

**NJ MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND
OPEN MINUTES
MEETING OF JUNE 1, 2016
JAMESBURG, NEW JERSEY
10:50 AM**

Meeting called to order by Paul Shives. The Open Public Meeting Notice was read into the record.

Pledge of Allegiance

ROLL CALL OF EXECUTIVE COMMITTEE:

Chairman:	Ocean	Paul Shives	Present
Secretary:	Central	Robert Landolfi	Present
Executive Committee:	Sub Essex JIF	Joe Catenaro	Present
	Monmouth	Thomas Nolan	Present
	Camden	Joe Wolk	Present
	Sub-Muni	Jim Gildea	Present
	PMM	Scott Carew	Absent
	Trico	Robert Law	Present
Alternates:			
	#1 South Bergen	Greg Franz	Present
	#2 Bergen	Paul Tomasko	Present
	#3 Morris	Jon Rheinhardt	Present
	#4 Burlco	Meghan Jack	Present
	#5 NJUA	Bernie Rutkowski	Present

APPOINTED OFFICIALS PRESENT:

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

OTHERS PRESENT:

David Grubb, PERMA
Steve Sacco, PERMA
Cate Kiernan, PERMA
Brad Stokes, PERMA
Joe Hrubash, PERMA
Pauline Kontomanolis, PERMA
Nancy Ghani, PERMA
Jason Thorpe, PERMA
Robyn Walcoff, PERMA
Joen Ciannella, PERMA
Chris Botta, CB Claims
Ed Cooney, CS&B
Paul Miola, AJ Gallagher
Ezio Altamura, RMC
Dawn Sullivan, Dorsey & Semrau

APPROVAL OF MINUTES: March 2, 2016

MOTION TO APPROVE OPEN AND CLOSED MINUTES OF MARCH 2, 2016

MOTION: Commissioner Catenaro
SECOND: Commissioner Wolk
VOTE: Unanimous

CORRESPONDENCE :

None

TREASURER

Mr. Cuccia presented his report and Resolution No. 15-16 confirming the April Bill List, Resolution No. 16-16 confirming the May Bill List and Resolution No. 17-16 approving the June Bill List as follows:

RESOLUTION 15-16 - APRIL BILL LIST

FUND YEAR	AMOUNT
2016	\$ 107,337.24
Total	\$ 107,337.24

RESOLUTION 16-16 - MAY BILL LIST

FUND YEAR	AMOUNT
2015	\$ 400.00
2016	\$ 67,961.39
Total	\$ 68,361.39

RESOLUTION 17-16 - JUNE BILL LIST

FUND YEAR	AMOUNT
2016	\$ 62,956.73
Total	\$ 62,956.73

MOTION TO APPROVE PAYMENT OF BILLS - RESOLUTION NO. 15-16, 16-16 AND 17-16

MOTION: Commissioner Nolan
SECOND: Commissioner Jack
ROLL CALL VOTE: Unanimous

EXECUTIVE DIRECTOR/ADMINISTRATOR:

AUDITOR AND ACTUARY YEAR-END REPORTS - Mr. Kickham referred to the Audit Report as of December 31, 2015 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 informed the Board that the Fund has just over \$15 million in Net Position and is excellent financial condition as of the end of 2015. 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 were no findings or recommendations. Following Mr. Jones' presentation, Mr. Kickham requested a motion to adopt the Resolution certifying the 2015 Audit and indicated that the Group Affidavit had to be executed.

MOTION TO APPROVE YEAR-END FINANCIALS, ADOPT RESOLUTION #18-16 AND EXECUTE GROUP AFFIDAVIT INDICATING THAT MEMBERS OF THE EXECUTIVE COMMITTEE HAVE READ THE GENERAL COMMENTS SECTION OF THE AUDIT REPORT.

MOTION: Commissioner Catenaro
SECOND: Commissioner Gildea
ROLL CALL VOTE: Unanimous

ACTUARIAL IBNR ESTIMATES – Mr. Kickham indicated that the EJIF's Actuarial IBNR Estimates valued as of March 31, 2016 was enclosed within the agenda booklet. He noted that the Fund's actuary, Mr. Kullmann of Aon was present and asked him to give a brief report. Mr. Kullmann reported that the estimated IBNR as of March 31st was 6 million and noted that it was a decrease of \$450,000 from 3 months prior. He advised that the main reason for the decrease is a result of favorable performance in the previous Fund Year. He added that over the past 12 months, each quarter there has been approximately 200,000 received in reported loss and, as a result, the Ultimate Loss has decreased by approximately 1.1 million. Mr. Kullman further added that the Fund's experience has been reasonably stable and favorable relative the funding amounts.

