



**AVALON COMMUNITY HALL  
3001 Avalon Ave  
Avalon, New Jersey**

**June 15, 2016–3:00PM**

***OPEN SESSION MINUTES***

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The regular meeting of the Atlantic County Municipal Joint Insurance Fund (ACM JIF) was held on June 15, 2016, at the Avalon Community Hall, 3001 Avalon Ave, Avalon, New Jersey at 3PM, prevailing time. *Chair Smuz, Upper Township*, presiding. The meeting was called to order at 3:00 PM.

***STATEMENT OF COMPLIANCE WITH OPEN PUBLIC MEETING ACT***

Notice of this meeting was given by: (1) sending sufficient notice herewith to *The Press of Atlantic City* and the *Courier Post*, Cherry Hill, New Jersey; (2) filing advance written notice of this meeting with the Clerks/Administrators of all member municipalities of the Atlantic County Municipal Joint Insurance Fund; and (3) posting notice on the public bulletin boards of all member municipalities of the Atlantic County Municipal Joint Insurance Fund.

***ROLL CALL***

Those in attendance were:

Scott Wahl, **Avalon Borough**  
Joseph Santagata, **Buena Borough**  
Neil Young, **Cape May City**  
Stephen O'Connor, **Cape May Point**  
Rose Turner, **Corbin City**  
Glenn Clarke, **Dennis Twp**  
Bob Campbell, **Downe Twp**  
Peter Miller, **Egg Harbor Twp** (*arrived after roll call*)  
Linda Kent, **Estell Manor City**  
Byron Gummoe, **Folsom Borough**  
Cheryl Prakash, *Alt.*, **Galloway Twp**  
Ingrid Perez, **Hamilton Twp**  
Ed Beck, **Linwood City**  
Rich Hirsch, **Longport Borough**  
Julie Picard, **Lower Twp**  
Dan Adams, *Alt.*, **Margate City**  
Connie Mahon, **Middle Twp**  
Susan Robostello, **Millville City**  
Dawn Stollenwerk, **Mullica Twp**  
Scott Jett, **North Wildwood City**  
Jim Dickinson, **Northfield City**  
Liz Woods, **Ocean City** (*arrived after roll call*)  
Kellie Seib, **Sea Isle City**

Lucy Samuelson, **Somers Point City**  
Jim Craft, **Stone Harbor Borough**  
Teri Smuz, **Upper Twp**  
Roy Spoltore, **Upper Deerfield Twp**  
James Goos, **Ventnor City**  
Chris Ridings, **West Wildwood City**  
Bonnie Yearsley, **Weymouth Twp**  
Patricia Feketics, **Wildwood Crest Borough**  
Lisa Garrison, **Woodbine Borough**

Absent were:

John Armstrong, **Absecon City**  
Karen Blowers, **Brigantine City**  
Heather Sparks, **Commercial Twp**  
Karen Seifrit, **Deerfield Twp**  
Rachel Zaccaria, **Newfield Borough**  
Stephen Wilkins, **Pleasantville City**  
Al Campbell, **Waterford Twp**  
Lauren Vitelli, **West Cape May Borough**  
Chris Wood, **Wildwood City**

Also present were:

Paul Forlenza, Deputy Executive Director, *AJG Risk Management Services, Inc.*  
Chris Roselli, Claims Administrator, *Qual-Lynx*  
Karen Beatty, Managed Care Provider, *Qual-Care*  
Tracy Forlenza, Recording Secretary  
Tim Sheehan, Safety Director, *J.A. Montgomery Risk Control*  
Joanne Hall, *J.A. Montgomery Risk Control*  
David DeWeese, Esquire, Fund Solicitor, *The DeWeese Law Firm, P.C.*  
John Hansen, Treasurer  
Valerie Smith, Wellness Director

Also present were the Risk Management Consultants from the following agencies:

C. J. Adams Company  
AJM Insurance  
Atlantic Associates  
J. Byrne Agency, Inc.  
Fairview Insurance Agency  
Gerber Insurance  
Glenn Insurance  
Hardenberg Insurance  
Insurance Agencies, Inc.  
Marsh & McLennan Agency  
McMahon Agency, Inc.  
Siracusa-Kauffman Insurance

Absent RMCs were:

Alamo Insurance  
BCA Insurance  
Thomas Heist Insurance Agency  
William R. Mints Agency

*These minutes do not necessarily reflect the order in which some items were discussed.*

### ***WELCOME NEW FUND COMMISSIONERS***

Chair Smuz welcomed new Fund Commissioners Stephen O'Connor, Cape May Point and Dorothy Jo Ayres, Weymouth.

