurrence less member entity deductibles.
- The Flood Member Insurance Commission retention is \$100,000 per occurrence (combined property damage and time element) less member entity per occurrence deductibles.
- 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 \$100,000 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 \$100,000 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.
- Note: Where there is an underlying Insurance Commission such as exist in Salem. The Salem County Insurance 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 Salem 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 100-year flood zone, the 100-year flood zone deductible above applies.

- 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

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:

- Salem County – \$1,000,000

Deductible per occurrence:

- Salem County – \$10,000

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

h.) 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.

All policy aggregates limits are shared by the Camden County Insurance Commission, Gloucester County Insurance Commission, Union County, Burlington County Insurance Commission, Cumberland County Utilities Authority, Ocean County Mosquito Extermination Commission, Salem County and Atlantic County Utilities Authority

i.) 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.
- Excess Limit annual aggregate: \$20,000,000/\$20,000,000
  - Excess Limit is a Shared limit with CCIC, BCIC, GCIC SCIC and CUIC .
- Member Entity Deductibles GL and PL:
  - Salem County Health Clinic – \$5,000
  - Department of Corrections (prison Infirmary) - \$25,000

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

j.) Employed Lawyers Professional Liability

The NJC via the commercial market offers an employed lawyers professional liability program that SCIC does not participate in.

k.) Cyber 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:
  - Security & Privacy Liability: \$1,000,000
    - regulatory sub-limit: \$750,000\*
  - Network Interruption (12 hour period): \$250,000
  - Event Management: \$250,000
  - Cyber Extortion: \$ 1,000,000
  - Minimum affected individuals: 100
  - Maximum affected individuals: \$500,000
- Retention per member entity:
  - Security & Privacy Liability: \$25,000
    - Regulatory: \$25,000
  - Network Interruption (12 hour period): \$25,000
  - Event Management: \$25,000
  - Cyber Extortion: \$ 25,000
  - Minimum affected individuals: 100
  - Maximum affected individuals: \$500,000
- Participating member entities are:
  - Salem County

l.) 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.

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) - \$250,000 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 deductibles.
- f.) Crime – None
- g.) Pollution Liability – None
- h.) Medical Professional General Liability – None
- i.) Employed Lawyers Liability – None
- j.) Cyber Liability - None

4.) The amount of unpaid claims to be established.

- 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 five major excess insurers (i.e. Underwriters at Lloyds, National Casualty and Markel for excess liability; Wesco Insurance Company and Safety National Casualty Company for workers' compensation). Every three years, the NJC's internal auditors also conduct an audit.

- 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 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. Star Insurance for excess liability and workers' compensation; Everest National and Star & Indemnity for excess liability). Every three years, the NJC's internal auditors also conduct an audit.
  - b.) Each member entity is provided with a claims reporting procedure and appropriate forms.
  - c.) In order to control workers' compensation medical costs, the Insurance Commission has engaged a managed care organization (MCO) *through 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 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 does not purchase commercial insurance.
- 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.
- \$10,000 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 4th day of February 2016.

**SALEM COUNTY INSURANCE FUND COMMISSION**

---

**CHAIRMAN**

**ATTEST:**

---

**VICE-CHAIRPERSON**

| SALEM COUNTY INSURANCE COMMISSION     |   |                             |                       |                  |                |
|---------------------------------------|---|-----------------------------|-----------------------|------------------|----------------|
| PROPOSED BUDGET                       |   |                             | GL/AL=250K<br>WC 250K |                  |                |
|                                       |   | ANNUALIZED BUDGET<br>FY2015 | PROPOSED BUDGET       | Change \$        | Change %       |
| APPROPRIATIONS                        |   |                             |                       |                  |                |
| <b>I. Claims and Excess Insurance</b> |   |                             |                       |                  |                |
| <b>Claims</b>                         |   |                             |                       |                  |                |
| 1                                     | Property                                    | 57,962                      | 62,309                | 4,347            | 7.50%          |
| 2                                     | Liability                                   | 58,381                      | 62,760                | 4,379            | 7.50%          |
| 3                                     | Auto  | 5,838                       | 6,276                 | 438              | 7.50%          |
| 4                                     | Workers' Comp.                              | 449,100                     | 482,783               | 33,683           | 7.50%          |
| 5                                     | LFC   |                             | 106,151               | 106,151          | 100.00%        |
| 6                                     | <b>Subtotal - Claims</b>                    | <b>571,281</b>              | <b>720,279</b>        | <b>148,998</b>   | <b>26.08%</b>  |
| 7                                     |   |                             |                       |                  |                |
| 8                                     | <b>Premiums</b>                             |                             |                       |                  |                |
| 9                                     | CEL JIF                                     | 601,321                     | 490,033               | (111,288)        | -18.51%        |
| 10                                    |   |                             |                       |                  |                |
| 11                                    | <b>SubTotal Premiums</b>                    | <b>601,321</b>              | <b>490,033</b>        | <b>(111,288)</b> | <b>-18.51%</b> |
| 12                                    | <b>Total Loss Fund</b>                      | <b>1,172,602</b>            | <b>1,210,312</b>      | <b>37,710</b>    | <b>3.22%</b>   |
| 13                                    |   |                             |                       |                  |                |
| 14                                    | <b>II. Expenses, Fees &amp; Contingency</b> |                             |                       |                  |                |
| 15                                    |   |                             |                       |                  |                |
| 16                                    | Claims Adjustment                           | 22,889                      | 23,347                | 458              | 2.00%          |
| 17                                    | Safety Director                             | 0                           | 0                     | 0                | 0.00%          |
| 18                                    | General Expense                             |                             |                       |                  |                |
| 19                                    | Exec. Director                              | 34,817                      | 35,513                | 696              | 2.00%          |
| 20                                    | Actuary                                     | 7,803                       | 7,959                 | 156              | 2.00%          |
| 21                                    | Auditor                                     | 7,803                       | 7,959                 | 156              | 2.00%          |
| 22                                    | Attorney                                    | 0                           | 0                     | 0                | 0.00%          |
| 23                                    | Treasurer                                   | 0                           | 0                     | 0                | 0.00%          |
| 24                                    |   |                             |                       |                  |                |
| 25                                    |   |                             |                       |                  |                |
| 26                                    | Misc. Expense & Contingency                 | 27,839                      | 27,839                | 0                | 0.00%          |
| 27                                    |   |                             |                       |                  |                |
| 28                                    | <b>Total Fund Exp &amp; Contingency</b>     | <b>101,151</b>              | <b>102,617</b>        | <b>1,466</b>     | <b>1.45%</b>   |
| 29                                    | Risk Managers                               | 0                           | 0                     | 0                | 0.00%          |
| 30                                    |   |                             |                       |                  |                |
| 31                                    |   |                             |                       |                  |                |
| 32                                    | XS JIF Ancillary Coverage                   |                             |                       |                  |                |
| 33                                    | POL/EPL                                     | 99,068                      | 99,068                | 0                | 0.00%          |
| 34                                    | XS POL/EPL                                  | 0                           | 0                     | 0                | 0.00%          |
| 35                                    | Excess Liability                            | 34,752                      | 35,795                | 1,043            | 3.00%          |
| 36                                    | Crime Program                               | 3,342                       | 3,409                 | 67               | 2.00%          |
| 37                                    | Medical Malpractice                         | 30,907                      | 30,907                | 0                | 0.00%          |
| 38                                    | Pollution Liability                         | 0                           | 0                     | 0                | 0.00%          |
| 39                                    | Employed Lawyers Liab                       | 0                           | 0                     | 0                | 0.00%          |
| 40                                    | Cyber Liability/Special Coverages           | 13,780                      | 13,780                | 0                | 0.00%          |
| 41                                    | XS Flood 10x40                              |                             | 2,132                 | 2,132            | 100.00%        |
| 42                                    | Aviation                                    |                             | 959                   | 959              | 100.00%        |
| 43                                    |   |                             |                       |                  |                |
| 44                                    | <b>Total FUND Disbursements</b>             | <b>1,455,602</b>            | <b>1,498,979</b>      | <b>43,377</b>    | <b>2.98%</b>   |

**RESOLUTION NO. 12 -16**

**RESOLUTION AUTHORIZING AND APPROVING THE BUDGET  
FOR THE YEAR 2016 FOR THE SALEM COUNTY INSURANCE FUND COMMISSION  
AND CERTIFYING MEMBER ASSESSMENTS**

**WHEREAS**, the SALEM COUNTY INSURANCE FUND COMMISSION is required under State regulation to adopt an annual budget in accordance with the Fiscal Affairs Law; and

**NOW THEREFORE BE IT RESOLVED** the appropriations in the total amount of **\$1,498,979.00** is hereby authorized & approved and assessments for member entities are hereby certified.

**ADOPTED** by THE SALEM COUNTY INSURANCE FUND COMMISSION at a properly noticed meeting held on February 4, 2016.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**VICE CHAIRPERSON**

# Salem County Insurance Commission Certificate Of Insurance Monthly Report

Friday, January 29, 2016

From 11/24/15 To 1/28/2016

| Holder (H) / Insured Name (I)                               | Holder / Insured Address   | Holder Code | Description of Operations  | Issue Date   | Coverage |
|---|--|-------------|--|--|----------|
| <b><u>SCIC</u></b>  |  |             |  |  |          |
| H- State of New Jersey<br>WC<br>Trenton, NJ 08625           | Dept of Human Services PO Box 705  | 768         | Evidence of insurance. All operations usual to County  | 12/3/2015  | GL EX AU |
| I- Salem County   | 94 Market Street Salem, NJ 08079   |             | Governmental Entity as respects the Personal Assistance Services Program. (see page 2)                                     |  |          |
|   |  |             | Company E: XS Worker Compensation<br>XS Employers Liability<br>Policy Term 1/1/15 to 1/1/16 Policy # SP4052392             | Statutory x \$1,000,000<br>\$5,000,000 x \$1,000,000 |          |
| H- New Jersey Department<br>WC<br>of Environment Protection | Office of Local Environmental Management<br>Po Box 420, Mail Code 401-04N Trenton, NJ 08625-0420 | 1434        | All operations usual to County Governmental Entity as respects to the 2016 Fiscal CEHA Grant throughout 2015. (see page 2) | 12/2/2015  | GL EX AU |
| I- Salem County   | 94 Market Street Salem, NJ 08079   |             | Company E: XS Worker Compensation<br>XS Employers Liability<br>Policy Term 1/1/15 to 1/1/16 Policy # SP4052392             | Statutory x \$1,000,000<br>\$5,000,000 x \$1,000,000 |          |
| H- To Whom it May Concern<br>EX MM                          |  | 590         | Evidence of insurance. All operations usual to County Governmental Entity.   | 1/11/2016  | GL AU    |
| I- Salem County   | 94 Market Street Salem, NJ 08079   |             |  |  |          |
| H- New Jersey Transit<br>WC                                 | One Plaza East Newark, NJ 07105  | 635         | Evidence of insurance. All operations usual to County  | 1/12/2016  | GL EX AU |
| I- Salem County   | 94 Market Street Salem, NJ 08079   |             | Governmental Entity.   |  |          |
| H- New Jersey Transit<br>WC                                 | One Plaza East Newark, NJ 07105  | 635         | Evidence of insurance. All operations usual to County  | 1/12/2016  | GL EX AU |
| I- Salem County   | 94 Market Street Salem, NJ 08079   |             | Governmental Entity. (see page 2)  |  |          |
|   |  |             | Company E: XS Worker Compensation<br>XS Employers Liability<br>Policy Term 1/1/16 to 1/1/17 Policy # SP4054261             | Statutory x \$1,000,000<br>\$5,000,000 x \$1,000,000 |          |
| H- Salem County Improvement Authority<br>WC                 | PO Box 890 52 McKillip Road Alloway, NJ 08001  | 1066        | Evidence of insurance. All operations usual to County  | 1/12/2016  | GL EX AU |
| I- Salem County   | 94 Market Street Salem, NJ 08079   |             | Governmental Entity.   |  |          |

|   |   |      |  |   |                       |          |
|---|---|------|--|---|-----------------------|----------|
|   |   |      | Company E: XS Worker Compensation  | Statutory x \$1,000,000                               |                       |          |
|   |   |      | XS Employers Liability   | \$5,000,000 x \$1,000,000                             |                       |          |
|   |   |      | Policy Term 1/1/16 to 1/1/17   | Policy # SP4052392                                    |                       |          |
| H- Salem County Improvement Authority<br>WC | PO Box 890 52 McKillip Road Alloway, NJ 08001   | 1066 | Evidence of insurance.   | All operations usual to County                        | 1/13/2016             | GL EX AU |
| I- Salem County                             | 94 Market Street Salem, NJ 08079  |      | Governmental Entity. (see page 2)  |   |                       |          |
|   |   |      | Company E: XS Worker Compensation  | Statutory x \$1,000,000                               |                       |          |
|   |   |      | XS Employers Liability   | \$5,000,000 x \$1,000,000                             |                       |          |
|   |   |      | Policy Term 1/1/16 to 1/1/17   | Policy # SP4052392                                    |                       |          |
| H- Salem County Improvement Authority<br>WC | PO Box 890 52 McKillip Road Alloway, NJ 08001   | 1066 | Evidence of insurance.   | All operations usual to County                        | 1/13/2016             | GL EX AU |
| I- Salem County                             | 94 Market Street Salem, NJ 08079  |      | Governmental Entity.   |   |                       |          |
|   |   |      | Company E: XS Worker Compensation  | Statutory x \$1,000,000                               |                       |          |
|   |   |      | XS Employers Liability   | \$5,000,000 x \$1,000,000                             |                       |          |
|   |   |      | Policy Term 1/1/16 to 1/1/17   | Policy # SP4052392                                    |                       |          |
| H- SRI International<br>MM                  | 201 Washington Road Princeton, NJ 08540   | 1100 | Evidence of insurance.   | All operations usual to County                        | 1/11/2016             | GL AU EX |
| I- Salem County                             | 94 Market Street Salem, NJ 08079  |      | Governmental Entity as respects West Windsor District 2 for the Presidential Primary on June 7th and Presidential General Election on November 8th (SEE PAGE 2). |   |                       |          |
| Aggregate)                                  |   |      | Company D: XS Liability  | \$10,000,000 XS of \$10,000,000, (\$10,000,000 Annual |                       |          |
|   |   |      | Policy Term: 1/1/16 to 1/1/17 Policy # XCO0000261  |   |                       |          |
|   |   |      | Company E: XS Worker Compensation  | Statutory x \$1,000,000                               |                       |          |
|   |   |      | XS Employers Liability   | \$5,000,000 x \$1,000,000                             |                       |          |
|   |   |      | Policy Term 1/1/16 to 1/1/17   | Policy # SP4054261                                    |                       |          |
| H- SOUTH JERSEY TRANSPORTATION<br>EX AU WC  | PLANNING ORGANIZATION 782 SOUTH   | 1659 | Evidence of insurance.   | All operations usual to County                        | Governmental1/21/2016 | GL       |
| I- Salem County                             | BREWSTER ROAD, UNIT B6 VINELAND, NEW JERSEY 08361<br>94 Market Street Salem, NJ 08079 |      | Entity as respects the Salem County Engineer's Office borrowing a piece of equipment known as a "RETROREFLECTOMETER" from "S.J.T.P.O.". (see page 2)             |   |                       |          |
|   |   |      | Company E: XS Worker Compensation  | Statutory x \$1,000,000                               |                       |          |
|   |   |      | XS Employers Liability   | \$5,000,000 x \$1,000,000                             |                       |          |
|   |   |      | Policy Term 1/1/16 to 1/1/17   | Policy # SP4054261                                    |                       |          |

**Total # of Holders =** 10

## NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND

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

**Date:** November 19, 2015  
**To:** Executive Committee  
Camden County Insurance Commission  
**From:** PERMA Risk Management Services  
**Subject:** New Jersey Counties Excess Meeting Report

---

**2016 Budget:** Last month, the Fund introduced the proposed 2016 budget and scheduled today's public hearing, which was advertised in the Fund's designated newspapers.

