

Packet Addition

**Revisions to the Existing
HRA Resolution
(Amended)**

PENINSULA TOWNSHIP
Resolution No. _____ of 2019

At a regular meeting of the Peninsula Township Board held in the Peninsula Township Hall, located in Peninsula Township, Grand Traverse County, Michigan on _____, 2019

PRESENT: _____

ABSENT: _____

The following resolution was made by _____ and seconded by _____ to wit:

Resolution

NOW, THEREFORE, BE IT RESOLVED that the Peninsula Township Board hereby establishes the following Policy Allowing Eligible Employees and Elected Officials the Ability to Opt Out of Peninsula Township's Health Insurance and with Provisions Allowing for Payment in Lieu of Health Insurance which shall be applicable to all eligible full time employees and elected and appointed officials of Peninsula Township:

PENINSULA TOWNSHIP

POLICY ALLOWING FULL TIME ELIGIBLE EMPLOYEES AND ELECTED AND APPOINTED OFFICIALS THE ABILITY TO OPT OUT OF THE TOWNSHIPS HEALTH INSURANCE AND WITH PROVISIONS ALLOWING FOR PAYMENT IN LIEU OF HEALTH INSURANCE

A. Definitions.

1. "Eligible Employee" means a full time employee who is not eligible for health insurance coverage under the Peninsula Township Health Insurance Plan. Eligible Employee shall also mean eligible employee's spouses and eligible dependents (hereinafter collectively "Eligible Employee").
2. "Eligible Elected Official" means an official elected or appointed to public office who works full-time and is not eligible for health insurance coverage under the Peninsula Township Health Insurance Plan.
3. "Reimbursement" shall mean those eligible employees and/or elected officials (including spouses and eligible dependents) shall be entitled to consideration of reimbursement/cash of out-of-pocket-costs as set forth herein.

4. "Out-of-Pocket-Cost" is the amount the eligible employee and/or elected official must pay from personal funds for third party Health Insurance outside of Peninsula Township's offered plan.
 5. Non-Eligible and Non-Eligible elected officials who are full time employees are those individuals who qualify for participation in the Peninsula Township Health Insurance Plan.
- B. Eligible Employees and Eligible Elected Officials who cannot participate in the Peninsula Township Health Plan shall be paid an additional amount of money in the form of taxable wages resulting from their inability to participate in the Health Plan. The additional amount of taxable wages will be determined individually based on the "out-of-pocket-costs" incurred by the eligible employee or elected official.
 - C. Non-Eligible and Non-Eligible elected officials who decline coverage or participation in the Peninsula Township Health Insurance Plan shall not be entitled to any compensation, wages, or any other form of compensation in lieu of not taking coverage.
 - D. To be eligible for taxable wages resulting from their inability to participate in the Health Plan, the Eligible Employee or Elected Officials must have written proof of other medical insurance, whether it is the employee's or elected official's private insurance through a spouse, Medicare benefits, or otherwise. The written proof must document the "out-of-pocket" cost to the eligible employee or elected official for the medical insurance.
 - E. The written proof can include a letter from the employer who insures the employee or elected official under a separate health insurance plan, an insurance card with a current date showing coverage, together with copy of proof of payment to the insurance company or employer, or in the case of Medicare, a copy of the annual notice from Social Security showing that the employee or elected official is enrolled in Medicare Part B for coverage with a current amount and date showing coverage.
 - F. By example, a letter can be from a spouse's employer stating that the eligible employee or elected official is currently covered under the spouse's health insurance plan, detailing the amount the spouse is required to pay into the plan (the amount "out-of-pocket"). Another example for private insurance coverage would be a copy showing a current health insurance card together with proof of payment for insurance. This information will be kept on file at the Township. NOTE: If the spouse's health insurance does not require payment for the eligible employee or elected officials participation in the plan, then there is no "out-of-pocket" cost.
 - G. In addition, and unrelated to the right of Eligible Employees and Eligible Elected Officials to receive taxable wages resulting from their inability to participate in the Health Plan, if Peninsula Township has a HSA plan in place, the eligible employee and/or Eligible Election Officials shall be reimbursed for an amount equal to what Peninsula Township would have contributed to an HSA had he/she been covered under the Peninsula Township Health Plan.

- H. Upon approval of the Peninsula Township Board, the cash payment in lieu of medical insurance will be scheduled for the next available paycheck date. Thereafter, the calculated payment will be paid each pay period.
- I. If a non-eligible employee or non-eligible elected official desires to accept Peninsula Township Health Insurance at any time, the eligible employee and/or elected official will be subject to the selected plan's normal enrollment and waiting periods.
- J. An Eligible Employee's and /or Eligible Elected Officer's income as defined in paragraph B above is taxable as wages and is subject to FICA, federal and state tax, Medicare and any other like deductions. The amount deducted for taxes shall depend on individual circumstances will be calculated in accordance with the formula contained in Exhibit A.

