

HUDSON COUNTY IMPROVEMENT AUTHORITY

IN THE MATTER OF : TRANSCRIPT OF
THE SPECIAL MONTHLY MEETING : PROCEEDINGS

TUESDAY, JULY 30, 2019
830 BERGEN AVENUE, 9TH FLOOR
JERSEY CITY, NEW JERSEY

BOARD MEMBERS:
FRANK PESTANA, CHAIRMAN
JAMES DORAN, VICE CHAIRMAN
NICHOLAS GOLDSACK, TREASURER
FRANK LORENZO, SECRETARY (ABSENT)
FRED M. BADO, COMMISSIONER
BRIAN DELLABELLA, COMMISSIONER
JEFFREY DUBLIN, COMMISSIONER
MARTIN T. MARTINETTI, COMMISSIONER (ABSENT)
JOHN PENEDA, COMMISSIONER

APPEARANCES:
NORMAN M. GUERRA, CHIEF EXECUTIVE OFFICER
KURT CHERRY, EXECUTIVE DIRECTOR/CFO
WILLIAM J. NETCHERT, GENERAL COUNSEL
ELIZABETH RAMOS, ASSISTANT SECRETARY TO
THE BOARD

R.J. O'CONNELL ASSOCIATES
P.O. BOX 277
CEDAR GROVE, NEW JERSEY 07009
(973) 239-7252

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(The meeting commences at 5:36 p.m.)
CHAIRMAN PESTANA: Call the meeting to
order. Please rise for the salute to the flag.
(Pledge of Allegiance was recited.)
CHAIRMAN PESTANA: Call the roll,
please.

MS. RAMOS: Commissioner Bado.
COMMISSIONER BADO: Present.
MS. RAMOS: Commissioner Dellabella.
COMMISSIONER DELLABELLA: Present.
MS. RAMOS: Commissioner Doran.
COMMISSIONER DORAN: Present.
MS. RAMOS: Commissioner Dublin.
COMMISSIONER DUBLIN: Present.
MS. RAMOS: Commissioner Goldsack.
COMMISSIONER GOLDSACK: Present.
MS. RAMOS: Commissioner Lorenzo, not
present. Commissioner Martinetti not present.
Commissioner Peneda.
COMMISSIONER PENEDA: Present.
MS. RAMOS: Chairman Pestana.
CHAIRMAN PESTANA: Here.
MS. RAMOS: Chairman, we have a quorum
with seven board members present, two not present.
CHAIRMAN PESTANA: Mr. Netchert.
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ALSO PRESENT:
JEFF LANIGAN
MAURICIO CANTO, CPA
DONOHUE, GIRONDA, DORIA & TOMKINS, LLC
CAITLYN MOTA, Vision Media

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MR. NETCHERT: Yes, Mr. Chairman. As
you know, this is a special meeting of the board.
As such, notice of the special meeting was
forwarded to both the Jersey Journal and the Star
Ledger on Monday July 22nd, 2019 for publication
in their respective newspapers. Notice was also
forwarded for posting on the bulletin boards of
the Clerk of the Board of Chosen Freeholders and
the Hudson County Clerk's Office on July 23rd,
2019. And notice was also posted on the bulletin
board outside of this meeting room and on the
Authority's website, both on the 23rd of July.
These notices are all in compliance with
the requirements of special meeting pursuant to
the Open Public Meetings Act.
CHAIRMAN PESTANA: Thank you. Okay. At
this time, we'll take a motion for approval of the
minutes from the July 10th meeting.
COMMISSIONER GOLDSACK: Motion.
CHAIRMAN PESTANA: I have a motion by
Commissioner Goldsack.
COMMISSIONER DUBLIN: Second.
CHAIRMAN PESTANA: Second by
Commissioner Dublin.
MS. RAMOS: Commissioner Bado.