Executive Director reported a change was made to the Excess Liability Ancillary Coverage and an updated 2016 budget was distributed reflecting a total of \$21,461,623; copies of updated assessments by member were also distributed.

Executive Director reported the budget reflects the sub-committee's recommendation to maintain the expiring general/auto self-insured retention limits and increase the workers' compensation self-insured retention limit as follows:

- **GL/AL** – All members retain the first \$250,000. *Exceptions are Hudson County at \$750,000 and ACIC at \$500,000.*
- **WC** – Increase \$250,000 to \$300,000 for all members. *Exception is Hudson County at \$750,000, Ocean County at \$750,000, ACIC at \$750,000 and SCIC at \$250,000.*

Following the public meeting, the Board of Fund Commissioners adopted the 2016 budget in the amount of \$21,461,623 and certified the assessments.

**Professional Contracts:** The contracts for Executive Director, Underwriting Manager and Safety Director expire on February 25, 2016. The Board of Fund Commissioners authorized the release of Requests for Proposals. The Fund Attorney will review the boilerplate forms prior to release and appointments will be made by the board at the 2016 Reorganization meeting.

As previously reported, the fund's contract with The Actuarial Advantage expired. The fund office issued a Request for Price Quotes was advertised and was sent to three firms to provide a response; the Actuarial Advantage was the only firm to respond. The Board of Fund Commissioners adopted a resolution appointing The Actuarial Advantage as Fund Actuary based on their submitted quote for a one-year term.

**2016 Renewal Coverages:** The Board of Fund Commissioners authorized the Underwriting Manager to bind and enter into the required agreements for the 2016 excess and ancillary coverages; a resolution formalizing the action will be included in the 2016 Reorganization agenda.

**Claims Status:** The Board of Fund Commissioners adopted a resolution authorizing the need for closed session; AmeriHealth Casualty Services discussed claims with large open reserves during Closed Session.

**Risk Control:** Safety Director provided a brief report on recent risk control activities.

**Next Meeting:** The next meeting is the 2016 Reorganization meeting scheduled for February 25, 2016 at 1:00PM in the Camden County Regional Emergency Training Center.

| SALEM COUNTY INSURANCE COMMISSION   |                                |            |                  |                |              |  |
|---|--------------------------------|------------|------------------|----------------|--------------|--|
| FINANCIAL FAST TRACK REPORT   |                                |            |                  |                |              |  |
|   |                                | AS OF      | October 31, 2015 |                |              |  |
| ALL YEARS COMBINED  |                                |            |                  |                |              |  |
|   |                                | THIS MONTH | YTD CHANGE       | PRIOR YEAR END | FUND BALANCE |  |
| 1.  | UNDERWRITING INCOME            | 120,982    | 1,209,824        | 3,222,630      | 4,432,454    |  |
| 2.  | CLAIM EXPENSES                 |            |                  |                |              |  |
|   | Paid Claims                    | 62,530     | 463,192          | 1,044,566      | 1,507,758    |  |
|   | Case Reserves                  | 39,518     | 156,218          | 443,951        | 600,168      |  |
|   | IBNR                           | 15,416     | 75,811           | 286,689        | 362,500      |  |
|   | Discounted Claim Value         | (1,534)    | 22,028           | (46,951)       | (24,922)     |  |
|   | TOTAL CLAIMS                   | 115,930    | 717,249          | 1,728,255      | 2,445,504    |  |
| 3.  | EXPENSES                       |            |                  |                |              |  |
|   | Excess Premiums                | 64,946     | 649,464          | 1,689,146      | 2,338,610    |  |
|   | Administrative                 | 6,035      | 60,934           | 161,746        | 222,680      |  |
|   | TOTAL EXPENSES                 | 70,982     | 710,398          | 1,850,892      | 2,561,290    |  |
| 4.  | UNDERWRITING PROFIT (1-2-3)    | (65,929)   | (217,823)        | (356,517)      | (574,340)    |  |
| 5.  | INVESTMENT INCOME              | 1          | 10               | 2              | 12           |  |
| 6.  | PROFIT (4 + 5)                 | (65,928)   | (217,813)        | (356,515)      | (574,328)    |  |
| 7.  | CEL APPROPRIATION CANCELLATION | 0          | 0                | 1,259          | 1,259        |  |
| 8.  | INVESTMENT IN JOINT VENTURE    | 767        | (3,774)          | 49,989         | 46,215       |  |
| 9.  | SURPLUS (6 + 7 + 8)            | (65,161)   | (221,587)        | (305,267)      | (526,854)    |  |
| SURPLUS (DEFICITS) BY FUND YEAR   |                                |            |                  |                |              |  |
|   | 2012                           | 165        | (675)            | (110,295)      | (110,970)    |  |
|   | 2013                           | 2,624      | (143,041)        | (76,854)       | (219,895)    |  |
|   | 2014                           | (82,018)   | (131,193)        | (118,118)      | (249,311)    |  |
|   | 2015                           | 14,068     | 53,322           |                | 53,322       |  |
| TOTAL SURPLUS (DEFICITS)  |                                | (65,161)   | (221,587)        | (305,267)      | (526,854)    |  |
| TOTAL CASH  |                                |            |                  |                | 27,314       |  |
| CLAIM ANALYSIS BY FUND YEAR   |                                |            |                  |                |              |  |
| FUND YEAR 2012  |                                |            |                  |                |              |  |
|   | Paid Claims                    | 2,218      | 40,978           | 173,588        | 214,566      |  |
|   | Case Reserves                  | (2,135)    | (41,674)         | 45,265         | 3,591        |  |
|   | IBNR                           | (127)      | (4,535)          | 8,648          | 4,113        |  |
|   | Discounted Claim Value         | 80         | 3,665            | (3,937)        | (272)        |  |
|   | TOTAL FY 2012 CLAIMS           | 36         | (1,566)          | 223,564        | 221,998      |  |
| FUND YEAR 2013  |                                |            |                  |                |              |  |
|   | Paid Claims                    | (6,802)    | 91,425           | 536,291        | 627,716      |  |
|   | Case Reserves                  | 5,508      | 70,790           | 215,490        | 286,280      |  |
|   | IBNR                           | (690)      | (32,642)         | 100,924        | 68,282       |  |
|   | Discounted Claim Value         | (141)      | 11,126           | (20,122)       | (8,996)      |  |
|   | TOTAL FY 2013 CLAIMS           | (2,125)    | 140,700          | 832,583        | 973,283      |  |
| FUND YEAR 2014  |                                |            |                  |                |              |  |
|   | Paid Claims                    | 14,988     | 135,734          | 334,687        | 470,421      |  |
|   | Case Reserves                  | 68,546     | 27,962           | 183,195        | 211,157      |  |
|   | IBNR                           | 257        | (48,219)         | 177,117        | 128,898      |  |
|   | Discounted Claim Value         | (1,806)    | 13,804           | (22,891)       | (9,087)      |  |
|   | TOTAL FY 2014 CLAIMS           | 81,985     | 129,281          | 672,108        | 801,389      |  |
| FUND YEAR 2015  |                                |            |                  |                |              |  |
|   | Paid Claims                    | 52,127     | 195,054          |                | 195,054      |  |
|   | Case Reserves                  | (32,401)   | 99,140           |                | 99,140       |  |
|   | IBNR                           | 15,975     | 161,206          |                | 161,206      |  |
|   | Discounted Claim Value         | 333        | (6,566)          |                | (6,566)      |  |
|   | TOTAL FY 2015 CLAIMS           | 36,034     | 448,835          | 0              | 448,835      |  |
| COMBINED TOTAL CLAIMS   |                                | 115,930    | 717,249          | 1,728,255      | 2,445,504    |  |
| 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. |                                |            |                  |                |              |  |



| SALEM COUNTY INSURANCE COMMISSION   |                                 |                 |                  |                  |                  |
|---|---------------------------------|-----------------|------------------|------------------|------------------|
| FINANCIAL FAST TRACK REPORT   |                                 |                 |                  |                  |                  |
| AS OF November 30, 2015   |                                 |                 |                  |                  |                  |
| ALL YEARS COMBINED  |                                 |                 |                  |                  |                  |
|   |                                 | THIS MONTH      | YTD CHANGE       | PRIOR YEAR END   | FUND BALANCE     |
| 1.  | UNDERWRITING INCOME             | 120,982         | 1,330,807        | 3,222,630        | 4,553,437        |
| 2.  | CLAIM EXPENSES                  |                 |                  |                  |                  |
|   | Paid Claims                     | 20,271          | 483,463          | 1,044,566        | 1,528,029        |
|   | Case Reserves                   | 77,530          | 233,749          | 443,951          | 677,699          |
|   | IBNR                            | 15,545          | 91,356           | 286,689          | 378,045          |
|   | Discounted Claim Value          | (2,129)         | 19,899           | (46,951)         | (27,051)         |
|   | <b>TOTAL CLAIMS</b>             | <b>111,217</b>  | <b>828,467</b>   | <b>1,728,255</b> | <b>2,556,722</b> |
| 3.  | EXPENSES                        |                 |                  |                  |                  |
|   | Excess Premiums                 | 64,946          | 714,411          | 1,689,146        | 2,403,557        |
|   | Administrative                  | 6,035           | 66,969           | 161,746          | 228,715          |
|   | <b>TOTAL EXPENSES</b>           | <b>70,982</b>   | <b>781,380</b>   | <b>1,850,892</b> | <b>2,632,272</b> |
| 4.  | UNDERWRITING PROFIT (1-2-3)     | (61,217)        | (279,039)        | (356,517)        | (635,556)        |
| 5.  | INVESTMENT INCOME               | 0               | 10               | 2                | 12               |
| 6.  | PROFIT (4 + 5)                  | (61,216)        | (279,030)        | (356,515)        | (635,545)        |
| 7.  | CEL APPROPRIATION CANCELLATION  | 0               | 0                | 1,259            | 1,259            |
| 8.  | DIVIDEND INCOME                 | 0               | 0                | 0                | 0                |
| 9.  | INVESTMENT IN JOINT VENTURE     | (872)           | (4,646)          | 49,989           | 45,343           |
| 10.   | <b>SURPLUS (6 + 7 + 8)</b>      | <b>(62,089)</b> | <b>(283,676)</b> | <b>(305,267)</b> | <b>(588,943)</b> |
| <b>SURPLUS (DEFICITS) BY FUND YEAR</b>  |                                 |                 |                  |                  |                  |
|   | 2012                            | (384)           | (1,059)          | (110,295)        | (111,354)        |
|   | 2013                            | (101,744)       | (244,785)        | (76,854)         | (321,639)        |
|   | 2014                            | 23,135          | (108,058)        | (118,118)        | (226,176)        |
|   | 2015                            | 16,904          | 70,226           |                  | 70,226           |
|   | <b>TOTAL SURPLUS (DEFICITS)</b> | <b>(62,089)</b> | <b>(283,676)</b> | <b>(305,267)</b> | <b>(588,943)</b> |
|   | <b>TOTAL CASH</b>               |                 |                  |                  | <b>7,043</b>     |
| <b>CLAIM ANALYSIS BY FUND YEAR</b>  |                                 |                 |                  |                  |                  |
|   | <b>FUND YEAR 2012</b>           |                 |                  |                  |                  |
|   | Paid Claims                     | 434             | 41,411           | 173,588          | 214,999          |
|   | Case Reserves                   | 0               | (41,674)         | 45,265           | 3,591            |
|   | IBNR                            | (21)            | (4,556)          | 8,648            | 4,092            |
|   | Discounted Claim Value          | 1               | 3,666            | (3,937)          | (271)            |
|   | <b>TOTAL FY 2012 CLAIMS</b>     | <b>413</b>      | <b>(1,153)</b>   | <b>223,564</b>   | <b>222,411</b>   |
|   | <b>FUND YEAR 2013</b>           |                 |                  |                  |                  |
|   | Paid Claims                     | 13,100          | 104,525          | 536,291          | 640,816          |
|   | Case Reserves                   | 89,674          | 160,464          | 215,490          | 375,954          |
|   | IBNR                            | (345)           | (32,986)         | 100,924          | 67,938           |
|   | Discounted Claim Value          | (2,034)         | 9,092            | (20,122)         | (11,030)         |
|   | <b>TOTAL FY 2013 CLAIMS</b>     | <b>100,395</b>  | <b>241,094</b>   | <b>832,583</b>   | <b>1,073,677</b> |
|   | <b>FUND YEAR 2014</b>           |                 |                  |                  |                  |
|   | Paid Claims                     | (13,912)        | 121,822          | 334,687          | 456,509          |
|   | Case Reserves                   | (9,360)         | 18,602           | 183,195          | 201,797          |
|   | IBNR                            | (64)            | (48,283)         | 177,117          | 128,834          |
|   | Discounted Claim Value          | 249             | 14,052           | (22,891)         | (8,839)          |
|   | <b>TOTAL FY 2014 CLAIMS</b>     | <b>(23,088)</b> | <b>106,193</b>   | <b>672,108</b>   | <b>778,301</b>   |
|   | <b>FUND YEAR 2015</b>           |                 |                  |                  |                  |
|   | Paid Claims                     | 20,650          | 215,704          |                  | 215,704          |
|   | Case Reserves                   | (2,784)         | 96,356           |                  | 96,356           |
|   | IBNR                            | 15,975          | 177,182          |                  | 177,182          |
|   | Discounted Claim Value          | (344)           | (6,911)          |                  | (6,911)          |
|   | <b>TOTAL FY 2015 CLAIMS</b>     | <b>33,497</b>   | <b>482,332</b>   | <b>0</b>         | <b>482,332</b>   |
|   | <b>COMBINED TOTAL CLAIMS</b>    | <b>111,217</b>  | <b>828,467</b>   | <b>1,728,255</b> | <b>2,556,722</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. |                                 |                 |                  |                  |                  |

