

**NJ MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND  
OPEN MINUTES  
MEETING OF JUNE 4, 2014  
JAMESBURG, NEW JERSEY  
10:50 AM**

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Meeting called to order by Chairman Wolk. The Open Public Meeting Notice was read into the record.

**ROLL CALL OF EXECUTIVE COMMITTEE:**

<b>Chairman:</b>	<b>Camden</b>	Joe Wolk	Present
<b>Secretary:</b>	<b>NJUA</b>	Jerry Cevetello	Present
Executive Committee:	<b>Morris</b>	Frank Wilpert	Present
	<b>Ocean</b>	Paul Shives	Present
	<b>Burlco</b>	Richard Brook	Present
	<b>Central</b>	Robert Landolfi	Present
	<b>Sub Essex JIF</b>	Joe Catenaro	Present
	<b>Monmouth</b>	Thomas Nolan	Present
Alternates:			
	#1 <b>Sub-Muni</b>	Jim Gildea	Present
	#2 <b>PMM</b>	Scott Carew	Present
	#3 <b>Trico</b>	Robert Law	Present
	#4 <b>South Bergen</b>	Greg Franz	Present
	#5 <b>Bergen</b>	Paul Tomasko	Present

**APPOINTED OFFICIALS PRESENT:**

Executive Director/ Administrator	<b>Perma Risk Management Services</b>	James Kickham	Present
Attorney	<b>Dorsey &amp; Semrau</b>	Fred Semrau, Esq.	Present
Treasurer		Charles S. Cuccia	Present
Underwriting Managers	<b>The Danskin Agency</b>  <b>Conner Strong &amp; Buckelew</b>	Cindy Lisa Chuck Casagrande Mike Avalone	Present Present Present
Claims Administrator	<b>King and Petracca</b>	Peter King, Esq.	Present
Environmental Engineering Services	<b>First Environment</b> <b>T&amp;M Associates</b>	Rich Erickson Chris Gulics	Present Absent
Actuary	<b>AON</b>	Chaz Kullman	Present
Auditor	<b>Nisivoccia, L.L.P.</b>	Francis "Bud" Jones	Present

**OTHERS PRESENT:**

David Grubb, PERMA  
Steve Sacco, PERMA  
Pauline Kontomanolis, PERMA  
Joseph Hrubash, PERMA  
Cate Kiernan, PERMA  
Mary Lou Doner, PERMA  
Nancy Ghani, PERMA  
Jason Thorpe, PERMA  
Joeen Ciannella, PERMA  
Jon Rheindhardt, Wharton  
Patrick O'Hagan, Midland Park  
Matt Mee, T&M Associates  
Ezio Altamura, GJEM Insurance  
Frank Covelli, PIA  
Barbara Murphy, RLM Inc.  
Paul Miola, AJ Gallagher

**APPROVAL OF MINUTES:** March 5, 2014

**MOTION TO APPROVE OPEN AND CLOSED MINUTES OF MARCH 5, 2014**

**MOTION:** Commissioner Catenaro  
**SECOND:** Commissioner Gildea  
**VOTE:** 12 ayes, 0 nays, 1 abstention  
Commissioner Cevetello

**CORRESPONDENCE :**

None

**TREASURER**

Mr. Cuccia presented his report and Resolution No. 16-14 confirming the April Bill List, Resolution No. 17-14 confirming the May Bill List, and Resolution No. 18-14 approving the June Bill List as follows:

**RESOLUTION 16-14 -APRIL BILL LIST**

<b>FUND YEAR</b>	<b>AMOUNT</b>
2013	\$ 6,895.58
2014	\$ 86,653.64
<b>Total</b>	<b>\$ 93,549.22</b>

**RESOLUTION 17-14 - MAY BILL LIST**

<b>FUND YEAR</b>	<b>AMOUNT</b>
2014	\$ 62,903.20
<b>Total</b>	<b>\$ 62,903.20</b>

## RESOLUTION 18-14 - JUNE BILL LIST

FUND YEAR	AMOUNT
2012	\$ 439.46
2013	\$ 414.34
2014	\$ 70,141.85
<b>Total</b>	<b>\$ 70,556.19</b>