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1 COMMISSIONER BADO: Present.
 2 MS. RAMOS: Commissioner Dellabella.
 3 COMMISSIONER DELLABELLA: Abstain.
 4 MS. RAMOS: Commissioner Doran.
 5 COMMISSIONER DORAN: Abstain.
 6 MS. RAMOS: Commissioner Dublin.
 7 COMMISSIONER DUBLIN: Yes.
 8 MS. RAMOS: Commissioner Goldsack.
 9 COMMISSIONER GOLDSACK: Yes.
 10 MS. RAMOS: Commissioner Peneda.
 11 COMMISSIONER PENEDA: Yes.
 12 MS. RAMOS: Chairman Pestana.
 13 CHAIRMAN PESTANA: Yes.
 14 MS. RAMOS: The minutes of July 10th,
 15 2019 regular board meeting approved with five
 16 board members voting yes, two abstentions, two not
 17 present.
 18 MR. GUERRA: Item number 4 --
 19 CHAIRMAN PESTANA: Hold on, comments
 20 from the public first.
 21 MR. GUERRA: Sorry, jumped the gun.
 22 CHAIRMAN PESTANA: Comments from the
 23 public? Seeing none, the public portion is now
 24 closed.
 25 MR. GUERRA: Sorry about that. Item
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1 number 4, resolution number 7-2019-4SBM of the
 2 Hudson County Improvement Authority authorizing
 3 the award of a contract for the provision of
 4 disposal services for all non-processible solid
 5 waste types 13, (including 13c), 23 and 27
 6 generated within Hudson County.
 7 As you're aware, with the closing of the
 8 Keegan Landfill and the continued litigation
 9 surrounding its future, we had to advertise for
 10 solid waste disposal services. On July 17th, we
 11 did accept bids from Advanced Enterprises
 12 Recycling, Inc., and also known as Dart, and Waste
 13 Management, Inc. Waste Management submitted a bid
 14 of \$78 per ton. Advanced Enterprises Recycling
 15 submitted a bid of \$79.36 a ton.
 16 Waste Management proposed the use of
 17 three waste transfer facilities, one of them is in
 18 the northern part of the county, in Fairview on
 19 Broad Avenue on 1&9.
 20 CHAIRMAN PESTANA: Fairview, that's
 21 Bergen County.
 22 MR. GUERRA: Well, it's Bergen -- but in
 23 the northern -- I'm sorry, it's the close to
 24 northern Hudson, very close to North Bergen. The
 25 second one is Julia Street Transfer Station in
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1 Elizabeth, and the fourth one is Front Street
 2 Transfer Station in Elizabeth. So there are three
 3 transfer stations that would handle the waste.
 4 Advanced Enterprises proposed the use of
 5 their Dart facility, which is in Essex County on
 6 Doremus Avenue. Bids were reviewed by both our
 7 consultant engineer for costs and technical
 8 compliance and Kevin Conte, our special counsel on
 9 solid waste matters, reviewed it for
 10 administrative and legal compliance.
 11 As a result of their review, Waste
 12 Management, Inc., was deemed the lowest
 13 responsible bidder. It's anticipated that this
 14 contract would run for an 11-month period. The
 15 intent is to have this end when the contract that
 16 we have in place for the type 10 municipal waste
 17 ends so we can combine both types of waste in one
 18 bid document and rebid the whole system at that
 19 time.
 20 The resolution before you authorizes the
 21 award of the contract to Waste Management, Inc.
 22 And, again, this for what's -- let me explain what
 23 the 13, 13c. The 13 is bulky waste, your
 24 furniture, your big items; 13c is demolition
 25 waste; 23 is, I believe, animal waste; and 27 is
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1 more like a grit and types of soil, that's 27
 2 waste.
 3 Again, most of this waste is permitted
 4 to go to material recovery facilities, which some
 5 towns do. I know Jersey City takes it to a
 6 material recovery facility, and some of the other
 7 towns. So there's not a lot. It's estimated -- I
 8 think last year we brought in to Keegan maybe
 9 40,000 tons. But if you compare that to our type
 10 10 municipal waste, that's 400,000 tons. So this
 11 is a very small part of our system, but we need to
 12 do this to preserve waste flow going forward of
 13 this type of waste.
 14 CHAIRMAN PESTANA: Are all three waste
 15 management facilities taking all --
 16 MR. GUERRA: Well, we'll sit with the
 17 towns. I know the towns in the north would love
 18 to go to Fairview, it's the easiest spot for them.
 19 And I believe Bayonne right now is going to a
 20 material facility in Jersey City. Jersey City
 21 goes to a material recovery facility I believe in
 22 North Bergen.
 23 So again a lot of this weight -- some of
 24 this is actually from the private sector who may
 25 choose to do to this versus go to a MRF. Secaucus
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1 I'm not sure where Secaucus goes with theirs,
 2 could be Allegro, right there.
 3 COMMISSIONER GOLDSACK: Probably.
 4 MR. GUERRA: And those MRFs, we have
 5 contracts with them where we do get the residual,
 6 which is a good thing because we get paid with the
 7 residual. Instead of them double handling it,
 8 loading it in the trailer and sending it to our
 9 designated facility, which in this case would be
 10 one of these, they basically write us a check on
 11 an agreed upon percentage for our debt service,
 12 and admin fee. So that's how we negotiated higher
 13 percentages on the residual and that's been
 14 working out well for us, so...
 15 CHAIRMAN PESTANA: Any other questions?
 16 Any motions?
 17 COMMISSIONER DORAN: Motion to approve.
 18 COMMISSIONER PENEDA: I'll second it.
 19 CHAIRMAN PESTANA: Motion by
 20 Commissioner Doran, second by Commissioner Peneda.
 21 MS. RAMOS: Commissioner Bado.
 22 COMMISSIONER BADO: Yes.
 23 MS. RAMOS: Commissioner Dellabella.
 24 COMMISSIONER DELLABELLA: Yes.
 25 MS. RAMOS: Commissioner Doran.