| NEW JERSEY COUNTIES EXCESS JIF  |           |            |             |            |  |
|---------------------------------|-----------|------------|-------------|------------|--|
| FINANCIAL FAST TRACK REPORT     |           |            |             |            |  |
| AS OF November 30, 2015         |           |            |             |            |  |
| ALL YEARS COMBINED              |           |            |             |            |  |
|                                 | THIS      | YTD        | PRIOR       | FUND       |  |
|                                 | MONTH     | CHANGE     | YEAR END    | BALANCE    |  |
| 1. UNDERWRITING INCOME          | 1,770,306 | 19,473,367 | 54,944,240  | 74,417,607 |  |
| 2. CLAIM EXPENSES               |           |            |             |            |  |
| Paid Claims                     | 140,032   | 675,449    | 411,505     | 1,086,954  |  |
| Case Reserves                   | (52,301)  | 1,693,973  | 683,536     | 2,377,507  |  |
| IBNR                            | 249,753   | 1,058,051  | 8,429,959   | 9,488,010  |  |
| Discounted Claim Value          | (15,631)  | 512,569    | (1,189,781) | (677,211)  |  |
| TOTAL CLAIMS                    | 321,853   | 3,940,043  | 8,335,219   | 12,275,261 |  |
| 3. EXPENSES                     |           |            |             |            |  |
| Excess Premiums                 | 1,305,639 | 14,200,449 | 36,749,433  | 50,949,882 |  |
| Administrative                  | 126,967   | 1,448,489  | 4,081,008   | 5,529,497  |  |
| TOTAL EXPENSES                  | 1,432,606 | 15,648,938 | 40,830,441  | 56,479,379 |  |
| 4. UNDERWRITING PROFIT (1-2-3)  | 15,847    | (115,614)  | 5,778,580   | 5,662,967  |  |
| 5. INVESTMENT INCOME            | 3,609     | 28,502     | 152,545     | 181,047    |  |
| 6. PROFIT (4+5)                 | 19,456    | (87,112)   | 5,931,125   | 5,844,014  |  |
| 7. Dividend                     | 0         | 150,000    | 0           | 150,000    |  |
| 8. Cancelled Appropriations     | 0         | 0          | 607,551     | 607,551    |  |
| 9. SURPLUS (6-7-8)              | 19,456    | (237,112)  | 5,323,574   | 5,086,463  |  |
| SURPLUS (DEFICITS) BY FUND YEAR |           |            |             |            |  |
| 2010                            | 1,858     | (36,336)   | 680,166     | 643,830    |  |
| 2011                            | 3,608     | 133,038    | 994,756     | 1,127,794  |  |
| 2012                            | 5,015     | (382,371)  | 822,655     | 440,284    |  |
| 2013                            | (52,797)  | (144,445)  | 1,310,706   | 1,166,261  |  |
| 2014                            | 6,173     | (241,220)  | 1,515,291   | 1,274,071  |  |
| 2015                            | 55,599    | 434,222    |             | 434,222    |  |
| TOTAL SURPLUS (DEFICITS)        | 19,456    | (237,112)  | 5,323,574   | 5,086,462  |  |
| TOTAL CASH                      |           |            |             | 17,340,929 |  |
| CLAIM ANALYSIS BY FUND YEAR     |           |            |             |            |  |
| FUND YEAR 2010                  |           |            |             |            |  |
| Paid Claims                     | 0         | 21,259     | 142,195     | 163,454    |  |
| Case Reserves                   | 0         | (24,084)   | 24,085      | 1          |  |
| IBNR                            | (1,683)   | (138,953)  | 463,719     | 324,766    |  |
| Discounted Claim Value          | 58        | 30,368     | (41,484)    | (11,116)   |  |
| TOTAL FY 2010 CLAIMS            | (1,625)   | (111,411)  | 588,515     | 477,104    |  |
| FUND YEAR 2011                  |           |            |             |            |  |
| Paid Claims                     | 0         | 0          | 144,097     | 144,097    |  |
| Case Reserves                   | 0         | 259,102    | 2,671       | 261,773    |  |
| IBNR                            | (3,346)   | (467,522)  | 1,113,232   | 645,710    |  |
| Discounted Claim Value          | 157       | 79,408     | (121,623)   | (42,215)   |  |
| TOTAL FY 2011 CLAIMS            | (3,189)   | (129,012)  | 1,138,377   | 1,009,365  |  |
| FUND YEAR 2012                  |           |            |             |            |  |
| Paid Claims                     | 52,820    | 390,146    | 125,213     | 515,359    |  |
| Case Reserves                   | (52,820)  | 200,900    | 653,695     | 854,595    |  |
| IBNR                            | (6,025)   | (358,222)  | 1,521,091   | 1,162,869  |  |
| Discounted Claim Value          | 1,520     | 154,612    | (240,518)   | (85,906)   |  |
| TOTAL FY 2012 CLAIMS            | (4,505)   | 387,435    | 2,059,481   | 2,446,916  |  |
| FUND YEAR 2013                  |           |            |             |            |  |
| Paid Claims                     | 510       | 15,943     | 0           | 15,943     |  |
| Case Reserves                   | 65,770    | 509,309    | 2,025       | 511,334    |  |
| IBNR                            | (8,935)   | (562,777)  | 2,322,975   | 1,760,198  |  |
| Discounted Claim Value          | (3,860)   | 190,987    | (311,625)   | (120,638)  |  |
| TOTAL FY 2013 CLAIMS            | 53,485    | 153,462    | 2,013,375   | 2,166,837  |  |
| FUND YEAR 2014                  |           |            |             |            |  |
| Paid Claims                     | 1,692     | 119,922    | 0           | 119,922    |  |
| Case Reserves                   | (6,060)   | 275,047    | 1,058       | 276,105    |  |
| IBNR                            | (1,292)   | (420,481)  | 3,008,942   | 2,588,461  |  |
| Discounted Claim Value          | 328       | 296,416    | (474,530)   | (178,114)  |  |
| TOTAL FY 2014 CLAIMS            | (5,332)   | 270,904    | 2,535,470   | 2,806,374  |  |
| FUND YEAR 2015                  |           |            |             |            |  |
| Paid Claims                     | 85,010    | 128,179    |             | 128,179    |  |
| Case Reserves                   | (59,191)  | 473,700    |             | 473,700    |  |
| IBNR                            | 271,033   | 3,006,007  |             | 3,006,007  |  |
| Discounted Claim Value          | (13,833)  | (239,221)  |             | (239,221)  |  |
| TOTAL FY 2015 CLAIMS            | 283,020   | 3,368,665  | 0           | 3,368,665  |  |
| COMBINED TOTAL CLAIMS           | 321,853   | 3,940,043  | 8,335,218   | 12,275,261 |  |

| Salem County Insurance Commission |           |             |            |            |             |
|-----------------------------------|-----------|-------------|------------|------------|-------------|
| CLAIM ACTIVITY REPORT             |           |             |            |            |             |
| AS OF                             |           |             |            |            |             |
| COVERAGE LINE - PROPERTY          |           |             |            |            |             |
| CLAIM COUNT - OPEN CLAIMS         |           |             |            |            |             |
| Year                              | 2012      | 2013        | 2014       | 2015       | TOTAL       |
| November-15                       | 0         | 0           | 0          | 3          | 3           |
| December-15                       | 0         | 0           | 0          | 3          | 3           |
| NET CHGE                          | 0         | 0           | 0          | 0          | 0           |
| Limited Reserves                  |           |             |            |            | \$2,667     |
| Year                              | 2012      | 2013        | 2014       | 2015       | TOTAL       |
| November-15                       | \$0       | \$0         | \$0        | \$11,119   | \$11,119    |
| December-15                       | \$0       | \$0         | \$0        | \$8,000    | \$8,000     |
| NET CHGE                          | \$0       | \$0         | \$0        | (\$3,119)  | (\$3,119)   |
| Ltd Incurred                      | \$0       | \$45,689    | \$0        | \$93,356   | \$139,045   |
| COVERAGE LINE - GENERAL LIABILITY |           |             |            |            |             |
| CLAIM COUNT - OPEN CLAIMS         |           |             |            |            |             |
| Year                              | 2012      | 2013        | 2014       | 2015       | TOTAL       |
| November-15                       | 0         | 6           | 8          | 19         | 33          |
| December-15                       | 0         | 4           | 6          | 13         | 23          |
| NET CHGE                          | 0         | -2          | -2         | -6         | -10         |
| Limited Reserves                  |           |             |            |            | \$15,482    |
| Year                              | 2012      | 2013        | 2014       | 2015       | TOTAL       |
| November-15                       | \$0       | \$281,000   | \$62,396   | \$53,006   | \$396,402   |
| December-15                       | \$0       | \$278,088   | \$37,500   | \$40,505   | \$356,093   |
| NET CHGE                          | \$0       | (\$2,912)   | (\$24,896) | (\$12,501) | (\$40,309)  |
| Ltd Incurred                      | \$313     | \$297,148   | \$39,628   | \$39,628   | \$376,718   |
| COVERAGE LINE - AUTO LIABILITY    |           |             |            |            |             |
| CLAIM COUNT - OPEN CLAIMS         |           |             |            |            |             |
| Year                              | 2012      | 2013        | 2014       | 2015       | TOTAL       |
| November-15                       | 0         | 0           | 0          | 0          | 0           |
| December-15                       | 0         | 0           | 0          | 0          | 0           |
| NET CHGE                          | 0         | 0           | 0          | 0          | 0           |
| Limited Reserves                  |           |             |            |            | #DIV/0!     |
| Year                              | 2012      | 2013        | 2014       | 2015       | TOTAL       |
| November-15                       | \$0       | \$0         | \$0        | \$0        | \$0         |
| December-15                       | \$0       | \$0         | \$0        | \$0        | \$0         |
| NET CHGE                          | \$0       | \$0         | \$0        | \$0        | \$0         |
| Ltd Incurred                      | \$0       | \$3,558     | \$4,002    | \$0        | \$7,559     |
| COVERAGE LINE - WORKERS COMP.     |           |             |            |            |             |
| CLAIM COUNT - OPEN CLAIMS         |           |             |            |            |             |
| Year                              | 2012      | 2013        | 2014       | 2015       | TOTAL       |
| November-15                       | 2         | 6           | 9          | 6          | 23          |
| December-15                       | 2         | 6           | 8          | 7          | 23          |
| NET CHGE                          | 0         | 0           | -1         | 1          | 0           |
| Limited Reserves                  |           |             |            |            | \$18,215    |
| Year                              | 2012      | 2013        | 2014       | 2015       | TOTAL       |
| November-15                       | \$3,591   | \$94,954    | \$139,401  | \$32,231   | \$270,178   |
| December-15                       | \$44,555  | \$90,049    | \$103,238  | \$181,097  | \$418,938   |
| NET CHGE                          | \$40,964  | (\$4,906)   | (\$36,164) | \$148,866  | \$148,761   |
| Ltd Incurred                      | \$265,318 | \$669,390   | \$580,555  | \$366,667  | \$1,881,930 |
| TOTAL ALL LINES COMBINED          |           |             |            |            |             |
| CLAIM COUNT - OPEN CLAIMS         |           |             |            |            |             |
| Year                              | 2012      | 2013        | 2014       | 2015       | TOTAL       |
| November-15                       | 2         | 12          | 17         | 28         | 59          |
| December-15                       | 2         | 10          | 14         | 23         | 49          |
| NET CHGE                          | 0         | -2          | -3         | -5         | -10         |
| Limited Reserves                  |           |             |            |            | \$15,980    |
| Year                              | 2012      | 2013        | 2014       | 2015       | TOTAL       |
| November-15                       | \$3,591   | \$375,954   | \$201,798  | \$96,356   | \$677,699   |
| December-15                       | \$44,555  | \$368,137   | \$140,738  | \$229,602  | \$783,032   |
| NET CHGE                          | \$40,964  | (\$7,817)   | (\$61,060) | \$133,245  | \$105,333   |
| Ltd Incurred                      | \$265,631 | \$1,015,785 | \$624,185  | \$499,651  | \$2,405,252 |

**Salem County Insurance Fund Commission**  
**Claims Committee**  
**2016 Meeting Schedule**

All Claims Committee meetings will be held via conference call or in person,  
pursuant to the Claims Committee Charter on the

**3rd Tuesday of each month at 9:30 a.m.**

All in person meetings will be held in the County Old Courthouse, 104 Market Street, 2<sup>nd</sup> Floor,  
Salem, NJ 08079

January 19, 2016

February 16, 2016

March 15, 2016

April 19, 2016

May 17, 2016

June 21, 2016

July 19, 2016

August 16, 2016

September 20, 2016

October 18, 2016

November 15, 2016

December 20, 2016

# **SALEM COUNTY INSURANCE FUND COMMISSION CLAIMS COMMITTEE MEETING SCHEDULE, ASSIGNMENTS AND CLAIMS CHARTER**

**The Claims Committee will conduct meetings on the following schedule:**

Claims Committee meetings will be held on the third Tuesday of each month at 9:30 am at the County Old Courthouse – 2<sup>nd</sup> Floor, 104 Market Street, Salem, NJ 08079.

## **2016 CLAIMS COMMITTEE ASSIGNMENTS**

### **Committee Members**

| <b>Name</b>            | <b>Affiliation</b> |
|------------------------|--------------------|
| Jessica Bishop (Chair) | Salem County       |
| Stacey Pennington      | Salem County       |
| Diana Headman          | Salem County       |
| Jessica Miller         | Salem County       |

### **Fund Professionals**

|                    |                              |
|--------------------|------------------------------|
| Michael Mulligan   | Commission Counsel           |
| Katie Coleman      | Salem County                 |
| Bradford Stokes    | PERMA                        |
| Joseph Hrubash     | PERMA                        |
| Danielle Batchelor | Conner Strong & Buckelew     |
| Glenn Prince       | J.A. Montgomery Risk Control |
| Thomas Narolewski  | AJM Insurance Management     |
| Gina Smith         | AJM Insurance Management     |
| Keith Platt        | Inservco Insurance Services  |
| Ashley Nelms       | Inservco Insurance Services  |
| Nancy Fowlkes      | Inservco Insurance Services  |
| Veronica George    | Inservco Insurance Services  |
| Steven Daniels     | Inservco Insurance Services  |

January 2016 Edition

# **SALEM COUNTY INSURANCE FUND COMMISSION CLAIMS COMMITTEE MEETING SCHEDULE, ASSIGNMENTS AND CLAIMS CHARTER**

## **CLAIMS COMMITTEE CHARTER**

The Salem County Insurance Fund Commission hereby constitutes and establishes a Claims Committee, an advisory committee authorized by the Commission's rules and regulations:

### **Composition**

The Claims Committee shall be comprised of at least one representative from each member of the Salem County Insurance Fund Commission and one Salem County Insurance Fund Commissioner. Each representative shall have one vote. As additional members join the Salem County Insurance Fund Commission, a representative from the new member entity shall be appointed to the Claims Committee.