### MOTION TO APPROVE PAYMENT OF BILLS - RESOLUTION NO. 16-14, 17-14, AND 18-14

**MOTION:** Commissioner Wilpert  
**SECOND:** Commissioner Brook  
**ROLL CALL VOTE:** Unanimous

### EXECUTIVE DIRECTOR/ADMINISTRATOR:

**AUDITOR AND ACTUARY YEAR-END REPORTS** – Mr. Sacco referred to the Audit Report as of December 31, 2013 that was distributed to the Executive Board prior to the start of the meeting. He informed the Board that Mr. Jones from Nisivoccia and Company was present at the meeting to review the Audit Report. Mr. Jones began by reviewing the Statement of Revenue, Expenses and Changes in Net Position breakdown contained within the audit report. He indicated that the Fund is in excellent financial condition as of the end of 2013. Mr. Jones then referred to the Auditors' Management Report which was also distributed to the Executive Board prior to the start of the meeting. He indicated that there are no recommendations. Following Mr. Jones' presentation, Chairman Wolk requested a motion to adopt the Resolution certifying the 2013 Audit and indicated that the Group Affidavit had to be executed.

### MOTION TO APPROVE YEAR-END FINANCIALS, ADOPT RESOLUTION # 19-14 AND EXECUTE GROUP AFFIDAVIT INDICATING THAT MEMBERS OF THE EXECUTIVE COMMITTEE HAVE READ THE GENERAL COMMENTS SECTION OF THE AUDIT REPORT.

**MOTION:** Commissioner Gildea  
**SECOND:** Commissioner Nolan  
**ROLL CALL VOTE:** Unanimous

**2014 BILLINGS-** Mr. Sacco reminded the Board that the first assessment installment was sent to EJIF member JIF's in February. He informed the Board that the second installment billings would be distributed next month.

**RFQ PROCESS-** Mr. Sacco reminded the Board that in 2012, the Executive Committee awarded contracts to the Fund professionals pursuant to the Fair and open process. He added that the appointments were made for a three-year term for all professionals. Mr. Sacco further added that the end of that term is approaching and the Fund will need to advertise for all fund professional positions for the 2015, 2016, and 2017 fund years. He then referred to the prior

established criteria pursuant to a Fair and Open process enclosed within the agenda packet. Mr. Sacco noted that the Rules and Contracts committee will be convened to review the responses.

**MOTION TO AUTHORIZE THE EXECUTIVE DIRECTOR TO ADVERTISE ALL FUND PROFESSIONAL POSITIONS FOR FUND YEARS, 2015, 2016 AND 2017 PURSUANT TO THE FAIR AND OPEN PROCESS AND TO N.J.S.A. 19:44A-20.4 ET. SEQ. USING PRIOR ESTABLISHED CRITERIA**

**MOTION:** Commissioner Shives  
**SECOND:** Commissioner Tomasko  
**ROLL CALL VOTE:** Unanimous

**E-JIF SEMINARS** – Mr. Sacco referred the Board to the E-JIF Program Workshop schedule and registration form enclosed within the agenda packet. He noted that the current Environmental Engineer contract allows for 4 seminars to be conducted. Mr. Sacco indicated that the Fund Office has received calls from members that the scheduled seminars are not geographically convenient for them to attend. He then asked for the Board's permission to amend T&M's contract to allow for 3 additional E-JIF seminars at \$1,600.00 each.

**MOTION TO AMEND T&M ASSOCIATES' CONTRACT FOR 3 ADDITIONAL E-JIF SEMINARS IN THE AMOUNT OF \$4,800.00**

**MOTION:** Commissioner Catenaro  
**SECOND:** Commissioner Brook  
**ROLL CALL VOTE:** Unanimous

**FINANCIAL FAST TRACK** – Mr. Kickham referred to the Financial Fast Track that was distributed prior to the start of the meeting. He informed the Board of the Fund's current cash by Fund Year amount and the Fund's current statutory surplus position. Mr. Kickham added that there are 3 Fund years that currently have deficits, 2004, 2006, and 2009. He further added that those deficits pertain to the Passaic River litigation as those claims came to the Fund during the different Fund Years.

**NEXT MEETING** - The next meeting of the EJIF is scheduled for Wednesday, September 3, 2014 at the Forsgate CC, Jamesburg.

**ATTORNEY:**

Mr. Semrau informed the Board that the Newark Bay litigation has now come to a conclusion. He noted that the appeals that have been filed have now been resolved. Mr. Semrau indicated that none of the members involved expressed displeasure and were happy to bring the situation to a conclusion. He informed the Board that the Fund will attempt to recoup the insurance and defense costs.

