

**TOWNSHIP OF RARITAN
COUNTY OF HUNTERDON, NEW JERSEY**

ORDINANCE #18-26

**AN ORDINANCE OF THE TOWNSHIP OF RARITAN, COUNTY OF HUNTERDON,
STATE OF NEW JERSEY, TO ESTABLISH A SELF-INSURANCE FUND FOR GROUP
HEALTH BENEFITS PURSUANT TO REGULATIONS ESTABLISHED BY THE NEW
JERSEY DEPARTMENT OF COMMUNITY AFFAIRS**

WHEREAS, the Township Committee of the Township of Raritan (“the Township”) has determined that providing for a partially self-funded health insurance program for its eligible employees for a health reimbursement account (“HRA”) will be an efficient and cost-effective method of providing such benefits to its employees; and

WHEREAS, such a program is authorized by N.J.S.A. 40A:10-6e; and

WHEREAS, as part of the establishment of such a program it is required by N.J.S.A. 40A:10-8 that a board of fund commissioners be created to oversee the safe and proper administration of such a fund.

NOW, THEREFORE, BE IT RESOLVED, by the Township Committee of the Township of Raritan as follows:

Part 1. Administrative Legislation, Chapter 33 Insurance, is hereby established as follows:

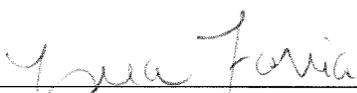
- A. Self-Insurance Fund for Group Health Insurance Benefits for eligible municipal employees.
1. There is hereby established a Trust Fund to be known as the “Self-Insurance Fund for Group Health Insurance Benefits” (hereafter “the Fund”) pursuant to N.J.S.A. 40A:10-1 *et seq.* and regulations established by the New Jersey Department of Community Affairs.
 2. The Township Chief Financial Officer shall remain and bear responsibility for the Fund in the same manner and to the same extent as other public funds under his care. All interest earned on the Fund shall accrue to the Fund’s principal.
 3. The Township Administrator and Chief Financial Officer shall annually estimate the probable maximum exposure of the Fund during the calendar year.
 4. The Township Administrator and Chief Financial Officer shall include as part of the recommended annual operating budget, an amount, in their opinion, needed to adequately fund the employee HRA and responsibly estimate the costs associated with the calendar year.

5. The Township Administrator, upon the recommendation of the Township's Risk Manager, shall fix reasonable rates of reimbursement for all insurance carried by the Fund to be applied to the various covered persons and dependent categories, and shall effect all insurance in the Fund or with any insurance company or companies authorized to do business in the State of New Jersey.
6. The Township Committee of the Township of Raritan shall appropriate such funds as are necessary to accomplish the purposes for which the Self-Insurance Fund for Group Health Insurance Benefits is established.
7. The Township Chief Financial Officer shall collect and incorporate in the Fund employee and retiree contributions for health benefits which are made pursuant to applicable Township ordinances and contracts or in accordance with Chapter 78, P.L. 2011.

This Ordinance shall become effective according to law.

DATE ADOPTED: September 18, 2018

ATTEST:



Lisa Fania, RMC
Township Clerk

**TOWNSHIP COMMITTEE OF THE
TOWNSHIP OF RARITAN**



Michael Mangin
Mayor