



## **AGENDA PACKET**



**Wednesday, December 21, 2016 at 3:00 PM**

**Atlantic County Library  
40 Farragut Ave, Mays Landing, NJ**

***WWW.ACMJIF.ORG***

**ATLANTIC COUNTY MUNICIPAL JOINT INSURANCE FUND**

**Atlantic County Library  
40 Farragut Ave  
Mays Landing, NJ  
December 21, 2016 – 3:00 PM**

**AGENDA**

- I. Meeting called to order by Chairman
- II. Flag Salute
- III. Statement of Compliance with Open Public Meetings Act
  - A. Notice of this meeting was given by:
    - 1. Sending sufficient notice herewith to:
      - a. *The Press of Atlantic City*
      - b. *Courier Post*, Cherry Hill, New Jersey; and
    - 2. Filing advance written notice of this meeting with the Clerks/Administrators of all member municipalities; and
    - 3. Posting notice on the public bulletin boards of all member municipalities.
- IV. Roll Call
  - A. Fund Commissioners
  - B. Fund Professionals
  - C. Risk Management Consultants
  - D. Move up Alternates (if necessary)
- V. Approval of Minutes.....Pages 1-21
  - A. Adoption of the **November 21, 2016** minutes – **Motion – All in Favor**
  - B. Approval of the **November 21, 2016** Closed Session minutes – **Motion – All in Favor**
    - The Closed Session Minutes shall not be released to the public until the reason(s) for their remaining closed is no longer applicable and the Fund Solicitor has an opportunity to review them.
- VI. Closed Session – Resolution 2016- \_\_\_\_\_ Authorizing a Closed Session of the Atlantic County Municipal Joint Insurance Fund to discuss matters affecting the protection of safety and property of the public and to discuss pending or anticipated litigation and/or contract negotiations – **Motion -Roll Call**
  - A. Claims Review Committee Report – Closed Session Items
  - B. Professionals’ Reports
    - 1. Claims Administrator’s Report
    - 2. Executive Director’s Report
    - 3. Safety Director’s Report
    - 4. Solicitor’s Report
- VII. Reopen Public Portion of Meeting – **Motion – All in Favor**
- VIII. Claims Review Committee Report – Open Session Items
- IX. Authorization of Claims Payments – **Motion - Roll Call**
- X. Authorization to Abandon Subrogation (if necessary) – **Motion - Roll Call**
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<p style="text-align: center;"><b>The Next Meeting will be held on <span style="color: red;">Wednesday, January 18, 2017</span></b> <b><span style="color: red;">Atlantic County Library, 40 Farragut Ave, Mays Landing, NJ</span></b></p>
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- XXI. Public Comment
- A. Motion to Open Meeting to Public Comment – **Motion - All in Favor**
  - B. Motion to Close Meeting to Public Comment – **Motion – All in Favor**
- XXII. Motion to Adjourn Meeting – **All in Favor**



**ATLANTIC COUNTY PUBLIC LIBRARY**  
**40 Farragut Ave**  
**Mays Landing, New Jersey**  
**November 21, 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 November 21, 2016, at Atlantic County Library – Mays Landing Branch, 40 Farragut Ave, Mays Landing, 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**  
Karen Blowers, **Brigantine City** (*arrived after rollcall*)  
Joseph Santagata, **Buena Borough**  
Heather Sparks, **Commercial Twp**  
Rose Turner, **Corbin City**  
Karen Seifrit, **Deerfield Twp**  
Glenn Clarke, **Dennis Twp**  
Bob Campbell, **Downe Twp** (*arrived after rollcall*)  
Peter Miller, **Egg Harbor Twp**  
Linda Kent, **Estell Manor City**  
Cheryl Prakash, *Alt.*, **Galloway Twp**  
Ingrid Perez, **HamiltonTwp**  
Ed Beck, **Linwood City**  
Rich Hirsch, **Longport Borough**  
Lisa McLaughlin, **Margate City**  
Connie Mahon, **Middle Twp**  
Dawn Stollenwerk, **Mullica Twp**  
Rachel Zaccaria, **Newfield Borough**  
Scott Jett, **North Wildwood City**  
Liz Woods, **Ocean City**  
Stephen Wilkins, **Pleasantville City**  
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**  
Dorothy Jo Ayres, **Weymouth Twp**  
Patricia Feketics, **Wildwood Crest Borough**  
Lisa Garrison, **Woodbine Borough**

Absent were:

John Armstrong, **Absecon City**  
Neil Young, **Cape May City**  
Stephen O'Connor, **Cape May Point**  
Patricia Gatto, **Folsom Borough**  
Julie Picard, **Lower Twp**  
Susan Robostello, **Millville City**  
Jim Dickinson, **Northfield City**  
Alfonso Campbell, **Waterford Twp**  
Lauren Vitelli, **West Cape May Borough**  
Chris Wood, **Wildwood City**

Also present were:

Paul J. Miola, Executive Director, *AJG Risk Management Services, Inc.*  
Chris Roselli, Claims Administrator, *Qual-Lynx*  
Karen Beatty, Managed Care Provider, *Qual-Care*  
Tracy Forlenza, Recording Secretary  
Joanne Hall, Safety, *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  
Atlantic Associates  
J. Byrne Agency, Inc.  
Fairview Insurance Agency  
Gerber Insurance  
Glenn Insurance  
Thomas Heist Insurance Agency  
Insurance Agencies, Inc.  
Marsh & McLennan Agency  
McMahon Agency, Inc.  
William R. Mints Agency  
Siracusa-Kauffman Insurance

Absent RMCs were:

AJM Insurance  
Alamo Insurance  
BCA Insurance  
Hardenberg Insurance

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

***MOVE UP ALTERNATES***

In absence of Ms. Robostello, Millville, alternate Mr. Goos, Ventnor, was moved to the Executive Board for voting purposes.

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

Chair Smuz entertained a motion to approve the meeting minutes of the October 26, 2016 Executive Committee Meeting as presented.

Motion by Mr. Hirsch, seconded by Ms. Mahon, to approve the meeting minutes of the October 26, 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 October 26, 2016 Meeting of the Fund as presented.

Motion by Ms. Perez, seconded by Ms. Mahon, to approve the Closed Session minutes of the October 26, 2016 Executive Committee Meeting as presented. All in favor. Motion carried.

The Closed Session meeting minutes of the October 26, 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 #2016-45***

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 2016-45* as presented.

Motion by Mr. Hirsch, seconded by Ms. Mahon to adopt *Resolution 2016-45*.

**ROLL CALL**

***Yeas:***

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

***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 Ms. Mahon, seconded by Ms. Perez, 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 November 10, 2016. She noted they are a handout to the membership and are self-explanatory.

She highlighted the following items:

**October PARs**

The Committee reviewed eighteen (18) claims at the November 10, 2016 meeting. Of the claims reviewed, eleven (11) Workers' Compensation (9 Police, 1 Streets, and 1 Other); and seven (7) General Liability PARs were approved for settlement or continuing defense.

**Managed Care RFP**

Ms. Perez noted that the Managed Care Services RFPs were reviewed by two members from each JIF and scored the responses. She stated that QualCare scored the highest and would be awarded a contract at the reorganization meeting.

The next meeting is November 10, 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. Perez, seconded by Mr. Hirsch approve the claims for payment as discussed in Closed Session. They are as follows:



**October 2016 PARs:**

<i><b>Workers ' Compensation</b></i>	<i><b>General Liability</b></i>
Z07817	X65682
Z44503	X57313
Z45918(01-03)	Z25625
Z45915(42372)	X97507
Z37853	Z10631
Z45913(01-02)	X77509
X67314	Z30597
Z29496	
Z32857	
Z12161	
X14540	

**ROLL CALL*****Yeas:***

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

***Nays:***

None

***Abstain:***

All in favor. Motion carried by unanimous vote.

***ABANDON SUBROGATION***

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

Motion by Ms. Mahon, seconded by Mr. Hirsch to abandon subrogation attempts as discussed in Closed Session. There was one (1) claim(s) for Abandonment of Subrogation.

***Qual-Lynx File #***

X14540

**ROLL CALL**                      **Yeas:**                      Joe Santagata, **Buena Borough**  
Ingrid Perez, **Hamilton Township**  
Rich Hirsch, **Longport Borough**  
Connie Mahon, **Middle Township**  
Lucy Samuelson, *Sec*, **Somers Point**  
Teri Smuz, *Chair*, **Upper Township**  
Jim Goos, **Ventnor City**

**Nays:**                      None

**Abstain:**                      None

All in favor. Motion carried by unanimous vote.

### ***CLAIMS ADMINISTRATOR S REPORT***

#### ***Lessons Learned from Losses – November***

Mr. Roselli reported on the *Lessons Learned from Losses* which is included in the agenda packet. He noted that this month's lesson was regarding workers' compensation. He explained how workers' compensation claims account for 75% of all the claims so reducing the costs of these claims helps the JIF. He stated that some things that should be done immediately are reporting the claims promptly; maintain contact with the employee; investigate the accident promptly; develop a transitional duty policy; and complete a supervisor's incident report and forward to Qual-Lynx & J. A. Montgomery.

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 October 2016.

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

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

	<i>October</i>	<i>YTD</i>
<i>Lost Time</i>	<i>10</i>	<i>47</i>
<i>Medical Only</i>	<i>39</i>	<i>465</i>
<i>Report Only</i>	<i>10</i>	<i>301</i>
<i>Total Intakes(New Claims)</i>	<i>59</i>	<i>813</i>

<i>Report Only % of Total</i>	<i>16.9%</i>	<i>37.0%</i>
<i>Medical Only/Lost Time Ratio</i>	<i>80:20</i>	<i>91:09</i>
<i>Average Days to Report</i>	<i>2.6</i>	<i>2.1</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>10,108</i>
<i>Transitional Duty Days Worked</i>	<i>7,837</i>
<i>% of Transitional Duty Days Worked</i>	<i>77.5%</i>
<i>Transitional Duty Days Not Accommodated</i>	<i>2,271</i>
<i>% of Transitional Duty Days Not Accommodated</i>	<i>22.5%</i>

***PPO Penetration Report:***

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

<b><i>PPO Penetration Rate</i></b>	<b><i>Oct</i></b>	<b><i>YTD</i></b>
<i>Bill Count</i>	<i>312</i>	<i>5,067</i>
<i>Original Provider Charges</i>	<i>\$351,225</i>	<i>\$7,086,841</i>
<i>Re-priced Bill Amount</i>	<i>\$121,722</i>	<i>\$2,288,813</i>
<i>Savings</i>	<i>\$230,590</i>	<i>\$4,856,360</i>
<i>% of Savings</i>	<i>65.7%</i>	<i>68.5%</i>
<i>Participating Provider Penetration Rate- Bill count</i>	<i>96.5%</i>	<i>96.1%</i>
<i>Participating Provider Penetration Rate-Provider Charges</i>	<i>97.5%</i>	<i>98.2%</i>
<i>EPO Penetration Rate – Bill Count</i>	<i>91.7%</i>	<i>92.5%</i>
<i>EPO Penetration Rate –Provider Charges</i>	<i>96.2%</i>	<i>94.3%</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 were seven (7) case(s) closed in November. He noted that a synopsis can be found in the agenda packet and provided the following brief synopsis of each:

<b><i>Closed Case</i></b>	<b><i>Description</i></b>
<i>Biel v. City of Margate</i>	Trip and Fall on road. Defense Counsel, Thomas Smith, Esquire was assigned and filed a Motion for Summary Judgment which was denied. Matter proceeded to arbitration hearing where the City was found 100% liable and to pay \$39,423.02. Defense

	Counsel negotiated the settlement to \$20,000 prior to trial.
<i>Blitzstein v. City of Wildwood</i>	Tramcar accident. Defense Counsel, James R. Birchmeier, Esquire was assigned and filed a Motion to change venues from Atlantic County to Cape May County. Arbitrators placed 95% responsibility on the co-defendants and 5% on the City. Defense Counsel was able to negotiate the settlement to \$7,000 prior to trial.
<i>Ertel v. Township of Egg Harbor</i>	Auto. Defense Counsel, Thomas Smith, Esquire was assigned and filed notice to dismiss based on non-jurisdiction and Motion to change venue from Middlesex to Atlantic County. He filed Motion for Summary Judgment which was granted with prejudice on October 4, 2016.
<i>Keenov-Farrell v. Township of Middle</i>	Civil Rights. Defense Counsel, Robert Merenich, Esquire was assigned and negotiated the settlement of payment to Plaintiff for \$2,000 and a stipulation of dismissal with prejudice was file on September 26, 2016.
<i>Blakely v. City of Pleasantville</i>	Slip and Fall on icy sidewalk. Defense Counsel, Patricia Sampoli, Esquire was assigned and filed a Stipulation for Dismissal; the entire settlement of \$33,000 was paid by the third party Plaintiff's insurance carrier.
<i>Rutkowski &amp; PSC Home Restoration, Inc. v. City of Millville</i>	Demolition of property. Defense Counsel, James R. Birchmeier, Esquire was assigned and he filed Motion for change of venue from Gloucester County to Cumberland County. He also filed Motion for Summary Judgment which was denied. Defense Counsel negotiated the settlement of payment to Plaintiff for \$50,000.
<i>Tavarez v. City of Cape May</i>	Struck by boogie board. Defense Counsel, A. Michael Barker, Esquire was assigned and filed Motion for Summary Judgment which was denied. Defense Counsel as able to negotiate the settlement of this matter for a payment to the Plaintiff for \$15,000.

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

#### ***General Liability File Status Report***

Mr. DeWeese reported that he reviewed his full General Liability report with the Claims Review Committee noting there are 84 active files. He reminded any member if they would like their individual report of these claims to please contact his office.

### ***Subrogation File Summary Report***

Mr. DeWeese noted that there are 71 files totaling \$2.2 million of judgments actively being monitored for the JIF. He stated that the year to date is over \$327,000 in actual collected subrogation.

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

## ***COMMITTEE REPORTS***

### ***Strategic Planning Committee – November 3, 2016***

Mr. Hirsch reported that the Committee met on November 3, 2016. He highlighted that all members have renewed for the 2017 fund year. He further stated that all visitations with members are complete with the exception of Waterford Twp which will occur this evening. He also noted that Buena Vista is interested in rejoining the JIF; however, their Fire District has not been a good performer. He commented that their RMC was looking to place the FD's coverage elsewhere. He noted that Middle Township FD will be joining the JIF as of May 1, 2017.

Mr. Hirsch noted that fund commissioner attendance was discussed and a letter will be sent in December to those members who have not met the JIF's criteria. He reminded the members of the upcoming elected official training. Mr. Hirsch stated the PRIMA and AGRIP dates for 2017 conferences. He noted that the State of the Fund reports were printed and will be given to each member. He reminded the members that following the December meeting will be the holiday dinner at the Sugar Hill Inn.

Mr. Hirsch commented that the 2017 Annual Retreat is tentatively scheduled for October 25-26, 2016 at The Flanders Hotel, Ocean City, NJ. He reported that the 30<sup>th</sup> anniversary of the JIF is approaching and an anniversary luncheon is being planned.

Mr. Hirsch reported that the Nomination Committee met and discussed the criteria of the executive board. He commented that the bylaws do not limit if participation if you are on the Executive Committee from being on the Nominating Committee.

Ms. Stollenwerk commented that in the minutes the terms of the Executive Committee are discussed, but are listed incorrectly. Ms. Garrison felt this needed further discussion because we want everyone to be on the same page. Mr. Miola will review this and make any corrections.

### ***FINANCE COMMITTEE - November 9, 2016***

Ms. Stollenwerk stated that the minutes from the November 9, 2016 meeting are a handout this evening. She stated that the Fund is doing well with Surplus in excess of \$30.7 for all years which shows in the financials attached to the finance minutes. She reported that the budget is listed on page 41 in the agenda packet and being introduced this evening. She stated that she reported on the budget in October. She commented that the final MEL budget shows a 6.4% increase in lieu of the predicted 10%. She reported that this makes an overall budget decrease at 1.83%. She noted the September 30<sup>th</sup> financials accompanied the finance minutes. She reported that each Fund Year has shown improvement since the June 30<sup>th</sup> reports and the 2012 Fund Year has been transferred to the RCF. Mr. Miola noted that the MEL Rate table was a handout this evening which should have been included in the budget message in the agenda packet.

### ***Motion to Introduce Budget***

Chair Smuz entertained a motion to introduce the JIF 2017 Budget.

Motion by Ms. Mahon, seconded by Ms. Samuelson to introduce the JIF 2017 Budget.

**ROLL CALL**

*Yeas:*

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

*Nays:*

None

*Abstained:*

None

Motion carried by unanimous vote.

***Motion to Introduce 2017 Assessment Allocation Strategy***

Ms. Stollenwerk noted a verbal amendment to the 2017 Assessment Allocation Strategy noting that on page 45, tier 125% to 150% should be a 2.0% increase in lieu of the 0.0% increase affecting one member. She further stated that the 2017 assessments can be found on page 56.

Chair Smuz entertained a motion to introduce the 2017 Assessment Allocation Strategy with the verbal amendment to the 125% to 150% tier noting the increase of 2.0% as presented.

Motion by Ms. Perez, seconded by Ms. Mahon to introduce the 2017 Assessment Allocation Strategy as verbally amended.

**ROLL CALL**

*Yeas:*

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

*Nays:*

None

*Abstained:*

None

Motion carried by unanimous vote.

***Motion to Introduce 2017 Assessment Certification***

Chair Smuz entertained a motion to introduce the 2017 Assessment Certification.

Motion by Mr. Hirsch, seconded by Ms. Mahon to introduce the 2017 Assessment Certification.

**ROLL CALL**

*Yeas:*

Joe Santagata, **Buena Borough**  
Ingrid Perez, **Hamilton Township**  
Rich Hirsch, **Longport Borough**  
Connie Mahon, **Middle Township**  
Lucy Samuels, *Sec*, **Somers Point**  
Teri Smuz, *Chair*, **Upper Township**  
Jim Goos, **Ventnor City**

*Nays:*

None

*Abstained:*

None

Motion carried by unanimous vote.

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

***2016 Dividend Release***

Ms. Stollenwerk stated that all members were sent the dividend release notification outlining their share of the \$2.5 million release. She reminded the members of the choices they can select and that it is due to the Executive Director's office by December 15, 2016.

***2017 Nomination Slate***

Mr. Miola noted that the 2017 Nomination Slate is on page 57 of the agenda packet and was presented in October. Mr. Hirsch reported that no additional nominations were received so the slate presented stands.

