BOARD OF SANITARY COMMISSIONERS MUNCIE SANITARY DISTRICT

RESOLUTION NO. 2016-13

A Resolution providing certain amendments to the Personnel Policies Handbook of the Muncie Sanitary District first adopted on December 10, 2015 concerning Section 4.15.2 - Retiree Insurance.

Whereas, the Board of Sanitary Commissioners (the "Board") wishes to modify Section 4.15.2 – Retiree Insurance procedures that were previously enacted on December 10, 2015.

BE IT THEREFORE RESOLVED, that the Board of Sanitary Commissioners does hereby adopt the following amendments to the Personnel Policies Handbook:

4.15.2 Retiree Insurance

The District provides its group health insurance plan to each retiree of the District who shall have reached fifty-five (55) years of age on or before the employee's retirement date and who will not be eligible on that date for Medicare and who will have completed at least twelve (12) years of service with the District. To participate in the group insurance program, the retiree must pay a monthly amount equal to that of the current "Retiree Under Age 65" premium as determined by MUNCIE SANITARY DISTRICT. This amount will be based on single insurance coverage, employee + 1, or family if the insured chooses to insure his/her spouse and/or family members. The retiree must also file a written request on behalf of himself and any other eligible family members who wish to be insured on the District's group policy within ninety (90) days of the retirement date.

A retired employee's eligibility to continue on the District's group health insurance ends when the employee becomes eligible for Medicare coverage. However, if the retired employee has elected to have the employee's spouse covered under the group health insurance of the District at the time of the employee's retirement, then the spouse shall remain eligible to participate in the District's group insurance plan and must pay the required monthly amount equal to that of the current "Retiree Under Age 65" premium as determined by MUNCIE SANITARY DISTRICT. The spouse shall remain eligible to participate in the District's group insurance plan and the spouse's subsequent eligibility to continue in the group health insurance plan will not be effected by the death of the retired employee. The surviving spouse's eligibility ends the earliest of (i) when the spouse becomes eligible for Medicare coverage or (ii) two years after the date of the retired employee's death or (iii) the date of the spouse's remarriage or (iv) the date the District terminates its group health insurance plan.

Once a retired employee is eligible for Medicare Part B due to reaching retirement age (age 65), that person shall be eligible to participate in the District's Medicare supplement group policy as long as the retiree will have completed at least twelve (12) years of service with the District. To participate, the retiree must pay a monthly amount equal to that of the current "Retiree Over Age 65" premium as determined by MUNCIE SANITARY DISTRICT. Once a spouse of a retired employee is eligible for Medicare Part B

due to reaching retirement age (age 65), the spouse shall be eligible for the District's Medicare supplement group policy. The spouse must pay the entire amount of the Medicare Supplement premium as billed to MUNCIE SANITARY DISTRICT by the Medicare Supplement carrier.

This Resolution shall become effective on and after its passage and shall remain in full force and effect until it is amended or repealed by this Board.

THIS RESOLUTION APPROVED this 21st day of July, 2016 by the Board of Sanitary Commissioners of the Muncie Sanitary District.

MUNCIE SANITARY DISTRICT

BOARD OF SANITARY COMMISSIONERS

William B. Smith, President

Michael R. Cline, P.E., Vice-President

Joseph Evans, Secretary

EFFECTIVE DATE: July 21, 2016