

**TOWNSHIP OF SCIO
WASHTENAW COUNTY,
MICHIGAN RESOLUTION #2023-13**

TO CONTINUE RETIREE HEALTH BENEFITS FOR CURRENT ELIGIBLE TOWNSHIP RETIREES

At a Regular Meeting of the Township Board of Scio Township, Washtenaw County, Michigan, held at the Scio Township Hall, 827 N. Zeeb Road, in said Township, on March 14, 2023, at 7:00pm.

Members Present: Hathaway, Palmer, Flintoft, Kerry, Knol, Reiser

Members Absent: Brazeau

The following preamble and resolution were offered by Trustee Reiser and supported by Clerk Flintoft.

WHEREAS, Scio Township wishes to continue providing a retiree health benefit for eligible current Township retirees; and,

WHEREAS, Scio Township desires to modify the Scio Township Employee Handbook Section 34 to provide the current retiree health benefit for current eligible retirees, and to continue but change how it is provided to future eligible non-union retirees; and,

NOW, THEREFORE BE IT RESOLVED, that the contents of Section 34 Retiree Medical Insurance of the Scio Township Employee Handbook last amended July 26, 2022 is repealed in full; and,

BE IT FURTHER RESOLVED, that the contents of Section 34 Retiree Medical Insurance of the Scio Township Employee Handbook be replaced in full with Part A Retiree Medical Benefit for Eligible Retirees, Part B Retiree Health Care Savings Program for Union Employees; and,

BE IT FURTHER RESOLVED, that Scio Township intends to add a Part C Retiree Health Care Savings Program for Non-Union Employees via a subsequent resolution;

NOW, THEREFORE BE IT RESOLVED, that Section 34 Retiree Medical Insurance of the Scio Township Employee Handbook is amended as shown in blackline in Appendix attached hereto; and,

BE IT FURTHER RESOLVED that the list of "Eligible Retirees" as set forth in Section 34 Part A are William Aili, Carl Ferch, Gloyce Forner, Phyllis Gross, Nancy Hedberg, Gay Konschuh, James Merte, Eugene Payton, Shawn Slane, Melinda Hart, and John Walton.

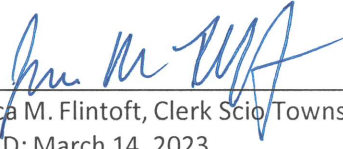
ROLL CALL VOTE:

YES: Hathaway, Palmer, Flintoft, Kerry, Knol, Reiser

NO: None

ABSENT: Brazeau

RESOLUTION DECLARED ADOPTED.



Jessica M. Flintoft, Clerk Scio Township
DATED: March 14, 2023

APPENDIX to RESOLUTION 2023-13

Scio Township Employee Handbook

Section 34. Retiree Medical Insurance

Part A. Retiree Medical Benefit for Eligible Retirees

"Eligible Retiree" means a former Township employee who (i) retired before April 1, 2023, and (ii) as of March 31, 2023 had met the eligibility requirements for retiree medical insurance as described in Section 34 of the Scio Township Employee Handbook, as that section existed prior to this amendment. The Township has prepared a list of these Eligible Retirees.

The Township will select a Trust Administrator and establish a Trust fund, into which it will deposit and maintain an amount sufficient to meet the benefits provided for hereunder. In accordance with procedures established by Plan Administrator, an Eligible Retiree may use the benefit to reimburse the Eligible Retiree for his or her medical expenses.

Medical insurance benefits will be provided to Scio Township employees and elected officials who retire from the Township when the sum of the age of the employee/official and the years of full time employment total eighty (80) points. Those who are eligible must have a minimum of ten (10) years of continuous, uninterrupted full-time service and be at least sixty (60) years of age at retirement. Coverage will begin immediately upon retirement, and the benefit expires upon the death of the retiree. This benefit shall not be available to eligible retirees if other comparable medical insurance coverage, equal to or better than that available through the Township, is available through a previous employer, a spouse's employer, or another retirement plan. When available, retirees shall acquire federal medical benefits to reduce the overall cost of retiree medical insurance coverage.

The Township will provide medical insurance benefits to Eligible Retirees. Such benefits cease at the death of the retiree. This benefit shall not be available to an Eligible Retiree if other comparable medical insurance coverage, equal to or better than that available through the Township, is available through a previous employer, a spouse's employer, or another retirement plan. When available, an Eligible Retiree shall acquire federal medical benefits to reduce the overall cost of retiree medical insurance coverage.

The maximum annual benefit amount shall be Three Thousand Nine Hundred Eighteen dollars (\$3,918) as of FY 2011. The annual benefit period will coincide with the Township's fiscal year, April 1 through March 31. Beginning April 1, 2012, and each April 1 thereafter, the benefit shall be adjusted up or down by the lesser of the following calculations: (1) the percent of change in the State of Michigan inflation rate used for calculating property tax adjustments for the previous calendar year (Michigan Headlee Inflation rate, MCL 211.54d), or (2) the percent of change in Scio Township General Fund fiscal year-end revenues as determined by comparing the difference between the current and prior fiscal year end audits.

Eligible Retirees Those eligible to receive the retiree medical benefit may elect to purchase coverage under the Township medical insurance policy, if available, that is provided for full-time employees. If so elected, the retiree Eligible Retiree shall reimburse the Township for any costs that exceed the maximum benefit amount. An eligible employee Eligible Retiree may elect to acquire medical coverage

other than that provided by the Township, in which case the Township will reimburse to the ~~retiree~~ Eligible Retiree an amount not to exceed the maximum benefit amount. Provided however, the benefit amount paid to the ~~retiree~~ Eligible Retiree shall not exceed the actual cost of the policy acquired by the retiree. Scio Township reserves the right to modify, from time to time, the retiree medical benefit herein provided, especially if required by State or Federal regulations or Township budgetary constraints.

Further, the Township may appoint a third party to administer this plan on behalf of the Township, or may establish HCSP accounts that Eligible Retirees may use to obtain reimbursement of medical expenses.

Part B. Retiree Health Care Savings Program for Union Employees

Scio Township will make contributions to HCSP accounts for union employees in accordance with the terms of the applicable collective bargaining agreement.

Part C. Health Care Savings Program for Non-Union Employees

[Note: The Board of Trustees intends to amend this part through subsequent resolution tonight.]

CERTIFICATE

I, Jessica M. Flintoft, hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Township Board of Scio Township, County of Washtenaw, State of Michigan, at a Regular Meeting held on March 14, 2023 and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.



Jessica M. Flintoft, Clerk
Scio Township

DATED: March 15, 2023