***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. She discussed the upcoming health fairs and some ideas for the use of the wellness money. She noted that Egg Harbor Twp involved their Recreation department with jump rope, etc. She encouraged the members to reach out to her if they need ideas for spending their funds. She reminded the members to review the remaining balances listed in the agenda packet.

Ms. Smith noted that the November newsletter was sent via email and is on the website. She stated that November is Diabetes Awareness month. She gave exercises to work off the Halloween candy.

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

***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 from his report:

***Loss Ratio Snapshots*** – Mr. Miola stated that all loss ratio snapshots valued as of September 30, 2016 were distributed and asked the RMCs to take any packet back for absent Fund Commissioners.

***Lost Time Accident Frequency Report*** - Mr. Miola noted that members should review this report.

***Certificates of Insurance*** – Mr. Miola commented that these are in the agenda packet and asked that they be made part of the minutes of today's meeting.

***2015 Safety Incentive Program*** – Mr. Miola 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. Miola 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. Miola 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.

***Employment Practices Liability Coverage***– Mr. Miola reported that this spreadsheet can be found in the agenda packet. He stated that all members are compliant. He noted that Stone Harbor did submit their paperwork and we are waiting for PERMA to approve it.

***Capehart & Scatchard Updates*** – Mr. Miola asked members to review these updates as they deal with ADA and FMLA issues. He noted that there was an interesting article involving employees on light duty.

***Statutory Bond Status*** – Mr. Miola reminded members that these bonds are only issued in the individual's name and not the position so please review for accuracy.

***Elected Officials Seminars***- Mr. Miola reported that Mr. Hirsch reported on the seminar dates and locations. He noted the first session is December 7, 2016 at Merighi's. He mentioned that the attorney will be speaking on ethics of elected officials and another on land use.

***2016 Dividend Distribution Notice***

Mr. Miola reported that the 2016 dividend notices were emailed on November 9, 2016 and are due to the Executive Director's office by December 16, 2016.

***Inclement Weather*** – Mr. Miola reminded the members of our inclement weather hotline as we move into the winter months.

***New Member Activity***- None to report.

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



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

### **MEL**

Mr. Hirsch noted that the MEL report was given verbally last month and is included in the agenda.

***MEL 2017 Budget***– Mr. Hirsch stated that the MEL adopted the budget for 2017 on November 16<sup>th</sup>, 2016. He stated that it is a \$692,016 (1.59%) increase over 2016 with ACM JIF's 2017 proposed assessment of \$3,740,193.54

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

### ***Resolution 2016-46 Appointing Richard Hirsch as MEL/RCF Representative***

Chair Smuz entertained a motion to adopt Resolution 2016-46 Appointing Richard Hirsch as MEL/RCF Representative as presented.

Motion by Ms. Perez, seconded by Ms. Mahon to adopt Resolution 2016-46 Appointing Richard Hirsch as MEL/RCF Representative

#### **ROLL CALL**

#### ***Yeas:***

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

#### ***Nays:***

None

#### ***Abstain:***

None

All in favor. Motion carried by unanimous vote.

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

Ms. Hall stated that the Safety Director's Report can be found in the agenda. She highlighted the following items:

***Safety Bulletin*** – Ms. Hall commented that two bulletin were released in October. The bulletins were on Fire Prevention and the other was on Leaf Collection.

***Regional Training*** – Ms. Hall noted that the training, *The Importance of Safety in Everyday Activities* was rescheduled for December 6, 2016 in Egg Harbor Township. She commented that they will discuss the “safety drift” which is being lackadaisical about daily safety.

***Training Administrators*** – Ms. Hall asked that members review the training administrators to see if they are active.

***Loss Control Reports*** – Ms. Hall noted these reports will only be distributed via email.

Ms. Hall reported that Karen LaSala will be retiring from J.A. Montgomery and introduced Danielle Sanders to the Fund.

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

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

#### **October Report**

Mr. Hansen presented the Treasurer's Report for the period ending **October 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	\$1,997.52	
Investment Management Fee Charged	<\$1,765.41>	
Net Interest Received		\$232.11
Coupon Interest Payment		\$16,000.00
Change in Realized Gain or Loss		<\$20,795.00>
Misc. rounding		<.05>
Net Gain in Interest		<\$4,562.94>

<b>Interest Accrual:</b>	
Beginning Interest Accrual	\$75,251.35
Change in Accrued Interest	\$12,770.84
<b>Ending Interest Accrual</b>	<b>\$88,022.19</b>

<b>Investment Balance:</b>	
Beginning of Month	\$38,518,035.00
End of Month	\$38,497,240.00
Investment called	0
Investment Purchased	0
Overall Yield	Positive .19%

<b>Portfolio</b>	<b>Quantity</b>	<b>Total</b>
Less than one year (maturing in 2016)	1	\$2,001,060
1-2 Years (maturing in 2017)	5	\$22,513,910
2+ Years (maturing in 2018)	3	\$13,982,270

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

	<b>October</b>	<b>YTD</b>
Subrogation Receipts	\$21,167.50	\$324,673.09
Interest	<\$4,562.94>	
Recovery	\$10.00	\$21,279.16
2016 Assessments	\$2,274,198	

***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 \$454,634.37. A total of 414 checks were issued.

The claims detail is as follows:

	<b>Oct</b>
Direct Loss Payments	\$344,451.20
Claim Expenses	\$11,958.51
Legal Defense Costs	\$98,224.66
Adjustment Register-void	<\$3,791.80>

***Cash Activity for the Period-Oct***

During the reporting month, the Fund's "Cash Position" changed from an opening balance of \$52,565,726.13 to a closing balance of \$52,832,812.19 showing an increase in the Fund of \$267,086.06.

***A.E.L.C.F. PARTICIPANT YEAR-END BALANCES***

<b>Member</b>	<b>10/31/16 audited– interest posted</b>
Hamilton Township	\$30,046.38
Hammonton Town	\$55,740.83
Middle Township	\$23,641.72
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	\$242,441.40

***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.

***Payment Register***

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

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

Motion by Mr. Hirsch, seconded by Ms. Samuelson to approve the *October 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**  
Lucy Samuelson, *Sec*, **Somers Point**  
Teri Smuz, *Chair*, **Upper Township**  
Jim Goos, **Ventnor City**

*Nays:*

None

*Abstained:*

None

Motion carried by unanimous vote.

***Bill List –November***

For the Executive Committee's consideration, Mr. Hansen presented the *November 2016 Bill List* in the amount of **\$214,000.74**.

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

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

Motion by Ms. Mahon, seconded by Mr. Hirsch, to approve the *November 2016 Bill List*.

**ROLL CALL**

*Yeas:*

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

*Nays:*

None

*Abstained:*

None

Motion carried by unanimous vote.

***RMC Bill List –November***

For the Executive Committee's consideration, Mr. Hansen presented the *November 2016 RMC Bill List* in the amount of **\$171,466.00**.

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

Chair Smuz entertained a motion to approve the *November 2016 RMC Bill List* as presented.

Motion by Ms. Perez, seconded by Ms. Samuelson, to approve the *November 2016 RMC Bill List*.

**ROLL CALL**

***Yeas:***

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

***Nays:***

None

***Abstained:***

None

***MISCELLANEOUS BUSINESS***

***Motion to Authorize Binding EPL/POL Coverage***

Chair Smuz entertained a motion to authorize Executive Director's office to bind EPL/POL Coverage with QBE Insurance for the 2017 Fund Year.

Motion by Ms. Samuelson, seconded by Ms. Mahon, to authorize Executive Director's office to bind EPL/POL Coverage with QBE Insurance for the 2017 Fund Year. All in favor. Motion carried.

***Motion to Authorize Binding VDO Coverage***

Chair Smuz entertained a motion to authorize Executive Director's office to bind VDO Coverage with QBE Insurance for the 2017 Fund Year.

Motion by Mr. Hirsch, seconded by Ms. Perez, to authorize Executive Director's office to bind VDO Coverage with QBE Insurance for the 2017 Fund Year. All in favor. Motion carried.

***Motion to Authorize Binding Cyber Liability Coverage***

Chair Smuz entertained a motion to authorize Executive Director's office to bind Cyber Liability Coverage with XL Insurance for the 2017 Fund Year.

Motion by Ms. Samuelson, seconded by Ms. Mahon, to authorize Executive Director's office to bind Cyber Liability Coverage with XL Insurance for the 2017 Fund Year. All in favor. Motion carried.

***Resolution 2016-47 Amending Resolution 2016-09 Fiscal Policies***

Mr. Hansen explained the need for amending the resolution 2016-09 due to the switching of banks from TD to Investors.

Chair Smuz entertained a motion approving *Resolution 2016-47 Amending Resolution 2016-09 Fiscal Policies and Procedures* as presented.

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

Motion by Ms. Samuelsen, seconded by Ms. Perez to approve *Resolution 2016-47 Amending Resolution 2016-09 Fiscal Policies and Procedures*.

**ROLL CALL**

***Yeas:***

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

***Nays:***

None

***Abstained:***

None

Motion carried by unanimous vote.

***Resolution 2016-48 Amending the 2017 POL/EPL Policy***

Mr. Miola explained that the EPL/POL Policy needs to be amended to include the claims for monetary relief with the increase of the sub-limit from \$100k to \$150k and simplified the reporting requirements omitting the 14 day report timeline. He noted the resolution was a handout this evening.

Chair Smuz entertained a motion approving *Resolution 2016-48 Amending the 2017 POL/EPL Policy* as presented.

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

Motion by Ms. Mahon, seconded by Ms. Perez to approve *Resolution 2016-48 Amending the 2017 POL/EPL Policy*.

**ROLL CALL**

***Yeas:***

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

***Nays:***

None

***Abstained:***

None

Motion carried by unanimous vote.

***Resolution 2016-49 Honoring Susan Robostello***

Chair Smuz noted that Susan Robostello was unable to attend the meeting due to the birth of a grandchild. The Fund wishes her well in her retirement.

Chair Smuz entertained a motion approving *Resolution 2016-49 Honoring Susan Robostello on her Retirement* as presented.

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

Motion by Ms. Mahon, seconded by Ms. Perez to approve *Resolution 2016-49 Honoring Susan Robostello on her Retirement*.

**ROLL CALL**

***Yeas:***

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

***Nays:***

None

***Abstained:***

None

Motion carried by unanimous vote.

***Next Meeting***

Chair Smuz reminded the members that the next regular meeting will be held on **Wednesday, December 21, 2016 at 3:00 PM** at Atlantic County Library, 40 Farragut Ave, Mays Landing, NJ with the holiday dinner immediately following at Sugar Hill Inn.

***PUBLIC COMMENT***

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

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

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

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



***MOTION TO ADJOURN***

Motion by Ms. Mahon, seconded by Ms. Samuelsen, to adjourn the November 21, 2016 meeting of the ACM JIF. Motion carried.

The meeting was adjourned at 4:01 PM.

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Tracy Forlenza, *Recording Secretary* for

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**Lucy Samuelsen, *Secretary***

# SUBROGATION

LESSONS LEARNED FROM LOSSES – MONTHLY NEWSLETTER – DECEMBER 2016

## What is Subrogation

Subrogation is the right of the JIF to pursue an at fault party after a claim payment is made by the JIF. The insuring agreement indicates that you are transferring your right to recover from a negligent party to the JIF, and also that you must cooperate with the JIF's efforts.

## How it works

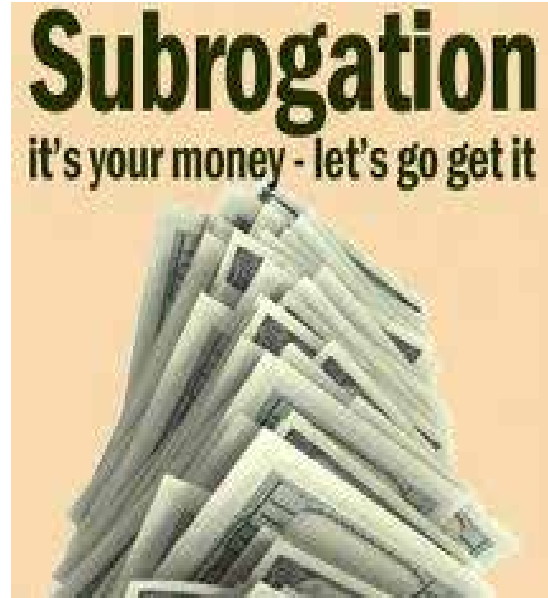
- The JIF ultimately makes the decision regarding subrogation recoveries when the offer is less than 100%.
- We can only subrogate for loss payments made and cannot pursue file related expenses.
- We use Inter-company Arbitration, when possible, on vehicle claims as percentage of liability disputes are very common.
- Title 59 limits subrogation against the JIF to out of pocket costs for a claimant and must be pursued by the claimant and not their carrier.
- Low property damage limits are on the rise, which creates issues for us trying to recover funds. Asset checks help us determine what we do next.
- We will pursue subrogation for you, even if below your deductible, as an added service.

## What can you do?

- Be careful not to waive subrogation in AIA documents when undertaking a construction project.
- Supply our office with the Police Report ASAP so we can request restitution be ordered in municipal court.
- Save surveillance videos, in-car mobile videos, faulty equipment or anything that has caused injuries or damages.
- Save contracts, certificates of insurance and indemnity agreements.

## Examples

- 4 juveniles vandalized a recreation building causing extensive damages. Normally, the courts are more lenient with juveniles and not making them pay back more than the member deductible. In this case, the member took video of the damages which allowed the judge to witness the complete and reckless disregard for the building, thus ordering a much higher reimbursement.
- Other vehicle driver is completely at fault and causes \$7,000 in damage and carries only a \$5,000 PD limit and has no assets. What do we do?



**Other Things To Think About**  
**SALVAGE - we suggest taking all damaged vehicles back to your DPW yard or other owned facility. If it is repairable, the repairing shop will pick it up and likely not charge for the towing. If it is totaled, then the vehicle will next be towed by the highest bidder for the salvage.**

**Coming**  
**Next Month:**  
**Entering and Exiting Vehicles Safely**





**Atlantic County Municipal JIF  
Managed Care Summary Report  
2016**

<b>Intake</b>	<b>November-16</b>	<b>November-15</b>	<b>2016 YTD</b>	<b>2015 YTD</b>
# of New Claims Reported	43	55	856	817
# of Report Only	16	18	317	293
% Report Only	37.2%	32.7%	37.0%	35.9%
# of Medical Only	23	35	488	462
# of Lost Time	4	2	51	62
Medical Only to Lost Time Ratio	85:15	95:05	91:09	88:12
Average # of Days to Report a Claim	0.9	1.4	2.1	2.0

<b>Nurse Case Management</b>	<b>November-16</b>	<b>November-15</b>
# of Cases Assigned to Case Management	74	83
# of Cases >90 days	52	55

<b>Savings</b>	<b>November-16</b>	<b>November-15</b>	<b>2016 YTD</b>	<b>2015 YTD</b>
Bill Count	332	385	5399	5829
Provider Charges	\$286,079	\$559,576	\$7,372,920	\$6,673,433
Repriced Amount	\$115,954	\$186,655	\$2,404,767	\$2,328,566
Savings \$	\$170,528	\$372,921	\$5,026,888	\$4,314,689
% of Savings	59.6%	66.6%	68.2%	64.7%

<b>Participating Provider Penetration Rate</b>	<b>November-16</b>	<b>November-15</b>	<b>2016 YTD</b>	<b>2015 YTD</b>
Bill Count	97.3%	95.8%	96.2%	94.4%
Provider Charges	98.2%	97.2%	98.2%	96.2%

<b>EPO Penetration Rate</b>	<b>November-16</b>	<b>November-15</b>	<b>2016 YTD</b>	<b>2015 YTD</b>
Bill Count	93.5%	90.2%	92.5%	84.0%
Provider Charges	96.7%	97.3%	94.5%	86.4%

<b>Transitional Duty Summary</b>		<b>2016 YTD</b>	<b>2015 YTD</b>
% of Transitional Duty Days Worked		75.5%	72.9%
% of Transitional Duty Days Not Accommodated		24.5%	27.1%

November Data as of 11/21/2016 due to conversion to the IVOS system.

**ATLANTIC COUNTY MUNICIPAL JOINT**  
**INSURANCE FUND**

**DECEMBER 2016**  
**CLOSED CASES**

1) **Smith v. City of Absecon**-This matter involved the Plaintiff's allegations in a Superior Court of New Jersey, Gloucester County Complaint that on August 25, 2013, the Plaintiff, Tracy C. Smith, was caused to trip and fall when her foot became caught in a wide space located between the wooden planks of the Absecon Municipal Boat Ramp, in the City of Absecon. Ms. Smith alleged that the City of Absecon was negligent in allowing the dangerous condition of the boat ramp to exist. The Plaintiff alleged that as a result of the incident, she has sustained serious and permanent injuries to her left ankle and left knee. The case was assigned to L. Patricia Sampoli, Esquire on July 28, 2015 and a Consent Order to Change Venue from Gloucester County to Atlantic County was filed on September 8, 2015. A Defense IME and numerous Depositions were conducted. The matter proceeded to an Arbitration Hearing on September 28, 2016 and a "no cause" for action was entered against the Plaintiff. Defense Counsel subsequently filed a Motion for Summary Judgment which was ultimately granted by Judge Savio on November 22, 2016, finding that the Plaintiff had failed to establish that a dangerous condition caused her fall, and the Judge dismissed the Plaintiff's Complaint with prejudice.

2) **Muravena & Smith v. City of Wildwood**-This matter involved the Plaintiffs' allegations in a United States District Court, District of New Jersey Complaint that on July 15, 2011 the Defendants, City of Wildwood Police Officers Toffoli and Stevens, entered the Plaintiffs' residence without a warrant and without permission. The Officers were searching for a juvenile female runaway. The Plaintiffs also alleged that on August 5, 2011, Officers Toffoli and Stevens again came to the Plaintiffs' home allegedly searching for the same individual from the July 15, 2011 incident. At that time, it was alleged that the Plaintiffs advised the Officers that she had been evicted, and that she had moved to the Blue Heron Motel. Subsequently, the Plaintiff, Liudmila Muravena, was arrested. The Plaintiffs alleged that the Plaintiff, Liudmila Muravena, was falsely arrested and imprisoned. The case was assigned to James R. Birchmeier, Esquire on August 12, 2013. The Plaintiffs, Liudmila Muravena and Clayton Smith, submitted a demand to Defense Counsel in the amount of \$4,000,000.00 and Defense Counsel valued the matter at less than \$50,000.00. Numerous Depositions were conducted. In February of 2014, the Plaintiff, Clayton Smith, died. Assigned Defense Counsel filed a Motion to Dismiss and on July 6, 2016, an Order was entered dismissing any and all claims on behalf of the Plaintiff, Clayton Smith, in this case, and the Judge determined that the only claim that was to proceed to Trial was the Plaintiff, Liudmila Muravena's claim for false arrest against Police Officer Toffoli. A Jury Trial commenced on November 7, 2016 and the Jury ultimately returned a verdict in favor of Officer Toffoli, and a no cause for action was entered against the Plaintiff.