### ***APPROVAL OF MINUTES – OPEN SESSION***

Chair Smuz entertained a motion to approve the meeting minutes of the May 18, 2016 Executive Committee Meeting as presented.

Motion by Ms. Perez, seconded by Ms. Samuelsen, to approve the meeting minutes of the May 18, 2016 Executive Committee Meeting as presented. All in favor. Motion carried.

### ***APPROVAL OF MINUTES – CLOSED SESSION***

Confidential Closed Session Meeting Minutes were distributed to the Executive Committee Members.

Chair Smuz entertained a motion to adopt the Closed Session Meeting Minutes of the May 18, 2016 Meeting of the Fund as presented.

Motion by Ms. Samuelsen, seconded by Mr. Hirsch, to approve the Closed Session minutes of the May 18, 2016 Executive Committee Meeting as presented. All in favor. Motion carried.

The Closed Session meeting minutes of the May 18, 2016 meeting shall not be released to the public until the reason(s) for their remaining closed is no longer applicable and the Fund Solicitor has had the opportunity to review them.

Confidential Closed Session Meeting Minutes were collected.

### ***CLOSED SESSION - RESOLUTION #2016-29***

Be it moved by the Atlantic County Municipal Joint Insurance Fund that the public be excluded from this portion of the meeting to permit the Executive Committee to consider in closed session matters affecting the safety and property of the public and to discuss pending or anticipated litigation and/or contract negotiations and that the minutes covering these matters and the results of closed session will be released to the public when the reasons for discussing and acting on them in closed session no longer exists as required by the Open Public Meeting Act.

Chair Smuz entertained a motion to adopt *Closed Session Resolution 2016-29* as presented.

Motion by Ms. Perez, seconded by Ms. Mahon to adopt *Resolution 2016-29*.

**ROLL CALL**

***Yeas:***

Joe Santagata, **Buena Borough**  
Ingrid Perez, **Hamilton Township**  
Rich Hirsch, **Longport Borough**  
Connie Mahon, **Middle Township**  
Susan Robostello, **Millville City**  
Lucy Samuelsen, *Secretary*, **Somers Point City**  
Teri Smuz, *Chair*, **Upper Township**

***Nays:***

None

***Abstained:***

None

All in favor. Motion carried by unanimous vote.

***REOPEN PUBLIC PORTION OF THE MEETING***

Chair Smuz entertained a motion to reopen the public portion of the meeting.

Motion by Mr. Hirsch, seconded by Ms. Robostello, to reopen the public portion of the meeting. All in favor. Motion carried.

***CLAIMS REVIEW COMMITTEE REPORT – OPEN SESSION ITEMS***

Ms. Perez reported on the Claims Review Committee meeting minutes of June 9, 2016. She noted they are a handout to the membership and are self-explanatory.

She highlighted the following items:

**May PARs**

The Committee reviewed twenty-six (26) claims at the June 9, 2016 meeting. Of the claims reviewed, fifteen (15) Workers' Compensation (6 Police, 6 Streets, 1 Fire, and 2 Other); five (5) General Liability; and six (6) Property PARs were approved for settlement or continuing defense.

The next meeting is July 14, 2016 at the Hamilton Township Municipal Building, Mays Landing.

Ms. Perez asked if there were any questions. No questions were entertained.

***AUTHORIZATION OF CLAIMS PAYMENTS***

Chair Smuz presented the claims for payment as discussed in *Closed Session*.

Chair Smuz asked if there were any questions at this time. No questions were entertained.

Chair Smuz entertained a motion to approve the claims for payment as discussed in *Closed Session*.