## **UNDERWRITING MANAGERS:**

### **POLICY REWRITE**

Mr. Casagrande informed the Board that the underwriting managers have submitted a draft policy to Liberty Underwriters. He indicated that Liberty's in house counsel has completed their review and sent additional suggested changes. Mr. Casagrande added that the underwriting managers expect that this will be the final iteration of the new policy form. Once the underwriting managers have completed their review, the draft policy form will be disseminated among the fund professionals for their review.

### **TANK POLICY**

Mr. Casagrande informed the Board that he had an inquiry from the Executive Director of the NJUA about changing the E-JIF's tank policy as the unregulated tank are no longer covered as of January 1, 2014. He indicated that he is unsure if an endorsement is needed as it was an underwriting decision made by the Executive Board 5 years ago. Mr. Casagrande advised that the underwriting managers will review the tank policy with regards to the inquiry and will report back to the Board.

## **ENVIRONMENTAL ENGINEERING:**

Mr. Mee informed the Board that the series of 2014 E-JIF seminars will begin during the next week. He thanked Westwood, Woodbridge, Haddonfield, and Lacey for hosting the seminars.

## **ACTUARY**

Mr. Kullman informed the Board that his office has completed the March 31<sup>st</sup> IBNR analysis. He provided the amount of the total IBNR estimate. He added that the estimate has decreased from the prior review due to very little loss activity during the prior 3 months.

## **OLD BUSINESS:**

None.

## **NEW BUSINESS:**

None.

## **PUBLIC COMMENT:**

Mr. Erickson indicated that he had a comment. He informed the Board that First Environment had a series of presentations at the Annual NJUA Conference. He added that although the presentations did not pertain to the E-JIF, it was an opportunity to interact with a lot of the members.

**CLOSED SESSION:**

**MOTION FOR EXECUTIVE SESSION TO DISCUSS CLAIMS/POTENTIAL LITIGATION**

**MOTION:** Commissioner Brooks  
**SECOND:** Commissioner Shives  
**VOTE:** Unanimous

**MOTION TO RETURN TO OPEN SESSION**

**MOTION:** Commissioner Shives  
**SECOND:** Commissioner Gildea  
**VOTE:** Unanimous

**MOTION TO APPROVE THE PARS AS PRESENTED DURING CLOSED SESSION**

**MOTION:** Commissioner Wilpert  
**SECOND:** Commissioner Tomasko  
**VOTE:** Unanimous

**MOTION TO ADJOURN MEETING**

**MOTION:** Commissioner Catenaro  
**SECOND:** Commissioner Law  
**VOTE:** Unanimous

Meeting Adjourned: 11:13 AM

*Next Meeting:*

**September 2014  
Forsgate Country Club**

*Respectfully submitted,*

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Prepared by Jason D. Thorpe, Assistant Secretary

**NEW JERSEY MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND  
BILLS LIST**

Resolution No. 16-14

APRIL 2014

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

BE IT RESOLVED that the New Jersey Municipal Environmental Risk Management Fund's Executive Board, hereby authorizes the Fund treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Fund.

**FUND YEAR 2013**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
<b>000172</b>			
000172	T & M ASSOCIATES	PROFESSIONAL SERVICES - 2013	4,013.00
000172	T & M ASSOCIATES	PROFESSIONAL SERVICES - 10/18/2013	2,682.58
			<b>6,695.58</b>
<b>000173</b>			
000173	WENONAH BOROUGH	REIMB FOR TESTING & CONST FOR BURIED PIPE	200.00
			<b>200.00</b>
		Total Payments FY 2013	6,895.58

