

A special meeting of the Council for the City of Crystal Falls was held in the Council Chambers of the City Hall on Monday, August 25, 2014 at 10:00 am.

Roll Call: Mayor Hendrickson, Councilors Sherby, Schiavo, and Bicigo.

Absent: Councilor Sommers

Also Present: City Manager Olson, Clerk/Treasurer Peltoma.

Mayor Hendrickson led the reciting of the Pledge of Allegiance.

The purpose of this meeting is to discuss and decide on:

- 1. Employee and retiree health care plans

Councilor Bicigo supported by Councilor Sherby moved to adopt the following resolution:

RESOLUTION TO EXEMPT
 THE CITY OF CRYSTAL FALLS
 FROM THE REQUIREMENTS OF PUBLIC ACT 152
 FOR THE YEAR OF 2015

WHEREAS, Public Act 152 of 2011, recently passed by the Michigan legislature and signed into law by the Governor was designed to lessen the burden of employee health care costs on public employers; and

WHEREAS, communities are given four options for complying with the requirements of Act 152, depending on the impact of the Act on the employees of each community; and

WHEREAS, the four options available to the City are:

- 1) apply the hard cap (capped dollar amount each government employer may pay towards an employee's health care costs;
- 2) adopt by majority vote the 80%-20% cost-sharing model;
- 3) elect not to follow the act;
- 4) Opt out of (exempt itself from) the cost-sharing model as set forth in the act and revisit it prior to the next plan year.

WHEREAS, the City Council has decided to exempt itself from the requirements of the act for the next succeeding year; and

WHEREAS, the City Council recognizes that such exemption requires a 2/3 majority vote of the City Council;

NOW, THEREFORE, BE IT RESOLVED that the City Council for the City of Crystal Falls is declaring to be exempt from the requirements of Public Act 152 of 2011 for the year of 2015.

Ayes: Mayor Hendrickson, Councilors Sherby, Schiavo, and Bicigo

Absent: Councilor Sommers

Motion carried.

Councilor Schiavo supported by Councilor Sherby moved to change the health insurance plan for the eligible over 65 retirees to the group retiree insurance coverage to the option proposed by Professional Benefit Services, a Hartford Medicare supplement plan effective December 1, 2014, that includes Medicare Part A & B Services, \$0 deductible, with Medicare Part D prescription drug \$5/\$40/\$75/\$75, with the City funding this plan down to the levels of the current BCBS plan for eligible retirees.

Ayes: Mayor Hendrickson, Councilors Sherby, Schiavo, and Bicigo

Absent: Councilor Sommers

Motion carried.

Councilor Sherby supported by Councilor Schiavo moved to change the health insurance plan for active employees and retirees under 65 to the Consumers Mutual Insurance option presented by Employee Benefits Agency, Inc. effective December 1, 2014 which is: Basic High Deductible Plan, Bronze, \$6,000/\$12,000, with coinsurance of 30% up to \$350/\$700, In Network True Out of Pocket \$6350/\$12,700, \$55 Office Visit, \$55 Chiro (30), \$80 Specialist, \$80 Urgent Care, \$350 ER, and \$300 imaging, Prescriptions \$15/\$60/\$90 25%, Delta Dental PPO Proposal C - 100/75/50 - \$1,000 Annual Max, EHB, CMI VSP High Option Vision - 12/12/12, \$0, with the City funding this plan down to the levels of the current BCBS plan for eligible employees/retirees.

Ayes: Mayor Hendrickson, Councilors Sherby and Schiavo

Abstained: Councilor Bicigo

Absent: Councilor Sommers

Motion carried.

Councilor Bicigo seconded by Councilor Sherby moved to adjourn this special meeting.

Meeting adjourned at 10:27 a.m.

PRESIDING OFFICER _____

PRESIDING CLERK _____