

RESOLUTION NO. 2843

A RESOLUTION OF THE CITY OF SALISBURY AUTHORIZING THE MAYOR TO SIGN AN AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING FOR THE WICOMICO COUNTY PUBLIC ENTITIES HEALTH INSURANCE CONSORTIUM CHANGING THE RATE STABILIZATION RESERVE PERCENTAGE FROM 14% TO 12%.

WHEREAS, the Mayor and City Council of the City of Salisbury have authorized the City to participate in the Wicomico Public Entities Health Insurance Consortium and to enter into a Memorandum of Understanding with the other members of the Consortium; and

WHEREAS, one of the features of the agreement is a Rate Stabilization Reserve (RSR) which establishes a fund to hold and accumulate funds in the event of an experience gain or loss; and

WHEREAS, the agreement currently requires each entity to the agreement to retain 14% of the prior year annual premiums paid; and


WHEREAS, the City has recently been advised that the RSR required percentage is being changed to 12%.

NOW, THEREFORE, BE IT RESOLVED that the Salisbury City Council hereby authorizes the Mayor to sign the attached amendment to the Memorandum of Understanding for the Wicomico County Public Entities Health Insurance Consortium changing the Rate Stabilization Reserve from 14% to 12%.

THE ABOVE RESOLUTION was introduced and read and passed at the regular meeting of the City of Salisbury held on the 29<sup>th</sup> day of May 2018, and is to become effective immediately upon adoption.

**ATTEST:**

  
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Kimberly R. Nichols, City Clerk

  
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John R. Heath, President  
Salisbury City Council

APPROVED BY ME THIS 30<sup>th</sup> day of MAY, 2018.

  
\_\_\_\_\_  
Jacob R. Day, Mayor



City of  
**Salisbury**  
Jacob R. Day, Mayor

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OFFICE

**MEMO**

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*Finance Department*

**To:** Julia Glanz, City Administrator  
**From:** Keith Cordrey, Director of Finance *KAC*  
**Subject:** Amendment to Health Consortium Memorandum of Understanding  
**Date:** May 16, 2018

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At the 1/12/18 Health Consortium meeting it was recommended to change the rate stabilization percentage from 14.0% to 12.0%.

The attached resolution is needed in order to make this change.

Please forward this resolution for Council's consideration.

**AMENDMENT TO THE  
PUBLIC ENTITIES HEALTHCARE CONSORTIUM  
MEMORANDUM OF UNDERSTANDING**

THIS AMENDMENT ("the Amendment") is made and entered into this 1st day of July, 2018, by and between Wicomico County Government, Wicomico County Board of Education, and the City of Salisbury, which shall collectively be known as the Wicomico County Public Entities ("WCPE").

WHEREAS, the WCPE entered into a Public Entities Healthcare Consortium Memorandum of Understanding with an effective date of September 1, 2001 ("the Memorandum"); and

WHEREAS, the parties now seek to amend the Memorandum as detailed below.

NOW, THEREFORE, the parties hereto agree to the following revisions to the Memorandum:

1. In section 3.13.c., change "14%" to "12%."

IN WITNESS WHEREOF, the entities have this day and year first above written set their respective hands and seals.

WITNESS/ATTEST:

BOARD OF EDUCATION OF  
WICOMICO COUNTY, MARYLAND

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Donald L. Fitzgerald, Board President

WITNESS/ATTEST:

CITY OF SALISBURY



  
\_\_\_\_\_

Jacob R. Day, Mayor

WITNESS/ATTEST

WICOMICO COUNTY, MARYLAND

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Robert Culver, County  
Executive

Approved as to form and legal  
sufficiency this \_\_\_\_\_ day of  
\_\_\_\_\_, 2018.

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County Attorney

Approved as to form and legal  
sufficiency this \_\_\_\_\_ day of  
\_\_\_\_\_, 2018.

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Attorney, City of Salisbury

Approved as to form and legal  
sufficiency this \_\_\_\_\_ day of  
\_\_\_\_\_, 2018.

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Attorney, Board of Education