62H.05 MANAGEMENT OF FUNDS.

Funds collected from the participating employers under joint self-insurance plans must be held in trust subject to the following requirements:

(a) A board of trustees elected by participating employers shall serve as fund managers on behalf of participants. Trustees must be plan participants. No participating employer may be represented by more than one trustee. A minimum of three and a maximum of seven trustees may be elected. Trustees shall receive no remuneration, but they may be reimbursed for actual and reasonable expenses incurred in connection with duties as trustees.

(b) Trustees shall be bonded in an amount not less than $100,000 or no more than $500,000 from a licensed bonding company.

(c) Investment of plan funds is subject to the same restrictions as are applicable to political subdivisions pursuant to section 118A.04. All investments must be managed by a bank or other investment organization licensed to operate in Minnesota.

(d) Trustees, on behalf of the fund, shall file annual reports with the commissioner of commerce within 30 days immediately following the end of each calendar year. The reports must summarize the financial condition of the fund, itemize collection from participating employers, and detail all fund expenditures.

History: *1983 c 241 s 5; 1983 c 289 s 114 subd 1; 1984 c 655 art 1 s 92; 1996 c 399 art 2 s 12*