

RESOLUTION NO. 54-12

July 23, 2012

with dependent coverage

A Resolution authorizing the creation and implementation of a Cafeteria Plan pursuant to Section 125 of the Internal Revenue Code as mandated by P.L. 2011, Chapter 78

WHEREAS, on June 28, 2011, P.L. 2011 Chapter 78 was enacted into law making comprehensive and significant changes with respect to public employee pension programs and health care benefits including the requirement that all New Jersey public employers provide their employees with Cafeteria Plans created pursuant to and in compliance with Section 125 of the Internal Revenue Code; and

WHEREAS, pursuant to the provisions of P.L. 2011 Chapter 78, the Brick Township Municipal Utilities Authority (hereinafter "the Authority"), as a public employer, must provide its employees with a Cafeteria Plan which in addition to a Premium Option Plan also must include an Unreimbursed Medical Flexible Spending Account which will allow Authority employees to save taxes on out-of-pocket medical expenses; and

WHEREAS, P.L. 2011, Chapter 78 also provides New Jersey public employers such as the Authority with the option to include a Dependent Care Flexible Spending Account along with the mandatory Premium Only Plan and Unreimbursed Medical Flexible Spending Account as part of a Cafeteria Plan; and

WHEREAS, Horizon Blue Cross/Blue Shield created a Cafeteria Plan (hereinafter "the Plan") for the Authority which includes a Premium Only Plan, an Unreimbursed Medical Flexible Spending Account and a Dependent Care Flexible Spending Account which all qualify under Section 125 of the Internal Revenue Code and satisfy the requirements of P.L. 2011, Chapter 78 regarding Section 125 plan offerings. The Plan and its Summary Plan Description are annexed hereto as Exhibits A and B; and

WHEREAS, the Authority's Finance Committee, General Counsel, Executive Director, Auditor, and Chief Financial Officer have reviewed the said Plan and Summary Plan Description annexed hereto as Exhibits A and B; and


NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the Brick Township Municipal Utilities Authority as follows:

1. The Authority hereby approves and adopts the Plan and Summary Plan Description prepared by Horizon Blue Cross/Blue Shield annexed hereto as Exhibits A and B.
2. The Payroll/Human Resource Supervisor of the Authority is hereby appointed as Plan Administrator.
3. The Plan Administrator is directed to take such actions deemed necessary and proper in order to implement the Plan and to set up adequate accounting and administrative procedures in order to make the Plan's Premium Only and Flexible Spending Account features available to the Authority's employees.
4. The Plan Administrator and the Authority's Chief Financial Officer, as soon practicable, shall set up separate bank account for the purpose of holding funds per employee salary reduction agreements to be withdrawn by Horizon's finance department upon receipt of eligible reimbursement request by participating employee.

5. The Plan Administrator, as soon as practicable, shall notify the Authority's employees of the Plan's adoption by providing a copy of a summary description of the plan in the form of the Summary Plan Description which was also approved by way of this Resolution.

CERTIFICATION

I hereby certify that the foregoing Resolution was duly adopted at a Regular Meeting of the Brick Township Municipal Utilities Authority, County of Ocean, State of New Jersey, held on the 23rd day of July, 2012.


Patrick L. Bottazzi, Secretary