Also serving on the Committee, with no voting privileges, shall be a representative from the Executive Director's office, the Fund Attorney, a representative from the Risk Management Consultant's office, a representative from the Third Party Administrator's office, and a representative from the CEL's Safety Director's office.

### **Authority and Responsibility**

1. The Claims Committee shall review and recommend for approval or denial all payment authority requests which are subject to any combination of payments that exceed seven thousand five hundred dollars (\$7,500) for Property, including Boiler & Machinery, Auto Liability, General Liability including Law Enforcement Legal Liability, and ten thousand dollars (\$10,000) for Workers' Compensation Claims, inclusive of legal fees, expenses, and such other items to be charged to the Salem County Insurance Fund Commission. This notification also includes any prior claim where a request for additional payment authority is needed beyond an amount previously approved, any requests for lien compromises, and any subrogation abandonment requests.
2. The Claims Committee shall develop and recommend claims cost containment programs.

### **Claims Committee Bylaws**

The Claims Committee of the Salem County Insurance Fund Commission was established in February 2013, where the Salem County Insurance Fund Commission adopted a resolution appointing certain employees of member entities to the Claims Committee, an advisory committee authorized by the Commission's rules and regulations. The Committee's operational guidelines are set down herein and may be amended by the Commissioners of the Salem County Insurance Fund Commission.

January 2016 Edition

## **SALEM COUNTY INSURANCE FUND COMMISSION CLAIMS COMMITTEE MEETING SCHEDULE, ASSIGNMENTS AND CLAIMS CHARTER**

### **Meetings**

In 2016, the Claims Committee shall meet at least monthly, on the third Tuesday of the month, and as many times as the Committee Chairman deems necessary; provided, however, if there are five or less payment authority requests to review in one month, the Claims Committee may conduct the review of the payment authority requests electronically or telephonically in lieu of an in-person meeting.

### **Attendance**

A majority of members of the Claims Committee shall be present at all meetings. In addition, a representative from the Executive Director's office, the Fund Attorney, a representative from the Risk Management Consultant's office, a representative from the Third Party Administrator's Office, and a representative from the CEL's Safety Director's office shall attend such meetings. As necessary or desirable, the Chairman may request other professionals and/or member representatives to also attend in order to exchange views on any issue that may be at hand.

### **Specific Duties**

In undertaking its responsibilities as outlined above, the Claims Committee is to:

1. Apprise the Commissioners of the Salem County Insurance Fund Commission, through special presentations as necessary, of significant developments in the course of performing its responsibility.
2. Review and recommend for approval or denial all payment authority requests which are subject to any combination of payments that exceeds seven thousand five hundred dollars (\$7,500) for Property, including Boiler & Machinery, Auto Liability, General Liability including Law Enforcement Legal Liability, and ten thousand dollars (\$10,000) for Workers' Compensation inclusive of legal fees, expenses, and such other items to be charged to the Salem County Insurance Fund Commission. This notification also includes any prior claim where a request for additional payment authority is needed beyond an amount previously approved, any requests for lien compromises, and any subrogation abandonment requests.
3. Recommend to Commissioners of the Salem County Insurance Fund Commission any appropriated changes or extensions in the duties of the Committee.
4. Report annually to the Commissioners of the Salem County Insurance Fund Commission on the discharge of these responsibilities.

**RESOLUTION NO. 13 -16****SALEM COUNTY INSURANCE FUND COMMISSION  
BILLS LIST**

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

**BE IT RESOLVED** that the Cumberland 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 2015**

| <u>CheckNumber</u>     | <u>VendorName</u>             | <u>Comment</u>                | <u>InvoiceAmount</u> |
|------------------------|-------------------------------|-------------------------------|----------------------|
| <b>000141</b>          |                               |                               |                      |
| 000141                 | INSERVO INSURANCE SERVICE INC | CLAIMS ADMIN 10/15/15-1/14/16 | 5,499.99             |
|                        |                               |                               | <b>5,499.99</b>      |
| <b>000142</b>          |                               |                               |                      |
| 000142                 | PERMA RISK MANAGEMENT SERVS   | POSTAGE FEE 12/2015           | 1.86                 |
| 000142                 | PERMA RISK MANAGEMENT SERVS   | E-FILING - 2015 1099'S        | 14.95                |
|                        |                               |                               | <b>16.81</b>         |
| TOTAL PAYMENTS FY 2015 |                               |                               | 5,516.80             |

**FUND YEAR 2016**

| <u>CheckNumber</u>     | <u>VendorName</u>           | <u>Comment</u>                      | <u>InvoiceAmount</u> |
|------------------------|-----------------------------|-------------------------------------|----------------------|
| <b>000143</b>          |                             |                                     |                      |
| 000143                 | PERMA RISK MANAGEMENT SERVS | EXECUTIVE DIRECTOR FEE 1ST QTR 2016 | 8,878.25             |
|                        |                             |                                     | <b>8,878.25</b>      |
| <b>000144</b>          |                             |                                     |                      |
| 000144                 | THE ACTUARIAL ADVANTAGE     | ACTUARIAL CONSULTING - 1ST QTR 2016 | 1,989.75             |
|                        |                             |                                     | <b>1,989.75</b>      |
| <b>000145</b>          |                             |                                     |                      |
| 000145                 | AJM INSURANCE MANAGEMENT    | RMC FEE 1ST QTR 2016                | 2,500.00             |
|                        |                             |                                     | <b>2,500.00</b>      |
| TOTAL PAYMENTS FY 2016 |                             |                                     | 13,368.00            |



**TOTAL PAYMENTS ALL FUND YEARS \$ 18,884.80**

\_\_\_\_\_  
Chairperson

Attest:

Dated:\_\_\_\_\_

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

\_\_\_\_\_  
Treasurer

**SALEM COUNTY INSURANCE COMMISSION  
SAFETY DIRECTOR'S REPORT**

**TO:** Fund Commissioners  
**FROM:** J.A. Montgomery Risk Control, Safety Director  
**DATE:** January 25, 2016

---

**December – February 2016  
RISK CONTROL ACTIVITIES**

**MEETINGS ATTENDED / LOSS CONTROL VISITS CONDUCTED**

- **December 10:** Attended the SCIC meeting in Salem.

**UPCOMING MEETINGS / LOSS CONTROL VISITS PLANNED**

- **January 29:** Plan to attend the SCIC Safety Committee meeting in Salem.
- **February 4:** Plan to attend the SCIC meeting in Salem.

**CEL VIDEO LIBRARY USAGE**

No videos were utilized by SCIC during 2015 & 2016.

As the beginning of Snow Season is upon us, please remember these important best practices:

1. Work with your family to make sure your house and household are prepared for your absence during major snow events
  - Schools and daycares centers may also be closed. Make alternate arrangements for childcare.
  - Your sidewalks, walkways and steps also need to be cleared. Make arrangements to get this done even though you may be away for extended periods, possibly even days for some towns.
  - Make a list of tasks that must be done before an extended storm. Items on the list may include enough medications, food staples, childcare needs, salt & snow shovels,
  - Make contingency plans for electrical outages, or a problem with your homes' electrical, heating, or plumbing. Post emergency phone numbers for utilities and repair services
2. Remember these safety guidelines for plowing snow
  - Come to work well-rested and hydrated. Eat a light meal.
  - Bring your go-bags packed with spare clothes, gloves, socks, hat, medications, and healthy snacks & drinks.
  - Do not use your cell phones when driving / plowing. Your full attention must be on driving.
  - Watch your speed! Operating at the safest speed will maximize visibility and stopping distance. The proper speed will also reduce wear-and-tear on our equipment. It will also reduce claims from damage to mailboxes, parked vehicles, and other private property. IF you do damage any property, either municipal or private, **[INSERT YOUR REPORTING PROCEDURE]**.
  - Be alert when plowing snow on overpasses and bridges. Snow can be thrown over the sides onto vehicles or even people passing underneath.
  - Take breaks! Stay alert. Monitor yourself for drowsiness and take action.
  - Your amber warning lights must be turned on. Do not direct traffic around your plow. If you get out of the truck, wear your high-visibility vest or jacket.
  - Drive defensively. You are professional drivers. We know other drivers are not. You must make allowances for them. Maintain a safe following distance. Slow down if you are tailgated. Have a plan for difficult locations on your route. If you see a motorist or pedestrian in trouble, **[INSERT YOUR PROCEDURES]**.

*This lesson plan 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, please contact your Safety Director at 877.398.3046. Presenters should attach sign-in sheet to this lesson plan.*

Shoveling snow is a lot of work, and it is easy to injure yourself if you are not using the right technique. On average 1,200 people die as a result of shoveling snow each year.. Add heart attacks and back / shoulder injuries and slips and falls, and snow shoveling is one of the most dangerous activities people can attempt.

"Warming up" is not about body temperature, but is a way of using slow, gentle exercise to increase blood flow and flexibility to the muscles and joints that will be used. Professional athletes know the importance of warming up. Let's learn from them and warm-up before shoveling tons of snow.

#### Tips for Safe Snow Shoveling

- **Dress appropriately.** Wearing layers will allow you to adjust to the temperature outside. Be sure to dress warmly enough and cover your head, face and hands when outside for prolonged periods of time. If you become overheated, take a break from shoveling.
- **Pick the right waterproof boots.** They will want to protect their feet from the cold as well as keep them dry. Wear non-skid boots to guard against falls on slick snow or hidden ice.
- **Pick a small shovel.** Depending on how wet the snow is; a shovel full of snow can weigh up to 15 pounds! Selecting a smaller shovel means lighter loads of snow which can help prevent injury to the body by creating less strain. An ergonomic snow shovel with a curved handle or an adjustable handle length will minimize painful bending in snow removal chores. Use a silicone lubricant on the shovel. This will help the snow slide off easier.
- **Stay hydrated.** Water plays an important role when people exercise, even in winter. Carry a water bottle and take a few sips after every 15 minutes of shoveling snow.
- **Shovel frequently.** Shovel every time the snow fall is about 2 inches. This will help lessen the load and make snow shoveling more manageable. In deep snow, remove a few inches at a time, rather than attempting to shovel the full depth at once
- **Use the big muscles of the legs and not the back.** Make sure that your knees are bending and straightening to lift the shovel instead of leaning forward and straightening back up with the back. Avoid twisting the back to move snow to its new location – always pivot your whole body to face the new direction
- **Push the snow.** It's easier to push the shovel full of snow to a good location instead of lifting and throwing the shovel full of snow.
- **Separate the hands on the shovel.** Keep your hands about 12 inches apart to increase your leverage and provide greater stability and minimize the chances of injuring your lower back.
- **Avoid caffeine & nicotine before shoveling.** Caffeine and nicotine act as stimulants by increasing the heart rate and constricting blood vessels which puts more strain on the heart.
- **Set a time limit.** Shoveling snow is a hard work. You may be shoveling for up to an hour or more. When feasible, come inside after 20-30 minutes and start again.
- **Most importantly, listen to your body.** Stop if you feel pain, and let someone know.

*This lesson plan 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, please contact your Safety Director at 877.398.3046. Presenters should attach sign-in sheet to this lesson plan.*

F I R S T  
***MCO***  

---

***First Managed Care Option***

---

119 Littleton Road, Parsippany, NJ 07054  
Tel: (973)257-5200 Fax: (973)257-2288

January 04, 2016

Terry Sheerin

Inservco  
3150 Brunswick Pike

LAWRENCEVILLE, NJ 08648

Re: Monthly Reports

Dear Terry Sheerin:

Enclosed please find the monthly reports for **SALEM COUNTY INS FUND**, which include the following:

- Savings Report for December, 2015

There were no appeals processed during the month of December

If you have any questions, or if I can be of additional assistance, please contact me at 973-257-5246.

Sincerely,

Tom Mooney  
President

Enclosure



**First MCO Bill Review Services  
SALEM COUNTY INS FUND**

**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         |  |
|--------------------------|------------------------|--------------------|----------------------|------------------|--------------|------------|------------|----------------|-------------------|--------------|------------------|--|
| <b>Total 2013</b>        | <b>\$358,432</b>       | <b>\$148,272</b>   | <b>\$244,402</b>     | <b>\$210,160</b> | <b>59%</b>   | <b>238</b> | <b>188</b> | <b>50</b>      | <b>79%</b>        | <b>0</b>     | <b>\$42,032</b>  |  |
| <b>Total 2014</b>        | <b>\$559,839</b>       | <b>\$242,972</b>   | <b>\$459,691</b>     | <b>\$316,867</b> | <b>57%</b>   | <b>279</b> | <b>226</b> | <b>53</b>      | <b>81%</b>        | <b>0</b>     | <b>\$62,318</b>  |  |
| Jan-15                   | \$4,039                | \$2,323            | \$3,613              | \$1,716          | 42%          | 7          | 5          | 2              | 71%               | 0            | \$343            |  |
| Feb-15                   | \$30,023               | \$20,738           | \$25,426             | \$9,285          | 31%          | 19         | 15         | 4              | 79%               | 0            | \$1,857          |  |
| Mar-15                   | \$11,290               | \$6,559            | \$11,211             | \$4,731          | 42%          | 13         | 10         | 3              | 77%               | 0            | \$946            |  |
| Apr-15                   | \$4,185                | \$3,017            | \$4,743              | \$1,168          | 28%          | 14         | 13         | 1              | 93%               | 0            | \$234            |  |
| May-15                   | \$26,192               | \$14,964           | \$26,237             | \$11,228         | 43%          | 13         | 12         | 1              | 92%               | 0            | \$2,246          |  |
| Jun-15                   | \$8,358                | \$5,070            | \$7,878              | \$3,288          | 39%          | 13         | 10         | 3              | 77%               | 0            | \$658            |  |
| Jul-15                   | \$60,819               | \$45,670           | \$61,849             | \$15,148         | 25%          | 31         | 26         | 5              | 84%               | 0            | \$3,030          |  |
| Aug-15                   | \$14,055               | \$25,768           | \$98,318             | -\$11,713        | -83%         | 32         | 21         | 11             | 66%               | 1            | \$-1,821         |  |
| Sep-15                   | \$34,414               | \$12,619           | \$33,352             | \$21,795         | 63%          | 20         | 7          | 13             | 35%               | 0            | \$4,359          |  |
| Oct-15                   | \$12,704               | \$6,605            | \$10,376             | \$6,099          | 48%          | 24         | 24         | 0              | 100%              | 0            | \$1,146          |  |
| Nov-15                   | \$20,239               | \$13,129           | \$19,249             | \$7,110          | 35%          | 16         | 15         | 1              | 94%               | 0            | \$1,422          |  |
| Dec-15                   | \$65,193               | \$9,837            | \$22,020             | \$55,356         | 85%          | 7          | 5          | 2              | 71%               | 0            | \$11,071         |  |
| <b>Total 2015</b>        | <b>\$291,510</b>       | <b>\$166,300</b>   | <b>\$324,272</b>     | <b>\$125,210</b> | <b>43%</b>   | <b>209</b> | <b>163</b> | <b>46</b>      | <b>78%</b>        | <b>1</b>     | <b>\$25,490</b>  |  |
| <b>Total to Date</b>     | <b>\$1,209,781</b>     | <b>\$557,544</b>   | <b>\$1,028,365</b>   | <b>\$652,237</b> | <b>54%</b>   | <b>726</b> | <b>577</b> | <b>149</b>     | <b>79%</b>        | <b>1</b>     | <b>\$129,840</b> |  |

## ***APPENDIX I – MEETING MINUTES***



**SALEM COUNTY INSURANCE FUND COMMISSION  
OPEN MINUTES MEETING – DECEMBER 10, 2015  
104 MARKET STREET  
SALEM, NJ 9:00 AM**

Meeting called to order by Vice Chair Foote. Open Public Meetings notice read into record.