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1 COMMISSIONER DORAN: Yes.
 2 MS. RAMOS: Commissioner Dublin.
 3 COMMISSIONER DUBLIN: Yes.
 4 MS. RAMOS: Commissioner Goldsack.
 5 COMMISSIONER GOLDSACK: Yes.
 6 MS. RAMOS: Commissioner Peneda.
 7 COMMISSIONER PENEDA: Yes.
 8 MS. RAMOS: Chairman Pestana.
 9 CHAIRMAN PESTANA: Yes.
 10 MS. RAMOS: Resolution No. 7-2019-4SBM
 11 passes in the affirmative with seven board members
 12 voting yes, two not present.
 13 MR. GUERRA: Item No. 5, Resolution No.
 14 7-2019-5SBM of the Hudson County Improvement
 15 Authority recommending to the Hudson County
 16 District Solid Waste Management Plan modifying the
 17 terms consistent with the award of a contract for
 18 the provisions of disposal services for all
 19 non-processible solid waste 13, 13c, 20, and 27
 20 generated within Hudson County.
 21 Again, this is part of the process. Now
 22 being we awarded the contract to Waste Management
 23 and those three facilities, Waste Management and
 24 those facilities have become our designated
 25 facilities and must be included in the Hudson

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1 County Solid Waste Management Plan.
 2 Once approved, we create this plan
 3 amendment that goes over to the Freeholders who I
 4 believe now have to conduct two public hearings,
 5 get through that process. Then from there, it
 6 goes down to the state for the state
 7 certification. This whole process could take a
 8 couple months, maybe four to five months before
 9 it's actually finalized. So that was the purpose
 10 of actually having a special meeting to try to
 11 move this forward as quickly as possible.
 12 So the resolution before you provides
 13 authorization for us to amend the Hudson County
 14 Solid Waste Management Plan.
 15 CHAIRMAN PESTANA: Anybody have any
 16 questions? Any motions?
 17 COMMISSIONER GOLDSACK: Motion.
 18 COMMISSIONER DORAN: Second.
 19 CHAIRMAN PESTANA: Motion by
 20 Commissioner Goldsack, second by Commissioner
 21 Doran.
 22 MS. RAMOS: Commissioner Bado.
 23 COMMISSIONER BADO: Yes.
 24 MS. RAMOS: Commissioner Dellabella.
 25 COMMISSIONER DELLABELLA: Yes.

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1 MS. RAMOS: Commissioner Doran.
 2 COMMISSIONER DORAN: Yes.
 3 MS. RAMOS: Commissioner Dublin.
 4 COMMISSIONER DUBLIN: Yes.
 5 MS. RAMOS: Commissioner Goldsack.
 6 COMMISSIONER GOLDSACK: Yes.
 7 MS. RAMOS: Commissioner Peneda.
 8 COMMISSIONER PENEDA: Yes.
 9 MS. RAMOS: Chairman Pestana.
 10 CHAIRMAN PESTANA: Yes.
 11 MS. RAMOS: Resolution No. 7-2019-5SBM
 12 passes in the affirmative with seven board members
 13 voting yes, two not present.
 14 MR. GUERRA: Item No. 6, Resolution No.
 15 7-2019-6SBM of the Hudson County Improvement
 16 Authority making application to the Local Finance
 17 Board pursuant to N.J.S.A. 40A:5A-6.
 18 The resolution before you relates to the
 19 project financing for the following towns through
 20 our pool note program:
 21 City of Union City, approximately
 22 \$29,125,000; Township of Weehawken, approximately
 23 \$18, 582,000; and the City of Bayonne,
 24 approximately \$6,725,000; and the Weehawken
 25 Parking Authority \$13,150,000. The total