Motion by Ms. Mahon, seconded by Ms. Perez to approve the claims for payment as discussed in *Closed Session*. They are as follows:

**May 2016 PARs:**

<i>Workers' Compensation</i>	<i>General Liability</i>	<i>Property</i>
Z27849	X76975	Z25269
Z25894	X70376	Z22865
X90115	X69721	Z38226
Z11381	X77506	Z36177
Z36860	X72732	Z38556
X82387		Z39220
Z06101		
X99651		
Z12294		
X85336		
Z23285		
Z36730		
X08145		
Z37284		
Z37287		

**ROLL CALL**

***Yeas:***

Joe Santagata, **Buena Borough**  
Ingrid Perez, **Hamilton Township**  
Rich Hirsch, **Longport Borough**  
Connie Mahon, **Middle Township**  
Susan Robostello, **Millville City**  
Teri Smuz, *Chair*, **Upper Township**

***Nays:***

None

***Abstain:***

Lucy Samuelson, *Sec*, **Somers Point City**

All in favor. Motion carried by majority vote.

***ABANDON SUBROGATION***

Chair Smuz noted there are no subrogation claims to be abandoned this month.

***CLAIMS ADMINISTRATOR'S REPORT***

***Lessons Learned from Losses – June***

Mr. Roselli reported on the *Lessons Learned from Losses* which is included in the agenda packet.

***Roadways, Signs and Walkway Program***

Mr. Roselli noted his *Lessons Learned from Losses* discusses the *Roadways, Signs and Walkway Program*. This program assists members in developing ways to keep better records and assists adjusters and attorneys with their defense of these claims. He urged members that if they do not have a sidewalk ordinance to please put one in place and if you do have one, please enforce it. He cited several examples of recent claims and the outcome.

Mr. Roselli asked if there were any questions. No questions were entertained.

The remainder of the Claims Administrator's report was provided in Closed Session.

***MANAGED HEALTH CARE REPORT***

Ms. Beatty reviewed the Managed Care Report for May 2016.

***Lost Time v. Medical Only Cases***

Ms. Beatty presented the ACM JIF Lost Time v. Medical Only Cases (Intake Report).

	<i>May</i>	<i>YTD</i>
<i>Lost Time</i>	<i>4</i>	<i>15</i>
<i>Medical Only</i>	<i>47</i>	<i>196</i>
<i>Report Only</i>	<i>26</i>	<i>117</i>
<i>Total Intakes(New Claims)</i>	<i>77</i>	<i>328</i>
<i>Report Only % of Total</i>	<i>33.8%</i>	<i>35.7%</i>
<i>Medical Only/Lost Time Ratio</i>	<i>92:08</i>	<i>93:07</i>
<i>Average Days to Report</i>	<i>3.2</i>	<i>2.3</i>

***Transitional Duty Report***

Ms. Beatty presented the *Transitional Duty Report*.

<b><i>Transitional Duty Summary Report</i></b>	<b><i>YTD</i></b>
<i>Transitional Duty Days Available</i>	<i>4,259</i>
<i>Transitional Duty Days Worked</i>	<i>3,465</i>
<i>% of Transitional Duty Days Worked</i>	<i>81.4%</i>
<i>Transitional Duty Days Not Accommodated</i>	<i>794</i>
<i>% of Transitional Duty Days Not Accommodated</i>	<i>18.6%</i>

***PPO Penetration Report:***

Ms. Beatty presented the self-explanatory *PPO Penetration Rate Report*.

<b><i>PPO Penetration Rate</i></b>	<b><i>May</i></b>	<b><i>YTD</i></b>
<i>Bill Count</i>	<i>565</i>	<i>2,677</i>
<i>Original Provider Charges</i>	<i>\$876,595</i>	<i>\$4,012,301</i>

<i>Re-priced Bill Amount</i>	<i>\$270,112</i>	<i>\$1,286,015</i>
<i>Savings</i>	<i>\$606,176</i>	<i>\$2,780,317</i>
<i>% of Savings</i>	<i>69.2%</i>	<i>69.3%</i>
<i>Participating Provider Penetration Rate- Bill count</i>	<i>94.9%</i>	<i>96.2%</i>
<i>Participating Provider Penetration Rate-Provider Charges</i>	<i>97.8%</i>	<i>98.5%</i>
<i>EPO Penetration Rate – Bill Count</i>	<i>96.8%</i>	<i>91.5%</i>
<i>EPO Penetration Rate –Provider Charges</i>	<i>99.4%</i>	<i>94.1%</i>

<i>Nurse Case Management</i>	<i>May</i>
<i>Monthly Total</i>	<i>307</i>

Ms. Beatty asked if there were any questions at this time. No questions were entertained.

