

PINELANDS DEVELOPMENT CREDIT BANK

20 West State Street
Trenton, NJ

Minutes

April 19, 2006

Meeting Location: 20 West State Street, Room 223, Trenton, NJ

Members Present: Hon. Steven M. Goldman, Commissioner/Chair
Dominick DiRocco, in attendance for Peter D. Wint, Special
Assistant to the Attorney General
John J. Tarditi, Jr., At Large Member
Marci Green, Department of Agriculture Designee
Candace McKee Ashmun, Pinelands Commission Designee

Members Absent: Donald McCauley, At Large Member
Fawn Z. McGee, Department of Environmental Protection
Designee

Others Present: Guillermo Vivas, Executive Director, Pinelands Development
Credit Bank
Helene Chudzik, Deputy Attorney General, Department of
Law and Public Safety (Board Counsel)

Chairman Goldman called the meeting to order at 2:10 p.m. and read the Statement of Compliance with the NJ Open Public Meetings Act. Mr. Vivas introduced Commissioner Goldman and the PDC Bank Board members in attendance at the meeting. Chairman Goldman told the Board about himself and talked about his interest in the Pinelands Development Credit Bank and its relation to the Department of Banking and Insurance.

Reading and Approval of Minutes:

The Chairman called for a motion to accept the minutes of the January 18, 2006, Regular Meeting. Mr. Tarditi moved for approval, seconded by Ms. Green. All present voted aye, except Mr. DiRocco, who abstained. DAG Chudzik advised that the motion failed because of insufficient votes. Mr. Tarditi repeated his motion for approval and Ms. Green seconded. The motion was carried with a full affirmative vote.

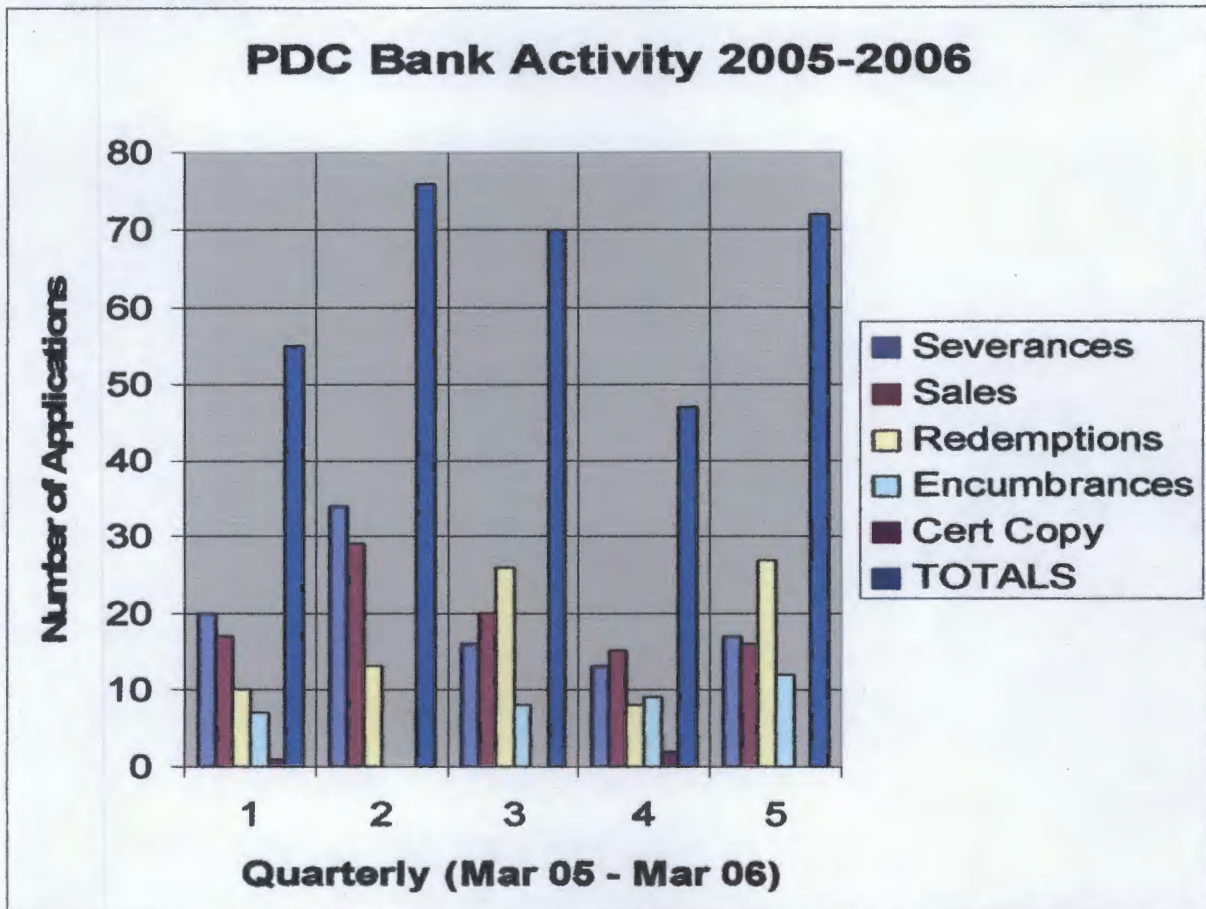
Executive Director's Report:

- Mr. Vivas reported that there are presently 10 new PDC Certificate applications under review (some have remained incomplete for several months).