**ATLANTIC COUNTY MUNICIPAL JOINT INSURANCE FUND**  
**FUND YEAR 2017 BUDGET**  
**\$300K SIR (WC/GL/AL) - \$100K SIR (PR)**

	ANNUALIZED 2016	PROPOSED 2017	CHANGE \$	CHANGE %
PROPERTY (\$100K SIR)	1,010,999	985,150	(25,849)	-2.56%
GENERAL LIABILITY	2,659,024	2,320,500	(338,524)	-12.73%
AUTO LIABILITY	391,720	361,250	(30,470)	-7.78%
WORKERS' COMPENSATION	7,584,095	7,316,800	(267,295)	-3.52%
DEDUCTIBLE	2,054,250	1,944,150	(110,100)	-5.36%
LOSS FUND CONTINGENCY	122,665	-	(122,665)	-100.00%
<b>TOTAL CLAIM LOSS FUNDS</b>	<b>13,822,753</b>	<b>12,927,850</b>	<b>(894,903)</b>	<b>-6.47%</b>
<b>CLAIMS ADMINISTRATION</b>	<b>814,503</b>	<b>819,421</b>	<b>4,918</b>	<b>0.60%</b>
<b>SAFETY PROGRAMS</b>	<b>133,005</b>	<b>134,750</b>	<b>1,745</b>	<b>0</b>
- Optional Safety Budget	29,750	29,750	-	0.00%
- Safety Incentive Program	100,000	100,000	-	0.00%
- Safety Training	3,255	5,000	1,745	53.61%
<b>PROFESSIONAL SERVICES</b>	<b>451,647</b>	<b>472,379</b>	<b>20,732</b>	<b>4.59%</b>
- Actuary	44,990	45,665	675	1.50%
- Administrative Consultant	40,697	41,511	814	2.00%
- Attorney	119,617	122,009	2,392	2.00%
- Auditor	18,375	18,550	175	0.95%
- Safety Director / Loss Control	193,800	210,000	16,200	8.36%
- Treasurer	22,850	23,100	250	1.09%
- Underwriting Manager	11,318	11,544	226	2.00%
<b>ADMINISTRATION</b>	<b>856,625</b>	<b>873,758</b>	<b>17,133</b>	<b>2.00%</b>
<b>CLAIMS AUDITOR</b>	<b>11,000</b>	<b>11,000</b>	<b>-</b>	<b>0.00%</b>
<b>EPL CONSULTING &amp; TRAINING</b>	<b>29,725</b>	<b>29,725</b>	<b>-</b>	<b>0.00%</b>
<b>EXPOSURE DATA MGMT SYSTEM</b>	<b>14,280</b>	<b>15,000</b>	<b>720</b>	<b>5.04%</b>
<b>PAYROLL AUDITOR</b>	<b>13,120</b>	<b>13,407</b>	<b>287</b>	<b>2.19%</b>
<b>POLICE DEFENSE &amp; TRAINING</b>	<b>17,000</b>	<b>17,000</b>	<b>-</b>	<b>0.00%</b>
<b>PROPERTY APPRAISER</b>	<b>55,000</b>	<b>50,000</b>	<b>(5,000)</b>	<b>-9.09%</b>
<b>WELLNESS/WELLNESS INCENTIVE</b>	<b>102,000</b>	<b>102,000</b>	<b>-</b>	<b>0.00%</b>
<b>CONTINGENCY</b>	<b>75,000</b>	<b>75,000</b>	<b>-</b>	<b>0.00%</b>
<b>MISCELLANEOUS</b>	<b>79,163</b>	<b>75,782</b>	<b>(3,381)</b>	<b>-4.27%</b>
- AGRIP/PRIMA	10,000	10,000	-	0.00%
- Annual Planning Retreat	12,000	12,000	-	0.00%
- Fidelity Bond (Admin/TPA/Treasurer)	3,000	3,000	-	0.00%
- JIF Website	5,500	5,500	-	0.00%
- Legal Notices	2,000	2,000	-	0.00%
- Meeting Expense	10,000	10,000	-	0.00%
- Office Supplies	2,500	2,500	-	0.00%
- Other	10,000	10,000	-	0.00%
- Performance Bond (TPA)	4,500	2,000	(2,500)	-55.56%
- Postage/Copies/Fax	7,000	6,000	(1,000)	-14.29%
- Printing	4,500	4,500	-	0.00%
- Record Retention Service	2,200	2,200	-	0.00%
- Recording Secretary	5,963	6,082	119	2.00%
<b>TOTAL EXPENSES</b>	<b>2,652,068</b>	<b>2,689,222</b>	<b>37,154</b>	<b>1.40%</b>
<b>SUB TOTAL JIF BUDGET</b>	<b>16,474,821</b>	<b>15,617,072</b>	<b>(857,749)</b>	<b>-5.21%</b>
<b>MUNICIPAL EXCESS LIABILITY JIF</b>	<b>4,336,983</b>	<b>4,602,605</b>	<b>265,622</b>	<b>6.12%</b>
- MEL Excess WC & Liability	3,311,527	3,477,103	165,576	5.00%
- MEL Excess Property	1,025,456	1,125,502	100,046	9.76%
- Property	1,000,456	1,100,502	100,046	10.00%
- Fidelity	25,000	25,000	-	0.00%
<b>EPL/POL PREMIUM</b>	<b>2,185,815</b>	<b>2,331,772</b>	<b>145,957</b>	<b>6.68%</b>
<b>EPL/POL COMMISSION - AJG</b>	<b>75,745</b>	<b>80,854</b>	<b>5,109</b>	<b>6.74%</b>
<b>EPL/POL COMMISSION - CONNER STRONG</b>	<b>75,745</b>	<b>80,854</b>	<b>5,109</b>	<b>6.74%</b>
<b>EPL/POL SURCHARGE</b>	<b>-</b>	<b>7,409</b>	<b>7,409</b>	<b>100.00%</b>
<b>SUB TOTAL PREMIUMS</b>	<b>6,674,288</b>	<b>7,103,494</b>	<b>429,206</b>	<b>6.43%</b>
<b>SUB TOTAL JIF &amp; EXCESS BUDGET</b>	<b>23,149,109</b>	<b>22,720,566</b>	<b>(428,543)</b>	<b>-1.85%</b>
<b>RISK MANAGEMENT CONSULTANTS</b>	<b>685,973</b>	<b>677,656</b>	<b>(8,317)</b>	<b>-1.21%</b>
<b>TOTAL JIF BUDGET</b>	<b>23,835,082</b>	<b>23,398,222</b>	<b>(436,860)</b>	<b>-1.83%</b>

**ACM JIF - 2017 Budget  
Assessment Certification**

Absecon City	444,826
Avalon Borough	464,364
Brigantine City	854,283
Buena Borough	232,281
Cape May City	704,664
Cape May Point Borough	39,908
Commercial Township	78,304
Corbin City	24,962
Deerfield Township	80,222
Dennis Township	198,811
Downe Township	38,873
Egg Harbor Township	1,871,388
Estell Manor City	45,942
Folsom Borough	44,180
Galloway Township	1,310,549
Hamilton Township	1,079,594
Linwood City	515,725
Longport Borough	270,512
Lower Township	928,171
Margate City	759,384
Middle Township	784,861
Millville City	1,646,973
Mullica Township	209,547
Newfield Borough	84,275
North Wildwood City	589,314
Northfield City	388,189
Ocean City	2,245,997
Pleasantville City	1,519,397
Sea Isle City	942,337
Somers Point City	493,648
Stone Harbor Borough	353,784
Upper Deerfield Township	153,544
Upper Township	419,207
Ventnor City	986,909
Waterford Township	483,648
West Cape May Borough	75,078
West Wildwood Borough	85,497
Weymouth Township	55,374
Wildwood City	1,341,124
Wildwood Crest Borough	496,619
Woodbine Borough	55,954
41	23,398,222

# ATLANTIC COUNTY MUNICIPAL JOINT INSURANCE FUND

## ASSESSMENT ALLOCATION STRATEGY

Prepared By:  
Arthur J. Gallagher Risk  
Management Services  
Fund Administrator

Adopted: Fall 1993  
Revised: Fall 1996  
Re-Adopted: Fall 2003-2009  
Revised: Fall 2010 – 2013  
Re-Adopted: Fall 2013  
Revised: Fall 2014 - 2015

Revised: Fall 2016

# BUDGET DEVELOPMENT

## **BUDGET PROCESS**

The ACM JIF budget process begins in June each year when the RMCs are asked to update their member **exposures** (e.g. insurable property values, vehicle lists, appropriations, payrolls, etc.). This data is required by the Actuary in order to calculate the **loss fund** demands for the new budget year. Beginning with the 2013 Renewal process, the Fund implemented an on-line exposure data management system that provides members and their Risk Management Consultants with real time direct access to their exposure data. The system allows members to update their exposure data throughout the year and complete the Annual Renewal Process in a fraction of the time compared to prior years. The system also allows Fund Professionals direct access to the exposure information and will increase the accuracy of the Fund's Underwriting data.

In July, all vendors are invited to submit renewal proposals for the coming Fund Year so that the Finance Committee can anticipate the Fund's operating expense budget. In 2015, the Fund amended its long standing *Professional Evaluation Policy* to require that at least once every three years each vendors' performance is evaluated against the specific services as outlined in the *Scope of Services* section of their professional services contract with the Fund. Following the evaluation process, the Committees then make their recommendations regarding contract renewal. This change documents the members' opinion of the services provided and allows for a regular evaluation of the services provided ensuring they still meet the needs of the membership. It is important to note that the Policy continues to contain a provision that any Committee can recommend to the membership the issuance of an RFQ or RFP for a vendor if deemed appropriate. Finally, it is important to note that with few exceptions, the Fund continues to appoint its Fund Professionals utilizing a non fair and open process in accordance with NJSA 19:44A-20.1. The membership continues to believe that forbidding Fund Professionals from making political contributions to elected officials in member towns is appropriate.

## **BUDGET COMPONENTS**

The budget consists of four major categories that are described below:

A. **Loss Funds** - Portion of budget developed by an actuarial review based upon the JIF's aggregate exposures, claims history, and risk factors. Takes into account all costs associated with the payment of members' claims on an accrual basis. The JIF fully funds losses to "Ultimate" expected payout.



**B. Operating Expenses** - Pays all expenses associated with operating the Fund. Includes all contract vendors such as claims adjustment, attorney, safety, actuary, auditor, etc. and contemplates miscellaneous meeting, administrative, and contingency expenses.

**C. EPL/POL Premiums** – In recognition of the ongoing statewide poor loss experience for members in the Employment Practices Liability line of coverage, in the Fall of 2010, the MEL, who had previously provided this coverage, decided to place this coverage in the commercial market. While the MEL acts as the lead negotiator with the commercial market to provide uniform coverage terms on behalf of the MEL affiliated JIF's, the Fund Administrator will bind the coverage on behalf of the Fund. The premium for this coverage will be collected as part of each member's assessment and will be paid directly to the commercial insurer by the JIF.

**D. MEL Assessment** – The JIF belongs to the Municipal Excess Liability Joint Insurance Fund (MEL). The MEL provides excess property, liability and workers' compensation coverage beyond the JIF SIR. This budget item is developed by the MEL and transmitted to the JIF in November.

## ASSESSMENT ALLOCATION STRATEGY

Once the JIF budget is developed, a formula for allocating individual members' shares must be developed. For an assessment allocation formula to be successful it must be easily understood, easy to administer, and perceived as fair and equitable by the members. The Finance Committee meets each year and establishes the formula that will be used.

The JIF currently uses a loss ratio methodology to allocate the annual budget. Each member's expiring assessment is adjusted by a set percentage that correlates to a range of loss ratios. Loss ratio is defined as the ratio that loss dollars incurred bears to the member loss fund contributions. During the Fall of 2010, the Fund Administrator and Actuary recommended utilizing a six-year average loss ratio rather than the three-year average loss ratio used in prior years to depict a better overall picture of a member's Loss Ratio performance. During the Fall of 2016, the Finance Committee opted to utilize a five-year average loss ratio in an effort to stay consistent with competing Funds. The five-year loss ratio (excluding the current year), valued as of June 30<sup>th</sup> of the current year, is used in the formula for determining a member's percentage increase in loss funds for the upcoming year. Members with lower loss ratios will receive a lower percentage increase than

members with higher loss ratios. This percentage will vary each year based upon the percentage increase in the JIF budget. Members with less than three years' experience may receive an increase equivalent to the overall JIF budget increase. An anomaly loss, which is one loss that accounts for more than 50% of a member's total losses for the five-year period, would have their proposed assessment dropped by one category. Members with anomaly losses are usually small members and the reduction of a single category does not have an impact on the assessment strategy.

Beginning with Fund Year 2011, the Fund implemented a *Reward/Revaluation Program* for Renewing Members who over the past five years (excluding the current year) have been a net giver to the Fund. This concept is more fully discussed on **pages 6 and 7**.

Also beginning with Fund Year 2011, the Finance Committee opted to introduce a *Retrospective Assessment Program* that identifies those members that are the driving force behind the Loss Funding increases year to year and remove the risk they place on the Fund by capping these members in a min/max contract. This concept is more fully discussed on **pages 7 and 8**.

In the Fall of 2016, the Finance Committee determined that no Members met the established criteria for the Retrospective Assessment Program in the 2017 Fund Year.

The following table is indicative of the current strategy:

6 Year Average Loss Ratio				Increase in Loss Funds	Members Affected
ABOVE	150%			5.00%	0
BETWEEN	125%	and	150%	2.00%	3
BETWEEN	100%	and	125%	0.00%	1
BETWEEN	70%	and	100%	-3.00%	8
NEW MEMBERS LESS THAN 3 YEARS				-6.52%	0
BETWEEN	50%	and	70%	-6.00%	7
BETWEEN	30%	and	50%	-8.00%	4
BELOW			30%	-10.00%	4
RENEWING MEMBERS WITH LR BETWEEN 70% & 100%				-6.00%	5
RENEWING MEMBERS WITH LR BETWEEN 50% & 70%				-12.00%	5
RENEWING MEMBERS WITH LR BETWEEN 30% & 50%				-15.00%	1
RENEWING MEMBERS WITH LR < 30%				-20.00%	3
					41

Risk Management Consulting Fees are negotiated individually by each member and are added to the member's assessment after the above factors are applied.

The following pages present a history of past Assessment Allocation Strategies.

### **THE EARLY YEARS - EQUALIZATION**

During its early years, the JIF allocated assessments using a simple formula called "equalization". Under this scenario each member's renewal assessment rose by approximately the same amount as the JIF budget regardless of changes in their operations or their claims experience. Many pools use this approach during their formative years and the ACM JIF was no exception.

**EXPOSURES** - In comparing the JIF's membership data over time, however, it became apparent that some members' exposures were changing at a different rate than others. For example a growing municipality may have had to build a new municipal building while another member eliminated their entire police department. The result was that growing members received subsidies at the expense of the other members. This concept is more fully discussed on **pages 11 and 12**.

**EXPERIENCE** - A review of the members' claims histories also revealed the potential for inequities. One member, for example, may have incurred a relatively low ratio of claims compared to their budgeted assessment while others incurred higher claims ratios. Clearly, the "Equalization" strategy offered no inducement to control losses and, in fact, may have rewarded members with poor experience. This issue is more fully discussed below.

After several years of "Equalization" the Finance Committee realized that if this strategy continued, inequities would develop and the JIF could lose members. Unfortunately, the first to leave the JIF would be those members whose good experience was subsidizing the JIF.

### **1993 - COMBINED ALLOCATION STRATEGY**

In 1992, after reviewing all of the above facts, the Finance Committee recommended that an Assessment Allocation Strategy be adopted which incorporated both an Exposure Allocation and Experience Rating strategy taking all of the above factors into consideration. This strategy took effect with the 1993 Fund Year.

### **1997 -2010 EXPERIENCE BASED ALLOCATION STRATEGY**

In the Fall of 1996, the Finance Committee again examined the relationship between members' assessments and their claims experience. The Committee agreed that the Combined Allocation strategy did not place enough weight upon a members' claims history. The Committee therefore recommended that a more simplified assessment allocation method be adopted in which members' renewal

assessments are modified based upon their preceding three full year's claims experience. The Finance Committee recommended that the chart, which appears on **page 13**, be simplified and that members' overall three-year claims experience be used in lieu of individual lines of coverage. That is the strategy in effect today.

### **2006 – MODEL OPERATING EXPENSES**

In the Fall of 2005, the Finance Committee examined the way JIF Operating Expenses were allocated to the members. While the above "Experience Based Allocation Strategy" appeared equitable, it was recognized that members' share of JIF Operating Expenses should not be affected by their loss ratio. Therefore, in consultation with the Fund Administrator, The Finance Committee adopted an Assessment Allocation Strategy that applies the above "Experience Based Allocation Formula to **LOSS FUNDS ONLY** and proposes that a members' Operating Expenses be allocated more in line with their actual cost to the Fund. Therefore, those expenses that are directly attributable to a member (Direct Expenses) e.g. Optional Safety Budget, EPL Consulting Service, Loss Control Service, etc. will be charged to a member's assessment. Those expenses that cannot be directly attributable to a member (Indirect Expenses) such as Actuarial Fees, Claims Audit Fees, Financial Audit Fees, etc. shall be charged to a member's assessment in the same proportion that their Loss Fund Contributions, Property Values, or Payroll figures, whichever bases is most appropriate, bear to the entire JIF. Thus, if a member contributes 5% to the JIF Loss Fund budget, they will receive a 5% share of a specified JIF Indirect Operating Expense.

