

**NJ MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND
OPEN MINUTES
MEETING OF JUNE 5, 2019
JAMESBURG, NEW JERSEY
10:50 AM**

Meeting called to order by Robert Law. The Open Public Meeting Notice was read into the record.

Pledge of Allegiance

ROLL CALL OF 2019 EXECUTIVE COMMITTEE:

Chairman:	Trico	Robert Law	Present
Secretary:	South Bergen	Greg Franz	Present
Executive Committee:	Bergen	Paul Tomasko	Present
	Burlco	Meghan Jack	Present
	NJUA	Bernie Rutkowski	Present
	Sub Essex JIF	Joe Catenaro	Absent
	Monmouth	Thomas Nolan	Present
	Camden	Joe Wolk	Present
Alternates:			
	#1 Morris	Michael Guarino	Present
	#2 Ocean	Veronica Laureigh	Present
	#3 Central	William Northgave	Absent
	#4 PMM	Thomas Merchel	Present
	#5 Sub-Muni	Megan Champney	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	Chuck Casagrande Mike Avalone	Present Present
Claims Administrator	King and Petracca	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	Present

OTHERS PRESENT:

David Grubb, PERMA
Joseph Hrubash, PERMA
Cate Kiernan, PERMA
Pauline Kontomanolis, PERMA
Brad Stokes, PERMA
Nancy Ghani, PERMA
Jason Thorpe, PERMA
Tracy Lopez, PERMA
Andrew Fusco, PERMA
Joeen Ciannella, PERMA
Jim Maley, Esq.
Don Sciolaro, Bergen JIF
Sunita Dahr, First Environment
Paul Miola, AJG
Paul Forlenza, AJG
Ed Cooney, CS&B
Paul Shives, JA Montgomery
Danielle Sanders, JA Montgomery
Frank Covelli, P.I.A.
John Casagrande, Danskin Insurance Agency
Alison Kelly, Danskin Insurance Agency
Ezio Altamura, GJEM Otterstedt
Christopher Botta, CB Claims

APPROVAL OF MINUTES: March 29, 2019

MOTION TO APPROVE OPEN MINUTES OF MARCH 29, 2019

MOTION:	Commissioner Nolan
SECOND:	Commissioner Tomasko
VOTE:	9 ayes, 0 nays, 2 abstentions
	Commissioner Merchel
	Commissioner Guarino

CORRESPONDENCE :

None

TREASURER

Mr. Cuccia presented his report and Resolution Nos. 17-19 confirming the April Bill List, 18-19 confirming the May Bill List, and Resolution No. 19-19 approving the June Bill List as follows:

RESOLUTION 17-19 - APRIL BILL LIST

FUND YEAR	AMOUNT
2019	\$ 96,538.88
Total	\$ 96,538.88

RESOLUTION 18-19 - MAY BILL LIST

FUND YEAR	AMOUNT
2019	\$ 89,320.44
Total	\$ 89,320.44

RESOLUTION 19-19 - JUNE BILL LIST

FUND YEAR	AMOUNT
2018	\$ 15,958.00
2019	\$ 87,680.70
Total	\$ 103,638.70

MOTION TO APPROVE PAYMENT OF BILLS - RESOLUTION NOS. 17-19, 18-19 AND 19-19

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

EXECUTIVE DIRECTOR/ADMINISTRATOR:

AUDITOR AND ACTUARY YEAR-END REPORTS - Mr. Sacco referred to the Audit Report as of December 31, 2018 that was emailed to the Executive Board prior to 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 \$20 million in Net Position and is excellent financial condition as of the end of 2018. 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. Sacco requested a motion to adopt the Resolution certifying the 2018 Audit and indicated that the Group Affidavit had to be executed.

MOTION TO APPROVE YEAR-END FINANCIALS, ADOPT RESOLUTION #20-19 AND EXECUTE GROUP AFFIDAVIT INDICATING THAT MEMBERS OF THE EXECUTIVE COMMITTEE HAVE READ THE GENERAL COMMENTS SECTION OF THE AUDIT REPORT.

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

ACTUARIAL IBNR ESTIMATES – Mr. Sacco indicated that the EJIF’s Actuarial IBNR Estimates valued as of March 31, 2019 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 IBNR estimate at 3/31/19 decreased to approximately 5.78 million which translates to a reduction of the loss estimate of approximately 1 million. He advised that the loss experience for the Fund continued to be favorable in quarter 1.

PRINCETON PUBLIC AFFAIRS GROUP CONTRACT – Mr. Sacco informed the Board that Princeton Public Affairs Group’s contract with the Fund expires on June 7, 2019. He noted that the Fund will have to begin the competitive contracting/procurement process for the position of Lobbyist Consulting Service provider as recommended by the Fund’s QPA. He then referred to Resolution #21-19 which authorizes the hire of the service provider and asked for a motion to adopt.

