

# ATLANTIC COUNTY MUNICIPAL JOINT INSURANCE FUND

AVALON COMMUNITY HALL  
3001 AVALON AVE  
AVALON, NEW JERSEY

September 17, 2014 – 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 September 17, 2014, at Avalon Community Hall, 3001 Avalon Ave, Avalon, New Jersey at 3PM, prevailing time. Chair Seifrit, **Deerfield Township**, presiding. The meeting was called to order at 3:01 PM.

### *FLAG SALUTE*

### *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* (Atlantic and Cape May editions) 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**  
Bob Smith, **Cape May City**  
Kim Hodsdon, **Cape May Point**  
Heather Sparks, **Commercial**  
Karen Seifrit, **Deerfield**  
Cheryl Prakash, **Galloway**  
Ingrid Perez, **Hamilton**  
Rich Hirsch, **Longport**  
Julie Picard, **Lower**  
Dan Adams, *Alternate*, **Margate**  
Susan Robostello, **Millville**  
Connie Mahon, **Middle**  
Dawn Stollenwerk, **Mullica**  
Scott Jett, **North Wildwood**  
Jim Dickinson, **Northfield**  
Joann Cioeta, **Ocean City**  
George Savastano, **Sea Isle City**  
Lucy Samuelson, **Somers Point**  
Jim Craft, **Stone Harbor**  
Teri Smuz, **Upper Twp**  
Roy Spoltore, **Upper Deerfield**  
James Goos, **Ventnor**  
Maryann Merlino, **Waterford**

Lauren Vitelli, **West Cape May**  
Chris Ridings, **West Wildwood**  
Bonnie Yearsley, **Weymouth**  
Janelle Holzmer, **Wildwood Crest**

Absent were:

John Armstrong, **Absecon**  
Karen Blowers, **Brigantine**  
Joseph Santagata, **Buena Borough**  
Rose Turner, **Corbin City**  
Glenn Clarke, **Dennis Twp**  
Bob Campbell, **Downe Twp**  
Peter Miller, **Egg Harbor Twp**  
Linda Kent, **Estell Manor**  
Kyle Smith, **Folsom**  
Ed Beck, **Linwood**  
Don Sullivan, **Newfield**  
Stephen Wilkins, **Pleasantville**  
Chris Wood, **Wildwood City**  
Lisa Garrison, **Woodbine**

Also present were:

Paul J. Miola, CPCU, ARM, Executive Director, *AJG Risk Management Services, Inc.*  
Paul Forlenza, Deputy Executive Director, *AJG Risk Management Services, Inc.*  
David DeWeese, Esquire, Fund Solicitor, *The DeWeese Law Firm, P.C.*  
John Hansen, Treasurer  
Tim Sheehan, Loss Control Representative, *J.A. Montgomery Risk Control*  
Kathie Tyler-Schohl, Claims Administrator, *Qual-Lynx*  
Karen Beatty, *QualCare*

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

C. J. Adams Company  
Atlantic Associates  
BCA Insurance  
Conner Strong & Buckelew  
Glenn Insurance  
Hardenberg Insurance  
Insurance Agencies Management Inc.  
Marsh & McLennan Agency  
McMahon Agency, Inc.  
William R. Mints Agency  
Syracusa-Kauffman Insurance  
Thibault-Sames Agency

Absent RMCs were:

Alamo Insurance  
J. Byrne Agency, Inc.  
Thomas Heist Insurance Agency

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

***MOVE UP ALTERNATE***

In the absence of Mr. Beck, Chair Seifrit entertained a motion to have Ms. Smuz serve as Acting Secretary and alternate Ms. Merlino move to the Executive Committee for voting purposes.

Motion by Mr. Smith, seconded by Ms. Robostello, to have Ms. Smuz serve as Acting Secretary and alternate Ms. Merlino move to the Executive Committee for voting purposes. All in favor. Motion carried.

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

Chair Seifrit entertained a motion to approve the meeting minutes of the July 16, 2014 Executive Committee Meeting.

Motion by Mr. Savastano, seconded by Ms. Smuz, to approve the meeting minutes of the July 16, 2014 Executive Committee Meeting. All in favor. Motion carried.

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

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

Chair Seifrit entertained a motion to adopt the Closed Session Meeting Minutes of the July 16, 2014 Meeting of the Fund as presented.

Motion by Mr. Smith, seconded by Ms. Robostello, to approve the Closed Session minutes of the July 16, 2014 Executive Committee Meeting as presented. All in favor. Motion carried.

The Closed Session meeting minutes of the July 16, 2014 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 #2014-31***

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 Seifrit entertained a motion to adopt *Closed Session Resolution 2014-31* as presented.

Motion by Mr. Savastano, seconded by Ms. Smuz to adopt ***Resolution 2014-31***.

**ROLL CALL**

***Yeas:***

Bob Smith, **Cape May City**  
Karen Seifrit, *Chair*, **Deerfield**  
Susan Robostello, **Millville**  
George Savastano, **Sea Isle City**  
Lucy Samuelson, **Somers Point City**  
Teri Smuz, *Acting Sec.*, **Upper Twp**  
Maryann Merlino, **Waterford Twp**

*Nays:* None

*Abstained:* None

Motion carried by unanimous vote.

