



CITY OF PONTIAC
OFFICE OF THE EMERGENCY MANAGER
LOUIS H. SCHIMMEL

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Dated: July 24, 2013

ORDER NO. S-301

RE: Non-Union Retiree Insurance Recipients

TO: Sherikia Hawkins, City Clerk
John Naglick, Finance Director

The Local Financial Stability and Choice Act (Act 436 of 2012/MCL 141.15411, et. seq.) in Section 10 empowers an Emergency Manager to issue orders to the appropriate local elected and appointed officials and employees, agents, and contractors of the local government a Manager considers necessary to accomplish the purposes of the Act and any such orders are binding on the local elected and appointed officials and employees, agents, and contractors of the local government to whom they are issued.

Section 12(1) of the Act provides that “[a]n emergency manager may take 1 or more of the following additional actions with respect to a local government that is in receivership, notwithstanding any charter provision to the contrary: (g) Make, approve or disapprove any appropriation, contract, expenditure...; (ee) Take any other action or exercise any power or authority of any officer, employee, department, board, commission, or other similar entity of the local government, whether elected or appointed, relating to the operation of the local government. The power of the emergency manager shall be superior to and supersede the power of any of the foregoing officers or entities....”

It is hereby ordered:

- I.** Concerning only non-union retirees that are eligible and currently receive the benefits of health insurance, dental insurance, life insurance, disability insurance, optical insurance, and/or hearing insurance and who were not members of any union upon retirement, the following shall apply:

Healthcare

All City of Pontiac funded health and prescription drug insurance for retirees* is eliminated effective September 1, 2013 for fiscal years ending June 30, 2014 and June 30, 2015, or for so long as the City remains in receivership, whichever is longer.

***Unless otherwise noted, retirees shall include both eligible spouses of retirees as well as eligible dependent.**

Dental Care

All City of Pontiac funded dental insurance for all retirees is eliminated effective September 1, 2013 for fiscal years ending June 30, 2014 and June 30, 2015, or for so long as the City remains in receivership, whichever is longer.

Life, Disability, Vision and Hearing

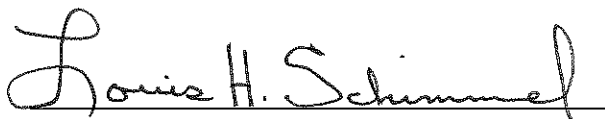
All City of Pontiac funded life, disability, vision and hearing coverage for all retirees is eliminated effective September 1, 2013 for fiscal years ending June 30, 2014 and June 30, 2015, or for so long as the City remains in receivership, whichever is longer.

- II. The Finance Director is directed to take all steps necessary to advise the retirees of this order and the various insurance options that may be available to them at their expense.

The Order shall have immediate effect.

Copies of the documents referenced in this Order are to be maintained in the offices of the City Clerk and may be reviewed and/or copies may be obtained upon submission of a written request consistent with the requirements of the Michigan Freedom of Information Act and subject to any exemptions contained in that state statute and subject to any exemptions allowed under that statute (**Public Act 442 of 1976, MCL 15.231, et. seq.**).

This order is effective as indicated and is necessary to carry out the duties and responsibilities required of the Emergency Manager as set forth in the Local Financial Stability and Choice Act (Act 436 of 2012/MCL 141.15411, et. seq.) and the contract between the Local Emergency Financial Assistance Loan Board and the Emergency Manager.



Louis H. Schimmel
City of Pontiac
Emergency Manager

cc: State of Michigan Department of Treasury
Mayor Leon B. Jukowski
Pontiac City Council