



UNION COUNTY IMPROVEMENT AUTHORITY

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Resolution No. 73-2015

Date: November 4, 2015

RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY AUTHORIZING THE IMPLEMENTATION OF A FLEXIBLE SPENDING ACCOUNT PROGRAM.

APPROVED AS TO FORM:
 Lisa M. da Silva, RMC
 Clerk of the Authority

Lisa M. da Silva

APPROVED AS TO SUFFICIENCY OF FUNDS
 YES NO NONE REQUIRED
 UNION COUNTY IMPROVEMENT AUTHORITY

[Signature]

	PRESENT	ABSENT	AYE	NAY	ABSTAIN	MOTION	SECOND
<i>Bornstad</i>	✓		✓			✓	
<i>D'Elia</i>	✓		✓				
<i>Hines</i>	✓		✓				✓
<i>Hockaday</i>	✓		✓				
<i>Salerno, Secretary</i>		✓					
<i>Tomko, Treasurer</i>		✓					
<i>Vollero</i>		✓					
<i>Rountree, Vice Chair</i>	✓		✓				
<i>Scutari, Chairman</i>	✓		✓				

**RESOLUTION OF THE UNION COUNTY IMPROVEMENT
AUTHORITY AUTHORIZING THE IMPLEMENTATION OF A
FLEXIBLE SPENDING ACCOUNT PROGRAM.**

WHEREAS, the Union County Improvement Authority (together with any successor thereto, the "Authority") has been duly created by an Ordinance of the Board of Chosen Freeholders together with any successor legislative body, the ("Board of Freeholders") of the County of Union, State of New Jersey (together with any successor thereto, the "County") duly adopted as a public body corporate and politic of the State of New Jersey (the "State") pursuant to and in accordance with the County Improvement Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, and the acts amendatory thereof and supplemental thereto (the "Act"); and

WHEREAS, the Union County Improvement Authority (the "Authority") provides certain benefits to its employees in connection with its operations and consistent with its established policies and collective bargaining agreement; and

WHEREAS, this law now requires the Authority to provide its employees with access to a Section 125 Flexible Spending Account ("FSA" and sometimes referred to as a Cafeteria Plan) that allows eligible employees to voluntarily set aside a portion of their earnings to pay for qualified health expenses and, at the option of the employer, dependent care expenses, thereby potentially reducing employees federal tax liability and the Authority's Social Security/Medicare tax liability; and

WHEREAS, the Authority's Broker, Brown & Brown Metro, Inc., has recommended Benefit Analysis, Inc. ("BAI"), P.O. Box 527, Nutley, New Jersey 07110 based on their October 13, 2015 proposal; and

WHEREAS, Brown & Brown believes that the combination of cost and all-inclusive FSA services proposed by BAI to administer the Authority's FSA program are advantageous in as much as they will include but not be limited to, establishing the program, furnishing timely notices of open enrollment, preparing and executing of all necessary Section 125 Plan documents, customer service, online access to claim forms and information, and the processing of claims and as a result Brown & Brown recommends utilizing the services of BAI for the Authority's FSA program; and

WHEREAS, the Authority's staff and PPI committee have reviewed the recommendations of Brown & Brown, along with the proposal of BAI, and recommend that the Authority proceed with the use of BAI and implementation of the FSA program.

WHEREAS, BAI's FSA services to the Authority as aforementioned will be effective commencing on January 1, 2016, and will run through December 31, 2016; and

WHEREAS, pursuant to Federal law and regulation, as set forth in the Internal Revenue Procedure, IR-2015-118, on October 21, 2015 the IRS set the maximum permissible yearly salary deduction for health care expense to \$2,550.00 effective January 1, 2016;

NOW THEREFORE BE IT RESOLVED, by the Union County Improvement Authority Board of Commissioners as follows:

1. That the Authority's Comptroller, in conjunction with BAI, is hereby authorized to implement the aforementioned FSA program with BAI, which shall commence on January 1, 2016 and run through December 31, 2016, including but not limited to the furnishing of timely notices of open enrollment, the preparing and executing of all necessary Section 125 Plan documents, and the processing of claims.
2. The Authority's Executive Director, in conjunction with appropriate Authority staff and the Authority's General Counsel, are hereby authorized and directed to take any and all additional measures to implement the FSA program, including establishing and pre-funding a separate account with a designated Authority depository for purposes of funding and administering the Authority's FSA program subject to the provision of a certification as to the availability of funds.
3. The cost of FSA services to be provided by BAI shall not exceed \$37.50 per month for administration services regardless of the number of enrollees.
4. The Authority hereby elects the following as the maximum per annum/per employee salary deduction amounts for the FSA program:
 - a. Health Care Expenses: \$2,550.00
 - b. Dependent Care Expenses: \$5,000.00
5. The Authority reserves its right to withdraw enrollment and participation in the Section 125 Flexible Spending Account program, through appropriate subsequent formal action of this Board and on notice to all employees, should the Authority deem it to be in its best interest to do so prior to the effective date of coverage.
6. The funds within the newly established account shall be used for no other purpose than to administer the Authority's Section 125 Flexible Spending Account program.
7. Information concerning the Flexible Spending Account shall be distributed to all employees.
8. This Resolution shall take effect immediately.