THE CITY OF MARGATE CITY IN
THE COUNTY OF ATLANTIC, NEW JERSEY

ORDINANCE NO. 15-2023

ORDINANCE AUTHORIZING AND ESTABLISHING RULES AND REGULATIONS GOVERNING THE MUNICIPAL SELF INSURANCE PROGRAM TO INSURE AGAINST LOSS AND LIABILITY

WHEREAS, the Board of Commissioners of the City of Margate City on September 21, 2023 adopted Resolution 210-2023, which provided for the creation of an insurance fund for the purpose of meeting loss or damage to property of the City of Margate City and liability for its negligence and that of its officers and employees; and

WHEREAS, such a program is authorized by N.J.S.A. 40A: 10-6; and

WHEREAS, as part of the establishment of such a program it is required by N.J.S.A. 40A: 10-8 that a board of fund commissioners be created to oversee the safe and proper administration of such fund;

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the Board of Commissioners of the City of Margate City, County of Atlantic, State of New Jersey, 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.

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.

SECTION 2. Annual Appropriation.

The Board of Commissioners 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, Chief Financial Officer and the Commissioner of Revenue and Finance or his designee. 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.

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. 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 (±)).

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 Margate City 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 Board of Commissioners 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.

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 Margate City.

SECTION 6. Completion of Form Required.

All persons making claims against the City of Margate City 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.

SECTION 7. Continuation of Fund; Termination.

The Fund shall continue from year to year without lapse until the self-fund insurance plan is terminated by action of the governing body. In the event of such a termination, after payment of all claims and expenses of the Plan, any fund balance remaining shall revert to the City's general fund.

SECTION 8. THIS ordinance shall take effect upon final passage and publication as provided by law.

Mayor Michael Collins

Commissioner Maury Blumberg

Commissioner Catherine Horn

Board of Commissioners of the City of
Margate City, New Jersey

Introduction: November 2, 2023
Advertisement: November 9, 2023
Enactment: November 16, 2023
Advertisement: November 25, 2023