### **2011 – SIX-YEAR LOSS RATIO, REWARD / REVALUATION PROGRAM & RETRO ASSESSMENT PROGRAM**

In the Fall of 2010, the Finance Committee undertook an in depth analysis to determine whether the Three Year Average loss ratio was still a good indicator of a member's exposure to the Fund. The Fund Actuary reviewed the current process utilized to decide member loss funding assessments and rendered an opinion that even though the Three Year loss ratio was a good indicator of a member's overall performance the utilization of a longer time period, six or nine years, would be a more accurate indicator of a member's long term performance in the Fund. Based upon this analysis, the Finance Committee decided to utilize a six year average loss ratio when determining the Fund's Assessment Allocation Strategy and adjustments to member's assessments on an annual basis.

In conjunction with this change, the Finance Committee also decide to implement a program that allows the Fund to reduce a good performing member's loss funding budget if they have been a "net giver" to the Fund over the same six year period. Beginning with the 2011 Fund Year, the Finance Committee examined each member

during their Renewing Year to make sure that their assessment accurately reflects their exposure to the Fund. In cases where a good performing member is a net giver to the Fund over the preceding six year period (not inclusive of the current year), the Finance Committee will consider reducing the member's loss funding assessment to better reflect their exposure to the Fund. The Finance Committee recognizes that failure to provide financial relief to the good performing members will cause them to become over assessed and an attractive member to a competing Fund. The Fund recognizes that if good members leave the Fund a greater financial burden will be placed on the remaining members. This process continues to repeat itself until all the good members have left the Fund leaving the Fund with only poor performing members resulting in "adverse selection." This program allows for the Fund to remain competitive in the pricing of the good performing members.

Beginning in Fund Year 2011, the Finance Committee also opted to introduce a *Retrospective Assessment Program* that identifies those members that are the driving force behind the Loss Funding increases year to year and remove the risk they place on the Fund by capping these members in a min/max contract.

Each year the Fund performs an analysis of the each member's performance over the prior three and six year periods to determine those members that are having the greatest negative impact on the Fund's surplus position. Once these members are identified, the Fund Actuary re-prices these members as if they were stand-alone members in the Fund. The Fund can then reduce the amount of the Loss Funding Budget by the difference between the member's loss funding assessment and the Actuary's loss funding assessment or a percentage amount as determined by the Finance Committee. Each remaining member of the Fund is then slotted into their appropriate assessment increase/decrease category based upon their performance.

Those members in the *Retrospective Assessment Program* are then given an increase equal to the increase in the loss funding budget had they remained in the original loss funding formula. The difference between the Actuary's stand alone pricing, or a percentage amount as determined by the Committee, and the poor performer(s) pricing with the standard increase becomes the obligation of the poor performing member(s) should the funding be needed to offset losses incurred by this member. Members participating in the *Retrospective Assessment Program* are required to adopt a resolution and accompanying Policy Endorsement that outlines the member's minimum and maximum loss funding allocation under the program.

Those members in the *Retrospective Assessment Program* have their incurred losses evaluated at 18, 30, and 42 months after the inception of the Fund Year to determine if they are obligated to pay any of the additional loss funding between

the amount the originally contributed to the Fund and their maximum loss funding assessment as determined by the Finance Committee. Any additional loss funding due from a member enrolled in this program can be billed to the member at any time following the conclusion of the Fund Year. All additional loss funds due and owing under this program must be paid to the Fund at the time the Fund transfers the obligations of the Fund Year to the Residual Claims Fund or the member leaves the Fund.

The *Retrospective Assessment Program* benefits both the good and poor performing members of the Fund. Poor performing members benefit in that they are able to spread potentially large increases in loss funding over a number of years easing a potential burden on their local budget, providing them time to address claims and loss issues, and providing a financial incentive to improve their performance. Good performing members of the Fund also benefit in that they are no longer supplementing the poor performing members since the Actuary reduces the loss funding budget by the total amount between the minimum and maximum obligations of those members in the *Retrospective Assessment Program*. As a result, the assessment allocation strategy for the good performing members is lower than it would be if the poor performing members were included in the strategy. For those members that were selected for the *Retro Assessment Program* that elected not to participate, will be given a Loss Funding Increase significantly higher than what was proposed in the Assessment Strategy breakout before considering taking into consideration the *Retro Assessment Program*.

### **2017 – FIVE-YEAR LOSS RATIO**

In the Fall of 2016, the Finance Committee undertook an in depth analysis to determine whether the Six-Year Average loss ratio was still a good indicator of a member's exposure to the Fund. While the Fund Actuary believes the utilization of a longer time period, six or nine years, would be a more accurate indicator of a member's long term performance in the Fund, the competing Funds utilize three or five years. Based upon this analysis, the Finance Committee decided to utilize a five year average loss ratio when determining the Fund's Assessment Allocation Strategy and adjustments to member's assessments on an annual basis.

### **2012 – EXCESS PROPERTY PREMIUM ALLOCATION**

The Finance Committee undertook an in depth analysis of the allocation of Excess Property Premiums. Excess Property Premiums have been included in the JIF Loss Funding portion of the budget; so therefore, members receive a proportionate share of the Excess Property Premiums based on their proportionate share of the JIF Loss Funding Budget. During the analysis, significant variances arose when comparing the Excess Property Premiums to those determined by the MEL (rate

times exposure based). In preparation for the 2012 Budget, the Finance Committee opted to remove the Excess Property from the Loss Funding portion of the Budget and include it with the Excess Coverages. In doing so, the Finance Committee elected to transition from the proportionate share allocation to the MEL allocation by utilizing one fourth of the MEL Premium and allocating the remaining funds based on a proportionate share of Loss Funds (as done in years past). It will take four years to transition to the MEL's allocation process.

### **2013 – EXCESS PREMIUM ALLOCATION**

Beginning in 2013, the MEL implemented several changes to how excess premiums are calculated. Population is used by the MEL as the basis for the allocation of Liability premiums. Beginning in 2013, the MEL phased in changes in population from the 2000 census to the 2010 census data over a three year period (1/3 - 1/3 - 1/3). The ACM JIF members experienced an increase in population of 5.54% which will have an impact on member assessments. Also, beginning in 2013, the MEL began experience rating member JIFs based upon the JIF's performance over the prior five years at the MEL level. As the ACM JIF has had a negative impact on the MEL over the prior five years, the JIF will be impacted by an experience factor subject to review on an annual basis.

### **2016 – 2017 - EXCESS PREMIUM ALLOCATION**

Beginning in 2016, the MEL implemented a *Retrospective Program* on all JIFs in the MEL System in addition to continuing to experience rate JIFs based on the prior ten years' MEL experience for WC and Liability claims funding. As the ACM JIF has been a net taker to the MEL over the prior ten years, the JIF will see an experience rating increase in their WC and Liability claims funding (7.5% for 2016, 10% for 2017). Under the Retrospective Program, each JIF will be invoiced 85% of WC and Liability claims funding while being contractually bound to a value (100% to 125%) based on the prior ten years' MEL experience. Each JIF will be contractually bound to the *Retrospective Program* for the respective Fund Year for ten (10) years. As the ACM JIF has been a net taker to the MEL over the prior ten years, the maximum obligation under the *Retrospective Program* is 125%. The Finance Committee has opted to fund this line up to 125% of the maximum obligation and transfer any potential liability into a Residual Claims Fund account in the ACM JIF.

### **2013 – 2014 - EPL/POL PREMIUM ALLOCATION**

Due to the deteriorating performance in this line of coverage over the prior six years, the MEL, on behalf of its member JIF's, negotiated EPL/POL coverage with a private insurer. As part of this negotiation, the JIF secured a premium guarantee for Fund Years 2011 and 2012 based upon the 2010 member assessments.



In prior years, the MEL allocated member premiums strictly as a rate (police vs. non-police) multiplied by employee counts. However, members that were poor performers in this line of coverage were surcharged by the MEL. These surcharges carried through to the specific members during the 2011-2012 JIF Premium lock with the private insurer. For the 2013 Fund Year, in an effort to transition to a process that emphasized recent claims experience, the Finance Committee decided to allocate fifty percent (50%) of the JIF premium across the membership based on a rate (police vs. non-police) multiplied by employee counts and the remaining fifty percent (50%) allocated based on the member's six year loss experience. For the 2014 Fund Year, the Finance Committee allocated fifty percent (25%) of the JIF premium across the membership based on a rate (police vs. non-police) multiplied by employee counts and the remaining fifty percent (75%) allocated based on the member's six year loss experience. For the 2015 Fund Year, the Finance Committee fully transitioned to an allocation based on the member's six year loss experience.

In 2013, the private insurer offered a two year renewal (2013-2014) on a JIF by JIF basis allowing the JIF to allocate the premiums across the membership. The 2013 and 2014 JIF Premium was based on 75% of the prior year Premium, 12.5% on performance from the prior five years and 12.5% exposure growth in employee counts. All specific member surcharges were removed; however, the JIF is still responsible for the overall JIF premium inclusive of the surcharge amount. In an attempt to bring equity to the process by which member EPL/POL premiums are determined, the Finance Committee requested that the private insurer provide the Committee with rates for population, and employee counts along with other mediating factors that should be applied depending on population sizes, performance, etc. The Committee applied the formulas provided by the private insurer noting some significant changes in assessments from 2012 to 2013.

Finally, it should be noted that beginning in 2013 Volunteer, Directors and Officers Liability Coverage was added to the EPL/POL policy along with a Premium for Cyber Liability (a per Member fee).

### **2015 - EPL/POL PREMIUM ALLOCATION**

The Fund's overall 2015 EPL/POL Premiums were determined based upon the member's performance from January 1, 2011 through June 30, 2014. The basis by which the premium is allocated across the membership has been left up to the Fund; although the insurer must approve the allocation process. As noted above, the Committee has been phasing in a process in which the Member's EPL premiums will be determined based upon their performance. The 2015 Fund Year is the first year the Committee used the members' performance only to allocate EPL premium increases.



In developing the 2015 POL premiums, the Committee utilized the existing POL rate as previously established, applied a 10% rate increase and applied it to the member population as utilized by the MEL.

### **2016 – 2017 - EPL/POL PREMIUM ALLOCATION**

Following a 21% statewide increase in 2015, the private insurer sought a 15% rate increase for 2016. Based upon the proposed rate increase, a recent acquisition of the insurer by a larger insurance company, and the loss of key personnel involved in their pool business, the MEL decided to look at other coverage options for 2016.

In recognition of these factors, in the Fall of 2015, the MEL decided to place this coverage with QBE Insurance as the key personnel who implemented the pool program in 2011 are currently working for QBE. QBE has a contractual relationship with Texas Underwriters and utilize the same TPA, Summit Risk, which results in no changes for the JIF Members except the carrier.

The Fund's EPL/POL Premiums were determined based upon the JIF's performance from January 1, 2011 through June 30 of the preceding year. The basis by which the premium is allocated across the membership has been left up to the Fund; although the insurer must approve the allocation process. As noted above, the Committee allocates the Member's EPL premiums based upon their performance. It should be noted that the Fund's overall Assessment for EPL/POL coverage will increase in 2017 due to the JIF's continuing poor performance in this line of coverage.

In developing the POL premiums, the Committee utilized the existing POL rate as previously established and applied it to the member population as utilized by the MEL.

It is important to note that Volunteer's Directors and Officers coverage was also moved to QBE Insurance effective January 1, 2016 while the Cyber Liability Coverage remains with the current insurer.

### **EXPOSURE ALLOCATION STRATEGY**

An "exposure" unit is a measure of the magnitude of a loss exposure. For example property values are a measure of the risk of fire. The greater a member's property values, the greater the potential loss.

Appropriations, on the other hand, are traditionally viewed as the measure of liability risk for municipalities. The greater the appropriations, the more activities there are and the higher the likelihood of injury and thus the more likely a law suit to develop.

The exposure unit, therefore, serves as a yardstick to measure the cost of risk and can be easily measured and utilized used to allocate assessment contributions.

The JIF self-insures four areas of risk:

1. Property
2. Liability
3. Automobile
4. Workers' Compensation

Each of these areas of risk is easily measured through the use of exposure units.

### **PROPERTY**

The Finance Committee recommended that total insurable values be used to allocate property insurance costs. Neither the actuary nor the excess carriers differentiate between buildings, contents, equipment, etc. and we have seen no trend in our losses to weight any one item more heavily than the other. The following example describes how the formula actually works.

*Example: If the JIF members have a total of \$100,000,000 in insurable property values and member "A" has \$10,000,000 in insurable values then Member "A" will be allocated 10% of the property loss funds.*

### **LIABILITY**

In allocating liability costs, the Finance Committee elected to use appropriations. Both the actuary and other JIFs rate on this basis. Neither the actuary nor other JIFs charge for any special exposures such as Police, Fire, etc. Our review of liability claims supports this approach.

*Example: If the JIF members have total appropriations of \$100,000,000 and member "A" has appropriations of \$5,000,000 then member "A" will be allocated 5% of the liability loss funds.*

### **AUTOMOBILE**

In this area, vehicle counts were used. Again, neither the actuary nor the excess carriers differentiate between types of vehicles. Our instinct tells us that police cars should have a greater potential for loss, however, further analyses indicates that this affects the potential value of the loss not the frequency, and is therefore more of an issue for the excess carrier than it is for us.

*Example: If the JIF members own 500 vehicles and member "A" owns 25 vehicles then member "A" will be allocated 5% of the automobile loss funds.*

### **WORKERS' COMPENSATION**

Traditionally, workers' compensation payrolls have been separated into categories of employment with different rates for each; "police", "Clerical, etc. Our analyses and recommendation was to support this more traditional approach. The

Committee, therefore decided to accept the Workers' Compensation Rating bureau "relativities" and assign these weights to the workers' compensation assessment allocation formula.

*Example: If the "Manual" Workers' Compensation premium for the JIF as a whole is \$2,000,000 and member "A" has a "Manual" Workers' Compensation premium of \$200,000 then member "A" will be allocated 10% of the workers' compensation loss funds.*

### **EXPERIENCE RATING**

For any assessment allocation to be successful it must recognize the potential for some members to incur more claims than others relative to their assessments. Addressing this issue can eliminate the problems associated with the perception that the Fund is subsidizing some members' claims experience at the expense of others.

One method, studied by the Fund, is a simplified experience-rating program that does not impose harsh penalties on members but recognizes adverse claims experience over time. This is accomplished through the application of an experience adjustment factor. The experience adjustment factor is determined from a chart that lists the appropriate factor for a given loss ratio in each line of coverage offered by the JIF. The experience adjustment factor is applied to the member's assessment by line of coverage. The chart below illustrates this concept:

Line of Coverage	Assessment	Experience Factor	Modified Assessment
Property	\$ 2,500.00	.90	\$ 2,250.00
Liability	\$15,000.00	.95	\$14,250.00
Automobile	\$12,000.00	.94	\$11,280.00
Workers' Comp.	\$20,000.00	1.02	\$20,400.00
Total	\$49,500.00	N/A	\$48,180.00

Since it takes several years for claims to develop to their full potential, the Committee may decide to defer experience rating on members until they have been in the JIF for three full years.

### **OPERATING EXPENSE ALLOCATION**

The JIF's operating expenses are broken down into two categories:

- A. Allocated - These expenses can be directly attributed to a specific member's participation in the JIF. An example of this type of expense is the Safety Director who charges a fee based upon the size of the member.

- B. Unallocated - These expenses that cannot be directly attributable to a member (Indirect Expenses) shall be charged to a member's assessment in the same proportion that a member's individual exposure relates to the Fund total. Examples of exposure data that are used to distribute unallocated operating expenses across the membership include Loss Fund Contributions, Property Values, and Payroll figures, whichever basis is most appropriate. Thus, if a member has 5% of the total property values for the Fund, this member will pay 5% of the total property appraisal costs for that year.

Under this assessment strategy, the JIF charges allocated operating expenses directly to the members. Unallocated expenses are spread across the membership based upon the individual member's share of the exposure to the total for the Fund.

### **RISK MANAGEMENT CONSULTING FEES**

Risk Management Consulting Fees are negotiated individually by each member and are added to the members' assessment after all of the above factors and the Cap Strategy (described below) are applied.

### **CAP STRATEGY**

The Finance Committee realized that one of the major reasons member municipalities formed a JIF was to avoid the harsh cycles associated with the traditional insurance market. Without some type of capping mechanism in place, members' assessments could swing wildly from one year to the next. That is why a capping strategy was developed.

A capping strategy begins with a decision to set an upward percentage limit on the amount of any individual member's assessment increase. Naturally, the imposition of a cap on individual members' assessments will create some compression within the overall assessment allocation strategy. This must be addressed in order for the sum of the members' assessments to equal the budget figure for the JIF. In some cases this could mean that a member whose assessment formula results in a decrease could actually receive a modest increase in their assessment. The trade-off in this scenario is that all members know that they are being protected from large increases should their experience turn sour in a particular year.

**ATLANTIC COUNTY MUNICIPAL JOINT INSURANCE FUND  
RESOLUTION #2016-\_\_**

**RESOLUTION AUTHORIZING THE FUND TREASURER TO TRANSFER \$631,793 FROM THE  
FUND YEAR 2016 MEL LIABILITY & WORKERS' COMPENSATION BUDGET LINE ITEM TO  
THE MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND RETROSPECTIVE  
ACCOUNT**

**WHEREAS**, the Atlantic County Municipal Joint Insurance Fund (hereafter referred to as the FUND) has been organized pursuant to *N.J.S.A. 40A:10-36 et. seq.*; and

**WHEREAS**, the FUND is duly constituted as a Municipal Self Insurance Fund to provide insurance coverage to its member municipalities; and

**WHEREAS**, the FUND is a member of the Municipal Excess Liability Joint Insurance Fund (MEL JIF); and

**WHEREAS**, beginning with Fund Year 2016, the MEL JIF implemented a Retrospective Program in which the FUND is participating; and

**WHEREAS**, participation in the MEL JIF Retrospective Program requires the FUND to pay the NJ MEL 85% of the 2016 excess workers' compensation and liability loss funding and 100% of all excess premiums for workers compensation, liability and property coverage; and

**WHEREAS**, pursuant to the terms of the MEL JIF Retrospective Program, the FUND paid the MEL JIF \$3,593,731 (inclusive of EPL credits) in Fund Year 2016 which represents 85% of the FUND's obligation to the MEL JIF for excess workers' compensation and liability loss funding and all excess premiums for Fund Year 2016; and

**WHEREAS**, the FUND is obligated to pay the MEL JIF up to a maximum of \$4,225,523 in workers' compensation and liability loss funding and excess premiums should at any point over the next 10 years the MEL JIF pay more than the initial \$3,593,731 paid in Fund Year 2016 for claims occurring in Fund Year 2016; and

**WHEREAS**, the difference between what has been paid to the NJ MEL in Fund Year 2016 (\$3,593,731); and the FUND's potential obligation to the NJ MEL for Fund Year 2016 (\$4,225,523); represents the remaining 15% (\$631,793) of the FUND's 2016 excess loss funding for workers' compensation and liability claims; and

**WHEREAS**, in anticipation that the FUND might have to provide additional funding up to a maximum of \$631,793 to the MEL JIF to pay for losses in excess of the initial payments made to the MEL JIF in Fund Year 2016; on October 26, 2016, the FUND adopted Resolution 2016-40, creating the Municipal Excess Liability Joint Insurance Fund Retrospective Account; and

**WHEREAS**, since the FUND transfers its liabilities for open FUND claims inclusive of established reserves on those claims and IBNR to the Residual Claims Fund Joint Insurance Fund 42 months following the close of the Fund Year with the balance of cash being transferred to the FUND's Closed Years Account, the creation of the Municipal Excess Liability Joint Insurance Fund Retrospective Account to hold the potential additional funding due to the NJ MEL pursuant to the MEL JIF Retrospective Program will allow the FUND to set aside these funds should they need to be paid to the MEL JIF; and

**WHEREAS**, it is in the FUND's best interest to transfer \$631,793 from the Fund Year 2016 Budget into the Municipal Excess Liability Joint Insurance Fund Retrospective Account to guarantee that

these funds will be available to pay any obligations pursuant to the MEL JIF Retrospective Program, account for these funds on a member-by-member basis, and to insure for their proper accounting.