**ROLL CALL OF COMMISSIONERS:**

|                    |         |
|--------------------|---------|
| Robert Vanderslice | Absent  |
| Jessica Foote      | Present |
| Katie Coleman      | Present |

**FUND PROFESSIONALS PRESENT:**

|                    |  |
|--------------------|--|
| Executive Director | PERMA Risk Management Services<br><b>Bradford Stokes</b><br><b>Karen A. Read</b> |
|--------------------|--|

**ALSO PRESENT:**

Michael Mulligan, Salem County  
Thomas Narolewski, AJM Insurance Management  
Veronica George, Inservco  
Ashley Nelms, Inservco  
Keith Platt, Inservco  
Glenn Prince, JA Montgomery  
Danielle Batchelor, Conner Strong & Buckelew

**APPROVAL OF MINUTES:** OPEN AND CLOSED SESSION OF OCTOBER 1, 2015

**MOTION TO APPROVE THE OPEN AND CLOSED MINUTES OF  
OCTOBER 1, 2015**

|         |                      |
|---------|----------------------|
| Moved:  | Commissioner Coleman |
| Second: | Commissioner Foote   |
| Vote:   | Unanimous            |

**CORRESPONDENCE:** None

**EXECUTIVE DIRECTOR REPORT:**

**2016 Property & Casualty Budget Introduction:** Attached on page 3 for your review and discussion is the 2016 proposed Property & Casualty Budget in the amount of \$1,498,979.00. The introductory budget represents a 2.98% increase Commission wide compared to the 2015 budget.



Executive Director reviewed the Budget and said the overall increase for the 2016 Budget is at 2.98%. Executive Director said the Commission has had a few rough years which is reflected in the claims - as those line items for property, liability, auto and workers compensation are each increasing by 7.50%. The CEL Budget actually dropped drastically so they discussed last week it would be beneficial to start a Loss Fund Contingency - line item number five in the budget. This would act as a buffer in the case next year we have some losses on the workers comp line it would be another pool that we can draw from, and on the flip side if we continue to have a good year next year it would be a surplus line item that could help with the prior bad years we had. Executive Director said the funds in line number five actually come from line item nine where the CEL JIF premium went down \$111,288 and what caused that was the excess workers comp line the CEL decided could shift to different entities. Executive Director said the Total Fund Expense and Contingency had a modest increase of 1.45% and the Ancillary Coverages line 41 is \$10 million more in flood coverage and the aviation does include some drone coverage. The Fund is at a little over \$43,000 increase over 2015.

Risk Manager Narolewski said we had a bad property loss here so that is not too bad considering what we went through. In response to Attorney Mulligan regarding an increase in the self insured retention, Executive Director said that would be an option the Commission would like to take a look at next year we can certainly entertain that. Executive Director said with no further questions being heard a motion to introduce the 2016 Budget would be in order.

**MOTION TO INTRODUCE THE 2016 PROPERTY AND CASUALTY BUDGET IN THE AMOUNT OF \$1,498,979 AND SCHEDULE A PUBLIC HEARING AND ADOPTION ON FEBRUARY 4, 2016 AT 9:00 AM AT THE COUNTY OLD COURTHOUSE**

|         |                      |
|---------|----------------------|
| Moved:  | Commissioner Coleman |
| Second: | Commissioner Foote   |
| Vote:   | 2 Ayes, 0 Nays       |

**Certificate of Insurance Issuance Report:** Executive Director reported the Certificate of Insurance Issuance Report was included in the agenda from the CEL listing those certificates issued for the period of September 21, 2015 to November 23, 2015. There were 5 certificates of insurance issued during this period.

**MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT**

|         |                      |
|---------|----------------------|
| Moved:  | Commissioner Foote   |
| Second: | Commissioner Coleman |
| Vote:   | Unanimous            |

**NJ Excess Counties Insurance Fund (CELJIF) -** The CEL met on October 22, 2015. A summary report of that meeting is included in the agenda on Pages 4 and 5. The CEL held a Public Hearing on November 19, 2015 to adopt the 2016 Budget. The Executive Director will provide a verbal

update of that meeting at the Commission meeting. The next meeting of the CEL will be held on February 25, 2016 at 1:00 pm.

Executive Director said the CEL is issuing dividends to the Camden and Gloucester Commissions. They are charter members in 2010 and that is where the dividends are coming out of. Executive Director said the Salem Commission is in line for future dividends in a few years as long as we are in the positive in those particular years - we became a member in 2012. This is good news and a milestone for the CEL.

**Financial Fast Track** – Included on Page 7 & 8 of the agenda are the Financial Fast Tracks for the Salem County Insurance fund Commission for August and September. As of September 30, 2015 the Commission has a deficit of \$461,693.

**NJ CEL Property & Casualty Financial Fast Track** – Executive Director said included in the agenda on Page 9 was the NJ CEL Financial Fast Track Report as of September 30, 2015. The CEL has a surplus of \$5,123,726.

**Claims Tracking Report:** The Claims Activity Report was included on page 10 of the agenda. The Claims Activity Report tracks open claims; the Executive Director review the report with the Commission and said there were 9 new claims reported for September and October and of the nine 6 were workers comp claims during that time period.

#### **SAFETY COMMITTEE REPORT**

Glenn Prince reported the Safety Committee last met on September 23, 2015. In addition to the regular safety committee meeting the members had an opportunity to review the active shooter video that was done by the Woodstown High School students that was done at the actual active shooter training here in Salem County on October 15<sup>th</sup>.

#### **CLAIM COMMITTEE REPORT**

Claims Manager Danielle Batchelor reported the Claims Committee last met on November 17<sup>th</sup> and discussed several PARs that will be for discussion today. Additionally in the agenda packet we do have several ancillary coverages that are expiring on December 31, 2015, which are your public officials, EPL, medical malpractice, crime and cyber coverage. Please take sweep to any potential claims and report to your Risk Manager by December 18, 2015.

#### **TREASURER**

**REPORT:** Treasurer Katie Coleman reviewed the bills list Resolution 26-15 which was included in the agenda on page 16. A motion would be in order to approve the bills list.

**MOTION TO APPROVE RESOLUTION 26-15 PAYMENT OF BILLS IN THE AMOUNT OF \$17,913.44.**

|         |                      |
|---------|----------------------|
| Moved:  | Commissioner Foote   |
| Second: | Commissioner Coleman |
| Vote:   | 2 Ayes, 0 Nays       |

## **CEL SAFETY DIRECTOR REPORT**

Safety Director reviewed the report included in the agenda. Mr. Prince said he had spoke to Commissioner Coleman and Risk Manager Narolewski regarding an ergonomics situation and report from 51 Chaney Road and as you may recall back in April 2014 we requested to do a similar assessment a the Board of Elections. It was my understanding we were able to save the county a significant amount of money since they were requesting all new furniture. We were able to make adjustments to chairs, monitors and equipment which was quite successful. We will be conducting that assessment again at 51 Chaney Road.

## **CLAIMS SERVICE:**

Ms. George reviewed the First MCO report and provided a summary of savings report and the PPO Penetration rate.

## **MOTION TO GO INTO CLOSED SESSION**

|         |                      |
|---------|----------------------|
| Moved:  | Commissioner Foote   |
| Second: | Commissioner Coleman |
| Vote:   | Unanimous            |

## **MOTION TO GO INTO OPEN SESSION**

|         |                      |
|---------|----------------------|
| Moved:  | Commissioner Foote   |
| Second: | Commissioner Coleman |
| Vote:   | Unanimous            |

## **MOTION TO APPROVE THE PAYMENT AUTHORIZATION REQUESTS**

|         |                      |
|---------|----------------------|
| Moved:  | Commissioner Foote   |
| Second: | Commissioner Coleman |
| Vote:   | 2 Ayes, 0 Nays       |

**OLD BUSINESS:** Attorney Mulligan said in regards to the Coverage Schematics on page 13 of the agenda the Camden County has relatively low self insured retentions of \$3,000 and \$5,000 compared to the Salem County which has higher self insured retentions of \$50,000 on each claim, as well as \$100,000 dividends being given to Camden County. Executive Director said that is the level they chose and their premiums reflect higher premiums for the lower deductibles. Executive

Director said when Salem join we kept everything at the current level but we can certainly look into different self insured retentions and the premium that reflect those retentions.

**NEW BUSINESS:** None

**PUBLIC COMMENT:** None

**MOTION TO ADJOURN:**

|         |                      |
|---------|----------------------|
| Motion: | Commissioner Foote   |
| Second: | Commissioner Coleman |
| Vote:   | Unanimous            |

**MEETING ADJOURNED: 9:50 AM**

**NEXT MEETING WILL BE THURSDAY, February 4, 2016 at 9:00 AM**

---

Minutes prepared by: Karen A. Read, Assisting Secretary

## ***APPENDIX II – INSERVCO REPORT***



**INSERVCO**  
INSURANCE SERVICES, INC.

## ***Stewardship Report***

for

***Salem County Ins Commission***

***As Of  
December 31, 2015***

Inservco Insurance Services, Inc.  
Crossroads Corporate Center  
3150 Brunswick Pike  
Lawrenceville, NJ 08648  
(800) 334-1348

## EXECUTIVE SUMMARY

### Introduction:

Inservco Insurance Services, Inc. is pleased to present the 2015 Stewardship Report. We understand that the client needs to be aware of pertinent claim information in order to better manage your program. We trust you will find the data found within this report to be meaningful and enable you to continue to make wise decisions that impact the various aspects of your organization's financial outlook, operational challenges, and the workforce.

We also wanted you to be aware that Inservco is constantly striving to improve our services to you and we have invested heavily in new technology and services that enable us to efficiently interface with you and the vendor service providers that perform services for you. As you may already know, we have an ownership interest in KeyScripts, LLC which is a pharmacy benefit management company. We believe KeyScripts provides a cost effective pharmacy benefit management program. By using the KeyScripts program it enables your self-insured program to obtain savings below the fee schedule. Most importantly, Inservco's claim systems and billing systems interface with the KeyScripts program thereby making the process seamless to you and your employees who utilize the KeyScripts program. Savings reports are sent to you quarterly. Should you need more frequent reporting, please don't hesitate to contact Inservco.

Additionally, Inservco has partnered with certain vendors that perform services on your behalf in an attempt to reduce your self-insured program costs. Please note that Inservco may have business agreements, including cost sharing arrangements, with these vendor service providers. As part of these business agreements, there may be financial considerations paid by the vendor service provider to Inservco for the resources and services that Inservco may provide, which could include marketing, personnel, information technology, system access, and various administrative services. The amounts, which may be material that Inservco may receive from a vendor provider, may vary depending upon the types and quantity of resources and services Inservco provides to each respective vendor. It is important to note that you are under no obligation to utilize any vendor provider that is recommended by Inservco and if you elect not to utilize the services of a recommended vendor provider, then you can select a vendor service provider you choose to perform such services. You always have control over the types of and amounts of services a vendor service provider performs for your program, whether recommended by Inservco or selected by you. Therefore, we are always looking for input from you, our customer, to determine if there is anything that we can do to enhance your existing program and to enable you to make your job as a risk manager more efficient.

Should you have questions or need clarification regarding any information contained within this report, please feel free to contact, Staci L. Ulp, AIC, Vice President-Client Services/Field Management at 800-356-0438 extension 4057.

### Observations, Conclusions, Suggestions:

- ◆ In the three years included in this report, Location 580-Jail had the most claims overall with 106 claims. This is 65.84% of the total number of claims reported. Location 540-Sheriff had the second most claims with 12 claims and Location 210-Buildings & Grounds had 8 claims while Locations 575-Prosecutor Office and 337- 911 both had 7 claims. (Page 5)

- ◆ The number of claims reported has decreased from year to year. There were 59 claims in the 1/1/13 to 12/31/13 policy; 55 claims in the 1/1/14 to 12/31/14 policy period and 47 claims in the 1/1/15 to 12/31/15 policy period. (Page 4)
- ◆ The net incurred value by policy period has decreased from year to year. The total net incurred for the policy period beginning 1/1/13 was \$669,390.13 and for the policy period beginning 1/1/14 the net incurred was \$580,555.41 and the net incurred for policy period 1/1/15/14 was \$366,667.01. (Page 7)
- ◆ The highest net incurred by location is \$1,249,096.83 for Location 580-Jail. This is 77.27% of the total net incurred of \$1,616,612.55. The second highest net incurred is \$79,445.40 for Location 540-Sheriff, or 4.9%. (Page 8)
- ◆ When grouped by the day of the week on which the injury occurred, Tuesdays and Wednesdays had the most claims reported with 31 claims. Saturday and Sunday had the lowest number of claims reported with Sunday having 10 claims reported and Saturday having 15 claims reported. (Page 9)
- ◆ When grouped by the time of day which the injury occurred, most claims occurred in the hours of 8 am to 4 pm, with a total of 80 claims, followed by between the hours of midnight to 8 am with a total of 42 claims. The highest number of indemnity claims occurred between the hours of 8 am to 4 pm with 14 claims and the highest number of medical only claims occurred between the hours of 8 am to 4 pm with 66 claims. (Page 10-12)
- ◆ The average time to report a claim has fluctuated during the years. During the policy period of 1/1/13 to 12/31/13 the average time to report a claim was 23.37 days. For the policy period of 1/1/14 to 12/31/14 the average time to report a claim was 6.96 days. However for the policy period of 1/1/15 to 1/31/15 there was an increase in time to report a claim. The average time to report a claim was 9.04 days. It is important to note that the sooner a claim is reported the sooner we can intervene and gain control of the claim. (Page 13-16)
- ◆ The most frequent cause of injury is “Struck/Injured by Misc.” with 24 claims. This is preceded by “Misc.-Other Misc., NOC” with 17 claims followed by “Strain /Injury-Misc.” with 17 claims. (page 17)
- ◆ The highest net incurred based upon the cause of injury was \$259,068.51 for “Motor/Vehicle-Misc.”. The second highest net incurred based upon the cause of injury was \$ 252,396.49 for “Strain /Injury By-Misc.”. (Page 18)
- ◆ The most frequent type of injury was “Strain or Tear” with 32 claims. This was followed by “Contusion” with 29 claims for the type of injury. (Page 19)
- ◆ The highest net incurred based by type of injury was \$659,165.82 for “Sprain of Tear followed by “Strain or Tear” with \$290,606.39. (Page 20)
- ◆ The most frequently injured body part was “Multiple Body Parts” with at total of 23 claims followed by “Knee” with 20 claims. (Page 21)
- ◆ The highest net incurred value by body part was for “Multiple Body Parts” with \$365,200.00. The second highest net incurred by body part was for “Shoulder(s): with \$347,336.69. (Page 22)