- For the period covering January, 2005 through March, 2006, we processed applications as indicated on the following chart distributed to the Board, using the chart to illustrate trends, such as the decline in activity towards the year-end holidays, and the increase in encumbrances during the fall and winter months as farmers use the credits as collateral for loans towards the next season's crops:

**Pinelands Development Credit Bank
Application Activity 2005-2006**

	Jan-Mar 2005	Apr-Jun 2005	Jul-Sep 2005	Oct-Dec 2005	Jan-Mar 2006
Severances (New Cert.)	20	34	16	13	17
Sales & Transfers	17	29	20	15	16
Redemptions (for Permits)	10	13	26	8	27
Encumbrances (for Loans)	7	0	8	9	12
Certified Copy of Lost Cert.	1	0	0	2	0
TOTAL TRANSACTIONS:	55	76	70	47	72



PREPARED BY: GUILLERMO VIVAS, ACTING EXECUTIVE DIRECTOR
LAST UPDATED: 4/5/2006

- Mr. Vivas reported on the continued updating and enhancements of the PDC Bank's web site. He is in the process of reviewing and editing all re-typed application related forms to be placed on the site in electronic format. (The existing forms on the website are Adobe Acrobat PDF files, scanned from paper copies and have poor quality.)
- Mr. Vivas discussed the continuing PDC Bank's outreach program. A mail-back post card with an explanatory cover letter will be sent to all current LOI (Letters of Interpretation) holders who have never completed the application process. The post-card will ask if these individuals wish to have their personal contact information placed on a new section of the PDC Bank's web-site. This way, prospective purchasers and interested parties can contact them directly and enter into an agreement to complete the severance process and purchase the resulting PDCs. This element of the outreach program will be given priority. After the initial mailing, the Pinelands Commission will include a post card with each future LOI. After this project is completed, we will resume the local mailings and "town meetings" to continue promoting the PDC program.
- The Department of Banking and Insurance will be doing a total overhaul of their website and this will include major upgrades to the PDC Bank site as well. With the new PDC Tracking computer system nearing completion, many of the features of this new program will be uploaded automatically into the website.
- There have been changes in personnel and staffing for the Bank. Dennis Massimo retired and the Position of Project Manager is being eliminated. The position of Deputy Executive Director is also being eliminated. A new middle-management position (still under development) will be created, to fill the evolving needs of the agency.
- Mr. Vivas has been officially appointed Executive Director of the PDC Bank.

Business of the Board:

- Mr. Vivas addressed that there is a continuing need to fill the two existing vacancies on the Board. Ed McGlinchey of Winslow Twp. had been nominated but his appointment has been pending for over three years. Commissioner Goldman directed Mr. Vivas to obtain for him Mr. McGlinchey's resume. Another candidate, Joseph DelDuca, a well-known land use attorney, was also discussed. Both Mr. Vivas and Mr. Tarditi know Mr. DelDuca and expressed that he would be a good choice. Marci Green also said that she would check with Agriculture Secretary Kuperus, to see if he could suggest another candidate.

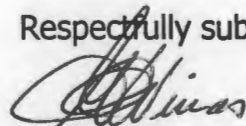
- Discussion ensued about PDC Bank's fiscal issues. The Bank was funded by a one time appropriation from the State's General fund and the Statute (establishing the PDC Bank) calls for the funds to be returned to the State. Out of the original \$5 million appropriation, \$3.5 million were paid back a few years ago. Of the remaining funds, the current balance is less than \$800,000 which, using previous two years salaries and expenses would last less than four years. Commissioner Goldman suggested that the PDC Bank should become a self-funded agency. To this effect, he has asked Mr. Vivas to develop a proposed budget for fiscal year 2007 and, to develop a fee schedule (based upon market value of PDCs) for the various transactions processed by the Bank that will yield sufficient revenues to fund that budget. This action will require amending the PDC Bank statute, as it presently has no provision for collecting fees. Commissioner Goldman is also recommending that—along with the amendment to establish fees—the "sunset" date for the expiration of the PDC Bank be eliminated. This matter is to be placed on the agenda for the next meeting on July 19, 2006.

Other Business:

- There was no one from the public in attendance to speak at this moment.

Adjournment: 2:50 p.m. on a motion by Ms. Green, seconded by Mr. Tarditi, and a unanimous affirmative vote.

Respectfully submitted,


Guillermo Vivas
Executive Director