

RESOLUTION NO. 8-23

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
(hereafter referred to as “THE FUND”)**

ESTABLISHING A FISCAL MANAGEMENT PLAN

FOR THE 2023 FUND YEAR

WHEREAS, THE FUND is duly constituted as a Municipal Joint Insurance Fund, as permitted under the laws promulgated by the State of New Jersey, (N.J.S.A. 40A-36, et.seq.); and

WHEREAS, THE FUND is subject to the requirements contained within the Local Fiscal Affairs Law (N.J.S.A. 40A-5, et.seq.); and

NOW, THEREFORE BE IT RESOLVED, THE FUND’s Governing Body hereby appoints the following professionals for the 2023 Fund Year:

I. The following financial institutions are hereby declared as THE FUND’s Official Depositories:

- a) Those banks or institutions identified through the Governmental Unit Depository Protection Act (GUDPA)
- b) New Jersey Cash Management Plan
- c) Citizens Bank (formerly Investors Bank)

II. All funds for Administrative Expenses, Reinsurance, Dividends and Miscellaneous Expenses, shall be withdrawn from the Official named Depository (ies) by check, wire or ACH, which shall bear the signatures and/or electronic approvals of at least two (2) of the following persons, duly authorized pursuant to this Resolution.

Carolyn Rinaldi	CHAIR
Adam Brewer	SECRETARY
Grace Brennan	TREASURER
Brian McNeilly	COMMISSIONER

- III.** All funds for Claims payments shall be withdrawn from the Official Depository(ies) by check, which shall bear the signatures of at least two (2) of the following Workers Compensation TPA representatives, and at least two (2) of the following General Liability, Auto Liability, Property, Auto Physical Damage, and Fidelity TPA representatives, duly authorized pursuant to this Resolution.

Workers Compensation TPA Signatories:

Dave Ruber, Qual Lynx
Alice Lihou, Qual Lynx
Edward Koreivo, Qual-Lynx
Grace Brennan, Fund Treasurer

**General Liability, Auto Liability, Property, Auto Physical Damage,
and Fidelity TPA Signatories:**

Patricia Muldoon, Lenape Claims Management, Inc.
Susan Hammer, Lenape Claims Management, Inc.
Grace Brennan, Fund Treasurer

- IV.** For Wire Transfers - that the FUND does hereby require that Citizens Bank obtain voice confirmation prior to executing wire transfers to external accounts from the Fund Treasurer.
- V.** The Cash and Investment Policy attached herewith shall be adopted.
- VI.** The rate of interest assessed by the Fund, for delinquent assessments for the year 2023 shall be ten (10) percent per annum, from the due date for any such assessment and imposed when installment assessments are received 15 days after the due date.
- VII.** Certifying and Approval Officer for all FUND expenses shall be the FUND's Executive Director and/or the Account Manager so designated by the Executive Director.

Adopted by the Governing Body this 11th day of January 2023.

Morris County Municipal Joint Insurance Fund

By: Carolyn Rinaldi, Chairperson

Attest:

Adam Brewer, Secretary

**MORRIS COUNTY MUNICIPAL JOINT INSURANCE FUND
2023 CASH MANAGEMENT AND INVESTMENT POLICY**

1.) Cash Management and Investment Objectives

The Morris County Municipal Joint Insurance Fund (hereinafter referred to as the FUND) objectives in this area are:

- a) Preservation of capital.
- b) Adequate safekeeping of assets.
- c) Maintenance of liquidity to meet operating needs, claims settlements and dividends.
- d) Diversification of the FUND's portfolio to minimize risks associated with individual investments.
- e) Maximization of total return, consistent with risk levels specified herein.
- f) Investment of assets in accordance with State and Federal Laws and Regulations.
- g) Accurate and timely reporting of interest earnings, gains and losses by line of coverage in each Fund year.
- h) Where legally permissible, cooperation with other local municipal joint insurance funds, and the New Jersey Division of Investment in the planning and execution of investments in order to achieve economies of scale.
- i) Stability in the value of the FUND's economic surplus.