### ***SOLICITOR'S REPORT***

Mr. DeWeese presented the following reports:

#### ***Closed Claims***

Mr. DeWeese noted that there was one (1) case(s) in June that were closed. He noted that a synopsis can be found in the agenda packet.

<i>Closed Case</i>	<i>Description</i>
<i>Waldeier v. City of Ocean City</i>	Bike hitting curb. Defense Counsel, Thomas G. Smith, Esquire was assigned and filed a Motion for Summary judgement which was denied. Defense Counsel filed Trial de Novo. Assigned defense counsel negotiated the settlement of this matter prior to trial for a payment to the Plaintiff for \$150,000; demand was for \$500,000.

#### ***Resolution 2016-30 Release of 2015 Closed Session***

Mr. DeWeese noted that he has reviewed the closed session minutes. He stated that there is a resolution for consideration today which reflects his recommendation to release the 2015 closed session minutes with the exception of 2 redactions which are detailed in the resolution. He noted the 2 redactions are from the February 18<sup>th</sup> and June 17<sup>th</sup> minutes since both matters are in litigation and ongoing.

Chair Smuz entertained a motion approving *Resolution 2016-30 Releasing the 2015 Closed Session Minutes* with the 2 redactions as presented.

Chair Smuz asked if there were any questions at this time. No questions were entertained.

Motion by Ms. Robostello, seconded by Ms. Samuelson to approve *Resolution 2016-30 Releasing the 2015 Closed Session Minutes* with the 2 redactions.

#### **ROLL CALL**

***Yeas:***

Joe Santagata, **Buena Borough**  
Ingrid Perez, **Hamilton Township**  
Rich Hirsch, **Longport Borough**  
Connie Mahon, **Middle Township**

	Susan Robostello, <b>Millville City</b>
	Lucy Samuelson, <i>Sec</i> , <b>Somers Point City</b>
	Teri Smuz, <i>Chair</i> , <b>Upper Township</b>
<i>Nays:</i>	None
<i>Abstained:</i>	None

Motion carried by unanimous vote.

***General Liability File Status Report***

Mr. DeWeese reviewed his general liability file status report with the Claims Committee last week noting that there are 77 active GL files. He noted that anyone wishing to have their individual claims sent to them, please contact him directly reminding them that the contents of the report should remain confidential.

***Subrogation File Summary Report***

Mr. DeWeese reviewed his subrogation file summary report with the Claims Committee last week noting the judgments obtained are in excess of \$2 million with total liens of over \$3.2 million which Mr. DeWeese's office is actively trying to collect.

Mr. DeWeese reminded the members that a Lifeguard Beach Symposium will be held on June 28, 2016 and he will be presenting a portion on General Liability as they relate to the lifeguards. Mr. Forlenza also stated that Ms. Davidson, WC supervisor, reported that there have already been seven (7) lifeguard claims this summer. Mr. Adams inquired what type of claims were filed. Mr. Forlenza noted that sunburn, knee injuries, and bad cuts.

Mr. Sheehan commented that his office has reached out to the member reporting the sunburn claim and will meet with the Safety Coordinator.

Mr. DeWeese asked if there were any questions. No questions were entertained.

***COMMITTEE REPORTS***

***EPL/POL CLAIMS REVIEW COMMITTEE – MAY 18, 2016***

Mr. Jett noted that the EPL/POL Claims Review Committee was held May 18, 2016 and the minutes can be found in the agenda packet. He highlighted the following:

***EPL/POL Loss Ratio Reports*** – The Committee discussed the EPL/POL loss ratio noting that the six year average for the ACM JIF is 81.3%.

***XL Insurance*** – Mr. Jett noted that there are still (27) open XL claims. Mr. DeWeese will follow up with Summit Risk as he is concerned with the amount of time taken for XL to issue coverage determinations. Mr. DeWeese noted that Mr. Pevner will follow up with his adjusters and report back to him.

***EPL Plan of Risk Management*** – Mr. Jett noted that the compliance deadline date for 2017 is October 1, 2016. He reminded members to work on the requirements especially manager and supervisor training. He noted that sign in sheets are on the website.