**FUND YEAR 2014**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
<b>000174</b>			
000174	T & M ASSOCIATES	PROFESSIONAL SERVICES - 2/14/2014	3,417.67
			<b>3,417.67</b>
<b>000175</b>			
000175	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 04/2014	20,163.00
			<b>20,163.00</b>
<b>000176</b>			
000176	AON RISK CONSULTANTS, INC.	ACTUARIAL SERVICES 1ST QTR 2014	15,413.50
			<b>15,413.50</b>
<b>000177</b>			
000177	FRED SEMRAU, ESQ.	ATTORNEY FEE 2ND QTR 2014	17,668.00
000177	FRED SEMRAU, ESQ.	ATTORNEY FEE 1ST QTR 2014 UNDERPAID	143.00
			<b>17,811.00</b>
<b>000178</b>			
000178	CHARLES CUCCIA	TREASURER FEE 04/2014	1,515.00
			<b>1,515.00</b>
<b>000179</b>			
000179	PRINCETON PUBLIC AFFIARS GROUP	PROFESSIONAL SERVICES - 3/5/14-4/4/14	4,500.00
			<b>4,500.00</b>
<b>000180</b>			
000180	DANSKIN INSURANCE AGENCY INC	UNDERWRITING MANAGER FEE 04/2014	17,569.00
			<b>17,569.00</b>
<b>000181</b>			
000181	ALLSTATE INFORMATION MANAGEMNT	DEPT: 736 - ACT & STOR 02/28/2014	16.81
			<b>16.81</b>
<b>000182</b>			
000182	FIRST ENVIRONMENT, INC.	PROFESSIONAL SERVICES - 02/2014	6,247.66
			<b>6,247.66</b>
		Total Payments FY 2014	86,653.64

**TOTAL PAYMENTS ALL FUND YEARS \$ 93,549.22**

**NEW JERSEY MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND  
BILLS LIST**

**Resolution No. 17-14**

**MAY 2014**

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

**BE IT RESOLVED** that the New Jersey Municipal Environmental Risk Management Fund's Executive Board, hereby authorizes the Fund treasurer to issue warrants in payment of the following claims; and

**FURTHER**, that this authorization shall be made a permanent part of the records of the Fund.

**FUND YEAR 2014**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
<b>000183</b>			
000183	T & M ASSOCIATES	PROFESSIONAL SERVICES - 03/14/2014	7,103.67
			<b>7,103.67</b>
<b>000184</b>			
000184	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 04/2014	11.12
000184	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 03/2014	3.57
000184	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 05/2014	20,163.00
000184	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 02/2014	36.48
			<b>20,214.17</b>
<b>000185</b>			
000185	CHARLES CUCCIA	TREASURER FEE 05/2014	1,515.00
			<b>1,515.00</b>
<b>000186</b>			
000186	PRINCETON PUBLIC AFFIARS GROUP	PROFESSIONAL SERVICES - 4/5/14-5/4/14	4,500.00
			<b>4,500.00</b>
<b>000187</b>			
000187	DANSKIN INSURANCE AGENCY INC	UNDERWRITING MANAGER FEE 05/2014	17,569.00
			<b>17,569.00</b>
<b>000188</b>			
000188	MUNICIPAL EXCESS LIABILITY JIF	REIMBURSE MEL 1/3 MEETING COST 3/5/14	777.89
			<b>777.89</b>
<b>000189</b>			
000189	ALLSTATE INFORMATION MANAGEMNT	DEPT: 736 - ACT & STOR 3/31/2014	16.81
			<b>16.81</b>
<b>000190</b>			
000190	FIRST ENVIRONMENT, INC.	PROFESSIONAL SERVICES - 03/2014	8,644.66
			<b>8,644.66</b>
<b>000191</b>			
000191	A & A PRINTING LLC	EJIF POSTERS - 04/2014	1,449.00
			<b>1,449.00</b>
<b>000192</b>			
000192	CONNER STRONG & BUCKELEW	POSITION BOND - 2014	1,113.00
			<b>1,113.00</b>
		Total Payments FY 2014	62,903.20

**TOTAL PAYMENTS ALL FUND YEARS \$ 62,903.20**



**NEW JERSEY MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND  
BILLS LIST**

Resolution No. 18-14

JUNE 2014

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

BE IT RESOLVED that the New Jersey Municipal Environmental Risk Management Fund's Executive Board, hereby authorizes the Fund treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Fund.