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

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

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

### ***AUTHORIZATION OF CLAIMS PAYMENTS***

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

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

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

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

#### **August 2014 PARs:**

<i>Workers' Compensation</i>	<i>General Liability</i>	<i>Auto</i>	<i>Property</i>
E79410	X94944	W46107	X95650
X93675	X08781		X94117
X75756	W57090		X96271
X93459			X91336
X95338			X93239
X61138			
X56839			
X93770			

#### **September 2014 PARs:**

<i>Workers' Compensation</i>	<i>General Liability</i>	<i>Auto</i>	<i>Property</i>
X73306	X31510	X87217	X90863
W80888-02	X29896		X94800
E85855	X08781		X93118
X79373	X90334		X97580
X70760	X45116		X99202
X97873	X72324		
X98125	X45657		

X81602	X19262		
X91331	X40452		
X69186	X72845		
X97280	X24691		
X66500	W81067		
X67311			
X94414			
X98250			
X86679			
X91893			
X67314			
X32567			
X66776			
X98604			
X95341			
X96324			
X58794			
X94615			
X97174			
X97874			
X93017 (01-02)			
X97775			
X85859			
X66884			
X65989			
X61580			
X64900			
E79410			

**ROLL CALL**

***Yeas:***

Bob Smith, **Cape May City**  
Karen Seifrit, *Chair*, Deerfield  
Susan Robostello, **Millville**  
George Savastano, **Sea Isle City**  
Lucy Samuelson, **Somers Point City**  
Teri Smuz, *Acting Sec.*, **Upper Twp**  
Maryann Merlino, **Waterford Twp**

***Nays:*** None

***Abstain:*** None

Motion carried by unanimous vote.

***APPROVAL TO ABANDON SUBROGATION***

Chair Seifrit entertained a motion for authorization to abandon subrogation attempts as discussed in *Closed Session*.

Motion by Ms. Smuz, seconded by Mr. Smith, to abandon subrogation attempts as discussed in Closed Session. There were six (6) claim for Abandonment of Subrogation.

<b><i>Qual-Lynx File #</i></b>
X66587
X60690
X66884
X65989
X64900
X61580

**ROLL CALL**

***Yeas:***

Bob Smith, **Cape May City**  
Karen Seifrit, *Chair*, Deerfield  
Susan Robostello, **Millville**  
George Savastano, **Sea Isle City**  
Lucy Samuelson, **Somers Point City**  
Teri Smuz, *Acting Sec.*, **Upper Twp**  
Maryann Merlino, **Waterford Twp**

***Nays:*** None

***Abstain:*** None

Motion carried by unanimous vote.

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

Ms. Perez, Hamilton Township, reported on the Claims Review Committee meeting minutes of August 14, 2014 and September 11, 2014. She noted they are a handout to the membership and are self-explanatory.

She highlighted the following items:

#### **PARs**

##### **August:**

The Committee reviewed Seventeen (17) claims at the August 14, 2014 meeting. Of the claims reviewed, Eight (8) Workers' Compensation (2 Police, 3 Streets, 1 Fire and 2 Other); three (3) General Liability; One (1) Auto; and Five (5) Property PARs were approved for settlement or continuing defense.

##### **September:**

The Committee reviewed Fifty-three (53) claims at the September 11, 2014 meeting. Of the claims reviewed, Thirty-five (35) Workers' Compensation (15 Police, 6 Streets, 8 Fire and 6 Other); Twelve (12) General Liability; One (1) Auto; and Five (5) Property PARs were approved for settlement or continuing defense.

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

The next meeting is October 9, 2014 at the Hamilton Twp Municipal Building, Mays Landing.

### ***CLAIMS ADMINISTRATOR'S REPORT*** (attached to Claims Review Meeting Minutes)

#### ***Lessons Learned from Losses – August***

Ms. Tyler-Schohl reported on the *Lessons Learned from Losses for August* which was attached to Claims Review Meeting Minutes.

##### ***MEL POL/EPL Corner***

Ms. Tyler-Schohl reported that the MEL resolved 7 claims on behalf of 5 JIFs during the second quarter of 2014. Total MEL payments amounted to \$721,987. The most significant claims arise out of EPL disputes alleging C.E.P.A. violations, improper terminations or failure to promote, hostile work environment, sexual harassment, failure to accommodate, retaliation and discrimination.

Ms. Tyler-Schohl noted that on behalf of the ACM JIF, one claim was resolved in the second quarter for a total payment by the MEL of \$53,573. In a claim filed against Brigantine; Plaintiff alleged violation of civil rights for tow list exclusion. The loss payment was \$6,000 and defense/related costs were \$47,500.

Ms. Tyler-Schohl asked if there were any questions at this time. No questions were entertained.

#### ***Lessons Learned from Losses – September***

Ms. Tyler-Schohl reported on the *Lessons Learned from Losses for September* which was attached to Claims Review Meeting Minutes.

**2014 Year in Review to Date**

Ms. Tyler-Schohl noted that for all lines, for all years, Qual-Lynx has closed 42,755 (including report only claims) or 99% of all claims reported; only 1% remains open. The total incurred for all years is \$176,664,502. Workers' Compensation accounts for 66% of the total incurred or \$116,613,949.

For Fund Year 2014, Qual-Lynx has received 1,250 claims to date; mostly WC. 546 claims remain open in 2014; 75% of the total incurred costs are WC. Qual-Lynx is monitoring these claims closely and using programs to help reduce WC costs.

To date in 2014, the Fund, together with efforts of Dave DeWeese, Fund Solicitor, has posted over \$659,900 in subrogation and salvage recoveries.

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

**MANAGED HEALTH CARE REPORT** (attached to Claims Review Committee Meeting Minutes)

Ms. Beatty reviewed the Managed Care Report for July and August 2014.