**NOW THEREFORE BE IT RESOLVED**, by the Commissioners of the Atlantic County Municipal Joint Insurance Fund that the FUND Treasurer is hereby authorized to transfer \$631,793 from the Fund Year 2016 MEL Workers' Compensation and Liability Budget line item to the Municipal Excess Liability Joint Insurance Fund Retrospective Account; and

**BE IT FURTHER RESOLVED**, that the FUND Treasurer is hereby directed to make this transfer prior to the end of the Fund Year 2016 fiscal year; and

**BE IT FURTHER RESOLVED**, the FUND Treasurer, FUND Auditor, and Administrative Consultant are hereby directed to account for these funds in accordance with accepted accounting practices for Joint Insurance Funds; and

**BE IT FURTHER RESOLVED** that a copy of this Resolution be provided to the Executive Director's office, the FUND Treasurer, FUND Auditor, and Administrative Consultant for their attention and action.

This Resolution was duly adopted by the Atlantic County Municipal Joint Insurance Fund at a public meeting held on December 21, 2016.

**ATLANTIC COUNTY MUNICIPAL JOINT INSURANCE FUND**

Attest: \_\_\_\_\_  
Lucy Samuelson, Secretary

By: \_\_\_\_\_  
Teri Smuz, Chairperson

Date: \_\_\_\_\_

## **ATLANTIC COUNTY MUNICIPAL JOINT INSURANCE FUND WELLNESS DIRECTOR'S REPORT**

Prepared For: Municipal Fund Commissioners, Safety Coordinators, and Risk Managers

Prepared By: Valerie Smith MS, Wellness Director

Contact Information: [acmjifwellness@gmail.com](mailto:acmjifwellness@gmail.com) 609-251-7811

### **Wellness Activities for 2017**

- To plan for wellness in 2017, a great starting point would be to determine the amount your municipality has in their wellness money is available
- Designate an employee to serve as wellness coordinator and form a committee to help. This can be as small as 2 employees
- Schedule an appointment to meet with wellness director to discuss wellness ideas
- Plan the entire year in advance. Consider incorporating wellness activities on a quarterly basis
- If you have already planned events, please share, your ideas are helpful for everyone
- Quarterly events do not have to cost, or involve having a speaker presentation.
- Consider choosing a health topic for each quarter, and an event can be planned around that topic.
- Suggested quarterly topics include:
  - Heart Health Awareness (BP, Cholesterol)
  - Sleep Awareness
  - Diabetes Awareness
  - Smoking Cessation
  - Stroke Awareness
  - Nutrition
  - Stress Management
  - Exercise
  - Allergy
  - Healthy Aging
  - Women's Health
  - Men's Health
  - Biometrics
  - Shift work stress
  - Health screenings

### **December notes:**

- The December issue of "In Good Health" newsletter is available on the website. The topic for this month is Health Myths vs. Facts. There are many misconceptions concerning diet, weight loss etc. The Move It for this month activity is to get out your pedometer and start working toward accumulating 10,000 steps each day.



To: Fund Commissioners

From: Paul J. Miola, CPCU, ARM, Executive Director

Date: December 20, 2016

**Re: Executive Director's Report**

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**A. Lost Time Accident Frequency Report (pgs. 62-63)**

The October 2016 Lost Time Accident Frequency Summary and the Statewide Recap for October 2016 is enclosed for your review.

**B. Certificates of Insurance (pgs. 64-65)**

Summaries of the Certificates of Insurance issued during November 2016 are attached for your review.

**C. 2015 Safety Incentive Program Awards (pg. 66)**

A letter from our office describing how to collect your 2015 Safety Incentive Awards money was e-mailed on or about February 9, 2016. On or about December 8, 2016 reminder letters showing any available balances were emailed out to all Fund Commissioners, Safety Coordinators and RMC's. A report detailing the available balances for each member is attached for your review. **Please note that the deadline to claim or encumber these funds is December 31, 2016. All encumbered funds have to be claimed by February 1, 2017.**

**D. 2016 Optional Safety Budget (pg. 67)**

A reporting detailing the available balance for each member participating in the 2016 Optional Safety Budget is attached for your review. Instructions on claiming these funds were e-mailed to participating members on or about February 2, 2016. On or about December 8, 2016 reminder letters showing any available balances were emailed out to all Fund Commissioners, Safety Coordinators and RMC's. A report detailing the available balances for each member is attached for your review. If you have any questions on how to collect your 2016 Optional Safety Budget allowance, please contact our office. **Please note that the deadline for claiming or encumbering these funds is December 31, 2016. All encumbered funds must be claimed by February 1, 2017.**

**E. 2016 Wellness Incentive Program Allowance (pg. 68)**

A report detailing the available balance for each member for the 2016 Wellness Incentive Program is attached for your review. Instructions on claiming these funds were e-mailed to all members on or about January 20, 2016. On or about December 8, 2016 reminder letters showing any available balances were emailed out to all Fund Commissioners, Safety Coordinators and RMC's. If you have any questions on how to utilize your 2016 Wellness Incentive Program funding, please contact Valerie Smith, Wellness Director, or our office.



**Please note that the deadline for claiming or encumbering these funds is December 31, 2016. All encumbered funds must be claimed by February 1, 2017.**

**F. Employment Practices Liability Coverage – (pgs. 69-70)**

A compliance status report regarding the Employment Practices Liability Coverage is attached for your review. Each member should review this report carefully to insure its accuracy. If you believe the report to be inaccurate regarding your town, please contact PERMA directly. This month, also attached is the compliance status report for 2017/2018.

**G. EPL Allowance (pg. 71)**

The JIF has provided each member with \$725 of funding that can be used by each member for employment practices related expenses. These expenses include employment related training that the member would like to arrange for its personnel. Additional employee training can be effective mechanisms for members looking to manage their employment liability risks. If you need additional information regarding this program, please contact our office.

**H. EPL Helpline – Authorized Contact List (pgs. 72-73)**

With the placement of the member's EPL/POL coverage in the commercial insurance market, the insurance company QBE has implemented an EPL Helpline for the member's use. There is no restriction on the number of calls or amount of time that members can contact this service. Members can appoint two representatives to use this service. Appointments must be made by Resolution of the Governing Body. **Please note that Municipal Solicitors can not be appointed as Helpline Contacts.** Enclosed, please find the most recent list of authorized contacts for the EPL Helpline. These are the only representatives authorized to access this service. Please contact the Executive Director's Office with any questions.

**I. Financial Fast Track Report (pg. 74)**

The Financial Fast Track Report as of October 31, 2016 is attached for your review. The report is generated by PERMA and provides a "snapshot" of the JIF's financial status. The JIF's surplus position as of October 31, 2016 was **\$28,980,196**.

**J. Regulatory Filing Checklists (pgs. 75-76)**

Enclosed please find two regulatory filing checklists that we provide each month as part of our due diligence reporting on behalf of the JIF. These checklists provide an outline of required reporting to the Departments of Banking and Insurance and Community Affairs on an annual and a monthly basis, and the status of the items listed.

**K. Monthly Activity Calendar (pgs. 77-78)**

Attached for your review is the monthly activity calendar for the months of December/January.

**L. Skateboard Park Approval Status (pg. 79)**

Enclosed, please find a spreadsheet depicting the current status of all approved skateboard parks or those currently under construction by a member municipality. The MEL has established a process, outlined in MEL Coverage Bulletin **16-09**, that must be followed by all members who wish to construct a skateboard park and have the Atlantic JIF and MEL provide said facility with coverage. Any member with a park currently under construction or in the review process should review the enclosed spreadsheet to be sure that it accurately depicts the current status of your facility. All members considering construction of a skateboard park should contact the Executive Director's office prior to moving forward.

**M. Capehart & Scatchard Updates (pgs. 80-87)**

John Geaney, Esq. of the law firm of Capehart & Scatchard periodically provides updates on court cases dealing with workers' compensation, ADA and FMLA issues. Copies of his latest updates are included for your information.

**N. Statutory Bond Status (pg. 88)**

Attached for your review is the latest listing of Statutory Bonds issued by the MEL for JIF members. This list should be reviewed for accuracy. Any questions on the status of an application or a listed bond should be directed to Cate Kiernan at PERMA. Cate can be reached at 201-518-7031.

**O. Website ([WWW.ACMJIF.ORG](http://WWW.ACMJIF.ORG))**

The JIF has a website that contains useful information for our members:

- Directories
  - Fund Commissioners
  - Claims and Safety Contacts
  - Fund Professionals
- Coverage
  - Bulletins
  - Certificates of Insurance/ID Card Requests
  - Sample Indemnification Language
- Safety
  - Bulletins
  - Training Links

And much, much more. Why not take a moment and explore our website!

**P. Elected Officials - Invite (pgs. 89-90)**

Again, this year, the Fund will be sponsoring Elected Officials training. The MEL will reduce each member's 2017 Workers Compensation loss funding premium by \$250 for each municipal elected official who attends one of the training sessions by March 31, 2017. This credit will also be extended to the member's CEO (i.e. Municipal Manager or Administrator) this year. The total credit is limited to 25% of a member's Workers Compensation funding premium. A Save the Date was emailed out to all Clerks, Fund Commissioners, and RMC's on or about September 9, 2016. Invitations/RSVP's for the sessions were e-mailed to all Municipal Clerks and Fund Commissioners on or about November 1, 2016. The sign-in sheets from December 7, 2016 are posted on the JIF website. The remaining trainings have been scheduled on the following dates:

January 31, 2017 - Nicolosi's Catering, West Deptford  
February 16, 2017 - Merighi's Savoy Inn, Vineland  
March 29, 2017 - O'Connor's American Bar & Grille, Eastampton

**Q. 2016 Dividend Distribution Notice**

On or about November 9, 2016 each member eligible to receive a portion of this year's dividend distribution should have received a notice via email from our office. Members were asked to complete the necessary paperwork directing how they would like to receive their portion of the dividend and return it to the Executive Director's office no later than December 16, 2016. Any questions should be directed to Tracy Forlenza at 856-446-9143.

**R. RMC Resolutions & Agreements**

On or about December 2, 2016 a memo and sample copies of the JIF RMC Resolution and Agreement for the 2017 Fund Year were e-mailed to all Risk Management Consultants. If an RMC represents more than one municipality, we request that the form be copied and one set executed for each municipality represented. Once our office receives this documentation, payment can be issued for the 2017 fees at the February 2017 meeting of the JIF. Please note that RMC payments cannot be processed until this documentation is received. Also all RMC's are required to execute a Confidentiality Agreement with the JIF and forward it to the Executive Director's office. Each RMC is asked to execute one copy of the Confidentiality Agreement for each member of their staff that might attend the JIF Executive Committee. If you have any questions in this regard, please contact Tracy Forlenza at 856-446-9143.

**S. Risk Management Consultant - Model RFQ**

On November 9, 2016, an email containing a Model RMC RFQ was sent to all Fund Commissioners and Municipal Clerks. Also included was a memo explaining the benefits of using the Model RFQ. It is recommended that should a member solicit for RMC services for 2017, that they utilize the RFQ rather than an RFP. The RFQ format focuses the solicitation process on services to be provided while allowing the member to determine the cost they are willing to pay for the services provided. The Model RFQ can also be found on the JIF website [www.acmjif.org](http://www.acmjif.org) under Appointment Documents. If you have any questions, please contact Tracy Forlenza at 856-446-9143.

**T. Inclement Weather Policy**

Please note that the Fund has adopted an Inclement Weather Policy, a copy of which is available on the JIF website [www.acmjif.org](http://www.acmjif.org). Should it become necessary to cancel a meeting, pursuant to the policy, the Executive Director's office will attempt to contact the Fund Commissioners via e-mail, direct telephone contact or posting a message to the Fund's website ([www.acmjif.org](http://www.acmjif.org)). In addition, members can also call 856-446-9148 for a pre-recorded message announcing the cancellation of a meeting.

**U. 2016 Annual Reports**

A copy of the 2016 Atlantic County Municipal Joint Insurance Fund Annual Report was presented to each Fund Commissioner at this afternoon's meeting. The Annual Report is also being posted to the JIF website where it can be downloaded and printed. Members are encouraged to review the report with their governing bodies. If you would like extra copies, please contact Kris Kristie at 856-446-9146 or [Kristi\\_kristie@ajg.com](mailto:Kristi_kristie@ajg.com).

**V. 2017 Committee Volunteers (pgs. 91-94)**

On December 2, 2016, *Committee Volunteer Request Forms* were e-mailed to all Fund Commissioners and Risk Management Consultants. All those who received the form were asked to reply by December 16, 2016. The 2017 Committee Chairs will be meeting in early January to determine the membership of the Standing Committees. Please be sure to return this form as soon as possible. If you have any questions, please contact Kris Kristie at 856-446-9136.

**W. New Member Activity**

There is no new member activity at this time.

**Atlantic County Municipal Joint Insurance Fund**

**2015 SIP Qualifiers Award**

Member	Opening	January	February	March	April	May	June	July	August	September	October	November	December	Paid in	Total YTD	Ending	Encumbered
Municipality	Balance	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2017	Expenses	Balance	Funds
Absecon	1,900.00														0.00	1,900.00	
Avalon	2,150.00														0.00	2,150.00	
Brigantine	2,400.00				2,400.00										2,400.00	0.00	
Buena	1,900.00														0.00	1,900.00	
Cape May	2,400.00														0.00	2,400.00	
Cape May Point	1,650.00			1,650.00											1,650.00	0.00	
Commercial	1,650.00														0.00	1,650.00	
Corbin City	1,650.00				400.00	75.00			460.00		715.00				1,650.00	0.00	
Deerfield	1,650.00														0.00	1,650.00	
Dennis	1,900.00											1,900.00			1,900.00	0.00	
Downe	1,650.00														0.00	1,650.00	
Egg Harbor Twp.	2,650.00												2,504.99		2,504.99	145.01	
Estell Manor	1,650.00				1,650.00										1,650.00	0.00	
Folsom	1,650.00			1,650.00											1,650.00	0.00	
Galloway	2,400.00														0.00	2,400.00	
Hamilton	2,400.00			2,400.00											2,400.00	0.00	
Linwood	2,150.00												2,072.60		2,072.60	77.40	
Longport	1,900.00											1,151.81			1,151.81	748.19	
Lower	2,400.00										2,304.40		95.00		2,399.40	0.60	
Margate	2,400.00								2,400.00						2,400.00	0.00	
Middle	2,400.00														0.00	2,400.00	
Millville	2,650.00												2,614.00		2,614.00	36.00	
Mullica	1,900.00			1,900.00											1,900.00	0.00	
Newfield	1,650.00														0.00	1,650.00	
North Wildwood	2,400.00														0.00	2,400.00	
Northfield	2,150.00				2,150.00										2,150.00	0.00	
Ocean City	2,650.00										2,650.00				2,650.00	0.00	
Pleasantville	2,650.00									787.24		767.15	486.00		2,040.39	609.61	
Sea Isle City	2,400.00									548.97					548.97	1,851.03	11/21/16
Somers Point	2,150.00				2,150.00										2,150.00	0.00	
Stone Harbor	2,150.00								2,150.00						2,150.00	0.00	
Upper Twp.	2,150.00							1,888.17				85.39			1,973.56	176.44	
Upper Deerfield	1,900.00			1,900.00											1,900.00	0.00	
Ventnor	2,400.00														0.00	2,400.00	
Waterford	2,150.00											1,241.39	908.61		2,150.00	0.00	
West Cape May	1,650.00														0.00	1,650.00	
West Wildwood	1,650.00														0.00	1,650.00	
Weymouth	1,650.00														0.00	1,650.00	
Wildwood	2,650.00			2,650.00											2,650.00	0.00	
Wildwood Crest	2,150.00			2,150.00											2,150.00	0.00	12/01/16
Woodbine	1,650.00											1,650.00			1,650.00	0.00	
Total By Line	\$85,650.00	0.00	0.00	14,300.00	8,750.00	75.00	0.00	1,888.17	5,010.00	1,336.21	5,669.40	6,795.74	8,681.20	0.00	52,505.72	33,144.28	

