

**GLOUCESTER, CUMBERLAND, SALEM SCHOOL DISTRICTS JOINT INSURANCE FUND
(GCSSDJIF)**

RESOLUTION NO. 2016-24

AUTHORIZATION OF REFUND OF SURPLUS

WHEREAS, the Gloucester, Cumberland, Salem School Districts Joint Insurance Fund (the "Fund") is duly constituted as a School District Self Insurance Fund and has been organized in accordance with the provisions of 18A:18B:1-10, and

WHEREAS, the participating School Districts have made their respective designations of Commissioners who, in turn, have elected a Board of Trustees for the Fund who will collectively serve as the Governing Body for same, and

WHEREAS, the Trustees of the Fund find that it is necessary and appropriate to make decisions regarding the operations of the Fund, and

WHEREAS, N.J.A.C. 11:15-4.21 provides that a FUND may seek approval from the Department of Banking and Insurance for refund of excess moneys from any fund year upon compliance with certain requirements, and

WHEREAS, the Finance Committee has reviewed the June 30, 2016 financial statement summary and received assurance from the Executive Director as to the amount of money which is available for distribution consistent with the aforementioned regulations, and financial integrity of the FUND; and

Now, **THEREFORE, BE IT RESOLVED** by the Trustees of the Gloucester, Cumberland, Salem School Districts Joint Insurance Fund, assembled in public session on March 23, 2017, that:

1. Section B of N.J.A.C. 11:15-4.21 provides that the FUND may seek approval for refunds from any claims fund that has been completed for not less than twenty-four months. Based upon this requirement, a portion of surplus funds in the 2006-2007 fund year is eligible for refund at the discretion of the FUND and the Department of Banking and Insurance.
2. The Board of Trustees has balanced the interests of the member districts in obtaining the benefit of such monies as are available for refund against the need for the FUND to protect and preserve its financial integrity. Because the reserve figures and the IBNR figures utilized by the FUND Actuary are conservative, and because the Department of Banking and Insurance and the State regulations require a thirty-five percent margin of error, it is the conclusion of the Executive Committee that **\$100,000**, representing a portion of surplus funds in the 2006-2007 fund year, can be refunded at this time said refunds shall be made available to the districts which were members of the FUND for the 2006-2007 fund year in the same ratio as said districts were assessed for the years in question.
3. The Executive Director is, therefore, authorized and directed to submit such documents as the regulations require to the Department of Banking and Insurance for the approval of the refunds and supplemental assessments in the amounts set forth above.
4. This authorization and available surplus calculations are based upon the June 30, 2016 financial statement summary and statutory available surplus projections. The aforementioned refund monies shall be allocated, as required and necessary, from the 2006-2007 fund year, in accordance with the Actuary's certification of available monies.
5. Applicable member districts eligible for a net surplus refund will be given the option of receiving their respective share of the aforementioned release of surplus in the form of a check, applying the refund to their respective fund year 2017-2018 premium contribution, applying the refund to the GCSSDJIF's Aggregate Excess Loss Contingency Fund, applying the refund as an offset against any supplemental premium contribution authorized by the Fund or allocating refunded surplus between any of the previous options.
6. The FUND Treasurer is authorized to apply each member's proportionate share of the aforementioned release of net surplus as directed by the applicable member's properly executed Resolution Directing Distribution, upon receipt of written documentation of approval or acquiescence of these refunds from the Department Banking and Insurance.

NOW, **THEREFORE BE IT RESOLVED**, that the Board of Trustees of the Gloucester, Cumberland, Salem School Districts Joint Insurance Fund does hereby authorize a refund of surplus from the 2006-2007 fund year and apply said refund toward additional premiums in the 2006-2007 fund year in the amount set forth above. A copy of this Resolution shall be forthwith sent to the Departments of Banking and Insurance affording them thirty (30) days in which to object to the aforementioned release of surplus. If no objection is received in writing within said thirty (30) day period, the Administrator and Treasurer shall affect said release of surplus.

BE IT FURTHER RESOLVED, that copies of this Resolution shall be provided to the Secretary, to the Administrator, to the Treasurer and to the Auditor of the Fund for their information and attention.

The Gloucester, Cumberland, Salem School Districts
Joint Insurance Fund
at a public meeting held on
March 23, 2017 duly adopted this resolution.

**GLOUCESTER, CUMBERLAND, SALEM SCHOOL DISTRICTS
JOINT INSURANCE FUND**

BY: _____ ATTEST: _____
CHAIR SECRETARY

DATE: _____