**Lost Time v. Medical Only Cases**

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

	<i>July</i>	<i>Aug</i>	<i>YTD</i>
<i>Lost Time</i>	3	6	41
<i>Medical Only</i>	58	77	402
<i>Report Only</i>	41	41	243
<i>Total Intakes(New Claims)</i>	102	124	686
<i>Report Only % of Total</i>	40.2%	33.1%	35.4%
<i>Medical Only/Lost Time Ratio</i>	95:05	93:07	91:09
<i>Average Days to Report</i>	1.9	3.0	2.8

**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>	7,420
<i>Transitional Duty Days Worked</i>	5,406
<i>% of Transitional Duty Days Worked</i>	72.9%
<i>Transitional Duty Days Not Accommodated</i>	2,014
<i>% of Transitional Duty Days Not Accommodated</i>	27.1%

**Nurse Case Assignment Report:**

<b><i>Nurse Case Summary Report (Inclusive of 3 JIFs)</i></b>	<b><i>July</i></b>	<b><i>Aug</i></b>
<i>Total Cases Assigned in month</i>	265	256
<i>Total Cases Closed in month</i>	70	59
<i>Total Cases Opened in month</i>	59	39



***PPO Penetration Report:***

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

<b><i>PPO Penetration Rate</i></b>	<b><i>July</i></b>	<b><i>YTD thru Aug</i></b>
<i>Bill Count</i>	607	3,878
<i>Original Provider Charges</i>	\$708,986	\$5,406,323
<i>Re-priced Bill Amount</i>	\$236,568	\$1,863,236
<i>Savings</i>	\$474,828	\$3,554,234
<i>% of Savings</i>	67.0%	65.7%
<i>Participating Provider Penetration Rate- Bill count</i>	93.9%	80.1%
<i>Participating Provider Penetration Rate-Provider Charges</i>	97.9%	87.9%
<i>EPO Penetration Rate – Bill Count</i>	90.4%	87.4%
<i>EPO Penetration Rate –Provider Charges</i>	96.6%	91.1%

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

***SOLICITOR'S REPORT***

Mr. DeWeese presented the following report:

***New Cases - August***

Mr. DeWeese noted that there were seven (7) new cases as discussed in closed session.

***Closed Claims - August***

Mr. DeWeese noted that there were six (6) closed cases.

<b><i>Closed Case</i></b>	<b><i>Description</i></b>
<i>Morgan v. City of Millville</i>	Auto accident. Assigned Defense Counsel, Robert Merenich, Esquire, filed a Motion for Summary Judgment which was denied; however, Stipulation of Dismissal was executed by all parties.
<i>Patrick v. City of Millville</i>	False Arrest. Assigned Defense Counsel, James R. Birchmeier, Esquire, entered an Order dismissing the Complaint without prejudice.
<i>Brooks v. City of Pleasantville</i>	Slip and Fall. Assigned Defense Counsel, L. Patricia Sampoli, Esquire filed Motion for Summary Judgment arguing that the Plaintiff's injuries did not pierce the Tort Claims Act injury threshold. On July 11, 2014, Judge Nelson Johnson granted the Motion.
<i>Wallace v. Borough of Wildwood Crest</i>	Trip and Fall. The Plaintiff was awarded \$143,176.27 at Arbitration. Assigned Defense Counsel, Erin Thompson, Esquire, was able to settle the case for \$100,000 to the Plaintiff, inclusive of the Medicare lien of \$43,000.

<i>Watson v. City of Millville</i>	False arrest and violation of civil rights. Assigned Defense Counsel, Thomas B. Reynolds, obtained a Stipulation of Dismissal with Prejudice from the Plaintiff's attorney.
<i>Miller v. Twp of Waterford</i>	Civil Rights, false arrest, excessive force. Assigned Defense Counsel, James R. Birchmeier, Esquire and Thomas B. Reynolds, Esquire filed Motions for Summary Judgment which were denied. They were ultimately able to settle the matter for the payment of \$260,000 for all three of the Plaintiffs.

***New Cases - September***

Mr. DeWeese noted that there were four (4) new cases as discussed in closed session.

***Closed Claims - September***

Mr. DeWeese noted that there were two (2) closed cases.

<b><i>Closed Case</i></b>	<b><i>Description</i></b>
<i>Weir v. City of Ocean City</i>	Trip and Fall. Co-defendants (two construction companies doing work at the time) settled the matter with the Plaintiff for \$130,000 with no contribution from the City. Assigned Defense Counsel, Thomas Smith, Esquire, did an excellent job in the handling of this matter.
<i>O'Brian v. Morgan and Riland v. City of Millville</i>	Auto Accident. The Defendants/Third party Plaintiffs, Riland, were seeking contribution and indemnification from the Officer. Assigned Defense Counsel, Robert Merenich, Esquire, was able to obtain a Stipulation of Dismissal with prejudice as to the Third Party Complaint.

***GL File Summary Report***

Mr. DeWeese reported that there are 77 active General Liability claims.

***Subrogation Collection***

Mr. DeWeese reported:

Total Lien amount of ACM JIF files not in suit	\$665,573.42
Total Lien amount of ACM JIF files in suit	\$757,619.24
Total Lien amount of ACM JIF judgments obtained	\$1,706,892.15
Total of all ACM JIF liens	\$3,130,084.81

Mr. DeWeese noted that \$33,973.23 has been collected this month in subrogation money and \$402,950.76 has been collected this year. Mr. DeWeese also reported that today he settled a litigated Subrogation matter for payment to the JIF of \$120,000.

### ***COMMITTEE REPORTS***

#### ***EMPLOYMENT PRACTICES LIABILITY COMMITTEE- July 16, 2014***

Ms. Cioeta reported that the minutes are in the agenda packet. She highlighted the following:

***Technology Liability*** – Ms. Cioeta encouraged everyone to read this section.

***Member Issues*** - Ms. Cioeta noted that Mr. Forlenza, Mr. Miola and Mr. DeWeese will be visiting Wildwood due to the concerns with EPL claims.

