

RESOLUTION NO. 14 - 21

A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF HENDRICKS COUNTY, INDIANA

RETIREE HEALTH BENEFITS

WHEREAS, IC 5-10-8-2.6 requires an Indiana local unit of government to provide retired employee health care benefits equal in coverage to active employees; and

WHEREAS, the Indiana State Board of Accounts, in accordance with the GASB, requires units of government to annually report any unfunded liabilities and Hendricks County has estimated an unfunded liability of more than \$10,000,000 for retiree health care benefits; and

WHEREAS, the projected unfunded liability is not financially sustainable and Hendricks County needs to change current policy to reduce the future obligations for retiree health care costs and thereby reducing the unfunded liability; and

WHEREAS, IC 5-10-8-2.6 (f) states the local unit of government retiree health insurance, " must be equal in coverage to that offered active employees and must permit the retired employee to participate if the retired employee pays an amount equal to the total of the employer's and the employee's premium for the group health insurance for an active employee.... However, the employer may elect to pay any part of the retired employee's premiums."; and

WHEREAS, Hendricks County has elected to pay a portion of the retirees premium but has now determined that the continued policy of paying a portion of the retiree premium contributes to the unfunded retiree health liability.

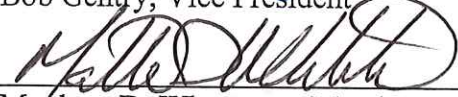
NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Hendricks County, Indiana any employee hired or an elected official who starts their first term on or after January 1, 2015, who subsequently retires from the County with eligible health insurance benefits and wishes to continue the benefit, the employee shall be required to pay both employee and employer premium at retirement and will pay any increases in premiums during the period of time the retiree maintains the health care benefit.


Approved and Adopted this the 8th day of April, 2014.

HENDRICKS COUNTY BOARD OF COMMISSIONERS


Phyllis A. Palmer, President


Bob Gentry, Vice President


Matthew D. Whetstone, Member

ATTEST: 
Cinda Kattau, Auditor