

**ORDINANCE REGARDING TOWN AND BOARD
OF EDUCATION EMPLOYEE'S HEALTH
INSURANCE TRUST FUND**

BE IT ORDAINED by the Town Council of the Town of Plainville in meeting duly assembled that, pursuant to the Charter of the Town and the provisions of Title 7 of the Connecticut General Statutes, the following Ordinance is adopted:

SECTION 1. PURPOSE.

(a) After investigation, research and study, the Town Manager and the Director of Finance have recommended to the Town Council that it is in the best interest of the Town to establish a Town and Board of Education Employees' Health Insurance Trust Fund, hereinafter referred to as the "Fund." The Fund is for the purpose of stabilizing premiums for medical insurance coverage for employees of the Town and its Board of Education.

(b) The further purpose of the Fund is to make adequate, financially sound provisions for payments of premiums for medical coverages, which premiums may vary significantly.

SECTION 2. FUNDING.

(a) Annually, and as soon as practical, the Town Manager or his designee shall request and obtain from the insurers who provide medical and hospitalization coverage for the Town and Board of Education employees proposals for recommended insurance premiums for such coverages.

(b) Upon receipt by the Town of such proposals for recommended insurance premiums, and within the constraints of the Charter's budgetary provisions, one-twelfth (1/12) of the annual recommended insurance premiums for such coverage shall be transferred and paid into the Fund by the Town and the Board of Education.

(c) Any interest earned from investment of monies in the Fund shall become part of the Fund.

(d) Any credits, dividends, or reimbursements received by the Town or Board of Education from insurers providing said coverages shall become part of the Fund.

(e) Such other appropriations made to the Fund by the Town Council from Unappropriated General Fund Balance or as otherwise provided for by the Charter.

SECTION 3. PAYMENTS FROM THE TRUST FUND.

(a) The following types of payments or expenditures shall be made from the Fund:

1. Charges and/or premiums to insurers providing hospital and medical coverages for Town and Board of Education employees.
2. Payment of any medical or health claim, settlement, judgements or cause not covered by an existing insurance policy. These types of payments shall be made only after authorization by the Town Council where such authorization is necessary.
3. Payments of any costs or expenses relating to health and hospitalization of Town or Board of Education employees which shall have been approved by the Town Council where such approval is required.

SECTION 4. MANAGEMENT OF THE TRUST FUND.

(a) The Fund shall be administered (as to investments and accounting)

by the Director of Finance under the general direction and supervision of the Town Manager subject only to limitations imposed by the Charter and statutes as relating to the Town Treasurer and Town Attorney.

(b) The Town Manager and Town Council shall set policies, goals and aims of the Fund. They may enter into contracts with consultants to assist them in such endeavors.

SECTION 5. SEVERABILITY.

(a) The provisions of this Ordinance are declared to be severable, and the invalidity of any portion thereof shall not affect the validity of the remainder.

SECTION 6. EFFECTIVE DATE.

(a) This Ordinance shall take effect after passage and thirty (30) days after publication.

Adopted by Town Council May 18, 1992