***EPL Helpline Update***- Ms. Cioeta commented that the EPL Helpline has been getting good usage.

***2015 EPL/POL Renewal*** – Mr. Miola reported that in August he met with XL Insurance regarding the proposed rate increases for 2015. He noted that the percentage increase might be in the “teens”, but also stated that there is money to account for this in the budget. He did note that they will be reviewing the members that have had a series of claims on an individual basis.

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

#### ***STRATEGIC PLANNING COMMITTEE- July 30, 2014***

Ms. Yearsley reported that the minutes are in the agenda packet. She highlighted the following:

***2015 Meeting Schedule*** – Ms. Yearsley noted that the meeting schedule will remain the same as to locations and there will be no August meeting.

***2014 Annual Planning Retreat*** - Ms. Yearsley commented that the Annual Planning Retreat is being held on October 22<sup>nd</sup> and 23<sup>rd</sup> at the Flanders in Ocean City, NJ. She stated that Thursday’s agenda is geared more towards the Safety and Claims Coordinators. She further commented that the Committee is recommending that the Executive Committee meeting for October be moved to 4:00 PM on October 22<sup>nd</sup> immediately following day one of the Retreat.

***Fund Professional Evaluation Policy*** – Ms. Yearsley reported that this has been discussed many times by the Strategic Planning Committee. The Committee has determined that the Fund Professional Evaluations are a difficult balance between the specific services that the professionals offer and the JIFs due diligence to the tax payers to make sure members get the best services for their money. She reminded the members that the low bidder is not always the one able to provide the best service. She noted that the Committee drafted a questionnaire that will be submitted to the Safety Committee to review for use when reviewing the Safety Director’s contract. The Safety Committee members will go through the contract and fill out the questionnaire noting their own experience or reaching out to those who do. A total rating will be compiled and a determination made if that professional should be reappointed or a RFQ be sought.

***Loss of Camaraderie*** - Ms. Yearsley noted that the Committee also discussed the loss of camaraderie among the members and they discussed how to begin to develop it was again. She stated that certain

items like the holiday dinner meeting were asked to be reinstated and presented to the Finance Committee for consideration.

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

***Re-advertise October Meeting***

Chair Seifrit entertained a motion for Authorization to re-advertise the time, date, and location of the October Executive Committee meeting.

Motion by Ms. Smuz, seconded by Ms. Merlino, to Authorize to Executive Director to re-advertise the time, date, and location of the October Executive Committee meeting. All in favor. Motion carried.

***FINANCE COMMITTEE***

Ms. Stollenwerk noted that a Public Hearing will be held tonight to consider amendments to the Fund Budget. She noted that the proposed changes to the budget are resulting from RMC fee adjustments, EPL/POL premium adjustments and therefore a budget amendment was needed.

***Motion to Open the 2014 Budget Amendment Public Hearing***

Chair Seifrit entertained a motion to *Open the 2014 Budget Amendment Public Hearing*.

Motion by Mr. Smith, seconded by Mr. Savastano to *Open the 2014 Budget Amendment Public Hearing*. All in favor. Motion carried.

***Motion to Close the 2014 Budget Amendment Public Hearing***

Chair Seifrit entertained a motion to *close the 2014 Budget Amendment Public Hearing*.

Motion by Mr. Smith, seconded by Ms. Robostello to *Close the 2014 Budget Amendment Public Hearing*. All in favor. Motion carried.

***Motion to Adopt the 2014 Amended Budget***

Chair Seifrit entertained a motion to *Adopt the 2014 Amended Budget*.

Motion by Mr. Savastano, seconded by Ms. Robostello to *Adopt the 2014 Amended Budget*.

**ROLL CALL**

***Yeas:***

Bob Smith, **Cape May City**  
Karen Seifrit, *Chair*, **Deerfield**  
Susan Robostello, **Millville**  
George Savastano, **Sea Isle City**  
Lucy Samuelson, **Somers Point City**  
Teri Smuz, *Acting Sec.*, **Upper Twp**  
Maryann Merlino, **Waterford Twp**

***Nays:***

None

***Abstained:***

None

Motion carried by unanimous vote.

***Motion to Adopt the 2014 Amended Assessment Certification***

Chair Seifrit entertained a motion to *Adopt the 2014 Amended Assessment Certification* as presented.

Motion by Ms. Robostello, seconded by Ms. Merlino to *Adopt the 2014 Amended Assessment Certification*.

**ROLL CALL**

***Yeas:***

Bob Smith, **Cape May City**  
Karen Seifrit, *Chair*, Deerfield  
Susan Robostello, **Millville**  
George Savastano, **Sea Isle City**  
Lucy Samuelsen, **Somers Point City**  
Teri Smuz, *Acting Sec.*, **Upper Twp**  
Maryann Merlino, **Waterford Twp**

***Nays:*** None

***Abstained:*** None

Motion carried by unanimous vote.

***Finance Committee Meeting Minutes – August 1, 2014***

Ms. Stollenwerk noted that the June 30, 2014 financial statements are attached to the finance minutes included in the agenda packet. She highlighted various items noting that overall the Fund is doing well.

***Revised Surplus Distribution Policy*** – Ms. Stollenwerk reported that the Finance Committee is recommending a revision to the *Surplus Distribution Policy* as to any member that is in the retro-assessment program and has a premium due, that the Fund hold their dividend release in the A.E.C.L.F. until all liabilities are settled.

Chair Seifrit entertained a motion to *Adopt the Revised Surplus Distribution Policy* as presented.

Motion by Ms. Robostello, seconded by Ms. Smuz to *Adopt the Revised Surplus Distribution Policy*.

