

STATE OF TEXAS

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COUNTY OF MONTGOMERY

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ORDINANCE NUMBER 2005-364

AN ORDINANCE AUTHORIZING THE OFFERING OF HEALTH BENEFITS COVERAGE TO CITY OF MAGNOLIA RETIREES; REPEALING ALL ORDINANCES IN CONFLICT; PROVIDING AN OPEN MEETINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE OF MAY 1, 2005;

WHEREAS, the City of Magnolia desires to provide health benefits coverage to its retirees;

WHEREAS, TML Intergovernmental Employee Benefits Pool is a health risk pool established pursuant to Texas Local Government Code Chapter 172, Texas Government Code Chapter 791, and the Texas Trust Code to provide health benefits coverage for employees and retirees and dependents of employees and retirees, of Texas political subdivisions under an Interlocal agreement;

WHEREAS, the City of Magnolia is currently offering health benefits coverage through the TML Intergovernmental Employee Benefits Pool pursuant to Interlocal agreement and Chapter 172 of the Texas Local Government Code, both of which would allow the extension of benefits to retirees of the City of Magnolia;

WHEREAS, the City of Magnolia desires to provide health benefits coverage to its retirees through the TML Intergovernmental Employee Benefits Pool and that the cost for such coverage be paid for **by the individual retiree or the City of Magnolia**;

WHEREAS, the City of Magnolia desires to select a plan of benefits for its retirees to be provided by the TML Intergovernmental Employee Benefits Pool; and

WHEREAS, providing retiree coverage under the TML Intergovernmental Employee Benefits Pool Interlocal Agreement is in the best interest of the City of Magnolia, its retirees, and the public generally;

BE IT ORDAINED BY THE CITY OF MAGNOLIA COUNCIL OF THE CITY OF MAGNOLIA THAT:

SECTION 1: The foregoing recitals are incorporated into this Ordinance as findings of fact.

SECTION 2: The City of Magnolia hereby elects to provide health benefits coverage to its retirees through TML Intergovernmental Employee Benefits Pool under the Pool's Interlocal Agreement.

SECTION 3: The City of Magnolia hereby adopts the following definition of "retiree" for purposes of this ordinance: Age 60 with 15 years of service with the City of Magnolia.

SECTION 4: The City of Magnolia hereby adopts the following benefit plans to be provided to its retirees through the TML Intergovernmental Employee Benefits Pool:

- The same medical plan(s) offered to active employees
- Medicare Supplement for over age 65 retirees
- Dental Plan III
- Vision Plan B
- Retiree Life

SECTION 5: The Interlocal Agreement in effect between the City of Magnolia and the TML Intergovernmental Employee Benefits Pool provides that the Board of Trustees may adopt rules and regulations. The rules and regulations of the TML Intergovernmental Employee Benefits Pool allow the participating member entity to provide retiree medical coverage at the same contribution as charged to active employees, to select a contribution level which is 150% of the active employee contribution or to offer over age 65 retirees a Medicare Supplement. The City of Magnolia elects to have the retiree medical contribution for under age 65 retirees be the same as the active employee for as long as the TML Intergovernmental Employee Benefits Pool offers this rate structure for retiree medical coverage. Other coverage's will be as established annually by the TML Intergovernmental Employee Benefits Pool Board of Trustees.

SECTION 6: This ordinance will only apply to individuals retiring after its effective date or to employees, which retired under a previous ordinance. For individuals retiring after the effective date of this ordinance to qualify they must enroll for this coverage within thirty (30) days of their retirement.

SECTION 7: This ordinance may be repealed or modified at any time, but will remain in effect for any employee retiring while it is in effect.

SECTION 8: The City of Magnolia Secretary is hereby ordered to enter a copy of this Ordinance in the City of Magnolia minutes.

SECTION 9: All existing City of Magnolia ordinances in conflict with the provisions of this Ordinance are repealed to the extent of the conflict.

SECTION 10: It is hereby officially found and determined that the meeting at which this Ordinance was considered was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

SECTION 11: This Ordinance shall be effective immediately upon its passage.

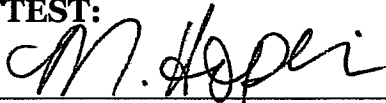
PASSED AND APPROVED this 8th day of March, 2005.

MAYOR



Jimmy Thornton

ATTEST:



**Melonie M. Hopkins,
Acting City Secretary**