

MINUTES
Petroleum Storage Tank Insurance Fund
Board of Trustees Meeting
September 16, 2020 **

In Person and Via Conference Call
Start Time: 10:00 a.m.

Chairman Greer called the meeting to order, with some Trustees/staff participating in person and the other Trustees/staff/others participating by conference call. Roll was called to confirm Trustees' participation. Chairman Greer then asked all members of the audience to identify themselves for the record. He noted that all votes would be taken by roll call.

Trustees Present In Person:

James Greer, Chairman
Jim Ford, Vice Chairman
Ski Mariea
Don McNutt
Kristi Naught

Trustees Present by Phone:

Chuck Adamson
Nikki Loethen

Trustees Absent:

Bill Abbott
Tom Kolb
Danny Opie

Staff Present:

Kelly Campbell, Spencer Fane
Carol R. Eighmey, Executive Director
Pat Eriksen, Williams & Company Consulting
Craig Jacobs, Assistant Attorney General
Diane James, Executive Assistant
Kelley Ogletree, Deputy Director
Patrick Sullivan, Assistant Attorney General

Others Participating by Phone:

Ken Koon, Tanks Section, DNR Environmental Remediation Program

Chairman Greer first recognized that this was Carol Eighmey's last Board Meeting as Executive Director and reminded everyone there would be a retirement reception following this meeting. Because of the retirement reception, he noted the closed session would be taken care of first so others could attend after the meeting.

Chairman Greer then asked for a motion to go into closed session to:

- Approve the minutes from our last closed session;
- Discuss ongoing and threatened litigation;
- Discuss contracts; and
- Discuss personnel issues.

** Due to the COVID-19 pandemic; this meeting was held with some Trustees/staff in person and some Trustees/staff/others via conference call.

Jim Ford moved to go into closed session to discuss matters authorized by Subsections (1), (3), (12), and (13) of Section 610.021. Ski Mariea seconded. A roll call vote was taken; motion carried unanimously.

Chairman Greer told all attending the Trustees would come back into open session in about an hour but not earlier than 11:15 a.m. and asked the Trustees on the phone to please hang up and dial the number provided to them for the closed session portion of the meeting.

This first Open Session Meeting of the Board adjourned at 10:05 a.m.

SECOND OPEN SESSION

Chairman Greer called the second open session meeting to order at 11:45 a.m. As in the first open session meeting, Trustees/participants were identified by calling the role and identifying themselves as “present” or “present by phone.” He noted that all votes would be taken by roll call.

Trustees Present In Person:

James Greer, Chairman
Jim Ford, Vice Chairman
Ski Mariea
Don McNutt
Kristi Naught

Trustees Present by Phone:

Chuck Adamson
Nikki Loethen

Trustees Absent:

Bill Abbott
Tom Kolb
Danny Opie

Staff Present:

Kelly Campbell, Spencer Fane
Carol R. Eighmey, Executive Director
Pat Eriksen, Williams & Company Consulting
Craig Jacobs, Assistant Attorney General
Diane James, Executive Assistant
Dorcee Lauen, Williams & Company Consulting
Kelley Ogletree, Deputy Director
Patrick Sullivan, Assistant Attorney General

Others Present or Participating by Phone:

John Albert, Weights Measures & Consumer Protection, Department of Agriculture
Carol Comer, Department of Natural Resources (by phone)
Doug Drouare, U.S. EPA – Region 7 (by phone)
Bobby Jaegers, Taylor & Mulder
John Jurgensmeyer, DNR Environmental Remediation Program (by phone)
Bobbilynn Koepke, Environmental Works, Inc.
Ken Koon, Tanks Section, DNR Environmental Remediation Program (by phone)
Daniel Lupton, Taylor & Mulder (by phone)

Others Present or Participating by Phone (continued):

Mike Martin, Tanks Section, DNR Environmental Remediation Program (by phone)
Darryl Slade, Tanks Section, DNR Environmental Remediation Program (by phone)
Jason Smith, Environmental Works, Inc.
Brian Wiegert, R&A Risk Professionals

Approval of Minutes – July 15, 2020 – Open Session

Jim Ford moved to approve the minutes as presented. Kristi Naught seconded. A roll call vote was taken. Motion carried unanimously.

Monthly Reports

Chairman Greer directed Trustees' attention to the financial statements, monthly activity reports, and large-loss and third-party claims. There were no questions on any of these reports.