**ROLL CALL**

***Yeas:***

Bob Smith, **Cape May City**  
Karen Seifrit, *Chair*, Deerfield  
Susan Robostello, **Millville**  
George Savastano, **Sea Isle City**  
Lucy Samuelsen, **Somers Point City**  
Teri Smuz, *Acting Sec.*, **Upper Twp**  
Maryann Merlino, **Waterford Twp**

***Nays:*** None

***Abstained:*** None

Motion carried by unanimous vote.

***Resolution #2014-32 Interfund Transfer***

Ms. Stollenwerk reported that the Finance Committee is recommending a transfer from the 2012 Deductible line to cover a deficit of \$70,000 in the 2012 Property line.

Chair Seifrit entertained a motion to *Approve Resolution #2014-32 Authorizing an Interfund Transfer of \$70,000 from 2012 Deductible line to the 2012 Property line* as presented.

Motion by Mr. Smith, seconded by Ms. Smuz to approve Resolution #2014-32 *Authorizing an Interfund Transfer of \$70,000 from 2012 Deductible line to the 2012 Property line*.

**ROLL CALL**

***Yeas:***

Bob Smith, **Cape May City**  
Karen Seifrit, *Chair*, Deerfield  
Susan Robostello, **Millville**  
George Savastano, **Sea Isle City**  
Lucy Samuelson, **Somers Point City**  
Teri Smuz, *Acting Sec.*, **Upper Twp**  
Maryann Merlino, **Waterford Twp**

***Nays:*** None

***Abstained:*** None

Motion carried by unanimous vote.

***Resolution #2014-33 – Release of Surplus***

Ms. Stollenwerk reported that the Finance Committee is recommending a dividend release of \$625,000 from the Closed Years Fund. She noted that the Fund Years in question have turned around better than expected and now surplus can be released. She further noted that if the Fund stays on track that they will be able to continue to release surplus each year.

Chair Seifrit entertained a motion to *Approve Resolution #2014-33 Authorizing Release of Closed Year Accounts (1998-2010)* as presented.

Motion by Mr. Savastano, seconded by Ms. Samuelson to *Approve Resolution #2014-33 Authorizing Release of Closed Year Accounts (1998-2010)*.

**ROLL CALL**

***Yeas:***

Bob Smith, **Cape May City**  
Karen Seifrit, *Chair*, Deerfield  
Susan Robostello, **Millville**  
George Savastano, **Sea Isle City**  
Lucy Samuelson, **Somers Point City**  
Teri Smuz, *Acting Sec.*, **Upper Twp**  
Maryann Merlino, **Waterford Twp**

***Nays:*** None

***Abstained:*** None

Motion carried by unanimous vote.

***Resolution #2014-34 – Release of Surplus to Cover Deficit***

Ms. Stollenwerk reported that the Finance Committee is recommending a release of \$1,485,109 from the Closed Years Fund to cover a Deficit in 2008 and 2010. She noted that this is just an accounting adjustment and members are not receiving this money back.

Chair Seifrit entertained a motion to *Approve Resolution #2014-34 Authorizing Release of Closed Year Accounts (2009) to cover deficits in 2008 and 2010* as presented.

Motion by Ms. Merlino, seconded by Ms. Smuz to Approve Resolution #2014-34 *Authorizing Release of Closed Year Accounts (2009) to cover deficits in 2008 and 2010.*

**ROLL CALL**

***Yeas:***

Bob Smith, **Cape May City**  
Karen Seifrit, *Chair*, Deerfield  
Susan Robostello, **Millville**  
George Savastano, **Sea Isle City**  
Lucy Samuelson, **Somers Point City**  
Teri Smuz, *Acting Sec.*, **Upper Twp**  
Maryann Merlino, **Waterford Twp**

***Nays:*** None

***Abstained:*** None

Motion carried by unanimous vote.

***Proposed 2015 JIF Budget***

Ms. Stollenwerk updated the members on the proposed 2015 JIF Budget. She reported that the Actuary is recommending an overall Loss Funding decrease of 6.1%; however, the Finance Committee will be placing \$100,000 into the Contingency Fund, making the overall Loss Funding decrease 5.65% (\$862,746). She commented that this is due to very positive trends which we have not seen in a while, especially in Workers' Compensation creating a decrease of 8.92% (\$791,945). She stated that the 2015 Loss Funding budget is \$14.4 million.

Ms. Stollenwerk reported that the JIF proposed 2015 Budget has a decrease of 3.77%. She commented that this includes Fund Professional increases averaging 2%, the addition of a Wellness Program which was recommended by the Safety Committee, and the restoration of increased funding for the Safety Incentive Program.

Ms. Stollenwerk noted that the preliminary MEL/EPL budget increases were lower than thought, but the Finance Committee meets on Friday, September 19<sup>th</sup> to firm up the numbers.

Ms. Stollenwerk stated that overall it is a very positive budget year. She noted that the Finance Committee suggests that the members put their dividends into their A.E.L.C.F. and draw from it as needed. She noted that Summit Risk will bill deductible and co-insurance payments as they are incurred and it is a good financial plan to have these funds in the A.E.L.C.F.

***Resolution #2014-35 – Award of Banking and Asset Management Services***

Ms. Stollenwerk reported that the Finance Committee is recommending awarding the Banking Services to TD Bank and Asset Management Services to both TD Bank and Wilmington Trust Services. She noted that Wilmington Trust is still in need of their GUDPA certificate and no transactions will transpire until that it received.

Chair Seifrit entertained a motion to *Approve Resolution #2014-35 Awarding the Banking Services to TD Bank and Asset Management Services to both TD Bank and Wilmington Trust Services* as presented.