**Must be Claimed or Encumbered by December 31, 2016. All Encumbered Funds Must be Claimed by February 1, 2017**

Atlantic County Municipal Joint Insurance Fund																	
2016 Optional Safety Budget																	
Member	Opening	January	February	March	April	May	June	July	August	September	October	November	December	Paid	Total YTD	Ending	Encumb.
Municipality	Balance	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2017	Expenses	Balance	Funds
Absecon City																	
Avalon Borough	\$1,500.00														\$0.00	\$1,500.00	
Brigantine City	\$2,000.00											\$2,000.00			\$2,000.00	\$0.00	
Buena Borough																	
Cape May City	\$2,000.00									\$1,573.29					\$1,573.29	\$426.71	
Cape May Point																	
Commercial Township																	
Corbin City																	
Deerfield Township	\$1,000.00														\$0.00	\$1,000.00	
Dennis Township	\$1,250.00											\$1,250.00			\$1,250.00	\$0.00	
Downe Township																	
Egg Harbor Township																	
Estell Manor City																	
Folsom Borough																	
Galloway Township																	
Hamilton Township	\$2,000.00														\$0.00	\$2,000.00	
Linwood	\$1,500.00												\$1,500.00		\$1,500.00	\$0.00	
Longport Borough																	
Lower Township	\$2,000.00												\$947.80		\$947.80	\$1,052.20	
Margate City																	
Middle Township																	
Millville City																	
Mullica Township																	
Newfield Borough	\$1,000.00														\$0.00	\$1,000.00	
North Wildwood City																	
Northfield City	\$1,500.00				\$795.00			\$291.23					\$413.00		\$1,499.23	\$0.77	
Ocean City	\$2,500.00										\$2,149.22		\$350.78		\$2,500.00	\$0.00	
Pleasantville City	\$2,500.00														\$0.00	\$2,500.00	
Sea Isle City	\$2,000.00			\$1,112.25					\$301.30	\$586.45					\$2,000.00	\$0.00	
Somers Point City																	
Stone Harbor	\$1,500.00								\$1,500.00						\$1,500.00	\$0.00	
Upper Deerfield Township																	
Upper Township																	
Ventnor City																	
Waterford Township	\$1,500.00											\$1,500.00			\$1,500.00	\$0.00	
West Cape May	\$1,000.00														\$0.00	\$1,000.00	
West Wildwood																	
Weymouth Township	\$1,000.00														\$0.00	\$1,000.00	
Wildwood City	\$2,500.00								\$1,000.00		\$584.40	\$587.64			\$2,172.04	\$327.96	
Wildwood Crest Borough																	
Woodbine Borough																	
Total By Line	\$30,250.00	\$0.00	\$0.00	\$1,112.25	\$795.00	\$0.00	\$0.00	\$291.23	\$2,801.30	\$2,159.74	\$2,733.62	\$5,337.64	\$3,211.58	\$0.00	\$18,442.36	\$11,807.64	
Must be Claimed of Encumbered by December 31, 2016. All Encumbered Funds Must be Claimed by February 1, 2017																	

**Atlantic County Municipal Joint Insurance Fund  
2016 WELLNESS INCENTIVE PROGRAM ALLOWANCE**

Member Municipality	Opening Balance	January 2016	February 2016	March 2016	April 2016	May 2016	June 2016	July 2016	August 2016	Sept. 2016	October 2016	November 2016	December 2016	Total YTD Expenses	Encumbered	Paid in 2017	Ending Balance
Absecon	800.00													0.00			\$800.00
Avalon	1,000.00													0.00			\$1,000.00
Brigantine	1,500.00									229.48			904.99	1,134.47			\$365.53
Buena	600.00													0.00			\$600.00
Cape May City	1,000.00													0.00			\$1,000.00
Cape May Point	275.00													0.00			\$275.00
Commercial	275.00													0.00			\$275.00
Corbin City	275.00							240.27						240.27			\$34.73
Deerfield	275.00							233.50						233.50			\$41.50
Dennis	600.00											600.00		600.00			\$0.00
Downe Township	275.00													0.00			\$275.00
Egg Harbor Twp.	1,500.00												1,500.00	1,500.00			\$0.00
Estell Manor	275.00													0.00			\$275.00
Folsom	275.00					219.34								219.34			\$55.66
Galloway	1,000.00													0.00			\$1,000.00
Hamilton	1,000.00													0.00			\$1,000.00
Linwood	800.00												367.65	367.65			\$432.35
Longport	800.00												800.00	800.00			\$0.00
Lower	1,000.00										1,000.00			1,000.00			\$0.00
Margate	1,500.00					180.00						1,320.00		1,500.00			\$0.00
Middle	1,000.00					258.68			904.98					1,163.66			-\$163.66
Millville	1,500.00													0.00			\$1,500.00
Mullica	600.00													0.00			\$600.00
Newfield	275.00													0.00			\$275.00
North Wildwood	1,000.00				175.75	56.39	57.05	107.77	109.65	96.84	72.79	76.93	60.97	814.14			\$185.86
Northfield	800.00												340.78	340.78			\$459.22
Ocean City	1,500.00										1,500.00			1,500.00			\$0.00
Pleasantville	1,500.00									383.81		518.81	498.93	1,401.55			\$98.45
Sea Isle City	1,000.00													0.00	11/21/16		\$1,000.00
Somers Point	1,000.00													0.00			\$1,000.00
Stone Harbor	1,000.00							1,000.00						1,000.00			\$0.00
Upper Deerfield	600.00													0.00			\$600.00
Upper Twp.	800.00											800.00		800.00			\$0.00
Ventnor	1,500.00													0.00			\$1,500.00
Waterford	800.00												800.00	800.00			\$0.00
West Cape May	275.00													0.00			\$275.00
West Wildwood	275.00	22.07		26.83	30.61		38.50			56.49		79.53		254.03			\$20.97
Weymouth	275.00													0.00			\$275.00
Wildwood	1,500.00											1,500.00		1,500.00			\$0.00
Wildwood Crest	1,000.00													0.00			\$1,000.00
Woodbine	275.00													0.00			\$275.00
Total By Line	\$33,500.00	\$22.07	\$0.00	\$26.83	\$206.36	\$714.41	\$95.55	\$1,581.54	\$1,014.63	\$766.62	\$2,572.79	\$10,168.59	\$5,273.32	\$17,169.39		\$0.00	\$16,330.61

**Must be used by December 31, 2016**



South Jersey Communities Securing Their Future  
P. O. Box 530, Marlton, New Jersey 08053

To: Municipal Clerks  
Fund Commissioners

From: Kris Kristie, Sr. Account Representative

Date: November 1, 2016

Re: Elected Officials Seminar

\*\*\*\*\*

It is time once again to extend an invitation to the JIF Elected Officials for this year's training program. This year's program will focus on public official's liability; specifically, land use matters, as well as employment practices liability and ethics. The goal of this training is to make our Elected Officials aware of the potential impact of their actions on their municipality, and potential personal exposure, while acting in official capacity.

As in the past, the New Jersey Municipal Excess Liability Joint Insurance Fund (MEL) will reduce each member's 2017 MEL Loss Funding by \$250 for each municipal Elected Official who completes the course by May 1, 2017. This credit is also extended to the member's CEO (i.e. municipal manager/administrator). The maximum credit for each member is 25% of the member's 2017 MEL workers' compensation loss funding assessment.

The schedule of local Elected Official's training seminars is listed below. You are welcome to attend any of the sessions listed. To register, please complete the attached form and return it to Sheila Ortiz at our office.

Locally, the dates & location of this training is as follows:

**Registration for all seminars is 5:30 PM – 6:00 PM. Seminars are from 6:00pm – 8:00 pm**

**Wednesday, December 7, 2016 – Merighi's Savoy Inn, Vineland**

**Tuesday, January 31, 2017 – Nicolosi's Caterers, West Deptford**

**Thursday, February 16, 2017 – Merighi's Savoy Inn, Vineland**

**Wednesday, March 29, 2017 – O'Connor's, Eastampton**

Please feel free to contact my office if you have any questions.

cc: Risk Management Consultants

**PLEASE RESPOND NO LATER THAN 2 WEEKS PRIOR TO ANY TRAINING DATE!**

**ELECTED OFFICIALS RISK MANAGEMENT SEMINAR**

**REGISTRATION FORM**

Please Print

Course Date/Location: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Municipality: \_\_\_\_\_

Contact: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Fax: \_\_\_\_\_

E-Mail: \_\_\_\_\_

**Forward the completed form to:**

**Ms. Sheila Ortiz**

Arthur J. Gallagher Risk Management Services

PO Box 530

Marlton, NJ 08053

**E-Mail:** Sheila\_Ortiz@ajg.com

**Fax:** (856) 446-9149





TO: Fund Commissioners  
FROM: Kris Kristie, Senior Account Representative  
DATE: December 2, 2016  
**RE: 2017 Committee Volunteers**

\*\*\*\*\*

Each year, the Fund Chair appoints Sub-Committees whose purpose is to address various policy issues affecting the JIF. In order to assist the Chair in this process please indicate your preference for committee assignment for Fund Year 2017.

Choices are as follows:

**Coverage Committee** - The Coverage Committee meets on an as needed basis to review coverage issues as they pertain to the Fund.

**EPL Committee** – This Committee meets on a quarterly basis to review the Employment Practices Liability (EPL) members' EPL claims, attempts to identify loss trends within specific members and general membership, and recommends programs to eliminate these losses. The Committee also oversees the implementation of the EPL Probation Program, in addition to addressing Cyber Liability issues.

**Finance Committee** - The Finance Committee meets approximately four times per year to review the Fund Audit and service provider fees. The Committee also drafts the Fund's budget, assessment allocation strategy, and dividend strategy for consideration by the Executive Committee.

**Safety Committee** - The Safety Committee meets approximately four times per year to review the progress of the Safety Director's efforts, monitors the effectiveness of the JIF's safety programs, initiates new safety programs, and recommends safety policies to the Fund.

**Strategic Planning Committee** - The Strategic Planning Committee meets approximately three times per year and works closely with the Executive Director, the Fund Commissioners, and any other professionals regarding long range strategies which should be pursued in order to ensure the integrity, growth, and viability of the Joint Insurance Fund. The Committee plans the annual JIF Retreat, monitors completion of follow-up items, and advises the Executive Committee regarding long-term strategies and planning considerations.

**Claims Review Committee** - The Claims Review Committee meets monthly to review all Payment Authorization Requests (PARs) and claims defense strategies and advises the Executive Committee regarding claims administration and payments. The Committee serves as the focal point for discussions regarding the Claims Administrator and the Fund Attorney. The Committee reviews the progress of the Claims Administrator's efforts, monitors the effectiveness of the JIF claims and litigation management programs, and recommends new claims programs to the Fund.

Please complete the attached response form and return it to the Fund office by **December 16, 2016**.

cc: Risk Management Distribution (PM, PF, SO,)  
File: ACM/General/Committee Membership Tab: 2017



## Committee Participation 2017 Fund Year

Please indicate which committee(s) you would like to serve on for the 2017 Fund Year. Please indicate your first choice with a “1”, second choice with a “2”, etc.

Name: \_\_\_\_\_

Municipality: \_\_\_\_\_

COMMITTEES	CHOICE
Coverage	
EPL Committee	
Finance	
Safety	
Strategic Planning	
Claims Review	

Are you willing to serve on more than one committee? \_\_\_\_\_ Yes \_\_\_\_\_ No

**Please return this form by December 16, 2016 to:**

Kris Kristie  
Senior Account Representative  
ACM JIF  
PO Box 488  
Marlton, NJ 08053  
Fax: 856-446-9149  
e-mail: kristi\_kristie@ajg.com



TO: Risk Management Consultants  
FROM: Kris Kristie, Senior Account Representative  
DATE: December 2, 2016  
**RE: 2017 Committee Volunteers**

\*\*\*\*\*

Each year, the Fund Chair appoints Sub-Committees whose purpose is to address various policy issues affecting the JIF. All Risk Management Consultants are welcome to participate on the Committees listed below. In order to assist the Chair in this process please indicate your preference for committee assignment for Fund Year 2017.

Choices are as follows:

**Coverage Committee** - The Coverage Committee meets on an as needed basis to review coverage issues as they pertain to the Fund.

**Safety Committee** - The Safety Committee meets approximately four times per year to review the progress of the Safety Director's efforts, monitors the effectiveness of the JIF's safety programs, initiates new safety programs, and recommends safety policies to the Fund.

**Claims Review Committee** - The Claims Review Committee meets monthly to review all Payment Authorization Requests (PARs) and claims defense strategies and advises the Executive Committee regarding claims administration and payments. The Committee serves as the focal point for discussions regarding the Claims Administrator and the Fund Attorney. The Committee reviews the progress of the Claims Administrator's efforts, monitors the effectiveness of the JIF claims and litigation management programs, and recommends new claims programs to the Fund.

Please complete the attached response form and return it to the Fund office by **December 16, 2016**.

cc: Risk Management Distribution (PM, PF, SO)  
File: ACM/General/Committee Membership Tab: 2017



## Committee Participation 2017 Fund Year

Please indicate which committee(s) you would like to serve on for the 2017 Fund Year. Please indicate your first choice with a “1”, second choice with a “2”, etc.

Name: \_\_\_\_\_

Organization: \_\_\_\_\_

COMMITTEES	CHOICE
Coverage	
Safety	
Claims Review	

Are you willing to serve on more than one committee?    ☐ Yes    ☐ No

**Please return this form by December 16, 2016 to:**

Kris Kristie  
Senior Account Representative  
ACM JIF  
PO Box 488  
Marlton, NJ 08053  
Fax: 856-446-9149  
e-mail: kristi\_kristie@ajg.com



## **Municipal Excess Liability Joint Insurance Fund**

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

**Date:** November 16, 2016

**To:** Atlantic County Municipal Joint Insurance Fund

**From:** Commissioner Hirsch

**Subject:** MEL November Report

**2017 Rate Table & Budget:** The Board of Commissioners adopted 2017 rate table based on those rates against 2017 membership underwriting data. Budget totals \$44,180,845/.

**2017 Insurance and Excess Insurance Renewals:** Underwriting Manager submitted a memorandum outlining the status of renewal negotiations.

Board authorized the Reinsurance Committee to review further and enter into the required agreements for 2017 excess liability, optional excess liability, optional public officials/employment practices liability, excess property and boiler & machinery, excess workers' compensation and non-owned aircraft liability. Reinsurance Committee is MEL Chair & Secretary MEL and Local JIF Executive Directors, Producer, Underwriting Manager, Actuary and Attorney.

**Financial Fast Track:** Enclosed is the Financial Fast Track as of September 30, 2016 reflecting a total statutory surplus of \$18.6 million.

**Marketing RFQ:** An Ad-hoc Committee interviewed the firms that responded to the MEL's RFQ for Marketing Consultant. Committee recommended the formation of a Marketing Committee and recommended awarding contracts to Princeton Strategic Communications and Acrisure.

**POLEPL Task Force:** A task force was formed to address issues arising out of the POLEPL policy language on land use claims earlier in the year. Task Force met several times along with representatives from QBE, including their coverage counsel. Heather Steinmiller (General Counsel for CSB) worked with the MEL's Fund Attorney and QBE's Coverage Counsel to draft policy language to address land use claims. Additionally, the MEL Fund Attorney is developing a risk management program, which will include educational seminars targeting elected officials, planning & zoning board members and attorneys. QBE's recommendation was presented to the Task Force on November 10<sup>th</sup> and to the Board of Commissioners on November 16<sup>th</sup>. Coverage Bulletin is being drafted for presentation affiliated local Joint Insurance Funds.

**Super Storm Sandy update:** MEL Fund Attorney reported that a meeting was held last week with FEMA Representatives to ensure that all information regarding Sandy related claims was relayed to their office so that members can now submit the appropriate filings to FEMA.

**Safety and Education Committee:** The Safety and Education Committee is scheduled to meet on December 5, 2016.

**Legislative Committee:** The Legislative Committee met at 11:00 am in the Sheraton; Committee Chairman Hirsch provided a verbal report.

**MEL Investment Committee:** The committee met on October 19<sup>th</sup>; minutes of the meeting were distributed for information.

**RCF Report:** The RCF met on October 19, 2016 to adopt the amended 2016 budget and 2017 budget. Commissioner Cottman submitted a report on the meeting.

**Claims Committee:** The Claims Committee is scheduled to meet on November 30, 2016 via teleconference. Minutes of the October 19, 2016 meeting are enclosed under separate cover.

**Next Meeting:** The next meeting of the MEL is the 2016 Reorganization meeting scheduled for Wednesday January 4, 2017 11:15AM at the Forsgate CC, Jamesburg, NJ.

	MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND				
	2017 BUDGET FOR ASSESSMENT CALCULATION				
	ADOPTED BUDGET				
		A	B	B-A	B-A
		BUDGET	0 BUDGET		
	APPROPRIATIONS	2016 ANNUALIZED	2017 PROPOSED	\$	%
	I. CLAIMS AND EXCESS INSURANCE PREMIUMS			CHANGE	CHANGE
	CLAIMS				
	Excess Liability:				
1	JIF to 500K	2,938,031	2,903,287	(34,744)	-1.18%
2	1.25MIL Ex 500K	3,759,575	3,696,853	(62,722)	-1.67%
3	Excess WC	8,654,083	8,210,023	(444,060)	-5.13%
4	Excess Property 200K Ex 50K	2,657,699	2,955,297	297,599	11.20%
5	Aggregate Excess LFC	27,788	28,508	720	2.59%
6	JIF Faithful Performance Bond	207,228	209,023	1,795	0.87%
7	Statutory Bonds	286,250	288,000	1,750	0.61%
8	Sub Total	18,530,654	18,290,991	(239,663)	-1.29%
9	PREMIUMS				
10	3.25MIL ex 1.75 MIL	5,181,373	5,274,627	93,254	1.80%
11	Optional Excess Liability	1,835,063	1,833,676	(1,387)	-0.08%
12	Optional Excess POL/EPL	906,857	911,933	5,076	0.56%
13	Excess WC	2,819,189	2,808,038	(11,151)	-0.40%
14	Excess Property	8,035,852	8,615,830	579,978	7.22%
15	Boiler and Machinery	700,857	721,739	20,882	2.98%
16	Loss Fund Contingency	473,498	478,998	5,500	1.16%
17	Sub Total	19,952,688	20,644,840	692,152	3.47%
18	Total Claims & Premiums	38,483,341	38,935,831	452,490	1.18%
19					
20	II. EXPENSES				
21	Claims Adjustment	990,422	1,010,231	19,808	2.00%
22	Property Adjustment	160,000	163,200	3,200	2.00%
23	Administration	982,676	1,002,330	19,654	2.00%
24	Loss Fund Management	147,900	150,858	2,958	2.00%
25	Actuary	48,170	49,133	963	2.00%
26	Attorney	43,352	44,219	867	2.00%
27	Deputy Attorney	1,446	1,475	29	2.00%
28	Attorney - OPRA	16,320	16,646	326	2.00%
29	Auditor	27,625	28,178	553	2.00%
30	Treasurer	24,424	24,912	488	2.00%
31	Underwriting Manager	508,472	518,641	10,169	2.00%
32	Reinsurance Manager	293,622	299,494	5,872	2.00%
33	Safety and Education Committee	194,275	194,275	-	0.00%
34	Computer Services	138,010	138,010	-	0.00%
35	Legislative Committee	26,409	26,409	-	0.00%
36	Internal Audit Committee	57,856	57,856	-	0.00%
37	Strategic Planning Committee	28,928	28,928	-	0.00%
38	Coverage Committee	38,318	38,318	-	0.00%
39	Communications Committee	119,079	119,079	-	0.00%
40	Misc Expense	133,528	305,035	171,507	128.44%
41	Subtotal	3,980,832	4,217,227	236,395	5.94%
42					
43	MEL Safety Institute	1,024,656	1,027,787	3,131	0.31%
44	Total Appropriations	43,488,830	44,180,845	692,016	1.59%