**Technology Risk Audits** – Mr. Jett reminded the members that the initial surveys were to be completed by June 3, 2016. Mr. Forlenza commented that more than 75% of the members have completed the survey and reminders have been issued. Ms. Mahon stated that the NJ State Chiefs Association has provided 5-6 grants to municipal police department's to test the integrity of their servers and computers. She suggested that Mr. Forlenza reach out to them to coordinate efforts with possible cost savings. Mr. Forlenza asked Mr. Sheehan to reach out to the Chiefs Association since he has an existing relationship with this group.

**MSI Video**- Mr. Jett stated that there is a video available on the MSI website that addresses some basic security practices when using computers.

No further questions were entertained.

#### **FINANCE COMMITTEE**

Ms. Stollenwerk noted that the Finance Committee met on May 11, 2016 and minutes can be found in the agenda packet. She highlighted the following:

**2015 Audit** – Ms. Stollenwerk reported that the 2015 JIF Audit was received and reviewed with no findings. She commented that the new auditor, Jim Miles from Bowman and Company, was very good and the Committee was pleased that he took the time to speak in detail to them when he presented the audit. She noted that the JIF had a surplus position of \$29.6 million at 12/31/15 which was a \$3.4 million increase from 2014 noting the JIF is in a strong position.

#### **Resolution 2016-31 Accepting Annual Audit for 12/31/15**

Chair Smuz entertained a motion approving *Resolution 2016-31 Accepting the 12/31/15 Audit* as presented.

Chair Smuz asked if there were any questions at this time. No questions were entertained.

Motion by Ms. Perez, seconded by Ms. Mahon to approve *Resolution 2016-31 Accepting the 12/31/15 Audit*.

#### **ROLL CALL**

##### **Yeas:**

Joe Santagata, **Buena Borough**  
Ingrid Perez, **Hamilton Township**  
Rich Hirsch, **Longport Borough**  
Connie Mahon, **Middle Township**  
Susan Robostello, **Millville City**  
Lucy Samuelson, *Sec*, **Somers Point City**  
Teri Smuz, *Chair*, **Upper Township**

##### **Nays:**

None

##### **Abstained:**

None

Motion carried by unanimous vote.

**Surplus** - Ms. Stollenwerk noted that the summary of financials ending 03/31/16 are in agenda showing a surplus of \$28.3 million. She reminded the members that the 2016 Fund Year shows a deficit because only one quarter of the premiums have been received but half of the EPL premium has been paid. She stated that FY 2015 has a \$2.7 million surplus; FY 2014 has a \$3.7 million surplus; FY 2013 has a \$5.5 million surplus. She reminded members that FY 2012 will be transferred to the RCF as of June 30, 2016.

She also stated that this will increase the Closed Year's Fund balance to \$16.8 million. Ms. Stollenwerk commented that this figure will be used when determining the dividend this year. She noted that last year \$1.75 million was returned to members.

***Resolution 2016-32 Authorizing Transfer of FY 2012 to RCF***

Chair Smuz entertained a motion approving *Resolution 2016-32 Transferring FY 2012 to the RCF* as presented.

Chair Smuz asked if there were any questions at this time. No questions were entertained.

Motion by Ms. Perez, seconded by Mr. Hirsch to approve *Resolution 2016-32 Transferring FY 2012 to the RCF*.

**ROLL CALL**

***Yeas:***

Joe Santagata, **Buena Borough**  
Ingrid Perez, **Hamilton Township**  
Rich Hirsch, **Longport Borough**  
Connie Mahon, **Middle Township**  
Susan Robostello, **Millville City**  
Lucy Samuelsen, *Sec*, **Somers Point City**  
Teri Smuz, *Chair*, **Upper Township**

***Nays:***

None

***Abstained:***

None

Motion carried by unanimous vote.

***Budget Process*** -Ms. Stollenwerk reported that the 2017 Budget process has begun. She commented that the fifteen (15) members that are up for renewal will be reviewed for the *Reward/Revalue Program*. Ms. Stollenwerk reported that the Committee reviewed using three, five and six year loss ratio averages to determine loss funding stratifications and the Committee will revisit this issue again next meeting.

***RMC Pricing***-Ms. Stollenwerk stated that the RMC pricing plan was again discussed. She commented that the Committee is not in favor of this plan.

***Property Appraiser and Payroll Auditor*** – Ms. Stollenwerk noted that both these positions are being evaluated this year.

