

AN ORDINANCE ESTABLISHING RULES AND REGULATIONS GOVERNING THE MUNICIPAL SELF INSURANCE FUND.

WHEREAS, the City Council of the City of Vineland, on August 14, 1979, adopted Resolution No. 8366, which provided for the creation of an insurance fund for the purpose of meeting loss or damage to property of the City of Vineland occasioned by fire or otherwise; and

WHEREAS, said Resolution was subsequently amended in 1985 by Resolution No. 85-10 to expand the fund to cover self-insured deductible loss or damage to property of the City of Vineland occasioned by fire or otherwise, fleet insurance, inland transit insurance and workers compensation from reserves established for said purpose; and

WHEREAS, it becomes necessary and in the best interest of the City of Vineland to confirm the establishment of the fund by ordinance and to update the terms and conditions applicable to said fund; now, therefore,

BE IT ORDAINED by the City Council of the City of Vineland, as follows:

SECTION 1. Establishment; Purposes.

Pursuant to the provisions of N.J.S.A. 40A:10-6, et seq., there is hereby created the insurance fund of the City for the following purposes:

- A. To insure against any loss or damage however caused to any property, motor vehicles, equipment or apparatus owned by the City, or owned by or under the control of any of its Departments, boards, agencies or commissions.
- B. To insure against liability resulting from the use or operation of motor vehicles, equipment or apparatus owned by or controlled by the City or owned by or under the control of any of its Departments, boards, agencies or commissions; and
- C. To insure against liability for negligence of the City or its officers, employees and servants, whether or not compensated or part-time, who are authorized to perform any act or services, but not including an independent contractor within the limitations of the "New Jersey Tort Claims Act" (N.J.S.A. 59:1-1 et seq.
- D. To insure against any loss or damage from liability as established by Chapter 15 of Title 34 of the Revised Statutes (Workmen's Compensation).

SECTION 2. Annual Appropriation.

The City Council shall annually appropriate the funds necessary for the purposes of the insurance fund.

SECTION 3. Insurance Fund Commission.

A. Establishment; Members. There is hereby established an Insurance Fund Commission consisting of three members, who shall be the Business Administrator, Director of the Municipal Utilities the Director of Finance and one member of City Council. The Risk Manager and City Solicitor shall serve in an advisory capacity. The Business Administrator shall be designated as the Chairperson of the commission. The Commissioners shall serve for a period of two years or for the remainder of their terms of office as officials, whichever is less, and until their successors shall have been appointed and qualified. Vacancies caused by any reason other than expiration of term as an official shall be filled for the unexpired term. The Commissioners shall serve without compensation.

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B. Organization. The Commissioners shall, forthwith after their appointment, organize for the ensuing year by election from their membership of a Chairman, who shall serve for the year.

C. Commission Secretary. There is hereby established the position of Secretary to the Board of Insurance Commissioners, who shall be the City Solicitor and shall serve at the pleasure of the Commission. The Secretary shall have the obligation to take and maintain accurate minutes of Commission meetings and to maintain accurate records of each and every claim filed against the City, whether a general liability claim or a workers' compensation claim. Vacancies in the position of Secretary shall be filled in the manner of the original appointments.

SECTION 4. Powers and duties of Commissioners.

The Commissioners shall have the following powers and authority. The Commissioners shall:

- A. Prepare or cause to be prepared the proposed budget for the subsequent fiscal year. The budget shall identify the proposed items and amounts of expenditure and the status of the self insurance or loss retention trust accounts maintained by the Fund. The budget shall be prepared on a basis that does not recognize investment income or discounting of claim reserves but recognizes all anticipated or forecasted losses and administrative expenses associated with that fiscal year (NJAC 11:15-2.4 (f)).
- B. Invest the fund and all additions and accretions thereto in such securities as they shall deem best suited for the purposes of this ordinance.
- C. Adopt rules and regulations for the control and investment of the fund.
- D. Keep on hand at all times sufficient money, or have the same invested in such securities as can be immediately sold for cash, for the payment of losses to any buildings or property of the city or liability resulting from the operation of publicly owned motor vehicles, equipment or apparatus.
- E. Delegate settlement authority up to \$5,000 to the Risk Manager of the City of Vineland as may be recommended by the designated third party administrator for the City's self-insurance program.
- F. Delegate settlement authority between \$5,001 and \$15,000 to the Chairman of the Commission and Director of Finance
- G. Approve settlements of claims against the City from \$15,001 up to and including the sum of \$25,000.
- H. Recommend to the City Council for its approval all claims in excess of \$25,000.
- I. Place insurance upon property owned or controlled by the City or any of its departments, boards, agencies, or commissioners.
- J. Review and recommend to the Administration the Occupational Health Provider for the City

SECTION 5. Adoption of Official Notice of Tort Claim Form.

The form on file with the Municipal Clerk, as may be amended from time to time, is hereby adopted as the Official Notice of Tort Claim Form for the City of Vineland.

SECTION 6. Completion of Form Required.

All persons making claims against the City of Vineland pursuant to the New Jersey Tort Claims Act, N.J.S.A. 59:8-1 et seq., shall be required to complete the form herein adopted as a condition of compliance with the notice requirements of the New Jersey Tort Claims Act. The City may, after initial submission of form by claimant, require such other additional and supplemental information and documents as it deems necessary to evaluate the claim, and claimant shall supply such requested documents and information within 30 days of the request.

Passed first reading:

Passed final reading:

President of Council

Approved by the Mayor:

Mayor

ATTEST:

City Clerk