

**ORDINANCE TO AMEND THE CODE OF THE TOWNSHIP OF
LIVINGSTON TO CREATE CHAPTER 41, "INSURANCE FUND," TO
ESTABLISH AN INSURANCE FUND COMMISSION IN THE TOWNSHIP
OF LIVINGSTON**

BE IT ORDAINED by the Township Council of the Township of Livingston, in the County of Essex, State of New Jersey, as follows:

SECTION 1. Chapter 41, "Insurance Fund," is created as follows:

41-1. MUNICIPAL INSURANCE FUND.

There is hereby created a Municipal Insurance Fund Commission within the Township consisting of three (3) members who shall be called "Commissioners." Nonvoting members shall be a Secretary and the Township's Insurance Broker.

1. Three (3) Commissioners shall be appointed by the Township Manager.
2. The first Commissioner shall hold office for a term of one (1) year; the second Commissioner for two (2) years; and the third Commissioner for three (3) years. A calendar year shall be used to determine the terms of office for the Commissioners.
3. Vacancies in the office of Commissioner caused by any reason other than the expiration of term shall be filled for the unexpired term.
4. A Commissioner shall serve without compensation.

41-2. PURPOSES OF FUND.

The Township Council shall establish within the Municipal Budget a fund or funds for the payment of judgments or settlements and the payment of the reasonable and necessary expenses of defending claims against the Township. The amounts of these funds shall be established annually in each Municipal Budget. All unused amounts in said funds from previous budgets shall be carried over into the current Municipal Budget.

These funds shall be used for the following purposes:

1. To self-insure against loss or damage caused to any property, motor vehicles, equipment or apparatus owned by the Township or owned by or under the control of any Township department, board, agency or commission, where no insurance coverage is in effect.
2. To self-insure against liability resulting from the use or operation of motor vehicles, equipment or apparatus owned by or controlled by the Township or any Township department, board, agency or commission, where no insurance coverage is in effect.
3. To self-insure against liability for the Township's negligence or that of its officers, employees and servants, whether full or part-time, who are acting within the scope of their authority – but not including an independent contractor – within the limitations of the New Jersey Tor Claims Act, where no insurance coverage is in effect. (N.J.S. 59:1-1 et seq.).
4. To self-insure against liability resulting from workers' compensation claims where no insurance coverage is in effect.

41-3. APPOINTMENT/DUTIES OF SECRETARY AND DUTIES OF INSURANCE BROKER.

1. The Secretary shall be appointed by the Commissioners and entrusted with the daily operations of the Fund. The Secretary shall submit a report to the Commissioners on a monthly basis.
2. The Township's Insurance Broker shall serve as an advisor to the Commission.

41-4. ORGANIZATION OF COMMISSIONERS.

Immediately upon their appointment, the Commissioners shall organize for the ensuing year and elect a Chairperson from their membership who shall serve for one (1) year.

41-5. POWER AND AUTHORITY OF COMMISSIONERS.

The Commissioners shall have the following powers and authority:

1. Invest the Fund and all additions and accretions thereto in such securities as they shall deem best to maintain the integrity of the Fund.
2. Adopt rules and regulations for the control and investment of the Fund.
3. Keep on hand in the Fund sufficient cash or securities which can immediately be converted to cash for the payment of losses.


SECTION 2. REPEALER

All Ordinances or parts of Ordinances inconsistent with the provision of this Ordinance are, to the extent of such inconsistency, hereby repealed.

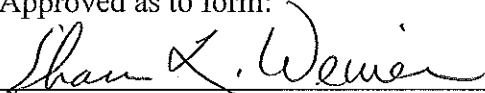
SECTION 3. EFFECTIVE DATE

This Ordinance shall take effect upon final adoption and twenty (20) days after publication in accordance with law.


GARY S. SCHNEIDERMAN, Mayor


GLENN R. TURTLETAUB
Township Clerk

Approved as to form:


SHARON L. WEINER, Township Attorney

Introduced: 12/1/08

Adopted: 12/15/08