

**NJ MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND  
OPEN MINUTES  
MEETING OF MARCH 5, 2014  
CROWNE PLAZA - 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	Absent
Executive Committee:	<b>Morris</b>	William Close	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 Present
Actuary	<b>AON</b>	Chaz Kullman	Present
Auditor	<b>Nisivoccia, L.L.P.</b>	Francis "Bud" Jones	Absent

**OTHERS PRESENT:**

David Grubb, PERMA  
Steve Sacco, PERMA  
Cate Kiernan, PERMA  
Mary Lou Doner, PERMA  
Nancy Ghani, PERMA  
Jason Thorpe, PERMA  
Joen Ciannella, PERMA  
Carol Byrne, Tenafly  
Patrick O'Hagan, Midland Park  
Ezio Altamura, GJEM Insurance  
Ilene Laursen, CS&B  
Scott Tennant, AJ Gallagher

**APPROVAL OF MINUTES:** January 2, 2014

**MOTION TO APPROVE OPEN AND CLOSED MINUTES OF JANUARY 2, 2014**

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

**CORRESPONDENCE :**

None

**TREASURER**

Mr. Cuccia presented his report and Resolution No. 13-14 confirming the February Bill List and Resolution No. 14-14 approving the March Bill List as follows:

**RESOLUTION 13-14 -FEBRUARY BILL LIST**

<b>FUND YEAR</b>	<b>AMOUNT</b>
2013	\$ 73,972.61
2014	\$ 40,249.84
<b>Total</b>	<b>\$ 114,222.45</b>

**RESOLUTION 14-14 - MARCH BILL LIST**

<b>FUND YEAR</b>	<b>AMOUNT</b>
2013	\$ 1,693.43
2014	\$ 54,541.81
<b>Total</b>	<b>\$ 56,235.24</b>

**MOTION TO APPROVE PAYMENT OF BILLS - RESOLUTION NO. 13-14 AND 14-14**

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

**EXECUTIVE DIRECTOR/ADMINISTRATOR:**

**ACTUARIAL IBNR REPORT-** Mr. Sacco referred to the actuarial IBNR estimates valued as of December 31, 2013 contained within the Agenda booklet. He informed the Board that the Fund Actuary, Mr. Kullman from Aon, was present and asked that he give a brief verbal report. Mr. Kullman indicated that there has been very little change in loss experience. He added that there is actually a slight decrease in reported loss. Mr. Kullman informed the Board that the IBNR estimate is at the same level that it has been for the past 24 months.

**REVISED BUDGET-** Mr. Sacco referred the Board to the revised 2014 budget enclosed within the agenda booklet. He reminded the Board that the 2014 budget was adopted in November and indicated that the revisions reflect the changes in membership to the local JIF's for 2014.

**MOTION TO APPROVE THE REVISIONS TO THE 2014 BUDGET TO REFLECT THE CHANGES IN MEMBERSHIP.**

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

**FINANCIAL FAST TRACK** – Mr. Sacco informed the Board of the Fund's current statutory surplus position. He added that the Fund had a good year and is in excellent financial shape.

**NEXT MEETING** - The next meeting of the EJIF is scheduled for Wednesday, June 4, 2014 at the Forsgate CC, Jamesburg.

**ATTORNEY:**

Mr. Semrau referred to Resolution 15-14 that was distributed prior to the start of the meeting. He informed the Board that the Fund Attorney, Executive Director, and Fund Treasurer have been working with Wells Fargo on the concept of pooling the various fund's investments in the hopes of having a better investment position. Commissioner Brook requested further clarification on the program. Mr. Cuccia informed the Board that under this program, the RCF, EJIF and MEL, in addition to other local JIF accounts, will establish a process to pool assets collectively for investment management purposes.

