

**BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND
RESOLUTION #2021- 27**

RESOLUTION MEMORIALIZING A PAYMENT OF \$87,719 FROM THE 2015 FUND YEAR AND AUTHORIZING A PAYMENT OF \$124,040 FROM THE 2016 FUND YEAR IN ACCORDANCE WITH THE REQUIREMENTS OF THE NEW JERSEY MUNICIPAL RESIDUAL CLAIMS FUND JOINT INSURANCE FUND SURPLUS TRIGGER

WHEREAS, the Burlington County Municipal Joint Insurance Fund (BURLCO JIF) has been organized pursuant to N.J.S.A. 40A:10-36 et seq.; and

WHEREAS, the BURLCO JIF is a member of the New Jersey Municipal Residual Claims Joint Insurance Fund (NJ RCF); and

WHEREAS, in 2020, the NJ RCF amended its Risk Management Plan to include a "Surplus Trigger"; and

WHEREAS, the purpose of the Surplus Trigger is to guarantee the ongoing fiscal integrity of the NJ RCF by requiring that the NJ RCF have a minimum amount of surplus available at any given time; and

WHEREAS, the Surplus Trigger is calculated on an annual basis valued as of December 31st of the most recently closed Fund Year; and

WHEREAS, the NJ RCF Surplus Trigger is enacted when the Fund's statutory surplus for all fund years combined is no less than 12.5% of unpaid claims including IBNR; and

WHEREAS, based upon calculations provided by the NJ RCF valued as of December 31, 2019, the ratio of unencumbered cash to the total amount of unpaid claims including IBNR fell below the 12.5% ratio by \$5,235,393 resulting in a payment by the BURLCO JIF to the NJ RCF of \$87,719 from the 2015 Fund Year; and

WHEREAS, based upon calculations provided by the NJ RCF valued as of December 31, 2020, the ratio of unencumbered cash to the total amount of unpaid claims including IBNR fell below the 12.5% ratio by \$6,286,145 resulting in a payment due by the BURLCO JIF to the NJ RCF of \$124,040 from the 2016 Fund Year; and

WHEREAS, it is the recommendation of the BURLCO JIF Finance Committee that the \$87,719 payment made to the NJ RCF from the 2015 Fund Year be memorialized and the \$124,040 due from the BURLCO JIF be authorized to be paid from the 2016 Fund Year.

NOW THEREFORE BE IT RESOLVED by the Burlington County Municipal Joint Insurance Fund that the \$87,719 payment to the NJ RCF from the 2015 Fund Year is hereby memorialized; and

BE IT FURTHER RESOLVED that a payment of \$124,040 to the NJ RCF from the 2016 Fund Year is hereby authorized; and

BE IT FURTHER RESOLVED that a copy of this Resolution be provided to the Fund Administrator, Fund Treasurer, and Fund Administrative Consultant for their information and necessary action.

This Resolution was duly adopted by the Burlington County Municipal Joint Insurance Fund at a public meeting held on June 15, 2021.

BURLINGTON COUNTY MUNICIPAL JOINT INSURANCE FUND

Attest:



John Gural, Secretary

By:



Glenn McMahon, Chairperson

Date: June 15, 2021