Ms. Stollenwerk asked if there were any questions. No questions were entertained.

***WELLNESS DIRECTOR'S REPORT***

Ms. Valerie Smith noted that her report can be found in the agenda packet.

She provided ideas to members that they can use to help improve their health. Her report details the members having different upcoming activities and ideas.

Ms. Smith noted that the June newsletter was sent via email and is on the website. She noted that June is *Skin Cancer Awareness* month.

Ms. Smith asked if there were any questions. No questions were entertained.

### ***EXECUTIVE DIRECTOR'S REPORT***

Mr. Forlenza reviewed the Executive Director's Report found in the agenda packet with the membership. He highlighted the following items from his report:

***Safety Banners and Posters*** – Mr. Forlenza noted that banners and posters were distributed this evening and asked members to take and distribute. He also asked RMCs to deliver if their member is absent. He thanked Melissa Ollendike and Sheila Ortiz for their efforts in getting them ready for today's meeting.

***2015 Safety Incentive Program*** – Mr. Forlenza noted that the report is in the agenda for the members review. He stated that the deadline to claim or encumber these funds is December 31, 2016. All encumbered funds have to be claimed by February 1, 2017.

***2016 Optional Safety Budget*** – Mr. Forlenza noted that the report is in the agenda for the members review. He stated that the deadline to claim or encumber these funds is December 31, 2016. All encumbered funds have to be claimed by February 1, 2017.

***2016 Wellness Incentive Program*** – Mr. Forlenza noted that the report is in the agenda for the members review. He stated that the deadline to claim or encumber these funds is December 31, 2016. All encumbered funds have to be claimed by February 1, 2017.

***Financial Fast Track*** – Mr. Forlenza reported that the JIF's surplus is about \$28 million as of April 30, 2016.

***MEL 2017/2018 EPL Plan of Risk Management*** - Mr. Forlenza stated that all members received an email regarding the new employee practices liability program. A copy of the memo is in the agenda on page 94. He stated that the compliance deadline for 2017 is **October 1<sup>st</sup> 2016** to qualify for the lower copays and deductibles. He asked all members to review and discuss with their RMC, town Solicitor, or Executive Director's office so they do not miss this date.

***Member Visitation*** – Mr. Forlenza commented that there are fifteen (15) members up for renewal and he and Mr. Miola will be visiting all renewing members to review their participation in the JIF and programs available with the elected officials and governing bodies. He noted that Waterford Township has already submitted their renewal paperwork. He asked that all renewing members return their paperwork by August 19, 2016.

***Fireworks***- Mr. Forlenza reminded members that fireworks coverage can only be secured by complying with MEL Bulletin 2016-08 which is included in the agenda packet. He stated that the Fund Underwriter needs all required information several days prior to the event to review and approve coverage.

Mr. Forlenza asked if there were any questions at this time. No questions were entertained.

### ***MEL/RCF REPORTS***

#### **MEL**

Mr. Hirsch noted that the MEL report is in the agenda packet.

**MEL Audit** – Mr. Hirsch stated that the MEL surplus as of 12/31/15 is \$19 million. He noted that the MEL Audit Committee met on May 31, 2016 and reviewed the report. The Audit Committee recommended the MEL alter its Internal Audit schedule moving up the Claims Audit to 2016 and the Actuarial Second Opinion to 2017.

**Investment Program** - Mr. Hirsch reported that Mr. Garrip stated that they are moving from Wells Fargo to Wilmington Trust.

**WC Actuarial Projections** – Mr. Hirsch commented that the actuary reviewed the report discussing factors contributing to the increase in JIF WC losses over the past few years. He noted that the report shows correlation between snow fall (bad winters) and an increase in WC claims.

**Zurich** - Mr. Hirsch noted Zurich will seek an increase in property policy per occurrence attachment point from \$500,000 to \$1 million beginning in 2017.

**MEL Safety Institute** – Mr. Hirsch reported the Committee approved an increase in the MSI Budget. He noted there are 65 additional pending requests for online training which is much needed.