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND				
2016 BUDGET FOR ASSESSMENT CALCULATION				
	<b>A</b>	<b>B</b>	<b>B-A</b>	<b>B-A</b>
	<b>BUDGET</b>	<b>BUDGET</b>		
APPROPRIATIONS	<b>2015 ANNUALIZED</b>	<b>2016 PROPOSED</b>	<b>\$</b>	<b>%</b>
I. CLAIMS AND EXCESS INSURANCE PREMIUMS			<b>CHANGE</b>	<b>CHANGE</b>
CLAIMS				
Excess Liability:				
JIF to 500K	3,274,846	2,973,166	(301,680)	-9.21%
1.25MIL Ex 500K	4,184,376	3,817,169	(367,207)	-8.78%
Excess WC	10,361,895	8,797,817	(1,564,078)	-15.09%
Excess Property 200K Ex 50K	2,516,940	2,023,828	(493,112)	-19.59%
Aggregate Excess LFC	28,244	27,788	(457)	-1.62%
JIF Faithful Performance Bond	209,085	210,665	1,579	0.76%
Statutory Bonds	285,750	292,750	7,000	2.45%
Sub Total	20,861,136	18,143,183	(2,717,953)	-13.03%
PREMIUMS				
3.25MIL ex 1.75 MIL	5,157,475	5,268,301	110,827	2.15%
Optional Excess Liability	1,880,949	1,835,838	(45,111)	-2.40%
Optional Excess POL/EPL	897,325	895,547	(1,777)	-0.20%
Excess WC	2,807,493	2,865,904	58,411	2.08%
Excess Property	7,896,395	8,702,622	806,227	10.21%
Boiler and Machinery	688,739	759,166	70,427	10.23%
Loss Fund Contingency	481,342	481,538	195	0.04%
Sub Total	19,809,717	20,808,916	999,198	5.04%
Total Claims & Premiums	40,670,853	38,952,099	(1,718,754)	-4.23%
II. EXPENSES				
Claims Adjustment	967,000	990,422	23,422	2.42%
Property Adjustment	160,000	160,000	-	0.00%
Administration	963,408	982,676	19,268	2.00%
Loss Fund Management	145,000	147,900	2,900	2.00%
Actuary	47,225	48,170	945	2.00%
Attorney	42,502	43,352	850	2.00%
Deputy Attorney	1,418	1,446	28	1.97%
Attorney - OPRA	16,000	16,320	320	2.00%
Auditor	27,083	27,625	542	2.00%
Treasurer	23,945	24,424	479	2.00%
Underwriting Manager	498,502	508,472	9,970	2.00%
Reinsurance Manager	287,865	293,622	5,757	2.00%
Safety and Education Committee	190,466	194,275	3,809	2.00%
Computer Services	135,304	138,010	2,706	2.00%
Legislative Committee	25,891	26,409	518	2.00%
Internal Audit Committee	56,722	57,856	1,134	2.00%
Strategic Planning Committee	28,361	28,928	567	2.00%
Coverage Committee	37,567	38,318	751	2.00%
Communications Committee	116,744	119,079	2,335	2.00%
Misc Expense	298,460	289,406	(9,054)	-3.03%
Subtotal	4,069,463	4,136,710	67,247	1.65%
MEL Safety Institute	927,225	933,701	6,476	0.70%
Total Appropriations	45,667,541	44,022,511	(1,645,031)	-3.60%
RMC FEES	346,669	329,553	(17,116)	-4.94%
Grand Total	46,014,210	44,352,063	(1,662,147)	-3.61%



<b>Municipal Excess Liability Joint Insurance Fund</b>	
<b>2016 Proposed Assessments</b>	
Atlantic County Municipal Joint Insurance Fund	\$ 3,593,730.51
Bergen County Municipal Joint Insurance Fund	\$ 3,900,320.58
Burlington County Municipal Joint Insurance Fund	\$ 1,496,276.05
Camden County Municipal Joint Insurance Fund	\$ 2,581,741.68
Central Jersey Joint Insurance Fund	\$ 2,925,020.11
Mid Jersey Municipal Joint Insurance Fund	\$ 1,889,305.78
Monmouth Municipal Joint Insurance Fund	\$ 2,951,022.15
Morris County Municipal Joint Insurance Fund	\$ 4,304,450.94
New Jersey Self Insurers Joint Insurance Fund	\$ 1,317,472.76
Ocean County Municipal Joint Insurance Fund	\$ 4,135,552.54
Public Alliance Insurance Coverages Fund	\$ 1,465,568.74
Professional Municipal Management Joint Insurance Fund	\$ 852,555.50
South Bergen Municipal Joint Insurance Fund	\$ 2,751,452.22
Suburban Essex Joint Insurance Fund	\$ 1,414,663.94
Suburban Municipal Joint Insurance Fund	\$ 1,323,681.17
Gloucester, Salem & Cumberland Counties Municipal Joint Insurance Fund	\$ 2,821,773.38
First Responder Joint Insurance Fund	\$ 647,728.74
New Jersey Utility Authorities Joint Insurance Fund	\$ 905,559.74
New Jersey Public Housing Authority Joint Insurance Fund	\$ 3,023,186.78
School Alliance Coverage Fund	\$ 50,000.00
New Jersey Counties Excess Joint Insurance Fund	\$ 1,000.00
<b>Total</b>	<b>\$ 44,352,063.30</b>

**MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND**

9 Campus Drive, Suite 216

Parsippany, NJ 07054

Telephone (201) 881-7632

**BULLETIN MEL 16-31**

**Date:** November 16, 2016

**To:** Fund Commissioners of Member Joint Insurance Funds

**From:** Underwriting Manager, Conner Strong & Buckelew

**Re:** 2017 Public Officials / Employment Practices Policy Changes

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While most public officials and employment practices liability policies available to NJ municipalities exclude land use matters, the MEL was able to negotiate with QBE Specialty to include some limited coverage for this year's policy. However, because of a series of adverse decisions, QBE notified us of their intent to also exclude land use matters in the renewal policy effective January 1, 2017.

We are pleased to report that QBE has now offered a renewal that includes modified land use liability coverage of \$150,000 per claim for cases where there is a demand for monetary damages. As in the current policy, there remains no coverage for cases where the demand is solely for injunctive relief. The renewal policy also clarifies reporting requirements.

Full details of coverage changes will be released by the MEL prior to the January 1, 2017 renewal. If you have any questions, please contact your risk management consultant, JIF Executive Director or Underwriting Manager.

**This bulletin is for information purposes only. It is not intended to be all-inclusive but merely an overview. It does not alter, amend or change your coverage. Please refer to specific policies for limits, terms, conditions and exclusions.**

cc: Fund Executive Directors  
Fund Professionals  
Risk Management Consultants

## **ATLANTIC COUNTY MUNICIPAL JOINT INSURANCE FUND**

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

**TO:** Municipal Fund Commissioners, Safety Coordinators, Risk Managers

**FROM:** Timothy Sheehan, Associate Public Sector Director

**DATE:** December 6, 2016

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#### **Service Team:**

Timothy Sheehan Associate Public Sector Director <a href="mailto:tsheehan@jamontgomery.com">tsheehan@jamontgomery.com</a> Office: 856-552-6862 Cell: 609-352-6378	Danielle Sanders Administrative Assistant <a href="mailto:dsanders@jamontgomery.com">dsanders@jamontgomery.com</a> Office: 856-552-6898 Fax: 856-552-6899	Robert Holwitt, Consultant <a href="mailto:rholwitt@jamontgomery.com">rholwitt@jamontgomery.com</a> Office: 856-552-4624 Cell: 856-628-5705
Karen La Sala Executive Assistant <a href="mailto:klasala@jamontgomery.com">klasala@jamontgomery.com</a> Office: 732-660-5006 Fax: 856-830-1496	Mailing Address: 231 Main Street P. O. Box 2017, Toms River New Jersey 08754 Toll Free: 877-398-3046	Robert Garish, Consultant <a href="mailto:rgarish@jamontgomery.com">rgarish@jamontgomery.com</a> Office: 856-552-4650 Cell: 609-947-9719

### **NOVEMBER ACTIVITIES**

#### **LOSS CONTROL SERVICES**

- City of Margate – Conducted a Loss Control Survey on November 29
- Township of Upper Deerfield- Conducted a Loss Control Survey on November 14

#### **JIF MEETINGS ATTENDED**

- Executive Committee – November 21
- Claims Meeting – November 10

#### **MEL VIDEO LIBRARY**

The following members used the MEL Video Library during November. **Please note the new e-mail address: [melvideolibrary@jamontgomery.com](mailto:melvideolibrary@jamontgomery.com) and telephone number: 856-552-4900.**

To either view the full video catalog or rent videos, use the above website or NJMEL.org.

<u>Municipality</u>	<u># of Videos</u>
Township of Galloway	2
Township of Hamilton	4
City of Pleasantville	3
Borough of Stone Harbor	4
Township of Upper	1
City of Wildwood	2

## **MEL MEDIA CATALOG**

To view the entire updated MEL Media Catalog with 100 new DVD titles go to NJMEL.org, click on the Video button at the top of the page, then choose 'Order Conventional Videos'.

## **NEW SAFETY DIRECTOR'S BULLETINS AND NOTICES**

Regional training announcements and Bulletins are distributed by e-mail to Fund Commissioners, Safety Coordinators and Risk Consultants. Please access the Atlantic JIF (<http://www.acmjif.org>) to verify Fund Commissioners, Safety Coordinators and Risk Managers contact information is correct. If you find a discrepancy, please let us know. If applicable, a copy or copies of the Safety Director's Bulletins are attached.

The following Safety Director Bulletins and alerts were distributed by e-mail during November. If you are not receiving updates or would like to add other names to the distribution list, please let us know.

Ø None sent

### **Ø UPCOMING EVENTS**

- Regional Training – ***The Importance of Safety in Everyday Activities*** – Rescheduled to December 6
- Executive Safety Committee – December 15
- Executive Committee – December 21

## **MSI TRAINING PROGRAMS**

**NOTE: We need to keep our list of MSI Training Administrators up-to-date. If there are any changes, deletions or you need to appoint a new Training Administrator, please advise ([klasala@jamontgomery.com](mailto:klasala@jamontgomery.com)).**

Listed below are upcoming MSI training programs scheduled for December 2016, January and February 2017. ***Enrollment is required for all MSI classes.*** MSI classes are subject to cancellation or rescheduling at any time.

***Members are reminded to log on to the [www.njmel.org](http://www.njmel.org) website, then click on the MSI logo to access the Learning Management System where you can enroll your employees and verify classes. Enrolling your staff ensures you will be notified of any schedule changes.***

If you need assistance using the MSI Learning Management System, please call the MSI helpline at 866-661-5120.

Date	Location	Topic	Time
12/2/2016	Township of Weymouth	Fast Track to Safety	8:30 - 2:30 pm w/lunch break
12/2/2016	Borough of Stone Harbor #1	Excavation/Trenching/Shoring	8:30 - 12:30 pm
1/12/2017	City of Vineland	Jetter/Vacuum Safety	9:00 - 11:00 am
1/13/2017	City of Brigantine #3	Snow Plow/Snow Removal	8:30 - 10:30 am
1/13/2017	City of Brigantine #3	Back Safety/Material Handling	10:45 - 11:45 am
1/18/2017	City of Millville #1	PPE	8:30 - 10:30 am
1/18/2017	City of Millville #1	Hearing Conservation	10:45 - 11:45 am
1/18/2017	City of Millville #1	Asbestos, Lead, Silica Regulatory Overview	12:00 - 1:00 pm
1/23/2017	Township of Hamilton #2	CDL-Drivers Safety Regulations	8:30 - 10:30 am
1/23/2017	Township of Hamilton #2	Driving Safety Awareness	10:45 - 12:15 pm
1/23/2017	Township of Hamilton #2	CDL-Supervisors Reasonable Suspicion	1:00 - 3:00 pm
1/24/2017	Borough of Woodstown #1	Asbestos, Lead, Silica Health Overview	8:30 - 9:30 am
1/24/2017	Borough of Woodstown #1	Back Safety/Material Handling	9:45 - 10:45 am
1/24/2017	Borough of Woodstown #1	Hearing Conservation	11:00 - 12:00 pm
1/25/2017	Township of Galloway	Employee Conduct/Violence Prevention	9:00 - 10:30 am
1/25/2017	Township of Galloway	Fire Extinguisher	10:45 - 11:45 am
1/26/2017	City of Cape May #1	Snow Plow/Snow Removal	8:30 - 10:30 am
1/26/2017	City of Cape May #1	PPE	10:45 - 12:45 pm
1/27/2017	Township of Upper Deerfield	Fast Track to Safety	8:30 - 2:30 pm w/lunch break
2/1/2017	City of Vineland #1	Flagger/Work Zone	8:00 - 12:00 pm
2/2/2017	City of Ocean City #1	HazCom w/GHS	8:30 - 10:00 am
2/8/2017	City of Millville #1	Sanitation/Recycling Safety	8:30 - 10:30 am
2/8/2017	City of Millville #1	Back Safety/Material Handling	10:45 - 11:45 am
2/8/2017	City of Millville #1	BBP	12:00 - 1:00 pm
2/9/2017	Township of Pennsville #1	Driving Safety Awareness	8:30 - 10:00 am
2/9/2017	Township of Pennsville #1	Fire Safety	10:15 - 11:15 am
2/13/2017	Township of Hamilton #3	Landscape Safety	8:30 - 11:30 am
2/13/2017	Township of Hamilton #3	Playground Safety Inspections	12:45 - 2:45 pm
2/14/2017	Borough of Avalon #4	DDC-6	8:30 - 3:00 pm w/lunch break
2/15/2017	City of Vineland #1	Flagger/Work Zone	8:00 - 12:00 pm
2/15/2017	Township of Oldmans	LOTO-Evening	6:30 - 8:30 pm
2/15/2017	Township of Oldmans	Confined Space Awareness-Evening	8:45 - 9:45 pm
2/16/2017	City of Cape May #1	Jetter/Vacuum Safety	8:30 - 10:30 am
2/21/2017	Township of Elsinboro	BBP-Evening	6:30 - 7:30 pm

Date	Location	Topic	Time
2/21/2017	Township of Elsinboro	Confined Space Awareness-Evening	7:45 - 8:45 pm
2/22/2017	Borough of Woodstown #1	Fast Track to Safety	8:30 - 2:30 pm w/lunch break
2/23/2017	City of Margate #4	LOTO	8:30 - 10:30 am
2/27/2017	Township of Upper	Safety Coordinators Skills Training	8:30 - 3:00 pm w/lunch break
2/28/2017	Borough of Woodstown #1	Accident Investigation	8:30 - 10:30 am

CEU's for Certified Publics Works Managers			
MSI Course	CEU's/Cat.	MSI Course	CEU's/Cat.
Accident Investigation	2 / M	Hazard Identification - Making Your Observations Count	1 /T,M
Advanced Safety Leadership	10 / M	Hearing Conservation	1 /T,G
Asbestos, Lead & Silica Industrial Health Overview	1 /T,G	Heavy Equipment Safety	1 / G - 2 / T
Back Safety / Material Handling	1 / T	Hoists, Cranes and Rigging	2 / T
Bloodborne Pathogens Training	1 / G	Housing Authority Safety Awareness	3 / T
Bloodborne Pathogens Train- the- Trainer	1 / T	Jetter Safety	2 / T
BOE Safety Awareness	3 / T	Landscape Safety	2 / T
CDL – Supervisors Reasonable Suspicion	2 / M	Leaf Collection Safety Awareness	2 / T
CDL - Drivers' Safety Regulations	2 / G	Lockout Tagout	2 / T
Coaching the Maintenance Vehicle Operator	2 /T,M	Personal Protective Equipment (PPE)	2 / T
Confined Space Entry – Permit Required	3.5 / T	Playground Safety	2 / T
Confined Space Awareness	1 /T,G	Sanitation and Recycling Safety	2 / T
Driving Safety Awareness	1.5 / T	Safety Committee Best Practices	1.5 / M
Employee Conduct and Violence in the Work Place	1.5 / E	Safety Coordinator's Skills Training	3 / M,G
Excavation Trenching & Shoring	2 /T,M	Shop and Tool Safety	1 / T
Fall Protection Awareness	2 /T,M	Seasonal Public Works Operations	3 / T
Fast Track to Safety	4 / T	Snow Plow Safety	2 / T
Flagger / Workzone Safety	2 /T,M	Special Events Management	2 / M
HazCom with Globally Harmonized System	1 /T,G	Toolbox Talk Essentials	1 / M
Hazardous Materials Awareness w/ HazCom & GHS	3 / T		
CEU's for Registered Municipal Clerks			
MSI Course	CEU's/Cat.	MSI Course	CEU's/Cat.
Asbestos, Lead & Silica Industrial Health Overview	1 / P	Hazard Identification - Making your Observations Count	2 / P
Bloodborne Pathogens Training	1 / P	Safety Committee Best Practices	1.5/ P
Employee Conduct and Violence in the Work Place	1.5 / E	Safety Coordinator's Skills Training	6/P
		Special Event Management	2 / P
TCH's For Water/ Wastewater			
MSI Course	TCH's/Cat.	MSI Course	TCH's/Cat.
Accident Investigation	1.5 / S	Hazardous Materials Awareness w/ HazCom & GHS	3 / S
Advanced Safety Leadership	10 / S	Heavy Equipment Safety	3 / S
Asbestos, Lead & Silica Industrial Health Overview	1 / S	Housing Authority Safety Awareness	3 / S
Back Safety / Material Handling	1 / S	Hazard Identification - Making your Observations Count	1.5 / S
Bloodborne Pathogens Training	1 / S	Hearing Conservation	1 / S
Bloodborne Pathogens Train- the- Trainer	2.5 / S	Hoists, Cranes and Rigging	2 / S
BOE Safety Awareness	3 / S	Jetter Safety	2 / S
CDL – Supervisors Reasonable Suspicion	1.5 / S	Ladder Safety/Walking Working Surfaces	2 / S
CDL - Drivers' Safety Regulations	2 / S	Landscape Safety	2 / S
Confined Space Awareness	1 / S	Leaf Collection Safety Awareness	2 / S
Confined Space Entry - Permit Required	3.5 / S	Lockout Tagout	2 / S
Defensive Driving-6-Hour	5.5 / S	Shop and Tool Safety	1 / S
Driving Safety Awareness	1.5 / S	Office Safety	2 / S
Excavation Trenching & Shoring	4 / S	Personal Protective Equipment (PPE)	2 / S
Fall Protection Awareness	2 / S	Safety Committee Best Practices	1.5 / S
Fast Track to Safety	5 / S	Safety Coordinator's Skills Training	5 / S
Fire Extinguisher	1 / S	Seasonal Public Works Operations	3 / S
Fire Safety	1 / S	Snow Plow Safety	2 / S
Flagger / Workzone Safety	2 / S	Special Event Management	2 / S
HazCom with Globally Harmonized System	1.5/ S	Toolbox Talk Essentials	1 / S
CEU's for Tax Collectors		CEU's for County/Municipal Finance Officers	
MSI Course	CEU's/Cat.	MSI Course	CEU's/Cat.
Employee Conduct and Violence in the Work Place	1.5 / E	Employee Conduct and Violence in the Work Place	1.5 / E
CEU's for Certified Recycling Professionals		CEU's for Qualified Purchasing Agents	
MSI Course	CEU's/Cat.	MSI Course	CEU's/Cat.
Fire Extinguisher Safety	1	Employee Conduct and Violence in the Work Place	1.5 / E
Hazard Recognition- Making your Observations Count	2		
Heavy Equipment	3		
Sanitation and Recycling Safety	2		
***Category			
E- Ethics			
T- Technical			
G- Governmental			
S- Safety			
P- Professional Development			
M- Management			

December 7th, 2016

To the Members of the  
Executive Board of the  
Atlantic County Municipal  
Joint Insurance Fund

I have enclosed for your review and, in some cases consideration, documents of presentation relating to claims, transfers, and the financial condition of the Fund.