Motion by Ms. Robostello, seconded by Mr. Smith to *Approve Resolution #2014-35 Awarding the Banking Services to TD Bank and Asset Management Services to both TD Bank and Wilmington Trust Services*.

<b>ROLL CALL</b>	<b>Yeas:</b>	Bob Smith, <b>Cape May City</b> Karen Seifrit, <i>Chair</i> , Deerfield Susan Robostello, <b>Millville</b> George Savastano, <b>Sea Isle City</b> Lucy Samuelson, <b>Somers Point City</b> Teri Smuz, <i>Acting Sec.</i> , <b>Upper Twp</b> Maryann Merlino, <b>Waterford Twp</b>
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<i>Nays:</i>	None
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<i>Abstained:</i>	None
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Ms. Samuelson inquired if the Resolution includes the contingency regarding the GUDPA certification. Mr. Forlenza noted that it does. Ms. Samuelson noted an approval vote.

Motion carried by unanimous vote.

#### ***SAFETY COMMITTEE – September 10, 2014***

Mr. Savastano noted that the minutes were not available and will be included in the October agenda packet.

#### ***Resolution #2014-36 – Release of Surplus from Hammonton's share of A.E.L.C.F***

Chair Seifrit entertained a motion to *Approve Resolution #2014-36 Authorizing Release of Surplus from the Town of Hammonton's share of the Aggregate Excess Loss Contingency Fund* as presented.

Motion by Ms. Merlino, seconded by Ms. Smuz to *Approve Resolution #2014-36 Authorizing Release of Surplus from the Town of Hammonton's share of the Aggregate Excess Loss Contingency Fund*.

<b>ROLL CALL</b>	<b>Yeas:</b>	Bob Smith, <b>Cape May City</b> Karen Seifrit, <i>Chair</i> , Deerfield Susan Robostello, <b>Millville</b> George Savastano, <b>Sea Isle City</b> Lucy Samuelson, <b>Somers Point City</b> Teri Smuz, <i>Acting Sec.</i> , <b>Upper Twp</b> Maryann Merlino, <b>Waterford Twp</b>
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<i>Nays:</i>	None
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<i>Abstained:</i>	None
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Motion carried by unanimous vote.



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

Mr. Miola reviewed the Executive Director's Report found in the agenda packet with the membership. He highlighted the following items.

***MEL Fiduciary Disclosure Statement*** – Mr. Miola highlighted the MEL Fiduciary Disclosure Statement on page 61 of the agenda packet.

***Environmental Impairment Liability*** – Mr. Miola highlighted the Environmental Impairment Liability on page 62 of the agenda packet noting that this Fund does not carry Environmental Impairment Liability coverage and this should be discussed with members' RMCs.

***Lost Time Accident Frequency Reports*** – Mr. Miola noted that the LTAF report is in the agenda packet for your review.

***Certificates of Insurance*** – Mr. Miola asked that these be made part of tonight's minutes. He noted that August's are in the agenda packet and July's was a handout this evening.

***2013 Safety Incentive Program Awards*** – Mr. Miola asked that all members review available balances for this year's program. He reminded the members that the deadline to claim or encumber these funds is December 31, 2014. All encumbered funds must be claimed by February 1, 2015.

***2014 Optional Safety Budget*** - Mr. Miola asked that all members review available balances for this year's program. He reminded the members that the deadline to claim or encumber the funds is December 31, 2014. All encumbered funds must be claimed by February 1, 2015.

***Employee Practices Liability Coverage Update*** – Mr. Miola noted the checklist listing all copays and deductibles is included in the agenda packet.

***EPL Allowance*** – Mr. Miola reminded members that each member is allotted \$725 to offset Employee Practice Liability training and/or the updating of policies and procedures. He encouraged members to review this program on the website.

***EPL Helpline*** – Mr. Miola asked members to review their authorized contact list. He noted that these appointments need to be made by resolution.

***Financial Fast Track*** – Mr. Miola commented that there is almost \$22 million surplus which was noted by the Finance Chair.

***Regulatory Filing Checklists*** – Mr. Miola noted that these filings are up to date.

***Monthly Activity Calendar*** – Mr. Miola asked members to review the calendar in the agenda packet.

***Skateboard Park Approval Status*** - Mr. Miola reminded members that if they are considering a new skateboard park or are updating an older one, please contact the Executive Director's office prior to moving forward or coverage might be denied.

***Capehart & Scatchard Updates*** – Mr. Miola asked members to review these updates since they deal with WC, ADA and FMLA issues.

***Statutory Bond Status*** – Mr. Miola reminded members to review the latest listing of the Statutory Bonds issued by the MEL for JIF members. These are issued to the individual, NOT the position.

***Revenue and Appropriations*** – Mr. Miola asked members to please review the checklist. If you have not submitted your revenue and appropriations summary, please do so. He commented that only the one page summary is required.

***Renewing Members*** – Mr. Miola reported that all 15 renewing members have renewed. He thanked the members.

***Annual Renewal Process*** – Mr. Miola reported that the annual renewal process through Exigis had been extended through September 18<sup>th</sup>. Contact Jodi Palmeri with any issues.

***Annual Retreat*** – Mr. Miola commented that the Save the Date for the Annual Planning Retreat is included on page 104.

***Coverage Documents*** – Mr. Miola noted that coverage documents were emailed to each member's Clerk, Fund Commissioner, and RMC in the beginning of August.

***Elected Officials Training*** – Mr. Miola stated that the Elected Officials training *Save the Date* information is on page 105 in the agenda packet. It is being held on November 11, 2014 at Merighi's; December 9, 2014 at Nicolosi's; January 27, 2015 at Merighi's and March 11, 2015 at Charley's Other Brother.

