

TOWNSHIP OF WALL

RESOLUTION NO. 22-0617

AUTHORIZATION THE EXECUTION OF THE NECESSARY DOCUMENTS AND TAKING OF ALL APPROPRIATE ACTIONS IN ORDER TO ESTABLISH A SELF-INSURANCE FUND FOR PROVISION OF EMPLOYEE HEALTH CARE BENEFITS EFFECTIVE JULY 1, 2022, IN ACCORDANCE WITH ALL APPLICABLE MUNICIPAL ORDINANCES AND STATE STATUTES

WHEREAS, the Township provides health benefit coverage for its employees and certain retirees on a contributory or non-contributory basis; and

WHEREAS, the Township utilizes a licensed insurance broker, Brown & Brown Metro, LLC, as a consultant on employee health benefits including the annual marketing of the program for competitive quotes for the subsequent 12-month period; and

WHEREAS, the insurance consultant has completed the marketing and solicitation of bids from providers for the next period beginning July 1, 2022, and has provided the results of its efforts to the Township Administrator; and

WHEREAS, the renewal rate for the existing provider far exceeds any projection as well as the currently budgeted amounts in the Municipal Budget as a result of several factors including COVID-19, inflation rates, claim history, and general market trend; and

WHEREAS, Brown & Brown has presented to the Township Administrator, Chief Financial Officer, Human Resources Director, and subsequently the Township Committee a plan to convert the current insurance plan design (coverages) to a self-insurance model that would provide for no change in benefits while providing fiscal stability for both the employees and the Township and its taxpayers; and

WHEREAS, this plan will provide for certain financial protections such as the acquisition of Stop-Loss Insurance (both individual specific and annual aggregate coverage) as well as a reserve for incurred but not reported (IBNR) claims; and

WHEREAS, the cost of the self-insurance program is within the previously approved appropriations contained in the 2022 Municipal Budget; and

WHEREAS; the Township Administrator in connection with the governing body's Administration and Finance Sub-Committee has made certain recommendations that will be further developed for incorporation into existing associated ordinances in order to provide for additional operating safeguards;

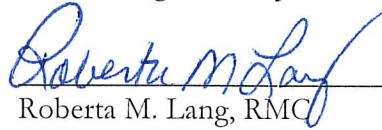
NOW, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of Wall, in the County of Monmouth and State of New Jersey as follows:

The Township Administrator, Township Clerk, Human Resources Director and Township Attorney are hereby authorized to take all necessary actions in order to establish the self-

insurance fund and provide for a seamless transition to the program for all covered employees and retirees.

Furthermore, the Township Administrator in conjunction with the Township Committee's Administration and Finance Sub-Committee and the associated professionals and employees are hereby directed to provide a draft ordinance providing additional operating requirements for this program for consideration by the entire Township Committee no later than July 31, 2022

I, Roberta M Lang, Municipal Clerk of the Township of Wall in the County of Monmouth and the State of New Jersey, do hereby certify that the foregoing is a correct and true copy of a resolution adopted by the Mayor and Committee of the Township of Wall in the County of Monmouth in the State of New Jersey at a meeting held on June 8, 2022



Roberta M. Lang, RMC
Township Clerk