

**NJ MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND
OPEN MINUTES
MEETING OF OCTOBER 16, 2024
FORSGATE COUNTY CLUB, MONROE, N.J.
11:05 AM**

Meeting called to order by Chairman McNeilly and Open Public Meeting Notice was read into the record. Chairman led the commissioners in the Pledge of Allegiance.

ROLL CALL OF 2024 EXECUTIVE COMMITTEE:

Chairman:	Morris	Brian McNeilly	Present
Secretary:	Ocean	Veronica Laureigh	Absent
Executive Committee:			
	Burlco	Meghan Jack	Present
	Monmouth	Thomas Nolan	Present
	Camden	Joe Wolk	Present
	South Bergen	Greg Franz	Present
	NJUA	Bernard Rutkowski	Present
	Sub-Muni	Megan Champney	Present
Alternates:			
#1	Bergen	Paul Tomasko	Present
#2	Central	Joe Criscuolo	Present
#3	Sub Metro	Vincent Quatrone	Present
#4	Trico	Michael Razze	Present
#5	PMM	Susan Danson	Present
#6	Atlantic	James Pacanowski	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director / Administrator	PERMA Risk Management Services	Stephen Sacco	Present
Attorney	Dorsey & Semrau	Fred Semrau, Esq.	Present
Treasurer		Charles S. Cuccia	Present
Underwriting Managers	The Danskin Agency Conner Strong & Buckelew	Charles Casagrande Ed Cooney	Present Present
Claims Administrator	King Moench & Collins	Peter King, Esq.	Absent
Environmental Engineering Services	First Environment	Rich Erickson	Present
Actuary	AON	Chas Kullman	Absent
Auditor	Nisivoccia, L.L.P.	Francis "Bud" Jones	Absent

OTHERS PRESENT:

Adam Brewer, Pequannock, Morris JIF
 Dave Grubb, PERMA
 Joseph Hrubash, PERMA
 Cate Kiernan, PERMA

Brad Stokes, PERMA
 Pauline Kontomanolis, PERMA
 Nancy Ghani, PERMA
 Brandon Tracy, PERMA
 Sandra Cantwell, PERMA
 Barbara Murphy, RLM
 Ed Cooney, Conner, Strong & Buckelew
 Jonathon Tavares, Conner, Strong & Buckelew
 Tom Merchel, Conner, Strong & Buckelew
 Paul Forlenza, RPA
 Paul Shives, JA Montgomery
 Brian Maitland, JA Montgomery
 John Casagrande, Danskin Agency
 Alison Kelly, Danskin Agency
 Jamie Shooks, The Actuarial Advantage
 Ezio Altamura, GJEM-Otterstedt Agency
 Matthew McArow Jr., GJEM-Otterstedt Agency
 Amy Pieroni, Acrisure
 Patti Fahy, Acrisure
 Don Sciolaro, PIA

APPROVAL OF MINUTES: September 9, 2024

MOTION TO APPROVE OPEN MINUTES OF SEPTEMBER 9, 2024

MOTION: Commissioner Wolk
SECOND: Commissioner Jack
VOTE: 10 Ayes, 0 Nays, 2 Abstains (Commissioners Rutkowski and Razzo)

TREASURER

Mr. Cuccia asked for approval for Resolution No. 27-24 confirming the October 2024 Bills List:

RESOLUTION 27-24 - OCTOBER 2024 BILLS LIST

FUND YEAR	AMOUNT
2024	\$110,427.41
Total	\$110,427.41

MOTION TO APPROVE PAYMENT OF BILLS - RESOLUTION NO. 27-24

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

Treasurer said the JCMI has an average maturity of a little over three years and average yield to maturity of 4.36%.

EXECUTIVE DIRECTOR/ADMINISTRATOR REPORT:

2025 Budget Public Hearing. Mr. Sacco said during the September Executive Committee meeting, the Fund introduced a budget for Fund year 2025. He advised that in accordance with the

regulations, the budget has been advertised in the Fund's official newspaper and sent to each member JIF. The Public Hearing for the budget will be held at this meeting and referred to the budget included in the agenda. The assessments were distributed.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2025 BUDGET.