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1 financing amount is approximate the \$67,582,000.

2 CHAIRMAN PESTANA: Questions? Any
3 motions?

4 COMMISSIONER GOLDSACK: Motion.

5 COMMISSIONER DELLABELLA: Second.

6 CHAIRMAN PESTANA: Motion by
7 Commissioner Goldsack, second by Commissioner
8 Dellabella.

9 MS. RAMOS: Commissioner Bado.

10 COMMISSIONER BADO: Yes.

11 MS. RAMOS: Commissioner Dellabella.

12 COMMISSIONER DELLABELLA: Yes.

13 MS. RAMOS: Commissioner Doran.

14 COMMISSIONER DORAN: Yes.

15 MS. RAMOS: Commissioner Dublin.

16 COMMISSIONER DUBLIN: Yes.

17 MS. RAMOS: Commissioner Goldsack.

18 COMMISSIONER GOLDSACK: Yes.

19 MS. RAMOS: Commissioner Peneda.

20 COMMISSIONER PENEDA: Yes.

21 MS. RAMOS: Chairman Pestana.

22 CHAIRMAN PESTANA: Yes.

23 MS. RAMOS: Resolution 7-2019-6SBM
24 passes in the affirmative, seven board voting yes,
25 two not present.

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1 MR. GUERRA: Item No. 7, Resolution No.
2 7-2019-7SBM of the Hudson County Improvement
3 Authority authorizing the short-term extension of
4 a lease agreement with Great Lakes Dredge and Dock
5 Company.

6 As you are aware, we had entered into
7 the initial lease agreement with Great Lakes
8 Dredge and Dock back in 2004 for the purpose of
9 processing dredge materials. Over time, there
10 were amendments to the initial lease. The last
11 amendment, known as the fourth amendment, expired
12 back in December 31st, 2018. Since then, we've,
13 as you may be aware, negotiated -- you are aware,
14 negotiated our settlement with New Jersey Transit.
15 The declaration of taking has been filed and the
16 transfer of title for a portion of the Copper
17 site. We also continue to make progress as we
18 continue to work diligently with the Morris
19 Company. But before you is a resolution that
20 modifies and extends the terms of the original
21 lease. So what we're thinking is a short-term
22 extension, month-to-month, with Great Lakes to
23 continue bringing in the dredge material,
24 processing it, paying us a lease payment. None of
25 the material stays on-site, it goes off-site, but

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1 we get a payment for that. And it will allow
2 enough time, and there's enough flexibility in
3 there for them to vacate the site, once we get
4 closer to finalizing the deal with the Morris
5 Company.

6 So the resolution before you authorizes
7 a month-to-month lease until that happens because
8 we're still generating revenue from that.

9 CHAIRMAN PESTANA: Any questions?

10 MR. NETCHERT: The reason it's important
11 to us is that Great Lakes is a publicly traded
12 company. For them to pay us, they need a
13 document, so for them to pay us the rent arrears
14 that have taken place since December of '18, they
15 need an official action and document for them to
16 pay.

17 MR. GUERRA: To mail the check.

18 MR. NETCHERT: Which is why we're
19 anxious to get it because we're already seven
20 months worth of check on the way.

21 COMMISSIONER GOLDSACK: How much is the
22 original --

23 MR. GUERRA: They're a little slow in
24 paying, but they do --

25 MR. NETCHERT: They pay a ground lease
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1 payment of \$25,000 per month. And we receive a
2 dollar per cubic yard for every cubic yard --

3 MR. GUERRA: And per cubic yard, it's a
4 dollar a cubic yard and we bill them every six
5 months for that. And that material goes off-site,
6 so we do generate some revenue from that.