2016 BILLINGS- Mr. Kickham advised that the first assessment installment was sent to our member JIF's in January and informed the Board that the second installment billings will be distributed during the next month.

NEXT MEETING- Mr. Kickham informed the Board that the next meeting of the EJIF is scheduled for September 7, 2016 at the Forsgate CC, Jamesburg.

FINANCIAL FAST TRACK – Mr. Kickham referred to the Year-end Financial Fast Track enclosed within the agenda booklet. He informed the Committee that as of March 31st the Fund's statutory surplus was \$16.1 million.

ATTORNEY:

Mr. Semrau indicated that his report was for closed session only.

UNDERWRITING MANAGERS:

COVERAGE

Mr. Casagrande reported that the Storage Tank Policy Form is in the process of being revised. He noted that the changes are mostly editorial.

Mr. Casagrande also reported that the NJUA has requested the EJIF consider providing coverage for the transport of sludge. He noted that there are approximately six member authorities that transport sludge, while 50 members have a vicarious exposure through contract with vendors to remove sludge. Mr. Casagrande indicated that no decision has been made in terms of coverage but advised that the NJUA Coverage Committee will meet again to discuss further and he would advise the Board accordingly.

ENVIRONMENTAL ENGINEERING:

Mr. Gulics reported that there are federal changes that have been made to UST requirements which the DEP will have to comply with. He advised that as the changes develop bulletins will be released to the membership and seminars will be scheduled.

Mr. Gulics advised the Board that updates are being made to the municipal inspection checklists. He indicated that point deductions on certain items will be increased to shed light on changes that members will need to focus on. He added that changes will be reviewed by a sub-committee prior to being implemented.

Mr. Erickson reported that DEP has been doing an outreach for the Storm-water pre-draft permit. He informed the Board that DEP has selected a number of municipalities to sit down with and fully audit, with Bogota being one of them. He noted that he will be in attendance at the meeting. Commissioner Tomasko thanked Mr. Erickson for recently attending a Mayor's breakfast in Bergen County. He noted that Mr. Erickson took the time to help various Elected Officials better understand the storm-water draft requirements and what the E-JIF's overall mission is.

Lastly, Mr. Sacco informed the Board that the Fund Office has seen an increase from the membership with regards to property acquisitions. He advised that the Environmental Engineers are preparing an updated foreclosed property bulletin. Mr. Gulics added that the bulletin is being updated and will be released to the membership in the near future.

ACTUARY

Mr. Kullman indicated that he had nothing further to report.

OLD BUSINESS:

None.

NEW BUSINESS:

None.

MEETING OPENED TO PUBLIC FOR COMMENT:

No public comments were made.

PUBLIC COMMENT PORTION OF THE MEETING CLOSED

CLOSED SESSION:

MOTION FOR EXECUTIVE SESSION TO DISCUSS CLAIMS AND POTENTIAL LITIGATION.

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

MOTION TO RETURN TO OPEN SESSION

MOTION: Commissioner Wolk
SECOND: Commissioner Nolan
VOTE: Unanimous

MOTION TO APPROVE THE PARS AS PRESENTED DURING CLOSED SESSION

MOTION: Commissioner Catenaro
SECOND: Commissioner Wolk
ROLL CALL VOTE: Unanimous

MOTION TO ADJOURN MEETING

MOTION: Commissioner Rheinhardt
SECOND: Commissioner Tomasko
VOTE: Unanimous

Meeting Adjourned: 11:08 AM

Next Meeting:

**September 2016
Forsgate CC
Jamesburg, NJ**

Respectfully submitted,

Prepared by Jason D. Thorpe, Assistant Secretary

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

Resolution No. 15-16

APRIL 2016

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 2016

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000442			
000442	PAULUS,SOKOLOWSKI & SARTOR LLC	ENGINEERING SERVICES 02/2016	2,862.12
			2,862.12
000443			
000443	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 03/2016	3.13
000443	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 04/2016	20,778.00
000443	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 02/2016	30.75
			20,811.88
000444			
000444	AON RISK CONSULTANTS, INC.	ACTUARIAL SERVICES - 1ST QTR 2016	15,425.50
			15,425.50
000445			
000445	DORSEY & SEMRAU	ATTORNEY FEE 2ND QTR 2016	18,207.00
			18,207.00
000446			
000446	CHARLES CUCCIA	TREASURER FEE 04/2016	1,577.00
			1,577.00
000447			
000447	PRINCETON PUBLIC AFFIARS GROUP	PROFESSIONAL SERVICES - 3/5/16-4/4/16	3,750.00
			3,750.00
000448			
000448	DANSKIN INSURANCE AGENCY INC	UNDERWRITING MANAGER FEE 04/2016	17,748.00
			17,748.00
000449			
000449	NJ ADVANCE MEDIA	ACCT: XNJEN0555599 - 2/23/2016 - RESOLU	38.75
			38.75
000450			
000450	MUNICIPAL EXCESS LIABILITY JIF	REIMBURSE 1/3 OF MEETING COST 3/2/16	812.30
			812.30
000451			
000451	ALLSTATE INFORMATION MANAGEMNT	ACCT: 736 - ACT & STOR - 2/29/2016	19.76
			19.76
000452			
000452	FIRST ENVIRONMENT, INC.	PROFESSIONAL SERVICES - 1/1/16-2/29/16	26,084.93
			26,084.93
		Total Payments FY 2016	107,337.24

TOTAL PAYMENTS ALL FUND YEARS \$107,337.24

NEW JERSEY MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND BILLS LIST

Resolution No. 16-16

MAY 2016

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 2015

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000453			
000453	HARDING TOWNSHIP DPW	REIMBURSE FOR TESTING & CONST REQUIRE	400.00
			400.00
		Total Payments FY 2015	400.00

FUND YEAR 2016

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000454			
000454	PAULUS,SOKOLOWSKI & SARTOR LLC	ENGINEERING SERVICES - 03/2016	3,111.00
			3,111.00
000455			
000455	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 04/2016	7.71
000455	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 05/2016	20,778.00
			20,785.71
000456			
000456	CHARLES CUCCIA	TREASURER FEE 05/2016	1,577.00
			1,577.00
000457			
000457	PRINCETON PUBLIC AFFIARS GROUP	PROFESSIONAL SERVICES - 4/5/16-5/4/16	3,750.00
			3,750.00
000458			
000458	DANSKIN INSURANCE AGENCY INC	UNDERWRITING MANAGER FEE 05/2016	17,748.00
			17,748.00
000459			
000459	MUNICIPAL EXCESS LIABILITY JIF	REIMBURSE ME 1-3 MTG COST FROM 1/6/16	1,045.67
			1,045.67
000460			
000460	ALLSTATE INFORMATION MANAGEMNT	ACCT: 736 - ACT & STOR - 03/31/2016	19.76
			19.76
000461			
000461	FIRST ENVIRONMENT, INC.	PROFESSIONAL SERVICES - 03/2016	17,384.25
			17,384.25
000462			
000462	CONNER STRONG & BUCKELEW	POSITION BOND - 05/2016	2,540.00
			2,540.00
		Total Payments FY 2016	67,961.39

TOTAL PAYMENTS ALL FUND YEARS \$ 68,361.39

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

Resolution No. 17-16

JUNE 2016

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 2016

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000463			
000463	PAULUS,SOKOLOWSKI & SARTOR LLC	ENGINEERING SERVICES - 04/2016	7,332.12
			7,332.12
000464			
000464	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 06/2016	20,778.00
			20,778.00
000465			
000465	CHARLES CUCCIA	TREASURER FEE 06/2016	1,577.00
			1,577.00
000466			
000466	PRINCETON PUBLIC AFFIARS GROUP	PROFESSIONAL SERVICES - MAY 5 - JUN 4	3,750.00
			3,750.00
000467			
000467	DANSKIN INSURANCE AGENCY INC	UNDERWRITING MANAGER FEE 06/2016	17,748.00
			17,748.00
000468			
000468	ALLSTATE INFORMATION MANAGEMNT	ACCT: 736 - ACT & STOR - 4/30/2016	35.64
			35.64
000469			
000469	FIRST ENVIRONMENT, INC.	PROFESSIONAL SERVICES - 04/2016	11,735.97
			11,735.97
		Total Payments FY 2016	62,956.73

TOTAL PAYMENTS ALL FUND YEARS \$62,956.73

New Jersey Municipal Environmental Risk Management Fund

Resolution #18-16

**Resolution of Certification
Annual Audit Report for Period Ending December 31, 2015**

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 2015 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 1, 2016**