MOTION: Commissioner Franz
SECOND: Commissioner Jack
VOTE: Unanimous

Discussion of budget & assessments.

MOTION TO CLOSE THE PUBLIC HEARING AND ADOPT THE PROPOSED BUDGET FOR THE NEW JERSEY MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT JOINT INSURANCE FUND FOR FUND YEAR 2025 IN THE AMOUNT OF \$4,932,577 AND CERTIFY THE ANNUAL ASSESSMENTS, BASED UPON THE ADOPTED 2025 BUDGET FOR MEMBER JOINT INSURANCE FUNDS

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

2024 Dividend: Mr. Sacco said at our September meeting, the Executive Committee approved the EJIF 2024 dividend distribution of \$2,100,000. The request was filed with the Department of Banking and Insurance (DOBI) and due to a rounding in the spreadsheets, noted a slight difference in the amount of surplus available for return in certain years. This resulted in minor adjustments to amounts released from the selected years. The total amount for distribution remains the same at \$2,100,000.

MOTION TO ADOPT RESOLUTION 28-24 AMENDING RESOLUTION 26-24 AUTHORIZING A TOTAL RETURN DIVIDEND OF \$2,100,000.

MOTION: Commissioner Nolan
SECOND: Commissioner Jack
VOTE: Unanimous

Banking Services: Mr. Semrau said the MEL has negotiated with TD Bank to obtain the limits of liability for ancillary claims that they are now comfortable with and based on the direction of the Commissioners he can recommend the Fund proceeds with TD Bank.

MOTION TO ACCEPT THE LANGUAGE OF THE CASH MANAGEMENT MASTER AGREEMENT AS PRESENTED.

MOTION: Commissioner Champney
SECOND: Commissioner Jack
VOTE: Unanimous

NEXT MEETING - The next meeting of the EJIF is scheduled for November 13, 2024 at 9:30 AM to be held as a video / audio teleconference.

ATTORNEY:

Mr. Semrau said the Newark Bay claim is at a stay and the goal is to receive a global settlement, similar to the first round. Because of the stay the costs are flat as they wait for the case to take its course. Although the Fund does not offer coverage, we are coordinating protection for our members.

UNDERWRITING MANAGER:

Mr. Charles Casagrande said they are meeting with excess carriers and anticipate a savings in regards to the amount budgeted for 2025. They have more than one proposal and will have their recommendation at the November Board meeting. The Fund’s new member, the Atlantic JIF, has only a few underground tanks and the Fund honors retroactive coverage dates.

ENVIRONMENTAL ENGINEER:

Mr. Erickson said he is presenting a seminar to Atlantic JIF next week on the new Municipal Stormwater Permit. NJDEP has an air pollution compliance advisory for any gasoline dispensing facility (GDF) constructed in New Jersey before November 9, 2017. Members with a GDP are encouraged to contact their certified tank contract to ensure compliance.

Commissioner Tomasko said the NJPACT REAL rules are introducing reforms to building and climate pollutant emissions to address climate change, especially in coastal areas. Mr. Erickson said he has been working with Princeton Climate Central and using their climate change mapping program to predict areas with vulnerabilities. The mapping helps to avoid building in vulnerable areas and tie into funding hazard mitigation for areas at risk from rising sea levels. The goal is to think 25 – 50 years in advance. The Fund has considerable resources and should continue to add to these conversations with the State to keep solutions affordable and impactful.

ACTUARY:

No report.

OLD BUSINESS

None

NEW BUSINESS

None

PUBLIC COMMENT

None

EXECUTIVE SESSION

Mr. Sacco said Executive Session is not requested and there are no claims to present.