**MOTION TO ADOPT RESOLUTION # 15-14 AUTHORIZING THE NEW JERSEY MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND TO PARTICIPATE IN A POOLED INVESTMENT PROGRAM WITH WELLS FARGO BANK, N.A. AND WELLS CAPITAL MANAGEMENT.**

<b>MOTION:</b>	Commissioner Brook
<b>SECOND:</b>	Commissioner Catenaro
<b>ROLL CALL VOTE:</b>	Unanimous

## **UNDERWRITING MANAGERS:**

### **UST BULLETIN**

Mr. Casagrande reminded the Board that the EJIF no longer covers 20+ year old unregulated underground tanks as of January 1, 2014. He referred to the final bulletin that was sent to the membership enclosed within the agenda booklet. Mr. Casagrande added that there is a possibility for members to get commercial coverage.

### **AST's w/ UGP**

Mr. Casagrande also reminded the Board that partial reimbursement for testing of Underground Piping associated with Above Ground Storage Tanks is still available. He noted that there has been a poor response and there are still a number of members that have not complied. Mr. Casagrande indicated that another bulletin will be sent to those members informing them that they are without coverage, but can get coverage if they have them tested. Commissioner Close requested that the local JIFs be provided with a list of their members who have not yet complied. Mr. Kickham indicated that a list would be put together and the local JIFs will be contacted.

### **POLICY REWRITE**

Mr. Casagrande indicated that the Policy Rewrite process is moving forward. He informed the Board that the underwriting managers have submitted a draft policy to Liberty Underwriters. He added that after Liberty's in house counsel completes their review, the underwriting managers will disseminate among the fund professionals for their review.

## **ENVIRONMENTAL ENGINEERING:**

Mr. Erickson referred the Board to the Environmental Alert enclosed within the agenda booklet. He advised that if a municipality has received a letter from the DEP regarding old cases that are still open, there are a significant set of deadlines that must be met to remain in compliance. Mr. Erickson added that there is a 2 year extension that has been issued by the Governor's office. He noted that the extension must be applied for and the municipality has to be in compliance with a number of other issues there. Mr. Kickham asked Mr. Erickson what the deadline for applying for the extension is. Mr. Erickson informed the Board that the deadline for filing for the extension is March 21, 2014. He indicated that if member's have any questions with regards to this matter, they can contact the respective Environmental Engineer.

## **ACTUARY**

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

**OLD BUSINESS:**

None.

**NEW BUSINESS:**

None.

**PUBLIC COMMENT:**

None.

**CLOSED SESSION:**

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

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

**MOTION TO RETURN TO OPEN SESSION**

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

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

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

**MOTION TO ADJOURN MEETING**

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

Meeting Adjourned: 11:16 AM

*Next Meeting:*

**June 2014**  
**Forsgate Country Club**

*Respectfully submitted,*

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

Resolution No. 13-14

FEBRUARY 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>000126</b>			
000126	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 12/2013	46.04
000126	PERMA RISK MANAGEMENT SERVICES	E-FILING 1099 MISC - 2013	28.35
			<b>74.39</b>
<b>000127</b>			
000127	AON RISK CONSULTANTS, INC.	ACTUARIAL SERVICES - 4TH QTR 2014	15,163.00
			<b>15,163.00</b>
<b>000128</b>			
000128	FIRST ENVIRONMENTAL INC.	PROFESSIONAL SERVICES - 12/2013	20,627.66
			<b>20,627.66</b>
<b>000129</b>			
000129	T & M ASSOCIATES	PROFESSIONAL SERVICES - 12/20/13	38,090.75
			<b>38,090.75</b>
<b>000130</b>			
000130	ALLSTATE INFORMATION MANAGEMNT	DEPT: 736 - ACT & STOR - 12/31/2013	16.81
			<b>16.81</b>
Total Payments FY 2013			73,972.61