7 CHAIRMAN PESTANA: Any other questions?
8 Anybody have a motion?

9 COMMISSIONER PENEDA: I'll make the
10 motion.

11 COMMISSIONER DORAN: Second.

12 CHAIRMAN PESTANA: Motion by
13 Commissioner Peneda. Second by Commissioner
14 Doran.

15 MS. RAMOS: Commissioner Bado.

16 COMMISSIONER BADO: Yes.

17 MS. RAMOS: Commissioner Dellabella.

18 COMMISSIONER DELLABELLA: Yes.

19 MS. RAMOS: Commissioner Doran.

20 COMMISSIONER DORAN: Yes.

21 MS. RAMOS: Commissioner Dublin.

22 COMMISSIONER DUBLIN: Yes.

23 MS. RAMOS: Commissioner Goldsack.

24 COMMISSIONER GOLDSACK: Yes.

25 MS. RAMOS: Commissioner Peneda.

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1 COMMISSIONER PENEDA: Yes.
 2 MS. RAMOS: Chairman Pestana.
 3 CHAIRMAN PESTANA: Yes.
 4 MS. RAMOS: Resolution 7-2019-7SBM
 5 passes in the affirmative, seven members voting
 6 yes, two not present.
 7 MR. GUERRA: Item No. 8, resolution No.
 8 7-2019-8SBM of the Hudson County Improvement
 9 Authority accepting the calendar year audit for
 10 the period ended December 31st, 2018, prepared by
 11 Donohue, Gironda, Doria and Tomkins in accordance
 12 with the provisions of N.J.S.A. 40A:5A-15, and
 13 N.J.S.A. 40A:5A-17.

14 With us tonight is one of the partners
 15 in the firm, Mauricio Canto who can summarize the
 16 results of the audit.

17 MR. CANTO: Thank you, Executive
 18 Director. Good evening, Chairman, members of the
 19 Board of Commissioners. I'm here to present the
 20 comprehensive annual financial report.

21 What I'd like present these reports --
 22 when I present these reports, I like to present
 23 first the financial aspect. And then I'll go into
 24 the internal controls and compliance aspect of the
 25 audit. What I'd like to turn your attention to is
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1 is the statement of changes in net position, which
 2 would be page 26 of the report. Now, the change
 3 in net position in 2017 was \$8.9 million, while
 4 this year it was \$8.5 million. Now, something
 5 that was interesting that happened this year,
 6 similar to what happened three years ago,
 7 government auditing standards board, we pronounce
 8 is GASB, or we shorten it to GASB. They actually
 9 released a new pronouncement, GASB 75 which -- let
 10 me backtrack a little bit.

11 In 2016, they released GASB 68, which
 12 required authorities to disclose their pension
 13 liability. And that actually created a
 14 restatement of prior years and gave a hit in the
 15 liability to the Authority, close to \$16 million
 16 back in 2016. And something similar again
 17 happened this year for this year's audit. For
 18 implementing 2000 -- actually, going back to 2016,
 19 it's called other post-employment benefits
 20 liability. So I'll do it this year, just to
 21 explain to everyone that the -- we shorten it, we
 22 call the acronym OPEB. The OPEB liability is
 23 basically a snapshot of what your retirees are
 24 going to cost in the future or basically what it
 25 would cost if everybody retired today.

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1 So it's a good thing, where it's
 2 nationwide, the State of New Jersey actually
 3 reported it for the entire state and itemized it
 4 by government entity, actually disclosing how many
 5 employees each entity has and based on life
 6 expectancies, healthcare costs projections, and
 7 the discount rate for investments for -- just the
 8 inflation for currency, they come up with this
 9 figure of what's going to cost for your retirees
 10 in the future. It ends up being \$16 million for
 11 the Authority for 2016. So you could see on the
 12 bottom of the statement, there was a
 13 restatement -- there was a prior adjustment to
 14 recognize other post-employment benefits of \$16
 15 million.

16 So now with that given, the net position
 17 went into a negative or into a deficit of \$43
 18 million. And then later on in 2018, it's at \$35
 19 million. It's quite interesting because the
 20 number is going to go up and down because it's not
 21 an exact science, it's not done by accountants,
 22 it's done by an actuary. It has all those
 23 variables in place and it fluctuates, goes up and
 24 down.