MOTION TO ADJOURN MEETING

MOTION: Tomasko
SECOND: Commissioner Champney
VOTE: Unanimous

Prepared by Sandra Cantwell, Assistant Secretary

NEW JERSEY MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND BILLS LIST

Resolution No. 27-24

October 2024

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 2024

<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
PERMA RISK MANAGEMENT SERVICES	POSTAGE 09/24	2.76
PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR 10/24	32,041.42
PERMA RISK MANAGEMENT SERVICES	POSTAGE 08/24	6.21
		32,050.39
DORSEY & SEMRAU	FUND ATTORNEY 10/24	8,672.52
		8,672.52
CHARLES CUCCIA	TREASURER FEE 10/24	1,847.14
		1,847.14
DANSKIN INSURANCE AGENCY	UNDERWRITING MANAGER FEE 10/24	25,378.17
		25,378.17
NJ ADVANCE MEDIA	ACCT XNJEN0555599 AD 10914833 9/20/24	48.06
		48.06
MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND	REIMB FOR 9/9/24 FORSGATE MEETING	956.67
		956.67
FIRST ENVIRONMENT, INC.	PROF. SERVICES P/E 8/31/24 INV 47450	41,004.08
		41,004.08
THE CANNING GROUP LLC	QPA SERVICES 10/24	416.67
		416.67
ACCESS	INV 11082339 DEPT 736 8/31/24	53.71
		53.71
	Total Payments FY 2024	110,427.41
	TOTAL PAYMENTS ALL FUND YEARS	110,427.41

Chairperson: _____

Attest: _____

Dated: _____

I hereby certify the availability of sufficient unencumbered funds in the proper accounts to fully pay the above claims.

Treasurer _____

RESOLUTION NO. 28-24
RESOLUTION OF THE EXECUTIVE COMMITTEE
OF THE NEW JERSEY MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND
AUTHORIZING REFUND OF THE 1999, 2002, 2003, 2005, 2007, 2008, 2009, 2010, 2011 AND
2012 FUND YEAR'S SURPLUS ACCOUNTS.

WHEREAS, N.J.A.C. 11:15-2.21 provides that a FUND may seek approval from the Commissioner of Insurance for a refund of excess monies from any FUND year upon compliance with certain requirements; and

WHEREAS, the FUND has obtained a calculation from its Actuary and Executive Director as to the amount of money which is available for distribution consistent with the aforementioned regulations, and the financial integrity of the FUND; and

WHEREAS, the Executive Committee has determined that it would be in the best interest of the FUND and its member municipalities to make certain refunds;

NOW, THEREFORE, BE IT RESOLVED by the Executive Committee of the **New Jersey Municipal Environmental Risk Management Fund**, As Follows:

1. Section B of N.J.A.C. 11:15-2.21 provides that the FUND may seek approval for refunds from funds other than those specified for Legal Liability, Defense or Environmental Services.

2. The Executive Committee has balanced the interests of the members in obtaining the benefit of such monies as are available for refund against the need for the FUND to protect and preserve its financial integrity. It is the conclusion of the Executive Committee that \$68,074.15 can be refunded from the 1999 Fund year surplus accounts, \$72,502.45 can be refunded from the 2002 Fund year surplus accounts, \$61,402.90 can be refunded from the 2003 Fund year surplus accounts, \$81,418.20 can be refunded from the 2005 Fund year surplus accounts, \$45,316.00 can be refunded from the 2007 Fund year surplus accounts, \$28,449.70 can be refunded from the 2008 Fund year surplus accounts, \$67,364.70 can be refunded from the 2009 Fund year surplus accounts, \$68,109.25 can be refunded from the 2010 Fund year surplus accounts, \$800,000.00 can be refunded from the 2011 Fund year surplus accounts and \$807,362.65 can be refunded from the 2012 Fund year surplus accounts. Therefore, the total amount to be returned to the E-JIF members will be \$2,100,000.

3. The Executive Director is, therefore, authorized and directed to submit such documents as the regulations require to the Department of Insurance and the Department of Community Affairs for the approval of the refunds in the amounts set forth above.

4. This authorization is based upon the Auditor's Report of the Historical Operating Results as of December 31, 2023. The aforementioned refund monies shall be allocated, as required and necessary, from the Fund years mentioned above.

5. The FUND Treasurer is authorized to prepare and execute checks for the pro-rated amount of the aforementioned refunds due to each member for the years in question, provided, however, the FUND Treasurer shall deduct the amount owed by the member local unit for any outstanding balances without regard for Fund year, upon receipt of written documentation of approval or acquiescence of these refunds from the Department of Insurance and the Department of Community Affairs. Said refunds shall be made to the municipalities which were members of the FUND for the years in question in the same ratio as said municipalities were assessed for the years in question.

Dated: _____

E-JIF

Attest:

Chairman

Secretary