**FUND YEAR 2012**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
<b>CP0001</b>			
CP0001	TOMS RIVER TOWNSHIP	2012 REAL ESTATE TAXES DUE (CONFIRMING PAYMENT - MAY)	439.46 <b>439.46</b>
Total Payments FY 2012			

**FUND YEAR 2013**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
<b>000193</b>			
000193	TOMS RIVER TOWNSHIP	2013 REAL ESTATE TAXES DUE	414.34 <b>414.34</b>
Total Payments FY 2013			414.34

**FUND YEAR 2014**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
<b>000194</b>			
000194	T & M ASSOCIATES	PROFESSIONAL SERVICES - 4/11/2014	5,652.67 <b>5,652.67</b>
<b>000195</b>			
000195	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 06/2014	20,163.00 <b>20,163.00</b>
<b>000196</b>			
000196	CHARLES CUCCIA	TREASURER FEE 06/2014	1,515.00 <b>1,515.00</b>
<b>000197</b>			
000197	PRINCETON PUBLIC AFFIARS GROUP	PROFESSIONAL SERVICES - 5/5/14-6/4/14	4,500.00 <b>4,500.00</b>
<b>000198</b>			
000198	DANSKIN INSURANCE AGENCY INC	UNDERWRITING MANAGER FEE 06/2014	17,569.00 <b>17,569.00</b>
<b>000199</b>			
000199	ALLSTATE INFORMATION MANAGEMNT	DEPT: 736 - ACT & STOR 04/30/14	16.81 <b>16.81</b>
<b>000200</b>			
000200	FIRST ENVIRONMENT, INC.	PROFESSIONAL SERVICES - 04/2014	20,332.66 <b>20,332.66</b>
<b>000201</b>			
000201	TOMS RIVER TOWNSHIP	2014 REAL ESTATE TAXES DUE FEB-NOV	392.71 <b>392.71</b>
Total Payments FY 2014			70,141.85

**TOTAL PAYMENTS ALL FUND YEARS \$ 70,556.19**

**New Jersey Municipal Environmental Risk Management Fund**

**Resolution #19-14**

**Resolution of Certification  
Annual Audit Report for Period Ending December 31, 2013**

**WHEREAS**, N.J.S.A. 40A:5-4 requires the governing body of every local unit to have made an annual audit of its books, accounts and financial transactions, and

**WHEREAS**, the Annual Report of Audit for the year 2013 has been filed by the appointed Fund Auditor with the Secretary of the Fund as per the requirements of N.J.S.A. 40A:5-6 and N.J.S.A. 40A:10-36, and a copy has been received by each Fund Commissioner, and

**WHEREAS**, the Local Finance Board of the State of New Jersey is authorized to prescribe reports pertaining to the local fiscal affairs, as per R.S. 52:27BB-34, and

**WHEREAS**, the Local Finance Board has promulgated a regulation requiring that the Fund Commissioners of the Fund shall, by resolution, certify to the Local Finance Board of the State of New Jersey that all Fund Commissioners have reviewed, as a minimum, the sections of the annual audit entitled:

General Comments  
and  
Recommendations

and

**WHEREAS**, the Fund Commissioners have personally reviewed, as a minimum, the Annual Report of Audit, and specifically the sections of the Annual Audit entitled:

General Comments  
and  
Recommendations

as evidenced by the group affidavit form of the Fund Commissioners.

**WHEREAS**, such resolution of certification shall be adopted by the Fund Commissioners no later than forty-five days after the receipt of the annual audit, as per the regulations of the Local Finance Board, and

**WHEREAS**, all Fund Commissioners have received and have familiarized themselves with, at least, the minimum requirements of the Local Finance Board of the State of

New Jersey, as stated aforesaid and have subscribed to the affidavit, as provided by the Local Finance Board, and

**WHEREAS**, failure to comply with the promulgations of the Local Finance Board of the State of New Jersey may subject the Fund Commissioners to the penalty provisions of R.S. 52:27BB-52 - to wit:

R.S. 52:27BB-52 - "A local officer or member of a local governing body who, after a date fixed for compliance, fails or refuses to obey an order of the director (Director of Local Government Services), under the provisions of this Article, shall be guilty of a misdemeanor and, upon conviction, may be fined not more than one thousand dollars (\$1,000.00) or imprisoned for not more than one year, or both, in addition shall forfeit his office."

**NOW, THEREFORE, BE IT RESOLVED**, that the Fund Commissioners of the **New Jersey Municipal Environmental Risk Management Fund**, hereby state that they have complied with the promulgation of the Local Finance Board of the State of New Jersey, dated July 30, 1968, and does hereby submit a certified copy of this resolution and the required affidavit to said Board to show evidence of said compliance.

**I HEREBY CERTIFY THAT THIS IS A TRUE COPY OF THE  
RESOLUTION PASSED AT THE MEETING HELD ON: June 4, 2014**