The statements included in this report are prepared on a “modified cash basis” and relate to financial activity through the one month period ending **November 30th, 2016**, for Closed Fund Years 1987 to 2011, and Fund Years 2012, 2012, 2013, 2014, 2015, and 2016. The reports, where required, are presented in a manner prescribed or permitted by the Department of Insurance and the Division of Local Government Services of the Department of Community Affairs.

All statements contained in this report are subject to adjustment by annual audit.

A summary of the contents of these statements is presented below.

#### **INVESTMENT INTEREST & INVESTMENTS:**

##### **ACTIVITY FOR MONTH**

Analysis of Interest is as follows for the month:

##### **Interest Income:**

Interest received from Account Balances	\$2,101.33	
Investment Management Fee Charged	<u>&lt;\$1,764.46&gt;</u>	
Net Interest Received		\$ 336.87
Coupon Interest Payment		\$ 22,500.00

Change in realized gain < \$ 78,020.00>

##### **ROUNDING**

Net loss in interest < \$55,183.13>

##### **Interest Accrual:**

Beginning Interest Accrual: \$ 88,022.19

Change in Accrued interest: \$ 6,270.82

Ending Interest Accrual: \$ 94,293.01

**Investment Balance** beginning of month: \$38,497,240

end of month: \$38,419,220

Overall yield negative 1.08%

##### **Portfolio:**

Less than one year	Maturing in 2016:	1	\$ 2,000,480
1-2 years	Maturing in 2017:	5	\$22,485,230
2+ years	Maturing in 2018:	3	\$13,933,510



### **RECEIPT ACTIVITY FOR THE PERIOD**

Subrogation Receipts	\$148,640.43 YTD\$473,313.52
Interest	<\$55,183.13>
Recovery	\$848.86 ytd \$22,128.02
2016 assessments	\$3,679,940

### **CLAIM ACTIVITY FOR THE PERIOD:**

#### **ACTIVITY**

The enclosed report shows claim activity during the reporting period for claims paid by the fund and claims payable by the Fund at period end in the amount of \$696,932.99. The claims detail shows 490 claims payments issued and are categorized as follows:

Direct Loss Payments	\$516,118.91
Claim Expenses	\$ 24,695.50
Legal Defense Costs	\$156,118.58

Adjustment register: voids \$4,093.84

### **CASH ACTIVITY FOR THE PERIOD:**

#### **ACTIVITY**

The enclosed reconciliation report details that during the reporting period the Fund's "Cash Position" changed from an opening balance of \$52,832,812.19 to a closing balance of \$55,528,752.46 showing an increase in the fund of \$2,695,940.27. A detailed reconciliation of this change, including its affect on our banking instruments, is included in my report.

### **A.E.L.C.F. PARTICIPANT YEAR-END BALANCES & RETURNS**

	11/30/2016
	<b><u>AUDITED~interest-POSTED</u></b>
Hamilton Township	\$ 30,046.38
Hammonton Town	\$ 55,740.83
Middle Township	\$ 23,641.72* {partial withdraw}
Mullica Township	\$ 25,622.00
Pleasantville	\$ 31,935.50
Upper Deerfield Township	\$ 19,619.55
Waterford Township	\$ 25,845.04
Upper Township	\$ 21,295.68
Stone Harbor	\$ 8,694.70
	<u>\$242,441.40</u>

NOTE: Allocated \$20 additional interest, proportionately

**SUMMARY REPORT OF AELCF/2015 & 2014 DIVIDENDS/RETRO PROGRAM**

~~As attached as REVISED FORMAT

NOTE: Retro Program reflects Egg Harbor Township Resolution Approved at September meeting .

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**BILL LIST FOR THE PERIOD:**

Vouchers to be submitted for your consideration at the scheduled meeting show on the accompanying bill list at the end of my report.

The information contained in this cover report is a summary of key elements related to activity during the reporting period. Other detailed information is contained in the attached documents and, if desired, a more specific explanation on any question can be obtained by contacting me at 609-425-1136 or email [ocjjh4263@gmail.com](mailto:ocjjh4263@gmail.com).

Respectfully Submitted,

***John J. Hansen***

John J. Hansen, Treasurer

				RUNNING	19,360,084.88	324,573.09	21,279.16	2.97	207,531.66	18,806,698.00
1	November	11/10/2016	LINWOOD		50.00	50.00				
2	November	11/5/2016	GALLOWAY		44,823.47	44,823.47				
3	November	11/5/2016	GALLOWAY		23,098.57	23,098.57				
4	November	11/7/2016	OCEAN CITY		248.86		248.86			
5	November	11/14/2016	BUENA VISTA		30.00	30.00				
6	November	11/19/2016	PLEASANTVILLE		512.98	512.98				
7	November	11/21/2016	EGG HARBOR TOWNSHIP		35,000.00	35,000.00				
8	November	11/28/2016	WILDWOOD CREST		600.00		600.00			
9	November	11/28/2016	PLEASANTVILLE		62.72	62.72				
10	November	11/28/2016	MIDDLE TOWNSHIP		14,925.62	14,925.62				
11	November	11/28/2016	HAMILTON TOWNSHIP		29,082.20	29,082.20				
12	November	11/28/2016	OCEAN CITY		788.36	788.36				
13	November	11/28/2016	FOLSOM		6.51	6.51				
14	November	11/28/2016	WILDWOOD		250.00	250.00				
15	November	11/28/2016	ABSECON		10.00	10.00				
16	November	11/30/2016	2016 ASSESSMENTS		3,679,940.00					3,679,940.00
					3,829,429.29	148,640.43	848.86	-	-	3,679,940.00
				RUNNING	23,189,514.17	473,213.52	22,128.02	2.97	207,531.66	22,486,638.00
						148640.43				
						-				

**ATLANTIC COUNTY MUNICIPAL JIF  
BILL LIST - DECEMBER 2016**

	Payable To:	FY 2017	FY 2016	FY 2015	CLOSED YEARS	Appropriation	Description
1	The Actuarial Advantage		5,308.00			Prof Services/Actuary	Oct & Nov 2016 Fees
2	Arthur J. Gallagher Risk Management Services, Inc.		71,390.00			Prof Services/Administration	Dec 2016 Fees
3	Arthur J. Gallagher Risk Management Services, Inc.		339.49			Misc/Postage/Copies/Fax	Nov 2016 Fees
4	Arthur J. Gallagher Risk Management Services, Inc.	1,156.00				Safety Incentive Program	Reimb for 2017 Wellness calendars/pd PF amex
5	Arthur J. Gallagher Risk Management Services, Inc.		207.54			Misc/Meeting Expense	TY to locations for hosting mtgs (Harry&David)/pd PF amex
6	Arthur J. Gallagher Risk Management Services, Inc.		12.39			Misc/Office Supplies	Frames for certificates
7	The DeWeese Law Firm, P.C.		9,969.00			Prof Services/Attorney	Dec 2016 Fees
8	Qual-Lynx		64,024.00			Prof Services/Claims Administration	Dec 2016 Fees
9	Tracy Forlenza		496.00			Misc/Recording Secretary	Dec 2016 Fees
10	J.A. Montgomery Risk Control Services		15,955.00			Prof Services/Safety Director/Loss Control	Dec 2016 Fees
11	John Hansen		1,906.00			Prof Services/Treasurer	Dec 2016 Fees
12	Conner Strong & Buckelew		945.00			Prof Services/Underwriting Mgr	Dec 2016 Fees
13	Joyce Media		325.00			Misc/JIF Website	Dec 2016 Fees
14	Valerie Smith		5,155.00			Wellness/Wellness Incentive Program	Dec 2016 Fees
15	MEL JIF		653,242.06			MEL	MEL 2016 WC & Excess Liability - 4th installment
16	MEL JIF		226,745.44			Property Claims and Premium	MEL 2016 Property claims & prem. -4th installment
17	MEL JIF		4,720.51			Faithful Performance/Fidelity Bond	MEL 2016 Fidelity Bond - 4th installment
18	ARC Reprographics		365.75			Misc/Printing	Inv#268782; state of the fund reports
19	The Atlantic City Press		62.72			Misc/Legal Notices	Acct#8009518; Ad#13490; Dec budget hearing
20	Courier Post		64.20			Misc/Legal Notices	Acct#088218; Ad#1775030; Dec budget hearing
21	Fleming's Steakhouse & Wine Bar		478.50			Misc/Meeting Expense	12/6/16 Defense Panel Dinner (split by 3)
22	Greate Bay Country Club	400.00				Misc/Meeting Expense	Deposit for 3/15/2017 30th anniv dinner mtg
23	Hope Health IHAC	754.25				Wellness/Wellness Incentive Program	INV#545850; Health calendars - split
24	Iron Mountain		104.25			Misc/Records Retention Service	Inv#NEH0120; storage 12/1-31/16; service 10/26/16-11/21/16
25	Kizbee's Kitchen		200.00			Misc/Meeting Expense	F/B for 12/8/16 CRC mtg
26	Merighi's Savoy Inn		1,277.32			EPL Consulting & Training	EO Dinner 12/8/16; split by 3 jifs
27	OfficeMax		48.39			Misc/Office Supplies	inv#545696; Envelopes for safety calendars; aply voided ck credit \$43.86
28	Paul's custom Awards & Trophies Inc		252.00			Misc/Meeting Expense	Inv#35502 Susan Robostello plaque & Joe Santagata
29	City of Brigantine		904.99			Wellness/Wellness Incentive Program	Wellness Lunch
30	City of Brigantine		725.00			EPL Consulting & Training	Copying handbook
31	Borough of Buena		725.00			EPL Consulting & Training	EPL matter; solicitor bill
32	Borough of Buena		4,477.00			Overpayments-Members Assmts	Overpayment of 2016 Assessment
33	Egg Harbor Twp			2,504.99		Safety Incentive Program	GCs for employees
34	Egg Harbor Twp		1,500.00			Wellness/Wellness Incentive Program	Health fair items
35	City of Linwood		367.65			Wellness/Wellness Incentive Program	Wellness Lunch
36	City of Linwood		1,500.00			Optional Safety Budget	Security cameras, misc
37	City of Linwood			2,072.60		Safety Incentive Program	Security cameras, police body cameras, misc
38	Borough of Longport		800.00			Wellness/Wellness Incentive Program	10/27/16 health fair supplies
39	Borough of Longport			26,743.00		Closed Years-Return of Surplus	JIF 2016 Dividend - full check
40	Lower Township		947.80			Optional Safety Budget	Safety signs
41	Lower Township			95.00		Safety Incentive Program	GC for employees
42	Lower Township			107,669.00		Closed Years-Return of Surplus	JIF 2016 Dividend - full check
43	Township of Middle		725.00			EPL Consulting & Training	Legal counsel
44	Township of Middle			65,558.00		Closed Years-Return of Surplus	JIF 2016 Dividend - split check & AELCF
45	City of Millville			2,614.00		Safety Incentive Program	Safety items
46	City of Millville		725.00			EPL Consulting & Training	Employee training
47	Borough of Newfield			8,699.00		Closed Years-Return of Surplus	JIF 2016 Dividend - full check
48	City of North Wildwood		60.97			Wellness/Wellness Incentive Program	Fresh Fruit Friday
49	City of Northfield		340.78			Wellness/Wellness Incentive Program	Health fair supplies/food
50	City of Northfield		413.00			Optional Safety Budget	Breathing apparatus
51	City of Ocean City		350.78			Optional Safety Budget	Safety present
52	City of Pleasantville		498.93			Wellness/Wellness Incentive Program	Incentives for holiday luncheon
53	City of Pleasantville			486.00		Safety Incentive Program	food for wellness/safety lunch
54	Township of Waterford		725.00			EPL Consulting & Training	Legal counsel
55	Township of Waterford			908.61		Safety Incentive Program	Safety Lunch/safety items
56	Township of Waterford		800.00			Wellness/Wellness Incentive Program	Kickoff wellness lunch
57	Borough of Wildwood Crest			63,813.00		Closed Years-Return of Surplus	JIF 2016 Dividend - full check
	<b>Subtotals</b>	<b>2,310.25</b>	<b>1,080,180.46</b>	<b>8,681.20</b>	<b>272,482.00</b>		

<b>JIF BILL LIST TOTAL</b>	<b>1,363,653.91</b>
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ATLANTIC COUNTY MUNICIPAL JIF  
ACCOUNT ACTIVITY RECONCILIATION  
FY 2016

	November	Year To Date Total
<b>Opening Balance for the Period:</b>	52,832,812.19	
<b>RECEIPTS:</b>		
Interest Income ( Cash )	-55,183.13	267,294.32
Premium Assessment Receipts	3,679,940.00	22,486,638.00
Prior Yr. Premium Assessment Receipts		0.00
Subrogation & Reimb. Receipts:		
Fund Year 2016	36,301.34	121,565.98
Fund Year 2015	23,211.29	186,469.70
Fund Year 2014	88,931.29	105,721.70
Fund Year 2013	166.51	37,997.51
Fund Year 2012		20,588.00
		0.00
Closed Fund Year	30.00	970.63
<b>Total Subrogation &amp; Reimb.Receipts</b>	<b>148,640.43</b>	<b>473,313.52</b>
CLOSED FY:2011/VOID CK 680812		250.00
		0.00
		0.00
Delinquent Interest		208.93
Retrospective Program		8,105.00
MEL		207,411.66
MISC:Dinner payments		120.00
		0.00
		0.00
<b>TOTAL RECEIPTS:</b>	<b>3,773,397.30</b>	<b>23,443,341.43</b>
<b>DISBURSEMENTS:</b>		
Net Claim Payments:		
Fund Year 2016	279,817.81	2,640,898.57
Fund Year 2015	121,118.61	2,140,858.60
Fund Year 2014	170,546.80	1,804,873.79
Fund Year 2013	120,507.07	1,461,973.89
Fund Year 2012		857,159.86
Fund Year 2011		0.00
Closed Fund Year		310.00
<b>Total Net Claim Payments</b>	<b>691,990.29</b>	<b>8,906,074.71</b>
Exp. & Admin Bill List Payments:		
Exp. & Cont. Charges FY 2017	280.00	280.00
Exp. & Cont. Charges FY 2016	378,391.00	7,891,181.42
Exp. & Cont. Charges FY 2015	6,795.74	156,839.21
Exp. & Cont. Charges FY 2014		12,393.40
Exp. & Cont. Charges FY 2013		0.00
Exp. & Cont. Charges FY 2012		0.00
RELEASE OF AELCF		26,428.28
CLOSED FUND YEAR		135,709.30
Closed Fund Year		0.00
		0.00
TRANSFER TO RFC		1,351,878.24
MISC.		0.00
MISC:ROUNDING		-0.14
<b>Total Bill List Payments</b>	<b>385,466.74</b>	<b>9,574,709.71</b>
Auditor's Adjustments		0.00
<b>TOTAL DISBURSEMENTS:</b>	<b>1,077,457.03</b>	<b>18,480,784.42</b>
<b>Closing Balance for the Period:</b>	<b>55,528,752.46</b>	
Account Net Cash Change During the Period:		
Loss Account	2,859,934.39	2,825,035.11
Investment Account	-78,020.00	2,491,080.00
TD Wealth Management Account	20,735.54	-246,258.44
Exp & Contin Reconciliation Account	0.00	0.00
Claims Imprest Reconciliation Account	-106,709.66	-107,299.66
<b>Total Change in Account Net Cash:</b>	<b>2,695,940.27</b>	<b>4,962,557.01</b>



# Memo

To: Fund Commissioners

From: Paul J. Miola, Executive Director

Date: December 14, 2016

Re: Important Notice Regarding OPRA Requests and Litigation

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At the Defense Panel Breakfast on December 6, 2016, there was a discussion regarding Plaintiffs and attorneys for Plaintiffs utilizing OPRA to obtain information outside of the Discovery process when pursuing lawsuits against a member municipality.

This practice can cause considerable harm to your Defense Counsel's ability to effectively defend cases based upon Plaintiff's counsel obtaining records of which your Defense Counsel is unaware.

The normal Discovery process in litigation requires such documentation to be provided to the adversary; however, documents obtained through OPRA are not subject to this rule and thus may not be provided to your Defense Attorney. If Defense Counsel is unaware that these documents have been provided in response to an OPRA request, we may be placed at a serious disadvantage.

Please alert your "Custodian of Records" to this practice and have them check with your Claims Coordinator when researching materials needed to respond to an OPRA request. Should the information requested appear to be related to current litigation, your Defense Attorney and the Fund Solicitor, David DeWeese, should be immediately informed of the request, consulted with regard to the response to the request, and copied on any reply to the request.

Thank you.