MOTION TO ADOPT RESOLUTION #21-19 AUTHORIZING THE HIRING OF A LOBBYIST CONSULTING SERVICE PROVIDER THROUGH THE COMPETITIVE CONTRACTING PROCESS.

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

2019 BILLINGS- Mr. Sacco reported that the second installment billings will be distributed next month.

NEXT MEETING - Mr. Sacco reported that the next meeting of the EJIF is scheduled for Wednesday, September 4, 2019 at the Forsgate CC, Jamesburg.

FINANCIAL FAST TRACK – Mr. Sacco referred to Financial Fast Track as of March 31, 2019 enclosed within the agenda booklet. He reported that the statutory surplus stands at \$21.4 million and noted that the Fund is in excellent financial shape. Mr. Sacco advised that fund year 2016 is the one deficit year but noted that Fund is currently in a recovery position.

ATTORNEY:

Mr. Semrau indicated that he had nothing to report but noted there are claims to review during closed session.

UNDERWRITING MANAGERS:

Mr. Casagrande reminded the Board Fund Commissioner and Risk Managers can contact the underwriting managers to request assistance in securing protection for contaminated site specific properties. He advised that a submission was made recently on behalf of an EJIF Member for such coverage.

Mr. Casagrande reported that under new UST regulations, a full copy of the insurance contract covering the underground tank(s) in question must be provided by the EJIF in order for our members to be in compliance. He advised that all policies for 2019 were sent out in early

January and noted that his office continues to satisfy requests for copies of storage tank forms and assistance in completing NJDEP renewal forms for USTs.

Lastly, Mr. Casagrande informed the Board that the underwriting managers continue to work regularly with the Executive Director, the Fund Claims Attorney & Fund Engineers in resolving coverage positions for EJIF members. He noted that recently, the issue of a possible recovery under the 2006 EJIF Reinsurance Form underwritten by Zurich, may be coming to fruition as the recovery of insurance company settlements is nearing completion.

ENVIRONMENTAL ENGINEERING:

Mr. Erickson reported that the NJWEA Education Committee has put together a series of seminars on air pollution issues, including a free mathematical model of sea level rise. He noted that information on the seminars are posted on the EJIF website.

Lastly, Mr. Erickson reported that his office has been addressing SPCC federal requirements for spill prevention inquiries by the membership. He advised that a Risk Manager has requested that the next EJIF seminar series focus on SPCC training. Mr. Erickson advised that SPCC training is supposed to be specific to the member's facility, tanks, personnel, and equipment, but noted that the seminar would be a basic training and lesson plan.

MOTION TO APPROVE SPCC TRAINING AS THE TOPIC FOR THE NEXT EJIF SEMINAR SERIES.

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

OLD BUSINESS:

None.

NEW BUSINESS:

None.

MEETING OPENED TO PUBLIC FOR COMMENT:

Mr. Altamura thanked the Board for their consideration on the SPCC training seminar.

**PUBLIC COMMENT PORTION OF THE MEETING CLOSED
CLOSED SESSION:**

MOTION FOR EXECUTIVE SESSION TO DISCUSS CLAIMS AND POTENTIAL LITIGATION.

MOTION:	Commissioner Laureigh
SECOND:	Commissioner Wolk
VOTE:	Unanimous

MOTION TO RETURN TO OPEN SESSION

MOTION: Commissioner Champney
SECOND: Commissioner Laureigh
VOTE: Unanimous

MOTION TO APPROVE THE PARS AS PRESENTED DURING CLOSED SESSION

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

MOTION TO ADJOURN MEETING

MOTION: Commissioner Jack
SECOND: Commissioner Champney
VOTE: Unanimous

Meeting Adjourned: 11:15 AM

Next Meeting:

September 2019
Forsgate CC
Jamesburg, NJ

Respectfully submitted,

Prepared by Jason D. Thorpe, Assistant Secretary

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

Resolution No. 17-19

APRIL 2019

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 2019

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
001355			
001355	PERMA RISK MANAGEMENT SERVICES	POSTAGE 3/19	1.00
001355	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 4/19	25,363.74
001355	PERMA RISK MANAGEMENT SERVICES	POSTAGE 2/19	4.00
			25,368.74
001356			
001356	DORSEY & SEMRAU	ATTORNEY FEE - 2ND QTR 2019	20,812.58
			20,812.58
001357			
001357	CHARLES CUCCIA	TREASURER FEE 4/19	1,673.08
			1,673.08
001358			
001358	PRINCETON PUBLIC AFFAIRS GROUP	GOV AFFAIRS REP 3/19	3,750.00
			3,750.00
001359			
001359	DANSKIN INSURANCE AGENCY INC	UNDERWRITING FEE 4/19	20,089.00
			20,089.00
001360			
001360	ALLSTATE INFORMATION MANAGEMNT	ACCT#736 - ARC & STOR - 2.28.19	27.73
			27.73
001361			
001361	FIRST ENVIRONMENT, INC.	PROFESSIONAL SERVICES 2.19	15,317.75
001361	FIRST ENVIRONMENT, INC.	PROFESSIONAL SERVICES FOR 1.19	9,500.00
			24,817.75
		Total Payments FY 2019	96,538.88