## Report Terminology

| Term                      | Definition  |
|---------------------------|---|
| Gross Paid To Date Total  | All payments transacted plus all offsets of voids and refunds through the report end date for all buckets           |
| Indemnity                 | WC claim added this period where Gross Incurred Indemnity bucket >0   |
| Medical                   | WC claim added this period where Gross Incurred Indemnity bucket = 0 and sum of Gross Incurred all other buckets >0 |
| Net Incurred Total        | Gross Incurred Total + Recovery ToDate Total all buckets  |
| Outstanding Reserve Total | Outstanding monies expected to be paid for all financial buckets added together                                     |
| Recoveries To Date Total  | Recoveries added into the system through report end date all buckets  |
| Total Claims              | Count of pending and closed claims  |
| Average Days to Receive   | Average number of days between occurrence date and date received at Inservco  |



## Claim Summary By Policy Period Indemnity vs Medical Only By Location Past 3 Years

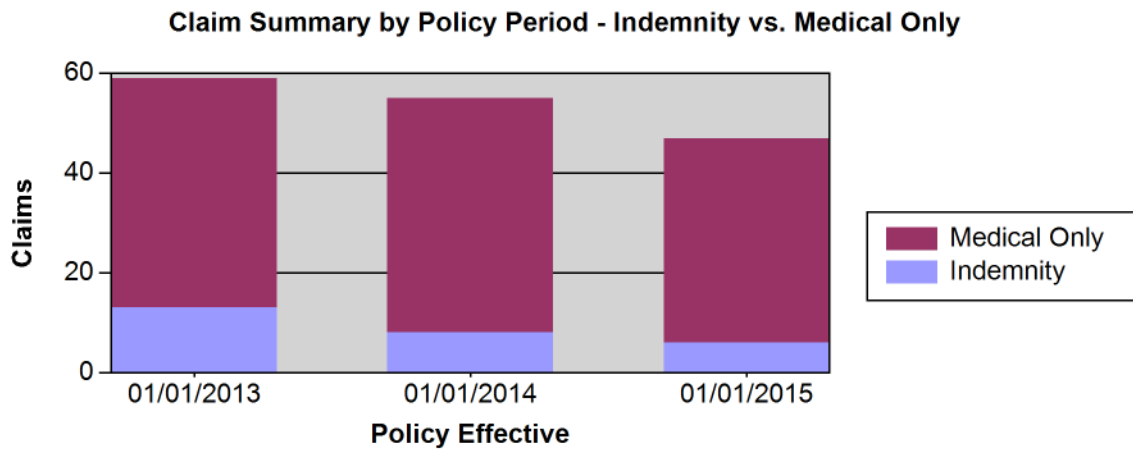
01/06/2016

| Policy Effective              | Policy Expiration | Indemnity | Medical Only | Total Claims |
|-------------------------------|-------------------|-----------|--------------|--------------|
| 01/01/2013                    | 12/31/2013        |           |              |              |
| 156 - Clerk of the Board      |                   | 0         | 1            | 1            |
| 210 - Building & Grounds      |                   | 1         | 4            | 5            |
| 211 - Building Service Worker |                   | 0         | 2            | 2            |
| 302 - Mosquito Control        |                   | 0         | 1            | 1            |
| 410 - Board of Election       |                   | 1         | 0            | 1            |
| 540 - Sheriff                 |                   | 2         | 1            | 3            |
| 575 - Prosecutor Office       |                   | 1         | 2            | 3            |
| 580 - Jail                    |                   | 7         | 34           | 41           |
| 735 - Road/Engineering        |                   | 1         | 1            | 2            |
|                               |                   | 13        | 46           | 59           |
| 01/01/2014                    | 12/31/2014        |           |              |              |
| 210 - Building & Grounds      |                   | 0         | 2            | 2            |
| 540 - Sheriff                 |                   | 0         | 6            | 6            |
| 575 - Prosecutor Office       |                   | 0         | 4            | 4            |
| 580 - Jail                    |                   | 6         | 26           | 32           |
| 601 - Public Health           |                   | 0         | 2            | 2            |
| 680 - Office on Aging         |                   | 0         | 1            | 1            |
| 735 - Road/Engineering        |                   | 1         | 3            | 4            |
| 789 - Bus                     |                   | 1         | 3            | 4            |
|                               |                   | 8         | 47           | 55           |
| 01/01/2015                    | 12/31/2015        |           |              |              |
| 210 - Building & Grounds      |                   | 0         | 1            | 1            |
| 337 - 911                     |                   | 2         | 5            | 7            |
| 540 - Sheriff                 |                   | 0         | 3            | 3            |
| 580 - Jail                    |                   | 4         | 29           | 33           |
| 601 - Public Health           |                   | 0         | 2            | 2            |
| 735 - Road/Engineering        |                   | 0         | 1            | 1            |
|                               |                   | 6         | 41           | 47           |
| <b>Total:</b>                 |                   | <b>27</b> | <b>134</b>   | <b>161</b>   |

## Claim Summary By Policy Period Indemnity vs Medical Only Past 3 Years

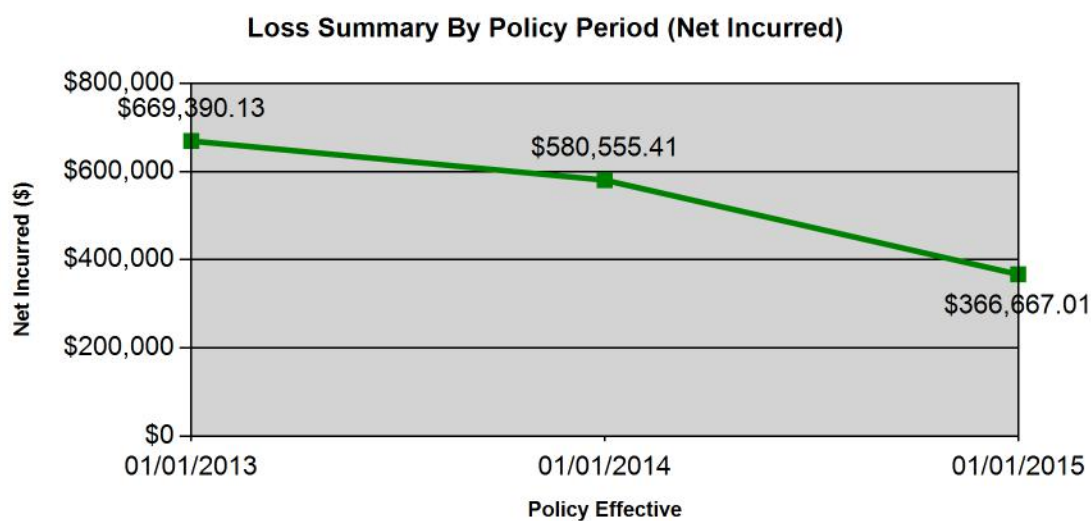
01/06/2016

| Policy Effective | Policy Expiration | Indemnity | Medical Only | Total Claims |
|------------------|-------------------|-----------|--------------|--------------|
| 01/01/2013       | 12/31/2013        | 13        | 46           | 59           |
| 01/01/2014       | 12/31/2014        | 8         | 47           | 55           |
| 01/01/2015       | 12/31/2015        | 6         | 41           | 47           |
|                  |                   | 27        | 134          | 161          |



## Loss Summary By Policy Period Past 3 Years

| Policy Effective | Policy Expiration | Claims     | O/S Reserve         | Gross Paid to Date    | Recovery to Date | Net Incurred          |
|------------------|-------------------|------------|---------------------|-----------------------|------------------|-----------------------|
| 01/01/2013       | 12/31/2013        | 59         | \$90,048.55         | \$579,341.58          | \$0.00           | \$669,390.13          |
| 01/01/2014       | 12/31/2014        | 55         | \$103,237.96        | \$477,317.45          | \$0.00           | \$580,555.41          |
| 01/01/2015       | 12/31/2015        | 47         | \$181,096.75        | \$185,570.26          | \$0.00           | \$366,667.01          |
|                  |                   | <b>161</b> | <b>\$374,383.26</b> | <b>\$1,242,229.29</b> | <b>\$0.00</b>    | <b>\$1,616,612.55</b> |





01/06/2016

## Loss Summary By Location Past 3 Years

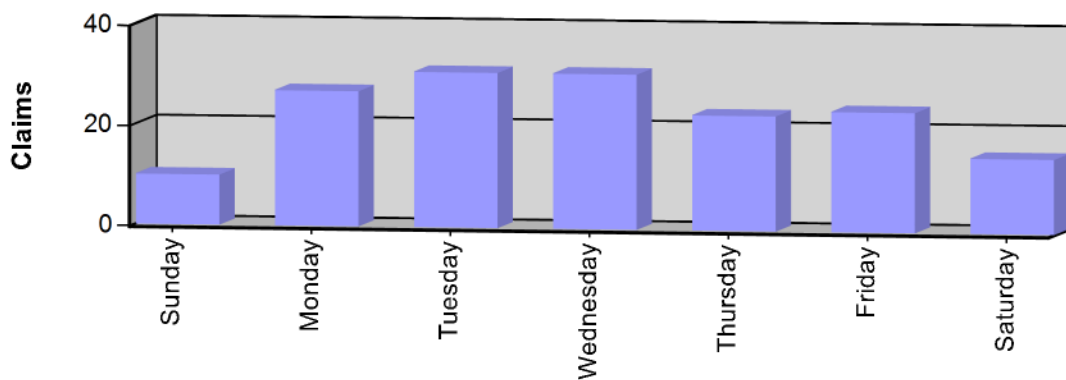
| Location Code | Location Name           | Claims     | O/S Reserve         | Gross Paid to Date    | Recovery to Date | Net Incurred          |
|---------------|-------------------------|------------|---------------------|-----------------------|------------------|-----------------------|
| 156           | Clerk of the Board      | 1          | \$0.00              | \$554.83              | \$0.00           | \$554.83              |
| 210           | Building & Grounds      | 8          | \$28,121.07         | \$32,848.81           | \$0.00           | \$60,969.88           |
| 211           | Building Service Worker | 2          | \$0.00              | \$506.72              | \$0.00           | \$506.72              |
| 302           | Mosquito Control        | 1          | \$0.00              | \$3,500.00            | \$0.00           | \$3,500.00            |
| 337           | 911                     | 7          | \$588.70            | \$54,586.35           | \$0.00           | \$55,175.05           |
| 410           | Board of Election       | 1          | \$0.00              | \$1,816.67            | \$0.00           | \$1,816.67            |
| 540           | Sheriff                 | 12         | \$0.00              | \$79,445.40           | \$0.00           | \$79,445.40           |
| 575           | Prosecutor Office       | 7          | \$0.00              | \$58,804.93           | \$0.00           | \$58,804.93           |
| 580           | Jail                    | 106        | \$332,339.95        | \$916,756.88          | \$0.00           | \$1,249,096.83        |
| 601           | Public Health           | 4          | \$147.76            | \$11,729.42           | \$0.00           | \$11,877.18           |
| 680           | Office on Aging         | 1          | \$1,250.00          | \$0.00                | \$0.00           | \$1,250.00            |
| 735           | Road/Engineering        | 7          | \$11,935.78         | \$27,189.59           | \$0.00           | \$39,125.37           |
| 789           | Bus                     | 4          | \$0.00              | \$54,489.69           | \$0.00           | \$54,489.69           |
|               |                         | <b>161</b> | <b>\$374,383.26</b> | <b>\$1,242,229.29</b> | <b>\$0.00</b>    | <b>\$1,616,612.55</b> |

## Claim Occurrence by Day of Week Indemnity vs Medical Only Past 3 Years

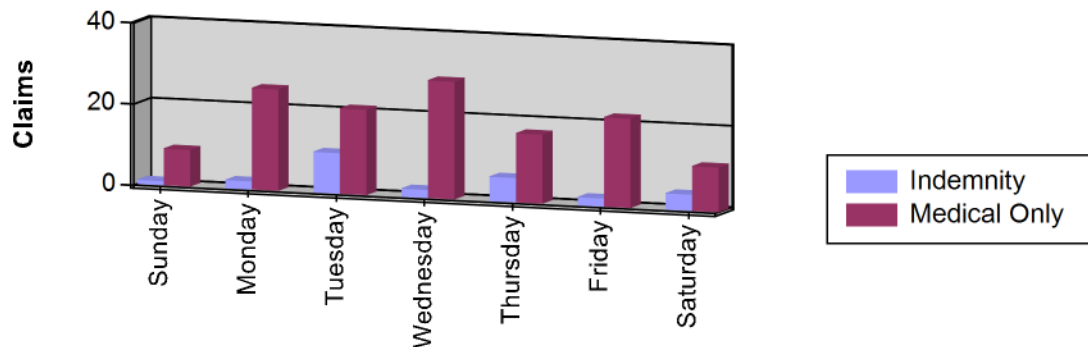
01/06/2016

| Day of Week | Indemnity | Medical Only | Total Claims |
|-------------|-----------|--------------|--------------|
| Sunday      | 1         | 9            | 10           |
| Monday      | 2         | 25           | 27           |
| Tuesday     | 10        | 21           | 31           |
| Wednesday   | 2         | 29           | 31           |
| Thursday    | 6         | 17           | 23           |
| Friday      | 2         | 22           | 24           |
| Saturday    | 4         | 11           | 15           |
|             | 27        | 134          | 161          |

