

RESOLUTION 2002-4
OF THE CLINTON COUNTY BOARD OF COMMISSIONERS
ESTABLISHING A POST RETIREMENT HEALTH CARE FUND

WHEREAS, PA 149 of 1999, MCL 38.1211-38.1216, provides for the creation of a public employees health care fund to assist with prefunding retiree health care benefits; and

WHEREAS, the Act also provides for the administration of the fund, authorization of investment of the assets and prescribes the power and duties of certain public officers; and

WHEREAS, Clinton County estimates that the net present value of the County's unfounded post retirement health care liability as of 2001 ranges from a low of \$3,487,965 to a high of \$11,550,625 depending upon the health care inflation rate and earnings over the next several years; and

WHEREAS, the Clinton County Board of Commissioners believes that it is prudent public policy to plan and finance retiree health benefits when earned so that there are sufficient resources to pay those health care benefits when employees retire; and

WHEREAS, failure to set aside adequate funds when the employee earns the retiree health benefit places an undue financial burden on future years' budgets.

NOW, THEREFORE, BE IT RESOLVED that the Clinton County Board of Commissioners hereby establishes a Post Retirement Health Care Plan and Trust Fund effective May 1, 2002 in accordance with PA 149 of 1999, as amended, for the specific purpose of accumulating funds to fully provide for the funding of health care benefits for Clinton County retirees and beneficiaries based on eligibility criteria established by the Board from time to time; and

BE IT FURTHER RESOLVED, the County Administrator shall act as the investment fiduciary for the Post Retirement Health Care Plan and Trust Fund; and BE IT FURTHER RESOLVED, that John W. Arehart, Sara Clark Pierson, and Craig Longnecker, are appointed Co-Trustees of the Post Retirement Health Care Trust Fund effective January 1, 2002; and

BE IT FURTHER RESOLVED, withdrawals from this Post Retirement Health Care Trust Fund may be made solely for (1) the payment of health care premiums payable on behalf of qualified persons who shall be the Plan participants and beneficiaries (designated by the Plan) and (2) the payment of expenses of administration of the Post Retirement Health Care Trust Fund; and

BE IT FURTHER RESOLVED, the County Administrator is charged with the responsibility for authorizing payment of health care premiums from the Post Retirement Health Care Trust Fund in accordance with budgets duly adopted by the Clinton County Board of Commissioners; and 2

BE IT FURTHER RESOLVED, it is the intent of the Clinton County Board of Commissioners that the Post Retirement Health Care Plan and Trust Fund shall be established on a sound actuarial and accounting basis; and

BE IT FURTHER RESOLVED, that the investment fiduciary shall invest the assets of the Post Retirement Health Care Trust Fund in accordance with an investment policy adopted by Clinton County Board of Commissioners, which shall comply with Section 13 of the Public Employees Retirement System Investment Act, PA 314 of 1965, as amended, MCL 38.1133 and subject to the limitations governing the investment of assets in PA 314 of 1965, as amended, MCL 38.1132 to 38.1140; and

BE IT FURTHER RESOLVED, the investment fiduciary shall have an actuarial review of the Post Retirement Health Care Fund prepared at least every five years with assets valued on a market related basis; and

BE IT FURTHER RESOLVED, the investment fiduciary shall prepare and issue a summary annual report for the Post Retirement Health Care Trust Fund to the Board, and

BE IT FURTHER RESOLVED, that the Clinton County Board of Commissioners hereby authorizes the Chairperson and other County officials to sign the Clinton County Post Retirement Health Care Plan and Trust Agreement (and any related documents) and make necessary accounting entries to fully effectuate this resolution.

STATE OF MICHIGAN)

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COUNTY OF CLINTON)

I, Diane Zuker, Clerk of the County of Clinton, do hereby certify that the Clinton County Board of Commissioners at a meeting held on February 26, 2002, duly adopted the foregoing Resolution and is on file in the records of this office.

Diane Zuker, County Clerk