#### **RCF**

**Auditor and Actuary reports** - Mr. Hirsch stated that the “Fund Auditor referred to the Comparative Statement of Revenues, Expenses and Changes in Net Position of the audit and noted that the 2014 has been restated to reflect a change in accounting methodology of discounting reserves at 1.79% as permissible by the Governmental Auditing Standards, Fund Auditor said this resulted in a restatement of the 2014 net position to \$4.2 million. Fund Auditor said using the same methodology the net position of 2015 is \$2.8 million.” Ms. Stollenwerk commented that the Fund’s interest in both the RCF and MEL is reflected on the JIF’s balance sheets in the audit. She noted that the MEL & RCF use different reporting standards than the ACM JIF. It is in compliance with accounting standards and legal, but it doesn’t allow a comparison of the ACM JIF surplus to the MEL or RCF surplus. She noted that this allows them to understate the surplus on the books for 2014 and 2015 by discounting reserves. She noted that she is just alerting members to this because as a member of the RCF, the JIF is obligated to fund any deficit in the RCF in terms of an added assessment.

Ms. Stollenwerk asked if there were any questions. Mr. Forlenza commented that the adverse development of EPL claims that were transferred to the RCF by the MEL had a significant impact on the RCF. He also stated that the lack of investment income has hurt them as well. He further stated that the Fund Actuary is reviewing the possibility of increasing the confidence level to 70% when the claims are transferred into the RCF. No other questions were entertained.

#### **SAFETY DIRECTOR'S REPORT**

Mr. Sheehan stated that the Safety Director's Report can be found in the agenda. He highlighted the following items:

**Safety Contracts** – Mr. Sheehan reminded everyone again to please send in their safety contracts to his office; listing is on pages 113 and 114.

**MSI Training**– Mr. Sheehan asked members to review the listing on page 116 of the trainings.

**Safety Bulletin** – Mr. Sheehan commented that one bulletin was released in May. The bulletin was regarding playground inspections and unloading heavy materials.

**Lifeguard Beach Patrol Symposium** – Mr. Sheehan noted that as Mr. DeWeese mentioned, the lifeguard beach patrol symposium will be held on June 28<sup>th</sup> from 9-12pm at the Ocean City Public Library. He noted the RSVP form is on page 119 in the agenda packet.

Mr. Sheehan asked if there were any questions at this time. No other questions were entertained.

### **TREASURER'S REPORT**

#### **May's Report**

Mr. Hansen presented the Treasurer's Report for the period ending **May 31, 2016**. The report was made part of the agenda packet for members' review. Mr. Hansen presented the following information:

#### **Investment Interest**

<b>Interest Income:</b>		
Interest Received from Account Balances	\$1,506.29	
Investment Management Fee Charged	<1,766.52>	
Net Interest Received		<\$260.23>
Coupon Payment		\$39,900.00
Change in Realized Gain or Loss		<\$50,390.00>
Misc. rounding		<.03>
Net Gain in Interest		\$10,750.26

<b>Interest Accrual:</b>	
Beginning Interest Accrual	\$76,197.46
Change in Accrued Interest	\$12,918.33
<b>Ending Interest Accrual</b>	<b>\$63,279.13</b>

<b>Investment Balance:</b>	
Beginning of Month	\$38,542,320
End of Month	\$33,491,930
Investment called	0
Investment Purchased	0
Overall Yield	Negative .57%

<b>Portfolio</b>	
Less than one year (maturing in 2016)	2
1-2 Years (maturing in 2017)	6
2+ Years (maturing in 2018)	1

***Receipt Activity for the Period:***

	<b>Monthly</b>	<b>YTD</b>
Subrogation Receipts	\$35,997.59	\$186,638.19
2016 Assessments Collected	\$4,347,238.00	
Interest	<\$10,750.26>	
Recovery	\$643.97	\$8,223.56
Reconciled/Received/not posted	\$10	

***Claim Activity for the Period***

Claim activity for the month for claims paid by the Fund and claims payable by the Fund at month end are in the amount of \$913,363.07. A total of 660 checks were issued.

The claims detail is as follows:

Direct Loss Payments	\$780,401.93
Claim Expenses	\$27,293.79
Legal Defense Costs	\$105,667.35
3 Voided Checks	<\$4,690.12>
Adjustment Register Reimb.	<\$643.97>
Voided checks	\$11,821.80

***Cash Activity for the Period***

During the reporting month, the Fund's "Cash Position" changed from an opening balance of \$48,387,313.59 to a closing balance of \$51,479,885.698 showing an increase in the Fund of \$3,092,572.39.