NOW, THEREFOR, BE IT RESOLVED by the Peninsula Township Board that eligible employees and /or elected officials are hereby able to obtain reimbursement/cash in lieu of medical insurance based upon the Policy stated above.

YES: _____

NO: _____

RESOLUTION DECLARED ADOPTED.

PENINSULA TOWNSHIP

By: _____
 Rob Manigold, Supervisor

I, the undersigned, the Clerk of the Township of Peninsula, Grand Traverse County, Michigan, do hereby certify that the forgoing is a true and complete copy of certain proceedings taken by said municipality at its regular meeting held on April 9, 2019, relative to adoption of the resolution therein set forth; 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 meetings were kept and will be or have been made available as required by said Act.

EXHIBIT A: FORMULA FOR CASH IN LIEU OF MEDICAL INSURANCE "GROSS UP"

TAX RATES: Example Tax Rates for 2019:

Federal Tax *	22.00%
FICA Tax	6.20%
Medicare Tax	1.45%
Michigan Tax	<u>4.25%</u>
TOTAL TAX	33.90%

"GROSS UP" CALCULATION: 1 minus .339 = .661

Additional Taxable wages = $\frac{\text{Amount of Insurance}}{\text{Divided by .661}}$

EXAMPLE: Assume Insurance is: \$100.00

Additional Taxable wages - $100/.661 =$		\$151.29
Less: Federal Tax	22%	(33.29)
Less: FICA Tax	6.2%	(9.38)
Less: Medicare Tax	1.45%	(2.19)
Less: Michigan Tax	4.25%	<u>(6.43)</u>
Net cash for Insurance		\$100.00

* Federal Tax Rate is in accordance with IRS Publication 15, Chapter 7. Supplemental Wages

**Resolution Regarding Best
Practices for Recording Township
Board Meeting Minutes
(Amended)**

PENINSULA TOWNSHIP
Resolution No. _____ of 2019

At a regular meeting of the Peninsula Township Board held in the Peninsula Township Hall, located in Peninsula Township, Grand Traverse County, Michigan on _____, 2019

PRESENT: _____

ABSENT: _____

The following resolution was made by _____ and seconded by _____ to wit:

Resolution

NOW, THEREFORE, BE IT RESOLVED that the Peninsula Township Board hereby establishes Best Practices as it relates to the recording of Peninsula Township Board minutes.

PENINSULA TOWNSHIP

POLICY ADOPTING BEST PRACTICES FOR RECORDING PENINSULA TOWNSHIP BOARD MEETING MINUTES MINUTES.

In conformity with Best Practices as provided by MTA, numerous published articles, review of the Michigan Open Meetings Act, and presentation by Board attorney Gregory M. Meihn, Peninsula Township seeks to adopt the following Best Practices:

1. That Peninsula Township shall fully comply with the Open Meetings Act, MCL 15.261 et. seq.
2. That Peninsula Township shall fully comply with MCL 15.267 and MCL 15.268.
3. Subject to and in compliance with MCL 25,261 et. seq., minute-takers need only to describe the final action that board or committee members take. Exception to providing only the final action is when there is a conflict of interest. In this situation, the minutes must detail the Board complied with its conflict of interest policy. Also, in the event that a director dissents from a vote, the minutes must show the dissent.
4. Recording of any nature which includes, but is not limited to, digital recordings, CDs, flash drives, hard drive, jump drives, audio recordings, of the meetings shall be destroyed once the Board has approved the minutes in accordance with this Resolution. However, if there is a litigation concerning the minutes, all recordings must be preserved that have not already been destroyed pursuant to this policy and "Best Practices.

5. If a FOIA request is received regarding recordings of any kind which includes, but is not limited to, digital recordings, CDs, flash drives, hard drive, jump drives, audio recordings and/or video recordings, such recordings that have not already been destroyed must be preserved pursuant to this policy and "Best Practices."
6. Recordings of any kind which includes, but is not limited to, digital recordings, CDs, flash drives, hard drive, jump drives, audio recordings and/or video recordings and video streaming shall remain on the website for Peninsula Township for a period of 30 days after the meeting, or 30 days after the minutes are approved, whichever is shorter. However, at no time shall any deletion to the website occur until after the minutes have been approved. At the expiration of 30 days, the recordings shall be destroyed subject to Section 4 and 5 above.
7. This Resolution ONLY applies to the Township Board meetings.

NOW, THEREFOR, BE IT RESOLVED by the Peninsula Township Board that it ADOPTS BEST PRACTICES FOR RECORDING PENINSULA TOWNSHIP BOARD MINUTES.

YES: _____

NO: _____

RESOLUTION DECLARED ADOPTED.

PENINSULA TOWNSHIP

By: _____
Rob Manigold, Supervisor

I, the undersigned, the Clerk of the Township of Peninsula, Grand Traverse County, Michigan, do hereby certify that the forgoing is a true and complete copy of certain proceedings taken by said municipality at its regular meeting held on May 14, 2019, relative to adoption of the resolution therein set forth; 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 meetings were kept and will be or have been made available as required by said Act.