

CITY OF TECUMSEH  
CITY COUNCIL STUDY SESSION  
OCTOBER 19, 2009  
TECUMSEH CITY HALL  
COUNCIL CHAMBERS - 7:15 P.M.

Mayor Schmidt called the meeting to order.

Roll call was taken as follows:

Present: Mayor Schmidt, Council members Baker, Housekeeper, Johnson,  
Naugle, VanAlstine and Wright.

Absent: None.

Also Present: City Manager Kevin Welch, Acting City Clerk Mary Feight  
and City Attorney Laura Schaedler.

Discussion Items:

(A) Employee Health Care Plan Changes - City Manager Kevin Welch explained that our Health Insurance deductibles at this time are \$1,250 for a single employee and \$2,500 for dual/family coverage. Changing to this plan saved the City 10% of its health care cost. Increasing our current deductibles to \$2,000 and \$4,000 respectively would save the City another \$25,000. In answer to Council questions, Kevin stated the increase would take effect in January and will cross over two budgets. Half would be taken this year and half next year. The City does not have access to employee accounts and there is no paperwork for the City. In explaining the HSA accounts, the Manager stated the accounts do accumulate interest, are tax exempt, money not used rolls over to the next year and can be used for eligible health care activities. The employees can deposit money into the account but the maximum allowed is \$5300. He also stated he has spoken to both unions and they are in agreement with increasing the deductibles. If Council agrees to change, letters of understanding from both unions will be on the next agenda. Council was in agreement of the increase.

Motion VanAlstine and seconded Naugle, to adjourn the meeting at 7:25 p.m. Motion carried unanimously.

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Harvey E. Schmidt, Mayor

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Mary Feight, Acting City Clerk