

**NJ MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND
OPEN MINUTES
MEETING OF JUNE 7, 2018
JAMESBURG, NEW JERSEY
10:50 AM**

Meeting called to order by Thomas Nolan. The Open Public Meeting Notice was read into the record.

Pledge of Allegiance

ROLL CALL OF 2018 EXECUTIVE COMMITTEE:

Chairman:	Sub Essex JIF	Joe Catenaro	Absent
Secretary:	Monmouth	Thomas Nolan	Present
Executive Committee:	Camden	Joe Wolk	Present
	Sub-Muni	Jim Gildea	Present
	Trico	Robert Law	Present
	South Bergen	Greg Franz	Present
	Bergen	Paul Tomasko	Present
	Burlco	David Matchett	Present
Alternates:			
	#1 NJUA	Bernie Rutkowski	Present
	#2 Morris	Jon Rheinhardt	Present
	#3 Ocean	Veronica Laureigh	Present
	#4 Central	William Northgrave	Present
	#5 PMM	Thomas Merchel	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 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:

Joseph Hrubash, PERMA
Cate Kiernan, PERMA
Pauline Kontomanolis, PERMA
Robyn Walcoff, PERMA
Nancy Ghani, PERMA
Jason Thorpe, PERMA
Ed Cooney, CS&B
Megan Champney, Summit
Ezio Altamura, GJEM Otterstedt
John Casagrande, Danskin Insurance Agency
Alison Kelly, Danskin Insurance Agency
Christopher Botta, CB Claims
Paul Forlenza, AJG
Paul Miola, AJG
Kathy Kissane, Qual-Lynx
Michael Solomon, TAA
Jack Dibble, AJG

APPROVAL OF MINUTES: April 6, 2018

MOTION TO APPROVE OPEN AND CLOSED MINUTES OF APRIL 6, 2018

MOTION: Commissioner Rheinhardt
SECOND: Commissioner Laureigh
VOTE: Unanimous

CORRESPONDENCE :

None

TREASURER

Mr. Cuccia presented his report and Resolution No. 16-18 confirming the May Bill List and Resolution No. 17-18 approving the June Bill List as follows:

RESOLUTION 16-18 -MAY BILL LIST

FUND YEAR	AMOUNT
2018	\$93,792.64
Total	\$93,792.64

RESOLUTION 17-18 - JUNE BILL LIST

FUND YEAR	AMOUNT
2017	\$ 15,646.00
2018	\$103,030.33
Total	\$118,676.33

MOTION TO APPROVE PAYMENT OF BILLS - RESOLUTION NOS. 16-18 AND 17-18

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

EXECUTIVE DIRECTOR/ADMINISTRATOR:

AUDITOR AND ACTUARY YEAR-END REPORTS - Mr. Sacco referred to the Audit Report as of December 31, 2017 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 \$19.8 million in Net Position and is excellent financial condition as of the end of 2017. 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, Commissioner Nolan requested a motion to adopt the Resolution certifying the 2017 Audit and indicated that the Group Affidavit had to be executed.

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

MOTION: Commissioner Law
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, 2018 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 estimate at 3/31/18 is 5.4 million which translates to a reduction of the loss estimate of approximately 465,000. He advised that the loss experience for the Fund continued to be favorable in quarter 1.

ENVIRONMENTAL ENGINEER RFQ – Mr. Sacco reported that the fund office issued an RFQ for the position of Environmental Engineer and noted that the return date was May 15th. He informed the Board that the only two responses received were from the incumbents. Mr. Sacco advised that a sub-committee meeting will be scheduled over the summer to review the responses and the potential contract(s) going forward.

2018 BILLINGS- Mr. Sacco said the first assessment installments were sent to the membership in January and advised 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 5, 2018 at the Forsgate CC, Jamesburg.

FINANCIAL FAST TRACK – Mr. Sacco referred to Financial Fast Track as of March 31, 2018 enclosed within the agenda booklet. He reported that the overall statutory surplus stands at 20,305,495 and noted that the fund is in excellent financial shape.

38 LAGOON DRIVE PROPERTY LISTING – Mr. Sacco referred to Resolution #19-18 that was distributed prior to the start of the meeting. He reported that the Fund attempted to auction of the E-JIF owned property at 38 Lagoon Drive in Toms River, NJ twice, but was unsuccessful. Mr. Sacco advised that after two auction attempts, the Fund is now able to list the property with a listing agent. Mr. Semrau added that the laws says that the real estate commission cannot exceed 5%. Mr. Sacco asked if there were any questions. Hearing none, he asked for a motion to adopt Resolution 19-18.

