

**BOROUGH OF PENNINGTON
RESOLUTION 2025-6.11**

**RESOLUTION AUTHORIZING TERMINATION OF BOROUGH
MEMBERSHIP IN STATE HEALTH BENEFITS PLAN**

WHEREAS, a number of public entities in the State of New Jersey have joined together to form the NJ Solutions Joint Health Insurance Fund, hereafter referred to as the “Fund”, as permitted by N.J.A.C. 11:15-3.1 et. seq., N.J.S.A. 17:1-8.1 et. seq., and N.J.S.A. 40A:10-36 et. seq.; and

WHEREAS, the Fund was approved to become operational by the Department of Banking and Insurance and the Department of Community Affairs (collectively, the “Departments”) and has been operational since that date; and

WHEREAS, the statutes and regulations governing the creation and operation of a joint insurance fund in the State of New Jersey contain certain restrictions and safeguards in connection with the administration of the public interest entrusted to such a Fund;

WHEREAS, Borough Council has studied the feasibility of joining the Fund, has determined that membership in the Fund is in the best interest of the Borough of Pennington, and by Resolution on this date has authorized joining the Fund effective **on September 1, 2025**;

WHEREAS, membership in the Fund will require the Borough to withdraw from its existing membership in the State Health Benefits Plan (“SHBP”) ~~effective 11:59 PM on~~
August 31, 2025;

WHEREAS, withdrawal from the SHBP requires Borough Council adoption of the following Resolution:

BE IT RESOLVED:

1. The Borough of Pennington, SHBP/SHEBP Employer Location Number 025700, hereby resolves to terminate its participation in the Program (Medical Plan, Prescription Drug Plan, and/or Dental Plan coverage) thereby canceling coverage provided by the SHBP and/or SEHBP (N.J.S.A. 52:14-17.25 et seq.) for all its active and retired employees.
2. We shall notify all active employees of the date of their termination of coverage under the Program.
3. We understand that the New Jersey Division of Pensions & Benefits (NJDPB)

will notify retired employees of the cancellation of their coverage.

4. We understand that all COBRA participants will be notified by the NJDPB and advised to contact our office concerning a possible alternative health, prescription drug, and dental insurance plan.

5. We understand that this resolution shall take effect the first of the month following a 60-day period beginning with the receipt of the resolution by the State Health Benefits Commission or School Employees' Health Benefits Commission.

BE IT FURTHER RESOLVED, that the intent of this Resolution is that termination of Borough membership in the SHBP be effective September 1, 2025.

BE IT FURTHER RESOLVED, that the Borough Administrator and Borough Clerk are hereby authorized to take all such additional steps as needed to effectuate the timely termination of SHBP membership and seamless transition to the Fund, including execution of the attached "RESOLUTION" document certifying the adoption of the above resolution.

Record of Council Vote on Passage

COUNCILMAN	AYE	NAY	N.V.	A.B.	COUNCILMAN	AYE	NAY	N.V.	A.B.
Angarone					Rubenstein				
Chandler					Stern				
Marciante					Valenza				

I, Elizabeth Sterling, Municipal Clerk of the Borough of Pennington, County of Mercer, State of New Jersey, do hereby certify the foregoing to be a true and exact copy of a resolution duly authorized by the Borough Council on this 12th Day of June 2025.

Elizabeth Sterling, Borough Clerk

James Davy, Mayor