### Claim Occurrence by Day of Week (Total Claims)



### Claim Occurrence by Day of Week (Indemnity vs Medical Only)

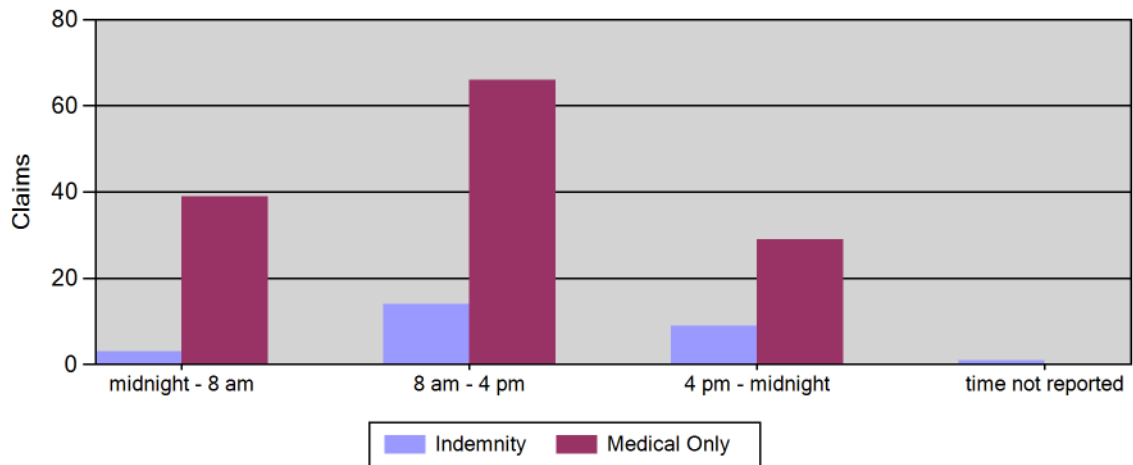


## Claim Occurrence by Time Of Day Indemnity vs Medical Only Past 3 Years

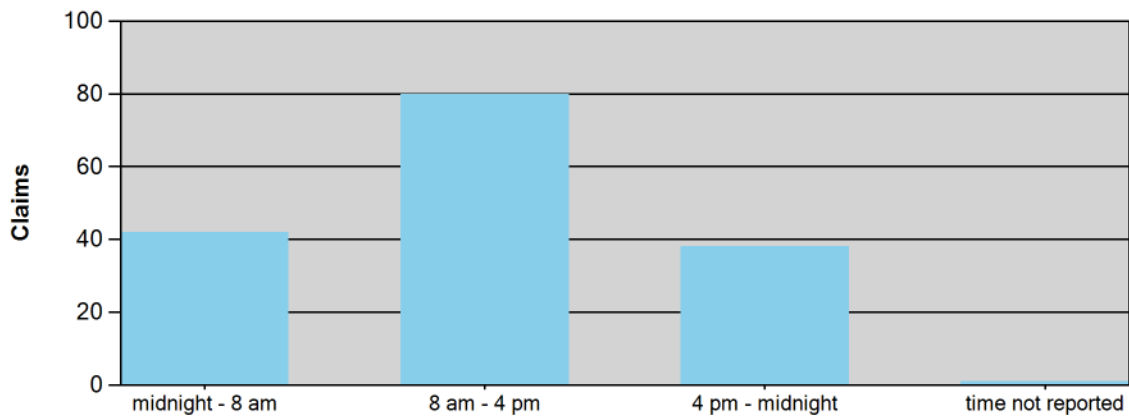
01/06/2016

| Time Of Day       | Indemnity | Medical Only | Total Claims |
|-------------------|-----------|--------------|--------------|
| midnight - 8 am   | 3         | 39           | 42           |
| 8 am - 4 pm       | 14        | 66           | 80           |
| 4 pm - midnight   | 9         | 29           | 38           |
| time not reported | 1         | 0            | 1            |
|                   | 27        | 134          | 161          |

### Claim Occurrence by Time Of Day - Indemnity vs Medical Only



### Claim Occurrence by Time Of Day - Total Claims





**Claim Occurrence By Policy Year  
By Time Of Day  
Indemnity vs Medical Only  
Past 3 Years**

01/06/2016

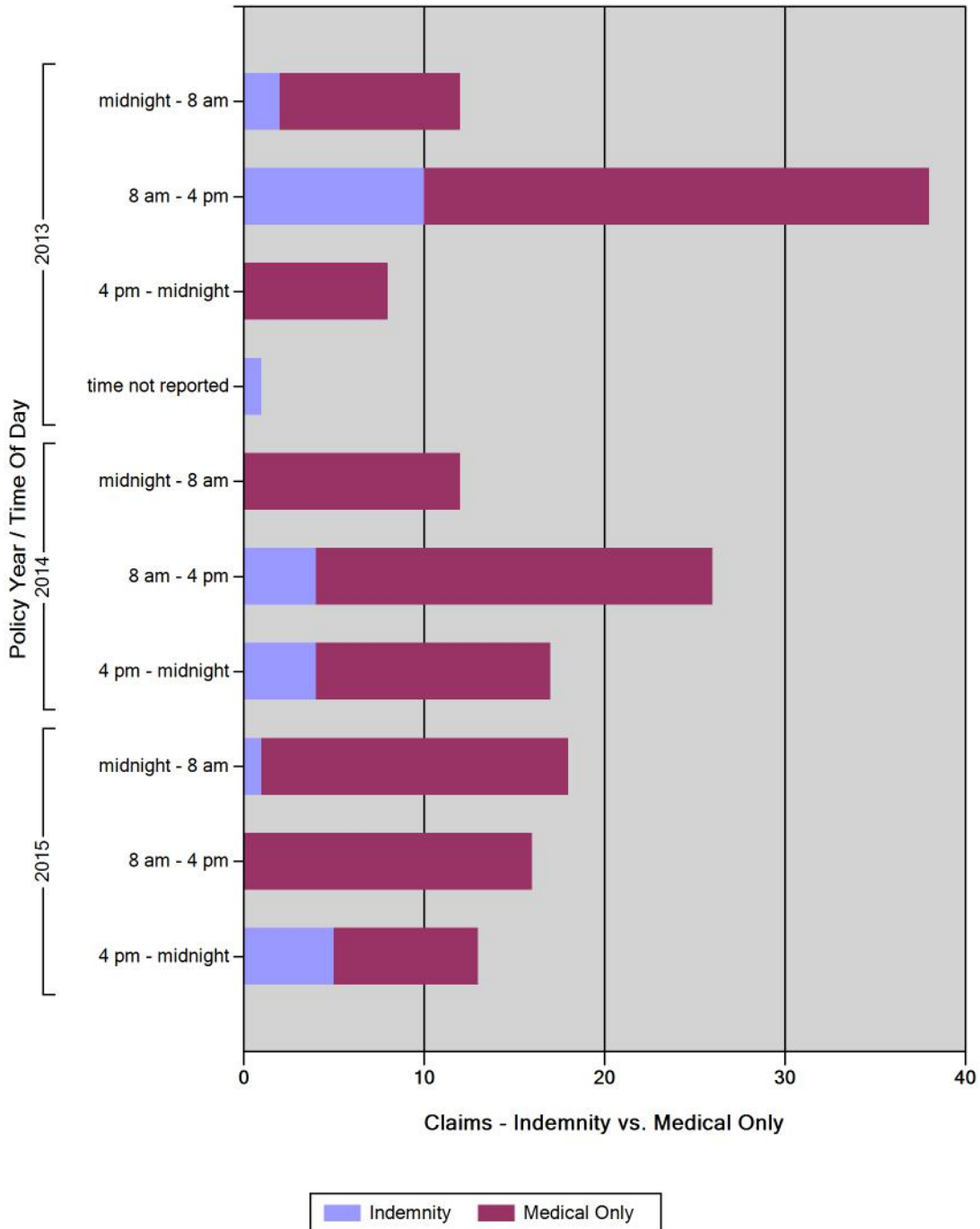
| Policy Effective  | Policy Expiration | Indemnity | Medical Only | Total Claims |
|-------------------|-------------------|-----------|--------------|--------------|
| 01/01/2013        | 12/31/2013        |           |              |              |
| midnight - 8 am   |                   | 2         | 10           | 12           |
| 8 am - 4 pm       |                   | 10        | 28           | 38           |
| 4 pm - midnight   |                   | 0         | 8            | 8            |
| time not reported |                   | 1         | 0            | 1            |
|                   |                   | 13        | 46           | 59           |
| 01/01/2014        | 12/31/2014        |           |              |              |
| midnight - 8 am   |                   | 0         | 12           | 12           |
| 8 am - 4 pm       |                   | 4         | 22           | 26           |
| 4 pm - midnight   |                   | 4         | 13           | 17           |
|                   |                   | 8         | 47           | 55           |
| 01/01/2015        | 12/31/2015        |           |              |              |
| midnight - 8 am   |                   | 1         | 17           | 18           |
| 8 am - 4 pm       |                   | 0         | 16           | 16           |
| 4 pm - midnight   |                   | 5         | 8            | 13           |
|                   |                   | 6         | 41           | 47           |
| <b>Total:</b>     |                   | <b>27</b> | <b>134</b>   | <b>161</b>   |



# **Claim Occurrence By Policy Year By Time Of Day Indemnity vs Medical Only Past 3 Years**

01/06/2016

Claim Occurrence by Policy Year By Time Of Day



## Timely Reporting - Average Days to Receive Indemnity vs Medical Only By Location Past 3 Years

01/06/2016

| Policy Effective              | Policy Expiration | Claim Type      | Claims | Average Days to Receive |
|-------------------------------|-------------------|-----------------|--------|-------------------------|
| 01/01/2013                    | 12/31/2013        |                 |        |                         |
| 156 - Clerk of the Board      |                   |                 |        |                         |
|                               |                   | Indemnity       | 0      | 0.00                    |
|                               |                   | Medical Only    | 1      | 6.00                    |
|                               |                   | Location Total: | 1      | 6.00                    |
| 210 - Building & Grounds      |                   |                 |        |                         |
|                               |                   | Indemnity       | 1      | 5.00                    |
|                               |                   | Medical Only    | 4      | 18.50                   |
|                               |                   | Location Total: | 5      | 15.80                   |
| 211 - Building Service Worker |                   |                 |        |                         |
|                               |                   | Indemnity       | 0      | 0.00                    |
|                               |                   | Medical Only    | 2      | 7.00                    |
|                               |                   | Location Total: | 2      | 7.00                    |
| 302 - Mosquito Control        |                   |                 |        |                         |
|                               |                   | Indemnity       | 0      | 0.00                    |
|                               |                   | Medical Only    | 1      | 2.00                    |
|                               |                   | Location Total: | 1      | 2.00                    |
| 410 - Board of Election       |                   |                 |        |                         |
|                               |                   | Indemnity       | 1      | 0.00                    |
|                               |                   | Medical Only    | 0      | 0.00                    |
|                               |                   | Location Total: | 1      | 0.00                    |
| 540 - Sheriff                 |                   |                 |        |                         |
|                               |                   | Indemnity       | 2      | 4.50                    |
|                               |                   | Medical Only    | 1      | 12.00                   |
|                               |                   | Location Total: | 3      | 7.00                    |
| 575 - Prosecutor Office       |                   |                 |        |                         |
|                               |                   | Indemnity       | 1      | 41.00                   |
|                               |                   | Medical Only    | 2      | 3.50                    |
|                               |                   | Location Total: | 3      | 16.00                   |
| 580 - Jail                    |                   |                 |        |                         |
|                               |                   | Indemnity       | 7      | 134.00                  |
|                               |                   | Medical Only    | 34     | 7.74                    |
|                               |                   | Location Total: | 41     | 29.29                   |



## Timely Reporting - Average Days to Receive Indemnity vs Medical Only By Location Past 3 Years

01/06/2016

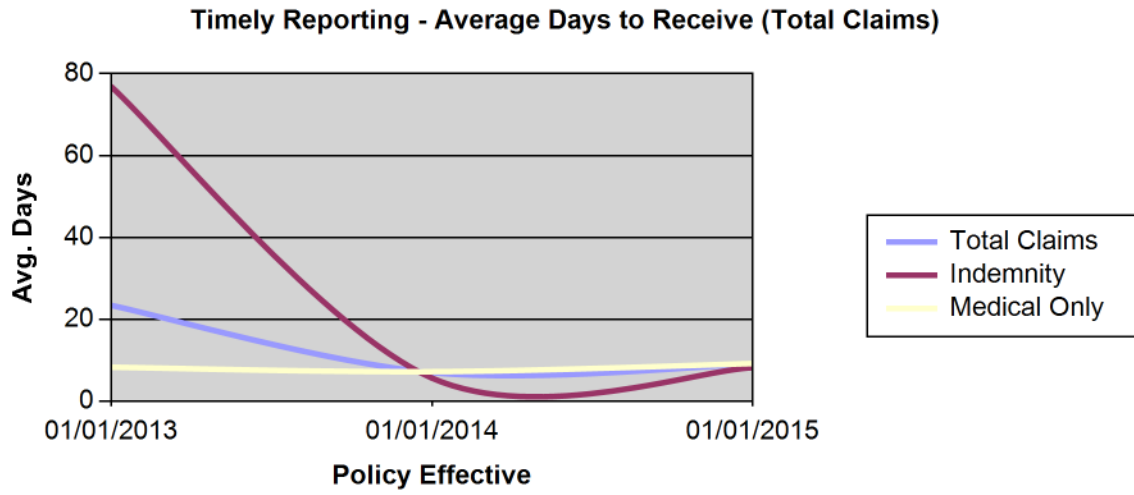
| Policy Effective         | Policy Expiration | Claim Type           | Claims | Average Days to Receive |
|--------------------------|-------------------|----------------------|--------|-------------------------|
| 735 - Road/Engineering   |                   |                      |        |                         |
|                          |                   | Indemnity            | 1      | 5.00                    |
|                          |                   | Medical Only         | 1      | 3.00                    |
|                          |                   | Location Total:      |        | 4.00                    |
|                          |                   | Policy Period Total: |        | 23.37                   |
| 01/01/2014               | 12/31/2014        |                      |        |                         |
| 210 - Building & Grounds |                   |                      |        |                         |
|                          |                   | Indemnity            | 0      | 0.00                    |
|                          |                   | Medical Only         | 2      | 4.00                    |
|                          |                   | Location Total:      |        | 4.00                    |
| 540 - Sheriff            |                   |                      |        |                         |
|                          |                   | Indemnity            | 0      | 0.00                    |
|                          |                   | Medical Only         | 6      | 4.50                    |
|                          |                   | Location Total:      |        | 4.50                    |
| 575 - Prosecutor Office  |                   |                      |        |                         |
|                          |                   | Indemnity            | 0      | 0.00                    |
|                          |                   | Medical Only         | 4      | 7.50                    |
|                          |                   | Location Total:      |        | 7.50                    |
| 580 - Jail               |                   |                      |        |                         |
|                          |                   | Indemnity            | 6      | 5.33                    |
|                          |                   | Medical Only         | 26     | 6.96                    |
|                          |                   | Location Total:      |        | 6.66                    |
| 601 - Public Health      |                   |                      |        |                         |
|                          |                   | Indemnity            | 0      | 0.00                    |
|                          |                   | Medical Only         | 2      | 3.00                    |
|                          |                   | Location Total:      |        | 3.00                    |
| 680 - Office on Aging    |                   |                      |        |                         |
|                          |                   | Indemnity            | 0      | 0.00                    |
|                          |                   | Medical Only         | 1      | 4.00                    |
|                          |                   | Location Total:      |        | 4.00                    |
| 735 - Road/Engineering   |                   |                      |        |                         |
|                          |                   | Indemnity            | 1      | 7.00                    |
|                          |                   | Medical Only         | 3      | 3.00                    |