***New Member Activity*** – Mr. Miola stated there is no new member activity to report.

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

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

Mr. Sheehan stated that the Safety Director's Report is self-explanatory. He highlighted the following items:

***Safety Bulletin*** – Mr. Sheehan commented that two bulletins were distributed in July and August; Annual School Crossing Guard Training and ALS Ice Bucket Challenge.

***MSI Training*** – Mr. Sheehan asked members to review the list in the agenda packet. He noted the MSI catalog is in the agenda packet. The deadline to request hosting on-site classes has been extended to September 30<sup>th</sup>.

***New Online Training*** – Mr. Sheehan noted that there is a new online training for distracted driving; "Attention and Distraction Driving". He commented that the instructions are on page 110 and it is a module that is easy to access and use.

***Fast Track Training*** – Mr. Sheehan commented that the training is listed in the agenda; upcoming dates are 10/1/14 in Wildwood and 11/13/14 in Millville.

***DPW Round table*** - Mr. Sheehan noted that the DPW Round Table will be held on October 16<sup>th</sup> in North Wildwood at their Recreation Center.

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

### ***MEL REPORTS***

Mr. Hirsch noted his report is included in the agenda packet, but highlighted the following:

***MEL 2015 Budget*** – Mr. Hirsch stated that the 2015 MEL budget reflects an overall increase of 1.6% when applying the 2014 exposures and limits against the 2015 rate table.

***RFQ Responses*** - Mr. Hirsch commented that several RFQ responses were received. He noted that the Board authorized an expenditure not to exceed \$20,000 for the Fund's Internal Auditor, Parente Beard, to provide an independent review of the process (and results) being used by the Fund to evaluate the multiple responses received for the Third Party Administrator and Managed Care Positions. This report is due by October 15, 2014.

***Sandy Update*** - Mr. Hirsch noted that the "Sandy" claims have now been segregated into 4 groups.

***Legislative Committee*** - Mr. Hirsch reported that JIFs have raised the concern with "Overdose Prevention Act" and the use of Narcan and not having the medication on hand.

***2015 Renewal Applications*** - Mr. Hirsch commented that the new online underwriting database through Exigis was launched the first week of August.

***Safety Expo*** - Mr. Hirsch reported that the Safety Expo is scheduled for September 26, 2014 at Camden County Emergency Services Training Center and November 7<sup>th</sup> at the Middlesex County Fire Academy.

### ***RCF REPORTS***

***RCF 2014 Budget Amendment*** – Mr. Hirsch stated that a Public Hearing will take place on October 15, 2014 for the proposed 2014 RCF Budget Amendment for \$26,466,461 to accept the transfer of the 2010 Fund Year.

***RCF 2015 Budget*** – Mr. Hirsch stated that a Public Hearing will take place on October 15, 2014 for the proposed 2015 RCF Budget.

Mr. Hirsch noted the next meeting is on October 15, 2014.

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

### ***EPL/POL Meeting – Rescheduled***

Mr. Forlenza noted that the EPL/POL meeting scheduled for October 15, 2014 will be rescheduled and all parties notified. Mr. Forlenza noted that the calendar will be revised on the website.

### ***TREASURER'S REPORT***

Mr. Hansen presented the Treasurer's Report for the period ending **July 31, 2014**. The report was made part of the agenda packet for members' review.

#### ***Investment Interest***

Interest received for the current month totaled \$471.12 and a coupon payment of \$10,125, accrued interest of \$11,928.32. After including an unrealized net loss of \$35,690 in the asset portfolio, the yield was adjusted to negative .36% for this period. The total overview of the asset portfolio for the Fund shows an overall unrealized gain of \$71,970 as it relates to market value vs. the amount invested.

Our asset portfolio with TD Wealth Management has a current market value, at month end, of \$22,054,820 and consists of four (4) obligation with maturity of 1- 2 years and six (6) obligations with maturities greater than two (2) years.

Called:	\$0
Purchased:	\$0
Coupon Payment/Asset Income:	\$7,000

#### ***Receipt Activity for the Period***

	<b>Monthly</b>	<b>YTD</b>
Subrogation Receipts	\$33,973.23	\$402,950.76
Reimbursement & Salvage	\$3,755.00	\$610,175.96
Delinquent Interest Penalty	1,076.19	\$2,243.35
Refund Prior Year	0	\$180
Assessments	\$1,427,802.50	

#### ***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 \$995,345.13. A total of 627 checks were issued to vendors.

The claims detail is as follows:

Direct Loss Payments	\$863,296.73
Claim Expenses	\$26,487.79
Legal Defense Costs	\$107,361.23
Voided Checks	1
Direct Loss Payments for above	<\$1,800.62>

***Cash Activity for the Period***

During the reporting month, the Fund's "Cash Position" changed from an opening balance of \$44,324,683.60 to a closing balance of \$43,528,918.04 showing a decrease in the Fund of \$795,765.56. Mr. Hansen noted that check #38330 (8/6/14) issued to the MEL in the amount was issued for \$100, as the July's bill list check #38303 had been issued \$100 less than approved.

***A.E.L.C.F. PARTICIPANT YEAR-END BALANCES (includes audited interest)***

<b>Member</b>	<b>12/31/13 Audited</b>
Hammonton	\$87,833
Upper Deerfield Township	\$6,158
Waterford Township	\$25,667
Upper Township	\$5,959
Stone Harbor	\$8,634
Total	\$134,251

Mr. Hansen presented the Treasurer's Report for the period ending **August31, 2014**. The report was made part of the agenda packet for members' review.