Claims Report

Chairman Greer asked Ms. Eighmey to review the claims report she had prepared. The report contained information reflecting the consistent slightly downward trend in the number of claims throughout the years. Ms. Eighmey pointed out that as the number of "cleanups" being done decreases, the pace of cleanups slows. She attributed much of this slowing to factors outside the control of the MDNR and PSTIF, including the availability of contractors and consultants. Regarding open PSTIF claims, Ms. Eighmey reported that the percentage of these claims that are over 25 years old is increasing. Ms. Eighmey addressed the difficulty in getting these older claims closed.

Chairman Greer thanked Ms. Eighmey for that final report from her; there were no questions after this review.

Actuarial Report – Taylor & Mulder

Chairman Greer noted the contract with Taylor & Mulder was renewed several months ago to conduct an actuarial review for FY20. He commented this has been done the past several years and that it is a very good way to see where we are today and to project where the Fund is heading so the future can be planned for. He introduced Bobby Jaegers from Taylor & Mulder to present their findings.

Mr. Jaegers reviewed their FY20 findings.

Chairman Greer thanked Mr. Jaegers for their report and asked Trustees if there were any questions; there were none.

Ski Mariea moved to approve the actuarial report as presented. Jim Ford seconded. A roll call vote was taken. Motion carried unanimously.

Review/Approve FY22 Budget Requests

Chairman Greer then asked Trustees to consider the requests received from state agencies for authority to spend PSTIF money for the fiscal year that will begin July 1, 2021.

Attorney General's Office – Jim Ford moved to approve the Attorney General's Office FY22 budget request for \$28,904, plus payroll taxes, fringe benefits and any COLA added by the Legislature. Ski Mariea seconded. There was no further discussion. Motion carried unanimously.

Department of Natural Resources – Chairman Greer noted that Director Comer's letter specifically states they are still working on their FY22 budget recommendation. DNR having not yet determined the projections or performance metrics would make an informed decision difficult at this time. Chairman Greer moved to table consideration of the Department of Natural Resources' budget request until the November Board meeting. Ski Mariea seconded. Chuck Adamson announced Director Comer and DNR staff were on the phone if there were questions; there were none. A roll call vote was taken. Voting in favor were: Jim Ford, James Greer, Ski Mariea, Don McNutt and Kristi Naught. Voting against were: Chuck Adamson and Nikki Loethen.

Department of Revenue – Ski Mariea moved to approve the Department of Revenue's FY22 budget request of \$31,034, plus payroll taxes, fringe benefits and any COLA added by the Legislature. Kristi Naught seconded. There was no further discussion. Motion carried unanimously.

FY22 PSTIF Budget

Chairman Greer reminded Trustees these are appropriations we request the governor include in his budget recommendation to the legislature, and that this would be the maximum amount we are authorized to spend in each of these three categories. He noted the recommendation is the same for FY22 as the Board received for FY21.

Jim Ford moved to approve the proposed FY22 budget as presented which includes \$261,764 for salaries, plus associated fringe benefits and any COLA enacted, noting this allows the Board to add staff as planned and further moved to request \$2,095,354 for staff and operating expenses and \$20,070,000 for claims and refunds of participation fees, for an estimated total of \$22,427,118. Ski Mariea seconded. There was no further discussion. A roll call vote was taken. Motion carried unanimously.

Other Information and Administrative Items

Chairman Greer asked if there were any questions on the documents provided, which included an article regarding the South Dakota Supreme Court ruling against the State in a "double dipping" lawsuit; and information regarding MoDNR grants for electric vehicle charging stations; there were none.

The proposed schedule of Board Meetings for 2021 was reviewed. Chairman Greer asked if it would be agreeable to change the proposed date for the May board meeting; there were no objections to this date change or any of the other dates provided. He said once the May date is decided on, Ms. James will proceed with securing locations for meetings on the dates presented.

There were no questions or comments on any of the billings.

Chairman Greer thanked everyone for attending and announced the next meeting is scheduled for Wednesday, November 18, 2020 in Jefferson City.

Chairman Greer thanked Ms. Eighmey for her dedication to the Fund and her years of service; she was given a standing ovation.

Kristi Naught moved to adjourn the open session meeting. Ski Mariea seconded. A roll call vote was taken; motion carried unanimously.

The meeting was adjourned at 12:31 p.m.

Respectfully submitted:

Approved by:

_____/S/
Kelley J. Ogletree

_____/S/
James Greer, Chairman

11/18/2020
Date