

**NJ MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND
OPEN MINUTES
MEETING OF SEPTEMBER 9, 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	Present
Executive Committee:			
	Burlco	Meghan Jack	Present
	Monmouth	Thomas Nolan	Present
	Camden	Joe Wolk	Present
	South Bergen	Greg Franz	Present
	NJUA	Brian Bigler (Alt.)	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	Absent
#5	PMM	Susan Danson	Present
#6	Atlantic	James Pacanowski	Present

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.	Present
Environmental Engineering Services	First Environment	Rich Erickson	Present
Actuary	AON	Chas Kullman	Present
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
 Zareena Majeed, PERMA
 Nancy Ghani, 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
 Kamini Patel, RPA
 John Casagrande, Danskin Agency
 Alison Kelly, Danskin Agency
 Ezio Altamura, GJEM-Otterstedt Agency
 Matthew McArow Jr., GJEM-Otterstedt Agency
 Frank Covelli, PIA
 Amy Pieroni, Acrisure
 Patti Fahy, Acrisure
 Trevor Morris, Acrisure

APPROVAL OF MINUTES: June 9, 2024

MOTION TO APPROVE OPEN MINUTES OF JUNE 9, 2024

MOTION: Commissioner Wolk
SECOND: Commissioner Nolan
VOTE: 10 Ayes, 0 Nays, 3 Abstains (Commissioners Bigler (Alt), Quatrone and Danson)

TREASURER

Mr. Cuccia asked for approval for Resolution No. 23-24 confirming the July 2024 Bills List, Resolution 24-24 for August Bills List and Resolution No. 25-24 approving the September 2024 Bills List:

RESOLUTION 23-24 JULY BILLS LIST

FUND YEAR	AMOUNT
2024	\$102,250.57
Total	\$102,250.57

RESOLUTION 24-24 - AUGUST 2024 BILLS LIST

FUND YEAR	AMOUNT
2024	\$125,536.73
Total	\$125,536.73

RESOLUTION 25-24 - SEPTEMBER 2024 BILLS LIST

FUND YEAR	AMOUNT
2024	\$112,480.00
Total	\$112,480.00

MOTION TO APPROVE PAYMENT OF BILLS - RESOLUTION NOS. 23-24, 24-24 AND 25-24

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

EXECUTIVE DIRECTOR/ADMINISTRATOR REPORT:

2024 Budget: Mr. Sacco thanked the Finance Committee, who meet on September 5, 2024 to discuss the proposed 2025 budget and dividend recommendation. Keeping consistent with prior year's funding levels, the Finance committee recommended staying with the mid-range of loss projections provided by our Actuary, which keeps the loss funds flat. Professional fees are capped at 2%. The Underwriting Managers are estimating a 3-5% increase for the excess carrier. Total budget change is an increase of \$60,498, which is a 1.2% increase from the 2024 Fund Year. The RFQ for Lobbyist Consulting Services was also discussed and the Committee recommended not to act at this time and revisit the topic in the first quarter of next year. The budget line for Lobbyist was kept in the budget.

MOTION TO INTRODUCE THE 2025 BUDGET FOR THE NEW JERSEY ENVIRONMENTAL RISK MANAGEMENT FUND IN THE AMOUNT OF \$4,932,577 AND SCHEDULE A PUBLIC HEARING FOR OCTOBER 16, 2024 TO BE HELD AT FORSGATE COUNTY CLUB.

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

2023 Dividend: Mr. Sacco said the Finance Committee also is recommending distributing a dividend of \$2,100,000, which is less than last year's dividend of \$2,500,000, with the intent to sustain dividends going forward. The EJIF is restricted by regulations to hold surplus for 10 years, in contrast to Municipal JIFs that can release surplus after 3 years. This is due to the volatility of this line of coverage.

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

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

QPA Renewal: Mr. Sacco said a copy of the E-JIF's Qualified Purchasing Agent's proposal for the 2025 fund year was included in the agenda.

MOTION TO AUTHORIZE THE RENEWAL OF THE CANNING GROUP, INC. PROFESSIONAL SERVICES CONTRACT, WITHOUT COMPETITIVE BIDDING, TO SERVE AS THE FUND'S QUALIFIED PURCHASING AGENT IN FUND YEAR 2025 AT A FEE NOT TO EXCEED \$5,000.

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

DUE DILIGENCE REPORTS: Mr. Sacco said the Fast Track report shows for the second quarter of 2025 an increase of \$1.5m in surplus, bringing year to date total to \$17.3 million and the Fund remains in excellent financial position.

NEXT MEETING - The next meeting of the EJIF is scheduled for October 16, 2024 at Forsgate Country Club, Monroe Twp, N.J.

ATTORNEY:

Mr. Semrau said there was a decision in Brooklawn concerning PFAS that Jim Maley argued at the appellate division impacts the Fund. The court ruled that PFAS and liability does not attach to public entities that provide water services.

UNDERWRITING MANAGER:

Mr. Charles Casagrande said they are working on procuring the 2025 excess coverage and expect to come in below the budgeted amount. Although there are not many options, the market for this unique coverage is better than the general market.

ENVIRONMENTAL ENGINEER:

Mr. Erickson said the next phase in complying with the stormwater permit that was released a year and a half ago may be expensive and requires infrastructure mapping. They have a seminar they can present upon request. Please do not hesitate to reach out with any questions.

ACTUARY:

Mr. Kullman said the 6/30/2024 IBNR analysis was included in the agenda and is favorable. Ultimate loss over the last 12 months has decreased by \$900,000. The budget takes into account updated exposure and population numbers. The Fund is in good financial shape.