***Investment Interest***

Interest received for the current month totaled \$334.74 and a coupon payment of \$4,500, accrued interest of \$14,438.34. After including an unrealized net gain of \$22,450.00 in the asset portfolio, the yield was adjusted to positive 1.10% for this period. The total overview of the asset portfolio for the Fund shows an overall unrealized gain of \$94,420 as it relates to market value vs. the amount invested.

Our asset portfolio with TD Wealth Management has a current market value, at month end, of \$22,077,270 and consists of four (4) obligation with maturity of 1- 2 years and six (6) obligations with maturities greater than two (2) years.

Called:	\$0
Purchased:	\$0
Coupon Payment/Asset Income:	\$4,500

***Receipt Activity for the Period***

	<b>Monthly</b>	<b>YTD</b>
Subrogation Receipts	\$157,772.71	\$560,723.47
Reimbursement & Salvage	\$142.18	\$610,318.14

Delinquent Interest Penalty	\$0	\$2,243.35
Refund Prior Year	\$0	\$180
Assessments	\$4,531,885.00	

Reconciling items \$24.00/- \$1,312-from July/cleared in August.

***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 \$703,391.65. A total of 631 checks were issued to vendors.

The claims detail is as follows:

Direct Loss Payments	\$559,394.25
Claim Expenses	\$26,779.73
Legal Defense Costs	\$117,217.67
Voided Checks	0
Direct Loss Payments for above	0

Expense reimbursement from above \$142.18.

***Cash Activity for the Period***

During the reporting month, the Fund's "Cash Position" changed from an opening balance of \$43,528,918.04 to a closing balance of \$47,583,609.03 showing an increase in the Fund of \$4,054,690.09.

***A.E.L.C.F. PARTICIPANT YEAR-END BALANCES (includes audited interest)***

Member	12/31/13 Audited
Hammonton	\$87,833
Upper Deerfield Township	\$6,158
Waterford Township	\$25,667
Upper Township	\$5,959
Stone Harbor	\$8,634
Total	\$134,251

***Payment Register***

Chair Seifrit entertained a motion to approve the *July & August 2014 Payment Register* (Claims Activity) as presented.

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

Motion by Mr. Smith, seconded by Ms. Merlino to approve the *July & August 2014 Payment Register* (Claims Activity) as submitted by Mr. Hansen.

**ROLL CALL**

***Yeas:***

Bob Smith, **Cape May City**  
Karen Seifrit, *Chair*, Deerfield  
Susan Robostello, **Millville**  
George Savastano, **Sea Isle City**  
Lucy Samuelson, **Somers Point City**  
Teri Smuz, *Acting Sec.*, **Upper Twp**  
Maryann Merlino, **Waterford Twp**

***Nays:*** None

***Abstained:*** None

Motion carried by unanimous vote.

***Bill List – August’s Ratification***

For the Executive Committee’s consideration, Mr. Hansen presented the *August 2014 Bill List* in the amount of **\$217,205.97** for Ratification.

Chair Seifrit entertained a motion to Ratify the *August 2014 Bill List* as presented.

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

Motion by Mr. Savastano, seconded by Ms. Smuz, to Ratify the *August 2014 Bill List* as presented.

**ROLL CALL**

***Yeas:***

Bob Smith, **Cape May City**  
Karen Seifrit, *Chair*, Deerfield  
Susan Robostello, **Millville**  
George Savastano, **Sea Isle City**  
Lucy Samuelson, **Somers Point City**  
Teri Smuz, *Acting Sec.*, **Upper Twp**  
Maryann Merlino, **Waterford Twp**

***Nays:*** None

***Abstained:*** None

Motion carried by unanimous vote.

***Bill List - September***

For the Executive Committee's consideration, Mr. Hansen presented the *September 2014 Bill List* in the amount of **\$199,571.92** as presented.

Chair Seifrit entertained a motion to Approve the *September 2014 Bill List* as presented.

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

Motion by Mr. Smith, seconded by Ms. Robostello, to Approve the *September 2014 Bill List* as presented.

**ROLL CALL**

***Yeas:***

Bob Smith, **Cape May City**  
Karen Seifrit, *Chair*, **Deerfield**  
Susan Robostello, **Millville**  
George Savastano, **Sea Isle City**  
Lucy Samuelson, **Somers Point City**  
Teri Smuz, *Acting Sec.*, **Upper Twp**  
Maryann Merlino, **Waterford Twp**

***Nays:***

None

***Abstained:***

None

Motion carried by unanimous vote.

***MISCELLANEOUS BUSINESS***

***Next Meeting***

The next regular meeting was rescheduled to coincide with the Annual Retreat to be held on **Thursday, October 22, 2014 at 4:00 PM**, at the **Flanders Hotel, Ocean City, NJ**.

***PUBLIC COMMENT***

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

Motion by Ms. Robostello, seconded by Ms. Smuz, to open the meeting to the public. All in favor.  
Motion carried.

No one from the public commented.

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

Motion by Ms. Samuelson, seconded by Ms. Robostello, to close the meeting to the public. All in favor.  
Motion carried.

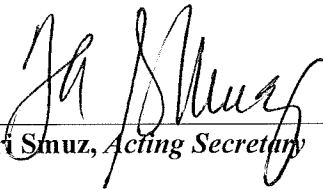
***MOTION TO ADJOURN***

Motion by Ms. Samuelson, seconded by Ms. Smuz, to adjourn the September 17, 2014 meeting of the ACM JIF. Motion carried.



The meeting was adjourned at 4:05 PM.

  
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Tracy Forlenza, *Recording Secretary* for

  
\_\_\_\_\_  
Teri Smuz, *Acting Secretary*