2.) Permissible Investments

Investments shall be limited to investments authorized under N.J.S.A. 40A:5-15.1 Joint Insurance Funds and Chapter 38, Joint Insurance Funds, Subchapter 1. Investments 5:38-1.1, 5:38-1.2 and 5:38-1.3 of the New Jersey Administrative Code.

3.) Authorized Depositories

In addition to the above, the FUND is authorized to deposit funds in certificates of deposit and other time deposits in banks covered by the Governmental Unit Depository Protection Act, NJSA 17:9-14 et seq. (GUDPA). Specifically authorized depositories include but are not limited to:

Citizens Bank (formerly Investors Bank)

The FUND is also authorized to invest its assets in the New Jersey Cash Management Fund.

4.) Authority for Investment Management

The Treasurer is authorized and directed to make investments, with a maturity of three months or longer, through asset managers that may be selected by the Executive Board. Such asset managers shall be discretionary trustees of the FUND.

Their actions and decisions shall be consistent with this plan and all appropriate regulatory constraints.

In executing investments, asset managers shall identify the investment that is the most advantageous to the fund, unless otherwise directed by the FUND. Transactions may also be processed through the New Jersey Division of Investment by the Fund's asset managers.

5.) **Preservation of Capital**

Securities shall be purchased with the ability to hold until maturity.

6.) **Safekeeping**

Securities purchased on behalf of the FUND shall be delivered electronically or physically to the FUND's custodial bank, which shall maintain custodial and/or safekeeping accounts for such securities on behalf of the FUND.

7.) **Selection of Asset Managers, Custodial Banks and Operating Banks**

Asset managers, custodial banks and operating banks shall be retained for contract periods of one (1) year. Additionally, the FUND shall maintain the ability to change asset managers and/or custodial banks more frequently based upon performance appraisals and upon reasonable notice, and based upon changes in policy or procedures.

8.) **Reporting**

Asset managers will submit written statements to the treasurer and executive director describing the proposed investment strategy for achieving the objectives identified herein. Asset managers shall also submit revisions to strategy when justified as a result of changing market conditions or other factors. Such statements shall be provided to the Treasurer and Executive Director. The statements shall also include confirmation that all investments are made in accordance with this plan. Additionally, the Investment Manager shall include a statement that verifies the Investment Manager has reconciled and determined the appropriate fair value of the Funds portfolio based on valuation guidelines that shall be kept on file in the Executive Director's office.

The Treasurer shall report to the Executive Committee at all regular meetings on all investments. This report shall include information on the balances in all bank and investment accounts, and purchases, sales, and redemptions occurring in the prior month.

9.) **Audit**

This plan, and all matters pertaining to the implementation of it, shall be subject to the FUND's annual audit.

10.) **Cash Flow Projections**

Asset maturity decisions shall be guided by cash flow factors payout factors supplied by the Fund Actuary and reviewed by the Executive Director and the Treasurer.

11.) **Cash Management**

All moneys turned over to the Treasurer shall be deposited within forty-eight (48) hours in accordance with NJSA 40A:5-16.

In the event a check is made payable to the Treasurer rather than the Fund, the following procedure is to be followed:

- a.) The Treasurer endorses the check to the Fund and deposits it into the Fund account.
- b.) The Treasurer notifies the payer and requests that in the future any check be made payable to the Fund.

Cash may be withdrawn from investment pools under the discretion of asset managers only to fund operations, claims impress accounts, or approved dividend payments.

The Treasurer shall escheat to the State of New Jersey checks which remain outstanding for twelve or more months after the date of issuance. However, prior to implementing such procedures, the Treasurer, with the assistance of the claims agent, as needed, shall confirm that the outstanding check continues to represent a valid claim against the FUND.