## Timely Reporting - Average Days to Receive Indemnity vs Medical Only By Location Past 3 Years

01/06/2016

| Policy Effective         | Policy Expiration      | Claim Type   | Claims    | Average Days to Receive |
|--------------------------|------------------------|--------------|-----------|-------------------------|
| 789 - Bus                | Location Total:        |              | 4         | 4.00                    |
|                          |                        | Indemnity    | 1         | 6.00                    |
|                          |                        | Medical Only | 3         | 24.33                   |
|                          | Location Total:        |              | 4         | 19.75                   |
|                          | Policy Period Total:   |              | 55        | 6.96                    |
| 01/01/2015               | 12/31/2015             |              |           |                         |
| 210 - Building & Grounds |                        | Indemnity    | 0         | 0.00                    |
|                          |                        | Medical Only | 1         | 5.00                    |
|                          | Location Total:        |              | 1         | 5.00                    |
|                          | 337 - 911              |              | Indemnity | 2                       |
|                          |                        | Medical Only | 5         | 7.60                    |
| Location Total:          |                        | 7            | 6.57      |                         |
| 540 - Sheriff            |                        |              | Indemnity | 0                       |
|                          |                        | Medical Only | 3         | 9.00                    |
|                          | Location Total:        |              | 3         | 9.00                    |
|                          | 580 - Jail             |              | Indemnity | 4                       |
|                          |                        | Medical Only | 29        | 10.10                   |
| Location Total:          |                        | 33           | 10.12     |                         |
| 601 - Public Health      |                        |              | Indemnity | 0                       |
|                          |                        | Medical Only | 2         | 4.00                    |
|                          | Location Total:        |              | 2         | 4.00                    |
|                          | 735 - Road/Engineering |              | Indemnity | 0                       |
|                          |                        | Medical Only | 1         | 5.00                    |
| Location Total:          |                        | 1            | 5.00      |                         |
| Policy Period Total:     |                        | 47           | 9.04      |                         |

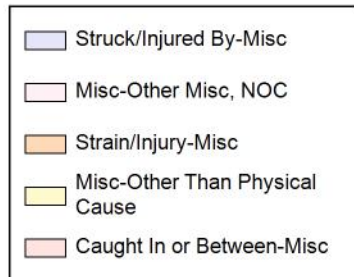
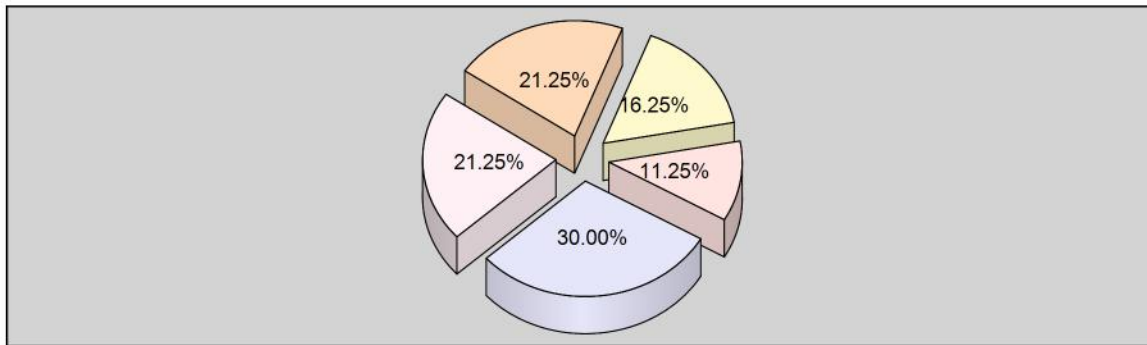


## Top 5 - Cause of Injury - Frequency Past 3 Years

01/06/2016

| Cause of Injury Code | Cause of Injury Description    | Number of Injuries |
|----------------------|--------------------------------|--------------------|
| 81                   | Struck/Injured By-Misc         | 24                 |
| 99                   | Misc-Other Misc, NOC           | 17                 |
| 60                   | Strain/Injury-Misc             | 17                 |
| 90                   | Misc-Other Than Physical Cause | 13                 |
| 13                   | Caught In or Between-Misc      | 9                  |

**Percentage of Top 5 - Cause of Injury - Frequency**

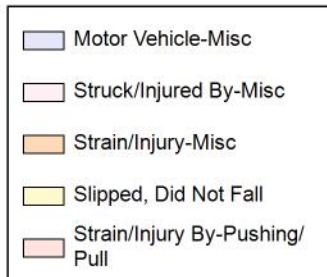
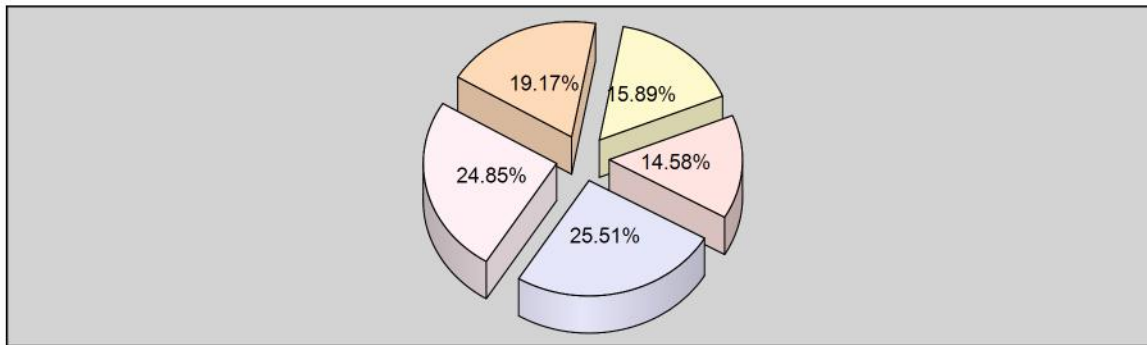


## Top 5 - Cause of Injury - Net Incurred Past 3 Years

01/06/2016

| Cause of Injury Code | Cause of Injury Description    | Net Incurred |
|----------------------|--------------------------------|--------------|
| 50                   | Motor Vehicle-Misc             | \$259,068.51 |
| 81                   | Struck/Injured By-Misc         | \$252,369.49 |
| 60                   | Strain/Injury-Misc             | \$194,621.02 |
| 30                   | Slipped, Did Not Fall          | \$161,302.70 |
| 57                   | Strain/Injury By-Pushing/ Pull | \$148,012.33 |

### Percentage of Top 5 - Cause of Injury - Net Incurred

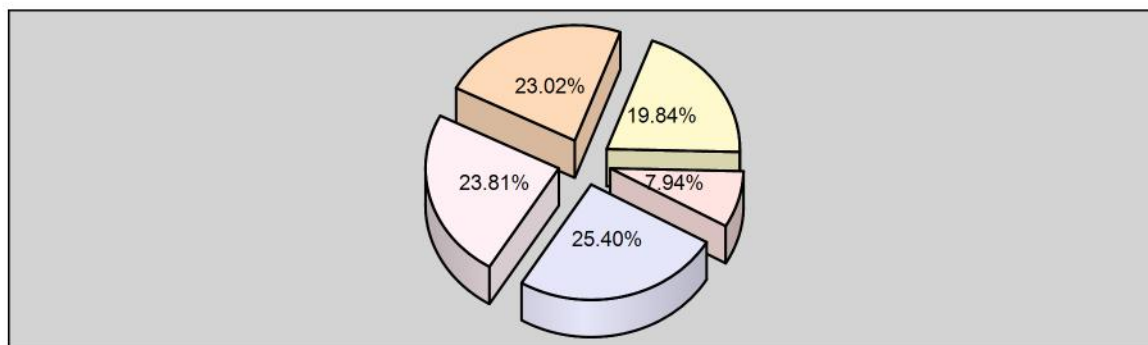


## Top 5 - Type of Injury - Frequency Past 3 Years

01/06/2016

| Type of Injury Code | Type of Injury Description | Number of Injuries |
|---------------------|----------------------------|--------------------|
| 52                  | Strain or Tear             | 32                 |
| 49                  | Sprain or Tear             | 30                 |
| 10                  | Contusion                  | 29                 |
| 01                  | No Physical Injury         | 25                 |
| 90                  | Mult Phys Injuries Only    | 10                 |

**Percentage of Top 5 - Type of Injury - Frequency**



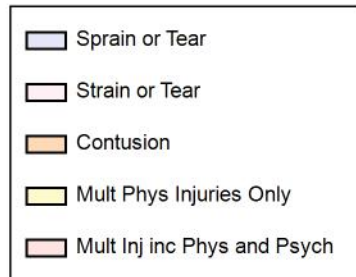
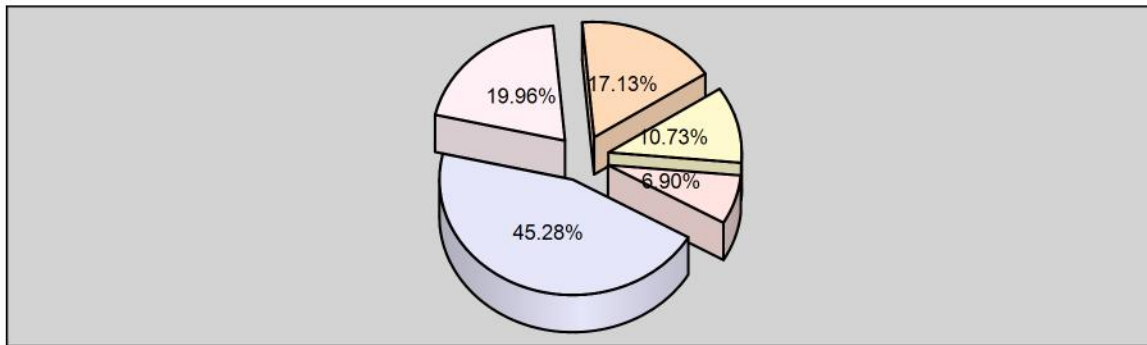


## Top 5 - Type of Injury - Net Incurred Past 3 Years

01/06/2016

| Type of Injury Code | Type of Injury Description  | Net Incurred |
|---------------------|-----------------------------|--------------|
| 49                  | Sprain or Tear              | \$659,165.82 |
| 52                  | Strain or Tear              | \$290,606.39 |
| 10                  | Contusion                   | \$249,383.02 |
| 90                  | Mult Phys Injuries Only     | \$156,151.34 |
| 91                  | Mult Inj inc Phys and Psych | \$100,523.59 |

**Percentage of Top 5 - Type of Injury - Net Incurred**

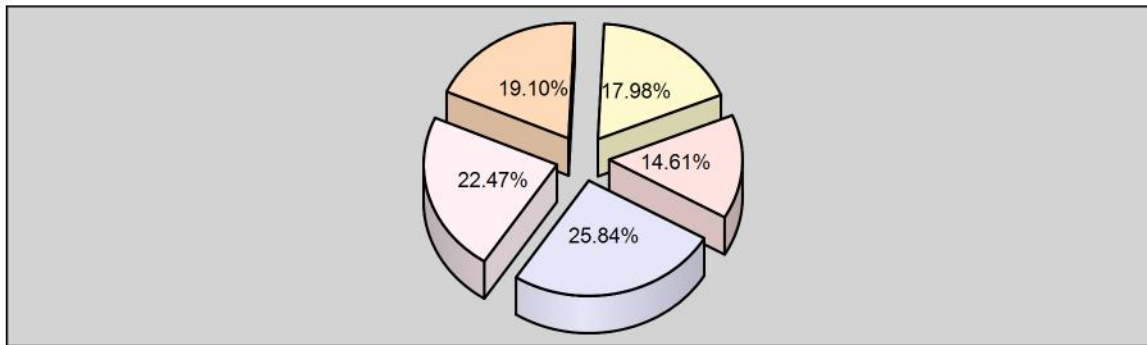


## Top 5 - Part of Body - Frequency Past 3 Years

01/06/2016

| Part of Body Code | Part of Body Description   | Number of Occurrences |
|-------------------|----------------------------|-----------------------|
| 90                | Multiple Body Parts        | 23                    |
| 53                | Knee                       | 20                    |
| 66                | No Physical Injury         | 17                    |
| 42                | Back Lower Area-Inc Lumbar | 16                    |
| 36                | Finger(s)                  | 13                    |

**Percentage of Top 5 - Part of Body - Frequency**

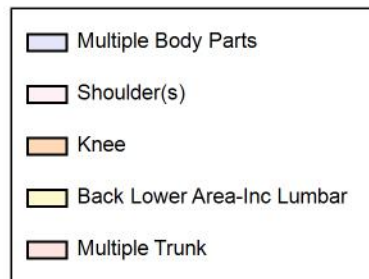
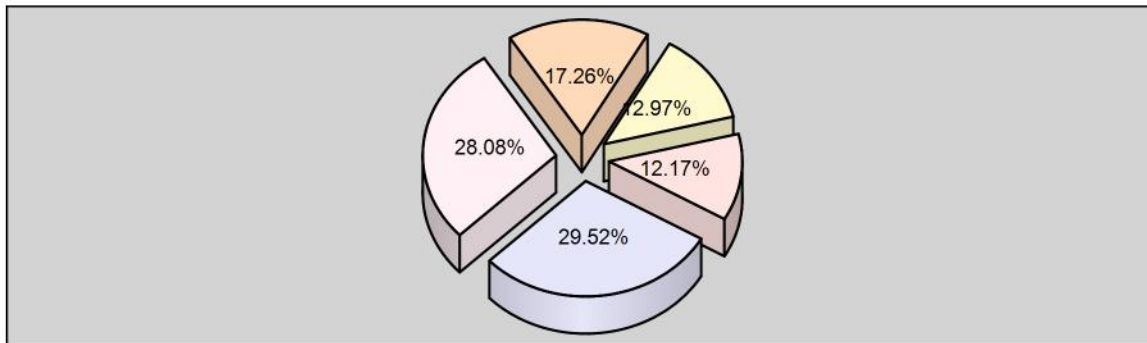


## Top 5 - Part of Body - Net Incurred Past 3 Years

01/06/2016

| Part of Body Code | Part of Body Description   | Net Incurred |
|-------------------|----------------------------|--------------|
| 90                | Multiple Body Parts        | \$365,200.00 |
| 38                | Shoulder(s)                | \$347,336.69 |
| 53                | Knee                       | \$213,542.41 |
| 42                | Back Lower Area-Inc Lumbar | \$160,422.87 |
| 40                | Multiple Trunk             | \$150,538.07 |

**Percentage of Top 5 - Part of Body - Net Incurred**





**Recovery To Date By Policy Period  
Excess vs. Other  
Past 3 Years**

01/06/2016

| <b>Policy Effective</b> | <b>Policy Expiration</b> | <b>Excess Recovery</b> | <b>Other Recovery</b> | <b>Recovery to Date</b> |
|-------------------------|--------------------------|------------------------|-----------------------|-------------------------|
| 01/01/2013              | 12/31/2013               | \$0.00                 | \$0.00                | \$0.00                  |
| 01/01/2014              | 12/31/2014               | \$0.00                 | \$0.00                | \$0.00                  |
| 01/01/2015              | 12/31/2015               | \$0.00                 | \$0.00                | \$0.00                  |