***A.E.L.C.F. PARTICIPANT YEAR-END BALANCES (See new report in minutes)***

<b>Member</b>	<b>5/31/16 audited— interest posted</b>
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Hamilton Township	\$30,046.38
Hammonton Town	\$104,826.13
Middle Township	\$50,070.00
Mullica Township	\$25,622.00
Pleasantville City	\$31,935.20
Upper Deerfield Township	\$19,619.55
Waterford Township	\$25,845.04
Upper Township	\$21,295.68
Stone Harbor	\$8,694.70
Total	\$317,954.98

***AELCF/2015 & 2014 Dividends/Retro Program***

Mr. Hansen noted that a report detailing the AELCF, 2015 & 2014 Dividends and the Retrospective Program is attached within his report.

***2<sup>nd</sup> Quarter Assessment***

Mr. Hansen noted that all second quarter installments were paid.

***Payment Register***

Chair Smuz entertained a motion to approve the ***May 2016 Payment Register*** (Claims Activity) as presented.

Chair Smuz asked if there were any questions at this time. No questions were entertained.

Motion by Ms. Perez, seconded by Mr. Hirsch to approve the ***May 2016 Payment Register*** (Claims Activity) as submitted by Mr. Hansen.

**ROLL CALL**

***Yeas:***

Joe Santagata, **Buena Borough**  
 Ingrid Perez, **Hamilton Township**  
 Rich Hirsch, **Longport Borough**  
 Connie Mahon, **Middle Township**  
 Susan Robostello, **Millville City**  
 Lucy Samuelson, **Sec, Somers Point City**  
 Teri Smuz, **Chair, Upper Township**

***Nays:***

None

***Abstained:***

None

Motion carried by unanimous vote.

***Bill List – June***

For the Executive Committee's consideration, Mr. Hansen presented the *June 2016 Bill List* in the amount of **\$229,906.79** as an amended handout this evening.

Chair Smuz entertained a motion to approve the *June 2016 Amended Bill List* as presented.

Chair Smuz asked if there were any questions at this time. No questions were entertained.

Motion by Ms. Samuelson, seconded by Ms. Mahon, to approve the *June 2016 Amended Bill List* as presented.

**ROLL CALL**

***Yeas:***

Joe Santagata, Buena Borough  
Ingrid Perez, Hamilton Township  
Rich Hirsch, Longport Borough  
Connie Mahon, Middle Township  
Susan Robostello, Millville City  
Lucy Samuelson, Sec, Somers Point City  
Teri Smuz, Chair, Upper Township

***Nays:***

None

***Abstained:***

None

Motion carried by unanimous vote.

***MISCELLANEOUS BUSINESS***

Mr. Forlenza asked the RMCs to please take the banners and posters back to the members who are not present today. He also thanked Avalon and their staff for assisting with the banner delivery today.

Chair Smuz thanked Hamilton Township for assisting with the claims meeting.

***Next Meeting***

Chair Smuz reminded the members that the next regular meeting will be held on **Wednesday, July 20, 2016 at 3:00 PM** at Avalon Community Hall, 3001 Avalon Ave, Avalon, NJ.

***PUBLIC COMMENT***

Chair Smuz entertained a motion to open the meeting to the public for comment.

Motion by Ms. Mahon, seconded by Mr. Hirsch, to open the meeting to the public. All in favor. Motion carried.

Secretary Samuelson asked that her vote be changed to "abstain" for the claims payments approval due to a potential conflict of interest.

Chair Smuz entertained a motion to close the meeting to the public for comment.


Motion by Ms. Perez, seconded by Mr. Hirsch, to close the meeting to the public. All in favor. Motion carried.

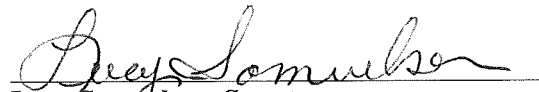


***MOTION TO ADJOURN***

Motion by Ms. Samuelsen, seconded by Ms. Robostello, to adjourn the June 15, 2016 meeting of the ACM JIF. Motion carried.

The meeting was adjourned at 4:12 PM.

  
Tracy Forlenza, *Recording Secretary* for

  
Lucy Samuelsen, *Secretary*