25 They actually have -- they require us to
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1 disclose in our notes to the financial statements
 2 how much this liability would go up if the
 3 discount rate goes up or down one point or if the
 4 healthcare trend rate goes up or down one point.
 5 And it's quite substantial, the difference. So
 6 these things are going to happen from year to
 7 year. So there are going to be fluctuations. But
 8 it is good for commissioners or the director of a
 9 board to understand that for every employee that's
 10 hired, there is a liability or legacy cost into
 11 the future. And so that's what this GASB is
 12 trying to disclose to the end user.

13 COMMISSIONER GOLDSACK: Excuse me. What
 14 was the age that they used as far as the
 15 actuarial?

16 MR. CANTO: The age?

17 COMMISSIONER GOLDSACK: As far as
 18 retirement, health benefits. I mean there was one
 19 point in time, I recall, when they started this
 20 craziness that they were using the age of 100.

21 MR. CANTO: Oh, life expectancy.

22 COMMISSIONER GOLDSACK: Yes.

23 MR. CANTO: Let me see real quick, I'm
 24 not sure if they do disclose that.

25 COMMISSIONER GOLDSACK: Very optimistic.

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1 MR. CANTO: I believe it's on page 95,
2 it has the 93 actuarial assumptions.
3 COMMISSIONER GOLDSACK: 93, we're down.
4 COMMISSIONER DELLABELLA: Still a good
5 run.

6 COMMISSIONER GOLDSACK: Since the
7 landfill.

8 MR. GUERRA: We'll make that. Might
9 still be sitting here because there will be no
10 money to receive from a pension.

11 MR. CANTO: I will have that ready for
12 you next time.

13 COMMISSIONER GOLDSACK: That's fine.

14 MR. CANTO: But that is not disclosed in
15 here. They give a much more detailed actuarial
16 report, we're only required to report a few
17 portions of that report. That is actually just --

18 COMMISSIONER GOLDSACK: What concerns me
19 is the fact we had to reclassify. I mean normally
20 something like this, which has such a financial
21 impact, the future financial impact, wouldn't it
22 be a footnote, instead of a --

23 MR. CANTO: Well, they refer to all
24 these different studies that are done that the
25 actuaries refer to. It's not exactly our

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1 specialty, but they refer to it as RP-2006
2 headcount weighted healthy annuitant male/female
3 mortality table with fully generational
4 improvement projections from the central year
5 using MP-2017 scale. And it goes into that,
6 using -- for lack of a better term, their lingo,
7 referring to these reports that are industry
8 standards, we don't get too much into that.

9 But we do get into the inflation rate,
10 what the different assumptions for salary
11 increases the next five years, investment rate of
12 returns is expected, and the healthcare trend
13 rate, which they expect is between 5.8 to 5.9.
14 That is how much the healthcare cost is going
15 increase each year, so things of that nature.

16 COMMISSIONER GOLDSACK: Okay.

17 MR. GUERRA: No retiring.

18 COMMISSIONER DELLABELLA: Work until 93.

19 MR. CANTO: So based on that, I'd like
20 to also -- exhibit B on page 26, I like to explain
21 that your change in net position, that's like a
22 business term, to say your net income was \$8.5
23 million, but if you take out what the additional
24 expense was for pension, because of the actuary
25 report and the additional other post-employment

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1 benefits expense was, because of the actuarial
2 report your net income was actually \$9.1 million
3 in comparison to prior year, which was \$10.2
4 million. So slight decrease, but it's still
5 excellent numbers.

6 And it appears that the Authority has
7 chipped away at their deficit they had from the
8 \$33 million write off that was done a few -- many
9 years ago. And projections -- it appears that the
10 net position now, without a pension and OPEB
11 liability is about \$9 million. So if the
12 authority is able to generate another \$9 million
13 in income, net income, next year, they should
14 finally get out of that deficit that they've been
15 in.

16 CHAIRMAN PESTANA: Anybody else have any
17 questions?

18 MR. CANTO: Let me go through the -- if
19 I may, Chairman, a few things about the report.

20 As far as the financial statements, you
21 have an unmodified opinion, that means that the
22 financial statements are fairly stated. We didn't
23 find any issues with them, we don't have any
24 reportable matters to disclose regarding internal
25 controls or compliance regarding the financial

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1 statements.