**FUND YEAR 2014**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
<b>000131</b>			
000131	PERMA RISK MANAGEMENT SERVICES	UNDERPAID EXECUTIVE DIRECTOR 01/2014	164.00
000131	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR 02/2014	20,163.00
000131	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 01/2014	1.84
			<b>20,328.84</b>
<b>000132</b>			
000132	CHARLES CUCCIA	UNDERPAID TREASURER FEE 01/2014	12.00
000132	CHARLES CUCCIA	TREASURER FEE 02/2014	1,515.00
			<b>1,527.00</b>
<b>000133</b>			
000133	PRINCETON PUBLIC AFFIARS GROUP	PROFESSIONAL SERVICES - 01/5/14 - 2/4/14	4,500.00
			<b>4,500.00</b>
<b>000134</b>			
000134	DANSKIN INSURANCE AGENCY INC	UNDERWRITING MANAGER - 02/2014	15,488.00
000134	DANSKIN INSURANCE AGENCY INC	OVERPAID UNDERWRITING MANAGER 01/2014	-1,594.00
			<b>13,894.00</b>
Total Payments FY 2014			40,249.84

**TOTAL PAYMENTS ALL FUND YEARS \$ 114,222.45**

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

**Resolution No. 14-14**

**MARCH 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>000163</b>			
000163	SHERATON ATLANTIC CITY	ACCT 81620 - 11/22/13 - ENVIRONMENTAL JI	1,693.43
			<b>1,693.43</b>
		Total Payments FY 2013	1,693.43

**UND YEAR 2014**

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
<b>000164</b>			
000164	T & M ASSOCIATES	PROFESSIONAL SERVICES - 1/17/2014	3,173.67
			<b>3,173.67</b>
<b>000165</b>			
000165	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 03/2014	20,163.00
			<b>20,163.00</b>
<b>000166</b>			
000166	CHARLES CUCCIA	TREASURER FEE 03/2014	1,515.00
			<b>1,515.00</b>
<b>000167</b>			
000167	PRINCETON PUBLIC AFFIARS GROUP	PROFESSIONAL SERVICES - 2/5/14 - 3/4/14	4,500.00
			<b>4,500.00</b>
<b>000168</b>			
000168	DANSKIN INSURANCE AGENCY INC	UNDERWRITING MANAGER FEE 03/2014	17,569.00
			<b>17,569.00</b>
<b>000169</b>			
000169	MUNICIPAL EXCESS LIABILITY JIF	REIMBURSE MEL MEETING 1/2/14	805.67
			<b>805.67</b>
<b>000170</b>			
000170	ALLSTATE INFORMATION MANAGEMNT	DEPT: 736 - ACT & STOR 01/31/14	16.81
			<b>16.81</b>
<b>000171</b>			
000171	FIRST ENVIRONMENT, INC.	PROFESSIONAL SERVICES 01/2014	6,798.66
			<b>6,798.66</b>
		Total Payments FY 2014	54,541.81

**TOTAL PAYMENTS ALL FUND YEARS \$ 56,235.24**

RESOLUTION 15-14 OF  
THE NEW JERSEY ENVIRONMENTAL RISK MANAGEMENT  
INSURANCE FUND

**WHEREAS**, the New Jersey Environmental Risk Management Insurance Fund (“E-JIF”) seeks to establish a process to pool assets for those accounts that do not have sufficient assets to be separately managed; and

**WHEREAS**, the pooling of such assets creates a critical mass and the economies of scale for investment management purposes; and

**WHEREAS**, Wells Fargo Institutional Retirement and Trust and Wells Capital Management can provide assistance with the pooling of the E-JIF’s assets; and

**WHEREAS**, the Treasurer, Executive Director and Fund Attorney hereby recommend that the E-JIF participate in a Pooled Investment Program.

**NOW, THEREFORE, BE IT RESOLVED** by the E-JIF’s Executive Committee the following:

1. That the Chairman of the EJIF is hereby authorized to enter into an Agreement with Wells Fargo Bank, NA to participate in a Pooled Investment Program.
2. The Chairman is further authorized to enter into an Investment Management Agreement as well as a Custody Agreement for such funds with Wells Fargo Bank, NA and Wells Capital Management.

NEW JERSEY ENVIRONMENTAL RISK  
MANAGEMENT INSURANCE FUND