TOTAL PAYMENTS ALL FUND YEARS \$96,538.88

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. 18-19

MAY 2019

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 2019

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
001362			
001362	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR 5/19	25,363.74
			25,363.74
001363			
001363	CHARLES CUCCIA	TREASURER FEE 5/19	1,673.08
			1,673.08
001364			
001364	PRINCETON PUBLIC AFFAIRS GROUP	PROFESSIONAL SERVICES 4/19	3,750.00
			3,750.00
001365			
001365	DANSKIN INSURANCE AGENCY INC	UNDERWRITING FEE 5/19	20,089.00
			20,089.00
001366			
001366	SHERATON ATLANTIC CITY	DEPOSIT FOR NOVEMBER 5/19	500.00
			500.00
001367			
001367	ALLSTATE INFORMATION MANAGEMNT	ACCT#736 - ARC & STOR - 3.31.19	27.73
			27.73
001368			
001368	FIRST ENVIRONMENT, INC.	PROFESSIONAL SERVICES 3/19	35,014.22
			35,014.22
001369			
001369	CONNER STRONG & BUCKELEW	POSITION BOND 5/19-5/20	2,486.00
			2,486.00
001370			
001370	THE CANNING GROUP LLC	QPA SERVICES 4/19	416.67
			416.67
		Total Payments FY 2019	89,320.44
		TOTAL PAYMENTS ALL FUND YEARS	\$89,320.44

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. 19-19

JUNE 2019

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 2018

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
001371			
001371	NISIVOCIA & COMPANY	2018 AUDIT	15,958.00
			15,958.00
		Total Payments FY 2018	15,958.00

FUND YEAR 2019

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
001372			
001372	PERMA RISK MANAGEMENT SERVICES	POSTAGE 4/19	3.00
001372	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR 6/19	25,363.74
			25,366.74
001373			
001373	CHARLES CUCCIA	TREASURER FEE 6/19	1,673.08
			1,673.08
001374			
001374	PRINCETON PUBLIC AFFAIRS GROUP	PROFESSIONAL SERVICES 5/19	3,750.00
			3,750.00
001375			
001375	DANSKIN INSURANCE AGENCY INC	UNDERWRITING FEE 6/19	20,089.00
			20,089.00
001376			
001376	ALLSTATE INFORMATION MANAGEMNT	ACCT#736 - ARC & STOR - 4.30.19	27.73
			27.73
001377			
001377	FIRST ENVIRONMENT, INC.	PROFESSIONAL SERVICES 4/19	36,774.15
			36,774.15
		Total Payments FY 2019	87,680.70
		TOTAL PAYMENTS ALL FUND YEARS	\$103,638.70

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

Resolution #20-19

**Resolution of Certification
Annual Audit Report for Period Ending December 31, 2018**

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 2018 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 5, 2019**

**RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL JOINT
INSURANCE FUND AUTHORIZING THE HIRING OF A LOBBYIST
CONSULTING SERVICE THROUGH THE COMPETITIVE
CONTRACTING PROCESS**

WHEREAS, the New Jersey Environmental Joint Insurance Fund (FUND) has a desire to provide for Lobbyist Consulting services; and

WHEREAS, such services are currently available to be provided through the competitive contracting process under the New Jersey Local Publics Contract Law, N.J.S.A. 40A:11-4.1(m); and

WHEREAS, the Fund desires to evaluate such service offerings from Vendors within the procedures as set forth in the New Jersey Local Publics Contract Law (N.J.S.A.40A:11-4.1 et. seq. and N.J.A.C. 5:34-4 et. Seq.,) of Price and Other Factors; and

WHEREAS, the Fund desires to enter into a contract for one (1) up to a five (5) year contract that will satisfy the needs of the Fund; and

WHEREAS, as per statute the process will be administered by the Qualified Purchasing Agent (N.J.S.A 40A:11-4.5(d));

NOW, THEREFORE, BE IT RESOLVED by the New Jersey Environmental Joint Insurance Fund, State of New Jersey, as follows:

The Qualified Purchasing Agent is hereby authorized to commence the competitive contract/ procurement as allowable under the New Jersey Local Publics Contract Law for Lobbyist Consulting services, allowing for a minimum of 20 days' notice after advertisement to receive responses, per Local Publics Contract Law.

New Jersey Environmental Joint Insurance Fund