2 And then there's a second part to the
3 audit which is called the single audit, which is
4 basically if you have \$750,000 in grant
5 expenditures, required to have an audit just for
6 the grants. So your TMA program has over \$750,000
7 in federal grants. We did a single audit for
8 that. And that also -- we did not have any
9 findings for the compliance or internal control
10 aspect of that single audit.

11 The finance department, in our opinion,
12 continues to do an excellent job in recordkeeping
13 and compliance with the State of New Jersey
14 regulations and federal regulations, when it comes
15 to grants. So I just wanted to give credibility
16 to Kurt Cherry and the controller Policastro,
17 finance department. In our opinion, they do an
18 excellent job because it just shows that, because
19 we don't have any findings, this is not the normal
20 trend we have or what we usually do. Don't
21 usually see -- my apologies, we usually don't have
22 reports where there aren't any audit findings over
23 so many years. But they run a very tight ship
24 here and just wanted to disclose that to you in
25 the formal presentation.

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1 COMMISSIONER GOLDSACK: So no prior year
 2 findings or current year findings?
 3 MR. CANTO: That's correct.
 4 COMMISSIONER GOLDSACK: Job well done,
 5 Kurt.
 6 MR. CHERRY: Thank you.
 7 MR. CANTO: Any questions?
 8 CHAIRMAN PESTANA: Thank you.
 9 COMMISSIONER DORAN: Make sure you sign
 10 the form.
 11 MS. RAMOS: I have it, yes.
 12 CHAIRMAN PESTANA: No further questions?
 13 Do we have any motions?
 14 COMMISSIONER DELLABELLA: Motion.
 15 COMMISSIONER DORAN: Second.
 16 CHAIRMAN PESTANA: Motion by
 17 Commissioner Dellabella. Second by Commissioner
 18 Doran.
 19 MS. RAMOS: Commissioner Bado.
 20 COMMISSIONER BADO: Yes.
 21 MS. RAMOS: Commissioner Dellabella.
 22 COMMISSIONER DELLABELLA: Yes.
 23 MS. RAMOS: Commissioner Doran.
 24 COMMISSIONER DORAN: Yes.
 25 MS. RAMOS: Commissioner Dublin.

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1 COMMISSIONER PENEDA: Second.
 2 CHAIRMAN PESTANA: By Commissioner
 3 Doran, second by Commissioner Peneda. All in
 4 favor? Aye.
 5 (All Commissioners indicate their vote.)
 6 MR. GUERRA: Thank you.
 7 CHAIRMAN PESTANA: Thank you.
 8
 9 (The meeting was adjourned at 6:03 p.m.)
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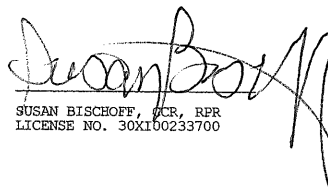
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1 COMMISSIONER DUBLIN: Yes.
 2 MS. RAMOS: Commissioner Goldsack.
 3 COMMISSIONER GOLDSACK: Yes.
 4 MS. RAMOS: Commissioner Peneda.
 5 COMMISSIONER PENEDA: Yes.
 6 MS. RAMOS: Chairman Pestana.
 7 CHAIRMAN PESTANA: Yes.
 8 MS. RAMOS: Resolution 7-2019-8SBM
 9 passes in the affirmative, seven board members
 10 voting yes, two not present.
 11 MR. GUERRA: Chairman and the
 12 commissioners could have the month of August off.
 13 CHAIRMAN PESTANA: Thank you.
 14 MR. NETCHERT: Commissioners, the plan
 15 probably is to send out the August bills for
 16 telephone vote. And then reconfirm at the
 17 September meeting.
 18 CHAIRMAN PESTANA: There's no personnel
 19 matters.
 20 MR. GUERRA: Unless -- there's nothing
 21 else, Chairman. Unless something pops up between
 22 now and then, you never know.
 23 CHAIRMAN PESTANA: We have a motion to
 24 adjourn?
 25 COMMISSIONER DORAN: Motion.

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CERTIFICATE

1
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 3
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 5
 6 I HEREBY CERTIFY that the foregoing is a
 7 true and accurate transcript of the testimony and
 8 proceedings as taken stenographically by me at the
 9 time, place, and on the date hereinbefore set
 10 forth.



SUSAN BISCHOFF, SCR, RPR
 LICENSE NO. 30XI00233700

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