OLD BUSINESS

None

NEW BUSINESS

None

PUBLIC COMMENT

None

EXECUTIVE SESSION

MOTION TO ENTER INTO EXECUTIVE SESSION TO DISCUSS CERTAIN CLAIMS

MOTION: Commissioner Nolan
SECOND: Commissioner Danson
VOTE: Unanimous

MOTION TO RETURN TO OPEN SESSION

MOTION: Commissioner Nolan
SECOND: Commissioner Laureigh
VOTE: Unanimous

MOTION TO APPROVE THE PARS AS PRESENTED:

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

MOTION TO ADJOURN MEETING

MOTION: Commissioner Wolk
SECOND: Commissioner Champney
VOTE: Unanimous

Prepared by Sandra Cantwell, Assistant Secretary

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

Resolution No. 23-24

July 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 06/24	3.20
PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 07/24	32,041.42
PERMA RISK MANAGEMENT SERVICES	POSTAGE 05/24	4.48
		32,049.10
DORSEY & SEMRAU	FUND ATTORNEY 07/24	8,672.52
		8,672.52
CHARLES CUCCIA	TREASURER FEE 07/24	1,847.14
		1,847.14
PRINCETON PUBLIC AFFAIRS GROUP	GOV. AFFAIRS REP 06/24 INV 23289	3,750.00
		3,750.00
DANSKIN INSURANCE AGENCY	UNDERWRITING MANAGER FEE 07/24	25,378.17
		25,378.17
NJ ADVANCE MEDIA	ACCT XNJEN055559 AD 10880710 6/21/24	78.32
		78.32
MUNICIPAL EXCESS LIABILITY JIF FUND	REIMB FOR 6/10/24 FORSGATE MEETING	956.67
		956.67
FIRST ENVIRONMENT, INC.	PROF. SERVICES P/E 5/24 INV 47047	29,010.08
		29,010.08
THE CANNING GROUP LLC	QPA SERVICE 07/24	416.67
		416.67
ACCESS	INV 10978733 DEPT 736 6/30/24	52.37
ACCESS	10855163- DEPT 736 CRED 10812526 4/24	-10.90
ACCESS	INV 10928945 DEPT 736 5/31/24	50.43
		91.90
	Total Payments FY 2024	102,250.57
	TOTAL PAYMENTS ALL FUND YEARS	102,250.57

Chairperson: _____ Attest: _____ Dated: _____

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

Treasurer _____

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

Resolution No. 24-24

April 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 07/24	5.76
PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR 08/24	32,041.42
		32,047.18
AON RISK SERVICES CENTRAL - PREMIUM	ACTUARIAL SERVICE 3 OF 4 8/24	15,625.00
		15,625.00
DORSEY & SEMRAU	FUND ATTORNEY 08/24	8,672.52
		8,672.52
CHARLES CUCCIA	TREASURER FEE 08/24	1,847.14
		1,847.14
PRINCETON PUBLIC AFFAIRS GROUP	GOV. AFFAIRS REP-INV 23683 08/24	3,750.00
PRINCETON PUBLIC AFFAIRS GROUP	GOV. AFFAIRS REP- INV 223484 07/24	3,750.00
		7,500.00
DANSKIN INSURANCE AGENCY	UNDERWRITING MANAGER FEE 08/24	25,378.17
		25,378.17
NJ ADVANCE MEDIA	ACCT XNJEN055559 AD 10887164 7/9/24	291.60
		291.60
FIRST ENVIRONMENT, INC.	PROF. SERVICES P/E 6/24 INV 47190	31,706.08
		31,706.08
THE CANNING GROUP LLC	QPA SERVICES 08/24	416.67
		416.67
ACCESS	INV 11038250 DEPT 736 7/31/24	52.37
		52.37
	Total Payments 2024	123,536.73
	TOTAL PAYMENTS ALL FUND YEARS	123,536.73

Chairperson: _____ Attest: _____ Dated: _____

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

Treasurer _____

NEW JERSEY MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND BILLS LIST

Resolution No. 25-24

September 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	EXECUTIVE DIRECTOR 09/24	32,041.42 32,041.42
DORSEY & SEMRAU	FUND ATTORNEY 09/24	8,672.52 8,672.52
CHARLES CUCCIA	TREASURER FEE 09/24	1,847.14 1,847.14
DANSKIN INSURANCE AGENCY	UNDERWRITING MANAGER FEE 09/24	25,378.17 25,378.17
TWO RIVERS WATER RECLAMATION AUTHORITY	REIMB. FOR LINE TEST 2 @400 8/5/24	800.00 800.00
BOROUGH OF BEACH HAVEN	REIMB. AST INSPECT/LINE TEST 06/24	400.00 400.00
FIRST ENVIRONMENT, INC.	PROF SERVICES P/E 7/31/24 INV 47208	42,924.08 42,924.08
THE CANNING GROUP LLC	QPA SERVICES 09/24	416.67 416.67
	Total Payments FY 2024	112,480.00
	TOTAL PAYMENTS ALL FUND YEARS	112,480.00

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. 26-24
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 \$68,075 can be refunded from the 1999 Fund year surplus accounts, \$72,502 can be refunded from the 2002 Fund year surplus accounts, \$61,403 can be refunded from the 2003 Fund year surplus accounts, \$81,417 can be refunded from the 2005 Fund year surplus accounts, \$45,318 can be refunded from the 2007 Fund year surplus accounts, \$28,449 can be refunded from the 2008 Fund year surplus accounts, \$67,367 can be refunded from the 2009 Fund year surplus accounts, \$68,109 can be refunded from the 2010 Fund year surplus accounts, \$799,998 can be refunded from the 2011 Fund year surplus accounts and \$807,362 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