MOTION TO ADOPT RESOLUTION #19-18 AUTHORIZING THE SALE OF CERTAIN LANDS AND PROPERTIES

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

LEGISLATIVE AGENT CONTRACT – Mr. Sacco reported the legislative agent contract with Princeton Public Affairs Group expired June 1, 2018. He noted that there is a provision to extend the contract for an additional year. Mr. Sacco asked if there were any questions. Hearing none, he asked for a motion authorizing a 1 year contract extension to Princeton Public Affairs Group for the position of Fund Legislative Agent.

MOTION:	Commissioner Law
SECOND:	Commissioner Merchel
VOTE:	Unanimous

ATTORNEY:

Mr. Semrau reported that Mr. Borin, Esq. continues to lead the recovery effort and has done a great job doing so. He informed the Board that \$336,000 has been recovered and approximately \$219,000 in the final stages of recovery. Mr. King informed the Board that he and the Underwriting Managers are going to meet with the Reinsurer to discuss the recovery process.

UNDERWRITING MANAGERS:

Mr. Casagrande reported that there will be a need for a Coverage Committee meeting in the near future to discuss several items. He noted that one issue is a pollution loss that results from the cyber peril. Mr. Casagrande advised that another item to be discussed pertains to requirements under the “Water Quality Accountability Act” that applies to public water systems with more than 500 service connections. He noted that affected water suppliers are required to comply with published standards by the Board of Public Utilities (BPU) as respects cyber security and join the New Jersey Cyber Security and Communications Integration Cell (NJCCIC).

Mr. Casagrande reported UST Certificates for 2018 were sent in early December to those members that have underground storage tanks. He added that from time to time the underwriting managers has fulfilled requests for additional copies of previously issued certificates. Mr. Casagrande advised that under new UST regulations, a full copy of the insurance contract covering the tank in question will need to be provided by the EJIF in order for our members to be in compliance.

ENVIRONMENTAL ENGINEERING:

Mr. Erickson informed the Board that he participated in NJWEA Conference in May. He added that his presentations are posted on the E-JIF website.

Mr. Gulics informed the Board that there have been a number of hydraulic spill claims during trash collection. He advised that as inspections are conducted, he is making note of the members that do trash collection and making them aware of that preventative maintenance is needed.

OLD BUSINESS:

None.

NEW BUSINESS:

None.

MEETING OPENED TO PUBLIC FOR COMMENT:

None

PUBLIC COMMENT PORTION OF THE MEETING CLOSED

CLOSED SESSION:

MOTION FOR EXECUTIVE SESSION TO DISCUSS CLAIMS AND POTENTIAL LITIGATION.

MOTION:	Commissioner Wolk
SECOND:	Commissioner Gildea
VOTE:	Unanimous

MOTION TO RETURN TO OPEN SESSION

MOTION:	Commissioner Jack
SECOND:	Commissioner Rutowski
VOTE:	Unanimous

MOTION TO APPROVE THE PARS AS PRESENTED DURING CLOSED SESSION

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

MOTION TO ADJOURN MEETING

MOTION: Commissioner Laureigh
SECOND: Commissioner Wolk
VOTE: Unanimous

Meeting Adjourned: 11:10 AM

Next Meeting:

September 2018
Forsgate CC
Jamesburg, NJ

Respectfully submitted,

Prepared by Jason D. Thorpe, Assistant Secretary

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

Resolution No. 16-18

MAY 2018

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>
001227			
001227	PAULUS,SOKOLOWSKI & SARTOR LLC	ENGINEERING SERVICES - 3/31/2018	11,323.32
			11,323.32
001228			
001228	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 04/2018	3.29
001228	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 05/2018	23,754.75
			23,758.04
001229			
001229	CHARLES CUCCIA	TREASURER FEE 05/2018	1,640.25
			1,640.25
001230			
001230	PRINCETON PUBLIC AFFAIRS GROUP	PROFESSIONAL SERVICES - 04/2018	3,750.00
			3,750.00
001231			
001231	DANSKIN INSURANCE AGENCY INC	UNDERWRITING MANAGER FEE 05/2018	18,814.67
			18,814.67
001232			
001232	NJ ADVANCE MEDIA	ACCT: XNJEN05555599 - 4/3/18 - MAR EXEC	13.95
			13.95
001233			
001233	ALLSTATE INFORMATION MANAGEMNT	ACCT: 736 - ACT & STOR - 03/31/2018	25.51
			25.51
001234			
001234	FIRST ENVIRONMENT, INC.	FORECLOSED PROPERTY INSPECTION - 03/2018	622.20
001234	FIRST ENVIRONMENT, INC.	ENVIRONMENTAL SERVICES - 03/2018	6,071.54
001234	FIRST ENVIRONMENT, INC.	ENVIRONMENTAL SERVICES - 01/2018	16,797.99
001234	FIRST ENVIRONMENT, INC.	ENVIRONMENTAL SERVICES - 02/2018	7,873.47
001234	FIRST ENVIRONMENT, INC.	FORECLOSED PROPERTY INSPECTION - 02/2018	647.70
			32,012.90
001235			
001235	CONNER STRONG & BUCKELEW	POSITION BOND 05/2018	2,454.00
			2,454.00
Total Payments FY 2018			93,792.64

TOTAL PAYMENTS ALL FUND YEARS \$ 93,792.64

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

Resolution No. 17-18

JUNE 2018

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 2017

001236			
001236	NISIVOCCIA & COMPANY	2017 AUDIT	15,646.00
			15,646.00
	Total Payments FY		15,646.00

Fund Year 2018

001237			
001237	PAULUS,SOKOLOWSKI & SARTOR LLC	ENGINEERING SERVICES 4/30/2018	1,295.40
001237	PAULUS,SOKOLOWSKI & SARTOR LLC	ENGINEERING SERVICES THROUGH 4/30/2018	32,151.87
			33,447.27
001238			
001238	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE MAY 2018	23,757.10
			23,757.10
001239			
001239	CHARLES CUCCIA	TREASURER 0618	1,640.25
			1,640.25
001240			
001240	PRINCETON PUBLIC AFFAIRS GROUP	LEGISLATIVE AGENT MAY 2018	3,750.00
			3,750.00
001241			
001241	DANSKIN INSURANCE AGENCY INC	UNDERWRITING MGR FEE 0618	18,814.67
			18,814.67
001242			
001242	ALLSTATE INFORMATION MANAGEMNT	ARCHIVE 4/1/2018 - 4/30/2018	25.51
			25.51
001243			
001243	FIRST ENVIRONMENT, INC.	PROFESSIONAL FEE 4/1 - 4/30/2018	21,595.53
			21,595.53
	Total Payments FY		103,030.33

GRAND TOTAL 118,676.33

New Jersey Municipal Environmental Risk Management Fund

Resolution #18-18

**Resolution of Certification
Annual Audit Report for Period Ending December 31, 2017**

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 2017 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 7, 2018**

RESOLUTION NO. 19-18
RESOLUTION OF THE EXECUTIVE COMMITTEE
OF THE NEW JERSEY MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND
AUTHORIZING THE SALE OF CERTAIN LANDS AND PROPERTIES

WHEREAS, the Municipal Environmental Joint Insurance Fund (“EJIF”) is the owner of certain property known as 38 Lagoon Drive East, Block 232.23, Lot 19 in the Township of Toms River, Ocean County, New Jersey; and

WHEREAS, in accordance with N.J.S.A. 40A:12-13-2, the property was offered for sale to the public by auction on December 6, 2016 and November 6, 2017; and

WHEREAS, there was no successful bidder at either auction; and

WHEREAS, the property can now be listed for sale with a licensed realtor; and

WHEREAS, the limit on any real estate commission shall be 5%.

NOW, THEREFORE, BE IT RESOLVED, by the EJIF as follows:

1. The EJIF hereby declares that the property known as 38 Lagoon Drive East, Block 232.23, Lot 19, Township of Toms River, Ocean County, NJ should be sold in accordance with appropriate statutes of the State of New Jersey.
2. The EJIF hereby authorizes the Executive Director to solicit proposals from licensed real estate agents and select a licensed real estate agent to list and market the property for private sale.
3. All proposals shall include that the realtor’s commission shall be no more than 5%.
4. The EJIF makes no representation as to the title or any other aspects of the land to be sold.
5. The EJIF reserves the right to accept or reject any and all proposals. Such decision will be made by the Executive Director in concurrence with the Fund Attorney.
6. The resolution shall take effect immediately.

Adopted: June 7, 2018