

**RESOLUTION #17-0306-04**

**Authorizing the Township Cash Payment in lieu of benefits program**

**WHEREAS**, Ohio Revised Code 505.603(A) authorizes the Township to provide health benefits to its officers and employees through a cafeteria plan that meets the requirements of section 125 of the Internal Revenue Code of 1986.

**WHEREAS**, the Township has established such a cafeteria plan as permitted by Ohio Revised Code 505.603(A).

**WHEREAS**, Ohio Revised Code 505.603(A) authorizes a township to adopt a policy authorizing an officer or employee to receive a cash payment in lieu of a benefit otherwise offered to township officers or employees but only if the cash payment does not exceed twenty-five per cent of the cost of premiums or payments that otherwise would be paid by the board for benefits for the officer or employee under an offered policy, contract, or plan.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF LIBERTY TOWNSHIP, DELAWARE COUNTY, OHIO THAT:**

1. The Township shall continue to provide a cash payment to officers and employees who opt-out of the township's health benefits;
2. The cash payments in lieu of benefits provided to officers and employees who opt out of the township's health benefits shall be governed by Ohio Revised Code 505.603(A). The Township is not providing an out-of-pocket premium-reimbursement program under Ohio Revised Code 505.60(D).
3. Pursuant to Ohio Revised Code 505.603(A), the cash payment issued to officers and employees who opt-out of the township's health benefits shall not exceed twenty-five per cent (25%) of the cost of premiums or payments that otherwise would be paid by the board of trustees for benefits for the officer or employee under an offered policy, contract, or plan.
4. Further, no cash payment in lieu of a benefit shall be made to officers and employees who opt-out unless the officer or employee first signs a statement affirming that the officer or employee is covered under another health insurance or health care policy, contract, or plan in the case of a health benefit, or a life insurance policy in the case of a life insurance benefit, and setting forth the name of the employer, if any, that sponsors the coverage, the name of the carrier that provides the coverage, and an identifying number of the applicable policy, contract, or plan. See R.C. 505.603(A)
5. The Township shall administer its payment in lieu/opt-out incentive so as to ensure compliance with the ACA and applicable IRS regulations regarding same.

6. The terms and conditions of this resolution shall apply to all employees and elected officials except where prohibited by law.
7. The Fiscal Officer is authorized to notify impacted employees of the change and to make the necessary adjustments upon the effective date of this Resolution.

Motion made by Leneghan and seconded by Eichhorn.

**Vote:** yes Mrs. Eichhorn yes Mrs. Leneghan yes Dr. Mitchell

This Resolution shall be in force and become effective immediately upon its execution.

Mar. 6, 2016

Date

Melanie Leneghan  
Melanie Leneghan, Trustee

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Dr. Thomas Mitchell, Trustee

Shyra Eichhorn  
Shyra Eichhorn, Trustee

CERTIFIED BY:

Nancy Denutte  
Nancy Denutte, Fiscal Officer